

# Advanced Gender Pay Gap 2018 Report

We are passionate about inclusion and equality. We are committed to reducing our gender pay gap.



“We have built our organisation on a series of strong principles that guide our decision-making and support our aim of creating a talented, and diverse organisation. We are passionate about inclusion, equality and are committed to reducing our gender pay gap.

In our second year of reporting, we are delighted to share the journey we have been on, and the steps we have taken to ensure we are positively working towards narrowing our gender pay gap.”

Alex Arundale, Group HR Director.



As of April 2017, all organisations in the UK with more than 250 employees are required to annually publish their gender pay gap. Gender pay gap reporting aims to show how large the pay gap is between an organisation's male and female employees.

### What is the gender pay gap?

Equal pay and the gender pay gap often get confused, but they are not the same thing.

We are an equal opportunities employer and take gender equality very seriously. We already pay men and women with equal skills, the same rate of pay for doing the same job. That is what equal pay is.

Gender pay looks at the difference in average pay for all men and the average pay of all women across the business, regardless of job types or how senior they may be.

As with many other large UK organisations, we have more men than women in senior and higher paid technology and development roles, which results in us having a gender pay gap.

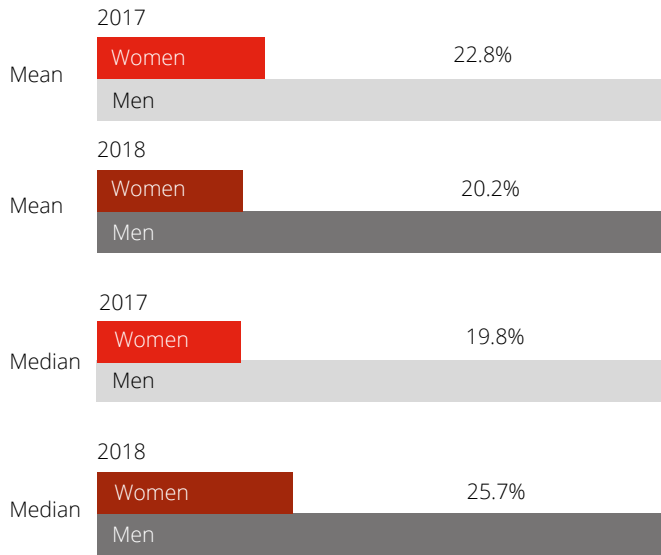


[Watch a video of our team explaining more about our gender pay gap and what we are doing about it:](#)

## Gender Pay Gap

The Gender Pay Gap – the difference between the average pay of all men and the average pay of all women – can be looked at using both the mean average and the median average. We can report a reduction in our mean gender pay gap, from 22.8% in 2017 to 20.2% in 2018, while our median gender pay gap has increased from 19.8% in 2017 to 25.7% in 2018.

### Gender Pay Gap



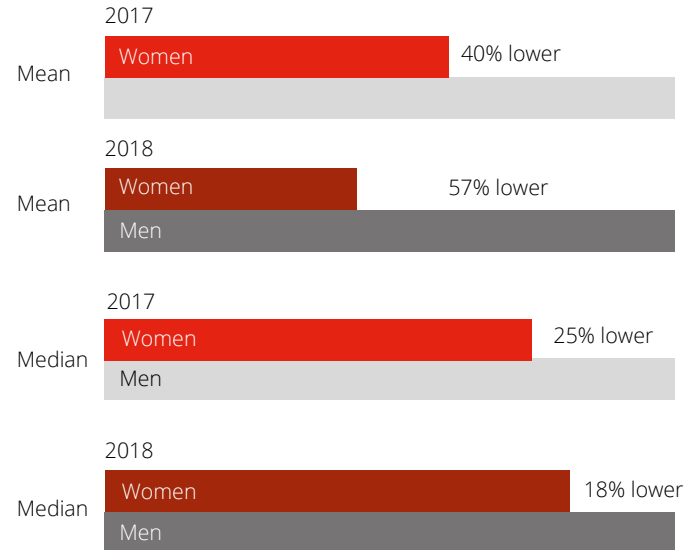
The reduction in our mean gender pay gap shows that the work we have done to address our pay gap is beginning to pay off. The rise in our median pay gap can be linked to our programme of organisational transformation, and our forward-looking analysis suggests that both measures should continue to narrow next year.

