

# How employers and employees can tackle the gender pay gap: a white paper from AAT



## Introduction: Equal responsibility = Equal opportunity?

Under Government plans announced earlier this year, large firms will need to calculate their **gender pay gap from April 2017 and publish the details no later than April 2018**. This is the latest in a series of reforms, including shared parental leave, that have been announced to secure real equality for women and make better opportunities available.

The latest ONS figures suggest that the gap **currently stands at 19.2%**. With this in mind, and amidst reports that just **3,000 new parents took up shared parental leave during the first three months of 2016**, AAT invited a group of stakeholders, from a variety of industries, to a breakfast roundtable, held on Thursday 13 October 2016. Here they discussed what practical measures employers and employees could implement in order for the gender pay gap to be significantly reduced.

Participants included representatives from organisations including **Business in the Community, The Recruitment and Employment Confederation, Opinium Research, Labour in the City, Standard Chartered**, and the **Chartered Association of Business Schools**. There was journalist representation from **Working Mums** and **Pay and Benefits magazine**, while Harriet Minter, former editor of **The Guardian's Women in Leadership** section, chaired the event. The **Government Equalities Office** were interested spectators at the roundtable.

## Recommendations

### A cultural shift to create a balancing act

It is a sobering thought that the topic of the gender pay gap has been in the spotlight for 40 years or more, and yet it still doesn't seem to be going away. Some participants at the roundtable suggested that one reason for men taking the bulk of senior positions was the pervading nature of an 'old boy's club', meaning that some men have greater opportunities – perhaps in the pub or down the golf course – to network and thus enhance their career potential. Indeed, one stakeholder mentioned she had taken golf lessons to break the mould and gain entry to the 'club' herself!

**Recommendation 1:** To counter this, a 'new girl's network' was suggested. This would take the form of women in senior positions being actively encouraged to help mentor and progress less experienced women in their organisations, and helping them to report any sexist behaviour they may encounter, thus undermining even any unconscious gender bias they may otherwise experience. Younger women would be encouraged to build up their confidence which may help achieve future success.

### New era for sharing parental leave

The general perception at the roundtable was that while shared parental leave is a useful introduction, the mindset is not yet present among men to take more time off – or indeed for women to 'share' their maternity leave – and it may not always make financial sense. Western society also traditionally places more emphasis on a mother taking care of the children while the father heads to the workplace, while some other societies can put more onus even on older children to share this burden.

**Recommendation 2:** Rather than women needing to reduce their maternity entitlement to 'share' their leave with their partner, paternity leave should instead be boosted in its own right to allow the father more time to bond with his child and avoid the feeling of mothers having their leave penalised.

### Change the mindset around flexible working

Despite the recent introduction of shared parental leave, panellists felt more could be done by companies around flexible working arrangements. There was a feeling that the need to work flexibly – such as building in work from home days – still predominantly sits with women.

There was also a feeling that those who regularly carry out flexible working were seen as ‘second-class workers’; less ambitious, less capable, and less hungry for a successful career.

**Recommendation 3:** This can be reversed by companies providing good examples of flexible working – most likely by those in a senior position – and demonstrating how it benefits the employee, productivity and the company as a whole.

### **Making childcare work – for both parents**

Again the perception was that childcare responsibility predominantly sits with the mother – and that they can suffer in the workplace as a result. AAT’s own research in this area has shown **that over a quarter of women also say their boss isn’t supportive when they need to take time off due to childcare issues**, compared to less than a fifth of men.

The suggestion here is that the lack of support stems simply from a greater frequency of requests coming from the mother to look after their child. There may be good reason for this; for some, the father’s job may already be better paid, more highly pressurised or located further away from home but it’s important to note that this may not always be the case.

**Recommendation 4:** All employers should equally support their staff’s requests for childcare where possible, while mothers and fathers themselves should more strongly consider how to split their responsibilities.

### **Working nine to...three?**

Some employers in Sweden have recently introduced a **six hour working day** in an apparent bid to make their staff happier, but also – crucially – to boost productivity. There is a wealth of evidence to suggest that with higher working hours, labour output per hour falls. This may go some way to explaining why the UK continues to have such a poor productivity record compared to both our G7 and other OECD counterparts.

**Recommendation 5:** It was felt that shorter hours, coupled with the employee being able to create their own flexible working day, could lead to better output which is ultimately what all employees should be judged on during review periods. A keen emphasis on a strong work-life balance should be led by senior management, and again should very much involve both genders to enable greater equality.

## **Conclusion: A two-way discussion**

Panellists felt there was a great deal of hope for the future, with the millennial generation perceived as working differently to the generations before them, in terms of wanting a greater work-life balance, taking flexible working opportunities and having a smaller gender divide when it comes to career ambition.

The overarching feeling from the roundtable was that change will only truly be realised when both men and women come together to review their business’ practice, ensuring it offers equal opportunity for all; when progression opportunities are provided on merit rather than taking factors such as maternity leave, childcare or flexible working into account. This culture can in turn help facilitate discussions between mothers and fathers themselves, helping them work towards more shared arrangements balancing their careers and bringing up their children. After all, we are no longer in an environment where all mothers stay at home raising the children and, as one panellist put it, **“Men taking more responsibility can lead to women taking more power.”**

To find out more about AAT’s research into mothers and the workplace, please visit our **gender inequality at work press release**, while you can read more about our recommendations for minimising gender discrimination in the finance industry by viewing our **Making the finance sector add up for women** white paper. For more information please contact [prteam@aat.org.uk](mailto:prteam@aat.org.uk)