

BMJ

# 2020 GENDER PAY GAP REPORTING & ANALYSIS

Communication to Staff 25.3.21

# FINDING THE HEADLINES

## HEADLINE DASHBOARD

### YOUR GENDER PAY GAP

Headline figures comparing the basic hourly pay of all employees inclusive of cash payments and allowances

	MEAN	MEDIAN
YOUR GENDER PAY GAP	<b>1.5%</b>	<b>5.5%</b>
Change	-1.9%	2.4%
2019 Gap	3.4%	3.1%
NATIONAL AVERAGE GAP *		<b>15.5%</b>
Change		-1.8%
2019 Gap		17.3%
YOUR GENDER BONUS PAY GAP	<b>14.8%</b>	<b>0.0%</b>
Change	-14.3%	0.0%
2019 Gap	29.1%	0.0%

\* Source ONS.gov.uk (Released 3 November 2020)

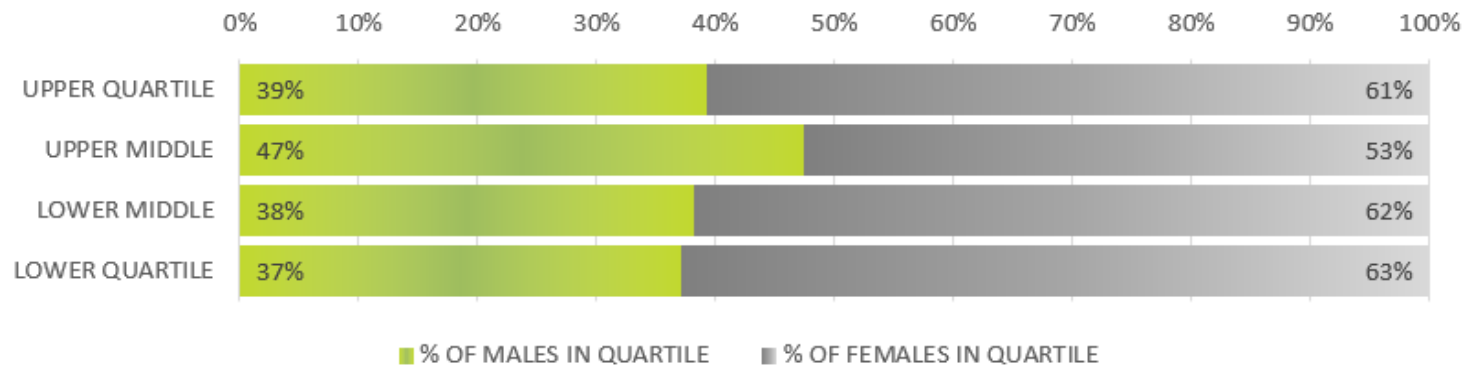
### BONUS PAYMENTS

The proportion of men and women in receipt of a bonus



### PAY QUANTILES

The proportion of male and female employees by quartile pay bands

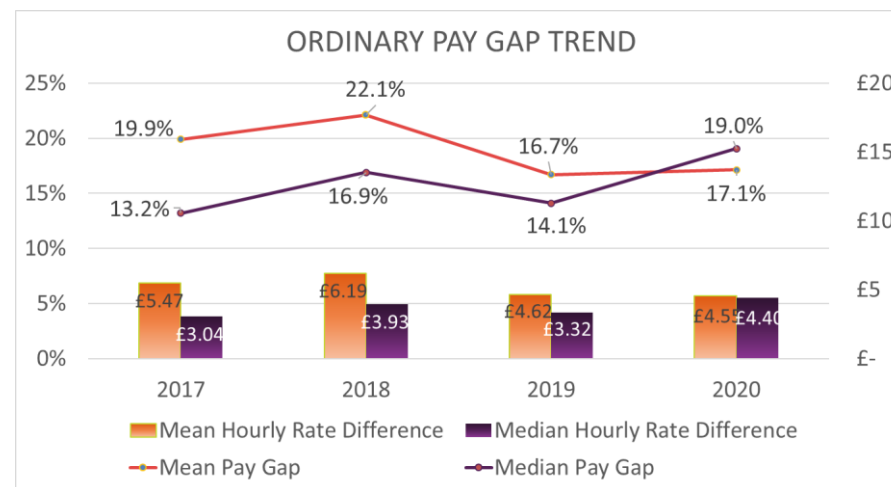


# FINDING THE HEADLINES

## GENDER PAY SUMMARY

- The BMJ continues to demonstrate they are ahead of the wider sector:
- The mean and median gaps remain considerably below the Professional, Scientific and Technical Activities sector gaps, and below the National median pay gap.
- Gender distribution throughout the organisation is well-balanced across each quartile and from top to bottom even with one third more females than males in the organisation.
- There is little evidence of gender bias in the highest paying or lowest paying roles.
- Female headcount at the top has increased over the last 4 years and reduced at the bottom helping to continue to close the pay gap.
- The BMJ has the lowest mean and median pay gap of selected competitors.

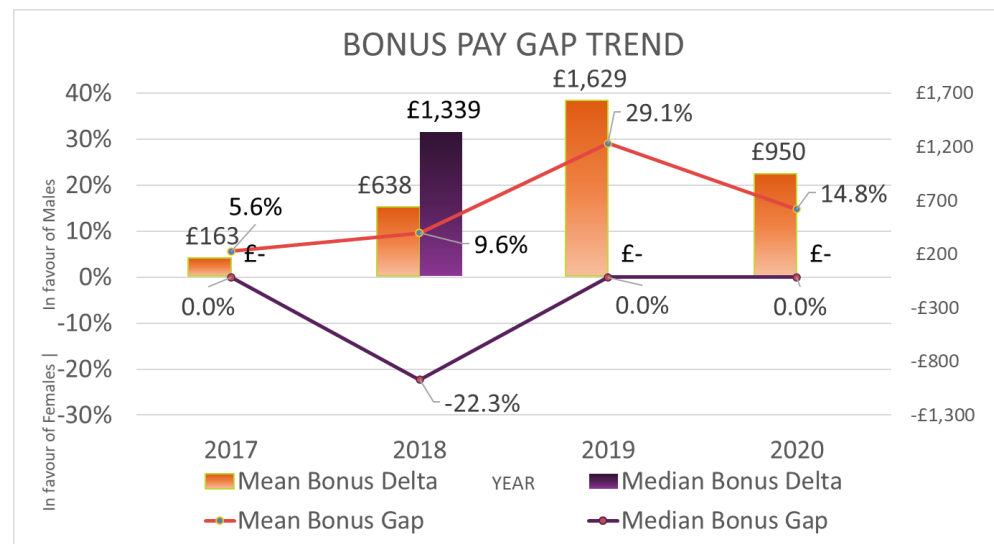
