

UK gender pay gap report 2018



Foreword

At Mott MacDonald we are committed to developing a gender-balanced and inclusive workplace. We believe that diversity supports innovation, high performance and good decision-making.

Within the industries represented by Mott MacDonald in the UK, we know that developing, retaining and attracting diverse talent is a challenge as we contend with the legacy of underrepresentation of women in science, technology, engineering and mathematics (STEM) industries.

Over the last 12 months we have increased our efforts towards improving gender diversity. We have developed our analytics capability to enable us to identify trends, and develop an action plan for data-driven and measurable activity in the UK. Gender diversity is discussed at every business unit and regional board meeting, where we challenge ourselves to improve representation across all grades. During these meetings we discuss the trends in recruitment, explore what our competitors and our industry are doing, and look for the most effective actions to address this complex issue.

We are working closely with external organisations including WISE (Women in Science and Engineering) and WES (Women's Engineering Society) to help us stay up-to-date with best practice, collaborate across our industries, and share our successes and challenges.

Our talent acquisition team is actively tapping into a more diverse candidate market and growing our network to build a pipeline of female talent. We are continually looking at the development of our internal talent and have carried out equality impact assessments of our promotion processes.

We are also looking at how we can attract early careers talent to Mott MacDonald through our schools' engagement strategy and our promotion of STEM subjects to school-aged children. This is a long-term approach which will continue until we have seen a significant positive impact on our work experience, apprentice and graduate intake across the UK.

All these efforts and improved focus have resulted in a reduction in our gender pay gap of 0.9%. The reduction is not as significant as we had hoped for, however we are working hard to build on this positive progress from our last reporting period and increase the rate of change.

We are incredibly passionate about seeing real change not only in our gender pay gap but also in the diversity of our staff across our UK business.

James Harris
UK and Europe general manager



What is the gender pay gap?

When looking at gender pay gap analysis figures, it is important to remember there is a difference between equal pay and the gender pay gap.

Equal pay

Equal pay means that **men** and **women** should not be paid differently for performing equal work.

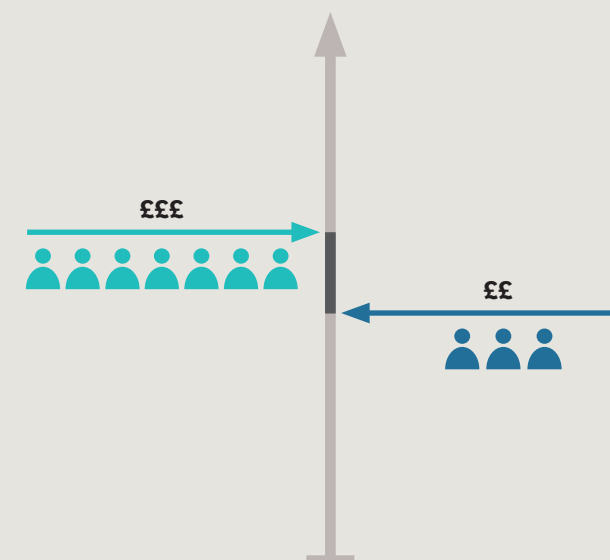


Gender pay gap

The gender pay gap measures the difference between **men's** and **women's** average earnings. The difference is expressed as a percentage of men's earnings.

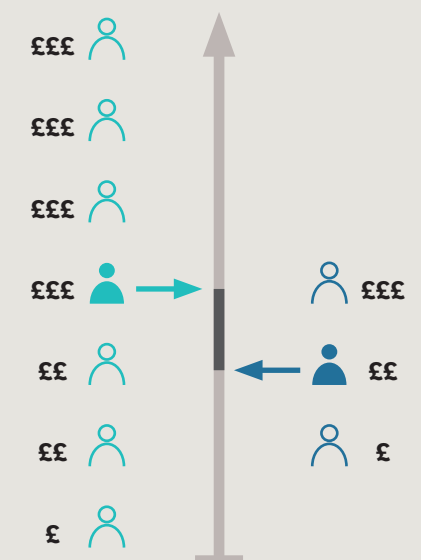
Mean gender pay gap

The mean gender pay gap is the difference between **men's** and **women's** average earnings.



