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Intelligence Report:
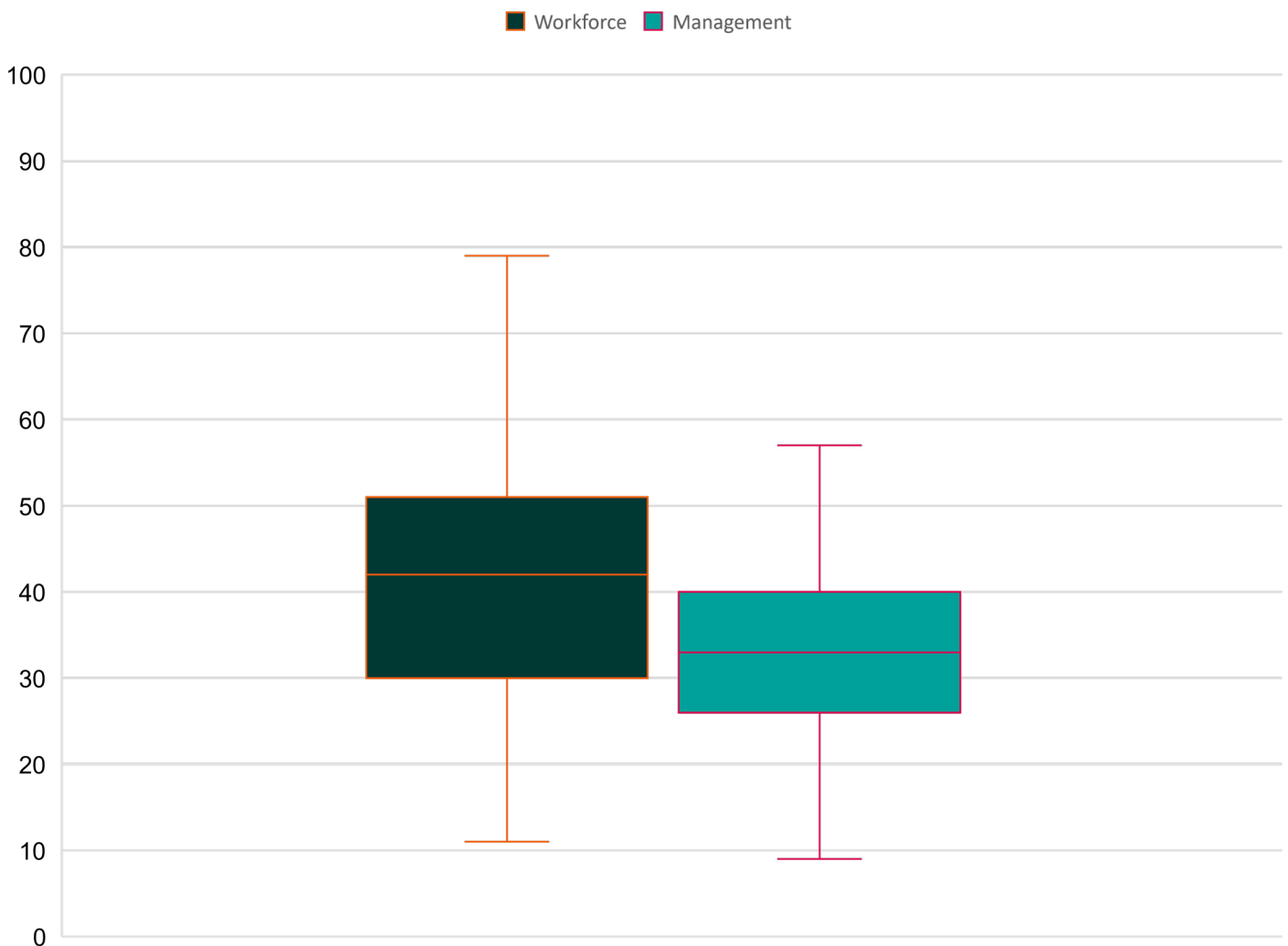
Gender Pay & Female Representation

ABSTRACT

In this second edition of our 2024 Intelligence Report series, we will be examining female representation and pay gaps among a sample of over 80 companies that operate solely in the UK. Representation and pay gaps among these companies have been considered as a whole, and then examined by sector and by Index, specifically the FTSE 100, FTSE 250, AIM, and SmallCap indices.

VISUALS AND INSIGHTS

Female Representation

■ Workforce ■ Management

As can be seen in the above, the median value for female representation among both the workforces and management of the sample companies is below 50%, and the median value for female representation among company management is lower than representation among entire workforces.

It is also notable that the lowest values for female representation among workforces and management are similar (i.e. just over and just under 10%), but there is a sizeable gap between the highest values for female representation among workforces and management (i.e. just under 80% and around 57%).

