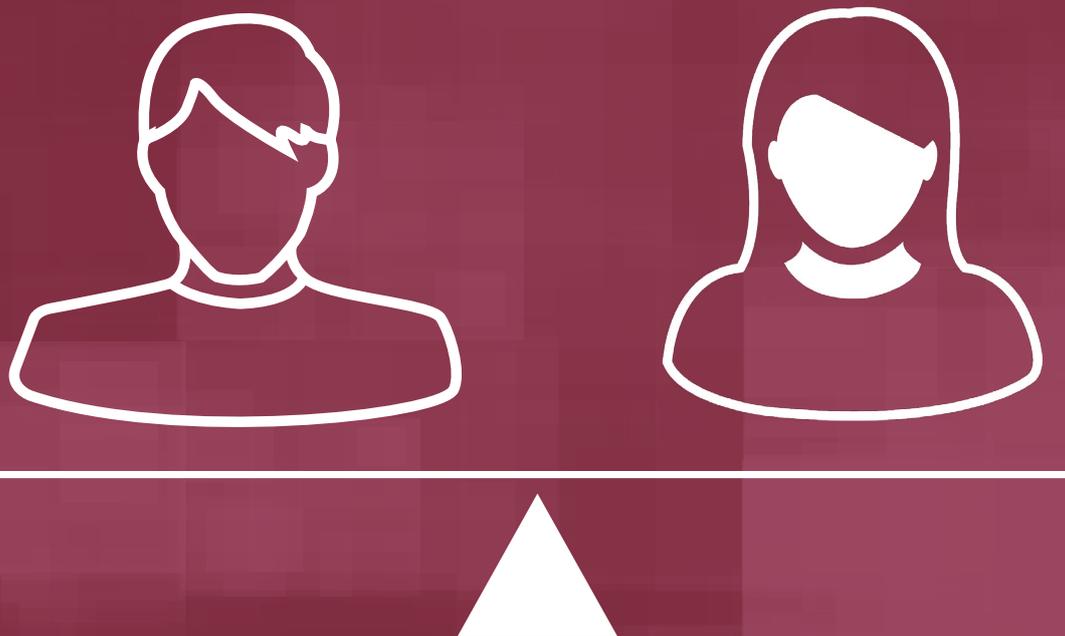


Communicating the Gender Pay Gap







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PRCA
82 Great Suffolk Street
London
SE1 0BE

T 020 7233 6026
F 020 7828 4797
www.prca.org.uk



Foreword



There are many areas in which our industry and profession is powering ahead -every time a new PRCA PR and Communications Census is published, it shows that we are bigger financially, and comprised of even more practitioners than the previous one did.

In the clash of disciplines that we have seen over the past decade, we have proved ourselves to be more agile than our competitors, and so have taken their territory. And we have actively embraced new public expectations of accountability - ours is an overwhelmingly ethical practice, and proud to be so. But in one key area we are going backwards. And that area is the gender pay gap.

The last PRCA Census showed that between 2016 and 2018, the gender pay gap had actually increased. It had grown from 17.8% to 21%. The pay disparity between men and women had risen to over £11,364.

If anyone doubts those numbers, they shouldn't. We use the ONS definition of the gender pay gap -the most valid, comparable, and authoritative method of measuring it. And then we use that definition alongside the numbers in the PRCA Census, themselves derived from ONS data.

And they give us final figures that are shocking. And that are also intolerable.

In research publication after research publication, PRCA professionals tell us that talent is their number one challenge. And that message is relayed to us internationally too. In each annual ICCO World Report, members from each region of the world tell us that talent is their number one issue too.

The gender pay gap is a symptom and a cause of talent being such a pervasive and deep-rooted problem for our industry. Our inability to attract and keep the very best people is holding us back from achieving our potential. So closing the gender pay gap - by improving the way we treat women and by quite frankly increasing the amount we pay them - is not only the morally right thing to do, it is also in all of our best interests.

This publication is an attempt to address this issue in the best way we know how - by transparency. A handful of PRCA members are required by law to make public their gender pay gap. It is only a handful because the Government has set the reporting bar so high that very few UK companies are large enough to meet it.

But our industry's response has been that it actively wants to report on its gap. Just that often it is uncertain how to do so. So this publication is the PRCA's way of helping them to do just that.

We want to achieve two things here. First, to encourage our whole industry to do the right thing, and to publish its numbers. And second, to help employers make those numbers comparable, comprehensive, and meaningful.

