2023

The Gender pay Gap Guide

Key Insights to act in the EU & UK





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Introduction

Women make up half of the population on the planet, and over the years, many efforts have been made to ensure they have equal rights.

Events have been held on International Women's Day to campaign for progressive change for over 100 years. The principle of equal pay has been enshrined in the European Treaties for more than 60 years.

The UK has mandatory gender pay gap reporting requirements, and the EU will soon follow, with the introduction of the new EU Pay Transparency Directive.

However, despite these measures – and the fact that according to 50inTech, tech companies with greater gender diversity outperform by 15% – there is still no gender parity in the tech industry in Europe.

Start-ups are making marginal gains, but it is not enough.

This guide looks at the latest data from Figures on the gender pay gap that exists in start-ups across Europe. Key highlights can be found below.

It also discusses complementary research commissioned by 50inTech, which looks at how women in tech feel about their salaries, and what they are asking companies for going forwards.

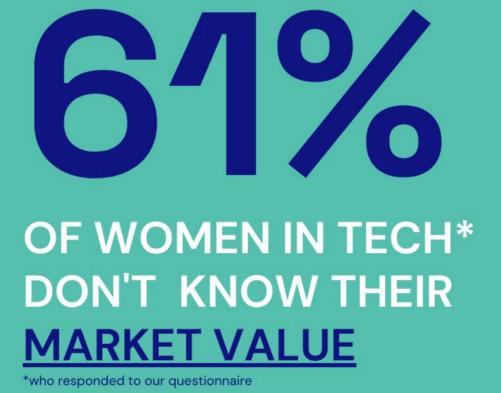
But that's not all. To help companies take action, and change for the better, this guide also highlights:

- best practices that companies can follow to end the gender pay gap
- insights from case studies of real European tech companies leading the way

Want to get involved? Keep reading to find out more.

Key highlights

- The average unadjusted pay gap across tech companies in Europe is 19%
- The average adjusted pay gap is 1.6%, with one third of jobs having a gap of more than 2% ifo men
- Of the countries reviewed, the UK is the worst offender (with gaps of 26% and 2.2%)
- Over 60% of women at European tech start-ups don't know their value (this figure rises to 92% of German women in tech)
- Nearly one-third of women in mid-level roles feel they are being underpaid by at least 20%
- 7% of women in tech will not apply for a role if the salary is not listed on the job description
- 83% of women in tech want salary details in the job description



Source: 50inTech survey, 2023

State of the gender pay gap in Europe

Figures collects live compensation data from 1,000+ tech start-ups and scale-ups across Europe. This analysis looks at both the adjusted and unadjusted gender pay gap.

Before we dive into the stats - some definitions!

Definitions

Adjusted gender pay gap

Comparing the salaries of men and women who hold the same role, with an equivalent level of seniority, in the same location. On average, there should be no gap between wages.

Compensation

The total base salary + fixed income + on target earnings.

Europe

Includes the United Kingdom as well as several countries across the EU, with data primarily collected from France, Germany and the Netherlands.

Unadjusted gender pay gap

This compares the salaries of men and women regardless of their roles and location. These criteria can be representative of many gender equality issues that aren't necessarily directly due to salary discrimination, like the glass ceiling effect that contributes to the lower representation of women in higher-paying roles.

Overview of data analysis

To generate the insights outlined here, Figures analysed more than **75,000 data points** collected in February 2023 from across Europe.

To calculate the adjusted gender pay gap, Figures took three steps:

- Step 1: Figures identified the median compensation income earned by men and women for each role (considering job, level and location).
- Step 2: Figures used this formula as recommended by the OCDE to calculate the difference between the two [(median men income – median women income) / median men income].
- Step 3: To get an overall adjusted gender pay gap rate, Figures calculated the weighted average of the differences.

Summary

Although some progress has been made, it is very slow and there is still a significant gender pay gap (both adjusted and unadjusted) in the tech industry in Europe.

It's clear that more action is necessary!

Unadjusted gender pay gap results

Figures found a **gender pay gap of 19%** in favour of men in the tech industry across Europe and the UK. This means that for every €1 men in tech earn, women earn 81c.

The figures vary across the individual countries analysed by Figures. In the UK tech industry, the gender pay gap was 26%. It was less in Germany (22%), the Netherlands (20%), and France (who came in at 15%, and below the European average).

