

# Gender Pay Gap Report

2020



# Foreword

This is the third year we have published our gender pay gap. We continue to be a proud employer of a diverse and inclusive workforce with evolving diversity and inclusion activities and programmes offering support to all. We constantly champion and encourage a dialogue around gender equality within the workplace, and our Gender Equality Group is just one example of the many channels in which this occurs. We challenge ourselves as leaders to keep the conversation alive with open and honest two-way communication, in presentations to staff, and through questions and answers on our engagement platform. I also recently took the opportunity to engage the National Measurement Institute community, giving an invited talk on gender equality and the wider topic of Diversity and Inclusion.

Internal progression of women through the organisation is pivotal and we believe the women's Springboard Development Programme, external coaching for female scientists and our mentoring programmes will continue to support this. Recommendations and ideas coming out of our work with the Institute of Physics' Project Juno are already starting to make a positive difference, for example with the implementation of changes to our promotion process, signposted in our 2019 Gender Pay Gap report. Following these, we saw a significant increase in applications from women compared with the year before.

We remain confident that new and more established initiatives designed to address our gender pay gap will make a significant difference in the longer term, however we still have more work to do based on this year's data. Examining what influences our gender pay gap positions us well to take actions to improve it. These are starting to bear fruit, albeit in the period following the snapshot on which this report is focused.

We continue to work hard to increase the proportion of women at all levels within NPL, but it remains a challenge. Turnover of women in senior roles since our last report has contributed to the picture painted by this report's data and is an area of focus for us.

Our outreach work in the STEM community is as important now as it ever has been, whether in attracting new talent into the organisation at an early career stage or simply inspiring more girls into STEM subjects at school. We nurture and develop talented individuals, from work experience students on our Academy Programme through to apprentices and post graduate students who, in turn, inspire future scientists and engineers.

I am committed and excited to see more of our work making a positive difference to our gender pay gap and equality within our organisation.



**Dr Peter Thompson**, Chief Executive Officer



NPL's goal remains to attract, engage and retain the best possible people, creating a representative workforce where people feel they belong. In an organisation where the impact of our work is vital to our success, ensuring diversity in our people continues to be the key to unlocking new ideas, ways of working and innovation. Women are important to the diversity of our teams, which is why we continue to bring them into our organisation in almost equal numbers to men.

Through the many and varied initiatives designed to address our gender pay gap, we are seeing positive signs that we are making progress on some of the root causes. Proportional representation of women at all levels of the organisation is a challenge and is reflected in our pay gap figures, however pay quartile data this year shows our efforts are starting to have a positive impact.

While this is yet to be adequately reflected in our published pay gap data, continuing this journey with sustained commitment to what we have already started and a new focus in areas such as live unconscious bias reviews, talent development and targeted mentoring planned for 2020, gives me confidence that we are improving and will close our gender pay gap in the near future.



**Jodene Young**  
HR & Change Director



# What is gender pay reporting?

Gender pay reporting legislation was introduced in 2017. It requires employers with 250 or more to publish statutory calculations every year showing how large the pay gap is between their male and female employees. The gender pay gap is the difference between the average earnings of men and women across an organisation. The gender pay gap is not the same as equal pay. Equal pay relates to men and women being paid equally for equal work.

This report shows the findings based on the gender pay gap analysis from a snapshot date of **5 April 2019**. We have also included 2018 data to show a comparison.

## Headline figures

### Overall median and mean gender pay gap, and bonus gap:

|                                     | 2018    | 2019   |
|-------------------------------------|---------|--------|
| Mean gender pay gap in hourly pay   | 13.66%  | 12.06% |
| Median gender pay gap in hourly pay | 15.78%  | 16.05% |
| Mean gender pay gap in bonus (1)    | -13.92% | 33.17% |
| Median gender pay gap in bonus (1)  | 5.30%   | 31.41% |

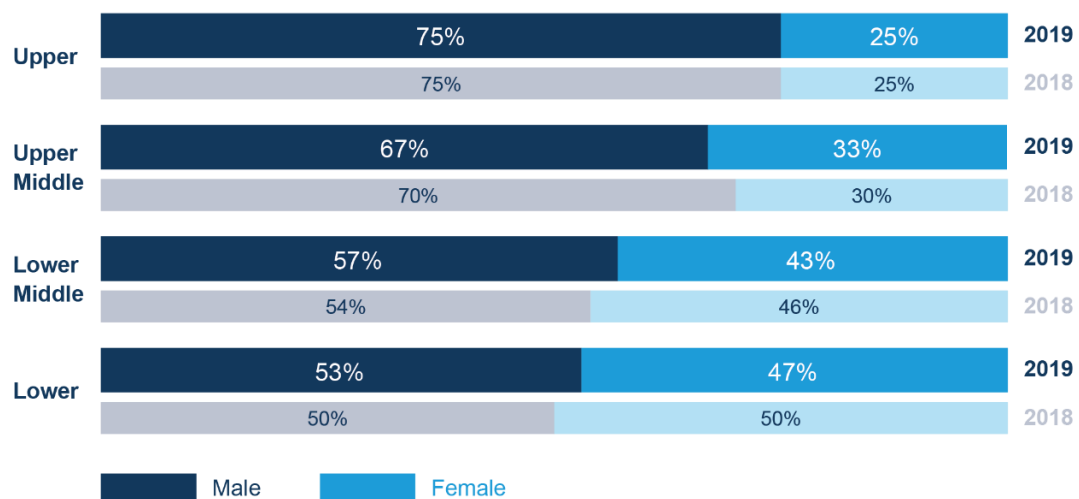
### Hourly pay - gender pay gap changes from 2018:

