# GENDER AND ETHNICITY PAY GAP REPORT

MIND THE PAY GAP

5 April 2020 snapshot date Published March 2021





At Ipsos MORI we firmly believe that the diversity and range of skills, experiences, backgrounds and ideas we have here in the UK creates a richer working environment for us all and a stronger offer for our clients.

This report details both our 2020 **Gender Pay Gap**, which we have reported on since 2017 when the legislation was introduced by the UK Government, and also our newly produced **Ethnicity Pay Gap** for which there is currently no legal requirement to publish. We want to be open about the challenges we face in both areas, acknowledge we are not where we need to be and hold ourselves accountable to driving change.

Ipsos MORI has a gender-balanced workforce with 56% female and 44% male. However, our average Gender Pay Gap in April 2020 was 11.1%. Although this is moving in the right direction, compared to the gap of 13.7% in 2018 when we last published our Gender Pay Gap, we want to do better.

In 2020, we encouraged our employees to provide us with their ethnicity so we could calculate our Ethnicity Pay Gap to understand the issues we need to tackle and create appropriate action plans. Eighty per cent of our UK managed employees shared their data. This has allowed us to produce our Ethnicity Pay Gap for the first time, presented here as the pay gap for ethnic minority (Black, Asian and Minority Ethnic) employees compared to white employees. Our workforce is 78% white and 22% ethnic minority. This is more diverse than the UK working population as a whole, but we have an average Ethnicity Pay Gap of 16.2% which we want to address.

The pay gaps are due to an under-representation of women and ethnic minorities at our most senior levels which is unacceptable. We are committed to reducing both pay gaps with a focused inclusion and diversity strategy that is supported by detailed action plans. We have shared in this report some of the initiatives already in place, such as changing our approach to graduate recruitment to attract more ethnic minority candidates, as well as our ambitious plans for moving us further forward. These include providing high potential individuals with a board level sponsor to accelerate their progression into our most senior leadership roles.

We also want to continue to contribute to the public debate on diversity and equality in Britain today. New for 2021 we will be funding and conducting a major research project to explore the experiences of ethnic minority people as well as continuing our research partnership with the Global Institute for Women's Leadership and King's College London.

The changes we are making within Ipsos MORI will take time to have an impact on both pay gaps. We want to keep moving in the right direction and have commitment from across the organisation to continue to do what we feel is right, driven by our collective passion to make Ipsos MORI a welcoming place where everyone can thrive.

Ben Page Chief Executive Ipsos MORI

# ACTIONS WE HAVE TAKEN IN 2020 TO REDUCE OUR PAY GAPS

Belong, our Inclusion and Diversity group, works closely with the UK Management Committee as well as our Gender BALANCE Network and REACH (Race, Ethnicity and Cultural Heritage) Network. We have a range of other employee networks that collaborate closely, recognising intersectionality.

These employee networks run a programme of events for all staff. They also work to identify areas of policy and culture change that will help ensure our organisation is equitable in terms of opportunity, recognition and pay.

We created a Belong roadmap that has been shared with all staff, setting out our longer term goals for the next five years and a clear action plan. Closing the Gender and Ethnicity Pay Gaps are two key strands of our roadmap, helping to keep these issues top of mind and drive accountability.

We conducted an Inclusion and Diversity survey amongst all employees, that will become an annual event, to identify where we are doing well and where we need to improve. This provided us with detailed employee information that we used to create action plans at the individual team and business unit level, supporting our overall corporate initiatives.

We appointed our first Inclusion and Diversity Manager, a dedicated role within HR, to work with Belong and our various employee networks on our strategy. This will ensure progress is made on our action plans.

We have made a number of changes to our graduate recruitment approach, working with a new supplier to remove traditional entry requirements such as UCAS points and degree classification, allowing more candidates to access our programme.



# TECHNICAL NOTES

In 2017 the UK Government introduced new legislation requiring all companies in the UK with more than 250 employees to report their Gender Pay Gap. The Gender Pay Gap is the difference between the average pay of men and women within a company or workforce. This is distinct from equal pay where is it unlawful to pay people unequally for carrying out the same jobs.

The Gender Pay Gap is calculated by comparing the hourly earnings of men and women based on the snapshot date of 5 April 2020. Both the mean and median are expressed as a proportion of men's earnings, for example a 11% Gender Pay Gap means that women earn 11% less than men on average. The mean and median gender bonus gap is based on bonus pay, that can include Ipsos shares, received in the 12 months leading up to 5 April 2020.

We have calculated the Ethnicity Pay Gap using exactly the same approach, with the same snapshot date, in the absence of any UK legislation. The Ethnicity Pay Gap figures represent the pay or bonus gap between ethnic minority and white employees, expressed as a proportion of white employees. For example, a 16% Ethnicity Pay Gap means than ethnic minority employees earn 16% less than white employees on average. The base size is lower for the Ethnicity Pay Gap as the analysis has been based on those employees where we have their ethnicity data, which is 80% of our employees.