We accept that employers may often find it confusing, and indeed sometimes publicly embarrassing to undertake this exercise. They might well not like the numbers they publish. And we are not ones to preach what we do not practice. So on pages 13, 16, and 18 of this report, you'll find the PRCA's own calculations. They don't make comfortable reading for me. And they present me with a challenge of my own. But in promoting transparency to the industry we represent, we embrace it too.

This publication takes away any reason for an employer not to embrace transparency and communicate their numbers. We have deliberately made it available to all of the industry, rather than to just PRCA members, because this issue is one that we all must face together.

If you want to report and communicate your gender pay gap, here's how to do it.

So. What are you waiting for?

Francis Ingham MPRCA
Director General, PRCA
Chief Executive, ICCO



Executive summary

The PRCA has launched Communicating the Gender Pay Gap in response to our commitment to gender equality in the PR and communications industry. This publication is designed to act as a guide for organisations looking to build on the gender pay gap discussion, voluntarily disclose their own figures, and understand areas of expansion and development.

According to the PR and Communications Census 2018, the current gender pay gap in the industry is 21%, which is higher than the UK gender pay gap. The industry's gender pay gap has increased since 2016, from 17.8%. The pay disparity between men and women is £11,364. On average women earn £42,588 and men earn £53,952. These statistics highlight the need for a collaborative, industry-led approach to tackle the problem.

Few organisations in the PR and communications industry are required to disclose their gender pay gap: importantly, this report has two aims. One, to encourage voluntary disclosure. Two, to ensure disclosure goes beyond the minimal expectations laid out in the

gender reporting legislation.

The PRCA uses the ONS definition of the gender pay gap: the difference between the hourly earnings of men and women as a percentage of men's earnings. Comparing hourly pay, the following ONS formula is used throughout this document: $100 - [(median \text{ or mean female hourly pay} / median \text{ or mean male hourly pay}) * 100]$.

The structure of this report develops on the Think, Act, Report framework produced in 2016 by the Government Equalities Office, and the Prince's Responsible Business Network Business in Community Toolkit 1, also produced in 2016. This report also references ONS figures where appropriate and their work on this topic. The PRCA previously produced the Gender Pay Gap Report in September 2016. This was updated in April 2017, to mark the beginning of the reporting period and as part of our involvement with the Government Equalities Office. The PRCA believes that the PR and communications industry should lead when it comes to disclosure, whether or not legislation requires them to do so.

LEGISLATION AND INDUSTRY ACTION



Legislation and Government Equalities Office Q&A

The Equality Act 2010 (Gender Pay Gap information) Regulations 2017 came into effect on 6th April, 2017. Since then, employers have been required to publish their gender pay gap each financial year. The legislation requires employers with 250 or more employees in the private and voluntary sector to publish statutory calculations every year showing the pay gap between their male and female employees. Employees are required to publish information annually if they have 250 employees or more, and these calculations will always be based on the situation at 5th April every year. The results must be published on the employer's own website and the Government's website.

Employees are required to carry out and publish the following calculations: median gender pay gap, mean gender pay gap, median bonus gender pay gap, mean bonus gender pay gap, proportion of males receiving a bonus payment, and proportion of females receiving a bonus payment, and proportion of males and females when divided into four groups ordered from lowest to highest pay.

Alongside these calculations, employers can also provide optional narrative explaining the figures. Employers can explain why results show challenges or successes, and plans for long-term results.

Industry action and the Communications

What is the gender pay gap?

The gender pay gap is an equality measure that shows the difference in average earnings between women and men. At 18.4%, the gender pay gap for all employees is the lowest on record. It is not the same as unequal pay, which is paying men and women differently for the same job. This has been illegal for over 40 years.

What are the causes of the gender pay gap?

The causes of the gender pay gap are complex and overlapping: women are still less likely to progress up the career ladder into high paying senior roles; women who take time out of work earn a lot less when they return than they would otherwise have done, receiving around

Equality Act 2010
(Gender Pay Gap information):

Launched: 6th April, 2017

Target: companies with over 250 employees

Deadline: 5th April every year





2% less for every year they spend out of paid work; a higher proportion of women work in occupations that offer less financial reward (e.g. administration) and many high paying sectors are disproportionately made up of male workers (e.g. information and communications technology); and a much higher proportion of women work part-time, and part-time workers earn less than their full-time counterparts on average.

What are employers required to publish?

Employers have to submit their evidence to genderpaygap.campaign.gov.uk and publish their figures on their website, ensuring it's accessible to the public.

When do employers need to publish by?

Employers in the public sector will need to publish their data by 30th March each year. Employers in the private and voluntary sectors will need to publish by 4th April each year.

