

Gender Pay Gap Report

2022

NPL 

National Physical Laboratory



Foreword

At NPL, we believe that diversity and inclusion is critical to our vision to deliver extraordinary impact from our excellent science and engineering as an exemplary National Laboratory. We are a proud employer of a diverse and inclusive workforce and diversity and inclusion is firmly embedded within our organisational values. This is the fifth time we have published our gender pay gap, providing the opportunity to reflect on the impact of our actions.

I am pleased to see our overall gender pay gap reduce this year, as a result of many contributing factors, such as increases in the proportions of women joining our organisation, an increase in those receiving exceptional performance ratings, and being successful in our promotions process. The extent of the improvement this year can be predominantly attributed to a targeted pay intervention in 2021 following an external review of market trends, which had a disruptive impact across the calculation. While this intervention was not solely designed with a gendered lens, it is reassuring that our actions, in combination with others, are supporting our goal to close our gender pay gap.

Due to significant changes across the data set, the progress being made is somewhat difficult to track, and achieving a step change in the representation and distribution of women across our organisation will take time. While there has been some incremental progress year on year, in 2022 NPL successfully renewed our Institute of Physics Juno award for gender equality, giving us the opportunity to reflect on our progress over a longer time scale.

Reflecting over a 5 year period, we demonstrated to the Juno assessment panel that we had moved forward in many areas across the schemes principles. Highlights included our progress in increasing the representation of women at senior levels and praise for our commitment to and diversity of training available. While not always apparent in our gender pay gap analysis, our organisation is changing, and my thanks to our staff-led Juno Committee for their work preparing our submission.

Despite this progress, we know that there is more to do, and the publication of our [Diversity and Inclusion Strategy](#) in 2022 sets out our goals, taking a holistic values-led approach across the organisation. We have set ourselves the aspiration to exceed stereotypical diversity trends within our sector, highlighting the underrepresentation of women and those from non-binary gender identities are a priority area.

We know that this can be hard to achieve in practice within STEM, making our outreach work and schemes to nurture and develop early career talent as important as our work in talent attraction. Our goal is to create a place to work where people feel valued for their unique contributions. As our Diversity and Inclusion strategy continues to evolve and mature, I am excited to see our work making a positive difference to our gender pay gap and equality and inclusivity within our organisation.



Dr Peter Thompson
Chief Executive Officer

What is gender pay reporting?

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.

Gender pay gap calculations are based on employer payroll data drawn from a specific snapshot date each year and any fluctuations between reports are not included. This report shows the findings based on the gender pay gap analysis on **5 April 2022**. We have also included 2021 data to show a comparison.

Gender terminology:

While the gender pay gap legislation and associated calculations use the gender terminology male/female, when referring to NPL colleagues and associated activities, the terms women/men are used.

Headline figures

Gender pay gap data sets out the difference in average pay of all women compared to the average pay of all men within the organisation. Calculations are based on gross pay (after salary sacrifices). A positive figure indicates a pay gap in favour of men and a negative figure indicates a pay gap in favour of women.

Calculations are based on the payroll snapshot as of 5 April 2022, which was 36.9% women and 63.1% men.

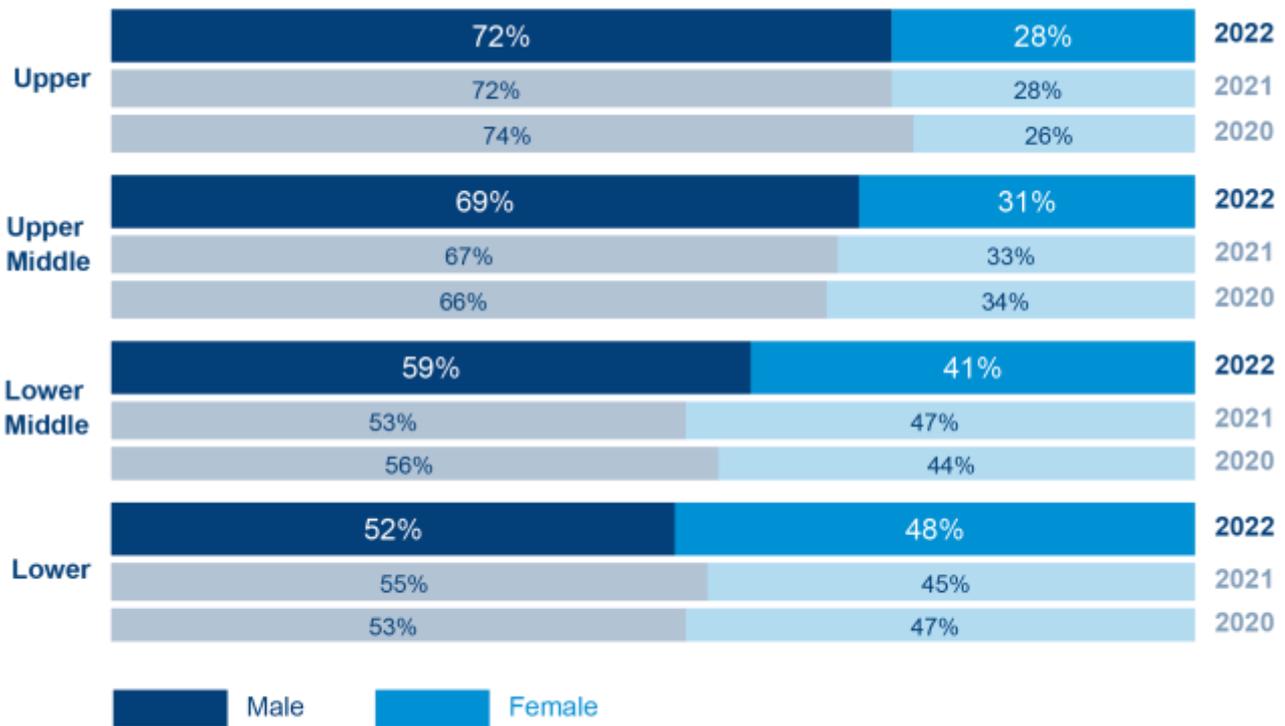
Overall median and mean gender pay gap, and bonus gap:

