

# Gender pay report

1 March 2019



the  
**West  
Brom**

# Results and analysis

The West Brom values people from all backgrounds and welcomes the drive for increased transparency on gender pay. This is the second year we have published data in this area and it is pleasing that progress has been made in each of the statutory metrics.

However, we acknowledge that there is more to be done and remain fully committed to closing our gender and bonus pay gaps over time.



## Pay and pay bands

The mean gender pay gap **36.4%** (2017: 38.0%)

The median gender pay gap **29.3%** (2017: 30.8%)

(Pay calculations are based on hourly rates as calculated at 5 April 2018)



This shows the percentage difference in pay between all male and female employees at the West Brom across all job levels, calculated as both mean and median average figures.

It is important to note that while a gender pay gap does illustrate differences between the average pay of men and women in an organisation, it does not take into account people’s seniority or specific roles. As such, it should not be confused with unequal pay between men and women undertaking the same job.

We are confident that we don’t have any processes or practices which result in people

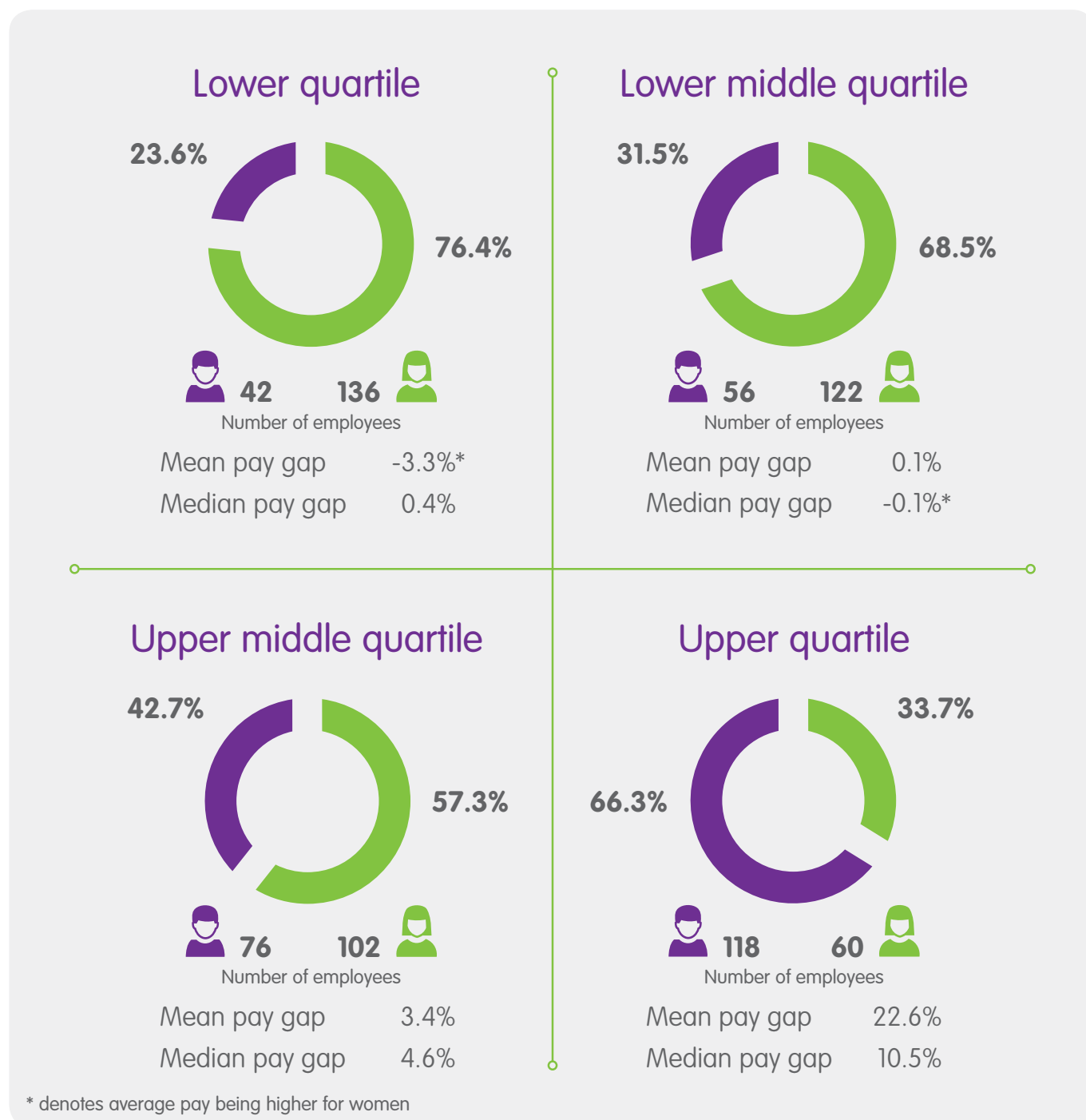
being paid differently because of their gender at the West Brom, just as gender never creates a barrier to someone’s aspirations for career development.

