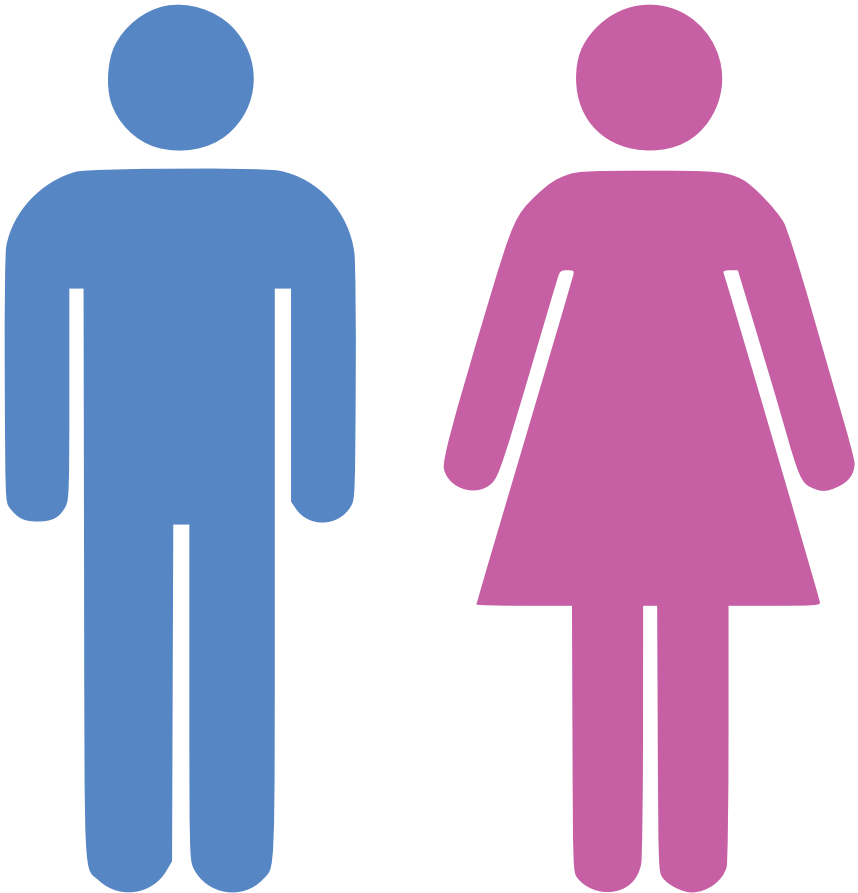


# The gender pay gap

March 2018



# Introduction

The gender pay gap is the difference between average hourly earnings for men and women in an organisation. It is calculated by looking at the mean and median hourly pay of men and women and is typically expressed as a percentage.

What it isn't, is a comparison of men and women's salaries for doing the same job. That is equal pay and the two measures are very different things. Paying men and women differently for doing equal work is unlawful. We are committed to paying fairly and have remuneration and moderation processes in place to ensure men and women in the firm receive equal pay for equal work.

## Gender pay gap analysis at Trowers & Hamlins







Overall there is a pay gap for the mean hourly earnings of all UK employees of 18.1% and a median hourly pay gap of 13.6% in favour of men.

It is only when breaking this information down for further analysis, that a greater understanding can be achieved.







# UK fee-earners

When looking just at the results for fee-earners a more positive picture starts to emerge, particularly in London, where the gap is ever so slightly in favour of women. Outside London, the gap is influenced by the fact that we employ significantly more paralegal staff, the majority of whom are female. The salary range for paralegals is lower than that of a qualified solicitor. This demographic difference is the reason for the mean pay gap outside London as when we exclude this category of staff, the gender pay gap disappears.

## Gender pay gap by region

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
Fee earning staff (all UK offices)	4.2%		5.9%	
Fee earning staff (London)	0.6%		1.0%	
Fee-earning staff (Birmingham, Exeter & Manchester)	6.8%		0.7%	





## Gender pay gap by role

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
Solicitor (All UK offices)	1.1%		38.5%	
Associate (All UK offices)	10.6%		11.8%	
Senior Associate (All UK offices)	3.3%		1.0%	

## UK business services

When looking just at the figures for business services, they show a mean gender pay gap of 33.1% and a median gender pay gap of 28.3%. It is important to bear in mind that the makeup of business services staff is diverse, ranging from junior clerical and admin staff in regional offices across the UK, to the Directors of the business services functions in London. This wide disparity of roles and locations produces a significant gender pay gap, with the vast majority of the junior admin, clerical and secretarial roles being performed by women.

