**Cranfield** University

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# **Gender pay gap** report 2017

#### **Cranfield** in context

#### As the UK's only exclusively postgraduate university, Cranfield's world-class expertise and unrivalled industry partnerships are creating leaders in technology and management globally, partnering with business and governments to deliver transformational research, postgraduate education and professional development.

Our education portfolio is renowned for its relevance to business and industry. We are the largest UK provider of master's-level graduates in engineering and offer a flagship MBA, extensive world-class customised executive education and professional development programmes.

The research and consultancy we carry out for industry, government and business provides our students with a real-world learning environment, allowing them to develop as professionals and then transfer their knowledge to the global economy. This has always been the 'Cranfield way' but it has never been more important than in today's world.



#### **Professor Sir Peter Gregson**

#### Vice-Chancellor and Chief Executive

Improving our gender balance and closing the gender pay gap is an important part of the University's success in creating an inclusive environment for everyone to work and study. While we have seen our gender pay gap reduce over the last ten years, and continue to reduce further in the last 12 months, the results published in this report show we are on a journey, with more progress still to be made.

The University's Executive and Senior Management Team are committed to promoting diversity in the workplace and in our educational and research offering. Programmes and initiatives that Cranfield has put in place such as the Leadership Foundation's Aurora programme and the Women as Leaders programme are producing results and as a University we will continue to support and help them develop further.

As Vice-Chancellor and Chief Executive, I am resolute that we will continue to make further strides in this area and I will be asking colleagues to continue to prioritise Cranfield as a place of inclusion and diversity.

#### Jaq Moore

#### Director of Human Resources and Organisational Development

## Cranfield University is committed to its diversity and inclusion agenda, which embeds equality of opportunity and the rights of individuals in all its operations, treating everyone with dignity and respect.

We are pleased to be presenting our first Gender Pay report for the University and welcome the opportunity to demonstrate our desire to change and overcome challenges.

We have strong foundations to build on, our School of Management continues to advise corporate boards on their own diversity action plans and publishes research on gender inclusive leadership practices and flexible working which influences Government policy. Our Female FTSE Report is widely regarded as the premier resource on women directors in the UK.

In addition to our recent success in gaining Athena Swan Bronze for our pledge to advance women's academic and research careers in science, technology, engineering and mathematics (STEM), we have hosted an event on campus to encourage and inspire girls aged 12-14 to consider non-traditional study and careers in STEM areas; two of our staff members have been named in the Daily Telegraph's Top 50 Women in Engineering under 35 list and we have successfully recruited and promoted a number of female professors over the last 12 months. All of which show our continued trajectory toward greater inclusivity. We realise that these are milestones in a much longer journey and the impact on our gender pay gap will continue in the short to medium term.



### Gender pay gap data

## Our Gender Pay information shown below has been prepared in accordance with our duty under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 and the associated ACAS guidance "Managing Gender Pay Reporting".

The data has been extracted from our HR & Payroll database and covers the relevant pay period within which our snapshot date of 31 March 2017 falls.

Our bonus and recognition pay data is based on payments made within the preceding twelve months ending on the snapshot date (1 April 2016 to 31 March 2017).

Mean and median pay gap				
	Female	Male	Pay gap	
Mean gender pay gap	£16.33	£21.92	25.5%	
Median gender pay gap	£15.07	£19.61	23.2%	

Our mean and median pay gap shows the difference between the mean/median hourly rates that men and women receive.

#### Mean and median bonus gender pay gap

	Female	Male	Pay gap
<b>Mean</b> bonus gender pay gap	£1047.4	£2687.1	61%
Median bonus gender pay gap	£500	£1000	50%

Our bonus calculation shows the difference between median and mean bonus pay received by men and women and the percentage of men and women receiving recognition and bonus pay.

#### Proportion of females/males receiving a bonus



#### The proportion of females and males in each mean hourly rate quartile pay band



## Understanding our pay gap

Cranfield's workforce composition and the specialist nature of the STEM-focused research undertaken at the University – a sector where historically females have been under represented – has influenced our pay gap. High staff retention has also meant limited opportunities to appoint women into senior posts.

Given the environment and specialisms within which we operate, the workforce at the University is uneven in terms of the distribution of female to male staff, with male staff outnumbering female staff in higher grades as the graph below shows, and this is particularly evident, within STEM areas.



# During our recent Equal Pay Review, we looked at each individual pay level in more detail. The analysis showed that within individual grades there is a narrower gender pay gap typically falling within the +/- 5% threshold as identified by the Equality and Human Rights Commission. The differences are attributable to length of service, where typically more females with relatively less experience, are being appointed/promoted to these grades. Our recent successes therefore in recruiting and promoting female professors, will continue to impact on the gender pay gap.

To underpin our grade structure, we use a gender-neutral job evaluation scheme, which has been in place since 2006. All roles are based on a single system of job evaluation and are compared against one another using a consistent and fair approach.

The University acknowledges a perceived 'glass ceiling' effect for women gaining access to the higher paid roles and we are challenging this through targeted cultural change initiatives. We are confident that our job evaluation and reward process is however free from bias and that when females attain these levels, through either recruitment or promotion, they are paid fairly. In our Equal Pay Review, analysis of starting pay showed there was no significant difference in average basic starting pay of male and female staff and for the higher pay levels, female pay was higher than for males.

The University has two bonus/recognition schemes in place; one open for all staff based on exceptional performance, operating under a variable percentage of basic salary, and the other being a contractual bonus scheme, which is available to senior managers, where there are clear results-based targets relating to business generation and income. A higher proportion of women within the University (24.2%) compared to men (18.8%), were in receipt of a bonus payment, with females in both the academic and technical groupings receiving higher amounts than males. As before, the uneven profile of our workforce has influenced our gender bonus pay gap with under representation of women in the more senior grades, where typically bonus payments are a fixed percentage of salary.

# Working towards closing the gender pay gap

#### We are taking significant steps in addressing our pay gap by reinforcing the importance of gender equality, attracting, appointing and retaining talented women, supporting career progression and improving flexible and family-friendly working practices.

Specific measures include:

- Reviewing our recruitment and promotion procedures to ensure there is no bias in appointments/promotions to more senior posts. All recruitment panels aim to have at least one female, and unconscious bias training has been provided to panel chairs and senior managers. Online diversity training modules have also been rolled out across the University.
- Developing clearer succession planning and investment in leadership development for our women, through programmes such as the Leadership Foundation's Aurora Programme and our self-run 'Women as Leaders' programme to assist in strengthening the pipeline of females coming through to senior posts.
- Developing our pay model and strategy, seeking and addressing any inequities and providing transparency, including a full Equal Pay Review undertaken with a commitment to biennial reviews. The University recognises that the number of women in Range 2 and 3 professorial positions remains low and further action is required to address this. There will also be early identification of Range 3 professors who are on a trajectory to Range 4 in order to provide support for future advancement as part of succession and talent planning.
- Encouraging and supporting the disclosure of protected characteristics to ensure the University can proactively monitor its equality of opportunity and provide a diverse and inclusive workplace.
- Promoting flexible working practices, including the introduction of a Carers Policy, the undertaking of a flexible working survey to identify barriers to flexible working, and aiming to hold key committee meetings within core hours.



Cranfield's National High Temperature Surface Engineering Centre

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