This is a slight improvement on the figures for last year; with the UK tech industry reducing its gap by 4 points, and the tech industries in Germany and France reducing their gaps by 1 point- see more <u>here</u>.

The gender pay gap cannot be explained by **participation** alone, with French start-ups employing less women than those in Germany and the Netherlands (39% vs 44% and 43% respectively), but still achieving a lower gender pay gap.

Where are the women?

By digging into the data, we can see some clear trends. Although not breaking news, in the chart below we can see that as the levels advance, we find less and less women. Starting with 51% of women at the Junior Level compared to a low 16.5% of women at the C-Level. This is one of the reasons for the high unadjusted pay gap.

Part of Women per level

Level	France	Germany	United Kingdom	Netherlands	Overall
JUNIOR	49,3%	52,4%	52,2%	55,1%	51,0%
INTERMEDIATE	41,2%	49,1%	43,2%	47,6%	43,3%
SENIOR	32,1%	35,0%	33,9%	35,7%	32,7%
STAFF	22,2%	25,9%	25,3%	21,6%	24,4%
TEAM_LEAD	37,0%	38,3%	43,4%	39,0%	38,8%
HEAD_OF	37,5%	33,9%	37,7%	36,6%	36,6%
VP	33,3%	26,9%	38,9%	27,5%	32,7%
C_LEVEL	17,1%	15,0%	16,5%	19,8%	16,5%

Source : Figures, 2023

Certain job families see lower gender pay gaps. Interestingly, when Figures analysed the data by job family, they observed an (imperfect) correlation between the share of women in the job family and the reduction of the gap.

In other words, generally, the more women employed in the job family / function, the lower the unadjusted gender pay gap. Consequently, the job families with the fewest women also saw the largest gaps.

Unadjusted Gender Pay Gap by job family & country

Country	France		Germany		United Kingdom		Netherlands	
Job Family	% Women	Pay Gap	% Women	Pay Gap	% Women	Pay Gap	% Women	Pay Gap
Customer Support	63,2%	4,5%	63,9%	6,8%	60,5%	3,7%	62,0%	-2,2%
Data	23,8%	5,7%	30,1%	10,2%	32,0%	12,7%	24,0%	12,0%
Finance	52,8%	19,4%	54,6%	16,1%	47,4%	26,5%	40,3%	10,8%
General Administration	88,8%	-2,7%	80,8%	8,2%	80,5%	-15,6%	70,0%	2,8%
Legal & Compliance	66,1%	-4,0%	51,8%	13,0%	58,1%	14,3%	62,8%	-2,6%
Marketing/Growth	61,3%	8,2%	62,4%	12,1%	61,3%	16,4%	59,2%	9,3%
Misc	40,6%	25,0%	37,8%	24,0%	34,8%	23,8%	48,8%	21,2%
Operations	44,2%	18,0%	41,1%	11,9%	45,8%	2,5%	40,2%	10,7%
People Operations	79,0%	4,6%	80,7%	3,6%	76,2%	17,0%	83,2%	17,8%
Product & Design	44,8%	9,4%	43,2%	15,6%	43,7%	11,6%	45,1%	16,1%
Sales/Customer Success	46,4%	7,7%	37,3%	4,9%	40,6%	16,5%	39,8%	9,1%
Software Engineering	12,3%	12,1%	17,3%	13,3%	16,4%	20,0%	17,1%	12,1%
Correlation	-0,	52	-0,	43	-0,	53	-0,	24

Source : Figures, 2023

How does this data fit into the wider corporate environment?

National and EU wide comparisons

The gender pay gap in the tech industry in Europe is worse than the gap that has been found to exist across the EU as a whole.

The <u>latest statistics available from the European Commission</u> report a gap of 13% – a whole 6% pp less. Although this figure is for 2020, it's unlikely to have changed much as it saw a decrease of just 2.8% over the preceding ten years.

Start-ups perform worse on a national level too. The national pay gap in the UK and Germany is 14%, almost half of the size of the gaps seen among start-ups in these regions (26% and 22% respectively).

Start-up performance in the Netherlands is slightly better, with the national average just under a third less (13% compared to 20%). The gap in French start-ups (15%) is again closest to the national average of 11%.

