



Gender Pay Gap Report 2021

June 2021



Contents

Forewords		
– CBI		4
– Women Network		5
Executive Summary		8
Chapters		
1. How is the gender pay gap calculated?		10
2. Our results		12
3. Our journey		14
4. 2021 Pay Gap Action Plan		18
About the CBI		22



Foreword CBI

Our Journey in 2020

The COVID-19 crisis, with its disproportionate impact on working women and parents, has been a stark reminder of workplace inequalities. And while business has made huge progress in recent years, it's still got some way to go. We have a lot to do to make sure women from all backgrounds and experiences can progress and succeed in the workplace.

At the CBI, we have a dual responsibility: to support our members and to support our people. As Director-General, I have always believed that companies are superb institutions at helping people get on in life. But given pay gaps still exist in so many organisations, it's clear that something isn't working. It's my ambition and firm hope that, as we recover from this pandemic, the UK's reputation for diverse talent and inclusivity can become our global calling card.

But we cannot change what we cannot see. Which is why the CBI reports its gender pay gap, on a voluntary basis – without transparency over the data, we cannot begin to understand why pay gaps exist in the first place. Since last April, the CBI's average gender pay gap has increased by 7.9% and is now at 18.2% for the organisation as a whole. That's disappointing to all of us. In part, this is the result of the transition to a new Director-General. Given the size of the CBI – we employ fewer than 250 people – when only a few people change roles, it can have a considerable impact on the headline data. That said, we have to do better. I consider myself an ally to female colleagues and am pleased that we have close to equal representation of men and women in management roles – with a 58% female and 42% male gender split across the CBI as a whole.

This year, we will continue to work towards greater gender parity across our business, looking at how we recruit and develop our people. The CBI's employee networks play a crucial role too, helping us better understand our colleagues' lived experiences and any barriers they may face.

Above all, we want to close our pay gap, see women progress into more leadership roles and create a culture where all women feel they can truly thrive in the world of business. We have the ambition and the passion to make a difference, and I'm excited to see what we can achieve.



Tony Danker
Director General



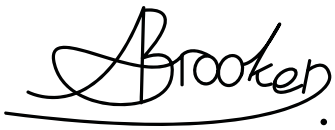
Foreword Women network

The mission of the Women's Network has been to ensure diverse representation across the CBI. As newly appointed Chairs we will continue to drive this mission and are keen to ensure that the voice of the network is heard, and initiatives taken on by the organisation are aligned with our members.

The Women's Network has been at the forefront of critical conversation with HR and ExCo on topics such as travel policy and safety, recruitment policy, hybrid working and return to the office, as well as the gender pay gap. We worked with charities and raised awareness surrounding financial abuse. We have held and will continue to hold regular meetings that provide a safe space for our members to discuss prevalent topics. It is these conversations that shape our discussion with HR and ExCo.



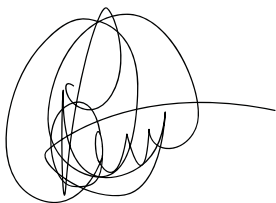
We will continue to work with colleagues throughout the organisation to ensure we see positive change in line with the actions laid out in this report. We are determined to see the CBI as a place where everyone can develop and have a thriving career regardless of their background.



Amy Brooker
Senior Policy Adviser



Camelia Bader
Business Development Executive



Leah Carter
Senior Conference Events Manager



Susannah Odell
Principal Policy Adviser





Executive summary

At the CBI, we have embedded diversity and inclusion into our business strategy because we believe its success is reliant on everyone owning the strategy. We want an organisation that is not just reflective of the society we operate in but one that is inclusive and equitable, and this is fundamental to the culture we are creating. We want all to feel like they belong, can progress, and succeed irrespective of their background, experiences, and perspectives.

In 2020, this commitment to D&I was renewed following the impact of the pandemic on many of our employees. We have had to ask ourselves if we were truly inclusive in our policies, practices and culture and then learn about what it means to be an effective ally for our colleagues. We have had to take an intersectional lens to look at the challenges various communities within our organisation face to ensure they are adequately supported. One of the main factors that have enabled us to do this is our data; for us at the CBI we know the importance of using our data to help drive meaningful change. Therefore, we have voluntarily reported on our Gender Pay Gap to ensure that we understand the issues at hand, and we are tackling them appropriately.

