

EASYRECRUITUK.COM

GENDER PAY GAP

REPORTING 2017

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Chief Operating Officer

Foreword

As being the pioneers of the first fully interactive, online labour supply company in the UK, Easyrecruituk.com is driven by the innovation and implementation of processes and techniques to our industry.

Our aim is to always deliver a service of a reputedly high standard. Through team work, we ensure that quality and meticulousness is offered to both our people and clients with respect, integrity, trust and enablement.

We welcome the implementation of the Gender Pay Gap Reporting mechanism and its intended objectives. Through this mode, transparency and focus on key data delta's will make a huge difference as it can identify the challenges we currently face and what can be done to reduce the Gender Pay Gap.

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, organisations with more than 250 employees are required to provide an annual report on their gender pay gap data. EasyRecruitUK.com Ltd has 728 employees (705 Temporary Workers, 23 Permanent Workers).

Temporary Workers

	No. of employees	Percentage
Male	443	63%
Female	262	37%
Total	705	100%

Permanent Workers

	No. of employees	Percentage
Male	12	52%
Female	11	48%
Total	23	100%

What does the Gender Pay Gap mean?

The gender pay gap is a measure of the difference between men and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings. Currently in the UK, the overall gender pay gap is just over 18%¹.

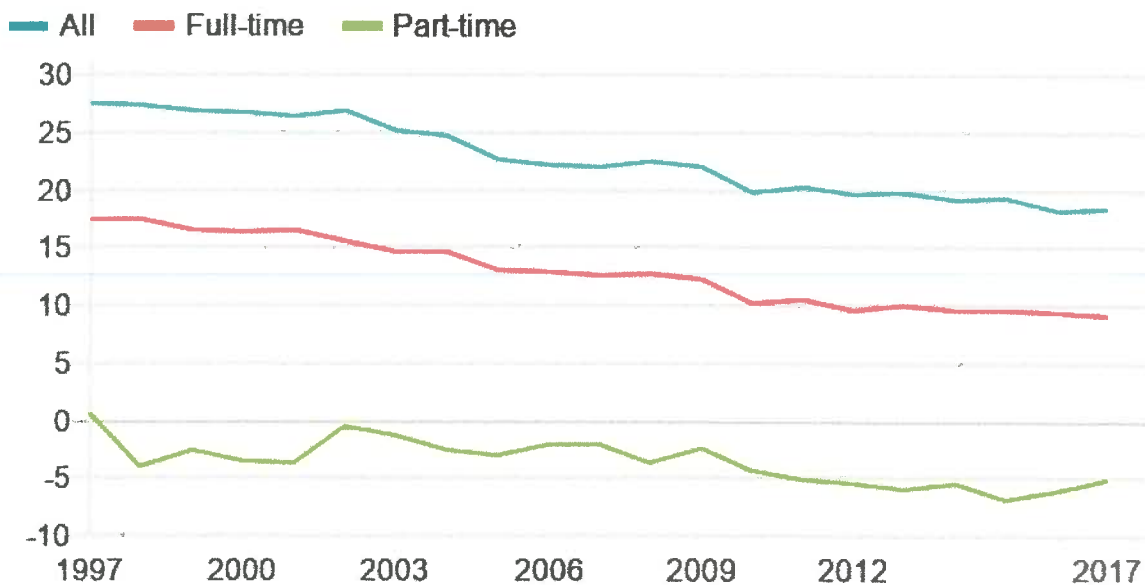
In contrast, equal pay relates to men & women working in the same employment. They are both entitled to the same pay based on carrying out similar responsibilities.

There is a difference between gender pay and equal pay as they both do not match, and hence a gender pay report is needed to explain the existence of any potential gap.

As the following graph shows, the gap between men and women's earnings for both full and part-time work has fallen from 27.5% in 1997 to 18.4% in 2017. If you only look at full-time workers, the pay gap drops to 9.1%. For part-time workers the pay gap favours women, who now earn 5.1% more than men².

