

Stephenson Harwood gender pay gap report 2019

This is our third UK Gender Pay report. As with last year, we are reporting beyond the statutory requirements by publishing our partner and combined partner and employee data.

The most significant factor affecting our pay and bonus gaps remains the same: we have significantly more women in our lowest pay quartiles, due to the roles that they hold within the firm. Approximately 20% of the women in our firm work in administrative/secretarial roles. There is a greater balance between men and women in our upper and upper middle pay quartiles. We remain confident that men and women are paid equally for doing equivalent jobs across our business.

Summary of our 2019 gender pay data

- The mean pay gap for employees has increased slightly since 2018: from 19.6% to 22.2%. The median pay gap has increased from 29.8% to 34%.
- The mean bonus gap for employees has decreased, from 57.1% to 44.1%; the median bonus gap has decreased from 56.7% to 47.7%.
- For employees, there is little difference from last year in the make-up of women and men in each pay quartile.
- When we look at associates only, the mean hourly gender pay gap is 0.3%; the median pay gap for associates is -4.2% (in favour of women).
- The mean pay gap for the whole firm including partners is similar to last year, with a slight increase from 56.6% to 57.4%.
- When we look at partners in isolation, the mean pay gap is similar, decreasing from 18.6% to 17.4%; the median has increased from 17.3% to 34.1%.

Our pay gap in detail

Our employee gender pay data

The figures show our overall mean and median gender pay based on hourly rates of pay on 5 April 2019, and the bonus gap based on bonuses received in the preceding 12 months.

Hourly gender pay gap for employees

	Mean	Median
2019	22.2%	34%
2018	19.6%	29.8%
2017	24.7%	39.8%

Bonus gender pay gap

	Mean	Median
2019	44.1%	47.7%
2018	57.1%	56.7%
2017	48.2%	40.1%

Definitions at a glance

Mean:

The difference between the mean (average) hourly pay for all male and all female employees.

Median:

The difference between the 'middle' rate of pay and bonus for all men and all women, when pay and bonus are ranked in numerical order.

Percentage males and females receiving a bonus

	F	M
2019	33.9%	42.3%
2018	31.2%	38.1%
2017	30.1%	40.1%

The proportion of employees in each pay quartile

	Upper		Upper middle		Lower middle		Lower	
	M	F	M	F	M	F	M	F
2019	45.9%	54.1%	51.5%	48.5%	33.3%	66.7%	23%	77%
2018	47.5%	52.5%	49%	51%	38%	62%	23%	77%
2017	55%	45%	51%	49%	34%	66%	23%	77%

Our gender pay data including partners

Once again, this year we are including data on the gender pay gaps for our UK-based partners and also for our combined partner and employee population based in our London office.

Hourly gender pay gap for London based partners

	Mean	Median
2019	17.4%	34.1%
2018	18.6%	17.3%
2017	24.1%	27.3%

Combined hourly gender pay gap for London based partners and employees

	Mean	Median
2019	57.4%	39.2%
2018	56.6%	39.6%
2017	55.3%	47.1%

We are pleased that 44% of our global internal partner promotions for the last three years have been women

In 2019, 38% of our internal partner promotions were women

In 2017 and 2018, 50% of our internal partner promotions were women

23% of our global partners are women

The proportion of partners and employees in each pay quartile 2019

	Upper		Upper middle		Lower middle		Lower	
	M	F	M	F	M	F	M	F
2019	71.2%	28.8%	44.2%	55.8%	41.1%	58.9%	23.9%	76.1%

We confirm that the data in this report is accurate and in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



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Our action plan

Meaningful change will take time. We still have work to do. Our action plan aims to focus on the things that we believe will make the greatest difference in the long term:

Talent management



In 2018 we began a global review of our approach to talent management. This year we are starting to implement changes, to provide greater clarity and consistency in our approach to performance and progression. This will benefit all of our people, but will be particularly beneficial in ensuring that men and women progress at proportionate rates in our business.

Resource allocation



We are applying increased scrutiny to how we allocate resource. As part of that we recently introduced a structured work allocation pilot in one of our practice groups, with the aim of ensuring that the distribution of work is equitable.

Inclusive culture



We want to make inclusion a reflex, not an initiative.

We delivered our inclusive leadership programme to partners across our offices.

We are now focused on embedding inclusive leadership into our core learning programmes, supporting our leaders to make better quality decisions and create a culture where everyone feels like they belong.

Processes and policies



We continue to review our processes and policies, removing practices that can disadvantage particular groups.

For example, we recently amended the chargeable hours element of our associate bonus scheme so that those who are absent from the office for a significant time, for example maternity or shared parental leave, benefit from a period where they have the opportunity to build up activity levels.

We also updated our enhanced maternity/adoption/surrogacy pay and introduced enhanced shared parental leave pay, making it more affordable for men to share caring responsibilities.

Recruitment



We want to make sure that our recruitment processes are open and attractive to all, with a particular focus on seeking gender balanced and diverse shortlists for experienced hires.

We have recently created a new in-house recruitment team that will support these aims.