Our 2021 report shows that our pay gap has increased due to several factors, including a high proportion of females in junior roles, lower representation of females in the upper quartile (senior leadership) and due to our new Director General being male. We know that as an SME one small change in representation can significantly affect our figures, but we also know that we need to continue to build on the work we have done over the last few years to ensure we close our gap.

This year our report will focus on progression and development especially for females in junior roles and those seeking to progress to senior leadership and one of the actions to support this is mentoring. We will also focus on our recruitment work to ensure males, as well as females, are recruited into junior roles and work towards creating a culture where all can thrive. As we look to the rest of the year, we will continue to ensure gender balance for management roles, with at least 50:50 female representation in management. We will also continue to support parents returning to work - those with caring responsibilities and those working part-time - and champion a culture of flexible working.

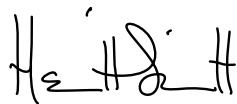
There is a lot to do to reduce our gap and we believe the action plan outlined below will be key to achieving this.



Ife Onwuzulike
Head of Diversity and Inclusion



Neil Tomkins
Director of Finance and Corporate Services & Joint EXCO Sponsor for Diversity and Inclusion



Henrietta Jowitt
Deputy Director General – Commercial & Joint EXCO Sponsor for Diversity and Inclusion



Caroline Roberts
Interim HR Director



How is the Gender Pay gap calculated?

Because different jobs pay differently and the number of men and women performing these jobs varies, a gender pay gap exists.

The **gender pay gap** looks at the difference in the average hourly rate of pay (median and mean) between male and female employees. The data presented is based on our UK-based employees. This is different to **equal pay**, which is the difference in pay between men and women who carry out the same jobs, similar jobs or work of equal value.

A **mean gap** is a calculation of the average pay or bonus of male versus female employees in our organisation.

A **median gap** is a calculation of the exact mid-point between the lowest and highest-paid male versus female employees in the organisation.

Quartiles are calculated by ranking the pay for each employee from lowest to highest. It has a total sample size of 232 employees and breaks down to show the equal proportion and percentage of earnings within that quartile of male and female employees.



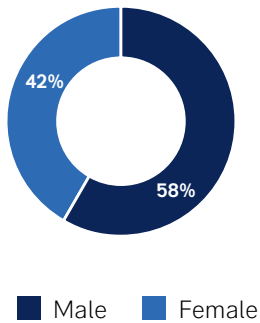


Our Results

Gender Representation (out of 232 employees)

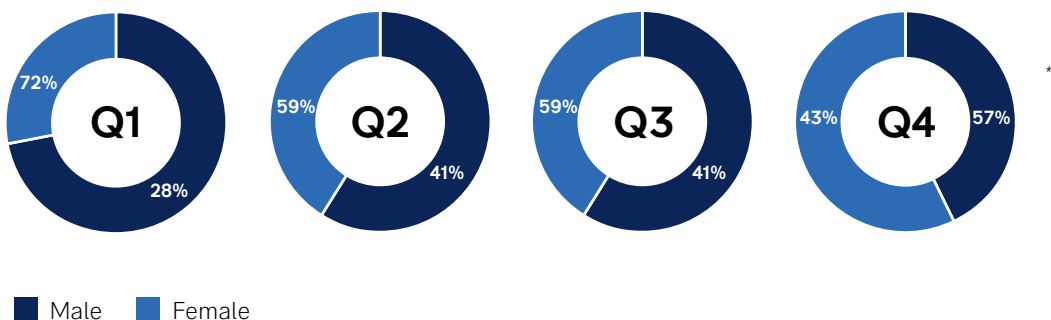
The Gender split in April 2021 was **58%** female and **42%** male. This remained unchanged since April 2020. Our mean (average) Gender Pay Gap is **18.2%** which is a **7.9%** increase since April 2020. Our median pay gap is **20%** which is a **2.6%** increase since April 2020.

NB: According to ONS the UK National Gender Pay Gap average was 15.5% in 2020 for all employees across all sectors.



Pay Quartiles

In the last year there has been very little movement within each quartile. Nevertheless, there has been a 3% increase in female representation in Q3 and a similar increase in male representation in Q4.



