



Gender pay gap report 2020

Introduction

Venn Group is an acknowledged leader in professional interim recruitment across the UK, where performance is rewarded.

As a recruitment business we are required to report on our gender pay gap figures for our employees as well as our agency workers. This report details our gender pay gap for employees and agency workers combined, however for the purposes of this report we have also separated out our employee only figures. We believe splitting the figures down to show our own employees is more representative of what the legislation is trying to achieve, as we have direct responsibility over their career development and pay, whereas the pay for our agency workers is set by our clients.

I confirm our data is accurate and has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Deirdra Moynihan, Chief Executive Officer

What is Gender Pay Gap Reporting?

The Gender Pay Gap legislation requires all public, private, and voluntary sector organisations with 250 or more employees to report on their gender pay gap figures. Due to COVID-19, the UK government cancelled the need to formally report the 2019 figures; therefore, Venn Group's last published report was in relation to April 2018.

By measuring and comparing average earnings across all levels of an organisation, the legislation aims to highlight different earning levels and therefore a 'gap' in the level of pay. Recognising a gap in pay gives companies the opportunity to do everything they can to ensure all employees have the same opportunities and support to progress in their career and remove any potential barriers that may get in the way of this. For gender pay gap reporting, pay figures are analysed as hourly rates.

A gender pay gap is not the same as equal pay. Equal pay measures whether employees doing the same job are paid the same. Whereas gender pay compares employees across the whole organisation and can be affected by factors such as seniority and working patterns. Equal pay is a legal requirement, and we are confident our employees are paid fairly as we have robust policies in place to ensure this is the case.

Understanding the terminology

When measuring the gender pay gap, we calculate both the mean and median pay of male and female employees. A positive gender pay gap is the term used to describe when male employees are paid more than female employees; and a negative gender pay gap is the opposite.

Mean

The mean gender pay is calculated by adding up the hourly rates of all relevant employees and then dividing the figure by the number of employees recorded to get an average hourly rate. The mean gender pay gap is the difference between the average male hourly rate and the average female hourly rate shown as a percentage.

Median

The median gender pay is determined by ranking the hourly rates of both male and female pay from lowest to highest. You then take the middle number for both ranges and calculate the difference which is shown as a percentage.

Hourly Pay

INCLUDING EMPLOYEES AND AGENCY WORKERS

26.28%
Mean

22.59%
Median

The data is based on all Venn Group employees and agency workers employed on the snapshot date of 5th April 2020. It is important to mention the 2020 figures are affected by a high proportion of internal employees being on furlough and also voluntary senior management salary reductions, leaving the data incomparable to previously published figures.

The data displays a positive gender pay gap across both calculations, with females being paid 26.28% less than men when considering the mean and 22.59% when considering the median.

Proportion of females and males in each (salary) quartile band

	MALES	FEMALES
UPPER QUARTILE	60%	40%
UPPER MIDDLE QUARTILE	57%	43%
LOWER MIDDLE QUARTILE	40%	60%
LOWER QUARTILE	33%	67%
OVERALL	47%	53%

The table above helps explain how the gender pay gap arises. As a business we have a higher proportion of males in the upper quartile (60%) and a higher proportion of females in the lower quartile (67%). When considering our agency workers, in the more senior roles we work on, there often can be less scope for part-time work due to the nature of contract recruitment, this in turn may lead to fewer females applying, decreasing the pool of talented female applicants we supply for the senior roles.

Agency work is also considered less stable and secure than permanent employment, with various benefits and employment rights such as enhanced maternity pay not being applicable for agency workers. This lack of stability suggests why less females are seen in higher roles within the contractor sector.

EMPLOYEES ONLY

For maximum transparency, we are also reporting on our internal employee data only. This is where we are able to influence change through our industry leading training practices, ongoing professional development, various career opportunities, flexible working arrangements and specific diversity and inclusion initiatives.

24.92%
Mean

14.74%
Median

The data displays a positive gender pay gap across both calculations, with females being paid 24.92% less than men using the mean calculation and 14.74% using the median, both of these are an improvement when looking at the data which includes our agency workers; however, we still have work to do to further improve on this gap.

	MALES	FEMALES
UPPER QUARTILE	67%	33%
UPPER MIDDLE QUARTILE	59%	41%
LOWER MIDDLE QUARTILE	59%	41%
LOWER QUARTILE	40%	60%
OVERALL	56%	44%

One contributing factor to these results is the gender balance in the senior management team, where remuneration packages are higher, which has a higher proportion of males compared to females (70% men and 30% women). We are actively looking to increase the number of women in senior management positions, recently reviewing and improving our flexible working arrangements, and have recently changed the commission structure for women who are returning from maternity leave.

It is also worth remembering that these figures are affected by a proportion of employees being on furlough and voluntary senior management salary reductions.

