

GENDER PAY REPORT 2022

We have worked hard to go beyond the statutory measures to make a difference to our gender pay gap. Our focus on recruitment, promotion and flexible working is continuing to make a difference and we have seen an improved trend in both the statutory and our additional measures.

Promotion - We are particularly proud of the number of women we have promoted into leadership roles. Over half of our salaried partners and those Equities identified for rapid progression (B Equities) are women. Five of the nine most recent A Equity appointments are women, a clear indication that we are breaking the glass ceiling in HCR.

Recruitment – In 2022 we hired more females than males in both fee and non-fee earning roles.

Flexible working - Our Smart Working approach was implemented in 2022 and has given working parents more flexibility about how to balance home and work life.

EDI remains a strategic priority, and the initiatives around building people's understanding on this topic, and how we recruit future talent, have resulted in meaningful progress. The more vocational approach to legal qualifications that we are introducing this year (via the new SQE qualification route) will give people from more diverse backgrounds the opportunity to qualify. We remain galvanised around our commitments to EDI and ensuring our people can achieve their full potential at HCR, regardless of their gender, ethnicity or background.

Deborah Brumwell
HR Director

A reminder about what the Gender pay gap is

The legal reporting requirements

- Gender pay gap reporting includes six measures with the 'average pay gap' being the one most widely reported.
- The average pay gap is expressed using two calculations - the median and the mean.
- The mean (average of salaries) can be quite skewed as a few very high or very low paid members of staff can affect this number.
- The median (the middle of the distribution) tends to be reported on more widely as it is a truer expression of the experience of the typical man and woman.
- The quartile measure divides the employee population into four. It is expressed as a percentage of gender in each quartile and is used to see if men and women are paid equally in each quartile.
- The average bonus gap is calculated using mean and median.
- The final measure looks at the proportion of women to men receiving a bonus.

The Results

This is the sixth year that we have reported on our gender pay gap and the results for 2022 are detailed [HERE](#). The Gender Pay gap is based on the snapshot date of 5th April 2022 and for the first time it will include our ex-Hewitsons colleagues in the data.

This year we are reporting a positive trend as both the mean and median gender pay gap has decreased. Our mean pay gap (using average hourly pay rates) has reduced by 6% to 26.45%. 97% of our support staff are women, which will continue to skew this statutory measure as they are paid a lower rate of pay. Project Hugo focussed on improving the working practices, career pathways and future earning potential of support teams. Although this will not have a material effect on the gender pay gap in the short term, it should allow us to attract a more diverse and gender balanced talent pool in the longer term.

We have recently announced the introduction of new bonus schemes for fee earning teams. These bonus schemes will be more structured and based on both qualitative and quantitative criteria and ensure we tighten the gender bonus pay gap.

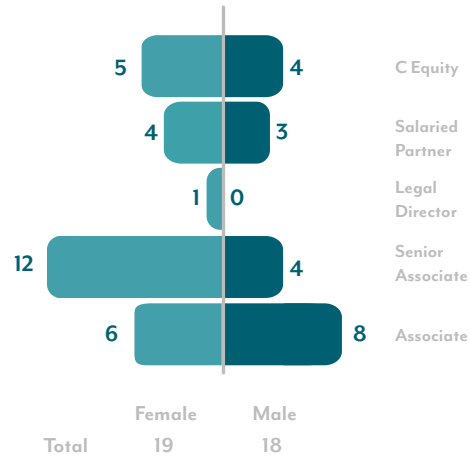
2022

Recruitment 2022

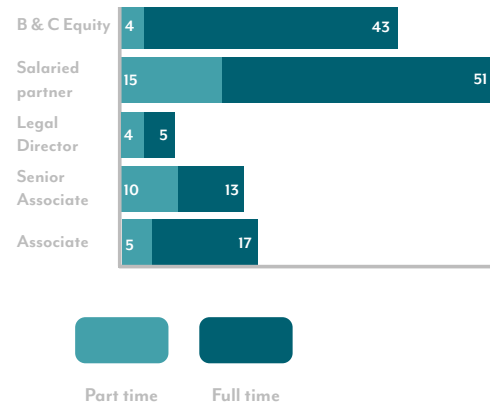
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Number of Hires	
Partner Hires	Other Hires
8	136
6	53

Career Progression - Promotions up to April 2022



Part-time working arrangements



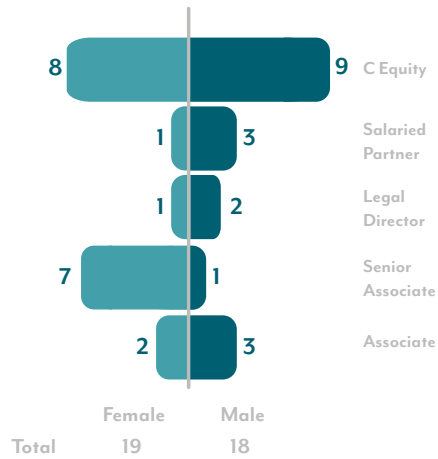
2021

Recruitment 2021

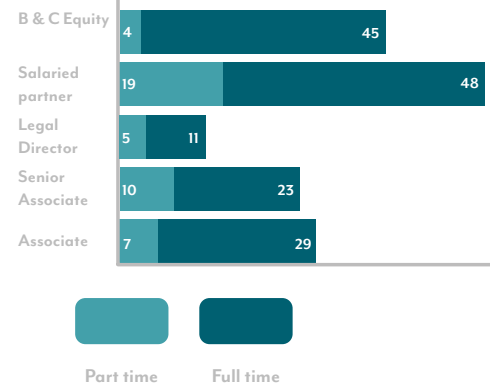
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Number of Hires	
Partner Hires	Other Hires
6	48
12	12