Gender pay gap

% change over time



Source: Annual Survey of Hours and Earnings, ONS



This report aims to provide transparency through the provided pay gap data in the following sections and explains the necessary steps to mitigating the Gender Pay Gap wherever possible.

¹ <https://www.gov.uk/government/news/uk-gender-pay-gap>

² <http://www.bbc.co.uk/news/business-42918951>

Organisational Context & Structure

Through respect, integrity and trust, we can reach the optimum results. We genuinely value the people we provide irrespective of the gender and want our clients to receive similar results to our own.

EasyRecruitUK.com Ltd pay system ranges from administrative to managerial level (Permanent staff) & from operational to supervisory level (Temporary staff). Pay rates vary according to the level of responsibility, skill sets and specific job role duties that staff have.

Staff	Hourly Pay Rate Range
Permanent	£4.65 to £27.05
Temporary	£5 to £10

Bonus Payments

These are achieved for merit only in a delivery and compliance environment. For Permanent staff, the results show a 59.5% difference in Mean Gender Bonus Pay Gap payments between male and female employees. With regards to headcount, 25% of male and 9.1% of female employees who were entitled to bonuses, received bonus payments. However, there is a -307.9% difference in the Median Gender Bonus Pay Gap in favour of female employees.

For the temporary staff, the results show a 90.1% difference in Mean Gender Bonus Pay Gap payments between male and female employees. With regards to headcount, 22.1% of male and 5% of female employees who were entitled to bonuses, received bonus payments. However, there is a -5.3% difference in the Median Gender Bonus Pay Gap in favour of female employees.

Quartiles

Even though all quartiles within our business are in favour of male employees, there is a strong representation of female employees in the Lower Quartile 1 (+34% difference) and in the Upper Quartile 4 (0% difference) for permanent staff.

With regards to temporary staff, there is a more balanced representation of female employees in Lower Quartile 2 (-20% Difference) & Upper Quartile 3 (-10% Difference) even although the data is in favour of male employees due to a higher headcount. However, we still try to show our commitment to equal pay for equal work while recruiting and selecting the right candidate based on skill sets, experience and industry knowledge, not on gender.

Measuring the Gender Pay Gap

CALCULATIONS OF PAY FOR PERMANENT EMPLOYEES AS AT 05/04/2017:

To calculate the results for permanent staff, we will need the following averages:

1) Mean Gender Pay Gap

Sum of ALL Male Employees Hourly Pay	134.95
Count of ALL Male Employees	12
Mean Male Hourly Pay	11.25
Sum of ALL Female Employees Hourly Pay	115.76
Count of ALL Female Employees	11
Mean Female Hourly Pay	10.52
Mean Gender Pay Gap	6.4%

Mean Hourly rate of pay (Male)- Mean Hourly rate of Pay (Female) x 100/ Mean Hourly rate of pay (Male)

$$11.25-10.52 \times 100/10.52= 6.4\%$$

2) Median Gender Pay Gap

Median Hourly Pay of ALL Male Employees	9.56
Median Hourly Pay of ALL Female Employees	9.47
Median Gender Pay Gap	1.0%

Median Hourly rate of pay (Male)- Median Hourly rate of pay (Female) x 100/ Median Hourly rate of pay (Male)

$$9.56-9.47 \times 100/9.56= 1\%$$

3) Median Bonus Gender Pay Gap

Median Bonus Pay of ALL Male Employees	735.52
Median Bonus Pay of ALL Female Employees	3000.00
Median Gender Pay Gap - Bonus Pay	-307.9%

Median Bonus pay (Male Employees)- Median Bonus pay (Female Employees) x 100/ Median Bonus pay (Male Employees)

$$735.52-3000 \times 100/735.52 = -307.9\%$$

4) Mean Bonus Gender Pay Gap

Sum of ALL Male Employees Bonus Pay	7401.11
Sum of ALL Female Employees Bonus Pay	3000.00
Mean Gender Pay Gap - Bonus Pay	59.5%

