

# Stephenson Harwood gender pay gap report 2020

This is our fourth UK Gender Pay report. It includes our partner and combined partner and employee data in addition to the statutory pay gap reporting requirements.

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 2020 gender pay data

- The mean and median pay gap for the whole firm including partners have decreased.
- When we look at partners in isolation, the mean pay gap decreased from 17.4% to 14.3%; the median has decreased from 34.1% to 24.8%.
- · The mean pay gap for employees is relatively unchanged. The median pay gap has decreased from 34% to 25.9%.
- The mean bonus gap for employees has increased from 44.1% to 49.1%; the median bonus gap for employees increased from 47.4% to 65.9%.
- The proportion of women in the top pay quartile for the whole firm including partners has increased from 28.8% to 32.4%.
- When we look at associates only, the mean hourly gender pay gap has increased from 0.3% to 2.1%; the median pay gap for associates increased from -4.2% (in favour of women) to 1.3%.

# Our pay gap in detail

## Our gender pay data including partners

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

This section shows the pay gap for our combined partner and employee population. These figures include total annual earnings (salary and bonus).

# Combined gender pay gap for London based partners and employees

|      | Mean  | Median |  |
|------|-------|--------|--|
| 2020 | 53.2% | 34.5%  |  |
| 2019 | 57.4% | 39.2%  |  |
| 2018 | 56.6% | 39.6%  |  |

#### Gender pay gap for London based partners

|      | Mean  | Median |
|------|-------|--------|
| 2020 | 14.3% | 24.8%  |
| 2019 | 17.4% | 34.1%  |
| 2018 | 18.6% | 17.3%  |

#### 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.

#### Combined pay quartiles for partners and employees

|      | Up    | Upper |       | Upper middle |       | Lower middle Lower |       |       |
|------|-------|-------|-------|--------------|-------|--------------------|-------|-------|
|      | М     | F     | М     | F            | М     | F                  | М     | F     |
| 2020 | 67.6% | 32.4% | 46.9% | 53.1%        | 37.9% | 62.1%              | 25.4% | 74.6% |
| 2019 | 71.2% | 28.8% | 44.2% | 55.8%        | 41.1% | 58.9%              | 23.9% | 76.1% |

## Our employee gender pay data

The figures below show our overall mean and median gender pay based on hourly rates of pay as at the snapshot date of 5 April 2020, and the mean and median bonus gap based on bonuses received in the preceding 12 months.

This is not a comparison of how much men and women in the same or similar roles are paid.

#### Hourly gender pay gap for employees

|      | Mean  | Median |
|------|-------|--------|
| 2020 | 23.9% | 25.9%  |
| 2019 | 22.2% | 34%    |
| 2018 | 19.6% | 29.8%  |

#### Bonus gender pay gap

|      | Mean  | Median |  |  |
|------|-------|--------|--|--|
| 2020 | 49.1% | 65.9%  |  |  |
| 2019 | 44.1% | 47.7%  |  |  |
| 2018 | 57.1% | 56.7%  |  |  |

## Percentage males and females receiving a bonus

|      | remaie | Maie  |  |  |
|------|--------|-------|--|--|
| 2020 | 39.4%  | 43.7% |  |  |
| 2019 | 33.9%  | 42.3% |  |  |
| 2018 | 31.2%  | 38.1% |  |  |

We are pleased that 50% of our global partner promotions in 2020 were women

#### Global partner promotions by gender



When we look at the gender pay gap by role type, the gaps are much smaller.

For associates only the mean gender pay gap is 2.1% and the median pay gap is 1.3%.

The mean bonus gap for associates is 7.66% and median is 6%.

## The proportion of employees in each pay quartile

|      | Up    | Upper |       | Upper middle |       | Lower middle |       | Lower |  |
|------|-------|-------|-------|--------------|-------|--------------|-------|-------|--|
|      | М     | F     | М     | F            | М     | F            | М     | F     |  |
| 2020 | 46.3% | 53.7% | 47.6% | 52.4%        | 35.4% | 64.6%        | 21.8% | 78.2% |  |
| 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%   |  |

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

**Eifion Morris** 

Chief executive

**Jeff Marlow** 

Director of HR, learning and knowledge

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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



We are revamping how we manage our talent with the aim of providing 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 know that equality of opportunity is key to progression and reward. We continue to apply increased scrutiny to how we allocate resource. We have embedded structured work allocation in two 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. Processes and policies



We continue to review our processes and policies, removing practices that can disadvantage particular groups, and ensuring that our processes reflect the progressive firm that we aspire to be.

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.