Now consider female representation among pay quartiles:

Female Representation - Pay Quartiles

■ Lower   ■ Lower Middle   ■ Upper Middle   ■ Upper
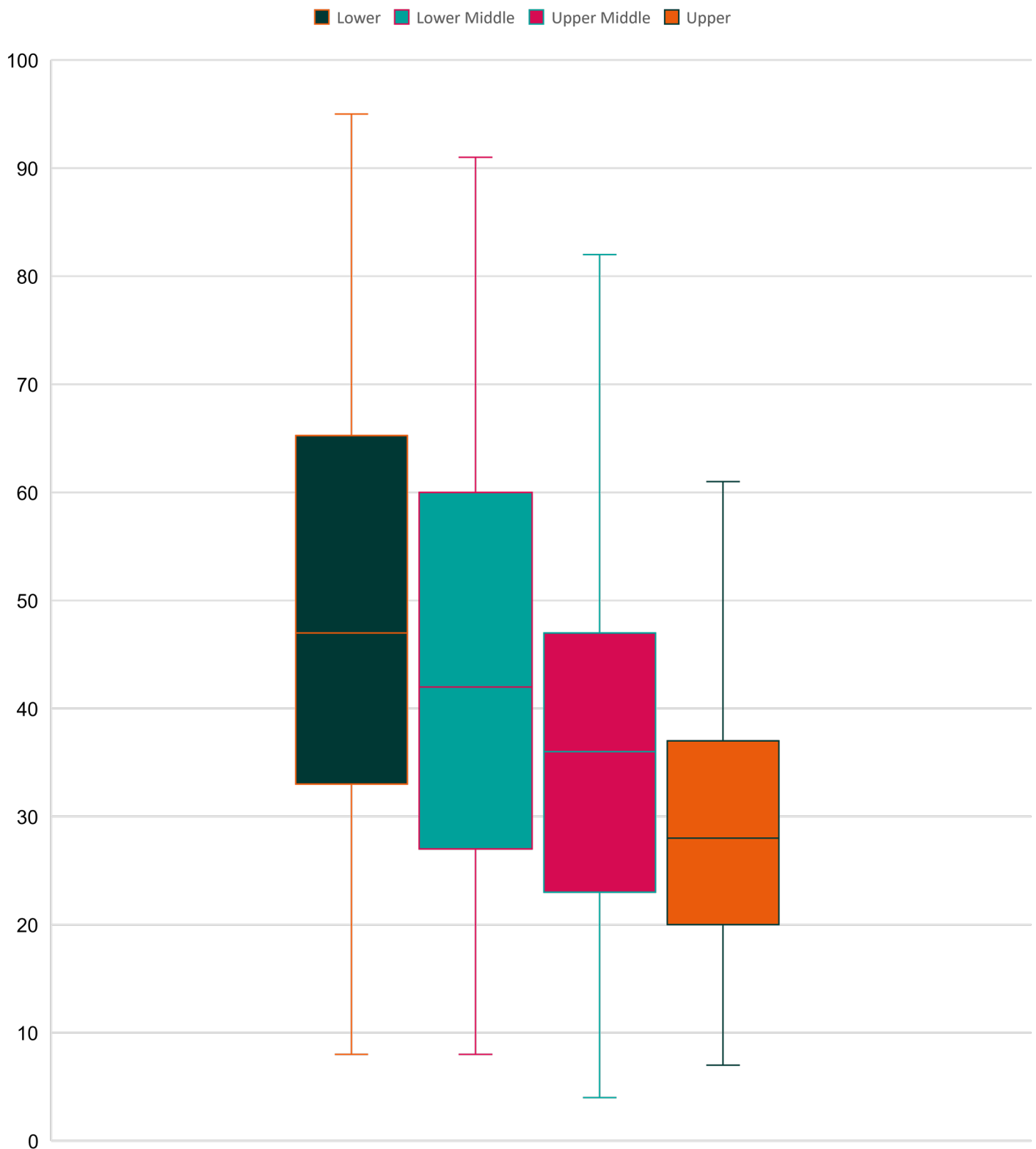
In summary, this illustrates that female representation decreases between each pay quartile, with median representation among the highest paid quartile being approximately 28%, lower than approximately 36%, 42%, and 47% among the upper middle, lower middle, and lower pay quartiles. This is not, however, overly unexpected given the lower rates of female representation among management roles, as shown in the previous visual.

Lower female representation among management roles and upper pay quartiles may also explain median pay and bonus gaps between male and female employees at the sample companies:

Mean Pay and Bonus Gaps
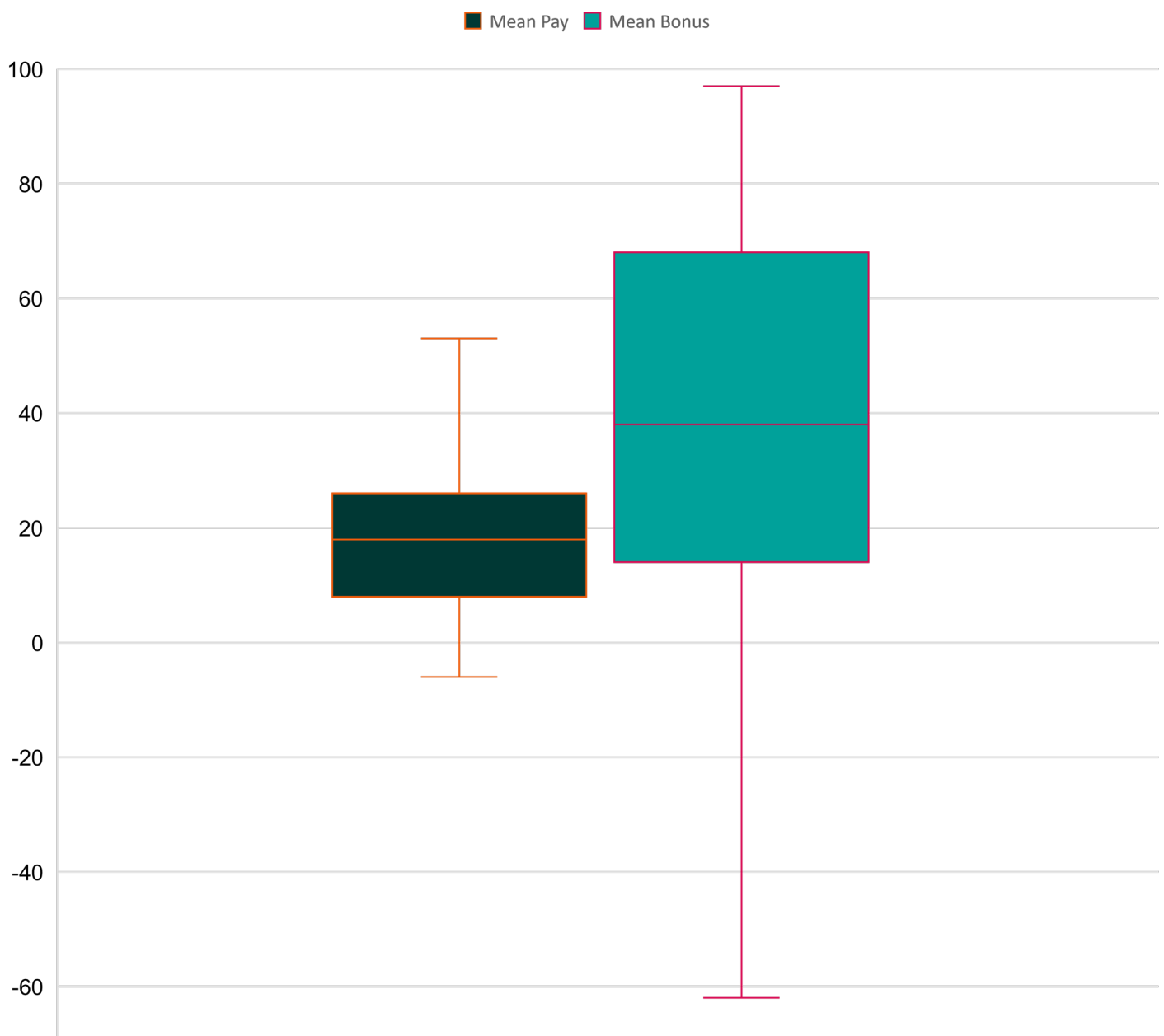
■ Mean Pay　■ Mean Bonus

This figure shows that the median mean pay gap among the sample companies is in favour of men (at approximately 19%), as is the median mean bonus gap (at approximately 39%). It also shows that while there is a mean bonus gap in favour of men among most companies, there are some outliers, with the highest mean bonus gap in favour of women being approximately 61%. However, it also shows that the highest mean bonus gap in favour of men among the sample companies is very high, at approximately 98%.

Now, by sector and by index, let us examine female representation among workforces and management roles, pay quartiles, mean pay gaps, and mean bonus gaps.

Female Representation (Sectors)

