



Gender and Ethnicity Pay Report 2019

Gender Pay Gap and Black, Asian and Minority Ethnic (BAME) Pay Gap Report

Human Resources

Foreword

Queen Mary is committed to achieving equality in recruitment, promotion, pay and reward. Since 2017, we have published an annual report on our gender and ethnicity pay gaps. This report details the actions taken and progress made in addressing these issues over the past year.





This year, our median gender pay gap has shown a small improvement, but our mean gender pay gap has worsened slightly because we have hired more women than men in entry level roles.

Similarly, whilst our median and mean ethnicity pay gaps have reduced, Black, Asian and Minority Ethnic (BAME) staff continue to be under-represented in higher-graded and senior managerial roles and over-represented in lower graded roles

We are pleased to report that we do not have any equal pay disparities based on gender or ethnicity at any level for those performing work of equivalent value. We are determined to reduce these pay gaps and for more equal numbers of women, men and people of colour across all grades.

We are particularly focused on addressing the current under-representation of women and Black, Asian and Minority Ethnic staff at the most senior levels of the University through bold, positive and targeted actions.

Professor Colin Bailey CBE, FREng, BEng, PhD, CEng, FICE, FIStructE, MIFireE President and Principal, and

Sheila Gupta MBE Vice-Principal, People, Culture and Inclusion

"We are pleased to report that we do not have any equal pay disparities based on gender or ethnicity at any level for those performing work of equivalent value."

Context - Gender

There are two main reasons for the gender pay gap in large organisations like Queen Mary: there are more men employed in senior roles than women; and there are more women than men in lower-graded and hence lower-paid roles.

The gender pay gap is often confused with equal pay. Equal pay is the right for staff to receive equal pay for work of equal value.

At Queen Mary, we do not have an equal pay gap at any level, as determined by an external audit carried out by the Total Reward Group in 2019. Our gender pay gap is calculated using the approach required by the regulations although we recognise that this definition does not include non-binary staff.



Gender pay gap across all staff

The mean hourly pay rate for men is £25.43 and for women it is £21.41, this represents a 15.8% pay gap (compared to 13.69% in 2018 and 21.7% in 2017).

The median hourly pay rate for men is £21.95 and for women it is £19.80, this represents a 9.8% pay gap (compared to 10.07% in 2018 and 15.0% in 2017).

We have reduced our median pay gap from 10.07% in 2018 to 9.8% in 2019. We have taken concrete action at both institutional and local levels such as:

 carrying out a fundamental review of our bonus award processes and revising these processes as a result;

- ensuring professorial salary review decisions are informed by gender pay gap data; and
- at school level, developing initiatives to encourage more female faculty to apply for promotion.

However, to make substantially more progress, bolder and more innovative action will need to be taken over the next few years.

In the previous 2018 Pay Gap report, the mean pay gap was 13.69%, a significant reduction from 21.7% in 2017. In 2019, the figure has increased slightly to 15.8% (15.2% excluding Clinical Excellence Awards), which reflects an increase in the proportion of women recruited

into lower graded roles. The mean gender pay gap continues to be higher than the median gap because of a higher number of men in senior positions such as professors and heads of schools or departments.

Whilst these results have not shown improvement, our targeted actions outlined in this report will see our previous trend continue, ensuring we make significant progress in closing our gender pay gap as quickly as possible.

Quartile positioning by gender

As with our previous results, alongside most organisations in the UK, there continues to be a greater proportion of men in the highest paid quartile.

The current balance of men and women by quartile demonstrates the scale of the challenge with a higher representation of women in the two lowest paid quartiles with women representing 58% and men 42% in the lowest quartile; this changes to nearly 60% and 40% respectively in the

lower middle quartile; an almost equal gender split in the upper middle quartile and a marked reversal of the position in the upper quartile, with nearly 61% of men and only 39% of women employed at these senior levels within the University.