Mean Bonus pay (Male Employees)- Mean Bonus pay (Female Employees) x 100/
Mean Bonus pay (Male Employees)

$$7401.11-3000 \times 100/7401.11= 59.$$

5) Proportion of Males & Females receiving bonus payment

Count of ALL Male employees paid bonus	3
Count of ALL Male Employees	12
Proportion of Male Employees paid a bonus	25.0%
Count of ALL Female employees paid bonus	1
Count of ALL Female Employees	11
Proportion of Female Employees paid a bonus	9.1%

Male relevant employees paid bonus pay (12 months' period) x 100/ Number of
Male Employees

$$3*100/12= 25\%$$

Female relevant employees paid bonus pay (12 months' period) x 100/ Number of
Female Employees

$$1*100/11= 9.1\%$$

6) Proportion of Males & Females in each quartile pay band:

- Q1

Total number of employees in Lower Quartile (1)	6
Count of ALL Male employees in Quartile 1	2
% of Males in the Lower Quartile (1)	33%
Count of ALL Female employees in Quartile 1	4
% of Females in the Lower Quartile (1)	67%

Number of relevant employees (Male) x 100/ Total number of employees in
the quartile:

$$2 \times 100/6 = 33\%$$

Number of relevant employees (Female) x 100/ Total number of employees in the quartile:

$$4 \times 100/6 = 67\%$$

This calculation is then repeated for the remaining quartiles.

Total number of employees in Lower Middle Quartile (2)	5
Count of ALL Male employees in Quartile 2	3
% of Males in the Lower Middle Quartile (2)	60%
Count of ALL Female employees in Quartile 2	2
% of Females in the Lower Middle Quartile (2)	40%

Total number of employees in Upper Middle Quartile (3)	6
Count of ALL Male employees in Quartile 3	4
% of Males in the Lower Middle Quartile (3)	67%
Count of ALL Female employees in Quartile 3	2
% of Females in the Lower Middle Quartile (3)	33%

Total number of employees in Upper Quartile (4)	6
Count of ALL Male employees in Quartile 4	3
% of Males in the Lower Middle Quartile (4)	50%
Count of ALL Female employees in Quartile 4	3
% of Females in the Lower Middle Quartile (4)	50%

For Permanent staff, there is a difference of 6.4% between male and female mean hourly earnings and 1% of median earnings, which refers to the higher number of male employees engaged in Management positions.

CALCULATIONS OF PAY FOR TEMPORARY EMPLOYEES AS AT 05/04/2017

To calculate the results for Temporary staff, we will need the following averages:

7) Mean Gender Pay Gap

Sum of ALL Male Employees Hourly Pay	3332.50
Count of ALL Male Employees	443
Mean Male Hourly Pay	7.52
Sum of ALL Female Employees Hourly Pay	1975.56
Count of ALL Female Employees	262
Mean Female Hourly Pay	7.54
Mean Gender Pay Gap	-0.2%

Mean Hourly rate of pay (Male)- Mean Hourly rate of Pay (Female) x 100/ Mean Hourly rate of pay (Male)

$$7.52-7.54 \times 100/7.52= -0.2\%$$

8) Median Gender Pay Gap

Median Hourly Pay of ALL Male Employees	7.50
Median Hourly Pay of ALL Female Employees	7.50
Median Gender Pay Gap	0.0%

Median Hourly rate of pay (Male)- Median Hourly rate of pay (Female) x 100/
Median Hourly rate of pay (Male)

$$7.50-7.50 \times 100/7.50= 0\%$$

9) Mean Bonus Gender Pay Gap

Sum of ALL Male Employees Bonus Pay	11765.00
Sum of ALL Female Employees Bonus Pay	1165.00
Mean Gender Pay Gap - Bonus Pay	90.1%

Mean Bonus pay (Male Employees)- Mean Bonus pay (Female Employees) x 100/
Mean Bonus pay (Male Employees)

$$11,765-1165 \times 11765/95 = 90.1\%$$

10) Median Bonus Gender Pay Gap

Median Bonus Pay of ALL Male Employees	95.00
Median Bonus Pay of ALL Female Employees	100.00
Median Gender Pay Gap - Bonus Pay	-5.3%

