

Pulsant Ltd Gender Pay Gap Report – 2022/2023

Introduction

At Pulsant we are committed to being a fair and inclusive employer and our values, selected by our people, are at the core of everything we do, with “People First” being paramount. A fundamental behaviour that underpins this value is being inclusive and embracing the opportunities created by diverse teams. Our aim is to ensure we have an open and honest environment, that allows people from different backgrounds, with diverse perspectives, to thrive and help us to deliver a great service to our clients and to support one another. We want to attract, develop, and retain talented people from a wide range of backgrounds and with varied skills and experience to drive improvements and ensure we operate as effectively as possible.

Like many organisations in the technology sector, we are aware of the ongoing and historic challenges with the under representation of women within the sector. We recognise that there is still some way to go, but we are committed to addressing the gender imbalance within Pulsant and seek to encourage applications.

About this report

According to the Gender Pay Gap Regulations, all organisations with over 250 employees have been legally required to report annually on their gender pay gap. The gender pay gap provides a snapshot of the gender balance within an organisation. It measures the difference between the average earnings of all male and female employees, regardless of their role or seniority.

The gender pay gap is different to equal pay. Equal pay deals with the pay difference between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.

This report follows the guidance set out by the Government Equalities Office based on a snapshot of pay data on a set date. This year’s report is the third annual report that Pulsant has published.

The following six measures are reported in line with the gender pay gap reporting legislation and the calculations are based on a snapshot date of 5th April 2022:

- **Mean (average) and median (midpoint) gender pay gap** - the difference between the average and midpoints of hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
- **Mean (average) and median (midpoint) bonus gender pay gap** - the difference between the average and midpoints of bonus pay paid to male relevant employees and that paid to female relevant employees
- **Bonus proportions** - the proportions of male and female relevant employees who were paid bonus pay during the relevant period
- **Quartile pay bands** - the proportions of male and female full-pay relevant employees in the lower, lower-middle, upper-middle and upper quartile pay bands.

Our Gender Pay Gap

Mean and Median Gender Pay Gap				
	Mean (Average)		Median (Mid point)	
	2021	2022	2021	2022
Gender Pay Gap	6.5%	-0.8%	4.0%	-5.3%

Pulsant continues to see a higher proportion of male employees compared to female employees, which is common within the technology sector. It is however worth noting that during the three years of reporting the gender pay gap, Pulsant has seen the percentage of female employees increase from 12.9% in April 2020 to 15% in April 2022, which is very encouraging, and we do have an ambition to increase the percentage of female employees to 20% by 2024. It is worth noting that these percentages are based on one point in time, the April of each reporting year. Gender diversity is a Strategic KPI monitored by our board and as of February 2023, we now have female presence on our board, with our Chief People Officer being appointed as a board director.

Whilst it is encouraging to see that both the mean and the median pay gaps have significantly decreased in this year's report, the way we are required to calculate these measures indicates that the figures are subject to significant fluctuation. With the snapshot date being a point in time, in April 2022, the hourly pay gap calculation is a representation of a single month's view opposed to an all-year-round perspective. Also, in the month of April, commission payments are made, and these payments are required to be included in the calculation of average hourly pay. Whilst commission payments are paid at different times in the year, the amounts can vary significantly throughout the year.

Our average gender pay gap has decreased from last year. Whilst the mean hourly pay rate has decreased for both male and females, there has been a bigger decrease in the average hourly pay rate for males compared with females (£3.68 decrease for males and £1.39 decrease for females). The bigger decrease for males has therefore had a bigger impact and therefore decreased the mean gender pay gap from 6.5% in 2021 to -0.8% in 2022. There has been a change to the number of our Non-Exec Directors and given number of hours worked within this role, this impacts the average hourly rate more significantly.

The median hourly pay rate has increased for both male and females compared to 2021. What we have noted in the last year is that there are slightly less males in the reporting period, however in comparison with last year, the median hourly rate has increased by 11p for males. Whereas, we have slightly more females in the reporting period, who have a higher hourly rate which has increased the median hourly rate by £1.83 from last year. This substantial change for females has made a notable difference in the gender pay gap as a percentage of male's pay, shifting from 4% to -5.3% in favour of women.

The figures continue to help illustrate that although we do have a lower number of female employees, they are fairly represented at all levels of the organisation. A factor which contributes to our gender pay gap, is that we do have a number of females in Sales positions who receive commission, which in turn has contributed to the increase in the average hourly pay rate.

Whilst these figures demonstrate an improvement in decreasing the gap, with our employee numbers, we remain aware that a small number of factors can have a significant impact on these figures at the defined point in time the pay gap is measured.

