

TRAVERS SMITH

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**Travers Smith Gender Pay  
Gap Report 2018**

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# TRAVERS SMITH

## GENDER PAY GAP REPORT 2018

We strive to have an environment where the most talented people from diverse backgrounds can thrive and enjoy working. We remain committed to addressing the gender pay gap to ensure that we are truly championing diversity and inclusion, however we recognise that a dramatic shift is not achievable overnight. As we reflect on the progress we have made so far, we continue to learn and put in place measures to effect change. As a firm we distinguish ourselves by the depth and sincerity of our support for our people throughout their careers and beyond; inclusion has to underpin this.

The data<sup>1</sup> set out in this report, in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, along with the monitoring data which we collect annually in accordance with SRA requirements, forms just one part of our overall work in ensuring we are meeting the diverse needs of our people. The figures relate to Travers Smith Employment Services Ltd and therefore do not include partners of the LLP in the main data. For the Travers Smith partner gender pay gap, please see the end of this report.

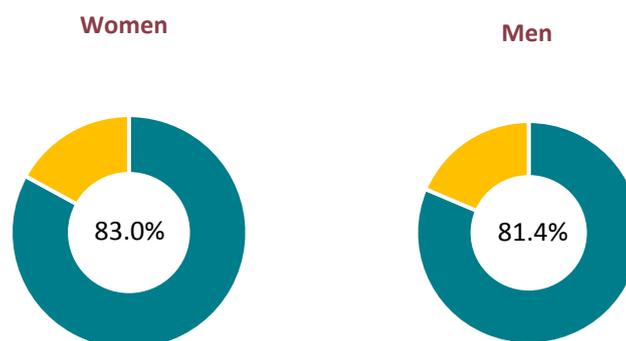
### Travers Smith's gender pay and bonus gap figures

The figures below reflect the firm-wide mean and median gender pay gap for hourly pay and bonuses as at the snapshot date of 5 April 2018. The bonus pay figures are based on the year leading up to 5 April 2018. The percentages represent the difference in pay and bonus between men and women. We have included the snapshot data from 2017 as a comparator.

	Mean			Median		
	2017	2018	Difference	2017	2018	Difference
Gender pay gap at Travers Smith	14.8%	16.8%	+2.0%	39.1%	34.7%	-4.5%
Gender bonus gap at Travers Smith	37.8%	24.3%	-13.5%	78.4%	47.9%	-30.6%

### Proportion of men and women receiving a bonus

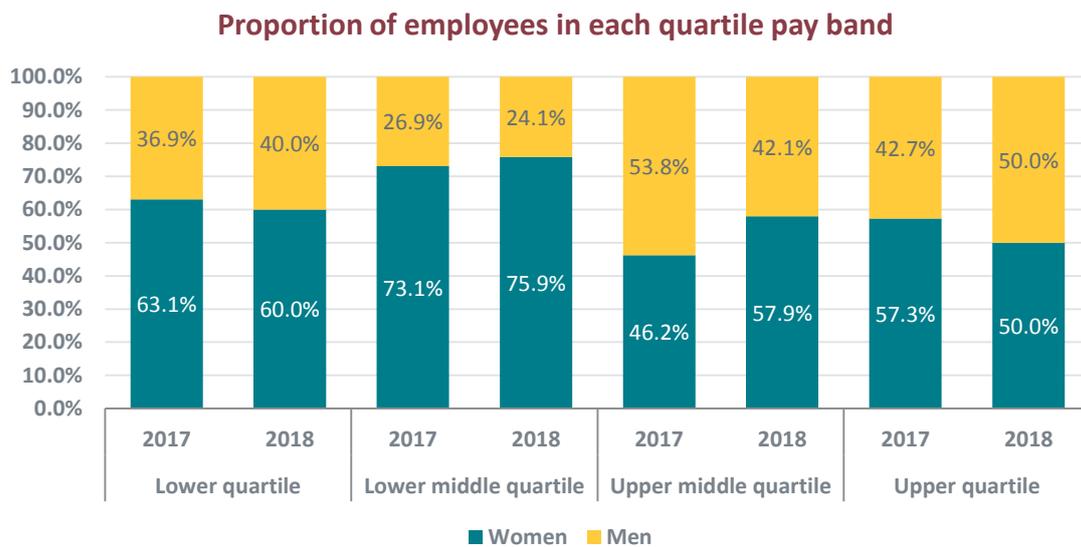
A higher proportion of women (83.0%) received a bonus than men (81.4%). This was also the case in 2017 (87.3% vs. 86.4%).



<sup>1</sup> This data includes trans\* people who identify as either male or female, but not those who identify as non-binary, or any other non-gender specific term.

## Pay Quartiles

The pay quartiles presented below represent the distribution of gender across four equally sized groups based on hourly pay. The percentage of female employees is greater across all but one of the quartiles. This is to be expected given the higher number of females employed firm wide (61.0% female and 39.0% male as at 5 April 2018), however, the data indicates that there is a significantly higher proportion of women in lower paid roles. The upper quartile contains an even distribution of men and women.



## Gender pay gap for lawyers

We are confident that men and women are rewarded equally for doing the same job across all areas of the firm, when taking into consideration experience and levels of expertise. This is supported by the mean gender pay gap data for our lawyers. Our remuneration structure for lawyers is based on a lockstep model which is effective in maintaining consistency of pay. It helps to drive a collaborative culture, whereby the firm's success is everyone's success, and encourages our people to pull in the same direction.

