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SHEPHERD AND WEDDERBURN

# 2021 Gender Pay Gap Report



# 2021 GENDER PAY GAP REPORT



**Gillian Carty**

Partnership Chair, Shepherd and Wedderburn

Once again this year, we have continued to implement our People Strategy. As the firm's Partnership Chair, I have been proud to sponsor our People Strategy at Board level and to shine a spotlight on the various initiatives we are undertaking, with gender-focused initiatives a key priority.

**We are committed to fostering a supportive and inclusive culture because we believe our clients, colleagues and business are best served by a diverse workforce, with the multiplicity of experiences, ideas and perspectives this brings. Our objective is to support the development of all colleagues to fulfil their potential.**

Our Gender Focus Group has continued to work on projects designed to enhance opportunities for women across the business. I am pleased to see the investment we have made in colleague development through our mentoring and Emerging Leaders programmes has resulted in an increased proportion of female promotions this year, with women accounting for 53% of our internal promotions over the last year and 80% of colleagues who will be promoted to partnership with effect from 1 May 2022.

We recognise that in our firm, and across the wider business community, there is more work to be done to address the gender pay gap but these promotions are a tangible example of the progress we have made.

Other work over the past year has included:

- Continuing to implement our Board-approved strategic diversity and inclusion plan.

## Emerging Leaders

Shepherd and Wedderburn's Emerging Leaders Programme aims to ensure colleagues at critical stages in their career path are given every opportunity to develop key skills to unlock their promotion potential. Following the success of the pilot in 2019, we embarked on a second two-year programme in 2021, with female colleagues accounting for over 55% of delegates on the two cohorts.

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*“The Emerging Leaders Programme played an invaluable part in my progression to the role of HR Director. It provided training in key areas such as influencing and leadership, and a platform to put these skills into practice and enhance my profile across the business. Continued investment in programmes like this will undoubtedly help women throughout the business take on more senior roles, which will have a positive impact on the gender pay gap.”*



**Lucy Cochrane**

Senior HR Business Partner  
(HR Director from May 2022),  
Shepherd and Wedderburn

- Developing a career pathways document that clearly articulates the progression opportunities available to our solicitor colleagues, the promotion process at different stages in the career ladder and advice for candidates on how best to prepare for seeking promotion, with a view to ensuring more effective career management discussions.
- Embedding our enhanced colleague family leave and pay provisions, and enhancing the leave arrangements for our partner colleagues to ensure these match those of our employed colleagues and do not act as any disincentive to seeking promotion to the partnership.
- Through consultation with our colleagues, developing our approach to agile working post-pandemic. We have also profiled a number of flexible working arrangements agreed with senior colleagues to seek to address any misconceptions that part-time or flexible working arrangements operate as a barrier to promotion.
- Running events to profile the work of our Gender Focus Group. In March 2022, more than 240 delegates joined us for a virtual panel session to celebrate International Women's Day, which explored the impact of imposter syndrome. Last year, we ran an 'Over the Bloody Moon' session, to raise awareness of the impact of the menopause and highlight ways in which employers can support colleagues through what can be a very challenging transition.
- Continuing our learning and development programmes, including unconscious bias and inclusive leadership training sessions for all partner, director and manager colleagues; our structured mentoring programme led by trained internal mentors; and our reverse mentoring programme for senior leaders and Board members.

**My fellow Board members, partners and I are committed to continuing to build on the progress we have made as we recognise that more needs to be done.**

## Mentoring

Our structured mentoring programme, which is delivered by fully trained internal mentors, supports senior colleagues to develop their careers and maximise their potential. A number of our senior female colleagues have benefitted from the programme, including Vikki Henderson who shares her experience below. Vikki took part in the firm's mentoring scheme and was promoted to Legal Director in our Edinburgh and Aberdeen property team on 1 April 2021.

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*"I participated in the firm's mentoring programme and was paired with a female partner from another division within the firm. The mentoring programme has allowed me to build on the discussions and personal development I undertook as part of my involvement in the inaugural Emerging Leaders Programme, and to have an open discussion about potential future paths, both professionally and personally. My mentor provided an outside, but informed, perspective, and has proved invaluable in being someone I can bounce thoughts and concerns off, leading to me to seek out further opportunities."*



**Vikki Henderson**  
Legal Director,  
Shepherd and Wedderburn

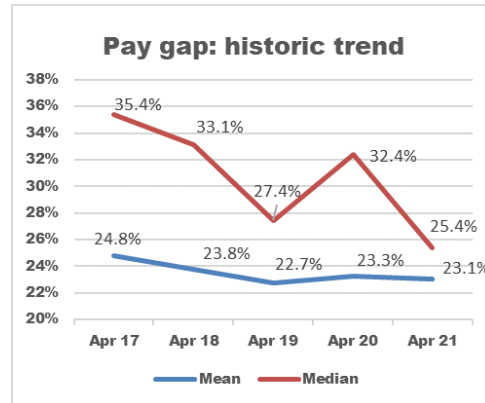
Having analysed the figures underlying our pay gap, we are confident we pay all our colleagues fairly, regardless of gender. Our gender pay and bonus gaps can be attributed to a number of factors including:

- Our legal support functions are delivered by colleagues employed by the firm within our management services division (rather than outsourced), with a high proportion of female colleagues undertaking those roles.
- The proportion of higher-earning female colleagues who use our bonus sacrifice scheme to enhance their pension planning arrangements. For the purposes of this report, bonus information needs to be reported after taking account of any bonus sacrifice arrangements.
- The number of former partners who have been retained by the firm in senior consultant roles following their retirement from the partnership.
- The firm's support of the modern apprenticeship scheme where we had a high proportion of female apprentices.

