

HOW TO.....MANAGE GENDER PAY GAPS

Five things you need to know about gender pay gaps

1. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings. For example, 'women earn 15% less than men per hour'.
2. By law, organisations with 250 or more employees are required to report their gender pay gap data to government using the gender pay gap reporting service.
3. They must also publish their gender pay gap data and a written statement on their public-facing website
4. The government will be imposing penalties for organisations that fail to comply with these requirements.
5. Where an organisation has fewer than 250 employees, it can still publish and report voluntarily, although there is no legal requirement to do so.

Statistics

More than 10,000 companies published their gender pay gap in April 2018. Results showed:

- 78% had a pay gap in favour of men
- 14% had a pay gap in favour of women
- 8% have no gap

Main causes of gender pay gaps

Some of the main causes of the gender pay gap are:

- occupational segregation (more men than women working in higher-paid occupations)
- men occupying more senior roles than women
- women taking time out to raise a family
- women taking lower-paid part-time work to accommodate caring responsibilities and the lack of well-paid part-time work
- bias & discrimination

Top tips if gender pay gap reporting applies to you:

- Make sure you can pull together your employees' pay information in a way that helps you calculate your gender pay gaps
- Identify what is causing the gaps between male and female pay (see list above)
- Check for any equal* pay issues (*this is different to gender pay gap and is a legal requirement)
- Seek legal advice when doing your analysis so that you can use 'legal privilege'
- Complete pay audits every two years to monitor and close your gaps

What can you do to close the gap in your organisation?

Having policies that promote fair treatment can go some way to closing the gap.

Examples include:

- ✓ Flexible working
- ✓ Pay and Reward
- ✓ Equality, Discrimination and Inclusion
- ✓ Bullying and Harassment
- ✓ Recruitment

Consider your recruitment, appraisal and promotion processes

- ✓ Make sure they are not biased towards men
- ✓ Use a variety of channels to attract both male and female candidates
- ✓ provide unconscious bias training for those involved in these processes

Be family and carer-friendly

- ✓ Promote a culture where flexible working is encouraged for men *and* women.
- ✓ Consider paying beyond the statutory minimum for this type of leave
- ✓ Encourage male employees to take shared parental leave
- ✓ Manage people returning from maternity leave well

I hope you found this guide useful. Contact me at Karen@KDHRSolutions.com if you would like more information.