## Gender Bonus Gap

The Gender Bonus Gap is the difference in average bonuses paid to men and women throughout the year.

We can report that in 2018 our mean gender bonus gap increased to 57% from 40%, while our median Gender Bonus Gap decreased from 25% to 18%.

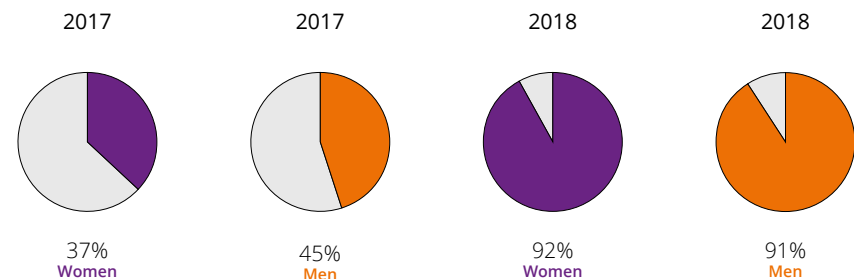
### Bonus pay



Although it is possible to view this as a disappointing result, we believe that it is directly as a result of a key change in our bonus strategy, which means that nearly everyone in Advanced now receives a bonus.

*This means that - now all employees have a variable pay element of their total reward - our bonus gap is more reflective of our overall pay gap, as well as continuing to be driven by sales commissions.*

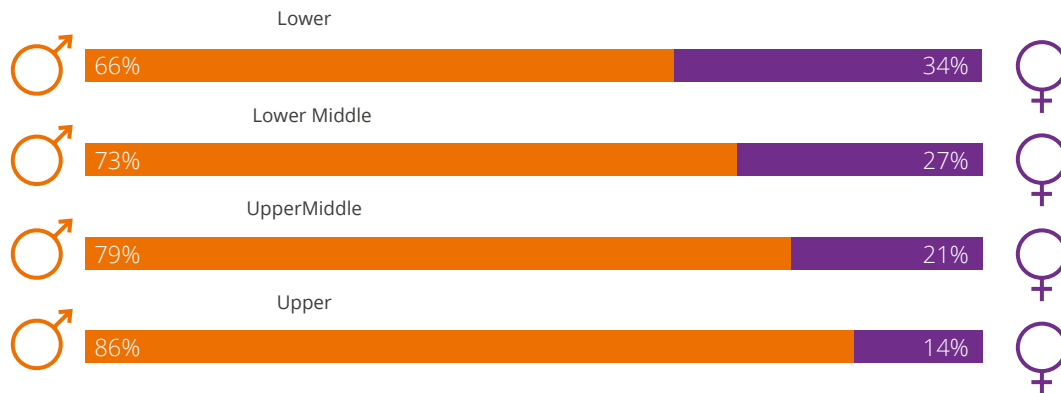
### Who received Bonus pay



We stated in our 2017 report that we would be introducing a company-wide bonus scheme open to all with the bonus based on a percentage of an individual's salary. The introduction of the benefit is clearly a very positive move, albeit it has caused an increase in our Gender Bonus Gap if compared to 2017 numbers. It is important to remember that this new bonus structure is entirely different to the one in place in 2017, and that our forward-looking projections suggest that our Bonus Gap should narrow moving forwards.

## Pay Quartiles

In the 2018 reporting period, Advanced had 1688 UK employees, with an overall gender split of 75% (male) and 25% (female). There has been no percentage change in the number of women in the business from 2017 to 2018.



## What are pay quartiles?

If we were to line up everyone required to report on from the highest paid to the lowest paid and divide into four equal sized groups then those groups are our four pay quartiles.

