2017 gender pay gap report





Foreword

'At UCAS, we want our colleagues to flourish, perform, and achieve. We work collectively to create an engaging and inclusive culture, where individuals are encouraged to be the best they can be, and where contribution and talent are the only criteria for success.'

Clare Marchant Chief Executive

UCAS supports and welcomes the gender pay gap reporting, particularly given its belief that transparency promotes the opportunity for positive growth and change.

We endeavour to create a culture where all employees – regardless of gender, other attribute, or choice – are able to maximise their personal growth and potential.

We foster a culture of inclusion at every level, and this is evident in the number of women we have in leadership roles. 58% of UCAS' senior management group are female, presenting a negative mean pay gap at the top two tiers of the organisation.

However, our gender pay gap data does show that there is more work for us to do in encouraging women into some of our technically-skilled roles. Our gender pay gap is mostly attributable to UCAS employing a sizeable Technology department, attracting higher salaries, and following national trends of being a male-dominated profession.

Understanding the reasons why there is a gender pay gap is the first step in knowing how to reduce it. Although there are no straightforward solutions to this issue, UCAS is committed to finding and investing in innovative solutions that will make a positive difference.

Gender pay – legislative requirements

All UK companies, with 250 or more employees on 5 April 2017, are required to publish specific gender pay information:

- Gender pay gap defined as the difference in mean and median hourly pay between men and women, expressed as a percentage of male pay.
- Gender bonus gap the proportion of male and female employees receiving a bonus.
- Gender distribution the proportion of men and women in four pay quartiles.



Our findings

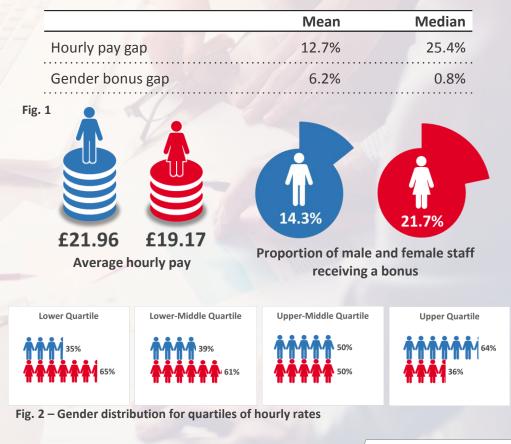
Figure 1 shows our mean and median gender pay gap and bonus gap. This is at the snapshot date of 5 April 2017 for hourly pay, and for bonus gap, calculations, encompass the 12 month period prior to 5 April 2017.

The hourly pay gap has fallen from **17.6%** in 2016, to **12.7%** in 2017. Our median gender pay gap has also fallen, from **26.2%** in 2016 to **25.4%** in 2017.

At **25.4%**, the median gender pay gap is higher than the Office for National Statistics' estimation of **18.2%**. A main driver for this is the gender distribution among the four pay quartiles.

As the upper quartile of hourly rates is close to a 3:1 ratio of men to women, we find that the number of values at this upper range will keep the median for male pay at a higher value, whereas the opposite is true for female employees. The lower quartile for hourly pay is close to a 1:3 ratio of men to women, so their median value will be lower, causing a larger difference (see figure 2).

The gender distribution of UCAS' four pay quartiles show that staff paid in the upper quartile are predominantly men. This is mostly attributed to UCAS employing a sizeable IT department, which attracts most of the highest salaries. Technology at UCAS follows the national trend of being a male-dominated profession, therefore we will need to find innovative ways to attract more females into this profession.





Why do we have a pay gap at UCAS?

The most significant challenges we face in addressing our gender pay gap are:

- fewer women than men in our Technology function
- a higher proportion of women than men in less technically-skilled roles

By analysing the gender splits of different business areas (see figure 3), we see that our technically-skilled roles – Technology, and Analysis and Insights – have a higher proportion of male employees.