■ Average Female Representation - Management   ■ Average Female Representation - Workforce
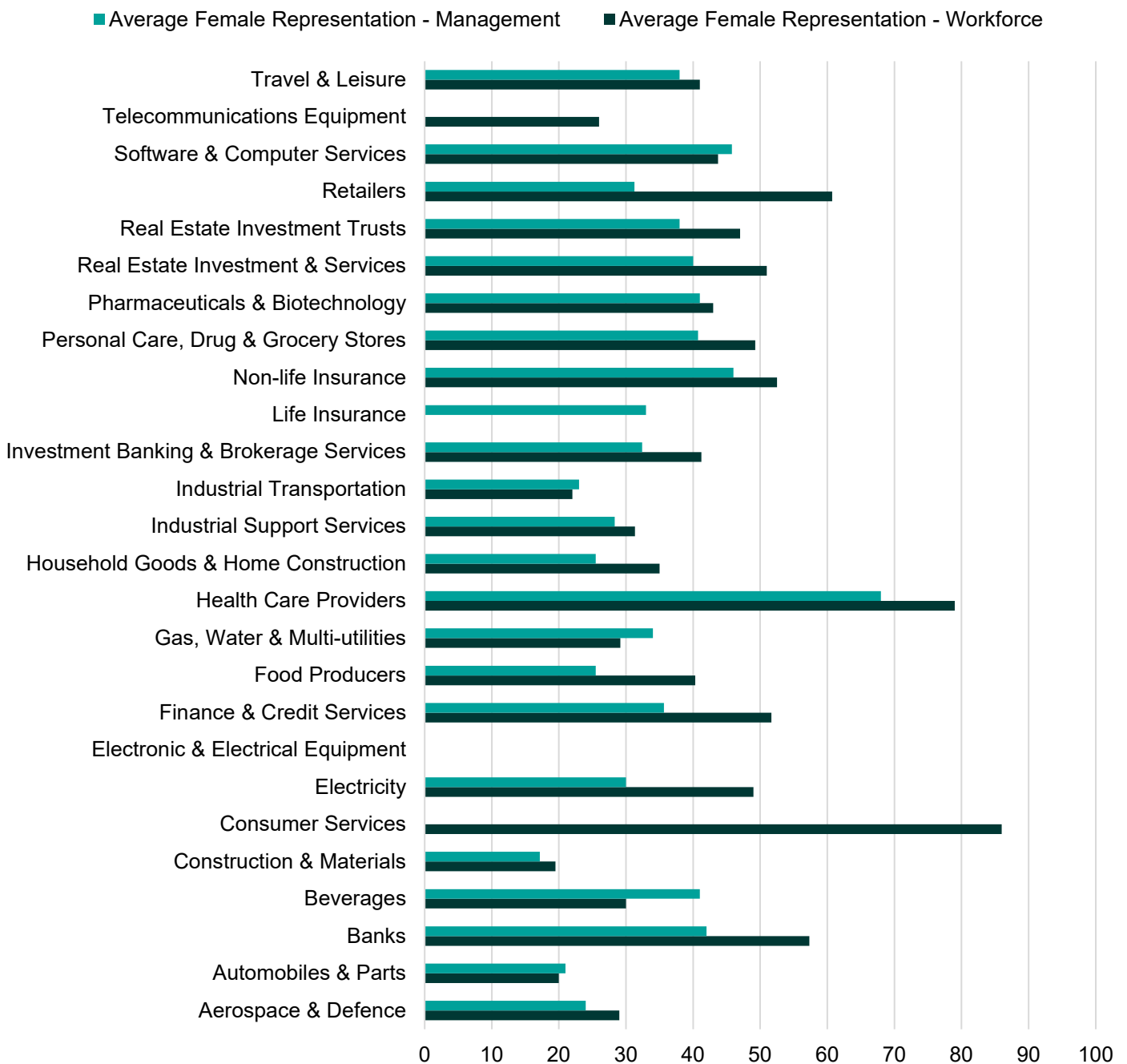
The bottom three sectors in terms of overall female representation are: Construction & Materials, Automobiles & Parts, and Aerospace & Defence.

Sectors with notable differences between overall female representation and representation among management include: Retailers, Electricity, and Banks.

Sectors with higher female representation among management compared with overall workforces are: Software & Computer Services, Industrial Transportation, Gas, Water, & Multiutilities, Beverages, and Automobiles & Parts.

Of the sectors with higher female representation among management compared with overall workforces, the largest gap is within the Beverages sector, with a gap of approximately 11%.

The top three sectors in terms of overall female representation are: Consumer Services, Health Care Providers, and Retailers.

Female Representation (Index)