Sector-specific data

The gender pay gap varies depending on the sector within which the tech companies analysed by Figures operate.

The real estate sector has the largest gender pay gap of 28% – which is nearly 1.5x more than the average. Fashion and luxury follows closely at 27%, with the next worst performer banking and insurance (at 23%).

The sectors with the lowest gaps are mobility (17%), advertising and media (both 19%).

Adjusted gender pay gap results

The gender pay gap is lower when the data is adjusted for role, level and location. However, these figures are no less shocking, considering the fact that salary/compensation discrimination is illegal in the UK and the EU.

Figures found an average adjusted gender pay gap of 1.6% in the European tech industry. The UK is again the worst performer (with a gap of 2.2%), with the Netherlands the best this time round (0.7%).

This is much better than the 5% Figures found for European start-ups in May 2022 but there is still work to be done.

One third of jobs had 2% or higher gaps in favour of men, compared to the one in ten jobs with a gap in favour of women (where the gap was never more than 1%).

Figures also found that the gap widens depending on the job role. Women Performance Marketing Managers, Account Managers and Customer Support Representative Managers are all the worst off. On average they respectively earn 7.2%, 6.7% or 6.5% less than their male colleagues.

10 biggest & lowest gaps by job (across Europe)

10 BIGGEST GAPS					
Job	Adjusted Gender Pay Gap				
Performance Marketing Manager	7,5%				
Account Manager	7,0%				
Customer Support Representative Ma	6,7%				
Talent Acquisition Specialist	6,2%				
Sales Manager (Team Manager)	5,2%				
Partnership Manager	5,1%				
Admin Assistant	4,0%				
Financial Analyst	4,0%				
Product Manager	3,5%				
Project Manager	3,4%				

10 LOWEST GAPS				
Job	Adjusted Gender Pay Gap			
iOS Developer	0,1%			
Warehouse & Fulfillment Manager	-0,1%			
Android Developer	-0,2%			
Business Developer - B2C	-0,3%			
Data Manager	-0,4%			
IT Support / Technician / Helpdesk	-0,4%			
Accountant	-0,4%			
Field Sales Representative (B2B)	-0,5%			
Account Manager - SMBs	-0,8%			
Sales Development Representative (S	-0,8%			

Analysis

It's clear that there is much still to be done to achieve true gender parity.

The most obvious measure to reduce the pay gap is to eliminate all pay discrimination but the situation is more complex than just compensation.

Together with the variance within sectors and job families or roles highlights that there are many wider gender equality issues beyond direct salary discrimination that contribute to and influence the gender pay gap that must be addressed.

These include:

- biases and other types of discrimination
- sectoral segregation and stereotypes (overrepresentation of women in relatively low-paying sectors)
- work-life balance (and unequal shares of paid and unpaid work)
- the glass ceiling and obstacles to career progression.

These factors all affect the positions that women hold. For example, recent data from Figures – published by <u>Sifted</u> – has found that for every one woman in the C-suite of tech companies in Germany, France and the UK, there are six men.

This lack of representation in the C-suite significantly impacts what women earn, and drives the gender pay gap.

But it's not just representation at the executive level that is an issue. It is the positions that women typically hold when they're there too.

Often, women find themselves in a lower-paying role in the C-suite; counting for more than 85% of CHROs and 40% of CMOs, compared to just 5% of CTOs and 8% of CEOs which are, coincidentally, often the best paying roles.

So, how do women feel about this, and what actions can companies take to reduce their gender pay gaps?

How do Women in Tech feel, and what are they asking for?

To learn more about what can be done to reduce the gender pay gap in the European (including UK) tech industry, **50inTech** decided to speak to the women involved.

They conducted a survey of over 420 women in the 50inTech community (men have been removed from the analysis). The vast majority of respondents were based in Europe and included women from all job seniority levels, with methodology details of this guide.

Methodology

Population surveyed: 472 people interviewed. We asked them for the pronoun that corresponds to them.