- **Headline Gender Pay Gap:** The BMJ has a mean gender pay gap of 1.5% in favour of men (a 1.9% decrease from 2019) which is considerably below the latest Professional, Scientific and Technical Activities sector gap of 20% in favour of men. The median gender pay gap is 5.5% in favour of men (which is a 2.4% increase on 2019) but is also below the sector median of 16% and the current national pay gap of 15.5% both in favour of men.
- **Pay Quartiles:** All four quartiles report a mean pay gap of less than 5% and two quartiles report a median pay gap of between 5% and 15%. This shows that the BMJ overall pays men and women equitably across all quartiles of the organisation. Typically we see a gap in favour of men in the upper quartile and this is a result of more men occupying the more senior roles on higher pay, but we do not see this at the BMJ. We also see an increase of females into the upper quartile and a decrease of females into the lower quartile which is helping to close the gap.
- **Distribution:** All four quartiles reflect the overall company gender distribution of 60/40 female/male. There isn't any bias towards one gender occupying the majority of senior positions in the upper quartile or the lowest paid in the lower quartile. In addition, there is roughly 25% of all men in each quartile and roughly 25% of all women in each quartile, and it is this gender balance that is helping the BMJ to maintain its small pay gap.
- **4-year progress:** The mean pay gap is slowly closing and is heading in the right direction having decreased by 3.7% since 2017. The median pay gap has increased by 0.3% since 2017.
- **Comparator Insight:** The BMJ mean and median gender pay gaps 2019/20 are significantly below those of comparator organisations, below the sector pay gap and the national pay gap.