It is this disparity of men and women across the quartiles that the University will continue to focus on to rebalance the distribution of male and female staff across the workforce. Low

staff turnover combined with differing societal assumptions and pressures on women and men around for example caring responsibilities which affect their representation in roles put the onus on the University (and other organisations) to rethink its approach and culture around flexibility in role design, part-time work and flexible working, as well as its recruitment and promotion practices.

Proportion of men and women staff by grade

We have a higher proportion of women in the lower grades, particularly grade 1 which is 71% female, and a lower proportion of women in the higher grades, particularly grade 8 which is two-thirds male.

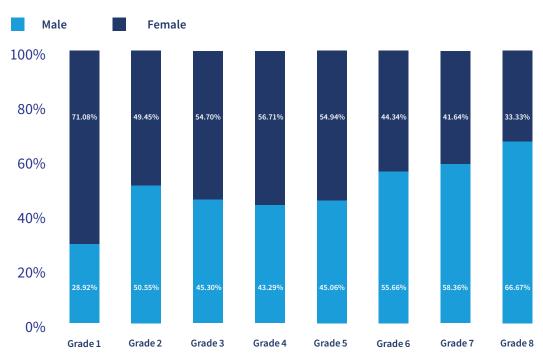
This graph showing the proportion of men and women by grade illustrates that it is from

Grade 6 upwards that more men are employed at these senior levels.

We recognise that much more needs to be done, particularly to achieve equality at the highest quartile salary level, which means increasing the number of women in our highest grade (grade 8) which consists of professors, senior academic staff and senior managers in professional services.

By adopting a variety of targeted strategies, which are outlined in the final section of this report, it is possible to achieve a rebalancing of men and women across the different grade levels. We have made this goal a priority in our 2030 Strategy.

Gender distribution by grade



Bonus pay

Bonuses are awarded to a very small proportion of employees, and so relatively small differences in bonus payment amounts can have a large impact on the bonus gap yearon-year. 5.4% of men and 4.2% of women received a bonus in the 12-month period up to March 2019, including Clinical Excellence Awards (CEAs). CEAs are bonus payments awarded and funded by the NHS in recognition of exceptional performance in the field of clinical work.

The majority of clinical consultants who can receive CEAs are men and this is the reason that more men receive bonuses overall; these bonuses are on

average higher than any other bonus payment.

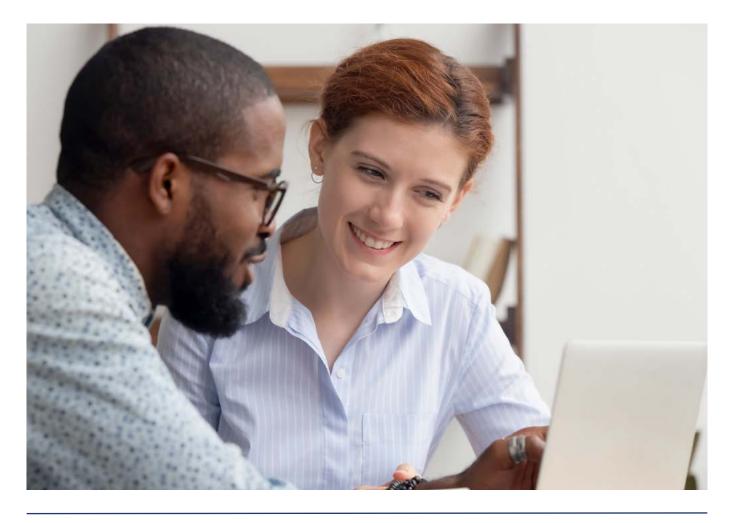
The 2019 data shows that the mean and median bonus gaps, including CEAs, are lower than the previous year (reduced from 76.0% mean and 47.2% median in 2018 to 68.7% and 33.3% respectively).

Disappointingly, the figures excluding CEAs are higher (increased from 20.7% mean and 25.0% median in 2018 to 32.7% and 31.8% respectively).

If CEAs are excluded from the figures, the percentages receiving a bonus fall to 3.4% of men and 3.6% of women respectively.