■ Average Female Representation - Management ■ Average Female Representation - Workforce
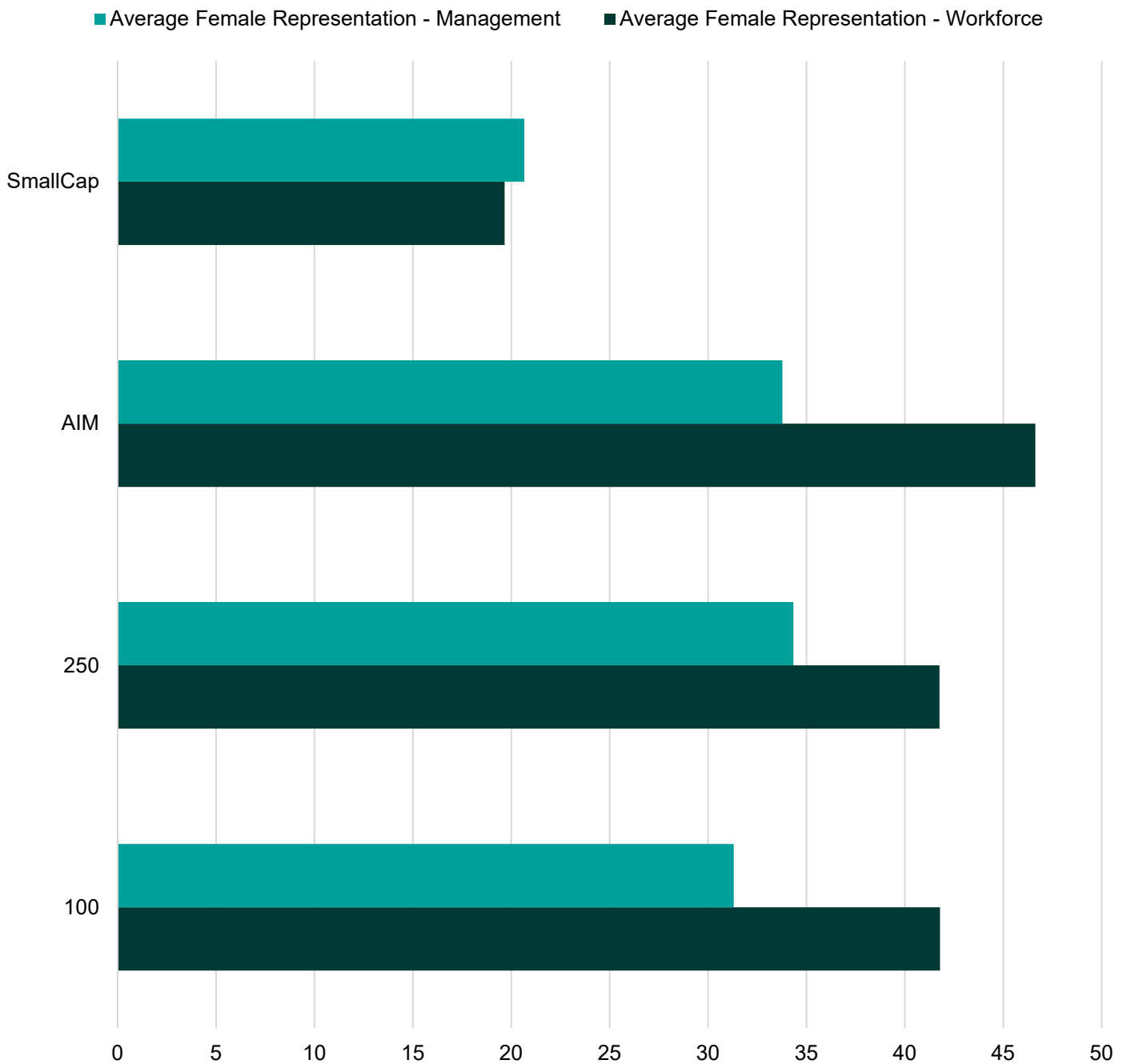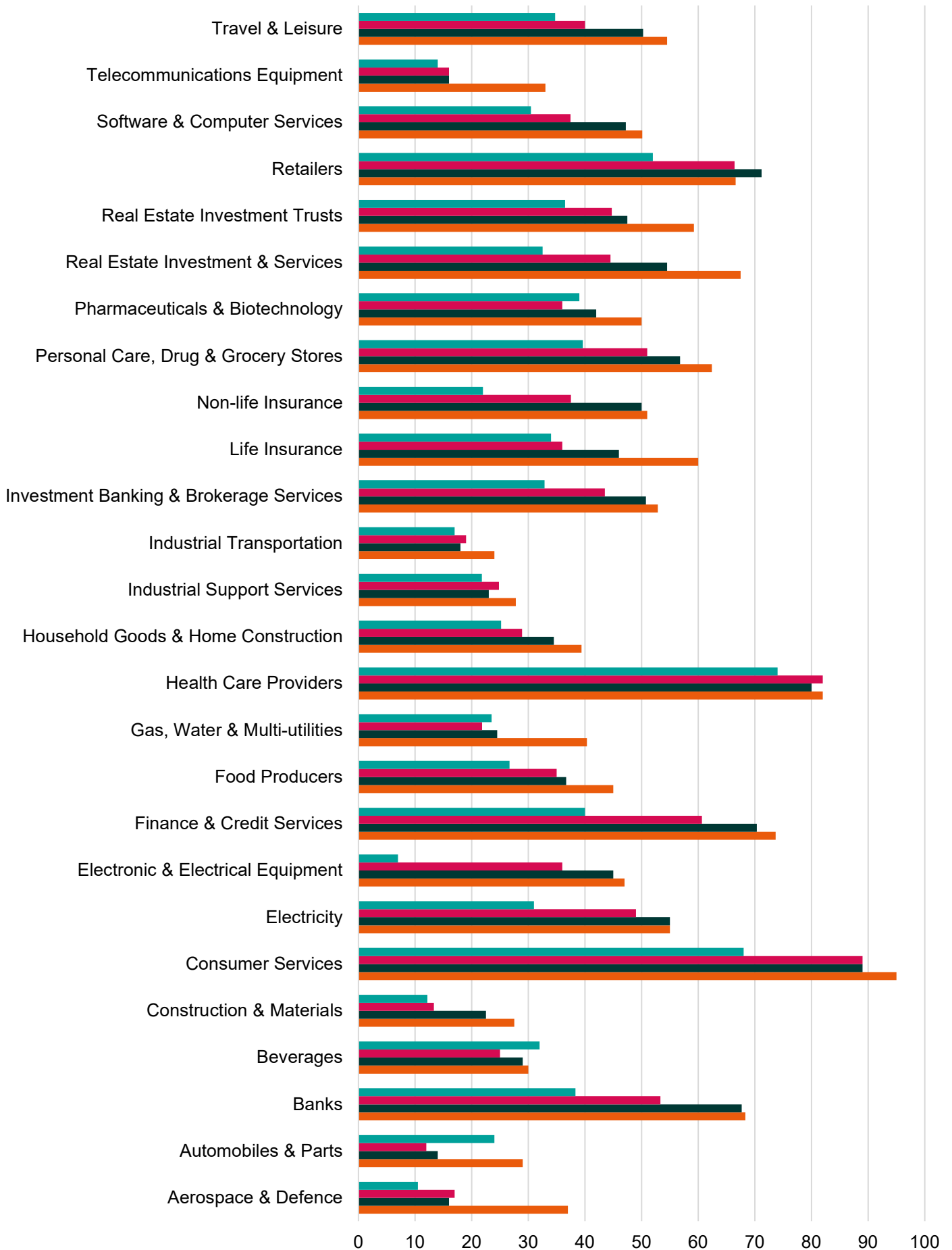