The data is split into 4 equal quartiles showing the pay equality in each quartile. Q1 being the lowest paid and Q4 being the highest paid.

Change since 2020							
Quartile 1		Quartile 2		Quartile 3		Quartile 4	
Male	- 2%	Male	- 1%	Male	- 3%	Male	+ 3%
Female	+ 2%	Female	+ 1%	Female	+ 3%	Female	- 3%

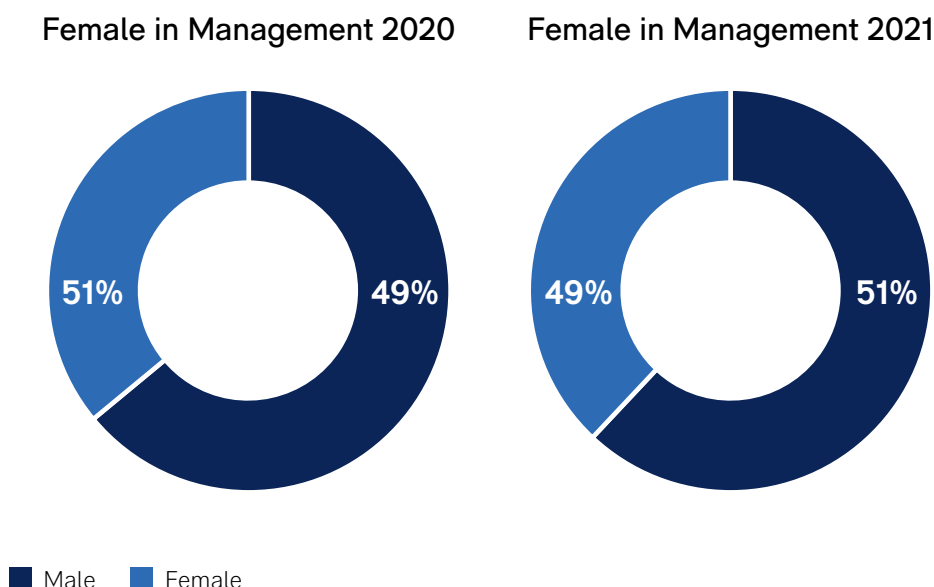
Bonus

All employees were paid the same amount as a 'thank you' payment in early 2021. These payments were not in relation to individual performance but rather in recognition of the work our employees did as part of the wider CBI team throughout 2020. Eligibility for this payment was based purely on people working at the CBI during the relevant period.

There are also a small number of sales-related roles that can earn commission.

The total proportion of male employees who received a bonus was **92%** compared to **90%** of the total female employees.

N.B: Our 'bonus' payments are modest and are in line with our business structure as an SME and a Not for Profit



Our data shows that the proportion of females in management roles has slightly reduced since April 2020, but we still have close to equal representation of males and females in management roles.

Our journey

In 2020, we highlighted some actions focused on doing more in **recruitment**, **progression** and in our **culture** to build on the progress made at that time **as expressed** in our wider Gender Pay Gap action plan.

Our 2021 data shows we need to continue to work towards greater gender parity in all 4 quartiles especially in Q1 and Q4 because:

- In Q1, there is high proportion of women compared to men and we therefore need to ensure junior roles are attractive to male candidates whilst also progressing women beyond Q1 into the upper quartiles.
- In Q4, we need to increase female representation, and this can be supported through recruitment or progression.

Our data also shows that the overall number of males and females in the business remains the same as of April 2020, but our gap has significantly increased. We know this is partly due to a change in our Director General (DG) who is male whilst our previous DG was female.



Due to the size of our business, we noticed that even one change in representation can have significant effects on our pay gap, so we are even more committed to ensuring we track this and create actions to ensure greater gender parity.

Reflecting on the above, we believe a key theme for 2021 is progression and development to shift representation in the quartiles and we believe this will be supported by the work we are committing to within our recruitment practices and our culture.

Recruitment

Since the 2020 report we have:

- Created a dashboard that is reviewed on a quarterly basis by our executive team. This dashboard has allowed the executive team to gain better insight into gender representation within their business areas but also in respect to our quartiles.
- Continue to ensure a balanced shortlisted for management roles.