Why are there different dates for the public sector and private sector?

Most public bodies run their fiscal years from 1st April to 31st March, so this reporting date will fit with other reporting requirements and deadlines. This was decided following a public consultation held last year on proposals for the public sector.

Why is it not including breakdown by grade?

Many employers do not have standardised grading structures, especially those with complex and changing structures – e.g. from mergers and acquisitions – so publishing gender pay gaps by grade or job type would not be an effective measurement.

How much is this going to cost employers?

The costs will vary among employers, and will include the time learning the legislation's requirements, related staff training costs and time spent annually by HR managers reporting. The Government has published guidance with Acas to help employers fulfil their reporting requirements.

Employers will be required to publish

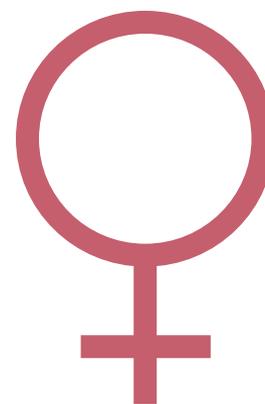
- **Median gender pay gap:** the best representation of the 'typical' pay difference
- **Mean gender pay gap:** this will look at both the low and high earners in an organisation – this is particularly useful as women are often over-represented at the low earning extreme and men are over-represented at the high earning extreme
- **Median bonus gender pay gap:** this shows the typical difference in bonus pay for men and women who receive bonuses
- **Mean bonus gender pay gap:** this shows the overall difference in bonus pay for men and women who receive bonuses, taking into account the largest and smallest bonuses received
- **Proportion of male and proportion of female employees that received a bonus during the year**
- **Salary quartiles:** the proportion of male and female employees in each quartile pay band across an organisation, helping to show employers where women's progress might be stalling so they can take action to support their career development

Once pay gap reporting is under way, what action will be taken against companies who have a high gender pay gap?

Ultimately, it is a legal requirement for all relevant employers to publish their gender pay report. Failure to do this is unlawful. The Equality and Human Rights Commission have the appropriate enforcement powers if any large employers fail to comply with the regulations.

What should organisations do if they are having problems reporting?

What support is being given to employers? There is a dedicated helpline (0370-000-2288) for people who have questions as they are inputting their data. The Government and Acas have produced guidance for employers on how to collect the information they need and how to take action to close their gaps. The Government has committed to a package of support including roadshow events and seminars as well as a host of informative content available online at genderpaygap.campaign.gov.uk



A much higher proportion of women work part-time, and part-time workers earn less than their full-time counterparts on average



Industry action and the Communications Management Standard.

The PRCA Communications Management Standard (CMS) combines elements of 'ISO9001' and 'Investors in People' with criteria specific to a PR and communications workplace.

The gender pay gap features as part of the diversity module and organisations undergoing the audit since April 2017 have been required to show that equality and closing the gender pay gap feature in the overall objectives and key policies of the company alongside work on 'representative measures' (composition and structure of workforce such as gender representation at different roles, pay bands, and annual promotions) and 'pay measures' (directly capturing pay difference between genders and reflective of the wider pay and benefits such as the difference between starting salaries and reward composition at different levels). Following this report, the PRCA will 'name and praise' PR and communications organisations voluntarily disclosing their gender pay gap with a new register and will actively engage with members to encourage them to disclose.

Industry research on gender pay gap legislation.

The joint 2015 research between PRCA, PRWeek, and Women in PR on the gender pay gap legislation consultation prompted our work in the area.

82% agreed that the publication of the gender pay gap information would encourage employers to take actions to help close the pay gap. This indicated a strong support for the industry to take the lead on the issue. 80% thought that comparability of an employer's gender pay gap compared with similar organisations is somewhat or very important.

79% believed that the PR and communications industry should adopt a lower threshold. 52% of those surveyed believed there should be no threshold for reporting – that is, all employers should report their gender pay gap.

21% said that PR and communications employers with more than 50 employees should report their gender pay gap. The gender pay gap was included in the PRCA Consultancy Benchmarking list of business-critical questions for the first time in 2017. 4% of respondents stated

that they would be legally required to report their gender pay gap. Reassuringly, 47% of respondents expected to report their gender pay gap voluntarily.

As recorded in the PRCA PR and Communications Census 2018, the current gender pay gap in the industry is 21%, which is higher than the UK gender pay gap. The industry's gender pay gap has increased since 2016, from 17.8%. The pay disparity between men and women is £11,364. On average women earn £42,588 and men earn £53,952.