In terms of indices, the above shows that the difference between female representation in wider workforces and management is smallest among SmallCap sample companies, but also overall representation is lowest; there is relative equality in terms of positions held, but representation in these companies is generally low (i.e. at around 20%).

This also shows that female representation among management roles does not exceed 35% at any of the sample companies included in these indices.
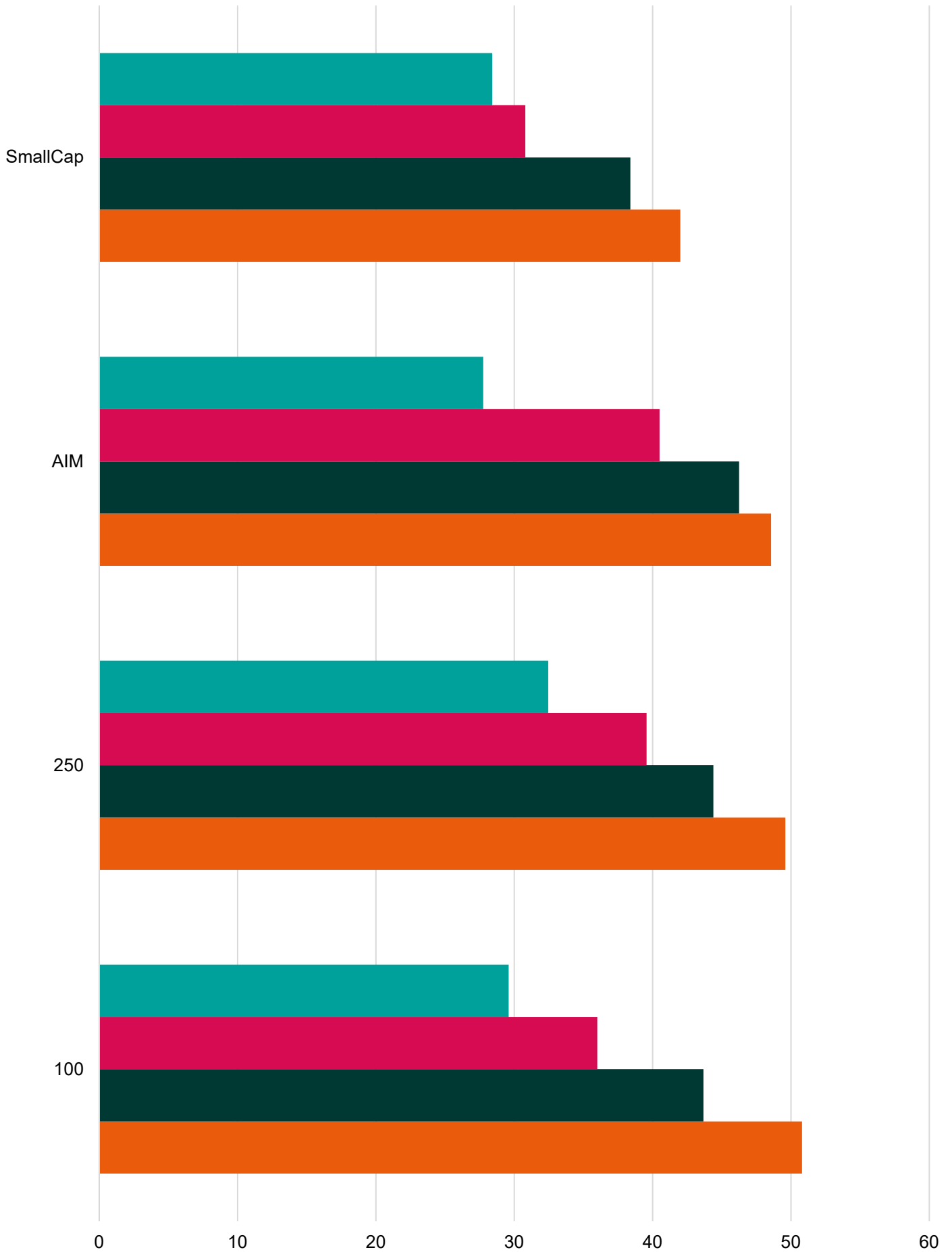
Female Representation - Pay Quartiles (Sectors)

Legend: Upper, Upper Middle, Lower Middle, Lower

Female Representation - Pay Quartiles (Index)

In 23 of the 26 sectors, and all of the indices, the proportion of women in the lower pay quartile is higher than any other quartile; female employees dominate the lower pay quartile.