Ipsos MORI comprises several legal entities in the UK, as a result of various acquisitions, legacy and legal reasons. Two – Ipsos MORI UK Ltd and MORI Ltd – are required to report their Gender Pay Gap under current regulations. We have also chosen to publish the figures for our entire UK business, which contains these two legal entities as well as others which do not meet the reporting size threshold. This combined figure is labelled as UK Group in the charts and tables.

For the Ethnicity Pay Gap we have reported only at the UK Group level.



# **UK GROUP**

## **2020 GENDER PAY GAP**

All legal entities (1,778 employees/workers)

Mean and median gender pay gap

Mean:

Median:

11.1%

4.9%

Female / male split

Female Male



Mean and median gender bonus gap

Mean:

Median:

48.2% 32.5%

Percentage bonus recipients 44%

**40**%

Percentage of female and male employees by pay quartile



51%

Top quartile



41%

mid quartile

Upper-



35%

mid quartile

Lower-



48%

Lower quartile

Mean pay gap

The difference in the average hourly rate of men's and women's pay.

#### Median pay gap

The difference between the midpoints in the ranges of men's and women's hourly pay. The median point is calculated by taking all salaries in the sample, lining them up in order from lowest to highest, and picking the middle-most salary. Median is less likely to be distorted by outliers or extremes at either end of the spectrum.

#### **Proportion receiving bonus**

The percentage of men and women who received a bonus in the 12 months preceding 5 April 2020. Bonus includes vesting Ipsos shares, performance bonus and other one off payments such as long service awards.

## **Bonus** gap

The percentage difference (median and mean) in total bonus or Ipsos shares payments received by men and women in the 12 months preceding 5 April 2020.

#### Pay quartile

The proportion of men and women in each of four equal groups, defined by pay-band lower, lower-mid, upper-mid and top.



Our Gender Pay Gap (mean gap of 11.1%) is driven by a lower proportion of women in our most senior leadership roles.

The proportion of women decreases as we move up the levels of our organisation and it is our most senior people who receive the highest level of remuneration.

Our bonus gap is greater than our pay gap because our senior roles, which have a greater proportion of males, are more likely to have a larger performance based remuneration. Bonuses, which can include Ipsos shares, are paid annually and subject to more fluctuations depending on when they are paid relative to the Gender Pay Gap cut off date.

Overall there has been improvement in the metrics since the last report we published on our 2018 Gender Pay Gap, as a result of the actions we have taken such as improving the representation of women on our senior leadership teams, but there is still more to be done.



# CLOSING THE GAP IN THE FUTURE

We will continue to push ahead in 2021, with a focus on the following initiatives:

- Increased focus on gender pay indicators during pay reviews, particularly at the more senior level
- Work to ensure our approach to promotions and the associated processes are transparent and equitable – particularly important as the majority of our people continue to work remotely and will do for the foreseeable future
- Greater support for high potential women to accelerate their career progression with active sponsorship from UK board members and other senior colleagues. We will encourage our senior women to be highly visible at our internal events and meetings
- We have re-launched our employee network focused on gender equality, as the Gender BALANCE Network. This is supported by our Ipsos global colleagues to help inspire and share ideas
- We plan to improve the emotional and career support provided to people returning from maternity (and paternity) leave, to help them realise their ambitions and ensure they feel able to stretch themselves with new challenges
- We will use our annual Inclusion and Diversity employee survey to understand more about the barriers and blockers for women's career progression
- We want to recruit more women into senior positions so will strive to ensure we have gender balanced shortlists for all senior roles
- We aim to attract a diverse range of candidates at all levels and our selection approaches will include skills based assessments and tasks to ensure a consistent and fair approach

# STATUTORY DISCLOSURE

Ipsos MORI comprises of several distinct legal entities. Those that have 250 or more employees are therefore required to publish their own gender pay gap data.