Median gender pay gap

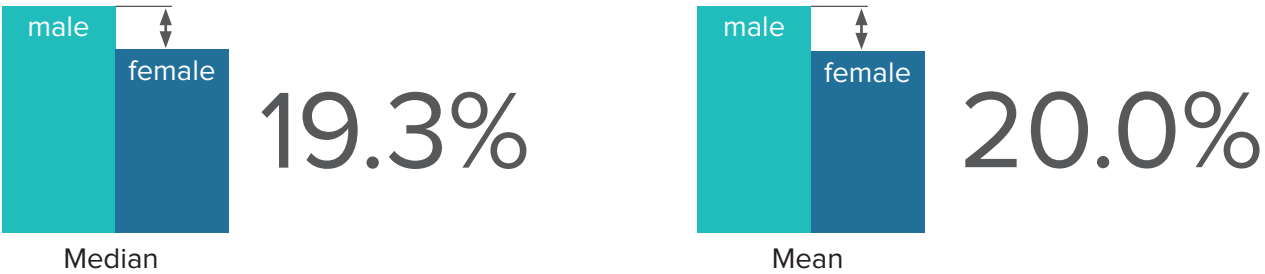
The median gender pay gap is the difference in hourly pay between the mid-point of **men's** and **women's** earnings, when listed according to size.



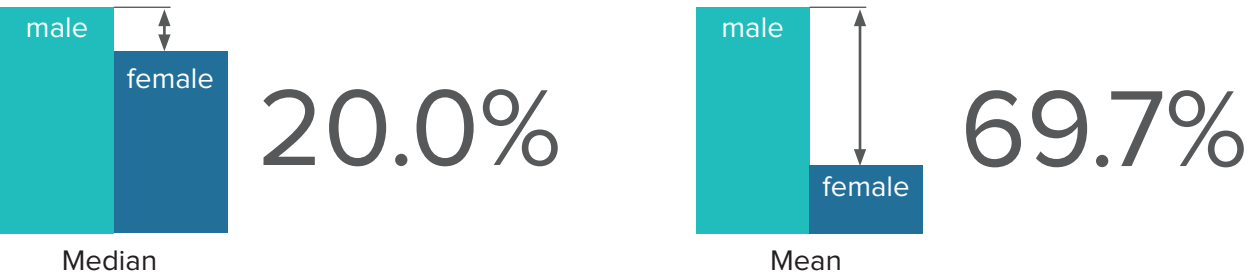
Our results

Our gender pay gap 2018 findings

Gender pay gap 2018



Gender bonus gap 2018



Percentage of male and female staff receiving bonuses in 2018

85.5%

of **male** staff received a bonus in 2018

78.1%

of **female** staff received a bonus in 2018

Reviewing our progress since 2017

Our findings show that since 2017 our mean gender pay gap has decreased by 0.9% and our median gender pay gap has decreased by 0.7%. However, we recognise that our gender pay gaps are higher than the UK national averages of 17.1% and 17.9%.

We are pleased to see that our median bonus gap has decreased from 50.3% to 20.0% between 2017 to 2018 and there has also been a slight decrease in our mean bonus gap in the same time period from 71.1% to 69.7%