Therefore, in 2021 we will continue to ensure that we deliver on the above to ensure gender parity but also:

- Review applications to our graduate entry roles to understand the makeup and create actions to ensure the programme attracts both men and women.
- Review our job descriptions to ensure we have gender neutral language and revising our inclusion statement so that it encourages men to apply for more junior roles.
- Advertise our roles in more family-friendly places to attract women into senior roles

Progression

Though our data shows that women make up a high proportion of Q2 and Q3, we still know that progression is key when looking at how we support women to move from Q1 to Q2 and Q3 to Q4.

Since our 2020 report we have:

- Launched our Parental Partnering Programme for parents returning to work or who are about to go on long periods of leave. Participants are partnered with other working parents in the business to support them in their return to work or leave from work.
- Continued to monitor the gender balance of staff promotion outside of our annual performance review process.

However, in 2021 we will also:

- Focus on ensuring our female employees are supported through mentoring especially those wanting to progress and develop themselves from junior roles but also for those wanting to shift into leadership positions.
- Focus on supporting working families as many have been impacted by COVID and have had to adapt their working pattern around childcare. We will support our working families by ensuring their development is prioritised through regular discussion with managers.
- Focus on making our pay and progression policy and process clearer to support progression.



Culture

In 2020, we learnt the importance of creating an inclusive culture built around a greater understanding of the lived experiences of others. Our data showed that women make up over half of our workforce so creating actions with an intersectional lens was key to tackling our pay gap.

We also saw increased take up in flexible working due to the pandemic, but we need to ensure we build on our flexible working offering to support the varying needs of workforce.

In 2021 we will:

- Champion a flexible working culture for all, one that attracts, retain, and progresses talent and supported by our policies on pay and progression and through our recruitment practices.
- Champion greater uptake of shared parental leave.
- Relaunch our bullying and harassment training with refresher courses for all staff.
- Focus on empowering our employees through training on areas like resilience, building skills, understanding work life balance and personal effectiveness.

In summary...

We know that achieving some of the actions above requires leadership involvement and that why in the last year the Women's Network (and other networks) appointed an executive sponsor to support the strategic plans of the network. Our executive team now also review on a quarterly basis the gender pay gap dashboard (as well as ethnicity).

There is clearly much to be achieved to close the gender pay gap and therefore progress will need to be monitored with our executive team to ensure that in a year's time we will see a difference not just in our overall pay gap but within our quartiles

2021 Pay Gap Action Plan

Building a diverse and inclusive culture, enabling everyone to reach their full potential.

Commitment

We are committed to reviewing our internal practices and policies aligned with best practice, so that everyone has the same opportunities at the CBI.

Ongoing progress 2020-2021

- Continue to ensure our employee benefits offering is aligned with best practice, promoting employee wellbeing and an inclusive approach to employment and work life balance in areas such as flexible working.
- Continue to deliver assertiveness and inclusion training to all employees at the CBI to increase confidence and awareness around inclusion, especially for those starting their careers.
- Continue to roll out privilege and allyship awareness training every month.
- Continue to provide inclusive leadership training for all senior management.
- Continue to champion uptake of our parental programme to support parents returning from, or about to go on, maternity or shared parental leave.

2021/22 Actions

- Review our pay and progression to ensure they are fair and inclusive and support employee progression.
- Relaunch our bullying and harassment and training with refresher courses for all staff.
- Introduce more training around resilience building and empowerment for all.

Attracting more diverse talent to help us to become an employer of choice.

Commitment

We are committed to transparency and fairness within our recruitment practices, engaging more diverse and inclusive recruitment agencies and supporting hiring managers with inclusive training to support our efforts in building a diverse talent pool.

Ongoing progress 2020-2021

- Continue to promote the benefits of our perinatal support agency, which offers parental support services such as lactation consultants, sleep coaches and post-natal therapy to help attract parents and carers to the CBI and support them on an ongoing basis.
- Continue to use pay bands and benchmarking data for all roles to ensure we are paying market rate as well as continuing to benchmark against peers in the same or similar roles.
- Continue to apply balanced short lists to all management positions.
- Continue to ensure all CBI roles are advertised inclusively and state our commitment inclusion and flexible working.
- Continue to track diversity of candidates at interview and appointment for management roles.