4% of PRCA members are legally required to report their gender pay gap

21%

Gender pay gap in the PR and communications industry

2.6%

Higher than the UK gender pay gap

3.2%

Increase since 2016



£42,588

Average annual salary for female professionals



£53,952

Average annual salary for male professionals

POLICIES AND FEEDBACK MEASURES



Provide a description of overall objectives, key policies, and employee engagement.

Simply providing the figures is not enough for either employees or external parties.

First, in disclosing their gender pay gap, PR and communications organisations should consider why exactly they are doing it and in what contexts these figures exist. Various cases (moral, business, and legal) can be made in favour of closing the gender pay gap but for the activity to be successful practitioners should identify the precise reasons they are doing so. These can range from employee recruitment and retention through to ensuring senior level employees are properly remunerated and reflect the gender diversity of their organisation.

In terms of the framework that exists, practitioners should consider things as wide-ranging as their maternity leave policy through to their availability expectations of staff out-of-hours.

The earliest part of the gender pay gap exercise is effectively a listening process and internal communications: employees' perception of how the gender pay gap impacts them, their workplace, and their wider industry is key.

Secondly, gender equality and pay policies should be reviewed. For example, an equality impact assessment revolves around five questions:

- What is the purpose of this policy?
- How is it seeking to achieve this?
- Who benefits and how?
- Who, therefore, does not benefit and why?
- What are any 'associate aims' attached to the policy?

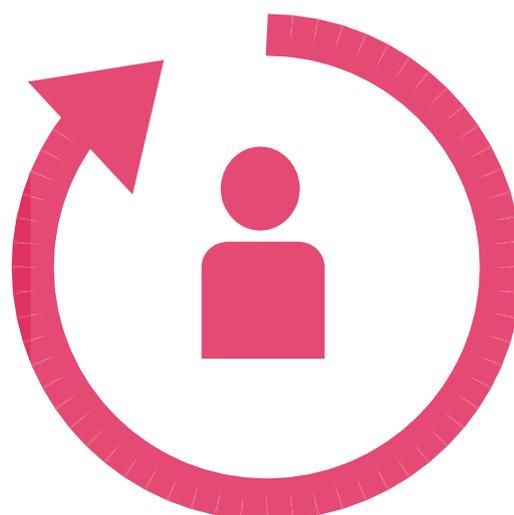
An equality impact assessment can be used to identify genuinely significant differences between groups. In many cases, further investigation is needed: the point is to ask why these differences exist and whether the reasons are legitimate and legal.

Thirdly, there has to be a clear aspect of employee engagement to this exercise. In any functioning organisation, there are already multiple pathways for this sort of feedback to be taken on board and engagement with the issue should be actively encouraged. Employees are your most important group: everything from talking points and FAQs can enhance that relationship and openness.

Policy And Narrative Measures Best Practice Checklist:

- Know and articulate the overall objective of the gender pay gap disclosure work.
- Identify and share (with examples) the clear drivers behind this.
- Recognise, collate, and share the policies that relate to gender, equality, working practices, and pay.
- Produce equality impact assessments for a cross-sample of those policies and ensure that employees know the findings.
- Review the current ways in which employees can provide feedback and to ensure that all routes possible are being used to address the issue.
- Engage with employees through, for example, talking points, FAQs, open meetings, anonymous surveys, and exit interviews.

Reasons for disclosing the gender pay gap range from employee recruitment and retention through to ensuring senior level employees are properly remunerated and reflect the gender diversity of their organisation



REPRESENTATIVE MEASURES



Offer a clear consideration of representation at different levels by role.

With the narrative, policies, and feedback measures established, the basic representation work should build on that work.

This starts with job levels, which can be divided in a number of different ways (this requires a clear judgement call). For example, consultancies might consider Directors or Partners as their most senior level, Associate Directors down to Senior Account Managers as a second level, and everyone Account Manager and below as the junior level. For in-house professionals, the divide might be less obvious and there will be far larger pay differences – and role distinctions – between executives and managers than we see in consultancies.

As the output from the Government Equalities Office makes clear, many employers do not have standardised grading structures. Importantly, however, it can be a starting point for work on the gender pay gap when considered alongside other measures. Comparing quartile one with the most senior people (in terms of job titles) at an organisation may alert you to the fact that some of those individuals actually sit in another quartile for pay (even when equalised as per hour). Similarly, the exercise offers the opportunity for senior management to reconsider the salary bands they may have in place and any perverse overlap, such as a situation where an Account Executive at the top of their pay band earns the same as a new-starter Account Manager.

Measure representation at different bands and the composition of your workforce as a whole.

