Royal Society of Chemistry's Gender Pay Gap 2018

ROYAL SOCIETY OF **CHEMISTRY** 

#### Introduction from our CEO

I'm pleased to say that, although there is always more to do to achieve equality of opportunity for all of our employees, our gender pay gap report for 2018 shows progress on a number of fronts compared with our 2017 data.

Some positive stories are hidden by our relatively similar top-line gender pay gap numbers, which is affected by many factors. We've seen a reduction in the median pay gap per quartile in the upper, upper middle and lower quartiles, and also a significant decrease in the mean bonus pay gap, as more bonuses were paid to more women than in 2017. And our well-received unconscious bias training programme was rolled out to 150 staff with responsibilities for hiring and performance management.

Alongside these metrics, I and my leadership team colleagues also take seriously the direct feedback we get from staff. In 2019 we were very proud to appear for the first time in the Sunday Times Top 100 Not-For-Profit Organisations To Work For, based on employee engagement survey data from 2018. Our flexible working practices are frequently cited by our staff as one of the clear positives of working at the Royal Society of Chemistry, and I'm pleased to report the proportion of staff taking up these opportunities had increased between 2017 and 2018.

One more story that the bare numbers don't tell is about equal pay for similar jobs. For the 2017 report we reviewed a range of job descriptions and salaries across the organisation, and found that people received equal pay for similar job descriptions. The same exercise for our 2018 snapshot found the same results.

We still have a gender pay gap, and many factors contribute to this, both in our organisation and in society more widely. As before, we will take action that is appropriate to reduce the impact of this within our organisation while remaining inclusive and fair in everything we do.

As chief executive officer, I confirm that this is an accurate report of our gender pay gap – and once again reaffirm our commitment to equality of opportunity at the Royal Society of Chemistry.

Rasen Parker

### Update on actions from our 2017 report

In our 2017 report, we said	Actions taken in 2018	
"[we will] widen our existing unconscious bias training programme to all managers, focusing on the impact of bias on decision-making in recruitment and performance management as well as other organisational behaviours"	We worked with an external consultant to design an unconscious bias awareness training session for our managers. During 2018 we ran 14 sessions attended by 124 managers, including 10 members of our leadership team, and a further 26 non-managers. We provide comprehensive guidance and group training and one-to-one training and coaching to all staff involved in recruitment, including support with recruitment and selection, interviewing and unconscious bias.	<ul> <li>"Interesting to hear other peoples' biases and reactions made me recognise similar behaviours in myself"</li> <li>"I learnt how to effectively be conscious about unconscious bias, how it affects the decision making and how to minimise its impact"</li> </ul>
"we have more women than men in our leadership team, currently made up of six women and five men"	As at 6 April 2018 this statement is still correct.	
"[we will] consider roles where gender balance is particularly distinct and proactively widen the language and channels we use for our recruitment campaigns, in order to attract a wide range of applicants"	We have rebalanced gender coded language in advert text for recruitment campaigns in order to appeal to both men and women.	
<ul> <li>"We are investing time and resources into understanding the wider societal issues which mean that we still have a gender pay gap, including:</li> <li>gender-based assumptions about work roles</li> </ul>	We have continued to champion flexible working across our workforce. There has been an increase in uptake of flexible working options: <b>16.8%</b> of our workforce work part-time, including <b>22.8%</b> of our female employees (up from <b>20.3%</b> in 2017) and <b>5.7%</b> of our male employees (up from <b>3.9%</b> in 2017).	"[I appreciate] the flexibility and willingness of the organization to understand personal situations"
<ul> <li>maternity, paternity and traditional family roles</li> <li>part-time working after returning from parental leave (currently much more likely to be taken up by women)"</li> </ul>		"It's good to have a 35 hour working week. I enjoy the flexibility with working hours and working from home"

## Exploring our **2018 data**

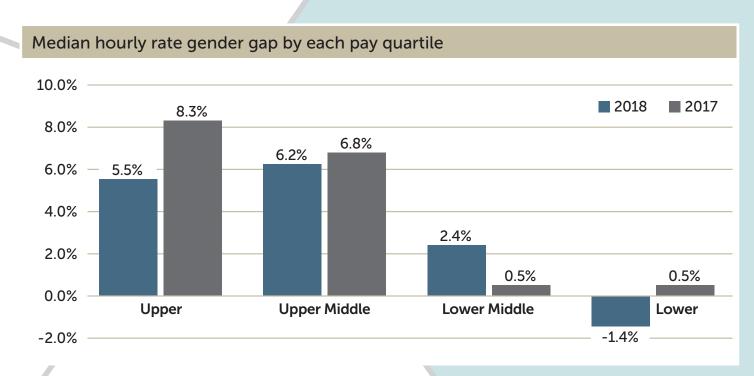
#### Hourly gender pay gap, mean and median

Our gender pay gap snapshot data was collected on **6 April 2018**.