Median Bonus pay (Male Employees)- Median Bonus pay (Female Employees) x 100/
Median Bonus pay (Male Employees)

$$95-100 \times 100/95 = -5.3\%$$

11) Proportion of Males & Females receiving bonus payment

Count of ALL Male employees paid bonus	98
Count of ALL Male Employees	443
Proportion of Male Employees paid a bonus	22.1%
Count of ALL Female employees paid bonus	13
Count of ALL Female Employees	262
Proportion of Female Employees paid a bonus	5.0%

Male relevant employees paid bonus pay (12 months' period) x 100/ Number of Male Employees

$$98 * 100 / 443 = 22.1\%$$

Female relevant employees paid bonus pay (12 months' period) x 100/ Number of Female Employees

$$13 * 100 / 262 = 5\%$$

12) Proportion of Males & Females in each quartile pay band:

- Q1

Total number of employees in Lower Quartile (1)	176
Count of ALL Male employees in Quartile 1	118
% of Males in the Lower Quartile (1)	67%
Count of ALL Female employees in Quartile 1	58
% of Females in the Lower Quartile (1)	33%

Number of relevant employees (Male) x 100/ Total number of employees in the first quartile

$$118 \times 100 / 176 = 67\%$$

Number of relevant employees (Female) x 100/ Total number of employees in the first quartile

$$58 \times 100 / 176 = 33\%$$

This calculation is then repeated for the remaining quartiles.

Total number of employees in Lower Middle Quartile (2)	177
Count of ALL Male employees in Quartile 2	107
% of Males in the Lower Middle Quartile (2)	60%
Count of ALL Female employees in Quartile 2	70
% of Females in the Lower Middle Quartile (2)	40%

Total number of employees in Upper Middle Quartile (3)	176
Count of ALL Male employees in Quartile 3	97
% of Males in the Lower Middle Quartile (3)	55%
Count of ALL Female employees in Quartile 3	79
% of Females in the Lower Middle Quartile (3)	45%

Total number of employees in Upper Quartile (4)	176
Count of ALL Male employees in Quartile 4	121
% of Males in the Lower Middle Quartile (4)	69%
Count of ALL Female employees in Quartile 4	55
% of Females in the Lower Middle Quartile (4)	31%

Although the hourly pay rates for the temporary workers are in our Clients' control, we do have an influence in their decisions. The results for Temporary Workers are encouraging, showing no difference of median pay for male and female Temporary Workers.

There is a -0.2% difference in favour of female Temporary Workers in the Mean Hourly Pay, this is explained by the fact that the responsibilities can vary between gender. Furthermore, women have a higher threshold of multi-tasking and dexterity which is beneficial for their particular job and/or task assignments.

There is a headcount difference between male and female Temporary Workers as more male workers make themselves available for overtime shifts and shift uplifts during the week and weekends than our female workforce. Another thing to be considered for the headcount difference is that our female workforce might not commit to the shift uplifts due to safety, travel to and from work, and family commitments, for example nightshift assignments. The fact remains that for our temporary workforce, there is no pay gap in hourly pay between men and women.

There is a high differential on the Mean Bonus Gender Pay Gap of 90.1% in favour of men. This is in relation to the uplift comments noted above, but also is specific to certain Clients who do pay general bonus initiatives at certain points in the year. Therefore, the delta in value here is disproportionate in comparison to the whole workforce.

