

Marks & Clerk LLP 2019

# Gender pay gap report

Marks & Clerk is a leading firm of Patent and Trade Mark attorneys in the UK with over 350 employees and 52 Partners across 8 UK offices. We value diversity and providing an even playing field. Our clients enjoy a comprehensive service tailored to their individual needs, and this is best achieved by harnessing the diverse range of skills, experience and ideas from all of our people.

### **Understanding gender pay and bonus gaps**

Gender pay gap shows the difference in average hourly earnings between men and women within the organisation, regardless of seniority, experience and other differences in job roles. The difference is expressed as a percentage of men's earnings.

Like many professional services organisations, our gender pay gap is largely due to the types of job roles undertaken by men and women. Whilst we value all employees, we recognise that different jobs attract different levels of remuneration.

Fee earners at Marks & Clerk make up the majority of our more highly paid employees. These roles require a high level of qualification and expertise, so they command higher remuneration. Most of our fee earners work with patents and require a STEM (Science, Technology, Engineering and Mathematics) degree – 74% of STEM graduates are men and 26%<sup>1</sup> are women. As such, ensuring complete gender parity in our upper pay quartile presents a problem for us which mainstream legal firms do not have (because women constitute a much higher proportion of UK law graduates). At Marks & Clerk, we try to achieve a more even balance than the STEM graduate percentage, and are pleased to report that 41.4% of our fee earners are women (whereas women make up only 24%<sup>2</sup> of the core STEM workforce), and women make up 36% of our upper pay quartile.

Across UK society, more women than men undertake administrative jobs, which attract a lower level of pay. This is reflected at Marks & Clerk, where a significant proportion of our workforce is made up of administrative roles, and the majority of incumbents in these roles are women. This is a key contributor to our gender pay gap. Additionally, administrative jobs tend not to attract bonus payments and this contributes to our gender bonus gap.

Part-time working can impact the gender bonus gap: pay gap figures use hourly pay rates, but bonus gap figures represent the actual sums paid. We fully support those who wish to work part-time. 9.4% of our workforce is part-time, almost all are women. As people working part-time receive pro-rated bonus amounts, this inevitably impacts on our bonus pay gap. Nonetheless, we endeavour to ensure that career progression is not limited by part-time working: 41.5% of our part-time workers are in our upper pay quartiles.

### **Equal pay**

Separate to gender pay gap statistics, equal pay considers whether different people (for example men and women) who perform similar work, or work of equal value, receive equal pay. We monitor pay at all levels, are firmly committed to equal pay, and we are confident that men and women are paid equally for undertaking equivalent work at Marks & Clerk.

<sup>1</sup> <https://www.wisecampaign.org.uk/statistics/core-stem-graduates-2019/>

<sup>2</sup> <https://www.wisecampaign.org.uk/statistics/2019-workforce-statistics-one-million-women-in-stem-in-the-uk/>

### Gender pay and bonus gaps, and pay quartiles

The table below shows our mean and median gender pay and bonus gaps. The pay element looks at data from 5 April 2019, and the bonus element looks at data from the 12 months up to 5 April 2019:

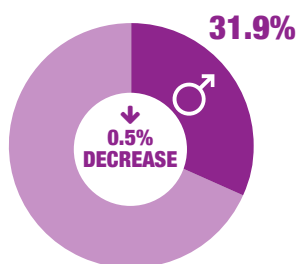
	Mean	Mean change since 2018	Median	Median change since 2018
Hourly pay	24.9%	1.9% decrease ↓	29.3%	0.7% decrease ↓
Bonus	67.2%	19.8% increase ↑	78%	28% increase ↑

Our mean pay gap is the lowest it has been since the reporting requirement began in 2017, and our median pay gap has also decreased this year.

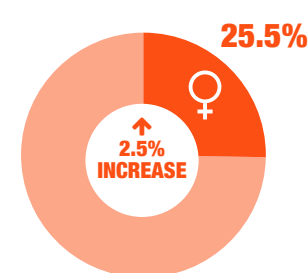
Our gender bonus gap has increased since last year – this is because most employees did not receive a bonus in the period, but a number of exceptional bonuses were awarded to a number of employees (more of whom were men than women) involved in a specific international project. However, we recently introduced a discretionary bonus scheme for all support (ie non-fee earning) employees, and we believe this will make a significant (positive) difference to our gender bonus gaps in future reporting years.

The charts below show the percentage of men and women who received a bonus payment during the reporting period:

Percentage of males receiving a bonus



Percentage of females receiving a bonus



The next table shows the percentage of men and women in each quartile of the payroll. This is reflective of the fact that we have more men than women in higher paid fee earning roles, and more women than men in lower-paid administrative roles.

Gender	Lower	Lower Middle	Upper Middle	Upper
Male	15%	40%	45%	64%
Female	85%	60%	55%	36%

By undertaking a more detailed analysis, using the same data as was used for the gender pay gap calculations, we see a much more balanced picture when considering, for example, comparable fee earning employees at various stages of their careers. More often than not, women are paid more than men for work of equal value:

	Patent Attorneys, dual qualified with 0 – 36 months post qualification	Senior Associates and Principals	Fully Qualified Trade Mark Attorneys
Mean pay gap	5.2% in favour of women	7.2% in favour of women	0.1% in favour of men
Median pay gap	8% in favour of women	5.6 in favour of women	4.9% in favour of women

### **Actions to support gender equality at Marks & Clerk**

At Marks & Clerk we are committed to understanding the gender pay gap and achieving equitable remuneration and development opportunities. We have in place, and are continuing to develop policies and practices, which underpin our inclusive ethos, some of which are outlined below:

We uphold inclusive core organisational values, which underpin how we do business. We recognise excellence and resourcefulness in the workplace, as well as trust and collegiality amongst work colleagues and with our clients. Inclusivity, equal opportunities for all, and respect for individual differences underpin our values and how we work.

We are a founder member and active supporter of “IP Inclusive”, which promotes diversity and inclusion amongst IP professionals. IP Inclusive supports women working in IP, and encourages the next generation of female IP practitioners.

We have introduced a support employee bonus scheme to recognise the contribution made by those in administrative positions, more of whom are women than men.

We have made further significant enhancements to paid maternity leave provisions for employees this year. We have also further enhanced paid paternity leave, and seek to promote flexible working to returning fathers, as well as returning mothers and others.

We undertake annual salary reviews to ensure that pay is fair and equitable against market expectations and internally – regardless of gender or other individual circumstances.

We have an active diversity and inclusion group for the UK firm – a group of employee representatives who work with senior management to help identify opportunities for improvements in diversity and inclusion, and originate further ideas to support gender equality at Marks & Clerk.

We have implemented recruitment training and unconscious bias awareness training to ensure we maintain a high standard of gender-blind selection. We continue to examine our recruitment and selection processes to ensure that we follow fair processes, regardless of any candidates’ personal characteristics.

We are launching an Agile Working policy to help attract new entrants to the firm and make a positive difference for existing employees – particularly those with personal or family commitments, many of whom are women. This may not have an immediate impact on our gender pay gap, but it should make a positive difference to gender equality.