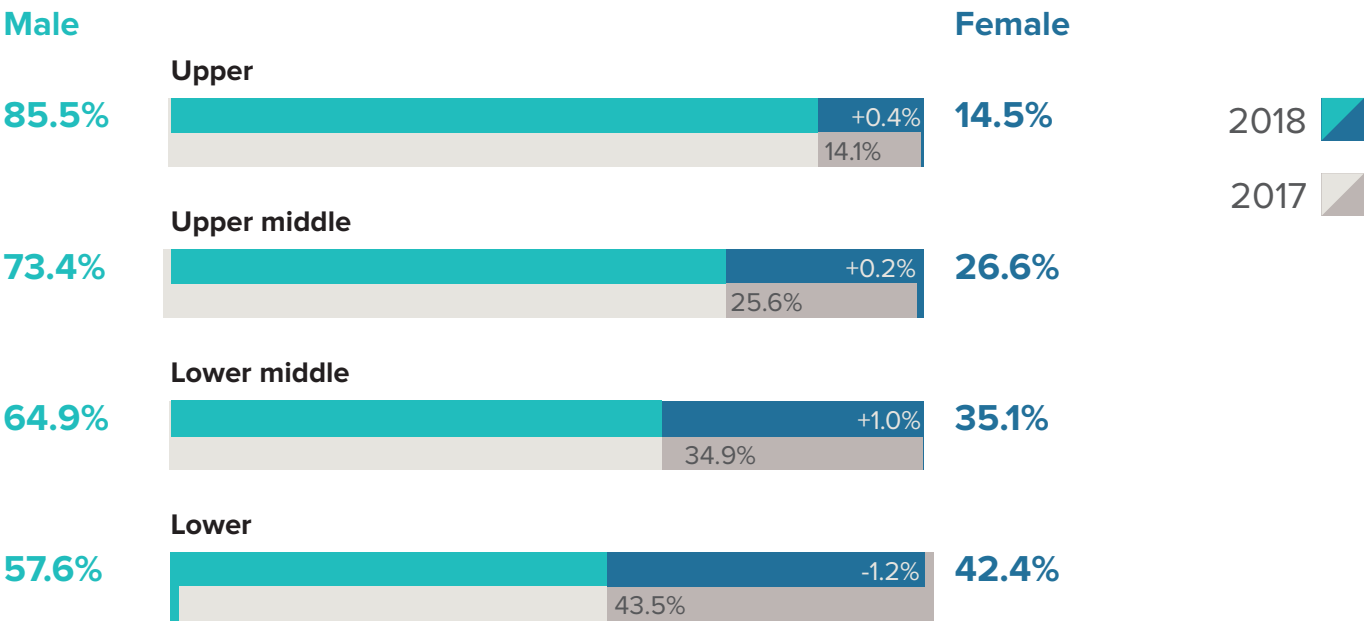
Our gender pay and bonus gaps are significantly affected by our gender representation, particularly in management and leadership roles where there is a proportionately higher number of men. This has particularly impacted our bonus pay gaps, as the amount of bonus paid to employees generally increases with seniority.

Our workforce data

The UK’s statutory gender pay gap reporting also looks at gender demographics per quartile to identify gender representation at each level across a range of organisations.

Looking at pay quartiles helps us understand the proportions of men and women and pay distribution within the organisation. The hourly rate of pay is ordered from lowest to highest and grouped into four equal quartiles, this is then reviewed to see the proportions of male and female staff in each pay quartile as a percentage. While our data shows an overall increase between 2017 and 2018 in the upper and lower middle quartiles, we can see a reduction in the overall representation of women in the lower quartile.

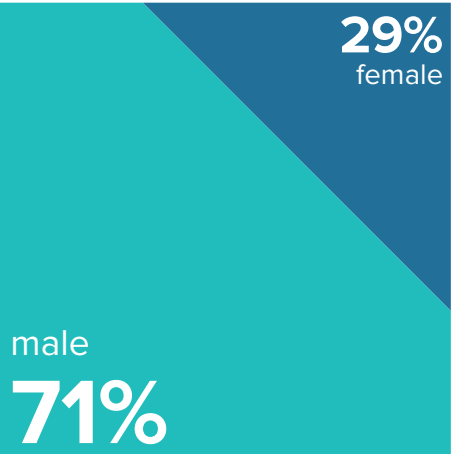
Pay quartile comparison 2017/2018



Looking at our overall gender representation we can see that less than a third of our 5000+ colleagues are women.

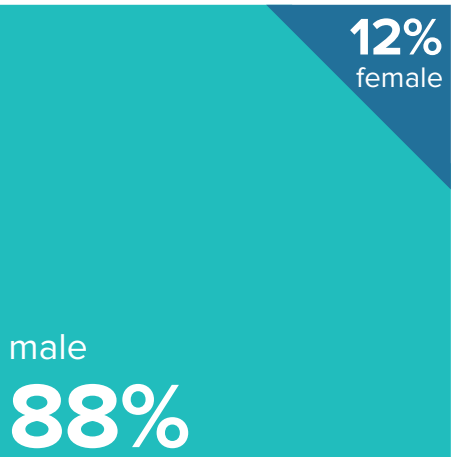
These findings are not unique in our industries, for example, women comprise 12% of engineering professionals and 25% of those working in STEM industries overall (WISE 2018 workforce statistics).