We analysed the data further and broke it down between London and our regional UK offices. Outside of London, the gender pay is significantly lower.

	Mean gender pay gap	Who earns more	Median gender pay gap	Who earns more
<b>Business services (London)</b>	<b>25.7%</b>		<b>6.0%</b>	
<b>Business services (Birmingham, Exeter &amp; Manchester)</b>	<b>1.5%</b>		<b>8.4%</b>	

It is a different picture in London however, where the gender pay gap is the highest in the firm. Our intention therefore is to work hard to improve these figures. To do so would require increasing the number of women recruited or progressing into senior business services roles in London, something that we acknowledge could take some time to achieve. Additionally, the recruitment of more males into support roles would also impact the figures and reduce the gap. Currently, 77.6% of the roles in the lowest pay quartile are performed by women.

# Bonus pay gap analysis at Trowers & Hamlins







The bonus pay gap is the percentage difference between annual bonus payments made to women and men in an organisation. The overall mean bonus pay gap for UK employees is 34.6% and the median is 19.9% in favour of men. Again it's important to break the figures down further to gain a better understanding of what the figures show.

## UK fee-earners

The bonus pay gap picture shows quite a difference when comparing the mean at 20.4%, where the gap is significant, with the median at 3.8%, where it is not.







We recognise that a significant part of this difference is the fact that a far greater proportion of women than men work part-time hours. Whilst this has no impact upon salary differentials which are calculated on an hourly pay basis, it does impact upon bonus. 12.4% of fee-earning staff are part time employees of whom 87.5% are women and 12.5% are men.

93.8% of men and 91.8% of women received a bonus payment 2017/18.

	Mean gender bonus gap	Who earns more	Median gender bonus gap	Who earns more
Fee earning staff (all UK offices)	20.4%		3.8%	
Fee earning staff (London)	24.5%		4.9%	
Fee-earning staff (Birmingham, Exeter & Manchester)	14.9%		19.5%	








## Business services

The mean bonus pay gap is 49.4% and the median bonus gap is 31.4%. 87.8% of men and 91.8% of women received a bonus. The wide disparity of business service roles coupled with a far greater proportion of women than men working in part time business services roles, produces a larger bonus pay gap. 15% of our business services staff are part time employees of whom 97.5% are women and 2.5% are men.

	Mean gender bonus gap	Who earns more	Median gender bonus gap	Who earns more
Business services (all UK offices)	49.4%		31.4%	
Business services (London)	44.7%		23.9%	
Business services (Birmingham, Exeter & Manchester)	26.3%		7.0%	

## Our partnership

The legislation does not require us to include partners in our gender pay gap analysis, but as partners make up a significant proportion of our business, we felt it was important that we did do so.

	Mean gender pay/bonus gap	Who earns more	Median gender pay/bonus gap	Who earns more
All partners	9%		7.9%	
Equity partners	0.9%		1.7%	
Non-equity partners	2.2%		5.6%	
Bonus - All partners	12%		0%	

# Conclusion

In a sector that struggles to retain female talent at senior levels, we are rightfully proud that our partnership is made up of over 40% female partners.

There are many reasons for this, but in recent years the following have been put in place to ensure that we continue to attract women into the business and ensure that these women both stay in the business and have successful, well remunerated careers:

- A review into the reasons why women leave the business
- Improved our communications for those on maternity leave to ensure they are able to keep in touch with the firm and ease their return to work
- Broadened flexible working options, both formal and informal, including the introduction of agile working across the firm
- Conducted equal pay reviews
- Appointed a number of female partners into key leadership roles
- The absence of a presenteeism culture
- A genuine and deep commitment to a diverse and inclusive working environment.

We have plans in place to introduce the following to maximise the potential of all staff within the business:

- A commitment to paying fairly
- Confidence that we achieve equal pay for commensurate roles
- Review of our performance ratings to ensure no unconscious gender bias
- Mentoring opportunities for all, including secretarial and business services staff
- Return to work coaching and mentoring following career breaks, including, but not limited to maternity leave.

We can confirm the data reported is accurate.



**Sara Bailey**  
Managing Partner

A handwritten signature in black ink that reads "Sara Bailey".



**Paul Robinson**  
Director of Human Resources

A handwritten signature in black ink that reads "P. Robinson".



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