

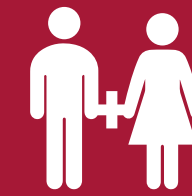
At our inaugural Gender Matters think tank event in 2018 we observed a renewed focus on the need to promote and enhance inclusive business practices. This was reflected in media interest in gender issues and the introduction of UK legislation on gender and pay. Yet despite this revived attention on gender equality in the workplace, women continue to be under-represented in positions of power in organisations.

In this second Gender Matters brochure we draw on a range of sources to illustrate the current scope and range of gender and inclusion challenges that we identify as prevalent in 2020. We focus on the gender pay gap, the leadership pipeline and managing the personal and the professional. We use the financial services sector as an exemplar of the challenges facing a key player in the UK economy.

The illustrations identify the continuing resilience of workplace gender inequalities and the stubborn persistence of the practice-policy gap. We use the term 'practice-policy gap' to explain how the development of fair and equitable 'gender neutral' policies fail to take account of gendered social assumptions that can (dis)advantage women and men's everyday practice at work. The figures in this and the first Gender Matters brochure reveal the enduring nature of the divide between good intentions of 'neutral' policy and the reality of our own practice, behaviours and perceptions, influenced by social norms.



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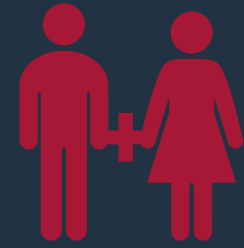
GENDER MATTERS 2020

With a Financial Services
Sector illustration

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Ana Vera Martin
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Professor Claire Leitch

GENDER PAY GAP

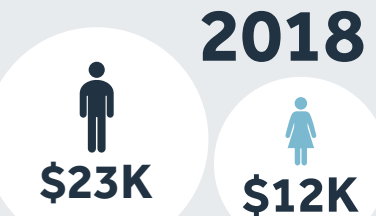
Women's pay continues to lag behind that of men; this is a global phenomenon. The UK figures reveal a **widening gap** that increases with age, status and family responsibilities.



1 Overall Gender Pay Gap

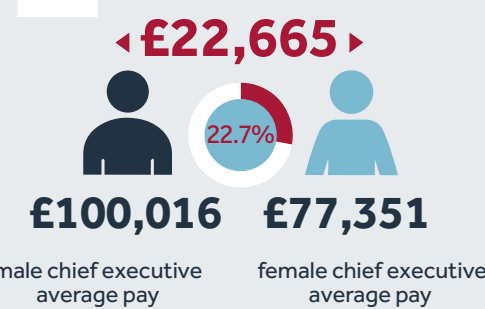
A global phenomenon.

GLOBAL AVERAGE ANNUAL EARNINGS



Source: Global Gender Gap Index (2018), World Economic Forum.

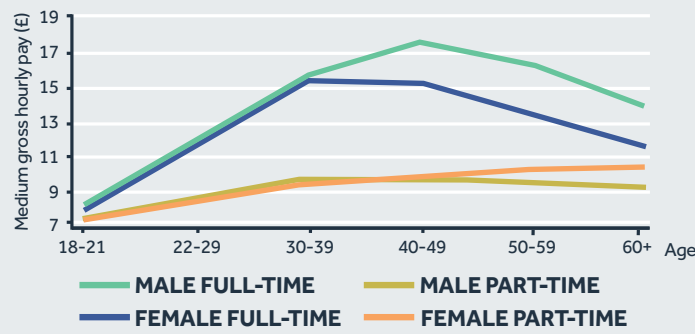
3 UK Chief Executive Gender Pay Gap



Source: Office for National Statistics (2019).

2 UK Gender Pay Gap

The gender pay gap widens with age and persists over time.

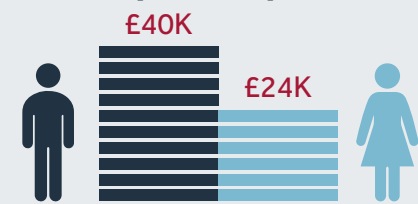


Source: The Investment Association (2019) analysis of ONS Annual Survey of Hours and Earnings data (2018).

4 Gender Pension Gap

The gender pay gap has consequences for women's wealth into retirement.

On average, women in the UK hold 40% less in their pension pots than men.



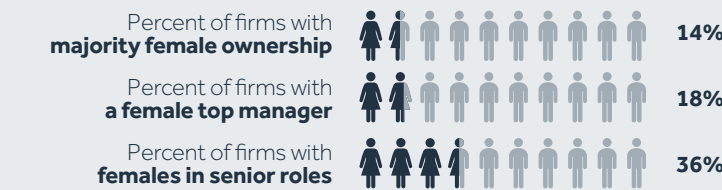
Source: Profile Pensions (2019).

