



SAGANA



PAY EQUITY

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IS THERE A POTENTIAL PAY GAP IN YOUR ORGANIZATION? (1/2)

Start by asking a few questions to identify a possible pay gap issue in your organization

Remuneration levels

- For new hires in similar roles, are female and male starting salaries fairly equal?
- Are women on parental leave included in the annual salary review?
- Are certain elements of remuneration only available to roles dominated by men?
- Is overtime paid to operational roles, but not administrative roles?
- Are discretionary pay and allowances more likely to be paid to men?

Training / Education

- Are training and development opportunities offered predominantly to roles held by men?
- Are men more likely to be selected for leadership training opportunities?
- Do women tend to have administrative / clerical focused training?
- Are assumptions made that women (particularly part-timers) are not interested in further training or career development?

Performance appraisal

- Are men more likely to work in areas where performance appraisals are in place?
- Are performance ratings and related remuneration higher for men?
- Are performance ratings and related remuneration higher for full-time workers than part-time workers?

IS THERE A POTENTIAL PAY GAP IN YOUR ORGANIZATION? (2/2)

Career development

- Do stereotypical views about women's roles / abilities prevent access to career development?
- Do men receive promotions and pay increases sooner than women?
- Are more men in graduate programs leading to earlier career advancement and higher remuneration?
- Are more management roles available in operational areas (predominantly male) than in support areas (predominantly female)?
- Are more men than women identified as high potential and listed on the succession plan?
- Are more men than women given the opportunity to host client events and build networks?
- Are secondments, project opportunities, overseas assignments more likely to be provided to men?
- Are employees in support areas (mostly women) considered for project assignments in operational areas?

Mobility

- Do part-time employees (mostly women) have greater challenges in attending training?
- Are primary carers (predominantly women) more likely to be overlooked for promotion involving relocation?
- Are employees with non-working partners (mostly men) more able to take up overseas projects / secondments?

Employment status

- Are targets which attract bonuses pro-rated for part-time employees (mostly women)?
- Do long term casual staff (mostly women) have opportunities to become permanent?
- Are part-time employees (mostly women) less likely to be promoted, regardless of performance rating?

PERFORM A PAY GAP ANALYSIS

Gender pay gap analysis based on UK methodology

- The UK is one of the leading countries regarding gender pay gap. Companies with a headcount over 250 employees is required to publish specific figures about their gender pay gap.
- This methodology reviews 6 data point
 - Distribution of men and women by pay quartile
 - Mean (average) gender pay gap using hourly pay
 - Median (average) gender pay gap using hourly pay
 - Proportion of men and women that receive a variable compensation (usually bonus; for HG, we used the commission data)
 - Mean (average) gender pay gap using variable compensation
 - Median (average) gender pay gap variable compensation
- This methodology provides a full picture of the company, but might fail to pick up on certain issues, such as where the gender pay gap issues are most pronounced (in the lowest paid or highest paid employees)
- The methodology developed by the UK statistics office requires to use hourly pay rate to account for difference in full and part-time

End results - metrics according to UK methodology (illustrative)

		All company	Quartile 4 Lower hourly pay	Quartile 3 Lower middle hourly pay	Quartile 2 Upper middle hourly pay	Quartile 1 Upper hourly pay
Mean (average) gender pay gap using hourly pay		8%	-10%	-9%	-3%	45%
Median (average) gender pay gap using hourly pay		-82%	-8%	-1%	-7%	28%
Proportion of men and women that receive commission (variable part of the compensation)	M	48%	3%	44%	64%	94%
	F	52%	22%	38%	44%	82%
Mean (average) gender pay gap using commission		39%	27%	-120%	56%	49%
Median (average) gender pay gap using commission*		-21%	27%	-622%	-29%	52%

DEVELOP OR STRENGTHEN POLICIES RELATED TO FAIR COMPENSATION

Policies	Key sections	Reference
Gender Wage Equity	<ul style="list-style-type: none">• Include a clear clause for transparent compensation (that highlights equity in pay based on levels and job roles)• Include clear, consistent, and widely available guidelines for conducting performance evaluations and making promotion decisions• When feasible, conduct a pay gap audit (by gender and across levels/job roles) and set goals to achieve pay equity based on the results	Guide to gender pay equity
Fair Compensation Policy	<ul style="list-style-type: none">• Communicate any differentiation in pay practices clearly (e.g., paying certain positions at higher-than-market rates because they are the core of the business)• Link pay to neutral elements like job role and skill level• Link compensation to the organization's as well as the individual's and/or team's performance by ensuring that all pay systems within the company, including executive pay systems, are tied to the overarching compensation philosophy• Promote an integrated view of rewards—including intangible, non-cash elements such as career opportunities, learning and development, etc• Clarify how the performance appraisal system is linked to the compensation system. Link compensation to performance, KPIs etc	Fair compensation practices