These two areas command some of our highest salaries, giving our main driver for the 25.4% median pay gap. Conversely, many of the lower paid roles sit in Operations, External Relations, and Customer Experience, which – in UCAS at least – are more female-dominated.

We are confident that our gender pay gap is not a pay issue, but is down to the numbers of men and women in Technology roles. By improving the gender distribution in these areas, we will see a reduction in the overall gap.

If we remove Technology staff from our calculations, we see the median pay gap fall to **9.6%**, and the mean pay gap down to **5%**.

Technology

Analysis & Insights Analysis

Finance and Corporate Services

Customer Experience

UCAS Media

External Relations

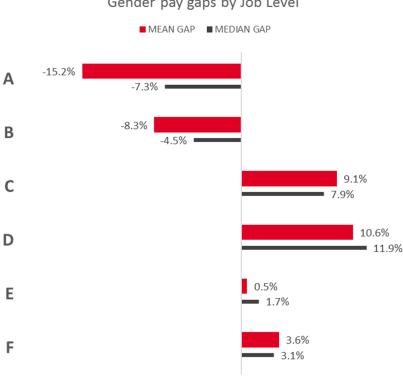


Gender distribution at senior levels

We are confident that we have a diverse Executive Team and Senior Management Group. At our most senior job level, UCAS has a 50:50 gender split, and a negative mean pay gap of -15.2%. This means that, on average, we pay women 15.2% more per hour than men at this level. The median gap at this level is -7.3%.

58% of UCAS' senior management group are female, which means we continue to promote gender diversity in our upper management structure. Our pay gap is skill-based, as the majority of technically-skilled staff are at levels C and D, which accounts for the higher pay gaps at these two levels.

There are six job levels at UCAS, each of which has different salary ranges within a job family. The two most senior levels (A and B) have negative mean and median gender pay gaps. By analysing the gaps at different job levels (see figure 4), we can see that the largest gaps are in the middle tier.



Gender pay gaps by Job Level





What's next? Our commitment

We are committed to deliver on our 'People Promise', creating an environment where all our colleagues flourish, perform, and achieve. We are focused on pursuing our collaborative and inclusive culture – 'UCAS United' – working together to ensure our working practices embody our core values.

Our values – customer-focused, collaborative, accountable, service excellence, and trusted – are the foundation of our employees' attitudes, motivations, and expectations, and reflect that **how** we achieve is as important as **what** we achieve.

We've already seen a decrease in our gender pay gap since 2016. However, we know the change needs to be much greater, and although we are impatient to see this change, we also recognise that our most significant challenges will take time to overcome. The recruitment market for women in technology is extremely competitive, with the graduate position also being challenging – only 24% of graduates in science, technology, engineering, and mathematics (STEM) are women, and in engineering and technology, this figure is just 14%*.

However, our Executive Team and the UCAS Board are committed to investing in our employee value proposition, and, through the aims and outcomes of our 'People Promise', we are striving to deliver an improved approach to our talent acquisition, our talent development, and how we mobilise and retain our talent.

Talent acquisition

- We will continue to challenge and test our recruitment processes, to eliminate bias and promote inclusivity.
- We want to expand our successful graduate intern programme, and further develop our apprenticeship programme, finding innovative ways to recruit females into some of our male-dominated, technically-skilled roles.

Talent development

- We will continue to invest in our people and leadership academies, promoting an environment where every individual can recognise and grow their potential.
- We will ensure all our leaders are living our corporate values, setting the basis for a collaborative and inclusive culture, where people can be themselves.

Talent mobilisation and retention

- We will create clear career pathways that are gender neutral, and a talent framework for succession management, making sure we challenge the possibility of bias in career discussions.
- We will promote a flow of talent through the company and beyond, promoting opportunities for career change and development.
- We will continue to explore and invest in our approach to flexible working, focusing on acquiring and retaining the most talented individuals, without being bound by where and when they work.
- We will continue to review our policies, ensuring equality and fairness, and making sure we are eliminating bias from our processes.

