

**CLOSE YOUR
PAY GAP**

TRAINING AND DEVELOPMENT

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INTRODUCTION

This guidance is for private and third sector employers who are covered by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. It is particularly aimed at those with responsibility for developing work on the gender pay gap, and specifically developing their organisation's Close Your Pay Gap personalised action plan.

This guidance accompanies the Close Your Pay Gap tool, which will help your organisation to close its gender pay gap. The tool uses your gender pay gap information, along with a series of questions, to provide a personalised action plan to help you to close your pay gap. This guidance supports the Training and Development **Close Your Pay Gap tool** priority, providing information and advice on how training and development practice can impact on your gender pay gap, and how to implement your action plan.

Whilst every effort has been made to ensure that the explanations given here are accurate, only the courts or tribunals can give authoritative interpretations of the law.

WHAT IS THE GENDER PAY GAP?

The gender pay gap is the difference in average hourly earnings between men and women. On average, in 2017, women in Scotland earn 15% less per hour than men. The pay gap is the key indicator of the inequalities and differences that still exist in men's and women's working lives, and is caused by three main factors: occupational segregation; inflexible working practices; and pay discrimination. Although there will be differences between different organisations, these three causes are common across all workplaces and sectors.

The gender pay gap is not the same as equal pay, although unequal pay between men and women is a major cause of pay gaps at the enterprise level. Equal pay law covers the concept of equal pay for equal work, rendering it unlawful to pay a woman less than a man (and indeed vice versa) for the same job or jobs of equal value. Equal pay for equal work is only one small piece of the pay gap picture, and tackling this alone is not enough to close your gender pay gap.

Closing your pay gap requires an understanding of its causes, and action to tackle those. The Close Your Pay Gap tool can help you do this.

The impact of training and development practice on your pay gap

The most successful organisations make the best use of their most valuable resource: their people. Managing people in a way that enables and encourages them to maximise their potential benefits both individual and organisational performance.

Attracting and retaining skilled people is a key challenge for employers. By developing effective training opportunities for staff, you may find it easier to retain skilled people, while benefiting from improved employee morale, and higher productivity.

Many training and development opportunities are accessed through informal networks, which women have less access to. Without a fair and transparent policy to follow, evidence shows that opportunities tend to go to the same groups of people, usually male employees, and this functions as a barrier to women's progression. Where you have more men in your top pay quartiles it widens your **gender pay gap**, and your bonus gap, as senior roles have greater access to bonus earnings.

Supporting staff to study for a work-related formal qualification is also beneficial for the organisation, and demonstrates a commitment to develop your people. There are a range of ways to support staff in their development, which may include making a financial contribution, granting paid or unpaid time off to study and/or attend classes, and agreeing flexible working arrangements.

Understanding whether your training and development practice affects men and women differently can help you to ensure fairness, build capacity across your organisation, and support women's progression and development. This will help you close your gender pay gap.

TRAINING AND DEVELOPMENT

Making training accessible to all

Women have less access to both formal and informal training and development in the workplace. Men in operational and senior roles are more likely to access training, particularly the type of training that leads to increased pay or promotion. Part-time, low-paid women are the group of workers least likely to be offered training and development opportunities in the workplace, but they are also the most likely to be over-qualified for their job.

WOMEN'S UNTAPPED SKILLS AND TALENT

After having children, many women look to work part-time or flexibly. Because part-time work is commonly found in lower grades, it means many women are working below their skill level as they have to balance their work with caring roles. Research by the Resolution Foundation¹ found that almost half (48%) of women on low to middle incomes, and almost half of women with degrees (42%), had to take a lower-skilled job on their return to work after having children, because of a need to work part-time.

This is a huge loss of skills and talent to employers. It also functions as a drag on economic growth, as many women are in the wrong jobs for their skills, talents, and abilities. Research by Close the Gap² identified clear and mounting evidence that gender equality at work is not just good for women, but is also a critical driver for improved business performance, and a worldwide catalyst for economic growth. Crucially, closing the gender gap in employment could be worth more than £17bn to the Scottish economy.

1 www.resolutionfoundation.org

2 www.closesthegap.org.uk

This unequal access to training has many causes. The types of work seen as 'women's work', for example administration roles, are undervalued at the enterprise level and across the wider labour market. It's often assumed that people in these roles, and women in general, are not interested in development or progression, and they are consequently passed over for training opportunities. This assumption is particularly prevalent after a woman has children.