Mean **1.60% decrease**

Median **0.27% increase**

### The proportion of males and females in each pay quartile:

In order to work out the quartiles, we have listed the pay rate of all workers on our payroll, from lowest paid to highest paid, and divided this list into four quartiles.



## Key contributing factors

We stand by the commitments made since the last report and have received positive employee feedback about the focus and actions being taken. We are pleased to see a decrease in our mean gender pay gap, albeit with a slight increase in the median.

The stark difference between men and women's bonuses is explained by the departure of senior female members of staff. Most of these individuals were replaced by other females, however the new employees were either not yet in role or were not yet awarded bonuses at the time of the snapshot quoted in the report. However, this data reinforces the need for NPL to continue making positive changes to support this important agenda.

The percentage of men and women receiving 'above' or 'exceptional' performance ratings was very similar in 2018, with any difference not being statistically significant. However, because we employ more men than women, this meant more men than women, in real terms, received a higher pay increase effective 1 April 19. We also applied adjustments to salary in 2018 with reference to an external benchmarking exercise that provided NPL with robust market data. In making changes to pay for the reasons above, and in applying promotional increases, we continuously review and mitigate against any negative impact on the gender pay gap.



Improvements to the performance validation process made in late 2018 ensured assessments of performance against objectives and Values in Action (values-based behaviours required in our organisation), paying particular attention to the distribution of performance ratings by gender, zone, ethnicity and part-time/full-time working arrangements. Our latest performance validation process reviewed independent qualitative and quantitative data, reassuring us that women are not at any disadvantage in the performance rating process and that no gender stereotyping took place in observed discussions.

Our work to increase awareness, support and access to career development conversations and career pathways has contributed to a 62% increase in women applying for promotion from 2018 to 2019. We are confident that specific changes made to our promotion panel process, which

include the presence of a relevant female specialist on every promotion panel, and the introduction of Values in Action which make the 'how' as important as the 'what' in the decision making criteria, have contributed to a doubling of the number of women being promoted following panel assessment compared to the previous year. This is a really positive step to address representation of women at more senior roles in NPL.

We are getting better at moving women through the organisation and into senior roles. Taken alongside our recruitment of almost as many women as men, our workforce distribution is gradually improving which, in turn, will improve our gender pay gap.



# What are we doing to address our gender pay gap?

In our 2018 report, published in April 2019, we identified four focus areas for achieving a representative workforce and reducing our gender pay gap. Our progress on these is highlighted below and includes further work that is underway to build a more diverse and inclusive working environment.

## Attracting diverse talent

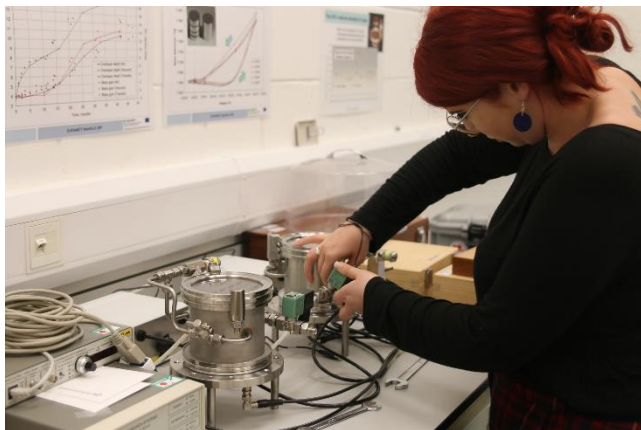
NPL's outreach programme has run in its current format for 12 years and continues to deliver an exciting programme of activities supporting the STEM agenda. This programme ran its 3,000th activity and met its 500,000th person in 2019, supporting our ability to attract diverse talent to NPL. In 2019 we led an exciting campaign explaining the new SI redefinitions to 92 universities and institutions across the UK and held stands at 42 events including New Scientist Live and the Green Man Festival.

Outreach remains a critical platform for connecting with potential talent from diverse backgrounds and experiences and the continued focus on children and young adults enables NPL to engage with females early in their education, inspiring their continued interest in STEM subjects. We champion the importance of working with teachers and supporting them to inspire their students, helping them to bring the national curriculum to life both at schools and in the NPL laboratories. In 2019, the programme saw interactions with approximately 52,000 students, 7,000 teachers and 19,000 members of the public.