We are required to report on the percentage of men and women in each of the quartiles.

When we look at these numbers we can see that there has been positive movement internally with the number of women increasing in the upper middle quartile, combined with a slight decrease of females in the lower quartile over the last year.

## How do we compare

	Women's hourly rate is (mean)
National average of all jobs <small>(Office for National Statistics)</small>	13.2%
Information and communication average	24.2%
Advanced	20.2%

## Statement

We declare that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Gordon Wilson > CEO > Advanced

Alex Arundale > Group HR Director > Advanced

## OUR ACTION PLAN



### Hiring Process

**ACTION:** We have a bias-free recruitment selection process, and in 2017 we made the bold decision to remove CVs from all selection activities in our business.

**RESULT:** Our analysis shows that between April 2017 and 2018, 25% of all applicants were women, who represented 23% of our hires. Although we have no historical data to frame this, we remain fiercely committed to developing a selection process which identifies the very best talent for Advanced, irrespective of background.



### Internal Mobility

**ACTION:** We committed to a long-term goal of filling 60% of our non-entry-level roles through internal promotions and doing so using a clean, bias free and open selection process.

**RESULT:** 62% of our non-entry level roles were filled through internal promotions, meaning nearly 10% of our workforce were promoted internally last year. Of these 27% were female, against an overall female population of 25%.



### Bonus

**ACTION:** We implemented a new, company-wide bonus scheme which pays a bonus to all employees with qualifying tenure.

**RESULT:** 91% of males and 92% of females received a bonus in 2018. This represents significant progress against our 2017 reporting position.



### Talent Intelligence

**ACTION:** We implemented a Talent Intelligence function to help us ensure that we understand what drives success in the different roles across our business.

**RESULT:** We have built a predictive model, using insight gathered from previous hiring decisions and are now able to use that insight to inform our hiring decisions, ensuring that we continue to remove bias from the equation.

## WHAT'S NEXT?

We know that a greater proportion of men than women work in IT in the UK and this trend continues today. The main reason the gap arises is because there is a disproportionate number of men in senior and technical roles and this can be seen in our highest paid quartile data. This is a key driver of our gender pay gap.

Our analysis shows that 25% of people who apply to work for us are female, and in 2019 we are determined to address this. During 2019, we will launch our new recruitment brand. Our careers site will bring to life what it's like to work at Advanced and will target key demographic groups which we hope will attract a more diverse and balanced application funnel.



## Appendices

Advanced has two separate entities which are required to report their figures. These are the figures you will find if you search the Government Gateway. In the interest of transparency, the rest of this report talks about the position of our entire business.

### Hourly Rate

Women's hourly rate is	<i>Advanced Business Software &amp; Solutions Ltd</i>	24.5% lower (mean, compared to 40.1% in 2017)
		33% lower (median)
	<i>Advanced 365 Ltd</i>	8.3% lower (mean, compared to 12.8% in 2017)
		19.4% lower (median)

### Bonus Pay

Who Received Bonus Pay?	<i>Advanced Business Software &amp; Solutions Ltd</i>	84% of males
		91% of fem
	<i>Advanced 365 Ltd</i>	99% of males
		97% of females

### Bonus Pay

Women's bonus pay is	<i>Advanced Business Software &amp; Solutions Ltd</i>	69% lower (mean)
		3% lower (median)
	<i>Advanced 365 Ltd</i>	30% lower (mean)
		19% lower (median)

### Pay Quartiles

How many men and women are in each quarter of our payroll?

Business Unit	Lower Quartile		Lower Middle Quartile		Upper Middle Quartile		Upper	
	Male	Female	Male	Female	Male	Female	Male	Female
<i>Advanced Business Software &amp; Solutions Ltd</i>	72%	28%	55%	45%	72%	28%	86%	14%
<i>Advanced 365 Ltd</i>	82%	18%	92%	8%	92%	8%	87%	13%

Legislation requires Advanced to publish details annually of our gender pay gap. This report is based on data from 5 April 2017. Data has been calculated in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

## More information

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