We are committed to closing the bonus gap, including CEAs, and have implemented a number of changes to our reward processes to reverse the upward trend and see a clear downward trajectory next year.

For example, we have made improvements to bonus schemes to ensure greater equality in payments. In the Staff Bonus Scheme, we have introduced more objective criteria to inform decisions by panels when awarding bonuses or accelerated pay increments.



Overall Ethnicity findings

Our report is based on 5,612 employees split into 32.8% BAME, 64.6% White and 2.6% undeclared members of staff (national or ethnic origins).

We acknowledge the term BAME is imperfect and problematic and includes diverse communities with different challenges and barriers. In this report, we are using the term to ensure consistency with other organisations, including

Government, and use the Office of National Statistics definition.

The 'BAME pay gap' is the difference in pay between the average hourly earnings of BAME and those of White staff. We have used the same calculations as in the gender pay gap

analysis. Overall, along similar lines to what we find for men and women, we have a higher proportion of BAME staff in the lowest grades (grades 1 and 2) and a lower proportion of BAME staff in the higher grades.

Ethnicity pay gap of all staff

Our ethnicity pay gap has reduced in this year's report, from 21.9% last year to 20% mean this year, and from 19.3% median the previous year to 14.9% this year.

The mean and median pay gaps are because of the underrepresentation of BAME staff in higher-graded and senior managerial roles and the overrepresentation of BAME staff in lower graded roles.



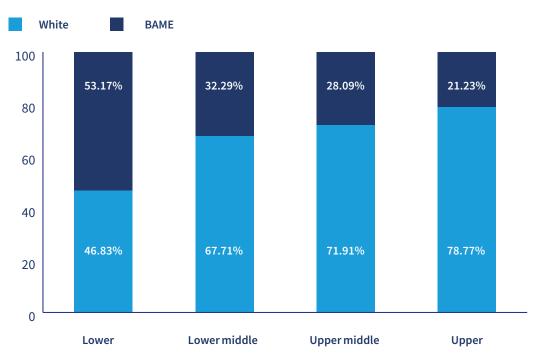
Quartile positioning by ethnicity

The chart shows a higher representation of BAME staff in the lower quartile – just over 53% BAME compared to nearly 47% white. This includes roles such as cleaning, catering and residential services in grade 1. (Queen Mary does not outsource these roles to external contractors, unlike some other higher education institutions.)

The lower middle, upper middle and upper quartile show a clear majority of white staff in comparison with BAME staff. In particular, the upper quartile, which is occupied by a significant proportion of academic staff, such as professors (at grade 8), has only just over a fifth of staff who are BAME, with almost 80% white. This is consistent with

historical national averages, and will take time, investment and positive actions, such as those outlined in the actions below, to change.

Percentage of white and BAME staff in pay quartiles



Proportion of white and BAME staff by grade

We have a higher proportion of BAME staff in the lowest grades (grades 1 and 2) and a lower proportion of BAME staff in the higher grades. For those paid within our highest grade (grade 8) there is a median pay gap between BAME and White staff of 8.6%.

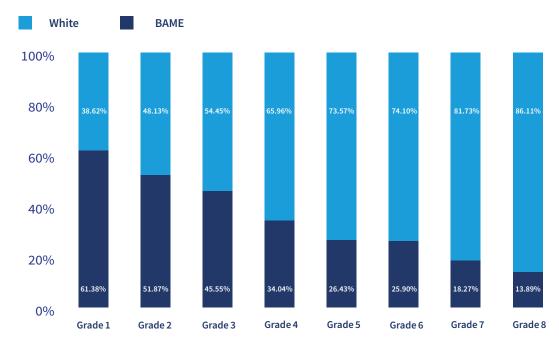
55.5% of BAME staff at Queen Mary are female. At grade 1, 74.5% of BAME staff are female. The proportions of male and female staff are more balanced within the other grades, though there is a noticeable difference between the lower quartile (60.9% female) and the upper quartile (43.3% female).