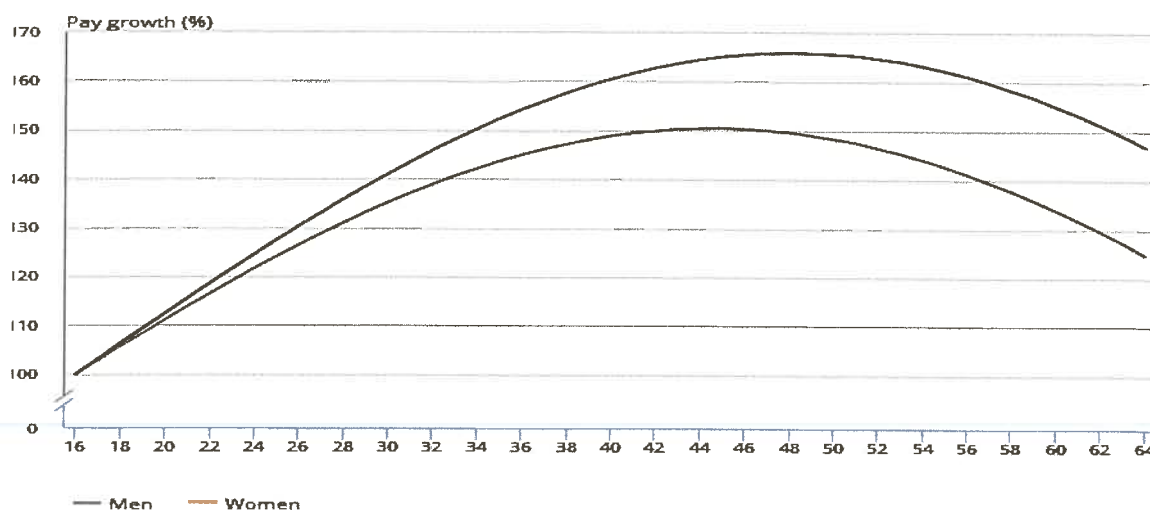
CLOSING THE GENDER PAY GAP

This process is ideal for businesses as it is not solely based on conscience. Research has shown a workforce with more diversity increases creativity, stronger decision making, long term stay of employees based on employment satisfaction. McKinsey estimate that closing gender pay gaps in work could add £150 billion to UK GDP by 2025³.

As there is currently a 18% Gender Pay Gap between men and women in the UK, there are factors which influence this matter such as the impact of age and impact of occupation.

Impact of age

Figure 7: Index for the impact of age on the estimated mean hourly pay (excluding overtime) for full-time employees in the private sector, UK, age 16 to 64, 2017



source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

This impact states that the higher experience an individual possesses, the higher the pay of the individual. The ONS graph above shows the growth in mean hourly pay for private sector employees in 2017. This analysis assumes that men & women at age 16 have some starting wage & all other model characteristics are held constant. From this, we can observe that hourly wage increases alongside age. At age 48, there is a 65.8% pay increase than at age 16 for men. At age 45, there is a 50.4% pay increase than at age 16 for women⁴.

