



Seminar 3

Closing the Gap in Financial Services





- A Very Short History
- The Early Adopters
- The Narrative Pattern
- Closing the Gap
- Nationwide: Their Work To Date

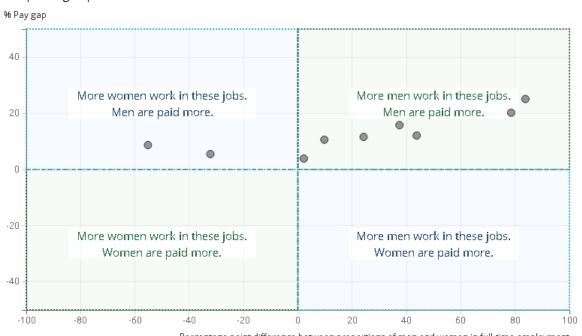


A Very Short History



Women working full time earn less, on average, than men in all major occupation groups





Percentage point difference between proportions of men and women in full-time employment



More women work in these jobs. Men are paid more.





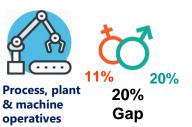






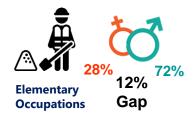
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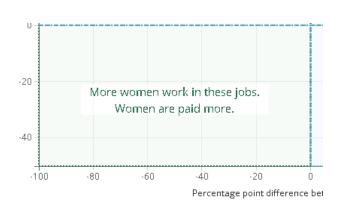








More women work in these jobs. Women are paid more.



Top Model Earnings

1. Cara Delevingne: £8 million

2. Rosie Huntington-Whiteley: £6.5 million

3. Kate Moss: £5 million

4. David Gandy: £4 million

5. Naomi Campbell: £3million

6. Georgia May Jagger: £2.5 million

7. Edie Campbell: £2 million

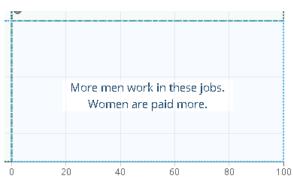
8. Jourdan Dunn: £1.75 million

9. Erin O'Connor: £1.5 million

10. Lottie Moss: £1 million



More men work in these jobs. Women are paid more.





The Early Adopters



View gender pay gap information published by employers under new regulations



Thousands of employers are now required to publish their gender pay gap figures for the first time. You can see what information companies have published so far on the <u>gender pay gap viewing service</u>.

As part of the new regulations, by April 2018 employers will be required to:

Publish their median gender pay gap figures

By identifying the wage of the middle earner, the median is the best representation of the 'typical' gender difference.

Publish their mean gender pay gap figures

By taking into account the full earnings distribution, the mean takes into account the low and high earners in an organisation – this is particularly useful as women are often over-represented at the low earning extreme and men are over-represented at the high earning extreme.

Publish the proportion of men & women in each quartile of the pay structure

This data will show the spread of male and female earners across an organisation, helping to show employers where women's progress might be stalling so they can take action to support their career development.



9,000 companies required to publish their pay data.

107 have done so

4 are Financial Organisations









Early Adopters Sector Table

Manufacturing industry: 14
Professional Services: 13
Utilities: 10

Retail: 8

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The Narrative Pattern

Data

- Lowest figure
- Mean Pay
- Infographic

Results & Progress

- % increase in female applications
- % increase in female hires

Key Focus Areas

- inclusive recruitment training
- diversity in grad and apprenticeship schemes
- female role models in recruitment ads
- retention of female talent
- developed parental benefits
- new flexible work initiatives
 - returners programmes

Reasons for the Gap

- Low representation in mid to senior roles
- Increase of women at entry level

Targets

- % of women in leadership
- 50:50 gender balance
- 2020
- 2025

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PWC suggested that over 60% of financial service firms will report a mean and median pay gap of between 20-40% with the average reporting a pay gap of around 34%





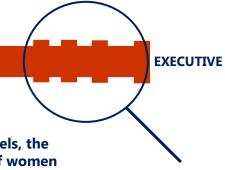
Closing the Gap



The Talent Pipeline

Hampton Alexander Review Advice:

The most important action is to <u>measure</u> the <u>pipeline</u>, ideally the whole pipeline – from entry upwards. It should cover:



At every level, and by role/division/function at each level, the percentage of women

At the top four levels, the promotion rates of women relative to men



Tenure at promotion for the top four levels for men and women

The split of women and men across functions and operational roles

Performance ratings of men and women in the top threefour levels (by line manager)

Turnover (attrition) at each level

ENTRY LEVEL

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Representation of women on training programmes and in high potential groups

Research on the

Effectiveness of Diversity Initiatives



EXHIBIT 3 | Gender Diversity Initiatives Fall into Four Clusters

HIDDEN GEMS

Highly valued by women on the ground, but underestimated by male senior leaders

- Targeting interventions to moments of truth, such as returning from parental leave or taking an overseas position
- Addressing unconscious bias in recruiting, evaluation, and promotion decision points
- Increasing the visibility of role models in the organization
- Supporting internal and external networks for women
- Offering professional development, such as talent management programs and executive coaching
- Engaging male employees to promote gender diversity

PROVEN MEASURES

Known measures with proven ROI—valued by women and known to be effective by leaders

- Offering flexible working models such as part-time or flex-time options
- Committing publicly to gender diversity, in combination with middle management support
- Tracking performance through meaningful KPIs
- . Sponsoring women through a scalable program
- Crafting antidiscrimination policies as a statement of organizational values

BASELINE MEASURES

Basic steps that have value but do not have a transformative effect on women's daily experience

- Mentoring women (often not enough to overcome systemic problems for women on the ground)
- Addressing the gender pay gap (differences in individuals' pay aren't usually public)
- Taking a public stance in female advocacy organizations (does not change the day-to-day experience)
- Launching disconnected cultural initiatives such as reducing face time (done in isolation, they often fail)
- Conducting employee surveys (typically lack follow-through from leaders)

OVERRATED MEASURES

Seemingly promising initiatives that often do not lead to real cultural change

- Holding one-time-only training sessions (too frequently outsourced and isolated events, and not enough to reshape an organizational culture)
- Establishing grievance systems (necessary for egregious actions but typically insufficient to change women's daily experience)
- Incentivizing senior leaders (usually gets lost among a long list of leadership targets)
- Recruiting senior role models (not a quick fix for failure of the organic pyramid)

Low

High

Effectiveness as perceived by male senior leaders

Source: BCG Global Gender Diversity Survey 2017.

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Effectiveness as perceived by women respondents

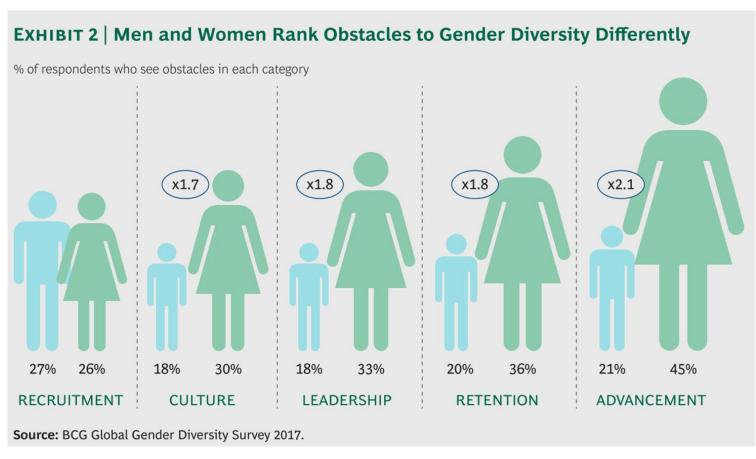
Low

High

Research on the

Blockage in talent pipelines







Building Society

Nationwide – Gender interventions

Julie McCarthy ED & I Manager

Introduction

 ED & I strategy and targets in place since Jan 2016

 Three priority diversity strands: Gender (increasing senior level representation), is one of them

Progress we are on track



2016/17 activity update

- Unconscious Bias roll out to 95% of people managers
- ED&I Toolkit launched
- Sponsorship pilot
- Development programmes self nominating
- Strong gender network
- Real model series
- Maternity research
- Senior level sponsorship







THANK YOU



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