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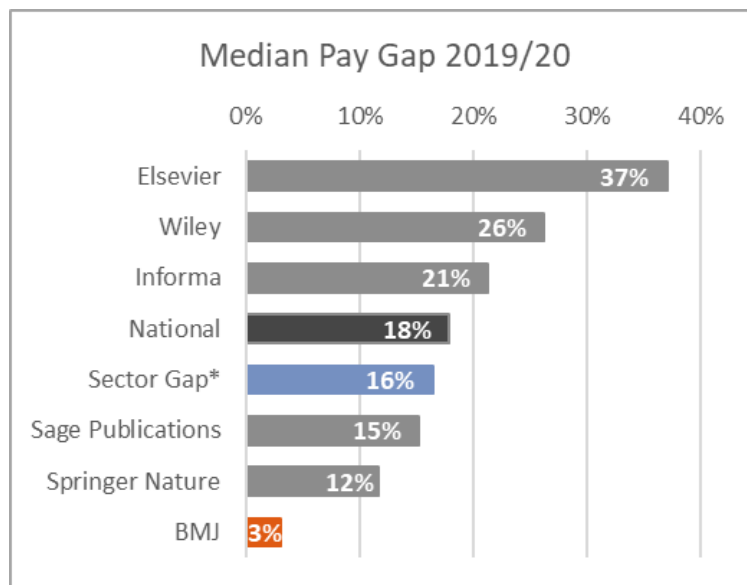
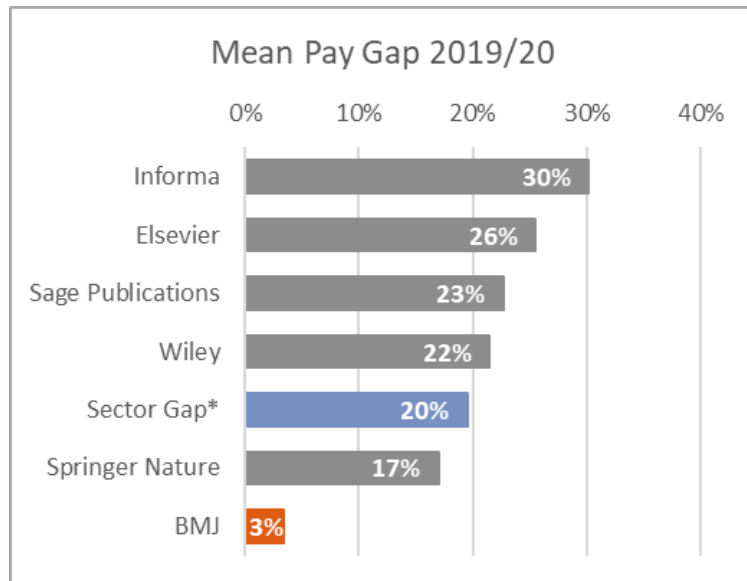
## BONUS PAY SUMMARY

- Headline Gender Bonus Gap:** The mean bonus gap is 14.8% in favour of men which is a 14.3% reduction on 2019, and the median is 0% which the same as 2019. Both male and female average bonus payments have increased since last year, but the average bonus paid to females increased more than the average paid to men, hence the mean gap closed. However, the mean gap still exists because of larger commission payments which are of a higher value and paid in larger numbers to men than women.
- Proportion in Receipt of a Bonus payment:** Proportions of each gender receiving a bonus payment are consistent year on year, and are consistent between genders. It seems that the gap is driven by the size of bonus payments rather than a disproportionate number awarded to men.
- 4 Year Progress:** Since 2017, the mean bonus pay gap has increased by 9.2% in favour of men, while the median bonus gap remains unchanged at 0%.



# COMPETITIVE INSIGHT

## COMPARABLE ORGANISATIONS



Gender pay reporting in 2020 was not mandatory because of the pressures brought by the Coronavirus pandemic. For this reason, only 5854 organisations published their gender pay gap out of the expected 9000 (approx.), which is only a 65% submission rate.