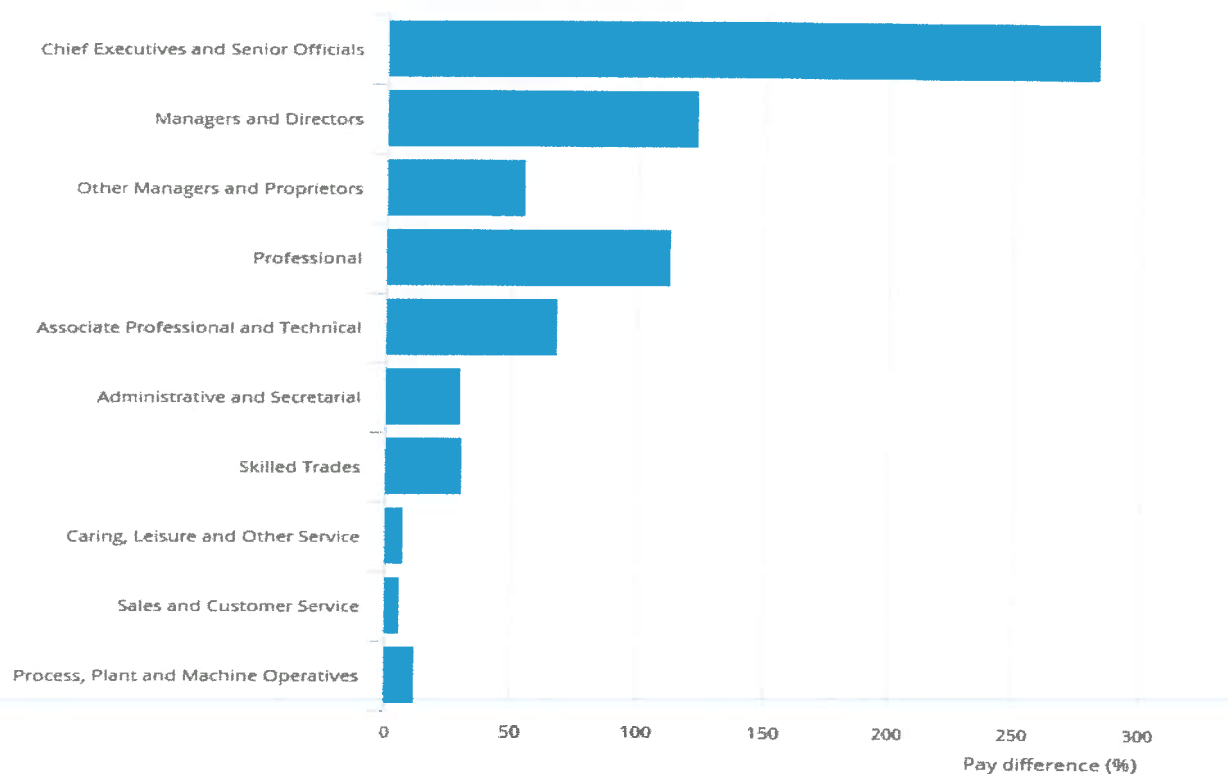
³https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/664017/Gender_pay_gap_-_actions_for_employers.pdf

⁴Chapter 5- Modelling the factors that affect pay- The impact of age
(<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/understandingthegenderpaygapintheuk/2018-01-17#a-breakdown-of-the-gender-pay-gap>)

Impact of Elementary Occupation

Figure 11 from the ONS shows the estimated difference in men's mean hourly pay. From this analysis, we can see that men with elementary occupation are least paid occupational group compared to the rest.

Figure 11: The estimated difference in men's mean hourly pay (excluding overtime) by occupation, UK, 2017



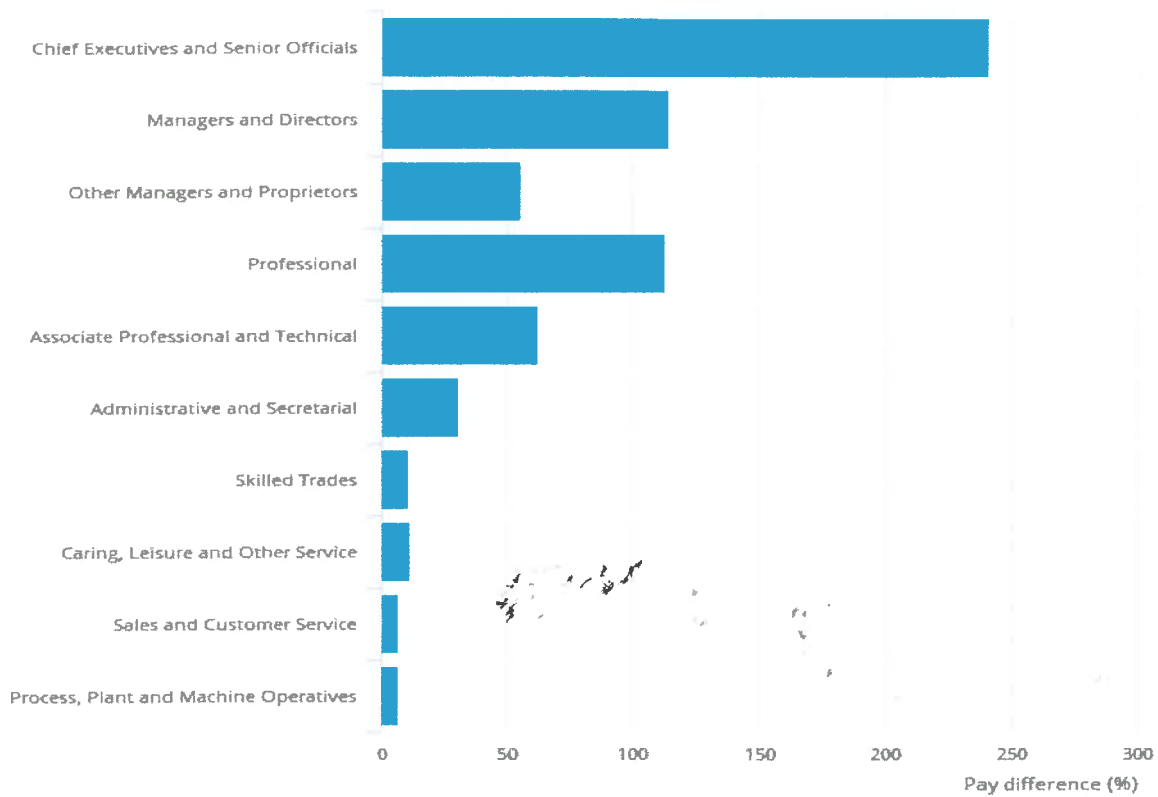
Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

