

Royal Society of Chemistry's Gender Pay Gap 2021



Introduction from the Chief Executive



Last year our gender pay gap remained static at 13.4 percent, following a steady decrease from 2017 to 2020.

This headline reflects a complex picture. While our senior management is gender balanced, our staff as a whole is mainly female, meaning men are disproportionately represented in higher paid roles.

We are exploring how we can promote and attract women into more senior positions, as well as how to recruit more men at lower levels of the organisation, where they are underrepresented.

Above all, we want to be a fair and inclusive employer that gives everybody who works for us equal opportunities to succeed. For this reason, we will not take discriminatory action on the gender pay gap.

We are also committed to being a supportive organisation. As such, we will continue to offer policies like flexible working, even if they contribute to our pay gap as women are more likely to work part-time.

The importance of flexibility has been reinforced by the pandemic. Last year we continued to allow employees to adjust their working patterns as needed, as well as empowering teams to determine their own hybrid working arrangements.

We believe this has helped our people look after themselves and their responsibilities outside of work, while fulfilling their roles to the best of their abilities. We are proud of the commitment and resilience they have shown.

Yet we remain keenly aware that the pandemic has deepened existing inequities in our society, with many disadvantaged groups – including women – disproportionately affected by the social and economic impacts.

Progress on such entrenched issues is often frustratingly slow, but it is always possible. We are working to promote inclusion and diversity in the wider chemical science community and within our own organisation.

In the past year we have taken a number of steps as an employer, from rolling out recruitment and interview training to ending our referral bonus scheme and signing up to an Inclusive Culture Pledge.

We know we have more to do and more to learn. We will keep challenging ourselves to improve because action is essential for progress.

Dr Helen Pain CSci CChem FRSC

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Update on actions from our 2020 report

In our 2020 report, we said...

Actions taken in 2021

"[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 continued to promote flexible working, with 17 percent of staff formally contracted to work part-time, i.e. less than 35 hours per week. However, the number of people working flexibly is much greater when informal arrangements are included.

During the pandemic we moved to working from home and extended our flexible working approach. If any employee was unable to work their full contracted hours or perform their role fully, they could reduce their hours and/or tasks without adjustment to their pay.

This was to enable our employees to deal with caring responsibilities (including childcare), exercise, shop at quieter times or take time out during the day to manage their mental health and wellbeing. Any time missed did not need to be logged or made up and pay was not adjusted.

As government restrictions eased, we maintained our flexible approach, but asked individuals to agree a revised working pattern with their manager.

Each team also agreed a hybrid way of working that enables both individuals and teams to fulfil their roles. This may include a combination of home and office based work.

"[We will] explore a number of actions to increase inclusivity and equality, including ending our recruitment referral bonus scheme, modernising the language in our various equality policies, and collecting better diversity data about our employees and candidates. [We will also] harness the enthusiasm and expertise of our existing staff by creating a structure and processes for staff engagement."

The data relating to our recruitment referral bonus showed that this contributed very little to the diversity of our workforce, as employees tended to refer people of a similar background to themselves.

Although the number of referrals was low (three percent of our sources of hire), the scheme risked hampering our efforts to be more inclusive. We therefore ended this scheme in 2021

Last year we also updated several policies including our Equality, Diversity and Inclusion, Capability and Recruitment policies, and made them more accessible to employees through a new intranet.

We have updated the 'Work for us' webpages of the RSC website to demonstrate greater diversity following the recommendations of our internal audit and feedback from candidates. This includes using more diverse imagery and adding our newly developed Equal Opportunities Statement.

We have created 'Recruitment at the RSC' and 'How to interview' e-learning modules as mandatory training for those involved in recruitment, which are designed to enable individuals to follow fair and good practice, comply with legislation and appoint the most suitable candidates.

We have also updated our job profile template to limit hiring managers to listing only five essential criteria, which supports a more objective selection process by being explicit about how candidates will be assessed.

Work has started on a campaign to encourage employees to update diversity data to enable diversity monitoring. Once this is underway, we will aim at doing the same within recruitment by looking at our candidate population.

Our internal inclusion and diversity (I&D) audit highlighted the positive impact of informal Staff Networks. We are investigating whether (and which) formal structures may best support the development of such networks.

"[We will continue] to explore how we can attract more men into our organisation in the lower and lower middle pay quartiles* as well as looking at how we can attract or promote women into the upper middle and upper quartiles."

We know that our gender balance is still not consistent across the pay quartiles, despite our efforts to address this in recent years. While more women than men are employed in junior and middle level roles, there is a more even gender split in the senior roles.

