



INSTITUTE OF DIRECTORS
IN IRELAND

McCANN FITZGERALD

Gender Pay Gap Reporting: Getting It Right



@IoDIreland

@McCannFitz

#IoDevents

Gender Pay Gap Reporting – Getting it Right

22 October 2019



Mary Brassil
Partner



What is the Gender Pay Gap?

- **Gender Pay Gap** - difference in average gross hourly pay of women compared to men, such that it captures whether women are represented evenly across an organisation
- **Equal Pay** – women and men should receive equal pay for equal work



V



What is Ireland's Gender Pay Gap?

The Gender Pay Gap in Ireland is:



13.9%

What causes the Gender Pay Gap?



- Occupational segregation



- Underrepresentation of women in senior management roles



- More women working part-time



- More women working in lower paid jobs



- More women taking on caring responsibilities



- Discrimination and bias

Why close the Gap?



Gender Pay Gap Reporting Legislation - Background

- 2016 Government's Programme for Partnership
- 2017 National Strategy for Women and Girls
- 2017 Public consultation 'Measures to Tackle the GPG'
- 2017 Private Members Bill - the Irish Human Rights and Equality Commission (Gender Pay Gap Information) Bill
- 2018 General Scheme for Government Bill - the Gender Pay Gap Information Bill
- 2019 Government's Gender Pay Gap Information Bill published



Gender Pay Gap Information Bill

- The Bill proposes to amend the Employment Equality Act 1998 to allow the Minister of Justice and Equality to make Regulations requiring private and public sector employers (subject to employment thresholds) to report and publish information relating to their gender pay gap and, where there is a gap, to explain why there is a gap and what measures are being taken to reduce it.



Gender Pay Gap Information Bill

- **Will all employers in Ireland be affected?**
 - Initially only apply to employers with 250 + employees
 - Apply to employers with 150 + employees on or after the second anniversary of the regulations
 - Apply to employers with 50 + employees on or after third anniversary of the regulations
 - No requirement on employers with less than 50 employees to report



Gender Pay Gap Information Bill cont.

- **What information needs to be reported?**

Differences between pay of male and female employees in terms of:

- mean and median hourly pay
- mean and median bonus pay
- mean and median pay of part-time employees

Employers will also be required to publish the proportion of male and female employees:

- receiving bonuses
- receiving benefits in kind



Gender Pay Gap Information Bill cont.

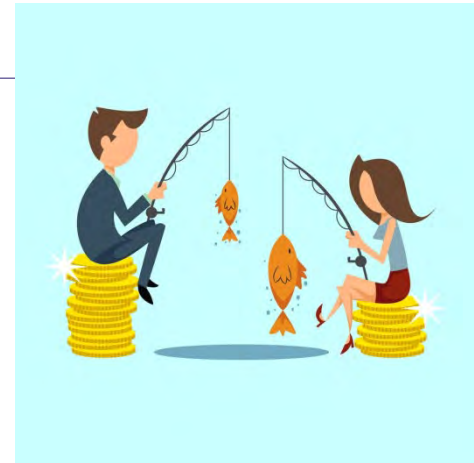
- **What information needs to be reported?**

Employer may be required to report

- mean and median hourly pay of employees on temporary contracts
- the proportion of male and female employees in the four pay quartiles or differences in pay by reference to job classifications

- **Will the data be published and, if so, where?**

The Regulations will set out the form, manner and frequency of gender pay gap reporting (which shall not be more frequent than once a year)



Gender Pay Gap Information Bill cont.



- **Narrative**

The Bill requires the publication by the employer of a statement or narrative (concurrently with the publication of its gender pay gap data) setting out in the employers' opinion, the reasons for its gender pay gap and the measures (if any) being taken by the employer to reduce or eliminate that gap.

- **How will the reporting obligations be enforced?**

- Designated officers of the WRC – investigation powers
- Irish Human Rights and Equality Commission will be permitted to apply to the Circuit Court for an order obliging an employer to comply with the legislation
- Employees may refer complaint to Workplace Relations Commission who will investigate and may issue an order requiring compliance

Gender Pay Gap Regulations



- **Regulations**

Many of the finer details of the reporting obligations are left to be prescribed by the Regulations, for example:

- The classes of employer and employee to which the Regulations will relate
- How are group companies treated? Is each company considered to be a separate entity for reporting purposes?
- How should an organisation calculate the 'hourly pay' of employees?

- **When will the Bill become law?**

The Bill has completed the Third Stage of the legislative process in Dail Eireann and will be enacted early next year

What can you do to prepare for GPG reporting?