We can also see that Men in Chief Executive and Senior roles have the highest estimated pay difference which is 284.6% more than elementary occupation when factors are held constant⁵.

Figure 12 from the ONS shows the estimated difference in women's mean hourly pay. From this analysis, we can see that women with elementary occupations are the least paid occupational group compared to the rest who have a higher pay.

⁵ Chapter 5- Modelling the factors that affect pay- The impact of occupation
(<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/understandingthegenderpaygapintheuk/2018-01-17#a-breakdown-of-the-gender-pay-gap>)

Figure 12: The estimated difference in women's mean hourly pay (excluding overtime) by occupation, UK, 2017



Source: Annual Survey of Hours and Earnings (ASHE) - Office for National Statistics

There is an estimated pay difference as it increases alongside skill. Skilled Trade occupational group (10.7% difference than elementary occupations) is 11.4% lower than Caring, Leisure & other service occupational group. Women in Chief Executive and Senior roles have the highest estimated pay difference which is 240.8% more than elementary occupation⁶.

⁶ Chapter 5- Modelling the factors that affect pay- The impact of occupation (<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/articles/understandingthegenderpaygapintheuk/2018-01-17#a-breakdown-of-the-gender-pay-gap>)

GENDER PAY GAP OBJECTIVES-

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Our objective is to close the gender pay gap where possible in conjunction with our Clients. In order for this to be achieved, we aim to execute & improve how we select the right people for ourselves and our Clients irrespective of gender. We have set the following objectives to address this matter:

Returning to work policy- This is a chance to retain talent within the business as an employee returning to work at the end of the full maternity leave period. We intent on maintaining regular communication with the employee and highlighting the opportunities to return to work in alignment with their personal circumstances, in either a part-time or full time capacity.

Equal opportunity- This objective will implement a culture of equality and recognises the contribution of each individual to the operations of the business irrespective of their physical or gender backgrounds. This covers all individuals within the organisation.

Maternity- Entitlement provisions are set out for female Employees and it complies with relevant legislation. Employees are also entitled to take Shared Parental Leave in addition to or instead of Maternity Leave. Discussions with the employee's before and during maternity periods will review individual requirements whereby support & guidance will be provided where necessary.

Client Bonuses- We aim to review and discuss Client bonus schemes with specific Clients as this has skewed the Mean Bonus Gender Pay data in comparison with the majority of other employees and majority of other Clients.

DECLARATION

I confirm that EasyRecruitUK.com's Gender Pay Gap statistics are reliable, accurate and based on the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and the "Gender pay gap reporting guidance" documentation on the Governments website www.gov.uk.

Signed:



Kenneth.J.Mac Neil
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