Women who are on maternity leave, or have taken a career break to care for a child or relative, can find that keeping their knowledge and skills up-to-date can help them to make a successful return to work. Employers often do not keep women on maternity leave updated on development opportunities which arise during their leave, and do not provide training or support to assist women who wish to return after a longer break from the workplace.

PREGNANCY AND MATERNITY

The law says you must let staff know about any development or promotion opportunities, or other information relating to their job that they would normally be made aware of if they were working. This is particularly important for staff who are on maternity, or other parental, leave, who may have a claim for pregnancy and maternity discrimination if they are not kept up to date.

Employers are entitled to make reasonable contact with staff during maternity leave. This might be to discuss arrangements for return to work, or providing an update on significant changes to the workplace.

Women on maternity leave can, by agreement, work for up to 10 days without bringing their leave to an end, or affecting their maternity pay. These are called 'Keeping in Touch' days. KiT days are designed to let women keep in touch with their employer and the days can be used for any work-related activity, including training or attendance at meetings or conference. Working for part of a day counts as one day's work and businesses must be aware that any such work only takes place with the agreement of both parties.

Supporting staff on maternity, or other parental, leave to keep up to date with advances in technology or new developments within an industry will benefit the business as well as the individuals concerned. Our Think Business Think Equality guidance³ has more information on supporting staff returning to work.

Often training opportunities are discussed in informal networks and settings, and not always communicated widely through formal staff communication channels. This leads to small groups of the same people, usually male employees, having preferential access to training and development opportunities.

Where line managers have discretion over decisions on access to training, there is scope for bias to creep in, and for some staff to be given preferential treatment. It's important to make sure line managers with such discretion are supported by a formal training and development policy, and that they're trained in this.

It's good practice to take steps that enable all staff at all levels of your organisation, regardless of working pattern, to have fair and equal access to training and development. This should include supporting staff who are returning to work from maternity, or other parental, leave, or from longer career breaks. By demonstrating that you value your people you can improve retention, and reduce recruitment and training costs, and benefit from attracting a wider pool of talent.

ACTIONS

Check your policy on training allocation to make sure that training is available to both full-time and part-time staff across all grades, where appropriate.

Survey staff to elicit their views on training and development in your organisation. This could include questions on how accessible they perceive training and development opportunities to be. Review responses by gender and working pattern to identify patterns.

Make sure line managers who make decisions on access to training are fully trained in your policy on training and development, how training and development relates to the gender pay gap, and on equality in decision-making.

Consider where your business might have skills gaps. Undertake a staff skills analysis to find out whether some staff may benefit from upskilling or retraining. You may find that there are staff working below their skill level, which will enable you to tap into in-house talent.

The location and timing of training

Women are more likely to have caring responsibilities, which means they are more likely to find it difficult to participate in training and development opportunities that take place outside of working hours. It's best practice to offer protected training time during working hours, as this ensures they have time to focus on the training. Line managers should take into account time spent on training and adjust workload/targets accordingly.

There are many different ways to widen access to training through effective scheduling and use of technology:

- Schedule training, learning events and team meetings to make sure that everyone who wants to attend can.
- Avoid holding training events or team building opportunities after work hours or at weekends, wherever possible. Staff with caring responsibilities may find these difficult to attend.
- If a training event conflicts with a staff member's caring arrangements, consider:
 - Rescheduling the event.
 - Adjusting the staff member's hours.
 - Paying the childcare or other care cost.
 - Provide payment or time off in lieu for any extra hours required to attend training.

Online training

Flexible learning can benefit all staff but particularly those working part-time or on maternity leave. Online training is a great way to ensure that you can provide training across your workforce, but it isn't recommended to expect staff to complete essential or work-related training at home, outside of working hours. Where online training is used, it's important to check if staff have access to IT to complete this. By providing access to equipment you can maximise the number of staff who are able to complete training online.

ACTIONS

When scheduling training make sure it is held during working hours and at an accessible location, wherever possible.

Make sure that staff have protected time during working hours to complete online training..

Types of training

The types of training accessed by men and women are often different, and can lead to different outcomes around progression. Men are more likely than women to receive a pay rise following training, and women are more often given generic training, for example on health and safety at work, which has no impact on their pay or progression. Organisations are also more likely to provide men with training which will enable them to become people leaders or access more senior roles. This impacts on women's ability to gain skills and experience that will enable them to progress, contributing to the glass ceiling effect.