Our analysis of the Gender Pay Gap data submitted to the Government website on 4th April 2020 shows 372 companies (697 submitted in 2019) within the Professional, Scientific & Technical Activities sector having a:

- Mean Gender Pay Gap of 19.5% in favour of males, up slightly from 19.1% in 2019.
- Median Gender Pay Gap of 16.4% in favour of males, up slightly from 16% in 2019.
- The BMJ reports the lowest mean pay gap of comparable organisations who published their mean pay gap, and also significantly below the Professional, Scientific and Technical sector pay gap.

The median pay gap shows the same position, with the BMJ sitting below the National median gender pay gap of 18%, below the sector median pay gap of 16%, and below all competitors.

Innecto recommends continuing to calculate and publish your gender pay gap even when it is not mandatory, to both track trends and progression and to continue to re-enforce the importance of policies and practices that help to reduce the organisations gender pay gap.

\*Sector Gap is Professional, Scientific & Technical Activities

\*\*See appendix C for additional Competitive Insight

PHASE 1  
BMJ

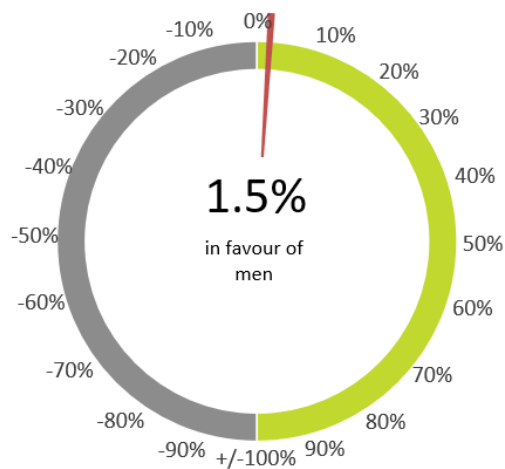
# FINDING THE HEADLINES DETAILED ANALYSIS



# FINDING THE HEADLINES

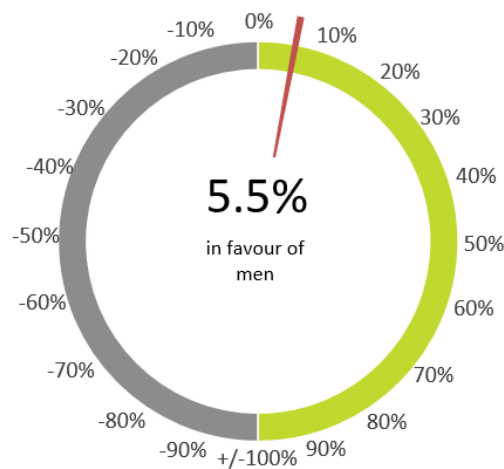
## GENDER PAY GAP

Your Mean Gender Pay Gap is:



Female Count	Male Count	Ratio	Female Hourly Pay	Male Hourly Pay	Pay Gap
231	157	60 : 40	£ 25.68	£ 26.08	1.5%

Your Median Gender Pay Gap is:



Female Count	Male Count	Ratio	Female Hourly Pay	Male Hourly Pay	Pay Gap
231	157	60 : 40	£ 23.34	£ 24.68	5.5%

There is very little change in mean gender pay gap since 2019 – it has decreased by 1.9% to 1.5%, and is below the Professional, Scientific and Technical Activities sector mean of 20%.

The median gender pay gap has increased by 2.4% from 3.1% to 5.5% in favour of men. It is considerably below the median sector gap of 16% and the National gap at 15.5%.

