

REPORT

# Gender and ethnicity pay gaps

Shoosmiths Pay Gap Report 2020

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# An update from Simon Boss, CEO of Shoosmiths LLP:

**In this report we again publish our employee and partner pay gaps which relate to gender, and to ethnicity. This includes the mandatory, employee gender pay gap, but it also includes a substantial amount of voluntary data. It is important to us as a firm that we continue to publish, and analyse, this data every year.**

Given the unique circumstances of 2020, the employee gender pay gap figures which we have submitted, and are published here, do not include data relating to those colleagues who were on furlough leave (in accordance with Government guidelines) on the snapshot date – but we have analysed our data both ways i.e. if Covid-19 hadn't happened, for completeness and so that we understand the impact that the situation could have had (see 'note on furlough').

Our gender pay gap has not moved in the direction that we would have hoped. We also continue to focus on our ethnicity pay gap reporting. It is clear we need to keep pushing harder for progress.

As we referred to in our 2019 report, the predominant cause of the gender and ethnicity pay gaps is underrepresentation in the most senior positions in our firm – an issue which we, and the legal profession need to address as a matter of urgency.

We will also need to look even more closely at the horizon in the next five to ten years; as we now have several years of data to compare, we are in a much better position to identify the trends behind the data and therefore take the most appropriate courses of action.



We know that we need to continue to build on efforts we have noted to date, and below is an update from the past year:

- We have introduced a mandatory e-learning module on unconscious bias for all employees (including Partners) – this forms part of a wider programme.
- Our LeanIn Network has been rebranded as Balance, and we have grown its membership; the network champions the importance of gender balance at Shoosmiths (and in the wider legal sector), and achieving balance and wellbeing in our working lives.
- We are part way through our second cohort of High Performing Women, our signature programme to advance women in the Partnership, and identify any barriers to progression.
- We have introduced a new working families hub on our intranet; including links to relevant policies, webinars, and internal and external resources.
- Employees have established the Embrace network, which celebrates the culture and heritage of all individuals at Shoosmiths. It champions building a stronger community by understanding and respecting the unique and shared facets of all colleagues.

- The firm has become a corporate member of Black Solicitors Network, and has committed to being one of the law firms participating in the #10,000 Black Interns initiative.
- We have launched a reciprocal mentoring programme, which in the first instance pairs members of the senior leadership team with members of our employee-led inclusion networks. This programme is part of a wider set of Board driven **diversity and inclusion actions**, which will also see the development of a Shadow Board.

As we come through this pandemic, we will also need to ensure that our business adapts in such a way that diversity is represented across all levels of our organisation. Research from an increasing number of sources suggests damaging long-term implications of the pandemic on the diversity of workforces across the country (to give one example, although there are many, the impact of remote working on women in the legal sector).

**It will be crucial for us to put inclusive working practices at the heart of our business strategy and future planning. We cannot allow these challenges to adversely affect the firm's efforts to date, if we are to ultimately reduce our pay gaps, and achieve our wider ambitions for diversity and inclusion at Shoosmiths.**

# Gender pay gap report

Employee Gender Pay Gap			
2020		2019	
Mean	Median	Mean	Median
22.00%	31.71%	18.59%	26.53%

Employee Bonus Pay Gap			
2020		2019	
Mean	Median	Mean	Median
45.35%	-29.76%	28.53%	15.50%

**Inside the data:** Typically, Shoosmiths' bonus data is composed of universal 'flat-rate' type bonuses, such as birthday vouchers.

Partner Gender Pay Gap			
2020		2019	
Mean	Median	Mean	Median
8.56%	27.80%	10.56%	15.33%

Partner Bonus Pay Gap			
2020		2019	
Mean	Median	Mean	Median
48.28%	12.06%	30.01%	5.69%

**Inside the data:** The primary factor which impacts our partner pay gap – both mean and median – is the tiered structure within our partnership model. Read more about what we're doing in the update on page two.

All Gender Pay Gap			
2020		2019	
Mean	Median	Mean	Median
39.70%	38.17%	39.15%	37.27%

All Bonus Pay Gap			
2020		2019	
Mean	Median	Mean	Median
87.26%	15.51%	79.10%	27.71%

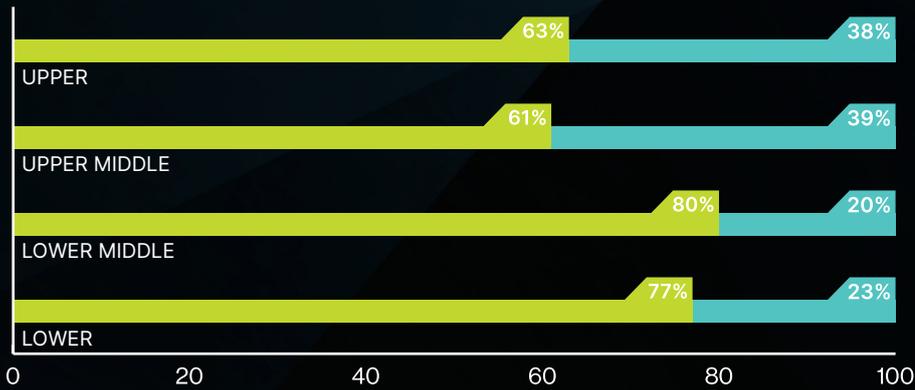
**Inside the data:** When looking at employee and partner pay gaps together, the range of salaries in that data set means that, whilst it's important that we include in our reporting, analysing the figures within the two populations separately gives us more insight into where trends are occurring.