Non-essential training

As training budgets reduce, some employers are placing a freeze on training that doesn't specifically relate to the job that an employee currently does. Although this seems gender-neutral, it has a disproportionate impact on women, because of women's over-representation in administration functions. It is rare to find a clear progression pathway from administration into operational roles, and women often require training on skills outside their current remit to make this move.

Close the Gap has developed a tool for assessing the gender impact of an employer's training and

development programme. It supports employers to look at the ways that their training programmes might have a differential impact on male and female employees. Employers who use the tool can avoid unintentionally discriminating against male or female staff members.

Making development opportunities accessible to all

Offering a range of development opportunities is an excellent complement to more formal training, and can help staff reach their full potential. Informal development can be a cost-effective way to support your people to grow, and can include job-shadowing, mentoring, and networking.

However, development opportunities are often discussed and accessed through informal networks, to which women are less likely to access, particularly those that are based on stereotypically male activities such as golf and football. This can result in these opportunities going to the same groups of people, usually male employees.

ACTIONS

Survey staff on how able they feel to access informal development opportunities. Analyse by gender, and take steps to support more equal access to development.

Keeping records, and evidencing decisions

It's important to record how you arrived at a decision to select a particular employee for a training or development opportunity over another. This will enable you to evidence and justify your decisions, and make sure you are considering training and development opportunities objectively.

Gathering data on training and development, by gender and working pattern, will enable you to identify patterns. For example, whether more men than women access higher quality training opportunities, or whether part-time staff access training and development at the same rate as full-time staff.

Close the Gap can support you to undertake a gender analysis of your training and development programme, and identify actions that will enable opportunities to be taken up by as many staff as possible.

ACTIONS

Gather data on the different types of training and development accessed in your organisation. Review this data by gender, including applications, refusals and type of course, to identify any trends.

Work with Close the Gap to use the gender impact analysis tool to analyse the gender impact of training and development. To find out more, visit **Work with Us**, or get in touch at info@closethegap.org.uk.

Policy and practice

A formal training and development policy is a great way to provide a foundation for consistent and fair practice in your organisation. It's important to make sure that your policy is transparent, accessible and communicated widely to line managers and staff.

A good training and development policy should:

- Set your organisational commitment to supporting development for all staff, and to equality and diversity.

- Explain how staff can submit a request for training or development, and how that request will be considered.
- Provide that line managers with responsibility for dealing with requests for training and development will be trained in the policy.
- Commit to advertise all training and development opportunities to all staff, including more informal opportunities where possible.

Having a fair and transparent policy is important, but it's equally important to check it's implemented consistently across the business. Where line managers have discretion over decisions on access to training, there is scope for bias to creep in, and for some staff to be given preferential treatment. It is important to make sure that line managers receive training on the policy, and understand how training and development relate to the gender pay gap.

THE TWO GLASS CEILINGS

Women's under-representation at senior levels

Women work in more junior roles than men across all industries, and are usually concentrated in the lower grades of most organisations. The invisible barrier that prevents women from progressing to senior levels, despite seemingly fair recruitment and promotion procedures, is called the '**glass ceiling**'.

The glass ceiling prevents women from reaching senior management level and boardroom positions. Women can be discouraged from applying for promoted posts for a number of other reasons, including:

- A culture of **presenteeism** which wrongly equates long hours with commitment;
- The presence of so-called 'old boys' networks' which leave women without access to informal networking opportunities that men have;
- A perceived lack of work-life balance at senior levels;
- A lack of senior female role models; and
- Recruitment and selection processes that lack transparency.

Supporting women in your organisation to progress into management and senior positions not only addresses skills gaps in your organisation but helps to address **job segregation**. More even numbers of men and women in all grades of your organisations will reduce your pay gap.

ACTIONS

Map where women are under-represented in your organisation. Consider providing training for women which will support their progression, or targeting women for development opportunities in which they are typically under-represented.

Progressing from a senior admin role

Employers usually find that they have two glass ceilings: one below senior management, and one above senior admin workers. It's unusual to find clear progression pathways for admin workers into operational roles. This is because the skills required to do admin work are not seen as transferrable. Many admin workers, the vast majority of whom are women, are also working below their skill level because of a need to work part-time to balance work with a caring role. Supporting admin workers to progress to other roles in your organisation will mean you are making the best use of your talent, and will help you to reduce your **gender pay gap**. This may mean providing training to admin workers which is outwith their current remit.