Of the 271 NPL staff who were involved in outreach in 2019, 47% were female and many of them apprentices. These women are role models, operating across different channels and sharing different experiences which resonate with more diverse audiences.

## Selecting diverse talent

Having participated in a number of Government Equalities Office (GEO) webinars, we continue to keep diversity and inclusion at the forefront of our thinking and people processes. In line with GEO advice and our commitment in the 2018 Gender Pay Gap report, we have supported the continued roll out of our 'Select the Best' training programme for all interviewers. The focus remains on objective, consistent, ethical and legal selection and assessment criteria. In addition to this we have designed and delivered multiple assessment centres, which are based on these principles for both internal and external selection and include Values in Action, giving focus to the 'how' as well as the 'what'.



Hiring managers are encouraged to consider flexible working arrangements in order to attract the most diverse range of candidates. We have seen some notable advances in considering part-time working and flexible locations and remote working options, with our digital transformation supporting the latter. This flexibility allows us to reach more women as prospective candidates wishing to join NPL.

Selecting diverse talent from our internal talent pool is also getting easier. In 2019 46% of promotion applicants were women and they were more likely to be successful than their male counterparts. 78% of women assessed by a panel were successful compared to 56% of men.

## Developing diverse talent

Investing in our talent at NPL remains at the heart of our values and strategy. As with previous years, we target some of this investment to deliver many of the commitments made in our previous Gender Pay Gap Report to support diversity and inclusion.

The 2019 Springboard Women's Development Programme continued a focus on personal and career development. Our 3rd Springboard Programme attracted 26 women from across the organisation. In addition to the annual programme, we also held an alumni lunch for all cohorts to facilitate keeping in touch and networking.

We held 3 Unconscious Bias workshops for line managers with 33 attendees. Further workshops are planned for 2020 and we have partnered with Pearn Kandola to conduct live bias reviews of our annual performance validation process. The aim of this is to bring potential bias to life through observation and feedback. They are also supporting us to develop an online solution, as signposted in last year's report.

Our Career Pathways platform was viewed a total of 3,507 times during 2019. Science & Engineering pathways contributed to over half of these views. These make career options transparent to all and contribute to successful career conversations which were rolled out in 2019. Women from across NPL who have successfully navigated their careers and currently work at all levels of the organisation have contributed to our case studies and continue to inspire others throughout the organisation.

We introduced a Menopause Matters workshop to help women who are pre-menopausal/menopausal and from this we have set-up a Menopause Matters Forum. We are currently developing guidelines for line managers in the hope that by further supporting women through the menopause, will bring benefits of increased engagement as well as lower sickness absence and employee turnover. The forum fosters an age and gender-inclusive culture which helps us focus on the valuable skills and talents that women and men of all ages have to offer.

## Enabling a diverse workforce

Our Values in Action remain at the heart of everything we do and now characterise all of our key people processes from recruitment to development, performance management and promotion. NPL's expectations, expressed in our *Respect and Inclusivity* Value in Action, re-enforce how imperative a diverse workforce is to the success of NPL and the value each and every individual brings to a team or project.

Our Diversity and Inclusion e-learning module has now been completed by over 500 employees, raising employee awareness of protected characteristics and the Equality Act (2010).

As an active member of the Institute of Physics' Project Juno we are already seeing the changes in promotions having positive effects on some of the challenges with our gender pay gap. At present, NPL is a Juno Practitioner, and we will continue to improve the working culture at NPL with a view to progressing towards the next level of Juno Champion.

We worked extensively with leaders in 2019 to raise awareness of diversity and inclusion, sharing insights from focus groups, conducting workshops and highlighting opportunities for them to partner with women and others across the organisation to support them. We are excited to continue to develop that work with Moving Ahead, Diversity and Inclusion specialists, to roll out a two-way mentoring programme between leaders and individuals from under-represented groups. We expect this to support leaders to see NPL through another lens, helping them break down barriers and apply different ways of thinking, while mentees will get an advocate and ally to support their development and progression through the organisation, building a sense of their belonging and recognition for their individual contribution.







**National Physical Laboratory**  
Hampton Road  
Teddington  
Middlesex  
United Kingdom  
TW11 0LW

**Switchboard 020 8977 3222**  
[npl.co.uk/contact](http://npl.co.uk/contact)

The **National Physical Laboratory** creates impact from science. Maximum impact can only be achieved with diversity of thought and contribution, which will come from our people. We will recruit, develop and inspire the best people from all backgrounds and believe that by bringing different people and teams together, we provide opportunities for people to fulfil their potential. These people are at the heart of our success. Taking care of every employee, and encouraging diversity and inclusion, are absolutely key and we therefore welcome this opportunity to report on how people are paid. We will continue to strive for equality and take our commitments in this area seriously.

We declare the content of the report to be accurate.

A handwritten signature in black ink, appearing to read 'P. Thompson', with a large, stylized initial 'P'.

**Dr Peter Thompson**  
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'J. Young', with a large, stylized initial 'J'.

**Jodene Young**  
HR and Change Director