- 91% of respondents perceive themselves as She/her (Female)
- 7.4% perceive themselves as He/Him (Male)*
- 1.6% prefer not to say

Locations:

- 95,24% Europe
- 1.6% Africa
- 1.1% North America
- 1.1% South America
- 0.53% Asia
- 0.53% Oceania

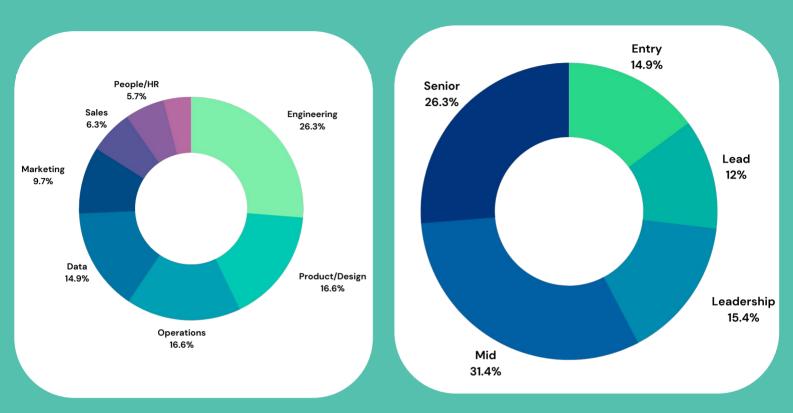
Job levels were categorised as follows:

- Entry-level = Junior (IC1) with 3 years or less of experience
- Mid-level = Intermediate (IC2) with 2-7 years of experience
- Senior = Senior (IC3) with 6-11 years of experience
- Lead = Expert (IC4) with 10+ years of experience
- Leadership = Lead plus management responsibilities

^{*}removed from analysis and survey results

Job role repartition of the survey respondents

Job experience repartition of the survey respondents



Source: 50inTech survey, 2023

The questionnaire was created and analyzed by the 50inTech team:

It includes a home page informing each participant of

- The purpose of the survey
- The anonymity and confidentiality of the answers given

Types of questions, this questionnaire includes several types of questions:

- Closed-ended ordinal scale questions (Not important to Very important)
- Closed-ended dichotomous questions (yes/no/don't know)
- Closed-ended questions asking for a ranking in order of importance

Data processing

The questionnaires were analyzed anonymously and were subject to computer processing in accordance with the French Data Protection Act of January 6, 1978. All the information obtained was cleaned and then processed and analyzed using Tableau software. This tool made it possible to obtain the results in the form of:

- Sectors for Boolean questions
- Histograms for the questions concerning the levels of satisfaction.
- Bars for the synthesis theme by theme.

Key findings from the survey

Women in tech lack awareness of their market salary value

More than 60% of women do not know their real market salary value considering their job, experience and location.

This figure is significantly higher in Germany, with 92% of German women responding that they do not know their market value. By comparison, the UK sits at 62% and France at 51%.

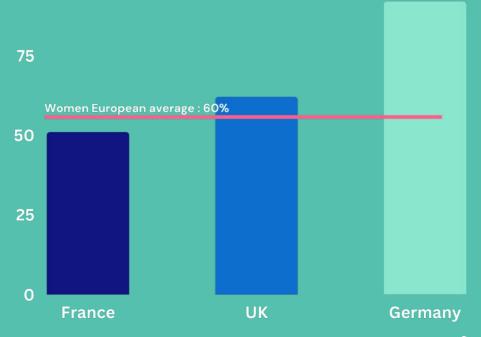
The majority of these women have multiple (4+) years of experience.

These statistics may go some way to explaining why Figures have found that women founders pay themselves nearly 25% less than their male counterparts (see the write up by Sifted here).

The substantial lack of awareness in German women in particular may also explain why a 2020 Honeypot survey found that they are near the bottom of the European tech salary rankings.

More generally, this lack of awareness is likely to contribute to how women feel about their pay.

10 biggest & lowest gaps by job (across Europe)

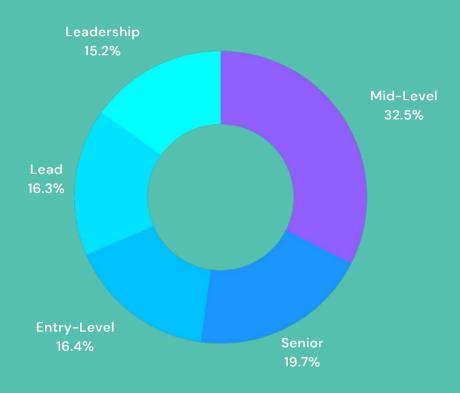


Women in tech feel underpaid

Perhaps unsurprisingly, a substantial number of women in tech feel underpaid as shown in the chart below :

- 32.5% of mid-levels
- 19.77 % of seniors
- 16.4% of entry-levels
- 16.3% of leads
- 15.2% of women at leadership level

Women in tech who feel underpaid by experience level



Source: 50inTech survey

Concerningly, in some categories, including mid-levels, just under a third of women feel they are paid at least 20% less than their pre-supposed value.