Without taking experience, years of service, or actual job role into account, salary bands provide a limited breakdown of salaries at an organisation and will often show a normal distribution (or 'bell') curve. As a step in the gender pay gap disclosure process, they offer an important opportunity to review gender representation – particularly at the highest and lowest bands – before considering the contexts of that representation. To provide a worked example of representation at different bands (some organisations may decide on more specific pay bands), employees at the PRCA currently fall under the current pay bands below.

Moving forward to consider the composition of the workforce as a whole, this will vary significantly depending on the organisation, but the Census shows that 86,000 people work in PR and communications – 66% are women and 34% are men – and comparing an organisation's composition to the industry breakdown provides a prima facie comparison. To provide a worked example, the PRCA employs 28 people: 19 women and nine men. Women are, in fact, marginally more represented at the industry body than in the industry as a whole: 68% of employees are women and 32% are men.

Promotion rank by gender should feature. These figures ought to be considered alongside a range of factors: flexible working, maternity and paternity

leave, and pay bands.

In practice, this might take the form of compressed hours, flexible working, or reduced hours. Flexible working does not have to be an immutable, contractual agreement: many forms of ad-hoc flexible working are offered on a case-by-case basis, such as proportionate time off in-lieu (TOIL), or sit outside of contractual terms, such as working from home at least one day a week. By recording the uptake of flexible working across organisations we can begin to build a contextual understanding of both how and why a gender pay gap might exist.

Continuing this level of intersectional analysis, while recognising that each organisation will have different options for new parents, the gender pay gap disclosure exercise offers the opportunity to consider (and factor in) maternity and paternity leave. The PRCA Consultancy Benchmarking 2017 recorded that 3% of career moves were down to staff members not returning from maternity and paternity leave and what should interest us here is the relationship between the gender pay gap and those who took maternity and paternity leave and have childcare responsibilities.

The gender pay gap discussion is complex and multifaceted; accurately considering pay bands, promotion rank by gender, flexible working, and maternity and paternity leave provides the context necessary to understand the empirical figures.

Band	Men	Women
More than £75,000	2%	0%
Between £50,000 - £74,999	1%	3%
Between £25,000 - £49,999	6%	12%
Between £15,000 - £24,999	0%	4%



Understand gender representation across different occupational groups and representation by business region or unit.

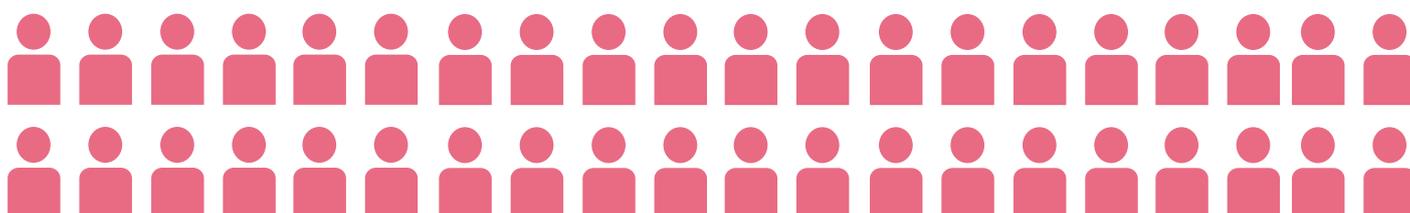
Regardless of the size of an organisation or particular area of PR and communications, a practitioner is working in, every single employee belongs to an occupational group. Consulting the ONS Standard Occupational Classification (SOC) Hierarchy, all organisations in our industry will contain staff from Major Group 1 (Managers, Directors, and Senior Officials) and from Major Group 2 (Professional Occupations) sub-group 2472 (Public Relations Professionals).

Considering employees as members of specific ONS SOC groups is not an academic exercise or abstract approach to the gender pay gap: as has already been established, understanding and expressing gender pay gaps demands nuance. For example, if an organisation has a significant gender pay gap, that gap might be more or less pronounced when you produce that figure for just sub-group 2472 (Public Relations Professionals).

While every single employer can divide their employees into ONS SOC groups, the size of the organisation has a dramatic impact on what can be viably done with these divisions. Organisations pursuing detailed analysis should look at providing median and mean gender pay gap figures for ONS SOC Groups large enough.

Developing on the headline gender pay gap figures – which should, realistically, constitute the minimum – ONS SOC groups are just one lens an organisation can use to explore their data; another is by business region or unit. Those with more than one office should consider looking at their gender pay gap for each office or region: again, taking these sorts of granular steps can provide nuanced figures. There is the potential that different offices, structures, and management can lead to a gender pay gap or differences between the gender pay gap in one office and another office.