THE LEADERSHIP PIPELINE

Women's progression in the workplace to leadership positions is persistently problematic. The figures below demonstrate a **status gap** between women and men: women are more prevalent in junior roles and men are more prevalent in senior roles.

8 Women's Representation in Leadership Roles

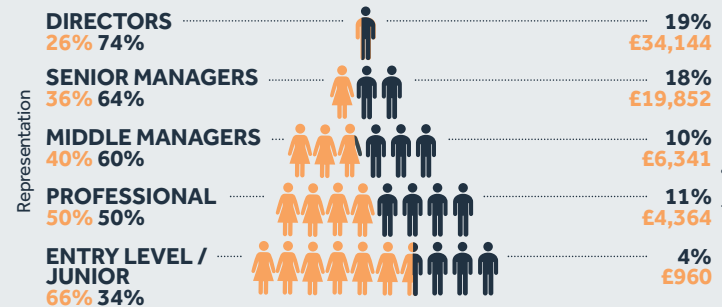
Global figures show the underrepresentation of women across leadership roles.



Source: Global Gender Report (2020), World Economic Forum.

10 The 'Glass Pyramid'

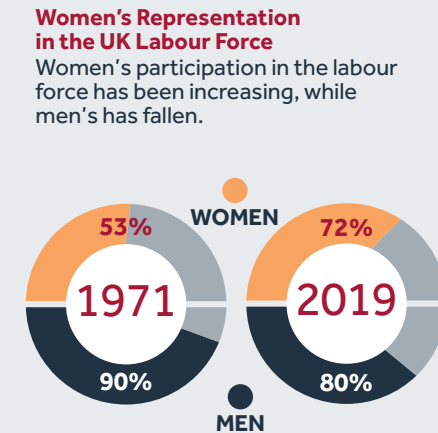
Highlights women's over-representation in junior roles and under-representation in senior roles in the UK and a progressive gender pay gap.



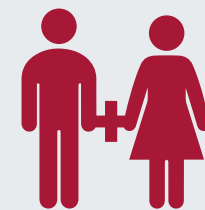
Source: Mind the Gender Gap (2017), Chartered Management Institute.

9 Women's Representation in the UK Labour Force

Women's participation in the labour force has been increasing, while men's has fallen.



Source: Labour Force Survey (2019), Office for National Statistics.

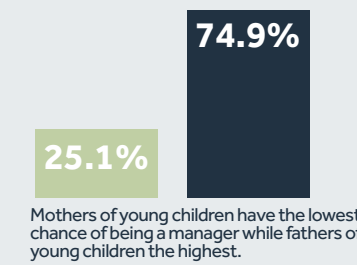


MANAGING THE PERSONAL AND THE PROFESSIONAL

Family responsibilities affect social perceptions of women and men differently and this has an impact on behaviours. Figures reflect a **practice-policy gap** where well-intentioned policy fails to be realised in practice.

14 Family Responsibilities and Career Advancement

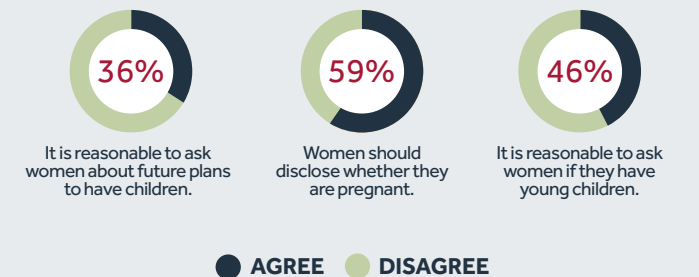
A global motherhood penalty.



Source: A Quantum Leap for Gender Equality: For a Better Future of Work for All (2019), International Labour Organisation.

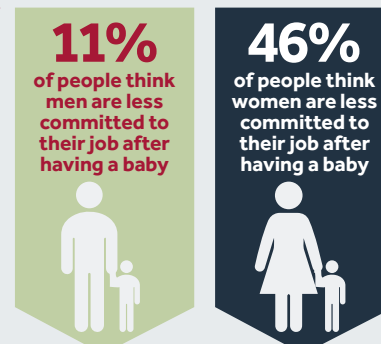
15 Women, Recruitment and Family

Research reveals that senior decision-makers in UK business believe it is reasonable to question women about family and their family plans during the recruitment process.



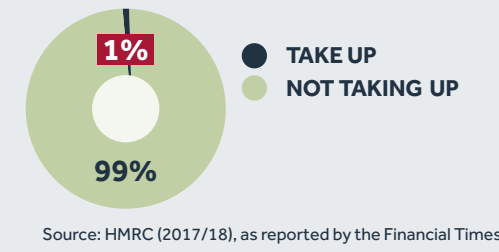
Source: Equalities and Human Rights Commission (2018).

16 Perceptions of Men's and Women's Commitment to Work (UK)



Source: Parents, Work and Care: Striking the Balance (2016), The Fawcett Society.

