International Women’s Day Factsheet
Women and Work

Increasing women’s success at work benefits business and society

Good for Business

The Women And Work Commission found that unleashing women’s full potential could be worth £23 billion a year to the Exchequer. To put this into context, this year’s central government budget for Education is £28.6 billion.

There are a number of recent studies that show a link between more balanced gender distribution in a company’s management and its profitability:

- According to McKinsey, companies across all sectors with the most women on their boards of directors significantly and consistently outperform those with no female representation – by 41% in terms of return on equity and by 56% in terms of operating results.

- In a study of the Fortune 500, Catalyst reveals that companies in the highest percentile of women on their boards outperformed those in the lowest percentile by 53% higher return on equity, 42% higher return on sales, and 66% higher return on invested capital.

- A Danish study found that companies with good numbers of women on the board outperformed those with no women by 17% higher return on sales and 54% higher return on invested capital.

- Thomson Reuters examined the performance of companies with more than 30% women on their board compared with those with less than 10% women on their board, and found that companies with greater numbers of women leaders fared better in periods of greater economic volatility.

- Leeds University Business School reports that having at least one female director on the board appears to cut a company’s chances of going bust by about 20%. Having two or three female directors lowers the risk even more.

- The Conference Board of Canada found that 91% of boards with three or more women directors explicitly take responsibility for verifying audit information compared with 74% of companies with all male directors.

- Over the course of 2011, companies in the STOXX 600 Index with more than 30%
women managers outperformed those with less than 20% women managers by nearly 8\%.

Achievements

Women in the workforce

- Women make up 47% of the UK workforce\(^9\).
- Eliminating gender discrimination in relation to occupation and pay could increase women’s wages by about 50% and national output by 5%\(^10\).
- Women’s unemployment is currently at a 24 year high\(^11\).

Women have the skills employers need

- 63.6% of girls achieve 5 or more GCSEs at grade A\* to C or equivalent, including English and mathematics, GCSEs compared to 54.2% of boys\(^12\).
- 57% is the proportion of first degree graduates that are women\(^13\).
- 50% of those on apprenticeships are women. The number of women doing apprenticeships has risen from 138,000 in 2009/10 to 330,000 in 2010/11\(^14\).
- 1 in 3 female graduates has a degree in health related studies or education, compared with only 1 in 11 male graduates\(^15\).
- Only 1 in 5 female graduates has a degree in business and finance, sciences or engineering, despite almost half of graduate degrees being in these subjects\(^16\).

Women are achieving the most senior positions

- 17.3% of FTSE 100 directorships and 13.2% of FTSE 250 directorships are held by women\(^17\).
- 34% of board appointments on FTSE 100 since 1 March 2012 have been women\(^18\).
- 86 more board seats held by women are needed to reach Lord Davies’ 25% target\(^19\).
- 7 of FTSE 100 company boards and 67 of FTSE 250 company boards are all-male\(^20\).

Challenges

Pay

- Over the last decade, 20% more is how much a male graduate could expect to earn on average, than a female graduate. The gap was wider for non–degree holders at 23\%\(^21\).
- The 2012 median full-time gender pay gap for hourly earnings was 9.6\%\(^22\).
- £28,700 was the median gross annual earnings for male full-time employees for the tax year ending 5 April 2012, while for women the figure was £23,100\(^23\).
- In the financial sector, women working full-time earn 55% less annual average gross salary than their male colleagues\(^24\).
- An average woman working full-time from age 18 to 59 would lose £361,000 in gross earnings over her working life compared to an equivalent male\(^25\).
- An estimated 28,000 equal pay claims per year are accepted at tribunals in the UK\(^26\).
- Research from the CIPD reveals that fair remuneration is the biggest factor employees consider when deliberating moving to a new job, even above job satisfaction\(^27\). 54% of 2,000 employees say their top reason for wanting to change job is to increase salary and benefits.
Sex Discrimination

- 10,800 is the number of sex discrimination claims in 2011/12, this was a drop of 41% on 2010/11, when 18,300 sexual discrimination claims were made.\(^{30}\)

- Sexual discrimination continued to be the most frequent type of discrimination claim received by tribunals during 2011/2012.\(^{31}\)

- £13,911 is the average award for sex discrimination claims.\(^{32}\)

