News

Nearly a third of senior managers think gender pay gap 'isn't a problem'

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By Annie Makoff

Women's decisions to take career breaks or work part time are blamed for pay gap, survey finds

Nearly a third of senior managers do not believe the gender pay gap is an issue for businesses, despite the current gap for full-time employees being 13.9 per cent.

Research carried out by HR and payroll provider NGA Human Resources, which polled more than 250 senior decision-makers who will be affected by the incoming gender pay gap reporting regulations, revealed that 29 per cent of senior staff did not recognise the importance of the gender pay gap. A third (35 per cent) of men surveyed said the pay divide was not an issue, compared to one fifth (22 per cent) of women. A further 14 per cent of men said that it wasn't necessary to have a plan in place to tackle the gap.

But Bertille Calinaud, senior inclusion and diversity consultant at Inclusive Employers, told People Management that employers that helped tackle the gender pay gap and that were transparent about their pay structures would have a "competitive advantage" in attracting and retaining diverse talents and reaching new markets and customers.

Olivia Hill, chief HR officer at the Association of Accounting Technicians, said there was evidence that closing the gender pay gap in the UK could boost GDP in 2025 by £0.6trn, while Petra Wilton, director of strategy at the Chartered Management Institute, urged businesses and management teams to "lead by example" and attract and retain more women into better remunerated roles.

Although the government is bringing in gender pay gap reporting for UK firms from 6 April, one fifth of UK businesses polled in the research admitted they were not ready for the legislation. Just one fifth of decision-makers believed that such regulations would reduce the pay gap.

Of those who recognised the significance of the gender pay gap, 40 per cent said the pay gap created bad publicity, 34 per cent said it would damage their organisation's brand and 33 per cent said it created recruitment obstacles.

A significant proportion of those questioned attributed the blame on women themselves, citing personal decisions to take career breaks (49 per cent) or work part time (42 per cent) as the main factors for pay disparities, as well as a lack of women in the overall workforce (20 per cent) and there being fewer women in senior roles (27 per cent).

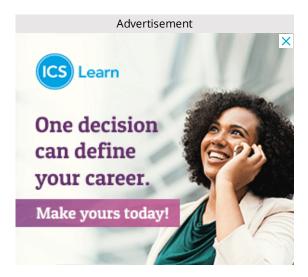
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Sam Smethers, chief executive of the Fawcett Society, said: "There are indeed a minority of 'barrier bosses' who are less likely to believe in equality of opportunity. Closing the pay gap will bring real business benefits. Instead of blaming women for the choices they make, we need to look at the structural barriers in our labour market that see too many women working below their potential. Women may often choose part-time work, but why should that consign them to low-level, low-paid jobs?"

The Fawcett Society's own research found that the gender pay gap was actually in reverse for some ethnic groups, with <u>Caribbean and white Irish women earning more</u>, on average, than men from the same <u>background</u>.

In January, People Management reported that many HR professionals were "divided" over the impact the gender pay gap reporting legislation would have on gender equality and warned in February that the government was failing to tackle the causes of the pay gap.

Duncan Brown at the Institute for Employment Studies said: "The gender pay gap is an important issue for businesses because the Equal Pay Act was passed more than 40 years ago and we still have a gender pay gap above the EU and OECD average in the UK and the rate of decline in it has stopped. Because, from next month, employers will have to make these gaps public, to their customers and their employees. Because we shouldn't want our daughters to earn less than our sons."









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