17 UK Shared Parental Leave Take-Up



Source: HMRC (2017/18), as reported by the Financial Times (2018).

THE FINANCIAL SERVICES SECTOR

In the UK sector the pay gap widens with age and seniority, extending to additional aspects of the reward package including substantial differences in bonus pay.

5 Gender Pay Gap in Finance Industries and Occupations

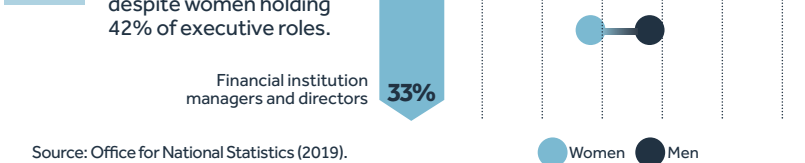
A greater pay gap in finance industries and occupations than the average general pay gap.



Source: Office for National Statistics (2014-2018); Missing Middle: What is Inhibiting Women's Careers in Financial Services? (2019), The Work Foundation.

6 The Gender Pay Gap at Executive Level

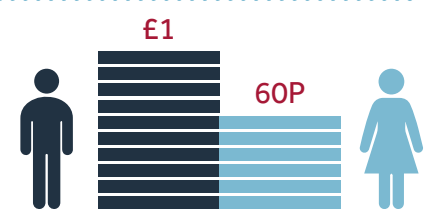
A significant pay gap despite women holding 42% of executive roles.



Source: Office for National Statistics (2019).

7 Bonus Gender Pay Gap

An average 40% bonus pay gap in the sector.



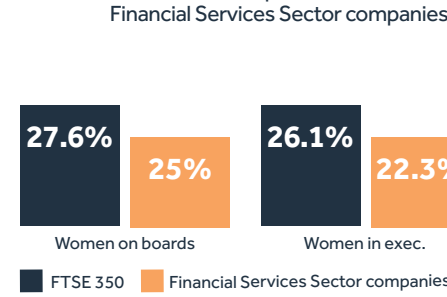
Source: Gender Pay Gap data (2019) as reported by The Guardian (2019).

THE FINANCIAL SERVICES SECTOR

Women's lack of progression is mirrored in the UK financial services sector with a widening gap in the most senior roles.

11 Women on FTSE 350 Boards, Executive Committees and Direct Reports

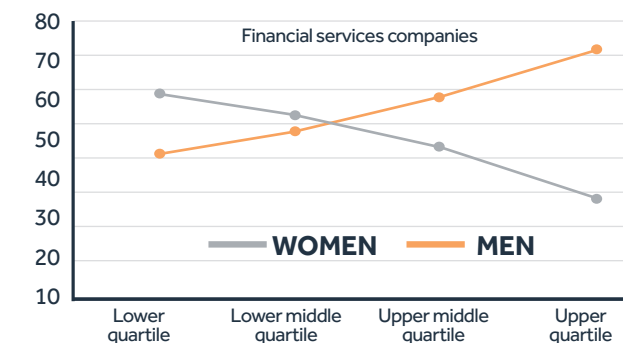
Less women's representation in the Financial Services Sector companies.



Source: Hampton Alexander Review (2018); Missing Middle: What is Inhibiting Women's Careers in Financial Services? (2019), The Work Foundation.

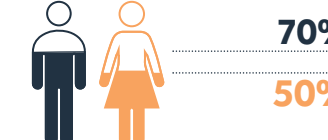
12 A 'Pyramid' Model

Source: Women in Finance, Fifteenth Report of Session 2017-2019 (2018), House of Commons Treasury Committee.



13 Progression Perception Gap

Women are less likely to perceive they have equal opportunity to advance compared to men.



Source: Empowering Productivity: Harnessing the Talents of Women in Financial Services (2016), HM Treasury and Virgin Money.

THE FINANCIAL SERVICES SECTOR

Globally, flexible working practices are recognised as enhancing productivity in the sector. However in the UK a culture of presenteeism exists that may negatively affect women's and men's ability to manage the personal and the professional.

18 Flexible Working and Productivity

Global figures show an increase in sector productivity with the use of flexible and remote working practices.



Source: Women in Business and Management: A Global Survey of Enterprises (2019), International Labour Organisation.

19 Presenteeism as a Barrier to Women's Progress in the UK Sector

Source: Women in Finance, Fifteenth Report of Session 2017-2019 (2018), House of Commons Treasury Committee.

"What women really said was that there was [...] a culture of having to be present in financial services [and instead firms should] look at [employees'] output, not at [employees'] presence."
Jayne-Anne Gadhia, Treasury Committee Inquiry

20 Perceived Cultural Tensions in the UK Sector



Source: Empowering Productivity: Harnessing the Talents of Women in Financial Services (2016), HM Treasury and Virgin Money.