The gender pay gap is driven by a number of factors. Firstly we have fewer women in senior management and executive roles at this time, which are those that provide the highest levels of pay.

Another contributing factor is the high proportion of female colleagues carrying out entry level jobs with the Society. Many of these positions are also part-time.

## Pay and pay bands (continued)

We can clearly illustrate these points by showing pay gap information across four equally-sized quartiles that make up our workforce. They are sorted according to pay.



Within three of the four quartiles, the mean pay gap is either considerably smaller or, in the case of the lower one, doesn't exist at all (in that women are, on average, earning more).

Things change in the upper quartile, with a larger percentage of men occupying those higher paid positions, including our two Executive Directors. And this, in turn, significantly impacts the overall average earnings of all staff members.

Therefore in tackling the gender pay gap issue we must recognise the importance of:

- Increasing the number of women holding leadership and executive positions; and
- Encouraging more male applicants to consider entry level roles, both on a full and part-time basis.

## Bonuses

The mean bonus pay gap **68.3%** (2017: 69.9%)

The median bonus pay gap **44.7%** (2017: 51.3%)

The proportion of women receiving a bonus payment **80.7%** (2017: 78.0%)

The proportion of men receiving a bonus payment **79.1%** (2017: 76.9%)

(Bonuses paid apply to the 12 month period to 5 April 2018)



In addition to their salary, all colleagues at the West Brom have the opportunity to earn annual reward payments which are linked to an individual's performance. Gender is not (and never will be) a factor in determining what people receive.

Bonuses represent a percentage of a colleague's salary. This means people who hold more senior, higher paid roles have the potential to earn more and this has a very significant effect when calculating average bonuses. It is also in line with regulation that senior employees receive a significant proportion of their overall remuneration as 'variable' and that is shown as a bonus for the purpose of the calculations in our report.

We have already explained that the Society currently has more men in senior roles than women and so achieving a more even gender split across our four different quartiles will help us to close the bonus pay gap.



## Tackling the gap

Recent initiatives designed to help the West Brom proactively reduce its gender pay gap include:

### Representation targets

We are one of the original signatories to the 'Women in Finance Charter' through which organisations commit to increase the levels of women occupying senior roles in the finance sector. The targets we set for female representation were for 30% of our Board to be female and 30% of positions in the senior management population to be female.

While the delivery date was agreed as 2020, our latest update shows we have exceeded these targets in both areas. Board representation has increased from 11% to 33% and senior management from 22% to 32%. We will continue with initiatives to improve gender diversity at all levels and carry on monitoring each area closely to ensure further positive progress is being made.

### Diversity and inclusion

Recognising the individual qualities and contributions of all our people underpins our stance on diversity and inclusion. This is why the Society has created a working group called Connect, which is dedicated to representing diverse perspectives.

The group's focus includes gender parity (although it certainly isn't limited to this topic) and its work contributes significantly to making the West Brom a more satisfying and desirable place to build a career.



### Employee Council

We have appointed a new Employee Council, a diverse group of 14 members of staff who will represent the views of colleagues directly to the Society's Executive Committee and Board and help influence their strategic decision making.

Among the topics being discussed by the Council will be pay, bonuses and employee benefits. Views will also be canvassed from an equivalent Member Council made up of West Brom customers.



### Succession planning

As we talk about the importance of creating more opportunities for women within our upper quartile, it is encouraging to note the current composition of the upper middle one. It shows a strong proportion of female employees already occupying influential roles and from this group we would hope to encourage future progression for those with talent and ambition.

The Society is a strong advocate of identifying people with potential and supporting them in developing their careers through a combination of formal learning, coaching and peer-mentoring.

## Tackling the gap (continued)



"We value people from all backgrounds and recognise the importance of diversity and inclusion. Having a workforce that is representative of the wide range of customers that we interact with on a daily basis means that we are better able to serve and support them, plus our staff benefit too.

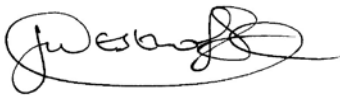
"Our commitment is to foster a culture where everyone feels that they can share our values, fulfil their potential and be appropriately rewarded."

**Carole Barlow**, Divisional Director HR

## Declaration

I confirm that our data has been calculated in line with the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

I confirm that the information in this report is accurate.



**Jonathan Westhoff**, Chief Executive

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