## Pay quartiles

KEY:

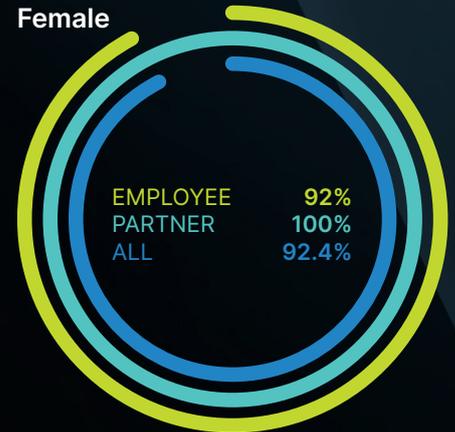


### Employees

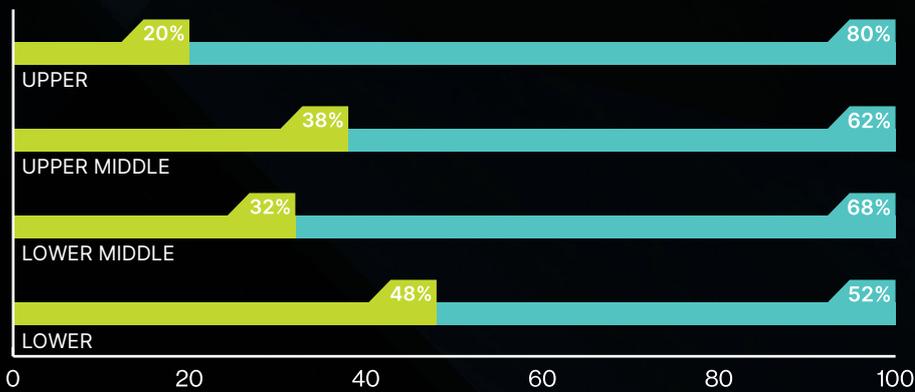


## Proportion receiving a bonus:

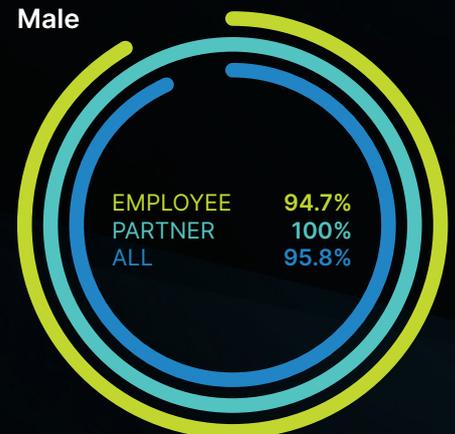
### Female



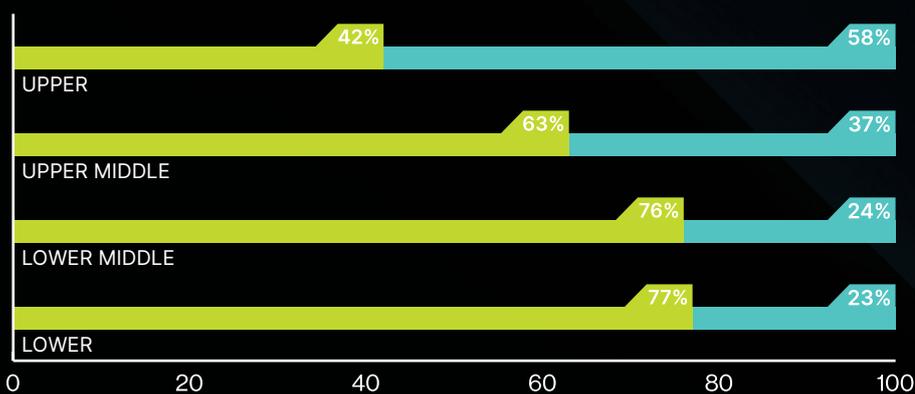
### Partners



### Male



### All



# Note on furlough

Based on Government guidance, the employee gender pay gap data included in this report does not include those employees who were on furlough on the snapshot date.

We have however, still undertaken internal analysis of what the gap would have been if Covid-19 – and furlough – hadn't happened. We found that although it didn't have a huge impact, the gap would have been slightly more; there are more female employees in the lower quartiles, and the furloughing measures affected those groups more than those in the higher quartiles. This is useful for us to know; reiterating what we know – and need to address – in relation to the decreasing representation of women as you move through the organisation into leadership roles.