Although gender in no way influences our pay or hiring decisions, we do have a lower level of female representation in our senior leadership positions. We are committed to ensuring that our opportunities are promoted widely in the market and that we take steps to try to attract more women into both technical and senior leadership positions, with our hiring decisions always being based on the best candidates for the

roles. We do not expect the long term and technology sector challenges related to attracting women into technical and senior leadership positions to be a quick fix but will do our best to attract women to Pulsant and our ambition is to increase the proportion of women over time.

Our Gender Bonus Pay Gap

Bonus Gender Pay Gap				
	Mean (Average)		Median (Mid point)	
	2021	2022	2021	2022
Bonus Pay Gap	-26.3%	-42%	0%	-62%

In the previous year's reporting, at the defined point in time that the bonus pay gap was measured, in addition to those earning commission or eligible for management bonuses, the majority of our people were eligible to receive a discretionary bonus based on individual performance. This was a set amount and with it being for the largest portion of our people, it meant that our median figure of 0% was reported in the last two years. By the end of Q1 2021, Pulsant took the decision to role the bonus into our people's base salary. Therefore, in this reporting period, Pulsant have less people receiving a bonus, which is reflected and discussed below in the percentage of men and women receiving a bonus payment.

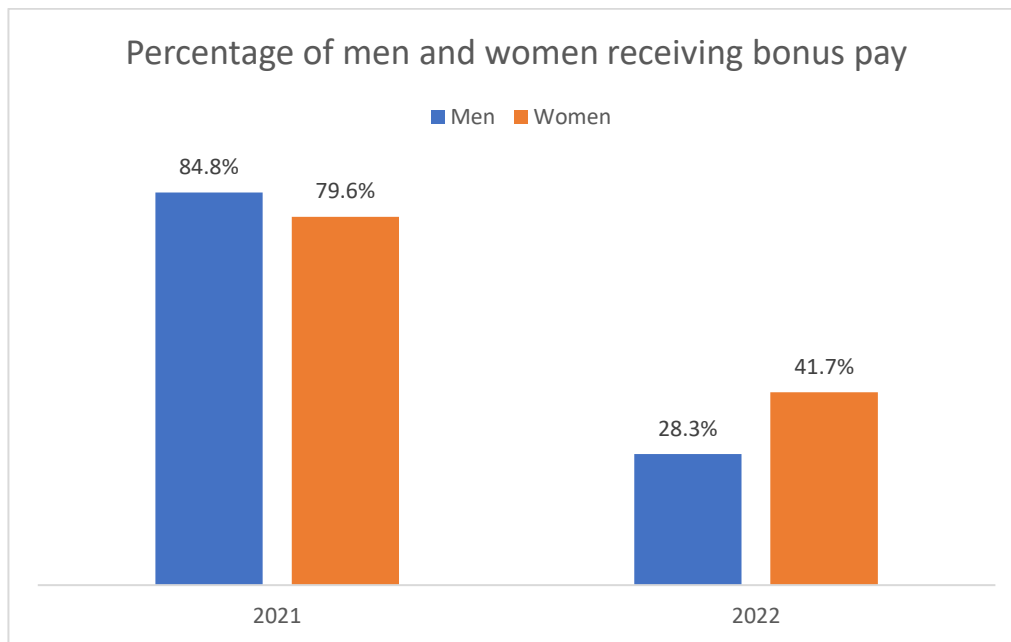
For this reporting period, all bonuses/commission refers to those in Sales receiving commission payments, and specialist and management roles on bonus schemes.

The mean bonus gap for 2022 is again in favour of women by reporting -42%. Whilst in 2021 the mean was already in favour of women; this year has extended that gap further in favour of women. Although we have fewer women in the organisation, of that smaller number, the women who are receiving a bonus are predominately in the Sales function and on a commission-based scheme. It is noted that the total bonus payments in this report period for females, had increased approximately by 66% compared to that in the previous year. Whilst the total bonus payments for the males in the same period increased, it was not as significant and therefore is the reason we note a substantial increase in the average bonus pay gap in favour of women.

As already noted, now we have fewer people in the organisation receiving a bonus/commission, it has meant that the median figure has changed significantly from last year. There is a substantial shift which means this year's median figure is -62% in favour of women. This is predominantly related to the female members of the Sales team earning more commission compared to the previous year.

Whilst these figures demonstrate an improvement in favour of women, by having fewer women in the organisation, we remain aware that a small change can have a significant impact on these figures at the defined point in time the bonus pay gap is measured.