We also have a higher percentage of BAME staff who work part-time (typically in more junior, lower graded roles) than White staff, 43.9% compared to 34.2%. This is similar to findings for men and women at Queen Mary, where we have 42.5% of women working part-time compared to 32.2% of men.

In the upper grades, the proportion of BAME lecturers is 30%. in line with the overall proportion of BAME staff, but at the most senior academic levels. we only have 14% professors who are BAME. The proportion of BAME professional services staff also falls from 62% at grade 1 to 16% at grade 8 due to the prevalence of White staff in the more senior professorial roles. The pay gap at grade 8 is largely due to the prevalence of White staff in the more senior professorial roles, including leadership roles such as Head of School.

We recognise that we need to do much more to increase the proportion of BAME staff at senior levels. on both the academic and professional services side. We also recognise that racism and discrimination occurs every day in society, and that affects how people are treated, how appointments are made, how promotions are decided, because of unconscious bias. That is why we need targeted strategies and, like we are doing for gender, we are focused on tackling this issue from a number of different perspectives: recruitment, promotion, role design and flexible working policies.

Ethnicity distribution by grade



Bonus pay

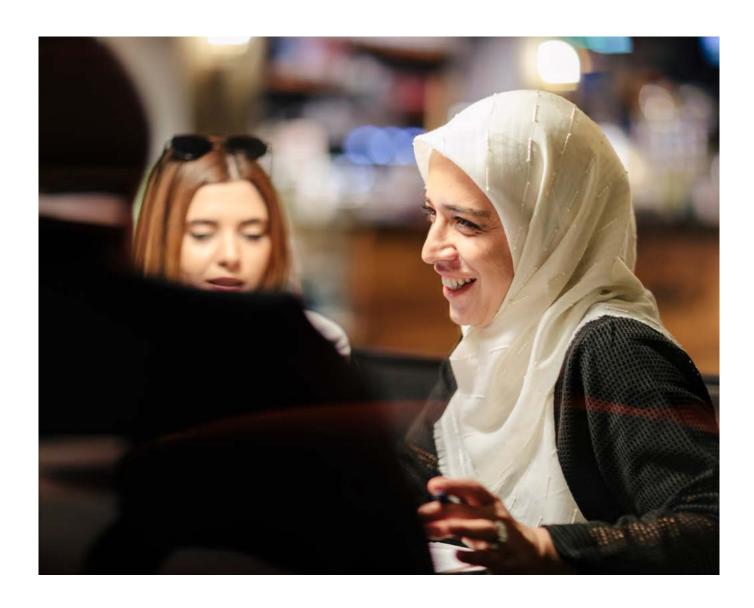
Bonuses are awarded to a very small proportion of employees, and so relatively small differences in bonus payment amounts can have a large impact on the bonus gap year-on-year. This year, our mean bonus pay gap (when including our Clinical Excellence Awards (CEA) is -16.9% in favour of BAME colleagues.

This is because small numbers of BAME staff received high-value bonuses through our Clinical Excellence Award Scheme.

However, because less than half the bonuses received by BAME staff were from CEAs, the overall median bonus gap (including CEAs) is 68.7% in favour of White staff.

Excluding CEAs, last year's mean bonus gap was 17% in favour of White staff, and this has increased this year to 27.6% in favour of White staff. Excluding CEAS, last year's median bonus gap was 25% in favour of White staff, and the gap has increased this year to 32.7%.

Our data show that we have a long way to go to achieve equality for our BAME staff. We are determined to be the most inclusive institution of our kind by 2030 and we know that we must be more radical in our thinking and approach if we are to ensure that staff, whatever their gender, ethnicity or background, can thrive and realise their potential at Queen Mary.



What we have done so far

At Queen Mary, we continue to introduce a wide range of initiatives to accelerate the rate at which we can reduce our gender and ethnicity pay gaps.

In addition to introducing clear criteria when awarding consolidated pay increases and bonus payments; we have sponsored women and BAME staff to attend the <u>Aurora Leadership Programme</u>; promoted <u>B-MEntor</u> and <u>Women's Mentoring Schemes</u>; and launched the <u>Springboard Development Programme</u>.