We will continue to look at how to attract more men into our organisation in the lower and lower middle quartiles, as well as how to attract or promote women into the upper middle and upper quartiles (as the current roughly equal split between men and women is not reflective of the gender breakdown of the organisation as a whole).

^{*}The quartiles are determined via a calculation provided by the Equality and Human Rights Commission and are based on hourly rates of pay.

Exploring our 2021 data

Overall hourly gender pay gap, mean and median

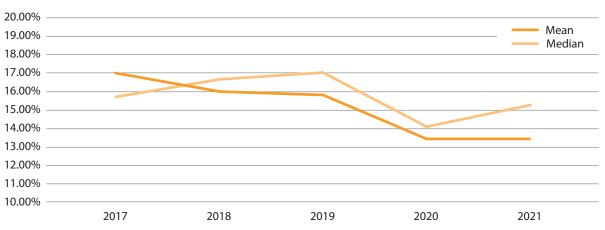
Our gender pay gap snapshot data was collected on **5 April 2021**. Table 1 and Figure 1 show the mean and medium pay gaps for the past five years since we began reporting this data in 2017. In 2021, our mean gender pay gap was 13.4 percent, with men being paid more than women. This was the same as our pay gap the previous year but reflects a 3.6 percentage point decrease from 2017.

Our median hourly gender pay gap increased by 1.1 percentage points from 2020 to 2021, from 14.1 percent to 15.2 percent. As Table 3 overleaf illustrates, this is because the proportion of women in the upper middle quartile declined significantly last year, while the proportion of men in this quartile increased. There was also a reduction in the proportion of men in the lower quartile.

Table 1: Mean and median gender pay gap (percentage by which men are paid more than women) from 2017 to 2021

	2021	2020	2019	2018	2017	+/- % point change 2020–21
Mean gender pay gap in hourly pay	13.4%	13.4%	15.8%	16.0%	17.0%	0
Median gender pay gap in hourly pay	15.2%	14.1%	17.0%	16.6%	15.7%	+1.1

Figure 1: Overall mean and median gender pay gap (percentage by which men are paid more than women) from 2017 to 2021



Breakdown of hourly gender pay gap by quartile

Table 2: Overall gender breakdown of employees

% relevant employees	2021	2020	2019	2018	2017
Female	66%	66%	64%	65%	65%
Male	34%	34%	36%	35%	35%

Breakdown of hourly gender pay gap by quartile continued

Table 3: Gender breakdown by pay quartile

% relevant employees in upper quartile	2021	2020	2019	2018	2017
Female	50.0%	49.6%	46.3%	44.3%	47.8%
Male	50.0%	50.4%	53.7%	55.7%	52.2%
% relevant employees in upper middle quartile	2021	2020	2019	2018	2017
Female	63.0%	67.6%	62.4%	68.0%	66.0%
Male	37.0%	32.4%	37.6%	32.0%	34.0%
% relevant employees in lower middle quartile	2021	2020	2019	2018	2017
Female	75.0%	74.3%	72.5%	72.1%	70.8%
Male	25.0%	25.7%	27.5%	27.9%	29.2%
% relevant employees in lower quartile	2021	2020	2019	2018	2017
Female	76.0%	73.3%	75.9%	73.8%	77.0%
Male	23.0%	26.7%	24.1%	26.2%	23.0%

As Table 2 on the previous page illustrates, we have a predominately female workforce, with an overall split of 66 percent women to 34 percent men. However, as Table 3 shows, male employees are more likely to be in the upper middle and upper pay quartiles compared to the lower middle and lower quartiles.

In contrast, a greater proportion of our female employees are in the lower and lower middle pay quartiles, compared to the upper middle and upper quartiles. Three quarters of the lower paid half of the organisation are women.

Table 4: Gender split and pay gap by pay quartile

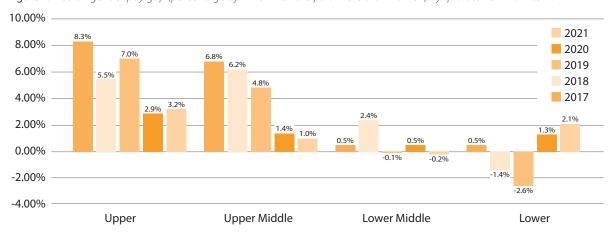
Difference in % women/men compared to overall gender split	Upper	Upper Middle	Lower Middle	Lower
Female	-16.6%	-3.2%	8.9%	10.3%
Male	16.6%	3.2%	-8.9%	-10.3%
Median pay gap per quartile	3.2%	1.0%	-0.2%	2.1%

Together, Tables 3 and 4 show that the main cause of our gender pay gap is the higher proportion of men in the upper quartile and higher proportion of women in the lower quartile, coupled with these being the groups with the largest median pay gap.