- £289,167 was the highest payout for a sex discrimination claim in 2010/2011.\(^{33}\)

Work-life Balance

- There are 2.11 million men and 5.85 million women in part-time employment.\(^{34}\)

- £7,750 is the estimated cost of replacing a job-leaver.\(^{35}\)

- 43% of employees believe that flexible working would help them with stress, while 52% believe it would make them happier.\(^{36}\)

- 62.3 years is the average age of withdrawal from the labour market for women (64.6% for men).\(^{37}\)

- 33% of those polled in a YouGov survey for Opportunity Now felt that greater flexibility would make them more productive and 43% said that it would help them with stress.\(^{38}\)

Childcare and Care

- 38% is the proportion of employed women with dependent children (aged 18 and under).\(^{39}\)

- 43.6% of mothers (with dependent children) in employment, work full-time.\(^{40}\)

- 27.9 years is the average (mean) age of first time mothers in the UK.\(^{41}\)

- Nearly two-thirds (65%) of fathers were aged 30 and over.\(^{42}\)

- 91% of fathers took time off after the birth but only 29% of fathers took more than two weeks.\(^{43}\)

- 1 in 5 women aged 45-59 is a carer.\(^{44}\)

- 5.8% for a child aged under two and 3.9% for a child over two, is by how much the price of nursery care increased by between 2010 and 2011, whilst median weekly wages for all employees remained unchanged.\(^{45}\), whilst median weekly wages for all employees remained unchanged.\(^{46}\)

Forthcoming Factsheets

- Diversity of women
- Where women work
- Women as a customer base

See the Food for Thought Factsheet: The Business Case for Gender Equality for more information highlighting the business case behind Opportunity Now’s three campaign aims increasing agility, balancing boards and eliminating the pay gap.
1 Shaping a Fairer Future, Women And Work Commission, 2006
2 UK budget for tax year 2013 http://www.ukpublicspending.co.uk/
3 Women Matter, McKinsey 2010
4 The Bottom Line: Corporate performance and women’s representation on boards, Catalyst 2007
5 Women on Board and Firm Performance, Mijntje Lückerath-Rovers, Erasmus University Rotterdam, 2010
6 Women in the Workplace: Latest Trends in Gender Equality, Thomson Reuters 2012
7 Leeds University Business School, 2009
8 Women on Boards: Not Just the Right Thing ... But the 'Bright' Thing, The Conference Board of Canada, 2002
9 Women in the Workplace: Latest Trends in Gender Equality, Thomson Reuters 2012
10 Labour Market Statistics, Office National Statistics (ONS), November 2012
11 Rachael Mayanja, UN Special Adviser, Gender issues and the Advancement of women Groundbreakers, Ernst & Young, 2009
12 Women’s Business Council first evidence paper, 2012
13 Department for Education: GCSE and Equivalent Attainment by Pupil Characteristics in England, 2011/12. Statistical First Release provides revised 2011/12 information on GCSE and equivalent attainment for pupils attending state-funded schools in England
14 Higher Education Statistics Agency, Students in Higher Education Institutions 2011/12
16 Economic & Labour Market Review Vol 5. No. 4, ONS, 2011
17 The Total Entrepreneurial Activity (TEA) rate in the UK is 9% for men and 4% for women. TEA is defined as people who are either in the process of setting up a business or running a business that is less than 3 years old. Global Entrepreneurship Monitor 2010.
19 All figures quoted from Professional Boards Forum BoardWatch, March 2013
20 ibid
21 ibid
22 ibid
24 http://www.equalpayportal.co.uk/
25 ibid
26 Financial Services Inquiry, Equality and Human Rights Commission, 2009
28 Legislative measures to promote equal pay, Government Equalities Office, 2011
29 Employee Outlook Survey, 2011, Chartered Institute for Professional Development
31 Ibid
33 Ibid
34 Women’s Business Council’s second evidence paper, Home Office, 2012
35 Recruitment, Retention and Turnover, Chartered Institute for Professional Development
37 Pension Trends 2010, ONS, Pension Trends, Chapter 4: The Labour Market and Retirement, 2013 edition Release
40 Ibid
42 Ibid.
45 Daycare Trust, Childcare Costs Survey 2011
46 Annual Survey of Hours and Earnings 2011.