Members with more than one office should consider looking at their gender pay gap for each office or region



PAY AND BENEFITS



Record the difference between starting salaries.

While it is often overlooked, the starting salaries at an organisation can often negate various measures meant to drive equality in the workplace and close gender pay gaps. A lower starting salary at the beginning of someone's working life or time with their employer can be seriously problematic. Research from Carnegie Mellon University and Harvard Kennedy School found that 'when women do ask for higher compensation they make smaller requests than equally qualified men. Women tend to think that asking for what they perceive as a "realistic" target is a good idea'. In terms of employer action, some will take the initiative and opt for increased transparency around these starting salaries and the process which determines them whereas others will move towards benchmarked figures with far narrower ranges.

Disclose the headline median and mean gender pay gap figures.

Discussion around the gender pay gap is dominated by the focus on the headline median and mean figures. The former is the best representation of the 'typical' pay difference, the latter works to usefully show male or female saturation of low or high earning extremes, and both are fundamental to reporting. They are necessary; they are not, however, the only useful figures.

The following formula can be used to calculate the median single figure pay gap:

- Median single figure pay gap (%): $100 - [(median\ hourly\ female\ pay / median\ hourly\ male\ pay) * 100]$.
- The hourly pay is calculated by dividing the yearly contracted salary by 52 to get the weekly pay, then dividing the weekly pay by the number of contracted weekly hours.
- The median hourly pay is calculated by arranging all the hourly rates of pay in numerical order, the central number is the median.

The following figure can be used to calculate the mean single figure pay gap:

- Mean single figure pay gap (%): $100 - [(mean\ hourly\ female\ pay / mean\ hourly\ male\ pay) * 100]$.
- The hourly pay is calculated by dividing the yearly contracted salary by 52 to get the weekly pay, then dividing the weekly pay by the number of contracted weekly hours.
- The mean hourly pay is calculated simply by adding all hourly pay figures together and then dividing by the number of employees.

To provide a worked example and to disclose our own median single figure pay gap:

- Male median hourly figure at PRCA: £17.79
- Female median hourly figure at PRCA: £15.63
- Overall median gender pay gap at PRCA: $100 - [(15.63 / 17.79) * 100] = 12.14\%$

To provide a worked example and to disclose our own mean single figure pay gap:

- Male mean hourly figure at PRCA: £27.98
- Female mean hourly figure at PRCA: £16.87
- Overall mean gender pay gap at PRCA: $100 - [(16.87 / 27.98) * 100] = 39.71\%$

Again, the onus – when it comes to communicating the gender pay gap – is on organisations to develop on these figures. Areas of expansion include: details of the median and mean gender pay gap over time; the proper consideration and inclusion of partners (if applicable); modelling the gender pay gap alongside current targets and initiatives and clear ownership of the issue. That ownership should include meaningful qualitative comments, in clear language, explaining what tangible actions will be taking and what serious ongoing evaluation and monitoring exercises will happen.

PRCA Gender Pay Gap

Median gender pay gap

12.14%

Mean gender pay gap

39.71%





Disclose the full-time gender pay gap and the part-time gender pay gap.

Organisations with a significant number of employees should also look to disclose their gender pay gap for just full-time employees and just part-time employees. This can be done by using a tweaked version of the standard formulas:

- Full-time median gender pay gap: $100 - \left[\frac{\text{median hourly female pay for full-time employees}}{\text{median hourly male pay for full-time employees}} \times 100 \right]$
- Full-time mean gender pay gap: $100 - \left[\frac{\text{mean hourly female pay for full-time employees}}{\text{mean hourly male pay for full-time employees}} \times 100 \right]$
- Part-time median gender pay gap: $100 - \left[\frac{\text{median hourly female pay for part-time employees}}{\text{median hourly male pay for part-time employees}} \times 100 \right]$
- Part-time mean gender pay gap: $100 - \left[\frac{\text{mean hourly female pay for part-time employees}}{\text{mean hourly male pay for part-time employees}} \times 100 \right]$

Consider the pay gap breakdown by job level or grade.

Breaking pay gaps down by job levels or grades has a distinctive downside: as the Government Equalities Office notes, many employers do not have standardised grading structures, especially those with complex and changing structures – e.g. from mergers and acquisitions – so publishing gender pay gaps by grade or job type risks not being an effective measurement. When you consider this at an industry level, however, you drastically reduce the risk. In the PR and communications industry, job levels or grades for consultants are near-standardised (so much so that the PRCA Consultancy Benchmarking research allows us to provide aggregate figures for an Account Executive's hourly rate, for instance) and likewise in-house practitioners.