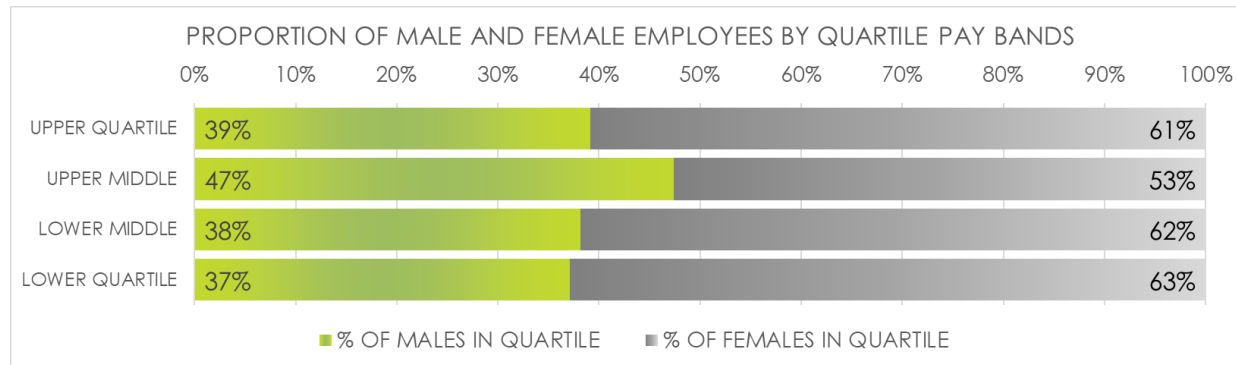
As the BMJ is part of the BMA group, it is not required to publish its own gender pay gap.

The gender pay gap calculation compares the basic hourly pay of all employees inclusive of cash payments and allowances, allowing a direct comparison of part-time and full-time earners, paid in the relevant pay period.

The difference in the mean & median hourly rate of pay for male and female full-pay relevant employees.

# FINDING THE HEADLINES

## GENDER PAY GAP - QUARTILES



Each quartile reflects the overall company gender distribution of 60/40 female/male and this means that there is a well-balanced number of males and females in each quartile which is one of the main reasons why the BMJ reports a low gender pay gap.

QUARTILE	COUNT OF RELEVANT MALES IN QUARTILE	% OF MALES IN QUARTILE	COUNT OF RELEVANT FEMALES IN QUARTILE	% OF FEMALES IN QUARTILE	MEAN GENDER PAY GAP WITHIN QUARTILE	MEDIAN GENDER PAY GAP WITHIN QUARTILE	% MALES OF ALL MALE EMPLOYEES	% FEMALES OF ALL FEMALE EMPLOYEES
UPPER QUARTILE	38	39%	59	61%	1.0% (M)	-6.0% (F)	24%	25.5%
UPPER MIDDLE	46	47%	51	53%	-0.3% (F)	0.2% (M)	29%	22.1%
LOWER MIDDLE	37	38%	60	62%	0.4% (M)	1.1% (M)	24%	26.0%
LOWER QUARTILE	36	37%	61	63%	-3.5% (F)	-8.4% (F)	23%	26.4%

As expected, the mean pay gaps by quartile are all less than 5% (last year 2 had a gap of less than 5% and 2 had a gap between 5% and 15% hence the headline mean decreased, but the median shows 2 gaps between 5% and 15% which is one more than last year hence the headline median gap has increased).

We also see further evidence why the BMJ has such a low pay gap. There is roughly 25% of all men in each quartile and 25% of all women in each quartile, and this balanced gender distribution whereby neither gender occupies the majority of the most senior positions in the upper quartile or the lowest paid in the bottom quartile, and combined with the low pay gaps means that the BMJ's strategy to maintain a low pay gap is working well.

This regulations require the employer to show the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts. Employees are ranked from highest hourly rate to lowest hourly rate and then divided into four quartiles.