2021/22 Actions

- Advertise our roles in more family-friendly places to attract women into senior roles.
- Review our job descriptions to ensure we have gender neutral language and revising our inclusion statement so that it encourages men to apply for more junior roles.
- Start to review applications to our graduate entry roles to understand the gender makeup and create actions to ensure the programme attracts both men and women.
- Apply the Rooney rule for all junior and entry roles and ensure there is at least one male candidate on the shortlist.

Supporting female development and progression.

Commitment

We are committed to increasing our female talent pipeline within management positions, which will help foster positive female role models. We will also raise awareness of the challenges women face in the workplace around career progression and work life balance.

Ongoing progress 2020-2021

- Continue to create and showcase female senior role models across the business by building our female talent pipeline to ensure representation of female staff in middle and senior management roles.
- Continue to raise awareness of cultural and gender differences to managers with a focus on how performance is monitored.
- Continue to monitor how women are progressing within our performance development review.
- Continue to work in partnership with the Working Families Network to help support and promote a healthy work life balance for employees with parental or caring responsibilities, to ensure an inclusive workplace for working families balancing the challenges of family and work.

2021/22 Actions

- Champion greater uptake of our mentoring programme with the focus on supporting women in junior roles navigating their career and sharing success stories of the impact of mentoring.
- Strengthen the female talent pipeline through various training and development programmes.



Executive commitment to supporting gender in the workplace.

Commitment

We are committed to having more gender balanced teams and reducing our pay gap. We will collaborate closely with our employee networks and wider business to better understand and influence key challenges.

Ongoing progress 2020-2021

- Continue to have specific D&I objectives as part of our annual objective setting process embedding D&I into the organisational strategy.
- Continue to monitor our dashboard with the executive team to monitor the gender pay gap within their respective business areas. This is reviewed on a quarterly basis and allows the executive team to understand how their hiring and progression decisions affect the pay gap in their area.
- The executive sponsor will continue to support the network on issues that affect women in the workplace and ensure its discussed and where necessary challenged at an executive level.
- Continue to ensure the executive committee advertises all roles internally to help drive internal career progression.
- Continue to ensure the executive committee attends broader Women's Network discussions.

2021/22 Actions

- The DG and Executive Committee will meet with the Women's Network leads every 6 months to discuss progress on actions within the pay gap action plan.



About the CBI

Founded by Royal Charter in 1965, the CBI is a non-profit business organisation that speaks on behalf of 190,000 UK businesses of all sizes and from across all sectors, employing nearly 7 million people between them. That's about one third of the private workforce. This number is made up of both direct members and our trade association members. We do this because we are a confederation and both classes of membership are equally important to us.

The CBI's mission is to promote the conditions in which businesses of all sizes and sectors in the UK can compete and prosper for the benefit of all. With offices around the UK (including in Scotland, Wales and Northern Ireland) and representation in Brussels, Washington, Beijing and Delhi, the CBI communicates the British business voice around the world.

Our mandate comes from our members who have a direct say in what we do and how we do it

The CBI receives its formal mandate from 9 Regional Councils, 3 National Councils from Scotland, Wales and Northern Ireland plus 16 sector based Standing Committees. These bodies are made up of members in that region, nation or sector who serve a term of office. The chair of each Standing Committee and Regional and National Council sit on the CBI's Chairs' Committee which is ultimately responsible for setting and steering CBI policy positions.

Each quarter this formal engagement process across the CBI Council reaches over 1,000 senior business leaders across 700 of our members who have a direct say in what the CBI do and how they do it, from refreshing their workplan to discussing the key business issues of the day and re-calibrating its influence. Over 80% of the businesses represented on the CBI Council are outside of the FTSE350 as the CBI represents a wide range of sizes and sectors from the UK business community. This formal governance process is supported by a wide range of working groups, roundtables, member meeting and events that makes the CBI unparalleled at listening to and representing British business.

CBI Council in numbers



1000+

Committee and Council representatives



28+

Regional and National Council and sector based
Standing Committees



50%

Representatives of the CBI Council at C-Suite level



80%

Of the CBI Council from non-FITSE 350 businesses

To share your views on this topic or ask us a question, contact:



Ife Onwuzulike
Head of Diversity and Inclusion
ife.onwuzulike@cbi.org.uk