The slight increase in our median pay gap last year is not unexpected. As a medium-sized business with a predominantly female workforce, even small changes in our employee profile in each quartile can have a significant impact on our gender pay gap. This shows in the way our median pay gap has fluctuated over the years, despite the steady decrease in our mean gender pay gap over the past five years.

Figure 2 below shows that that our median pay gap has declined in the upper, upper middle and lower middle quartiles compared to 2017 levels, although it has risen slightly in the lower quartile.

Figure 2: Median gender pay gap (percentage by which men are paid more than women) by quartile from 2017 to 2021



We are confident that our gender pay gap is not an issue of unequal pay for similar work. Our data shows that at every level of our organisation men and women doing similar work receive similar pay. The pay for each role is externally benchmarked to ensure fairness and competitiveness within the market and we regularly review both our pay policies and the pay of each employee to ensure we offer equal pay for like work, regardless of gender.

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

Table 5: Mean and median gender bonus gap

	2021	2020	2019	2018	2017	+/- % point change 2020–21
Mean gender bonus gap	5.2%	24.5%	16.1%	30.3%	39.5%	-19.3
Median gender bonus gap	8.3%	10.6%	15.8%	25.8%	25.7%	-2.3

Table 6: Proportion of employees paid a bonus by gender

	2021	2020	2019	2018	2017	+/- % point change 2020–21
Female	97.0%	87.0%	97.0%	87.9%	83.1%	+10
Male	97.0%	92.0%	97.0%	83.2%	81.5%	+5

During the pandemic we adapted to new ways of working in a very challenging environment and an uncertain economic climate. The commitment and resilience of our employees meant we continued to deliver our priorities, support our communities and achieve impact for the chemical sciences.

Responsible financial management enabled us to remain on a sound footing. To ensure we remain sustainable, we made the difficult decision to keep individual salaries for 2021 the same as in 2020.

However, to recognise our employees' efforts during such a difficult year, we gave all employees a one-off non-consolidated pay award of the same value (pro-rated for full time equivalents and length of service). This is the reason for the significant decrease in our mean bonus pay gap last year to 5.2% (down from 25.5% in 2020).

Some employees also earned target-driven bonuses, e.g. in sales, and some received additional lump sum payments such as recognition awards and referral payments.

Our plans for the future

Promoting inclusion and diversity is a priority for the RSC. It goes to the heart of who we are and our role as the professional body for the chemical sciences.

Over the last few years, we have made considerable progress in highlighting barriers to equality in the chemical sciences. We continue to engage closely with our members, schools, universities, chemical science employers and other organisations to catalyse change.

However, action is equally important in our role as an employer. We are committed to being a fair and inclusive organisation that provides equality of opportunities for everybody who works for us.

This means we will not take direct discriminatory action to close the gender pay gap and will continue to invest in policies like flexible working, even if they contribute to our pay gap due to the fact women are more likely to work part-time¹ (and this is reflected in our own workforce).

We are exploring how we can increase inclusivity and equality and create a diverse workforce and leadership, looking at both formal and informal ways to achieve change.

We have signed up to the EW Group's Inclusive Culture Pledge², as part of our commitment to fostering a more inclusive approach to recruitment, training and other aspects of HR.

For 2022 we have pledged: "We will continue to ensure an inclusive workplace where opportunities are open to all, and where everyone can Belong and bring their true self to work."

To support our efforts to improve inclusion and diversity we are running a campaign to encourage our employees to update their diversity data in our HR system so we can start diversity monitoring. Gathering data is equally important in recruitment so we will also develop and start diversity monitoring of our candidate population.

Finally, we will explore how to enhance our I&D training and will investigate further formalising Staff Networks at the RSC.

¹ According to the <u>House of Commons Library Briefing Paper on Women and the Economy</u> published in March 2021, 38 percent of women in employment in the UK work part-time compared to 13 percent of men in employment who do so.

² You can read more about the Inclusive Culture Pledge here: https://theewgroup.com/inclusive-culture-pledge/icp-pledges/. In our role as a scientific publisher, we have also adopted the Coalition for Diversity and Inclusion in Scholarly Communications (C4DISC) Joint Statement of Principles.





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