In 24 of the 26 sectors, and all of the indices, women represent less than 50% of employees in the upper pay quartile. In 5 of the 26 sectors, women represent less than 20% of employees in the upper pay quartile.

Based on the sample, the healthcare sector is the only sector where female employees represent more than 70% of the upper pay quartile. Recall that female representation among management was also highest for this sector.

In the upper pay quartile, the Electronic & Electrical Equipment sector has the lowest female representation, standing at only 7%.

The difference between female representation in the lower and upper quartiles is largest in the Finance & Credit Services sector, with a gap of approximately 33.7%.
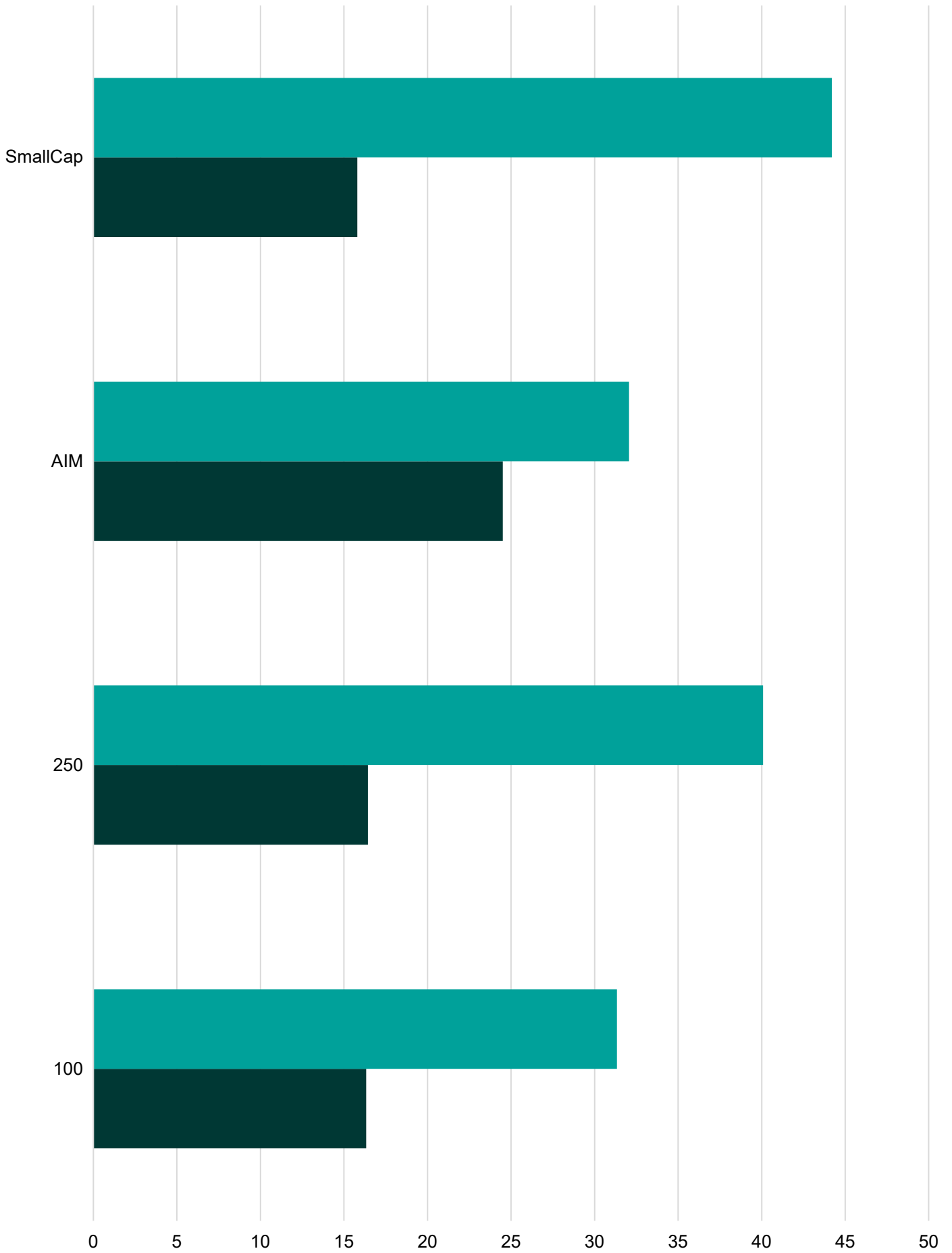
Mean and Bonus Pay Gaps (Sectors)