1. Stakeholders

Identify and inform your stakeholders early



2. Resources

Establish that you have the required resources within the organisation



3. Data

Carry out a “dry run”



4. Legal Input

Take legal advice at an early stage



5. Communicate

Consider your communications strategy



6. Action Plan

Put in place an action plan

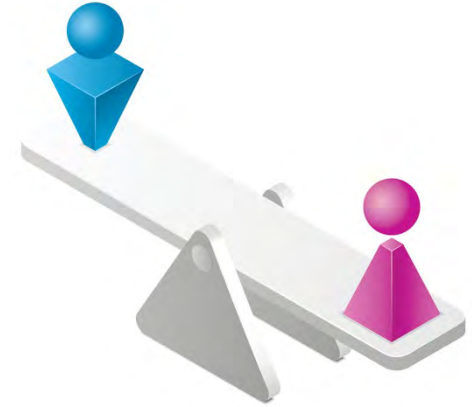
Action Plan

- Actions to improve the recruitment and promotion of women:
 - Ensuring multiple women are included in shortlists for recruitment and promotions
 - Using skills based assessment task in recruitment
 - Introducing transparency to promotion, pay and reward processes
 - Appointing diversity managers
 - Unconscious bias training
- Actions to support women's participation in the workplace:
 - Introduce flexible work policies for men and women
 - Introduce and encourage shared parental leave
 - Develop mentoring and sponsorship programmes



Conclusion

- GPG reporting is not a silver bullet
- Potential to be an invaluable diagnostic tool
 - identifying where gender pay gaps exist in an organisation
 - requiring employers to examine their existing practices and put in place an action plan to tackle their GPG



Questions?



Principal Office

Riverside One, Sir John Rogerson's Quay
Dublin 2 D02 X576
+353 1 829 0000

London

Tower 42, Level 38C, 25 Old Broad Street
London EC2N 1HQ
+44 20 7621 1000

New York

Tower 45, 120 West 45th Street, 19th Floor
New York, NY 10036
+1 646 952 6001

Brussels

40 Square de Meeûs, 1000 Brussels
+32 2 740 0370

This document is for general guidance only and should not be regarded as a substitute for professional advice. Such advice should always be taken before acting on any of the matters discussed.

POWERSCOURT.

GENDER PAY GAP REPORTING
IMPLEMENTING AN EFFECTIVE COMMUNICATIONS STRATEGY

OCTOBER 2019

INTRODUCTION

- The reason for the conversation
- Understanding policies currently in place
- Insight into the challenges faced in communicating findings
- How to implement an effective communications strategy



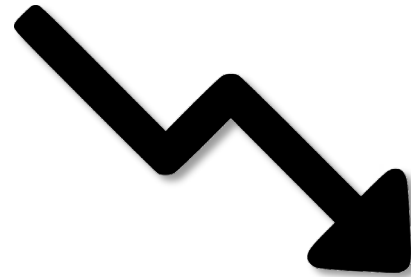
FEMALE PARTICAPTION IN THE IRISH LABOUR MARKET

- Female employment rates are below male rates across **all age categories**
- The female employment rate peaked at 76% in the 25-34 year age category while the male rate peaked 11.2 percentage points higher at 87.5% in the 35-44 age category.
- The gap between male and female employment rates is smallest for the youngest working age cohorts (15-19 and 20-24)

CURRENT IRISH DATA



17% Ireland's gender pay gap in 2008



13.9% Ireland's gender pay gap in 2016

UNDERSTANDING THE GAP

The gender pay gap reflects more men working in higher-paid roles.

Firms need to reinforce accountability from the top for reducing the pay gap and to tackle reticence among middle managers.

Senior leadership buy-in can really help drive change within a firm. If you have this, everyone in the firm starts to think about it.

What is gender pay gap reporting, and what does it mean?

Companies with more than 250 employees have to report their performance on pay equality

- **Lack of sanctions 'makes a mockery' of gender pay gap reports**



▲ Last year was the first year that the gender pay gap reporting rule came into force. Photograph: Joe Giddens/PA

WHAT CAN YOU DO TO PREPARE?

- ✓ Process and Procedures
- ✓ Data analysis
- ✓ Stakeholders
- ✓ Resources
- ✓ Legal input
- ✓ Action Plan
- ✓ **COMMUNICATE**



JUST BECAUSE YOU HAVEN'T HEARD FROM YOUR EMPLOYEES, IT DOESN'T MEAN THEY'RE HAPPY.