Re-training staff to do a different job can benefit your organisation. Providing development opportunities, such as project working, to women as well as men can help staff move into different areas of work, particularly those which are characterised by job segregation, which is a key cause of the pay gap.

ACTIONS

Undertake an organisational skills analysis to determine where your people are working below their skill level.

Survey staff in lower grades and admin roles on their ability to access development and progression opportunities.

Map progression routes for admin staff, and ensure all staff are aware of how they can progress from their role.

Develop an initiative to provide targeted training opportunities to staff in lower grades and admin roles.

Being proactive in supporting women's progression

Women and men who aspire to work in jobs more common to the opposite sex often feel discouraged from doing so. The sectors and jobs with the greatest skills shortages, such as those in science, technology, engineering and maths, also often suffer from significant job segregation, which is a barrier to those shortages being filled.

The law says that if you have identified that certain groups are under-represented within a particular role within your business, you can take **'positive action'** measures to try to address this. This can include offering targeted training opportunities which help women build the skills needed to progress into roles where they are under-represented. This means supporting women to perform to the best of their ability, which puts them on a level playing field with their male counterparts.

Positive action methods:

- Offering pre-interview information or training sessions, for potential employees to learn about the business and the skills required for the vacant post. This can include sessions targeted specifically at women.
- Offering work experience opportunities which avoid gender stereotyping. For example, engineering and construction placements for girls as well as boys.
- Providing induction training for women returners whose family related career breaks may mean recent work experience is limited.

Informal networks

Many women struggle to access informal work networks, particularly those that are based on after-work socialising and stereotypically male activities such as golf and football. These informal networks are frequently where promotion or development opportunities are discussed, and this can result in these opportunities going to the same groups of people, usually male employees.

Women's networks

Creating or supporting women's networks is one way that individual businesses can send a strong signal they support women's ambitions, and that there is a future for talented women in their organisations. Evidence shows that women's networks are critical to women's long-term career success.

Mentoring

Mentoring is a personal development tool and is an effective way of helping people to progress in their careers. It can involve a partnership between two people (mentor and mentee) who work in a similar field, or between two people in roles at different levels in their organisation.

A mentor is a guide who can help the mentee to find the right direction and who can help them to develop solutions to career issues. A structured formal programme would usually provide training and guidance for both potential mentors and mentees to ensure expectations are realistic and achievable. However, mentoring can also be a more informal arrangement between senior colleagues and more junior colleagues. It's a valuable way to help people develop and progress within a company.

CASE STUDY

Michelle and Jim work in the sales team of a telecommunications company. Michelle has worked there for five years, and Jim started 18 months ago. Michelle has to leave the office at 4.45pm in order to pick up her son from nursery. Stan, the Sales Director, is usually in the office until after 7.00pm. During the last few months, Michelle has noticed that Jim has been staying on late at work as well.

Stan announces at the next team meeting that a new Team Leader role to head up the sales team has been created, and Jim has been appointed. Michelle is shocked to hear the news as she has more experience and a better sales record than Jim. She decides to confront Stan to ask whether she had been considered for the role. Stan says he knows she has a lot of pressures on her time with looking after her son and thought it might be too much for her. Stan said Jim had proved himself over the past few months by staying late and helping him out with the sales strategy.

Michelle is frustrated and feels that although Jim might be good in the new role, it was unfair not to give her a chance as well. Michelle feels the decision was based on Stan's perception of commitment to the company. Michelle leaves to work at a competitor company which allows employees to work flexibly.

For many women, mentoring provides the ideal space to learn from an empathetic role model, who understand the particular challenges to women in the workplace, for example, how to balance their career and family life effectively, or solve career related issues to help them progress within the workplace. Men can also mentor women, and provide insight and access to contacts and networks which are often difficult for women to break into. A male-female mentoring partnership provides an opportunity for male employees to build an understanding of the barriers women face in the workplace.

ACTIONS

Be positive about external networks and mentoring. Treat taking part as a development opportunity for your people.

Develop a plan to increase women's access to networking, and other informal development opportunities. This could include time off to attend networking events, or developing an in-house mentoring scheme.