For consultancies large enough to do this sort of work, the suggested breakdown from the latest PR and Communications Census is:

- Chairman/Chief Executive/Managing Director
- Board Director/Partner
- Associate Director/Divisional Director
- Account Director
- Account Manager
- Account Executive
- Trainee Account Executive
- Support/Admin
- Intern
- Apprentice

For in-house teams large enough to do this sort of work, the suggested breakdown from the latest PR and Communications Census is:

- Director
- Head of Unit
- Senior Manager
- Junior Manager
- Senior Executive
- Junior Executive
- Support/Admin
- Intern
- Apprentice

Taking this approach broadens the scope of the work above and beyond the calculations in the gender pay gap legislation. The more data that can be discerned and published, the more data an organisation has to hand when it comes to identifying the causes of gender pay gaps and what action must be taken to close gender pay gaps.





Show and contextualise the representation of men and women at different pay quartiles.

Quartiles can be useful for smaller employers or those who lack pay codification.

The main benefit of quartiles is that the disclosure of representation at different pay bands effectively ignores any contexts. While the legislation only requires the disclosure of the gender split of each quartile, organisations investing in transparency have a clear opportunity to expand on this, to contextualise their figures, and even to provide individualised pay gaps for each band.

To provide a worked example (one that meets the statutory minimum of a gender breakdown and expands on that by offering a median and mean gender pay gap for each) and to disclose the data around our own pay quartiles:

- **Gender breakdown in quartile one (top quartile - highest paid):** 57% women and 43% men
- **Median gender pay gap in quartile one (top quartile - highest paid):** 42.3%
- **Mean gender pay gap in quartile one (top quartile - highest paid):** 51.46%
- **Gender breakdown in quartile two (upper middle quartile):** 43% women and 57% men
- **Median gender pay gap in quartile two (upper middle quartile):** -10.58%
- **Mean gender pay gap in quartile two (upper middle quartile):** -12.61%
- **Gender breakdown in quartile three (lower middle quartile):** 100% women
- **Median gender pay gap in quartile three (lower middle quartile):** N/A
- **Mean gender pay gap in quartile three (lower middle quartile):** N/A
- **Gender breakdown in quartile four (lower quartile – lowest paid):** 71% women and 29% men
- **Median gender pay gap in quartile four (lower quartile – lowest paid):** 11.59%
- **Mean gender pay gap in quartile four (lower quartile – lowest paid):** 9.59%

Additional details can be provided that answer the sorts of questions both internal audiences and external audiences will have about this data: have these quartiles been recorded in the past and is there any change? Are there further details of how these quartiles map onto the organisation's internal structures, teams, and job titles? What percentage of each quartile are full-time versus part-time? What percentage of each quartile are employees who have returned from maternity and paternity leave? What information have you recorded about employees moving up, or down, a quartile? What percentage of each quartile receive a bonus? How much is that bonus in both median and mean terms? Best practice demands that an organisation is prepared to engage with these sorts of questions and make clear what, exactly, it will do with the data produced.

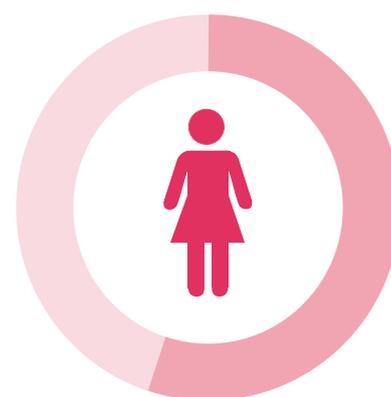
Disclose the proportion of men and women who receive a bonus, the median and mean difference in bonuses between genders, and offer more granular information and analysis.

The gender pay gap reporting legislation rightly recognises that the discussion and transparency cannot be neatly confined to – or captured by – salaries alone.

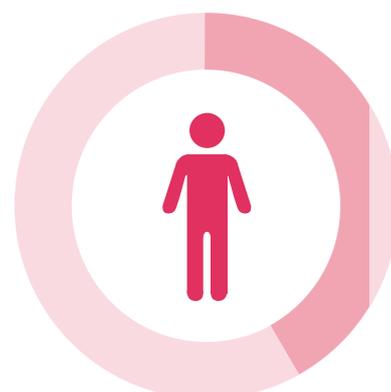
While there is merit and value in disclosing the three bonus areas covered by the legislation, once again, best practice demands that more be done around bonuses. Their exclusion from any work around an organisation's gender pay gap can skew the situation significantly and mask a pay gap which may have manifested itself as equal salaries but unequal bonuses. They are a justified part of the flexible labour market that exists in industries like PR and communications and a key part of remuneration for many senior figures.