COMMUNICATION

- When reviewing the gender pay gap, businesses need to consider:
 - How to communicate findings to an *external audience*
 - How to engage with *employees*
- You need an action plan setting out how you will achieve your goal of improving gender diversity



CHALLENGES FACED BY EMPLOYERS

IDENTIFY YOUR
AUDIENCES

STRUCTURE YOUR
COMMUNICATION
PLAN

HIGHLIGHT ALL
COMMUNICATION
CHANNELS

SET THE RIGHT
AGENDA

MAINTAIN
SHAREHOLDER
RELATIONSHIPS

CHALLENGES FACED BY EMPLOYERS

1. KNOW YOUR AUDIENCES

- More effort into internal rather than external.
- 90% of effort into managing internal - that's where the real jeopardy is

2. COUNTER-INTUITIVE RESULTS

- Be prepared for some counter intuitive results.
- Example Phase 8 - one of the first companies to report. Large numbers of women in an organisation can throw the numbers.
- How is the Irish government going to compel people to report that data



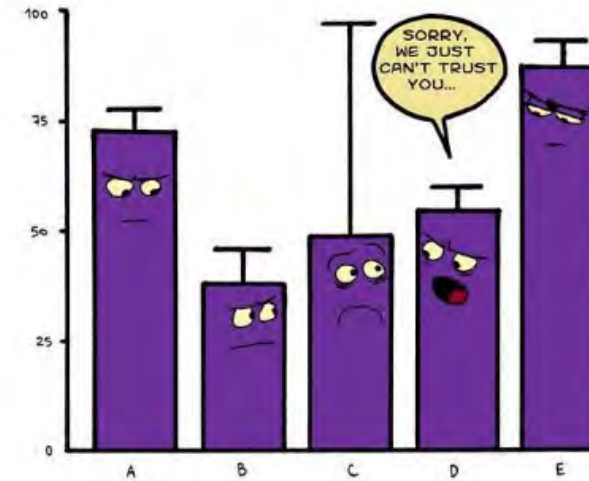
CHALLENGES FACED BY EMPLOYERS

3. OUTLIERS VERSUS MID-TABLE OBSCURITY

- Best in class - can be hard to improve
- Mid table obscurity

4. CLICHÉS AND EXCUSES

- Have a clear strategy and action plan in place
- Open two-way communications with employees and learn from them
- Take positive action early
- Deliver - or face being called out



Over 90% of financial firms not ready ethnicity pay gap reporting

Ethnicity pay gap reporting is likely to be mandated, but many firms are on the starting line when it comes to collecting data

THE GENDER DIVERSITY NARRATIVE

Context is everything. It adds an additional layer, ensuring that your story is told correctly.

The narrative should take account of your history, values and mission statement, people need to understand who you are and what you stand for.

Be ready to tell the who, what, where, when and why.



IMPLEMENTING AN EFFECTIVE COMMUNICATIONS STRATEGY

1. Communications professionals must be in the room from the start
2. Never underestimate the power of story telling
 - Problem
 - Journey
 - Solution
3. Communicate the fact that gender equality will improve your workplace
4. Recognise the role that business has to play in addressing the issue
5. Publicise female members of the leadership team and have mentorship programmes
6. Set up internal communications processes



INTERNAL COMMUNICATIONS

EMPLOYEES ARE YOUR BEST SPOKESPEOPLE

- Communicate internally first
- Keep it simple, incorporate feedback, be future focused and invite feedback
- Present findings in person
- With better information, better business decisions can be made.
- Employees need to understand the “what” and the “why” and how they fit in to be fully engaged.



SOCIAL MEDIA

DIGITAL & SOCIAL MEDIA CHANNELS ARE BECOMING INCREASINGLY IMPORTANT FOR BUSINESSES

- Powerful tool to engage with a variety of audiences in many different ways including:
 - **Amplify** the reach of traditional financial and corporate communications
 - **Raise** the profile of a business and promote thought leadership credentials
 - **Build** a community of advocates and potential investors
- Investors are increasingly active on social media




THE ROLE OF THE MEDIA



- Name and shame tables
- If you have a good story, make sure it's highlighted and not lost with the bad
- Tell the truth and do the right thing
- Make sure that you are telling them the actions you're taking to improve the situation
- Be proud of the things you are doing as an employer and communicate e.g. childcare facilities, extended paternal leave etc.

GETTING IT WRONG



FINANCIAL TIMES


HOME WORLD US COMPANIES TECH MARKETS GRAPHICS OPINION WORK & CAREERS LIFE & ARTS HOW TO SPEND IT

Latest on Gender pay gap

Group of 100 women launch equal pay campaign

The data show it: diverse companies do better

DWF sets targets to address gender imbalance



INDEPENDENT.IE NEWS OPINION BUSINESS SPORT LIFE STYLE ENTERTAINMENT TR


Irish News | World News | Local Papers | Environment | Weather

Wednesday 9 October 2019

News Education


Gender pay gap: Females with a degree earn significantly less than male peers, report reveals

- OECD report reveals gender pay gap is a third less than male graduates
- Ireland is at foot of international league table
- Nearly half of 25-64 year-olds have a degree




Marks & Spencer admits to 12.3% gender pay gap


Around 57 per cent of senior managers are male and men also account for 75 per cent of the company's board