Bonus proportions by gender

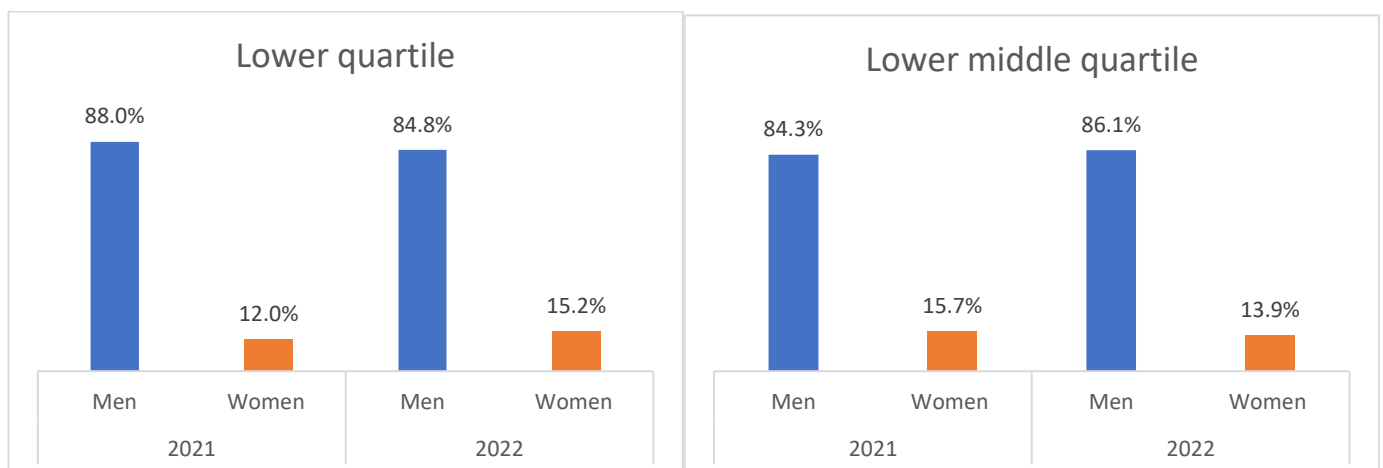


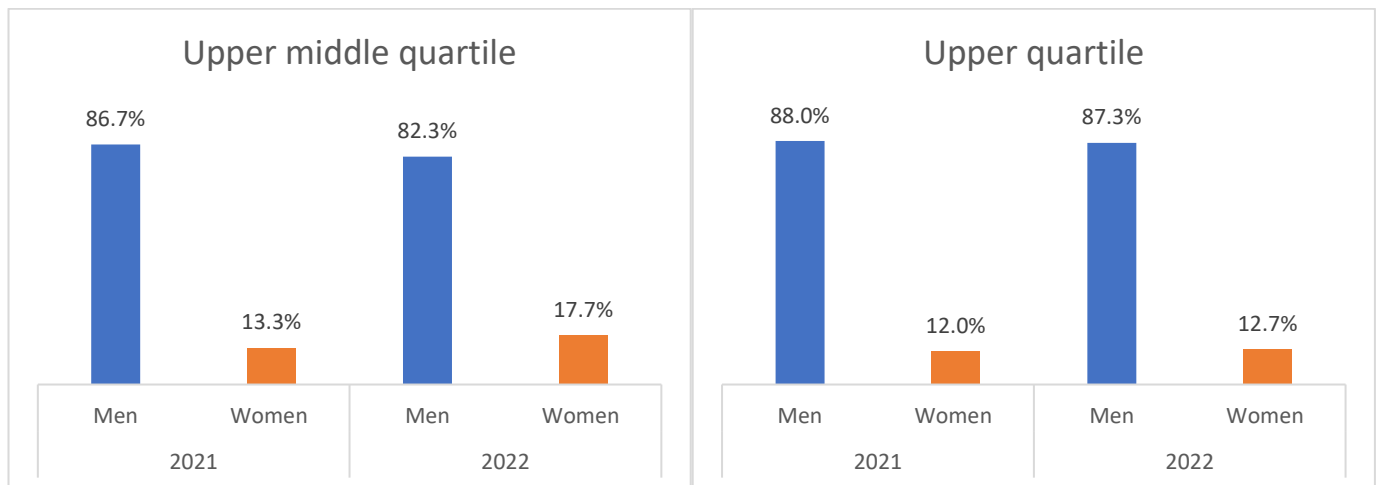
As discussed in the previous section, Pulsant took the decision to roll the individual performance bonus into base salary. This was a set amount for all, and it was believed this would be more beneficial to our people to have this as part of their base/pensionable salary. This therefore meant that a smaller population of the organisation would now receive bonus/commission payments, and this is reflected in the percentage figures noted in the chart above.