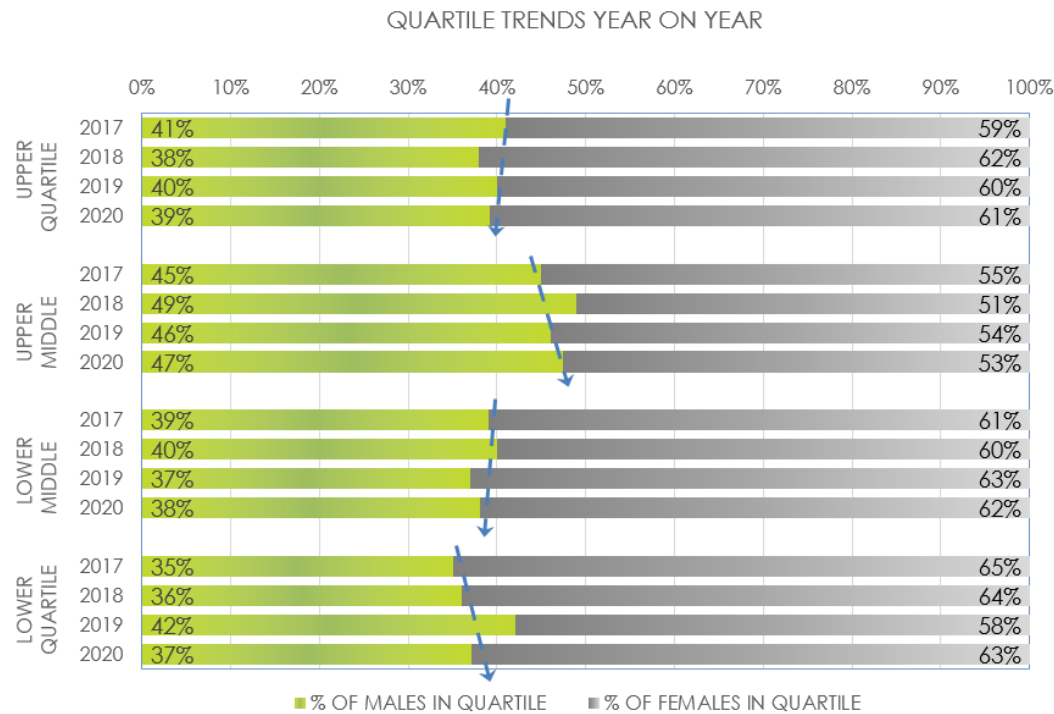
Each quartile therefore contains 25% of full-pay relevant employees, with the upper quartile encompassing the highest earning 25% of employees, and the lower quartile the lowest earning 25% of employees.

Comparing the results across a quartile will indicate the distribution of full-pay relevant male and female employees in the quartile; Comparing the results between the quartiles will indicate the distribution of full-pay relevant male and female employees across the organisation.



# FINDING THE HEADLINES

## QUARTILE MOVEMENT



Further evidence to support the small pay gap is the movement across quartiles since 2017. We see a slight increase in females occupying roles in the upper quartile and a slight increase in men occupying roles in the lower quartile. Again, we don't see a large population of males at the top of the organisation and females at the bottom, so again this is a great example of a gender-balanced organisation.

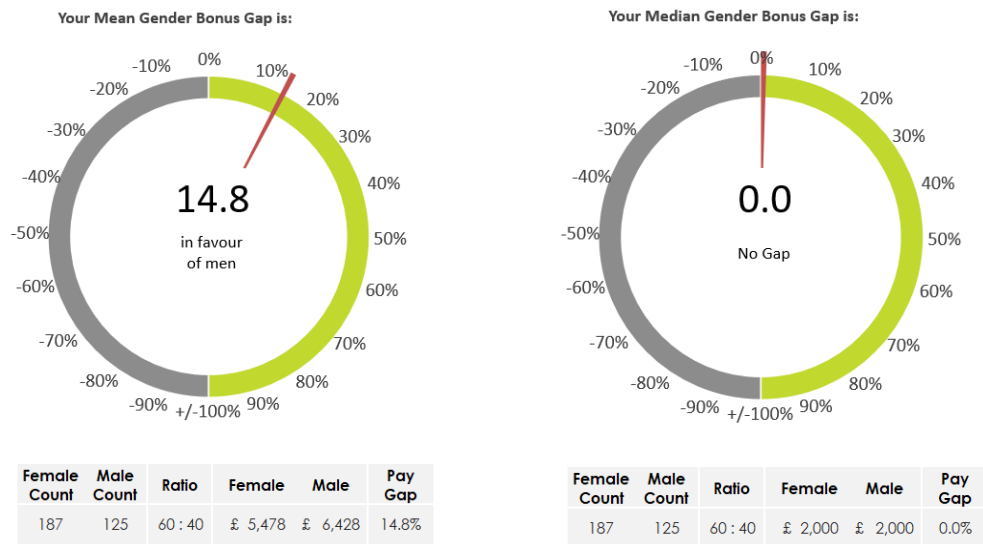
Previous year's results published by the government show that in the majority of organisations, there is a gender pay gap in favour of men. What quartile analysis highlights is that the gender pay gap is not the same across the whole organisation.