BankThink Big banks need to stop tinkering with gender pay-gap data




MIND THE GAP




Marketing gender pay gap has widened, survey finds


Male directors paid average of €17,500 more than female counterparts




2020 Hindsight: The CEO Challenge To Fix The Gender Pay Gap

Dan Pontefract Contributor @Leadership Strategy
CEO, Author, Keynote Speaker, Leadership Strategist, Poet







'Depressing' gender pay gap widens in fund management firms

Average gap has increased to 31% amid signs of 'diversity fatigue', report finds

GETTING IT RIGHT

Diageo Named Top Employer In Global Gender Equality Report

Published on Oct 1 2019 10:30 AM in Drinks tagged: Trending Posts / Diageo / Maternity Leave



INDEPENDENT
NEWS POLITICS VOICES FINAL SAY SPORT CULTURE VIDEO INDYLIFE BLACK FRIDAY INDYBEST LONG READS INDY100 VOUCHERS PREMIUM
SUBSCRIBE NOW

Related: The gender pay gap explained

The #MeTooPay campaign is great – but women alone can't solve the scourge of pay inequality

Men still very much hold the keys to the kingdom in terms of leadership and career success. It's time they stood up to the plate

JAMIE McENERNEY 2 days ago

Facebook Twitter Email

Here's How Big Tech Companies Can End the Gender Pay Gap

Recognizing the myth of the meritocracy is the first step toward ending the gender pay gap for women in tech.

THE IRISH TIMES Friday, October 11th, 2019

ONE YEAR ON, OUR EQUALITY, DIVERSITY AND INCLUSION PLAN IS ON TRACK

One year on from the launch of 'In Pursuit of Progress' read our report into how it's gone so far

In keeping with its title, it's been a year of progress against the majority of targets set out in 'In Pursuit of Progress', our three-year Equality, Diversity and Inclusion Plan published 12 months ago.

Economy - Ireland

Charlie Taylor

One-fifth of board positions globally now held by women

New study shows Europe lagging in terms of promoting women to management positions

BBC Studios sees improvement on 2019 UK Gender Pay Gap Report

By Frederick Blichert September 26, 2019

PwC Ireland has reported a gender pay gap of 5.7% as the company becomes the first of the "Big 4" Professional Services firms to voluntarily report such results.

The PwC gender pay gap compares to the country's gender pay gap of 13.9%, as reported by Ibec.

GENDER PAY GAP

Closing it together

FINANCIAL TIMES

GRAPHICS OPINION WORK & CAREERS LIFE & ARTS HOW TO SPEND IT

DWF sets targets to address gender imbalance

Tribunal exposes gender gap in bank culture and pay

Group of 100 business women launch equal pay campaign

EqualPay demands 'radical action' in wake of BNP Paribas tribunal case

BEST PRACTICE | AUTOTRADER



Pay gaps between men and women at Auto Trader Limited

Mean hourly pay gap 2018

9.1% ▼ 3.0%
(12.1% in 2017)

Median hourly pay gap 2018

13.9% ▼ 4.6%
(18.5% in 2017)



Pay gaps between men and women at Auto Trader Group¹

Mean hourly pay gap 2018

12.0% ▼ 2.9%
(14.9% in 2017)

Median hourly pay gap 2018

13.3% ▼ 4.2%
(17.5% in 2017)



Bonus pay gaps between men and women at Auto Trader Limited

Mean bonus pay gap 2018

1.4% ▼ 52.7%
(54.1% in 2017)

Median bonus pay gap 2018

-20.0% ▼ 41.0%
(21.0% in 2017)

“We won’t be satisfied until we reach parity, and therefore remain dedicated to eliminating the gender pay gap completely”.

Alison Ross, People and Culture Director

“We are committed to long-term change and so will continue our relentless focus in this area until inequalities are eradicated and diversity in all its forms is truly accepted and indeed celebrated”.

Trevor Mather, Chief Executive Officer

90%

of our women would recommend Auto Trader as a great place to work

96%

of our women are proud to work for Auto Trader

TIPS AND TRICKS



1. Communications need to be there at the start
2. Have a plan and stick to your processes
3. Must be commitment from the top
4. Articulate why you want this to work and what it means to the company
5. Commit to showing progress even if numbers don't showcase progress
6. Always be open to two-way communication and feedback
7. Have strong internal comms
8. Your employees are your best spokespeople

POWERSCOURT.

POWERSCOURT - DUBLIN

25 Lower Leeson Street
Dublin 2, Ireland
T: +353 1669 4633

POWERSCOURT - LONDON

1 Tudor Street
London, EC4Y 0AH
T: +44 20 7250 1446

info@powerscourt-group.com
www.powerscourt-group.com



INSTITUTE OF DIRECTORS
IN IRELAND

McCANN FITZGERALD

Gender Pay Gap Reporting: Getting It Right



@IoDIreland

@McCannFitz

#IoDevents