Career Progression - Promotions up to April 2021



Part-time working arrangements



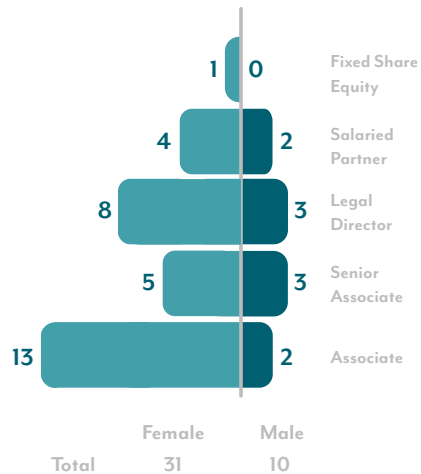
2020

Recruitment 2020

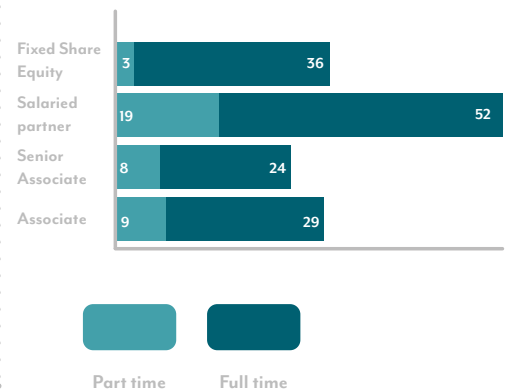
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Number of Hires	
Partner Hires	Other Hires
7	101
9	22

Career Progression - Promotions up to April 2020



Part-time working arrangements



Progress against our own measures

Recruitment

We said in last year's report that we would focus on internal or 'direct' recruitment, as this would give us more control on how we recruit, reducing unconscious bias but also looking at different sourcing strategies to diversify our talent. Two thirds of our vacancies are now managed by our own recruitment team whose objectives are to find the best talent for each role from diverse talent pools.

We have hired a higher number of females to males across all roles and most noteworthy at partner level. 70% of all recruits were female and 60% of recruited fee earners, were women.

Promotion/Progression

In 2022, the Promotion Consideration Group supported the assessment process for both fast track and salary partner promotions, making sure that staff with high potential have an independent and thorough assessment of their abilities before embarking on their path to partnership (coincidentally the Promotion Consideration Group is all female). We believe we will make a difference to female progression by reviewing candidates based on broader/behavioural criteria rather than just on the basis on financial performance. We have also put together a competency matrix for partner progression, de-mystifying the route through the partnership.

With respect to emerging talent, we have recruited trainees at a 2.5:1 female to male ratio. We have started to work with local universities offering work placements and mentoring to students and helping to provide greater access to, and knowledge of the profession, by providing on campus talks/workshops. We already have schemes in place with Anglia Ruskin University in Cambridge, University of Worcester and University of Gloucester. This year we are also looking to establish work placements for students from University of West England, University of Northampton and University of East Anglia. As a result, we have seen an increase in applications for paralegal and trainee roles from non-Russell Group/Red Brick universities.

Flexible working

We promoted 10 part-time employees in the relevant reporting year (October 2021 and April 2022). Often part time working was a necessity for working parents. The introduction of hybrid working following Covid has changed our attitudes and assumptions to flexible working. At HCR, we will continue to embed Smart Working and support working parents to balance their home life with their career.

Next Steps

Recruitment

- This year we will be giving our recruitment leads and our external recruitment agents additional training and insights on diversity and inclusion practices.

Promotion/Progression

- In 2023 the Promotion Consideration Group will start work with people a year before promotion to salary partner on the additional skills and behaviours required for this important career step.
- We are excited to introduce the HCR covenant, and our new mentoring programmes in 2023 - key initiatives that will better support junior lawyers in building their careers.
- Project Hugo – we will build on the success of the LSM programme in 2022 and provide support staff with bespoke and tailored training and development. Investment in our support teams will enable the business support hubs to become centres of excellence and ensure we maximise the skills and earning potential of our legal support teams in the future.

Flexible Working

- For those returning from a period of family leave, we will work with them individually to ensure that we are offering a tailored approach to their flexible working needs, whilst considering their career aspirations. We will also provide a more comprehensive support package, which will be discussed with them prior to and upon their return from family leave.