Bonus Pay

INCLUDING EMPLOYEES AND AGENCY WORKERS

- 34.05% of males received a bonus compared to 20.32% of females
- Mean – 2.52%
- Median – 24.06%

Due to the nature of agency work, a large portion of our candidates do not receive bonuses, which in turn lowers the overall number of employees receiving bonuses when comparing to our employee only data. The bonuses paid are predominately reserved for more senior contractors. The payment of bonuses for our agency workers are set by our clients, leaving us with no influence over what is paid out.

EMPLOYEES ONLY:

- 96.53% of males received a bonus compared to 83.70% of females
- Mean – 6.40%
- Median – 26.21%

It is important to underline the mean gap for bonus pay of 6.4%, as it highlights that although not perfect, males and females are receiving relatively similar bonus packages.

As a recruitment business, commission payments are the main way in which our employees earn bonuses. However, employees within our Business Services function are not eligible for commission payments which will have impacted our results. 60% of our Business Services function are female and this could be a contributing factor to explain why less females earned a bonus compared to males and why there is a gender pay gap of 24% for hourly pay, as the calculation for this also includes bonus figures.

Where seniority affects salary, it also impacts bonus earning potential with more senior employees having the opportunity to earn increased commission and senior management able to earn quarterly bonuses based on sales performance (creating a bigger median sample group).



Closing the gap - what we have already done

Cultivating a diverse and inclusive workforce is at the forefront of our Board's strategic plan. We recognise that all initiatives brought in to improve diversity and inclusion at Venn Group must be supported by a culture of openness and education. Our CEO, Deirdra Moynihan, has committed to listening and learning, with a strong focus on speaking on topics previously stigmatised as taboo.

Flexible working options – We understand each individual is different, with different responsibilities outside of work. We are actively encouraging employees to speak with their manager/director regarding flexible working opportunities which will further benefit those with caring responsibilities. We are working to remove this barrier which may have previously led to some employees not feeling they are able to commit to a full time position. After consulting with employees we have also introduced working from home.

Inclusive Leadership training – All members of the management team have completed a two-month Inclusive Leadership programme which focused on topics such as unconscious bias, "noise" and also how to speak about D&I issues with more confidence.

Diversity and Inclusion focus groups – As well as training, we have set up monthly D&I forum meetings which serve as a focus group to listen and understand issues being raised by all employees regardless of ethnicity, gender, sexuality etc. In March 2021, the D&I forum group held a "Celebrating Success – Women at Venn Group" event led by four female members of the senior management team. This was a great opportunity for employees across the company to see the opportunities to progress, whilst also being able to ask questions that will aid them on their own career path.

Diversity, Inclusion and Engagement Associate – In June 2021, Ken Kittoe was appointed Diversity, Inclusion and Engagement Associate working within the HR team to further cultivate and promote an inclusive workplace. The DI&E Associate reports to the Head of HR on all D&I initiatives and works closely with them to strategically influence diversity and inclusion at Venn Group.

Pathways and Milestones – P&M is the meritocratic and transparent pay and commission structure in which all fee earning employees benefit. Clear targets are given for salary reviews and promotions. This scheme has recently been reviewed to ensure it is offering part time employees the same opportunities for progression and development.

Empowering Employment – As experts in recruitment, CV writing and interview techniques, we are currently working in partnership with Young Women's Trust charity as well as several local councils and their constituents to aid people in their search for work. We run free workshops on "how to interview", "how to write a CV" and more. We understand how important it is to provide the tools to underprivileged members of the local community to succeed and this is something we feel very strongly about. This has also allowed us to attract talent from a wider than ever variety of socio-economic backgrounds.

Pronouns - We very recently provided the option for all Venn Group employees to add their pronouns to their email sign offs (He/Him, She/Her, They/Them). We believe all employees should be treated with respect and this includes the use of the correct pronouns that they identify with.

Closing the gap - what we plan to do

De-biasing recruitment training – Specialist training will be delivered to all employees with hiring roles, aiming to remove unconscious bias in all forms of recruitment, both internal and external. We continue to reaffirm our commitment and support to equal opportunities across our workforce.

Progression opportunities - We will be reviewing the promotion route to management, ensuring the process is as fair and equitable as possible, limiting barriers for progression. We will also be speaking with female employees across the business to understand and explore any barriers to progression they feel may have impacted them or could impact them in future. The aim will be to create a strategy which addresses any issues and ensures promotion and progression opportunities are available for everyone.

'We are committed to inclusion and while we have made some excellent progress with our diversity and inclusion initiatives over the past 12 months, we recognise we still have some way to go. One area of particular focus over the next 12 months, alongside our other D&I initiatives, is to start to try and address the gender balance within the business. We need to attract more males into our administration roles and look internally at how we can support females to progress within the business. If we can start to address the gender balance at each end of the pay scale, we can start to close our gender pay gap.'

Kirsty MacDougall, Head of HR