## Ethnicity pay gap report

Employee Ethnicity Pay Gap			
2020		2019	
Mean	Median	Mean	Median
20.95%	29.95%	21.66%	19.95%

Employee Bonus Pay Gap – Ethnicity			
2020		2019	
Mean	Median	Mean	Median
53.03%	36.70%	33.08%	27.27%

Partner Ethnicity Pay Gap			
2020		2019	
Mean	Median	Mean	Median
-8.01%	-17.00%	-0.43%	2.21%

Partner Bonus Pay Gap – Ethnicity			
2020		2019	
Mean	Median	Mean	Median
-25.27%	-1.54%	13.95%	-15.99%

All Ethnicity Pay Gap			
2020		2019	
Mean	Median	Mean	Median
30.52%	37.42%	31.23%	28.41%

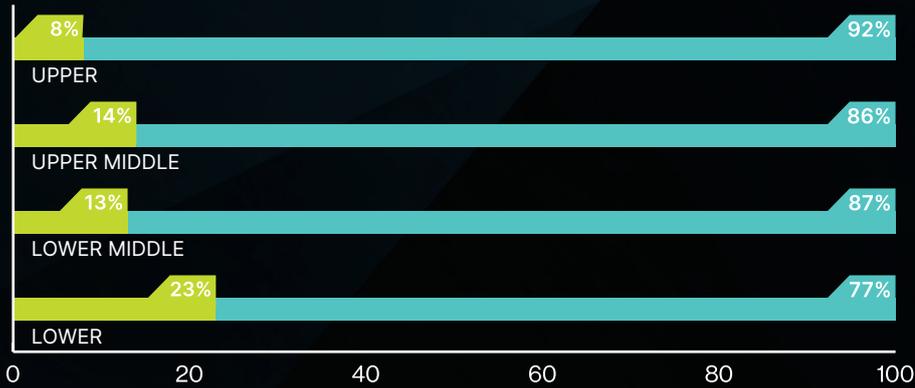
All Bonus Pay Gap – Ethnicity			
2020		2019	
Mean	Median	Mean	Median
57.24%	39.31%	62.50%	30.46%

## Ethnicity pay quartiles

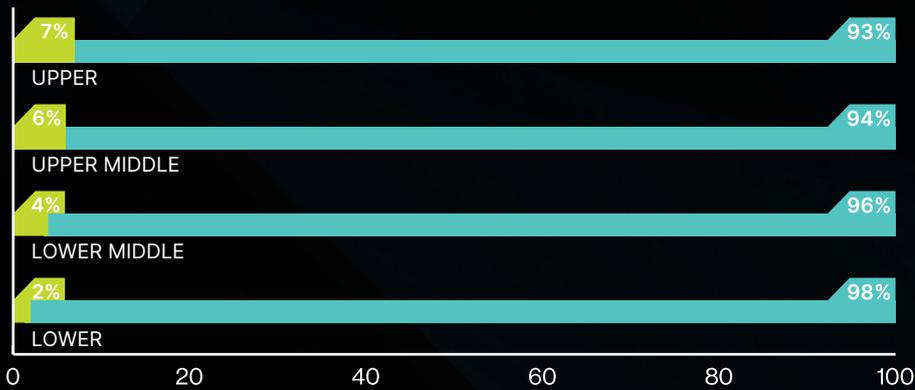
KEY:



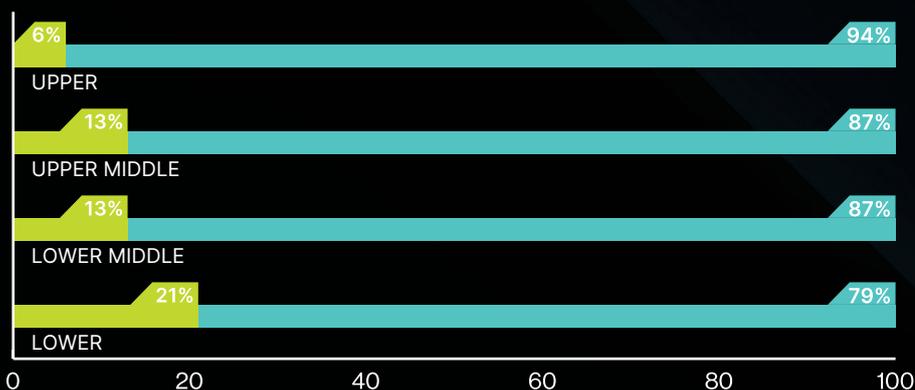
### Employees



### Partners



### All



## Proportion receiving a bonus:

### BAME



### White



We regularly review data categories to enhance the quality of our reporting; in this year's report we have published 'White' (rather than 'White British'), and 'BAME'. (This means that year-to-year data will not always be comparable).

We want to make sure we are up to date on best practice and use of terminology, so will continue to update our data categories e.g. when recognised alternatives to 'BAME' are available.



# Our approach to diversity and inclusion

At Shoosmiths, we rely on our team to perform at their best and deliver results for our clients. We realise that we can't achieve this without a clear commitment to diversity, inclusion, and wellbeing. Learn more about our approach, and get in touch with our team, on our [website](#).

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