Prior to the reporting date of 5 April 2021, Shepherd and Wedderburn comprised two corporate entities – a service company and an LLP. Our service company, which is a reportable entity, employed 99% of our colleagues. A small number of former partners had, for historical reasons, been employed by the LLP, which fell outwith our statutory reporting obligations. With effect from April 2021, we took the administrative decision to merge the LLP and service company, creating a single employer for all colleagues.

Following the completion of the merger, we have reviewed the progress we have made in relation to our gender pay gap. We believe that reporting the trend on both median and mean pay gap from 2017 to date, as if we had been reporting on the merged entity throughout this period, provides a more

accurate baseline against which to measure our progress. This is shown in the graph below.



Above: the historic trend of the gender pay gap at Shepherd and Wedderburn if we had been reporting for the merged entity (LLP and service company)

While challenges undoubtedly remain, we are pleased to be able to demonstrate a narrowing of the gender pay gap over the period since the introduction of statutory reporting.

The gender pay gap is calculated in two ways: the mean (the difference between the average of male and female colleagues' hourly pay) and the median (the difference between the midpoints in the ranges of male and female colleagues' hourly pay).

Turning to our bonus gap, we believe the proportion of individuals receiving a bonus is impacted by the fact that there was no across-the-board bonus awarded in this particular reporting period (6 April 2020 to 5 April 2021).

Furthermore, the mean figure is impacted by the proportion of higher-earning female colleagues engaging with our offer of bonus sacrifice (as set out above). If we were to calculate the bonus gap information without the bonus sacrifice impact, the mean would be 25.5% and the median bonus gap would be 6.1% (as opposed to 32.8% and 14.4% respectively, as reported below).

We have also undertaken a separate analysis of our partner data. Here we saw a difference between gross hourly earnings for all male and female partners of mean 28.9% and median 50%. With the increase in the proportion of female colleagues progressing to partnership we expect to reduce this gap over time but we recognise this will continue to require a concerted focus from the Board and on the various initiatives set out above.

**The process of our gender pay gap reporting has continued to be instructive and is informing current and future initiatives to advance gender equality, increase transparency and further enhance the inclusive culture that underpins our success.**

**We are wholly committed to building on the progress we have achieved.**



**Gillian Carty**  
Partnership Chair, Shepherd and Wedderburn

I confirm the data reported here is accurate.

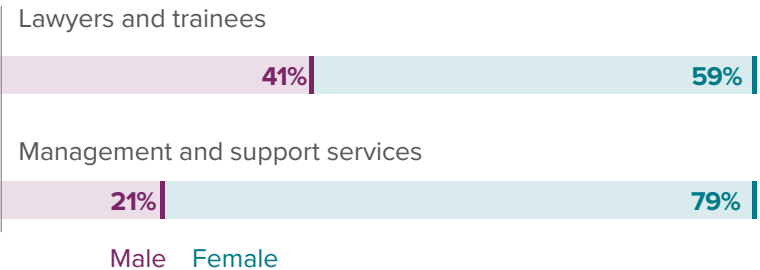
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## STATUTORY REPORTING

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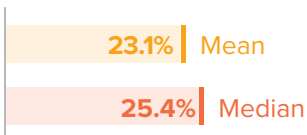
## Colleagues



## Pay data

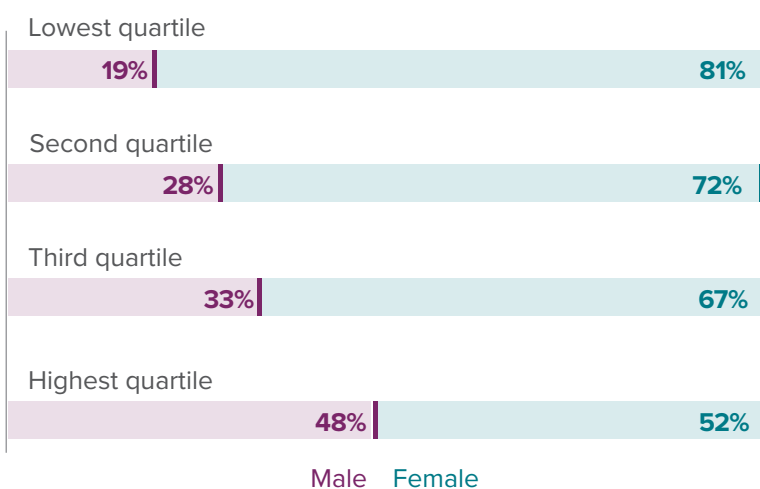
### Hourly rate of pay

Difference between gross hourly earnings for all men and all women



### Pay quartiles

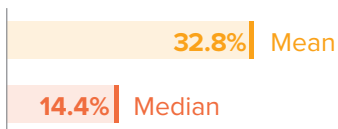
Proportion of men and women in each of the four pay quartiles:



## Bonus data

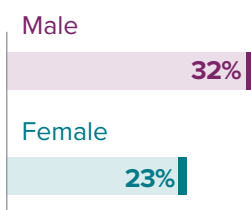
### Bonus pay gap

Difference between bonuses paid to men and women



### Proportion of staff receiving a bonus

Proportion of male and female colleagues receiving a bonus payment:





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