	2021	2022
Mean gender pay gap in hourly pay	11.98%	10.08%
Median gender pay gap in hourly pay	17.42%	11.92%
Mean gender pay gap in bonus	27.90%	27.86%
Median gender pay gap in bonus	26.59%	0.0%

In 2022, the mean gender pay gap decreased by 1.9% and the median pay gap decreased by 5.5%.

The proportion of men and women in each pay quartile

To calculate quartiles, we have listed the pay rate of all workers included in the snapshot, from lowest paid to highest paid, and divided this list into four quartiles. The gender distribution across quartiles can be seen in the graphic below, which highlights that women are under-represented in the upper and upper middle quartiles and overrepresented in the lower middle and lower quartiles when compared with the overall NPL population.



Key contributing factors

Progress on reducing our gender pay gap in this report, is due to several contributing factors, but can predominantly be attributed to a targeted pay intervention in 2021 following an external review of market trends. While not the sole focus of this activity, it had a disruptive impact on the gender pay gap outcomes and distributions by quartile.

Due to the pay intervention, there has been a shift in all quartile ranges, having a particular impact in the lower middle quartile (+6% increase in proportion of men). While distribution in the upper quartile has remained at 28% women, this population has not remained static, with movement of women into the upper quartile counterbalancing those moving out via attrition. Increased representation of women in the lower quartile is also influenced by more women in our apprentice cohort (+31.6%), sandwich course students (+50%) and the introduction of our kick-starter scheme, all opportunities for us to focus on a gender balanced future talent pipeline.

The difference between the mean and median pay gap has reduced, but is still present, influenced by the proportion of women in the organisation and their distribution. Since the last snapshot we have had a net gain in the number of women within the organisation, but a decrease in the proportion of women in the snapshot (-1.4%) due to an expansion in headcount.

Owing to a methodology adjustment, our employee values awards scheme has now been incorporated into the calculation, creating some variations in bonus data when compared with last year. From April 2021-April 2022, of all employees, 59.9% of women and 48.9% of men within NPL received a bonus during this period.

The mean bonus pay gaps remain in line with our 2021 report, while the median reduces to 0%. This is due to the incorporation of values awards, which have a range of set values and are awarded broadly in line with our population distribution, but with a higher proportion received by women (+4.8%). Continued differences in mean bonus gap are influenced by more men in senior roles.

In 2022, we continued to monitor performance and the appraisal processes, noting a higher proportion of women receiving exceptional ratings (+2.6%), as with last year. However associated payments occurred after the reporting snapshot date, so do not influence this year's calculation.

What are we doing to address our gender pay gap?

In our previous reports, we have identified four key focus areas for achieving a representative workforce and reducing our gender pay gap. Our progress in each of these up until the 5 April 2022 is provided below.

Attracting diverse talent to science careers

As a science-based organisation, the impact of gender balance across Science, Technology, Engineering and Mathematics (STEM) continues to influence our own organisation, along with others in our sector, and consequently the available talent pools. We continue to take steps to support change within our own organisation, but also remain committed to supporting and promoting awareness of STEM and inspiring future generations of NPL scientists and researchers.

NPL's Outreach programme is in its 14th year of operation. It supports us to connect with potential talent from diverse backgrounds and experiences and engage with girls and young women to help inspire their continued interest in STEM subjects. As an example of our work, in 2022 to celebrate World Metrology Day, 4,520 students from 95 schools attended assemblies comprising of careers and/or science talks, virtual lab tours and a hands on workshop. Aligned to our activities related to COP26, over 200 students entered our Climate Change poster Challenge and 19,324 people attended associated assemblies and workshops.