■ Mean Bonus Gap ■ Mean Pay Gap
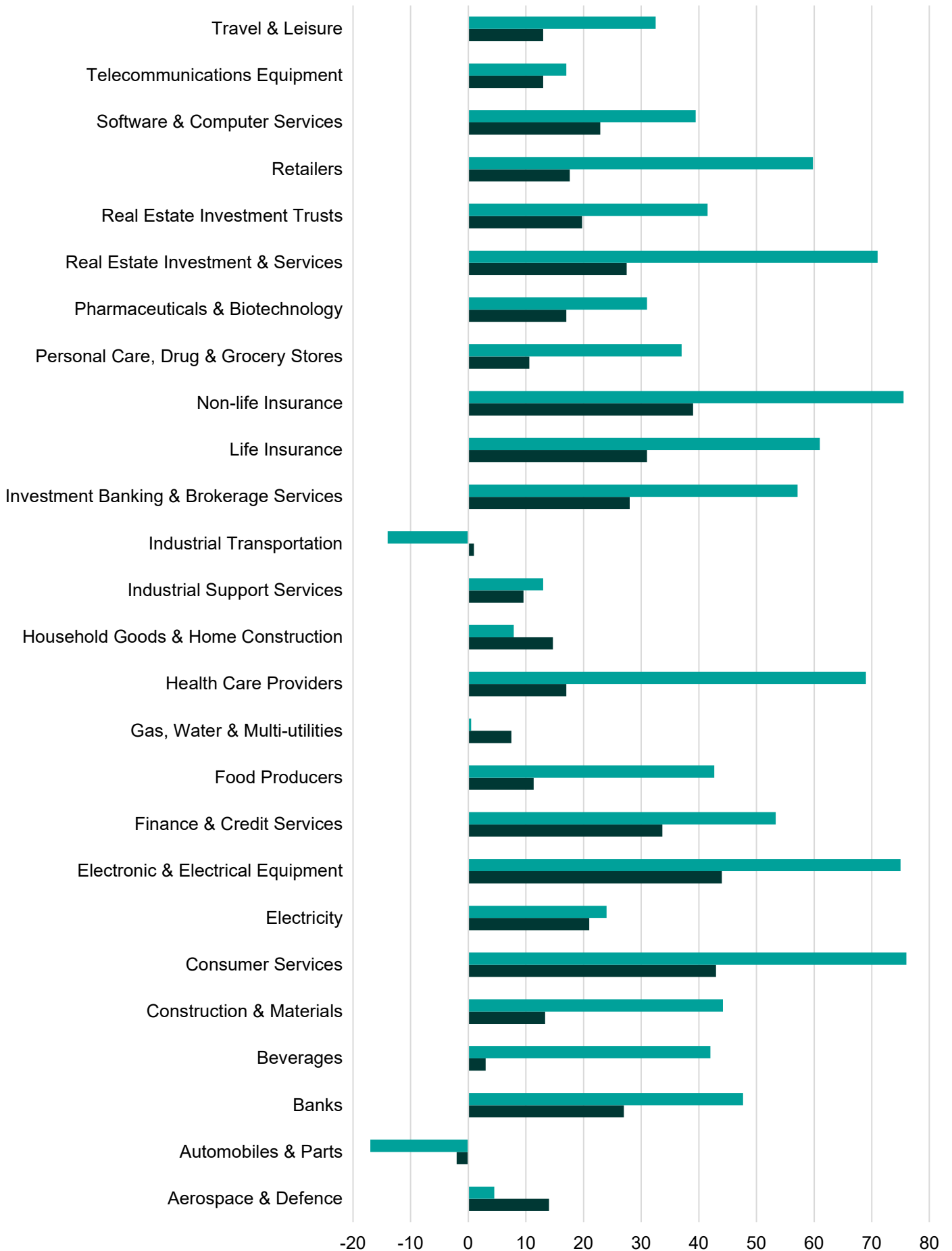
Mean and Bonus Pay Gaps (Index)

■ Mean Bonus Gap ■ Mean Pay Gap

Based on an aggregation of companies in the sample, the only sector with an average mean pay gap in favour of women is Automobiles & Parts, with a gap of 2%.

The only sectors with average mean bonus gaps in favour of women are the Automobiles & Parts sector (with a gap of 17%) and the Industrial Transportation sector (with a gap of 14%).

On an index basis, both average mean pay gaps and average mean bonus gaps are in favour of men. The largest average mean pay gap being present in the AIM index (24.5%), and the largest average mean bonus gap being in the SmallCap index (44.2%).

The sector with the largest average mean pay gap is the Electronic & Electrical Equipment sector (44%) and the sector with the largest average mean bonus gap is the Consumer Services Sector (76%).

Average mean pay gaps do not exceed 50% for any sector, or 25% for any index. Average mean bonus gaps do not exceed 45% for any index.

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