We have also enhanced our recruitment policies to ensure that our advertisements, selection criteria and membership of interview panels take account of gender and ethnicity in terms of their content and composition.

We refreshed our unconscious bias training in October 2019 shifting the emphasis to 'Introducing Inclusion.' The major change revolved around incorporating an explicit legal component, outlining staff members responsibilities under the law.

However, this data demonstrates that bold, innovative and sustained action needs to continue to be taken to make significant progress in closing our pay gaps as quickly as possible.



Next steps

The University is currently developing an ambitious and innovative People, Culture and Inclusion Enabling Plan, to be published shortly, which will set out strategies, institutional KPIs and clear objectives to address the gender and ethnicity pay gap as part of a wider EDI agenda. The Plan is designed to support the successful delivery of our 2030 Strategy, which aims to make Queen Mary the most inclusive research-intensive university anywhere.

Leadership Development Framework

We will introduce a leadership development framework based on our values, to promote transformational leadership and management.

Such a framework will facilitate fair and equitable criterion-based succession planning and contribute to our ambitions to improve diversity across our different levels of leadership. This to achieve our key performance indicator to have 50% of our middle and senior level roles held by women and 40% by BAME staff by 2030.

We will also design management development programmes to ensure that staff are properly supported in terms of their career development and progression through meaningful appraisal discussions. Managers will be accountable for developing their staff also through the appraisal process.

Academic promotions and our values

We are exploring embedding the concept of citizenship in our recruitment, induction, appraisal, promotion and reward processes, so that staff are rewarded for their behaviours and how they work, not just what they deliver.

We are consulting on introducing thresholds for academic promotions so that all staff are reviewed and promoted at a point that they are ready for promotion and not overlooked. because they do not put themselves forward. This has been shown to improve female academic progression in other universities, because research has shown that women often wait until they feel they have fulfilled every criterion and men apply based on potential. This approach has also contributed to improving the success of BAME staff in academic promotion rounds in other universities. Queen Mary will adopt good practice where evidence

demonstrates how changes to key processes have a positive impact on career progression for underrepresented groups.

Career and professional development for professional services and technical staff

There is significant interest from Schools as well as Professional Services Directors to redesign our appraisal processes to offer clear career paths through a new competency framework for Professional Services staff and the Technician Commitment framework for our Technicians.

Again, there would be a clear link to rewards through enhanced opportunities for career advancement and our salary review processes.

This would also enable proper succession planning, so that we have highly competent internal candidates who can assume more senior roles when

vacancies arise, especially leadership roles. This would have to be founded on a proper programme of professional development. These strategies are intended to enhance the representation of women and BAME staff at more senior levels of our University structures.

Recruitment and attraction

We will design tailored attraction and recruitment strategies in collaboration with Schools and Departments that market our reputation, values and distinctiveness in a highly competitive employment market to achieve greater

diversity across the workforce to better reflect our student body.

A new positive action pilot will be launched to help generate shortlists with a higher representation of women and BAME staff in areas where these groups are under-represented.

We will extend opportunities for flexible working to remove unnecessary barriers to progression.

Race Equality Charter

We acknowledge that not all factors will be the same for the lack of women and BAME staff in senior roles.

For these reasons, we will undertake work under our Race Equality Charter (REC) to better understand the specific factors that contribute to the Ethnic Pay Gap and lack of career progression for BAME staff. This will enable the University to identify clear solutions to address these issues directly and in collaboration with our BAME community.



Appendix

Please note the change in presentation of data in this year's report

In this Gender and Ethnicity Pay Gap Report we have made changes to the presentation of data relating to those staff undertaking clinical roles (6% of employees) who are entitled to participate in the Clinical Excellence Awards, which are awarded by external bodies on behalf of the NHS.

Clinical Excellence Awards have already been included in previous bonus gap calculations. However, because these payments are made monthly and regularly through the payroll, we now include these in our pay gap calculations, in line with legal advice provided to the Universities and Colleges Employers Association.