A lack of salary transparency stops women applying for new job roles

50inTech have also found that 7% of women in tech do not apply for a new role if the salary is not indicated.

Why? No salary indicator means that women will likely have to negotiate. They do not want to do this, primarily due to the lack of available information about their market salary value. This is bad for women and bad for companies too.

A lack of salary transparency also makes women extremely stressed when they are applying for a new role, with a further 36% of women saying they feel that way at the thought of negotiating, for fear of over or under-valuing themselves.

But it's not just the negotiation that puts women off:

"It's not about having to negotiate that stresses me the most, but having to "fight" for the appropriate salary is a massive tell to a company policy."

-50inTech survey respondent

What do women want?

The survey found two main needs or wants of women in tech.

Tools to understand their market salary value

50inTech asked women to select – from a list of predetermined options – the information or tools that would help them to understand their market salary value.

The top two tools that women chose were the inclusion of salary details on job descriptions offers (chosen by 83% of respondents) and a salary calculation tool (69%).

69%
OF WOMEN IN TECH*
WANT A SALARY TOOL
TO BENCHMARK THEMSELF

85%
OF WOMEN IN TECH*
WANT THE SALARY RANGE
IN EVERY JOB OFFER

Source: 50inTech survey

Beyond these two tools, other measures women would said they would find helpful were (in order of priority):

- A network for women in tech
- Mentorship
- Coaching session on negotiation and salary value
- Webinar on the subject

When job hunting, women want to see salary information and a salary transparency policy

50inTech asked women to rank – in order of importance – the compensation-related factors that they look for when they search for a new role. The top two factors were:

- Information on salary from the start of the hiring process
- A salary transparency policy

Conclusion

The study shows that a lack of salary transparency influences how women feel and value themselves. Increased salary transparency by companies – in many forms, including on job descriptions, via salary transparency policies – can help to:

- Attract more female talent in tech, and
- Improve engagement and retention of women in tech

More generally, it can also help to reduce the gender pay gap.

When it comes to the tools women need, 50inTech and Figures are answering the call. They have a new salary calculation tool for women in tech in Europe in development – with a launch imminent – so follow them on <u>LinkedIn</u> to never miss an update!

Women can also join 50inTech's latest mentorship programme and watch or participate in masterclasses on salary negotiation and more. For more details, see here.

Best practices to end the Gender Pay Gap

Now that you have seen the data, it's time to take action.

Keeping in mind that there is both the adjusted and non-adjusted pay gaps to solve, let's dive into three key steps that companies can take to end the gender pay gap.

Measure your company's gender pay gap

"As a basis for action, close and constant monitoring of the gender gap is a critical first step."

 Saadia Zahidi, Managing Director of the World Economic Forum (Global Gender Gap Report 2022)

You can't improve what you can't measure. That's why it's key for companies to implement and track goals to measure the effects of your company's actions. Without tracking information, how will you know whether you have implemented successful solutions or achieved gender parity?

How do you implement this step?

Although there are internal tools and strategies that companies can use to measure and improve on their gender goals. Many companies of all sizes refer to external experts to provide support:

- 50inTech's free Gender Score tool, which helps tech companies measure their level of gender inclusion to achieve faster gender equity.
- Figures' compensation platform, which will give you a precise and detailed overview of your gender equity index, and can measure salary gaps and other indicators.



Being transparent about your gender pay gaps – by publishing the information internally and externally – can also help to increase accountability and trust, which in turn will help reduce gender pay gaps.

In many countries, there is already mandatory reporting on gender pay gaps like in the UK. With movements sweeping from the United States over to Europe with the new EU Pay Transparency Directive, there will soon be no choice on the matter.

Take action to increase pay transparency

In a recent survey of their customer base, Figures observed that pay transparency correlates to lower adjusted and unadjusted gender pay gaps (more here).