|                      | Number of relevant | Gender split      |        | Mean<br>pay           | Median<br>pay | Mean<br>bonus      | Median<br>bonus | % receiving bonus |        |
|----------------------|--------------------|-------------------|--------|-----------------------|---------------|--------------------|-----------------|-------------------|--------|
|                      | employees          | Male              | Female | gap                   | gap           | gap                | gap             | Male              | Female |
| Ipsos MORI<br>UK Ltd | 1,341              | 44%               | 56%    | 8.2%                  | 4.7%          | 37.0%              | 28.6%           | 44.3%             | 41.7%  |
| MORI<br>UK Ltd**     | 411                | 41%               | 59%    | 20.1%                 | 9.4%          | 70.6%              | 43.7%           | 42.4%             | 31.9%  |
| UK<br>Group*         | 1,778              | 44%               | 56%    | 11.1%                 | 4.9%          | 48.2%              | 32.5%           | 44.1%             | 39.5%  |
|                      |                    | Upper<br>quartile |        | Upper-mid<br>quartile |               | Lower-mid quartile |                 | Lower<br>quartile |        |
|                      |                    | Male              | Female | Male                  | Female        | Male               | Female          | Male              | Female |
| Ipsos MORI<br>UK Ltd | I                  | 52%               | 48%    | 40%                   | 60%           | 37%                | 63%             | 49%               | 51%    |
| MORI<br>UK Ltd**     |                    | 50%               | 50%    | 40%                   | 60%           | 36%                | 64%             | 39%               | 61%    |
| UK<br>Group*         |                    | 51%               | 49%    | 41%                   | 59%           | 35%                | 65%             | 48%               | 52%    |

## **Accuracy statement**

We confirm that the information in this report is accurate as of 5 April 2020 and prepared in accordance with the Equality Act 2010 (Gender Pay Gap information) Regulations 2017.

Figures may not add up to 100% due to rounding.

<sup>\*</sup> Includes companies with less than 250 employees (not shown above).

<sup>\*\*</sup> Market & Opinion Research International Limited.



## **UK GROUP**

# **2020 ETHNICITY PAY GAP**

All legal entities (1,261 employees/workers)

Based on employees where we have ethnicity data

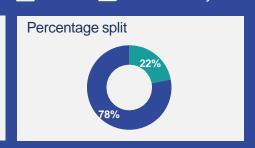
Mean and median pay gap

Mean:

16.2%

Median:

11.2%



☐ White

Ethnic Minority

Mean and median bonus gap

Mean:

53.7%

Median:

11.2%



Percentage by pay quartile



Top quartile



Uppermid quartile



Lowermid quartile



Lower guartile

39%

## Mean pay gap

The difference in the average hourly rate of ethnic minority and white employees pay.

## Median pay gap

The difference between the midpoints in the ranges of ethnic minority and white employees hourly pay. The median point is calculated by taking all salaries in the sample, lining them up in order from lowest to highest, and picking the middle-most salary. Median is less likely to be distorted by outliers or extremes at either end of the spectrum.

#### **Proportion receiving bonus**

The percentage of ethnic minority and white employees who received a bonus in the 12 months preceding 5 April 2020.

Bonus includes vesting lpsos shares, performance bonus and other one off payments such as long service awards.

#### **Bonus** gap

The percentage difference (median and mean) in total bonus or Ipsos shares payments received by ethnic minority and white employees in the 12 months preceding 5 April 2020.

#### Pay quartile

The proportion of ethnic minority and white employees in each of four equal groups, defined by pay-band – lower, lower-mid, upper-mid and top.

# UNDERSTANDING OUR ETHNICITY PAY GAP

In the UK our mean Ethnicity Pay Gap is 16.2%, driven by a lower proportion of ethnic minority people in our more senior, higher paid roles. We have only 17% ethnic minority people in the top quartile compared to 26% in the lower quartile.

We have had success in 2019 with our graduate hiring, where a quarter of our intake were ethnic minority people, reflecting the national proportion of ethnic minority graduates.

Our analysis has shown that this pay gap picture is consistent across all areas of our organisation in terms of the different business units and job functions.

Bonuses, which includes Ipsos shares, are paid out at more senior levels in the organisation versus lower levels, so the bonus gap is greater than our pay gap. The amount of bonus is also significantly higher at the more senior levels in the organisation.

All the analysis is based on those employees where we have their ethnicity data which is approximately 80% of all our people.



# CLOSING THE GAP IN THE FUTURE

We will continue to push ahead in 2021, working to reduce our Ethnicity Pay Gap, with a focus on the following initiatives:

- Including ethnicity pay indicators during pay reviews, across all levels and business units
- Work to ensure our approach to promotions and the associated processes are transparent and equitable – particularly important as the majority of our people continue to work remotely and will do for the foreseeable future
- Greater support for high potential ethnic minority people to accelerate their career progression with active sponsorship from senior colleagues and ensuring there is equality of opportunity
- We want to recruit more ethnic minority people into senior positions so will strive to ensure we have balanced shortlists for all senior roles

- We aim to attract a diverse range of candidates at all levels and our selection approaches will include skills based assessments and tasks to ensure a consistent and fair approach
- Continuing our work with partner schools to promote careers in market research
- Increased focus on diversifying our early careers opportunities for example via apprentices, following our pioneering work with the MRS (Market Research Society) to launch the Market Research Apprenticeship
- Conduct a communications campaign to increase our ethnicity disclosure rate alongside our 2021 Inclusion and Diversity employee survey

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