We have a NPL cohort of Science ambassadors, who act as role models, highlighting the diversity of careers available within STEM and the people that undertake them. Over the reporting period, 49% of science ambassadors doing our outreach activities were women.

Attracting and selecting diverse talent at NPL

We are committed to attracting diverse talent to work at NPL, in 2021, 41% of placements were women, and this remained stable from January to April 2022. Over the snapshot period, a further 50 people completed our 'selecting the best' training, which focusses on removing bias from the recruitment process through objective, consistent, valid and relevant recruitment processes.

We continue to make adjustments to our recruitment processes to ensure equal opportunity and encourage diverse applicants. We have continued our partnership with Vercida.com, diversity and inclusion recruitment experts, and piloted a project on job advert linguistics, aimed at reducing potential barriers and enhancing the diversity of job applicants. During this period we removed questions about previous salaries from our application processes having considered research on the negative impact for underrepresented groups, and added statements on hybrid and flexible working to our adverts.

We also created new routes into a career at NPL, participating in the Kickstart Scheme, which supports 16-24 year olds who are at risk of long term unemployment.

We continue to select diverse talent from our internal talent pool. In 2022, 31% of total promotions were awarded to women, with success rates remaining high, however this process concluded after the snapshot period so is not captured in the data presented. In this round we noted a drop in the proportion of applications from women, however when accounting for a higher proportion of applicants from our Science and Engineering directorate it was representative of the gender balance at the time.

Developing and supporting diverse talent within NPL

Investing in people is a key part of our strategy to achieve our organisational goals. We remain committed to supporting individuals to develop and progress their careers at NPL.

We annually review the distribution of performance ratings by gender (alongside other characteristics), to ensure an equitable process and inform continual improvement in our performance processes. We continue to raise awareness of and reinforce process changes to manage unconscious bias and encourage a culture of polite challenge in our validation panels.

We support all staff in developing skills and progressing their careers, but do have a number of initiatives which seek specifically to support gender equality. In 2022, we ran our second Navigator Programme, a work and personal development programme for men. The course continues to receive positive feedback for its cohort experience and creating an open environment to share and discuss topics.

Over this period we have also introduced new courses on impact and visibility at work and overcoming self doubt for all staff. The gender balance across each has been between 53% and 64% women respectively.

Enabling a diverse workforce to excel



Improving employee diversity and championing an inclusive environment and culture is a priority for NPL, firmly embedded within our 'Nurture & Respect' organisational value. Through our diversity and inclusion activities we seek to raise awareness of how experiences of the workplace can differ by gender. In 2022, we ran an internal campaign for International Women's Day on gender bias, exploring the unconscious biases that impact women and the impact of gendered biases in research.

NPL holds a number of diversity and inclusion accreditations, including Practitioner status as part of the Institute of Physics Project Juno scheme, which recognises action taken to address the underrepresentation of women in physics and encourage better practice for men and women.

In 2021, we undertook a comprehensive review of our activities in gender equality since 2017, to inform our application to renew our Juno accreditation. In April 2022, we were awarded Practitioner status and received positive feedback from the assessment panel, who noted that we have "moved forward in many areas across the Juno principles". Our recently refreshed Juno Committee and associated action plan will help us to continue to progress our activities as we seek to move towards Champion status.

Over this period we have also continued to implement a hybrid working model for staff, allowing greater home working and flexibility to deliver work differently. During the reporting period, we have reviewed how hybrid working is embedding across our organisation, and found it to be working well for most individuals. Greater flexibility over their work/life balance was highlighted as the biggest benefit in our hybrid working staff survey. NPL is committed to offering and enhancing flexible working options for our staff and we continue to utilise what we have learnt from our experience of the COVID-19 pandemic to enhance our future ways of working.

Our Commitment to the Future

As an employer, our people are crucially important to us and we want to create an environment where all employees thrive and have equal access to opportunity regardless of identity, background, or circumstances. Progressing our Diversity and Inclusion strategy is a priority within our People Strategy and we continue to work to implement changes, big and small, to support us to reach our goals.

While we were delighted to make progress in closing our pay gap in this period, we also want to ensure that this continues. We will continue to use insights from the interventions that we have made to date to inform the actions we take in the future. Despite our progress, proportional representation of women across the organisation remains a challenge that we wish to address and we remain committed to this through both continual improvement and trialing new approaches.

Since this snapshot date, we have continued offering further training opportunities, deployed new approaches and improved policies and introduced mechanisms to attract diverse and future talent to NPL. It is our hope that these things and the continuous focus on Diversity and Inclusion will bring ongoing positive change to NPL so we reduce our gender pay gap even further next year.



Jodene Young
HR & Change Director





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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', written in a cursive style.

Dr Peter Thompson
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'J. Young', written in a cursive style.

Jodene Young
HR and Change Director