There are many measures that companies can put in place to achieve greater pay transparency. These include:

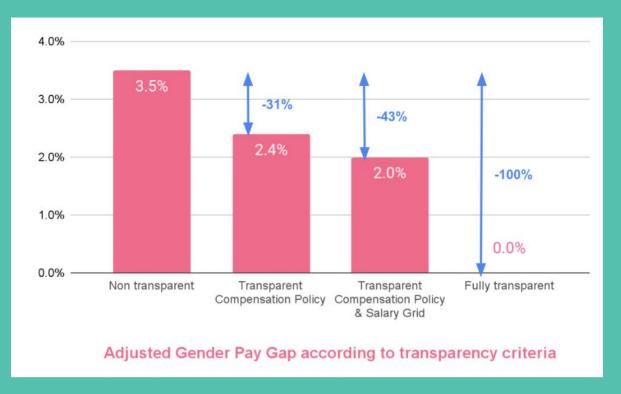
- Having a transparent compensation policy
- Using and publishing a salary grid
- Publishing individual salaries

Companies with full pay transparency (those who had implemented all the measures above) had no adjusted gender pay gap at all. This was more than three times lower than the companies with no transparency (who had an average adjusted pay gap of 3.5%). See graph on the next page.

These measures also reduced the unadjusted pay gaps of the companies surveyed by a third, with Figures finding a 15% unadjusted gender pay gap for fully transparent companies compared to 22% for non-transparent companies.

In the recruitment process, you can increase pay transparency by noting salaries or ranges on job descriptions.

Companies who have implemented these pay transparency measures are still relatively rare, but it is clear that they can be an effective way to ensure equitable pay.



Source: Figures, 2022

Why do the measures work so well?

Using a salary grid or metric to calculate a worker's salary means pay is based on objective criteria, which eliminates negotiation and bias.

This is the case at Preligens, one of our case study partners (learn more below), who have a 0% adjusted gender pay gap as a result. To ensure continued pay equality, they also:

- Ensure any pay rises are performance based, with the value of the increase again calculated using objective criteria
- Regularly review pay levels and gender pay gaps and adjust salaries if necessary

How can you build up a compensation policy or salary grid?

It can be difficult to get a salary grid right.

If this isn't your area of expertise, or you don't know where to start, consider hiring external help – for example from a compensation and benefits consultant – if you can afford to invest in it, suggests Hannah Sole, a Talent Acquisition Specialist at Preligens.

This will help you to ensure your salary grid is fair and equitable.

Alternatively, look to other tech start-ups leading the way on pay equality for inspiration! This is what Meilisearch did when they began to research and implement their own salary grid (ultimately choosing Buffer as their inspiration). Want to learn more?

You can have a look at Meilisearch's salary grid and transparency policy online. Making it publicly available was a conscious choice for the company:

"We hope that showing what we are doing in terms of diversity and pay gap might inspire others to do so too."

Morgane Neff, Head of People, Meilisearch

Improve recruitment and remove wider obstacles to progression

More women in higher level, better-paying positions is key to reducing the unadjusted gender pay gap. As well as being a mobility problem, it's also an attraction and retention problem.

We can see this from a recent analysis by McKinsey, which found that the percentage of tech roles occupied by women at tech / tech adjacent companies in Europe is just 25%. 50inTech also highlights that one in two women leave tech permanently after eight years.

So, what can tech companies do to get more women into the executive suite and tech more generally - and reduce the gender pay gap at the same time?

There are two main steps that companies can take:

- Improving the pipeline of women talent
- Smashing the internal glass ceiling and other obstacles to progression (including unconscious bias)

Let's look at the actions companies can take to achieve each of these objectives.

Improve recruitment practices to get more women into the talent pipeline

The "pipeline" issue of women in tech starts in childhood and extends all the way past retirement. Although a company cannot change the influences of children at home or in the educational field, they can support talent as they enter and grow in their careers. 50inTech's research has shown that one way to do this is to give women the information that they need to want to work / stay in tech.

Other recruitment tips include:

- Measuring the diversity of your candidate pipelines, and taking action to improve this, by sourcing candidates directly
- Conducting structured interviews with the same questions for all candidates
- Using objective scorecards to assess candidates
- Having a diverse interview panel
- Including questions on company values in an interview to ensure a good team fit and contribute to an inclusive culture

How can companies retain women talent, by removing obstacles to progression?