Analysis of our headcount shows that we have an underrepresentation of women at all levels and specifically in our leadership. Addressing the underrepresentation of women at leadership level will be key to addressing our gender pay gap.



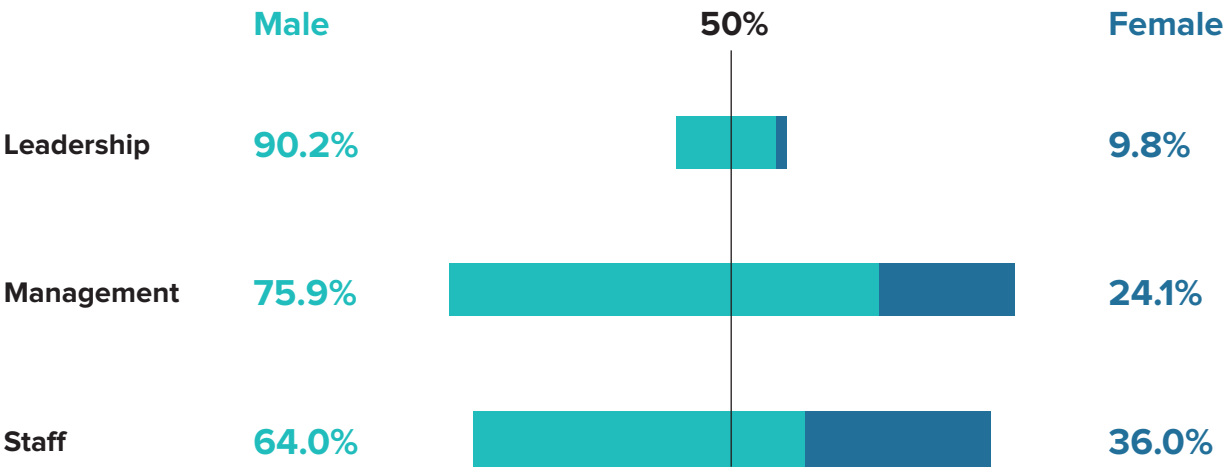
Representation of the reporting population as identified by statutory guidance

29% of Mott MacDonald staff are female



12% of engineers and technicians across our industry are women.

Analysis of the gender headcount demographics of the reporting population shows:



Addressing our gender pay gap

We have analysed our data, sought feedback from our colleagues and engaged with external gender equality campaigns to help shape our actions.

Creating a more inclusive culture and tackling unconscious bias

We understand the importance of creating a workplace where everyone can be themselves and perform to the best of their abilities. Reducing the impact of bias has been a key focus for us, with unconscious bias training delivered alongside efforts to promote a diversity of people and approaches.

Employee networks

We have established employee networks to support an inclusive culture including Advancing Gender and the Sunshine parents and carers network. Each network is led by co-champions who are provided with time, budget and training and a board-level sponsor who champions the group's action plan at board meetings. The groups provide peer-to-peer support and organise regular sessions on topics such as 'balancing work and caring responsibilities' and 'career development for women'.

3500+

colleagues have received unconscious bias training since 2015

Unconscious bias training

This includes e-learning for all new joiners, face-to-face training for management, and open 'lunch and learn' sessions for all colleagues. We will also continue to deliver refreshers for senior management teams as part of our tailored EDI action plans for each business unit.

“Our Sunshine parents and carers employee network is a great forum for colleagues to ask questions and share information while allowing them to discuss how they are managing their careers alongside their family responsibilities.”

Ruth Hopgood
Senior consultant and Sunshine parents and carers co-champion

Reviewing our policies and processes

We are auditing our policies and procedures to identify opportunities to support gender equality and reduce any gender gaps in experience and representation.

Flexible working

Our last employee engagement survey showed that flexible working is important to many of our colleagues. We currently offer formal flexible working and informal agile working. In response to the engagement survey we have developed a project team focused on fully embedding smart working principles into our workplace culture. Our talent acquisition teams now also include a flexible working statement at the outset in all new role requisitions.

“We have more than doubled our maternity / adoption and paternity leave provisions to support our colleagues in balancing care and work commitments.”