It demonstrates quite clearly that there are pockets where the gender pay gap exists.

Knowing where the gender pay gap exists within the organisation creates a focus, so monitoring changes, both positive and negative, is important in closing a gender pay gap.

# FINDING THE HEADLINES

## GENDER BONUS GAP



The mean bonus gap shows a 14.3% reduction since 2019 from 29.1% to 14.8%, and the median gap shows no change at 0% with both men and women receiving a median value of £2000.

The same number of men and women received a bonus payment this year as last. The average male bonus increased by an average of £837 from last year to this year, but the average female payment increased by £1500. Men still receive a higher bonus on average but the difference between what men receive and women receive is smaller this year. It is worth noting that looking back at last year's data, the recognition awards and long service awards were not included in the data provided, so it is not a like-for-like comparison for bonuses between 2019 and 2020.

A scenario excluding all recognition payments and long service awards still includes 187 females and 124 men, so very little changes, and would push the mean bonus gap to 15.9% in favour of men and maintain the median gap at 0%. There is very little impact of the recognition & long service awards excluded so **this comparison is valid**.

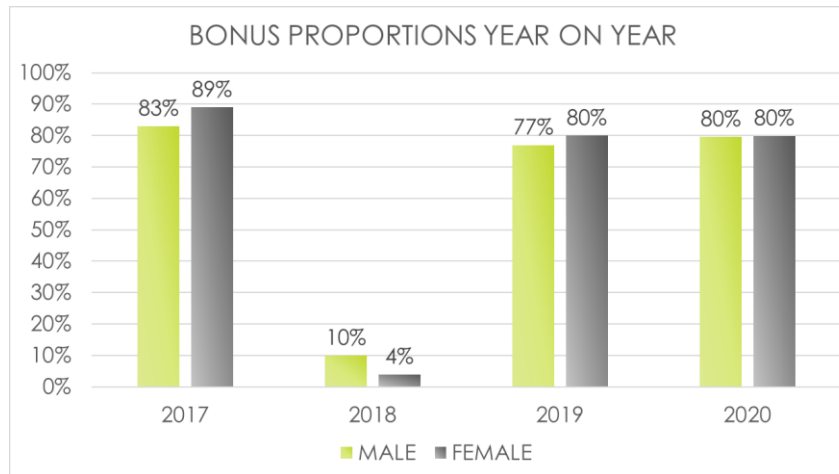
Annual bonus payments used in the calculation are actual bonus payments, not an annualised bonus for part time employees. There are 55 part time employees, 48 females and 7 males. A scenario annualising part time employee bonuses decreases the mean gap to 12.3% and there is no impact on the median.

The bonus pay gap is mostly a result of larger commission payments which are a higher value and larger in number to men than women.

It is worth noting that the gender pay gap calculation uses a conversion to an hourly rate to eliminate differences in part time and full time employees, but, as the regulations state, the bonus gender pay gap calculation uses the actual bonus paid without a conversion to an hourly rate or pro-rated figure.

# FINDING THE HEADLINES

## GENDER BONUS GAP - PROPORTIONS RECEIVING A BONUS PAYMENT



The BMJ has been consistent when an annual bonus has been paid out (no pay out in 2018 hence the lower recipient count), typically around 80% of both genders receive a bonus payment. In both 2019 and 2020 the median bonus payment has been £2000 regardless of gender, and the fact that a similar number of employees receive a bonus indicates equality. Coupled with the fact that all quartiles reflect the overall company gender distribution supports the idea that an equal proportion of men and women will be receiving bonus payments.

This test considers employees who have received a bonus payment, not to be confused with employees who are eligible for a bonus payment. A payment actually needs to have been received even if eligible for a bonus to be included.