To enable a comparison to be made with last year's data, we have presented the pay data both with and without the Clinical Excellence Awards.

Bonus pay award context

Bonuses are awarded through the following main processes:

- the Staff Bonus Scheme for grades 1-7
- the Professorial Review
- the Grade 8 Professional Services Review

These schemes provide additional rewards to staff who have made an exceptional contribution, either through a one-off bonus payment or an accelerated pay increase.

In all these schemes, the awards made via one-off bonus payments have been included in the bonus gap calculations. Pay increases have been reflected in the pay gap calculations.

Clinical Excellence Awards

In addition, Clinical Excellence Awards are available to staff carrying out 'clinical consultant roles' who deliver over and above the clinical standards expected. Queen Mary has no control over who receives Clinical Excellence Awards because they are awarded by external bodies on behalf of the NHS. Due to the amounts awarded and the lower number of applications from women, Clinical Excellence Awards have an impact on the mean and median bonus gap figures. Queen Mary is encouraging more women to apply for Clinical Excellence Awards.

As identified in previous gender pay gap reports, there is ongoing debate across the university sector as to whether Clinical Excellence Awards should be regarded as bonuses. This debate is due to the nature of the awards; they are not directly related to a clinician's contribution to Queen Mary objectives, they have a disproportionate impact on the gender pay gap figures and are awarded by an external body. Nevertheless, legal advice is that the awards should be included in both the pay gap and the bonus gap calculations.

Grade 8 for academics is a broad pay band covering a range of roles which are not directly comparable for pay purposes; from recently-appointed professors, to more senior professors of long standing and international renown, including in leadership roles such as Head of School. We are therefore considering whether to create separate pay levels for professors within grade 8, similar to the professorial bandings that exist at other universities.

In professional services (non-academic roles), we have recently introduced four levels of role within grade 8. Starting pay and pay increases refer to these levels to ensure fairness in salaries being paid for those in jobs of equivalent value. In future reports we will provide further analysis of pay within grade 8.

Method for calculations: gender

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires that we publish the six metrics below, which are based on all 'full pay relevant employees' (defined as employees paid their usual pay in full during the period in which the snapshot date falls).

- Mean pay gap
- Median pay gap
- Mean bonus gap
- Median bonus gap
- Proportion of men/women receiving a bonus
- Proportion of men and women in pay quartiles

The method for the calculations in these reports is in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, which means all percentage pay gaps are expressed as the

difference between women and men's pay as a percentage of men's pay using the following calculation:

men's average hourly rate-women's average hourly rate

men's average hourly rate

A positive percentage indicates that men overall are paid more than women; zero means there is no pay gap; and a negative percentage indicates that women overall are paid more than men.

Due to the way the mean and median are calculated, and because the highest paid employees tend to earn significantly more than the lowest paid, the mean pay can be skewed by a small number of very high (or very low) earning individuals compared to the median pay. Since there are more men in higher-paying roles than women, the mean pay for men tends to be pulled upwards more than mean pay for women, so that the gender pay gap measured by mean earnings tends to be higher than for median earnings.

Method for calculations: BAME

The following analysis of the data has been undertaken (which is aligned with the data analysis used for the gender pay gap):

- Mean pay gap
- Median pay gap
- Mean bonus gap
- Median bonus gap
- Proportion of BAME/White staff in pay quartiles

The method for the calculations in these reports are the same as those used to calculate the gender pay gap which means all percentage pay gaps are expressed as the difference between BAME and White staff's pay as a percentage of White staff's pay using the following calculation:

White staff's hourly rate-BAME staff's hourly rate

White staff's hourly rate

A positive percentage indicates White staff are paid more than BAME staff, zero means there is no pay gap and a negative percentage indicates BAME staff are paid more than White staff.



Queen Mary, University of London Mile End Road London E1 4NS

For further information, please contact email: gmplan@qmul.ac.uk

The information given in this publication is correct at the time of going to press. The College reserves the right to modify or cancel any statement in it and accepts no responsibility for the consequences of any such changes.