Explore how you could develop a women's network or mentoring programme in your own organisation. You could also join with other employers in your sector to support the development of a women's sectoral network. Close the Gap can provide advice on how to go about this, and can link you with organisations in Scotland who have successfully created their own. Visit **Work with Us** or contact us at info@closethegap.org.uk.

Talent management

Many organisations have developed an internal talent management programme to enable them to grow their own talent. It's important these programmes are equally accessible to male and female employees.

It's important to have a clear policy on access to your talent management programme, and that all staff understand this. It's also good practice to give clear feedback to staff who are unsuccessful in their application to the programme. Without a formal policy or transparent decision-making process, there is a risk that bias and discriminatory practice can creep in. Where it appears that staff have been 'shoulder tapped' for development opportunities, it can impact staff employee morale and productivity, and means it's unlikely that you are making the most of your talent.

Gathering data on talent management applications, participation and progression outcomes, by gender, will enable you to identify patterns, for example, where men are more likely to apply or be successful than women. Having this information will allow you to take action to encourage under-represented groups to participate.

ACTIONS

Develop a policy on access to your talent management programme, and communicate it to staff.

Make sure staff who are unsuccessful in their application receive meaningful feedback so they understand the decision, and the steps they can take to improve their chances of future success.

Make sure the application and selection process for your talent management programme includes a mechanism to record data on gender.

GLOSSARY

Direct discrimination

Less favourable treatment of a woman than a man (or vice versa) because of their sex.

Diversity

The recognition and valuing of difference, in its broadest sense. It is about creating a culture and practices that recognise, respect, value and harness difference for the benefit of service users, members of the public and employees.

Equality

Equality does not mean that women and men will become the same but that women's and men's rights, responsibilities and opportunities will not depend on whether they are born male or female. Gender equality implies that the interests, needs and priorities of both women and men are taken into consideration - recognising the diversity of different groups of women and men.

Equal value

As defined by the Equality Act 2010, an individual can claim equal pay with a comparator of the opposite sex where work is different, but which

would be assessed as equal in value in terms of demands such as effort, skill and decision-making.

Equal pay review

A process which looks at pay arrangements within an organisation to find, and address, gender discrimination. It involves comparing the pay of groups of workers who are doing equal work in the organisation and then investigating any gaps between men's and women's pay.

Gender

Refers to roles, attitudes, values and behaviours that men and women are encouraged to adopt by society. These characteristics can vary depending on the society around us. For example, historically, gender role stereotyping would suggest that women should look after children at home while men go to work in the formal labour market.

Gender bias

Gender bias describes where men and women are treated differently because of their gender, and it may be intentional or unintentional. It can also be

used to describe why a process or policy may have a differential impact on or outcome for women and men.

Gender pay gap

The gender pay gap is the difference in average hourly earnings between men and women.

Glass ceiling

Describes the under-representation of women at senior levels in organisations, and across the labour market.

Indirect discrimination

Occurs when an employer applies a provision, criterion or practice equally to both women and men that puts one sex at an unfair disadvantage.

Job segregation

Another term for occupational segregation.

Positive action

Refers to a range of lawful actions that seek to overcome or minimise disadvantages (e.g. in employment opportunities) that people who share a protected characteristic have experienced, or to meet their different needs.

Positive discrimination

Treating someone with a protected characteristic

more favourably to counteract the effects of past discrimination. It is sometimes confused with positive action, which is lawful.

Presenteeism

Refers to a working culture which equates working long hours with increased productivity, commitment or capability. This is a barrier to women's retention and progression within the workplace. The need to be seen to be putting in the extra hours do not fit with the family-friendly working practices many women (and men) need.

Protected characteristics

These are the grounds upon which discrimination is unlawful. The characteristics are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

Occupational segregation

Refers to the clustering of men and women into different types of work (horizontal segregation) and into different levels of work (vertical segregation).

The logo for 'Close Your Pay Gap' features the text 'CLOSE YOUR PAY GAP' in white and orange on a dark blue background, with a horizontal orange line below the text.

CLOSE YOUR PAY GAP

The Close Your Pay Gap tool is designed to help large employers close their gender pay gap. It's aimed at those who are publishing their gender pay gap figures under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Close Your Pay Gap is developed by Close the Gap, Scotland's expert on the gender pay gap.

Close the Gap works in Scotland on women's participation in the labour market. We work with employers and policymakers to influence and enable action to address the causes of women's inequality at work.

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