Ensure your company has clearly defined career paths, support internal mobility and introduce inclusive networking opportunities.

#1 Defined career paths, combined with transparent salary policies and salary grids, regular performance reviews and a focus on internal mobility will all help women progress and reduce the gender pay gap.

#2 Basing promotion on performance, rather than any other factor. Companies should also consider providing training to remove unconscious bias.

#3 Inclusive networking opportunities can also make internal mobility a more inclusive progress. Companies should consider introducing and supporting networking and mentoring opportunities and initiatives that everyone can join.

Improve flexibility options and promote equal parenting

Many studies show that women still take on an unequal share of unpaid work and care in and around the house.

Improved flexibility in the workplace – including location, hours and time – can help women manage this. So too will the offer and promotion of equal parenting measures, such as shared parental leave, or second parent leave.

Accenture and Girls Who Code argue that companies should ensure uptake of these measures is maximised, to help normalise equal parenting and help women progress.

Case studies from real companies

How are European tech companies reducing their gender pay gap? By simply measuring and tracking their pay gap and that's it.. right?

That wouldn't be a bad place to start, but it also will not cover the full spectrum. As mentioned earlier in the report, there is both an adjusted and unadjusted pay gap in Europe and many companies are taking that into consideration when they build both their compensation and benefits structures.

The adjusted pay gap is caused by unfair compensation. How do you remedy unfair compensation? As we mentioned, by measuring and tracking your pay gap, introducing a salary grid and ensuring transparency...

The unadjusted pay gap is where it gets tricky. As the data shows, there are far fewer women in higher level positions. This can be due to a multitude of reasons from bias, to the glass ceiling, time constraints and more...

So, how do you remedy this? Since there's not just one factor it takes time and a committed team who can offer flexibility, mentoring, coaching, career progression, and an inclusive workplace culture...

What are real companies doing today?

Here are some insights on what Preligens, Inato, Meilisearch and Arkhn are doing to reduce their gender pay gap. Recurring themes from these case studies highlight the importance of the following when taking action to reduce the gender pay gap:

- Transparent salary grids and career paths
- Objective metrics as a basis for compensation and recruitment
- Work-life balance measures e.g., flexibility and second parent leave
- Involvement from the top, as it can support the creation of a more inclusive workplace and fairer compensation structure

Preligens: investing in people and tools

From the beginning, Preligens has prioritised HR. Starting with hiring a VP of HR at the conception of the company, and to now having a 15-strong HR team. Amaury Mathivet, Talent Acquisition Manager at Preligens, believes this investment has helped them to be in the position that they are in today.

Some of the measures Preligens have implemented are discussed above – like salary metrics based on objective criteria and performance-based increases, plus regular pay gap reviews – have allowed them to achieve a 0% adjusted gender pay gap.

Some of their key actions:

- Benchmarking their salaries with data from multiple sources including
 Figures to ensure they remain competitive and equitable
- Offering ten weeks of second parent leave with a strong uptake across the company
- Offering Thursday afternoons for personal development, giving employees the space to grow at work – which will likely benefit those with limited personal time to do so the most
- Accelerating internal mobility wherever possible it is not restricted to annual reviews, and can be facilitated via HR meetings with managers on a bi-weekly basis

One piece of advice from Amaury Mathivet, Talent Acquisition Manager at Preligens:

"Invest in HR early and create the tools you need to make compensation objective and scientific."

And if Preligens' actions are anything to go by, it's clear that these compensation tools will give companies more time to focus on what else they can do for their people – benefitting women as a result!

Arkhn: making career paths accessible

Arkhn have also defined employee career paths and put in place a transparent salary grid for their employees.

This has helped them reduce their gender pay gap, as Elisabeth Brelliot, Finance & HR Manager at Arkhn highlights:

"Career paths are essential for everyone to be able to position themselves in their job grid. The transparency of our salary grid in relation to career paths helps to reduce our gender pay gap."

It might help other companies too. So how do Arkhn do it?

- Arkhn based their salary grid on a generic career path with six different levels.
- They then adapted the path to the different professions and requirements within the company. From there, each level for each path was given a salary range which is benchmarked with objective external data (from Figures).
- The salary grid is public, and although they have just 35 employees Arkhn shares gender pay gap data with employees on an annual basis, to increase transparency and accountability.

