

A man and a woman in business attire are sitting outdoors, looking at a laptop. The man is on the right, wearing a dark suit and tie, and is typing on the laptop. The woman is on the left, wearing a white top and glasses, and is pointing at the screen. They are both looking intently at the laptop. The background is a blurred city street with buildings and trees.

GRAHAM

GRAHAM Gender Pay Report 2018

Delivering
lasting impact

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Introduction

At GRAHAM our people make us unique, they are the core of our business and the force behind our success. As such, we are committed to investing in our talent pool and creating the conditions for every individual to excel.

Accredited to Investors in People's Platinum standard and winners of their 2018 Excellence in Health and Wellbeing Award, our open, supportive and inclusive culture sets us apart. Furthermore, we are spearheading Fairness, Inclusion and Respect (FIR) within our industry, recognised in 2018 as a leader and innovator by winning the CECA 'Inspiring Change in the Workplace' Award for the second time in three years.

Whilst our 'Headline' gender pay figure remains in line with the industry as a whole our innovative, targeted initiatives are having a significant, positive impact on the underlying gap within each individual pay quartile. We are committed to developing these innovative approaches, collaborating with our Peers and learning from the best practice of other industries to achieve long term, sustainable success.

Why Gender Pay Reporting?

Before we analyse our 2018 gender pay statistics, it is important to provide a brief explanation as to what the pay gap means and why understanding it appropriately is important:

- / **What is the gender pay gap?** The gender pay gap shows the difference in the average hourly pay rate between ALL men and women in a workforce. **It's important to acknowledge that it doesn't compare the salary levels for equivalent roles within a business.**
- / **Why is it important?** If an individual organisation or an industry as a whole has a particularly high gender pay gap there may be a number of issues to deal with, and the individual calculations help to identify what those issues are.





GRAHAM Gender Pay Statistics

The overall 'Headline' gender pay gap is comparable with our 2017 results. However, when we start to delve beneath these top line figures a very different picture emerges of very low or negligible gender pay gaps. In fact, if we were to remove a small minority of senior employees from the calculation then the overall gender pay gap would be a showcase for best practice across all industries.

This is highly encouraging, demonstrating that our positive approach is starting to bear dividends, whilst highlighting the areas we need to address to make longer term change.

That doesn't mean we can rest on our laurels. We recognise that significant issues remain within our industry including the fact that there are simply not enough females working in the industry and those that do are more likely to be in lower paid, administrative roles. Alongside this, the traditional structure of work can create subtle barriers which prevent females from progressing their career.

However, we are not discouraged by the challenge – rather we are developing internal structures and proactively working with our Peers to develop innovative solutions that will tackle these barriers and lay the foundation for sustainable future improvement for the whole industry.

Table 1

GRAHAM - Pay and Bonus Gap

	Mean	Median
Hourly Pay	37.3%	36.6%
Bonus	89.3%	16.7%

As a business we are confident that we pay the same salary for equivalent roles regardless of gender or any other individual characteristic.

Table 2

Pay Quartiles

	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
Men	63.2%	75.1%	89.2%	94.1%
Women	36.8%	24.9%	10.8%	5.9%
Mean Pay Gap	-0.25%	2.3%	0.4%	18.9%
Median Pay Gap	2.6%	4.3%	-0.1%	1.0%

The metrics in Table 2 summarise the gender distribution across GRAHAM when we divide pay rates into four equal quartiles.

These results paint a more accurate picture of gender pay gaps within our business. Significantly 88% of the Mean/Median pay gaps have reduced substantially on the previous years' figures. In most quartiles the figures are now negligible, demonstrating our fair and inclusive approach to reward.

The figures also showcase the strident efforts we are making to encourage and support females to develop their careers and seek promotion to more senior roles. This is particularly relevant in the Lower and Upper Middle Quartiles with the gap a showcase for best practice across all industries.

Whilst the Upper Quartile mean pay gap is not consistent with our overall statistics, the low median gap in this grouping demonstrates that it is a small minority skewing the figures and that in general the salaries of most male/female senior employees are at equivalent levels.

So it's a very positive picture that emerges of consistently low gender pay gaps – testament to our focused strategic and operational planning.



Table 3

Proportion of Employees who Receive a Bonus

Men	22.3%
Women	9.7%

Table 3 highlights a 12.5% differential between the number of men and women who received a bonus for their performance in 2017/18. The gap has closed on our 2016/17 figures and we have also reduced the median gap for bonuses. However, the gap remains high mainly due to the fact that the bonus scheme is available primarily to senior management positions and therefore is directly impacted once more by the issues we face as an industry.



How we are addressing the Gender Pay issues

At GRAHAM we are committed to the cultivation of a diverse and inclusive workplace. The gender pay statistics and the underlying contributing factors only serve to strengthen our resolve and focus our minds on implementing further positive change with Fairness, Inclusion and Respect (FIR) at its core.

Our approach is centred on focusing on key, connected strands that together create a strong impact.



**Fairness
Inclusion
Respect**

Focus on Leadership and Results

During 2018 we held a 'Women in GRAHAM' event, designed to engage with our female talent, to understand the barriers females face in joining the industry, in progressing their career and how we can work together to effect real change.

In addition, we held a FIR Conference for Senior Managers, which delivered a mandate for organisational improvement, through the development of a FIR Charter which outlines our strategic objectives and an operational, SMART target based FIR plan.

Whilst it will take more time for our strategy to significantly impact the overall gender pay gap we are laying the right foundations for future success. We can already see the impact our actions are having on individual pay quartiles and other FIR results, indicators of what is to come.

During 2018 we achieved the following key improvements:



133%
increase
in females on our
Management
Development
programmes



17%
increase in females
promoted into
senior roles in
two years



12%
increase in
female entering
the GRAHAM
Academy, which is
the foundation for
future success



92%
of females
return to work post
maternity with
46%
working flexibly



An increase in our
benchmark score,
Women into Science
and Engineering
(WISE) 10 step
plan by
33% over
two years



50%
increase in
female mentors /
ambassadors to
attract and support
female talent within
the industry

Building on this success we have ambitious plans for 2019 that we know will support our long-term objectives. Highlights include:

- / A mandatory e-learning programme on Unconscious Bias for all employees
- / A FIR 'Toolkit' supporting projects to achieve improvements in their approach to diversity
- / Policy development and manager training on 'Inclusive Recruitment'

Summary

As a company we're progressive in our approach and remain steadfast in our commitment to openness and transparency. We are proactive, continuing to target and achieve significant success in measures that will lead to a long term, positive and sustainable impact on our gender pay gap. The fact that the underlying figures are so positive encourages us that we are doing the right things that will get us to our goal.

We acknowledge that to create effective change for our industry we need to focus on collaboration and shared learning. However above all its the enthusiasm of our committed Leadership team, encouraging and driving the business forward that will ensure we deliver on our objectives of balance, parity and equality for all.

I confirm that our data within this report has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Michael Smyth
Human Resources Director
GRAHAM





5 Ballygowan Road
Hillsborough
County Down
BT26 6HX

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