	Mean pay difference
Junior NQ – 2 PQE	Women paid 1.5% more than men
Mid 3 – 4 PQE	Men paid 1.8% more than women
Senior 5+ PQE	Men paid 3.0% more than women
Senior Counsel	Men paid 0.5% more than women

## An insight into our gender pay and bonus gaps

We did not anticipate a dramatic shift in our gender pay gap compared with last year's figures, although the mean hourly pay gap has increased slightly (by 2.0%). When exploring the data to better understand why this is the case, it becomes ever clearer that improving the gender pay gap will take time. Small changes to our employee landscape have a significant impact on the overall figures.

As was the case last year, there is a significantly higher proportion of women in Business Services roles, and all of our PAs are women. The greater proportion of women in lower paid jobs is the main driver of our gender pay gap in relation to the hourly rate.

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## Comparison of 2017 and 2018 data

We believe that the change in our pay gap has been influenced this year by a number of factors:

- Four female Senior Associates were promoted to Partner in July 2017. Their hourly rates were included in the 2017 data for employees but not in the 2018 employee figures. This change has therefore decreased the 2018 overall mean hourly rate for women.
- The mean hourly rate of female leavers during the reporting period was higher than that of male leavers. The hourly rate for these leavers would have been included in the 2017 data but not in this most recent submission, again bringing down the 2018 overall mean hourly rate for women.
- Whilst more female than male employees have joined throughout this last reporting period (58.0% female vs. 42.0% male), the female new joiner mean hourly rate is slightly lower than the male new joiner mean hourly rate. This is reflective of women filling more of the vacancies in Business Services than men, which are typically lower paid roles.

If we look at the median data, the hourly rate gap has closed by 4.5% since 2017, illustrative of more women moving into the upper pay quartiles compared with last year.

Whilst we are pleased that the mean bonus gap has reduced by 13.5%, and we feel comfortable that we reward performance fairly, clearly there is more work to be done. Although the gap has reduced by 13.53% since 2017:

- the overall mean bonus gap will remain higher because the bonuses paid to Business Services and PAs are lower than the bonuses paid to employees in legal roles, particularly where salaries are typically lower. A high percentage of these employees are women; and
- if we review the data for the lawyers, the mean bonus gap is 0.6%, reflecting our commitment to rewarding employees in the same, or similar roles, equitably.

## Partner pay and bonus

As explained above, we have not included partner data in the main analysis because we follow very different reward and remuneration structures for partners and employees.

	Mean			Median		
	2017	2018	Difference	2017	2018	Difference
<b>Gender pay gap for Partners</b>	7.1%	23.7%	+16.7%	24.9%	29.3%	+4.4%
<b>Gender bonus gap for Partners</b>	18.3%	41.3%	+23.0%	-125.0%	-100.0%	-25.0%

The mean gender pay gap for partners as at 5 April 2018 is 23.7%, an increase of 16.7% since 2017. Our gender pay and bonus gap is a result of the size and shape of the partnership. We adopt a lockstep model for partner pay. As at the reporting date, our partnership was made up of 80.8% men and 19.2% women. Of the 19.2% women, 46.7% were junior equity partners.

We continue to increase the representation of women within the partnership, and can report that at the time of publishing this report, 23% of our partnership is female, but this in itself poses a challenge from a gender pay gap reporting perspective. The 2017 partnership promotions proved a prime example where all our new partners were female and, as a consequence of the lockstep, the female partner mean hourly rate decreased, as did the female employee data, as referenced above.

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## Progress since last year

As stated in the firm's vision and core strategic principles, the firm is committed to being a place where driven, intelligent and engaging people from diverse backgrounds can enjoy themselves and be successful; working together with trust and respect in a collaborative and non-hierarchical environment.

Since our last submission we have established a Diversity & Inclusion Board to shape and support the firm's ambition of creating a fully inclusive workplace.

Some of the policies, activities and initiatives that we have delivered and implemented in the last 12 months are:

- Extended the firm's financial performance bonus to include PAs and Business Services employees, where previously this was only for legal staff.
- Decisions made by the Remuneration Committee on salaries and bonus were facilitated by more granular gender data, thus helping to support decisions.
- Reviewed and revised our alternative working policy with specific reference to how we remunerate lawyers, regardless of their gender, for fixed hours arrangements.
- Explored, in detail, the interplay between agile working and formal alternative working to support consistency in treatment.
- For Graduate Recruitment, we have introduced a comprehensive review system to better challenge gender biases.
- Introducing gender neutral language screening when writing job descriptions for Business Services recruitment.
- Developed a suite of trans inclusion policies to ensure that people, regardless of gender and/or gender identity, feel able to be themselves at work, comfortable in their own identity.
- Delivered a series of anti-bullying and harassment, "active bystander" and Inclusive Language training sessions for everyone in the firm.
- Delivered a seminar in partnership with clients, and other business leaders, on "Women and Leadership".
- Ongoing policy review to test inclusive language and equal treatment in all of our people policies.
- Developed the structured maternity transition coaching to include the line manager or partner in the pre and post transition coaching session.
- Held a series of "female role model" panel events, which provided opportunity for our female partners, and other senior women at the firm, to share and discuss their perspectives and experience of gender, leadership and careers.
- Increased the facilitation of mentoring relationships across the firm.
- Our Gender Balance Group, an internal employee resource group aimed at promoting greater gender balance, delivered a series of awareness raising events.

We confirm that the data reported is accurate.



**David Patient, Managing Partner**



**Moira Slape, HR Director**