Median and mean gender gap in hourly pay

2018	2017	+/- % points
<b>16.6%</b> Median	<b>15.7%</b> Median	+0.9
<b>16.0%</b> Mean	<b>17.0%</b> Mean	-1.0

Although the median gap is increased by the greater numbers of men in the upper quartile, the change in mean is negated by the larger increase in women in the upper and lower middle quartiles.



The median pay gap for each pay quartile is lower than the overall pay gap, and for all quartiles except the lower middle quartile shows a decrease in gap from 2017.

# Exploring our **2018 data**

Proportion of women and men in each pay quartile

#### Proportion of women and men in our workforce

2018	2017
65%	65%
Female	Female
<b>35%</b>	<b>35%</b>
Male	Male

Although we have a predominately female workforce, there is a greater proportion of men in the upper quartiles compared with a greater proportion of women in the lower pay quartiles.

	Upper	2018	44.3%	55.7%
	ldη	2017	47.8%	52.2%
	Aiddle	2018	68.0%	32.0%
	Upper Middle	2017	66.0%	34.0%
l	Middle	2018	72.1%	27.9%
	Lower Middle	2017	70.8%	29.2%
er	/er	2018	73.8%	26.2%
	Lower	2017	77.0%	23.0%

While men are still underrepresented in the lower quartile, there has been an increase of 3.2% compared to 2017. This is likely due to a higher proportion of new employees being male, and a relatively high proportion of new employees having lower starting salaries.

After assessing our data we have found that at all levels men and women doing similar work continue to receive similar pay.

## Exploring our **2018 data**

Bonus gender pay gap, mean and median, and proportion of women and men receiving a bonus payment

Median and mean gender bonus gaps		
2018	2017	+/- % points
<b>25.8%</b> Median	<b>25.7%</b> Median	+0.1
<b>30.3%</b> Mean	<b>39.5%</b> Mean	-9.2

Proportion of women and men paid a bonus		
2018	2017	
<b>87.9%</b> Female	<b>83.1%</b> Female	
<b>83.2%</b> Male	<b>81.5%</b> Male	

Our bonus pay gap is a function of the uneven representation of women and men in the various pay quartiles and among those who work part-time.

The majority of employee bonuses are calculated as a percentage of actual annual pay. Some employees earn target-driven bonuses, e.g. in sales, and some receive bonuses such as recognition awards and referral payments, which are lump sum payments.

Two specific factors play a significant role in our bonus pay gap:

- The higher proportion of men in the upper pay quartile, compared with the proportion of men in our organisation
- The higher proportion of women in part-time roles, compared with the proportion of women generally – of our female employees, **22.8%** work part-time while only **5.7%** of our male employees do

These two factors have led to our median bonus pay gap remaining similar to the 2017 snapshot. However, an overall increase in the total bonuses paid to women and a decrease in the total bonuses paid to men has led to a significant decrease in our mean bonus pay gap.

# Our plans for **the future**

We remain committed to being a fair and inclusive employer. This means we will continue to invest in policies like flexible working, even if they contribute to our pay gap.

> We will continue to pursue the actions we outlined in our 2017 report, including unconscious bias training, proactively improving the inclusivity of the language and channels we use for recruitment, and monitoring of performance management and promotion processes to ensure they are fair and unbiased.

In addition we will:

- monitor our gender pay gap throughout the year, not just at the point of statutory snapshot. By doing this we can better understand what drives our gender pay gap at any given time and so how it can be reduced.
- remove names from CVs when sifting potential job applicants to decrease the potential for bias on the grounds of the gender, age and ethnicity of job applicants.
- document promotion and secondment guidelines to support managers' decision-making, clearly setting criteria for awarding salary increases outside the annual salary review process.
- introduce new tools to help managers make and monitor pay decisions, and stay informed of our policies and practices.



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