With that in mind, some serious thought has to be given to how bonuses should be disclosed to the internal audience and external audiences. Whether the end-user is a member of staff at the organisation, a practitioner considering applying for the organisation, a client, or a member of the public taking an interest, giving more details on bonuses can help an organisation communicate its disclosure more effectively. Some areas of expansion include:

PRCA gender breakdown in quartile one (top quartile - highest paid)



57%

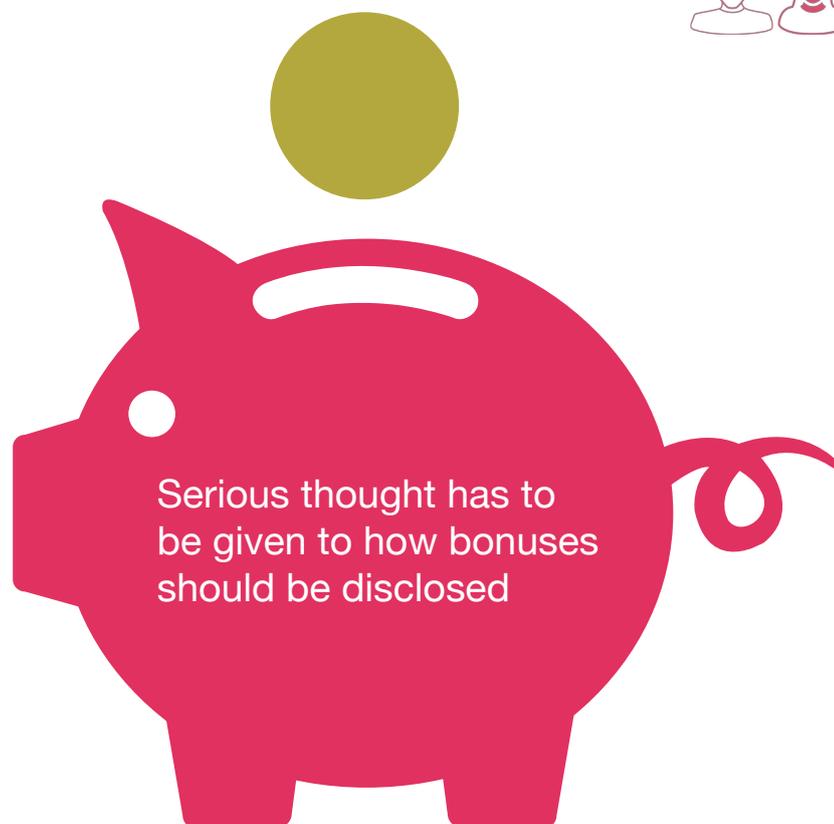


43%



- Overall median and mean gender pay gaps by combining both salaries and bonuses to create a total remuneration figure alongside the gender breakdown of redrawn quartiles for total remuneration.
- Median and mean bonus gender pay gaps with pro-rata bonuses for part-time staff.
- Gender breakdown and median and mean gender pay gaps relating to bonuses for each quartile.
- Median and mean bonus gender pay gaps across different ONS groups, business regions, or units.

Questions will arise and may centre specifically on the transparency, accessibility, and fairness of bonuses in an organisation. Bonuses are an important part of the flexible labour market and variation in bonuses is to be entirely expected at any organisation, even if just because they are awarded as a percentage of salary, for instance. Again, the key here is to present a detailed and nuanced picture, one which reasonably takes ownership of the bonus situation at an organisation.



Giving more details on bonuses can help an organisation communicate its disclosure more effectively

Pay and Benefits Section Best Practice Checklist:

- Record the starting salaries and provide a gender pay gap figure if applicable.
- Provide proper contexts and details around reward components; produce pro-rata figures for part-time employees and an effective comparison with full-time employees.
- Disclose the overall, full-time, and part-time median and mean gender pay gaps.
- Show a gender pay gap breakdown by job level or grade.
- Disclose the gender breakdown and median and mean gender pay gaps for each quartile.
- Provide the gender breakdown and median and mean gender pay gaps for bonuses.
- Offer a fuller picture of the bonus situation at the organisation by, for example, looking at the median and mean bonus gender pay gaps for each ONS group, or by redrawing quartiles which take into account the total remuneration of employees.