Meilisearch: transparency from the top

Meilisearch uses strong, inclusive recruitment practices that implement all the tips set out above. They also train interviewers and prepare candidates on the recruitment method they use.

Supporting candidates includes advising them on questions that will be asked of recruiters, the general subjects to be covered, providing a copy of the company's employees handbook and recommending candidates who they will meet to help them perform at their best.

Some of their key actions:

- Have a transparent salary grid and clear frameworks for employee evolution
- Conduct six-monthly reviews to facilitate internal mobility
- Offer flexible working and a four-day working week, which in practice works on communication and transparency
- Have strong women representation at the executive level

One piece of advice from Morgane Neff, Head of People at Meilisearch:

"Mindset... it has to come from the top, or it won't work."

This is definitely the case at Meilisearch, with the founders regularly suggesting initiatives that they want to implement, alongside internal employees too!

Inato: ensuring consistent communication with care

Being a tech-for-good company, Inato matches their external care for patients with their internal care for employees. What makes them shine is their motivated team and commitment to ensuring transparent communication to their employees, and decisions driven by data (whenever possible).

How do they communicate?

#1 Performance reviews at a frequency of every 6 months. In these 360 (manager, team, self) reviews, the question of pay satisfaction is brought up by managers. Salary increases are standardized using data.

#2 "All hands" meetings at a frequency of every 2 weeks. New policies and updates are shared by department heads to the full company including relevant decisions on compensation.

#3 On external job descriptions. Inato strives to include realistic salary ranges using real-time market data on external job descriptions.

Having no black box for compensation of course has a large, but positive impact on the team., as shared by Ségolène Philipon, HR and Talent acquisition specialist:

"Being transparent means that we as a company and we as individuals in a team have to do our job in the best and most fair way."

What are some of their other policies?

- Internal career pathing easily visible for all employees to see next potential role and salary.
- Having the objective of having an average age of 32. This ensures that they have diversity in age, from juniors to seniors.
- Parental Act & re-onboarding program for a smooth back-to-work process
- Workplace flexibility: Full-remote, hybrid (2-3 days per week) or full-time onsite options open to all.
- Free training on request available for all employees to support up-skilling that impacts the company mission

Conclusion

It is clear that there is still much more work to be done until the European tech industry becomes more equal.

Increased salary transparency, on job adverts, through the publication of salary grids and compensation policies, and via gender pay gap reporting requirements will all help to reduce the gender pay gap.

However, these measures alone will not be sufficient. There are wider attraction, retention and representation issues that affect women in tech that must be addressed.

This guide outlines some **best practice measures** that companies can take to do so and to start to reduce the gender pay gap. They include:

- Measuring gaps, goals and effects of actions
- Introducing pay transparency measures
- Improving recruitment practices
- Defining career paths and supporting internal mobility
- Implementing inclusive networking opportunities
- Improving flexibility and promoting equal parenting

To access more resources, tools and content on the gender pay gap or to find out how <u>Figures</u> and <u>50inTech</u> can help you reduce it, visit their websites, or follow them on LinkedIn (<u>here</u> and <u>here</u>) to never miss an update!

Join the equal pay movement now, before it's too late.

ABOUT

About Figures

Figures is an all-in-one compensation platform updated in real-time, powering improved pay equity. With a trusted & secure European/UK dataset, Figures enables organisations to stay competitive & efficient, identify pay gaps, budget, and create a robust compensation policy that scales. Present in over 6 countries, Figures easily integrates with most HRIS for instant and up-to-date data to take action.

Learn more here: https://figures.hr/

About 50inTech

50inTech is the all-in-one recruiting platform that helps companies recruit diverse teams with trust, reduce time to hire, and uncover biases in the process, co-founded by Caroline Ramade and Julien Londeix. Committed to promoting gender equality in the tech industry. It aims to achieve gender representation of 50% women in the technology sector by 2050 through various initiatives and connecting talented women with inclusive companies, the 50inTech Gender Score to measure inclusiveness and promote transparency in companies, free virtual bootcamps, networking and mentorship. +27000 women talents and 100 companies are engaged on the platform, mainly in France and the UK.

Learn more here: https://www.50intech.com/

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It wouldn't be the same without you!