Jen Ross
Regional human resources manager

EDI dashboards

In early 2019 we launched new EDI dashboards which provide detailed data and insights into the full employee lifecycle. The dashboards cover a number of protected characteristics and include data on headcount, turnover, retention and promotions by each business unit. The dashboards support us in our aim for our EDI efforts to be data-driven and intelligence-led. These tools allow us to tailor our efforts to the unique nature of our different business units and focus activity where it will have the most impact.

Going forward we are utilising the dashboard data to inform unit EDI action plans. Our Europe and UK regional manager, James Harris, will use the dashboard data at regional board meetings to hold business unit managers accountable for driving improvements in their units.

Our talent acquisition team has also embedded gender data into our talent acquisition dashboards. We are monitoring the trends from application to hire stages and will use this analysis to identify areas for further focus.



Attracting female talent at all levels

Attracting returning talent

In 2018 we successfully piloted a Returners scheme, working in partnership with Women Returners which specialises in connecting experienced professionals with a CV gap with organisations like ours. The scheme aims to attract women and men who have been out of paid employment for two years or more back into work. Many had left organisations that did not provide the flexibility they needed to maintain the right balance between work and caring commitments. The pilot was designed to provide candidates with a facilitated return and includes on-the-job-training, buddying, flexibility and real experience to attract talent back to our sectors. We will explore how best to scale this initiative up in 2019.

Using EDI data to support our early careers talent strategy

We have focused our early careers recruitment strategy around EDI data. For example, we review data on gender diversity to target universities with higher levels of female representation. We are also using market research data to identify how we can improve our employer brand among diverse groups.

We know that increasing the representation of women in the business is key to reducing our gender pay gap. We are taking action to widen the talent pools we recruit from with a specific focus on senior talent.

Removing gendered language from our job adverts

Based on research across industries and leveraging feedback from our colleagues, we have taken steps to remove masculine-coded language from our job adverts. Although this can be subtle and unintended, we have found that using gender decoding tools results in more inclusive job adverts which attract a wider pool of candidates. Our talent acquisition team has mandated the use of a gender decoding tool for all leadership roles.

Inclusive interviews

We are developing a training module and supporting interview guide which will ensure our hiring managers run fair and inclusive interviews. The focus will be on providing our candidates with a positive experience by coaching our managers on the importance of diverse interview panels, how to run effective strength-based assessments and practical ways to mitigate unconscious bias during interview. All hiring managers will receive the training and guide before they are involved in interviewing candidates.

“On behalf of the talent acquisition team, I am working closely with Advancing Gender to embed best practice in the way we recruit, and to ensure Mott MacDonald is the employer of choice for women in our industries.”

Gitte Fjordside
Talent acquisition manager



Recognising and progressing female colleagues

Skills4UK career development programme

We have rolled out the Skills4UK career development scheme – a targeted programme to identify management-ready female talent and to give women further skills to operate in what remains a male-dominated industry. Since 2016 almost 200 staff have attended the three-day course. In the short term we are using our EDI dashboard data to identify where we need to deliver additional cohorts to support the progression of women at these levels. In the long term we plan to create an in-house development programme for women.

Advancing Gender career development sessions

This year our Advancing Gender network is running a series of sessions on career development to support the progression of women in the business. The first event was a Women in Leadership panel session which profiled senior female role models and aimed to provide junior colleagues with tips and insights to support their career development. Over 400 colleagues joined the session in person and online. These sessions are planned to continue on a quarterly basis throughout 2019.

In order to address the underrepresentation of women at senior levels we need to recognise and support the progression of female talent at mid-level grades.

Improving our promotion processes

We have taken several steps to improve our approach to senior promotions decisions:

- Previously promotion discussions formed part of regional board meetings. Since 2017, dedicated promotions meetings have been created to discuss and moderate senior promotions, allowing for richer discussion and a more standardised process across our different business units.
- Our EDI team has carried out an equality impact assessment of the promotion papers and panel with recommendations for improvements embedded in the updated process.
- Our business unit managers and HR managers are tasked with reviewing the talent pipeline to ensure we are not overlooking any candidates and that there is a positive balance of self-submitted promotion cases and those encouraged by leadership. We have seen that fewer women put themselves forward for promotion than men, but those who do have a strong success rate.

These efforts, alongside the initiatives above have helped to drive the representation of women at our most senior grades from 9% to 11% between 2016 and 2018.



**What makes you
different makes us better.**