Whilst the percentage of men receiving a bonus decreased by 56.5% in 2022, the percentage of women receiving a bonus decreased by a smaller amount (37.9%) in 2022. As noted, this decrease in both is due to the change in the approach Pulsant took with the bonus schemes and who would be eligible to participate in a bonus scheme moving forward. Although Pulsant have a lower number of female employees, it is noted that 41.7% of them are either in a commission-based role or in a specialist or management role where the bonus schemes are still in place.

Pay quartiles by gender

The charts below outline the proportion of men and women in each pay quartile, based on hourly pay rate.





A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The "lower quartile" includes the lowest paid 25% of our people and the "upper quartile" includes the highest paid 25% of our people.

Comparing the results from 2021 and 2022, each pay quartile has a higher proportion of men than women. This is consistent with challenges faced by many organisations across the technology sector, due to the relatively low female representation in the industry.

The biggest change from 2021 to 2022 is the increase in number of women in the lower quartile (3.19% increase) and the upper middle quartile (4.42% increase). Across all quartiles there is a fair distribution of women. In the upper quartile, it is worth noting that 60% of the women within that quartile are at the higher end of the quartile. Of these sitting at the higher end of the quartile, the positions are predominately Sales and Senior Leaders. In 2021, the lower middle quartile had the highest proportion of woman, however in comparison to this year, 2022, the highest proportion of women is in the upper middle quartile, which is encouraging to report.

Whilst there is a fairly equal representation of women across the quartiles, when looking at the positions they are in, similar to last year, they are predominately in functions such as HR, Finance, Administration, Sales & Marketing, with less female representation in our technical positions.

Next steps / Closing the gap

The figures in this report show that whilst there has been improvement from 2021 to 2022, there is still more for us to do to achieve a better gender balance. With our employee numbers, we remain aware that a small number of factors can have a significant impact on these figures at the defined point in time the pay gap is measured.

Some of the key areas we have already made progress on and continue to focus on include:

Recruitment

We continue to review our hiring practices to ensure they are rigorous and consistent. We are evolving the training provided to current and new hiring managers on how to assess candidates fairly and to understand the impact any personal bias may have in the process. We continue to use structured interviews for recruiting externally and any internal promotions to reduce the impact of unconscious bias.

As well as ensuring our job descriptions and adverts include only the relevant criteria and experience, so as not to adversely impact females from applying, we continue to review and expand our recruitment channels. We are actively using social media such as Instagram and Facebook, which are channels widely used by females looking for new roles.

Culture and well-being are very important to Pulsant, and we continue using our culture to attract talent by increasing our social media activity to drive brand awareness of our culture and people and regularly promote our well-being initiatives across all our social media channels.

Our Talent Team have actively started to participate in career fairs and will continue to look to increase our external presence at conferences and speaker events targeting women.

In 2023, we are focusing on Early Careers, specifically graduates and apprentices and have started to actively promote roles to Undergraduates. Our aim is to welcome our first cohort of university graduates by September 2023. They will have both structured and on the job training, helping them to develop their technical, business, and personal skills. We are hoping to attract females into our graduate programme so they can build strong careers in the technology field.

We have been working closely with our local Chamber of Commerce to look at how the gender split can be addressed and what skill gaps there are in the technology field, and we continue to partner with them and attend events to share thoughts, insights and to network with likeminded businesses.

Another focus area for Pulsant is to establish & embed relationships with educational establishments, so we can communicate and educate more around the technology field to encourage more females to take up studying STEM subjects at school.

Our results show that we have less women represented within technical fields, so we continue to work to ensure our recruitment strategy focuses on informing, engaging, and attracting more females into this field and ensuring our flexible working practices can also support opportunities.

Career progression

We continue to evolve our high potential programme, and where individuals have been identified to be part of this programme, we are working closely with them to identify their career aspirations and support their development. Coaching and mentoring is offered as part of this programme and those identified are a mix of both men and women at all levels of the organisation.

We continue to offer a Leadership Development Programme which is open to all line managers and team leaders, which covers all areas of people management, including diversity, equality, and inclusion with training around mitigating personal bias. We have expanded the programme so that aspiring leaders who are not currently managers can participate, to allow them to develop their skills and to learn about management skills and to develop their self-confidence. We have noted that there have been a few female non-leaders who are now participating in the programme, and we are actively supporting them and others to develop their knowledge and skills.

As part of our internal review process, we encourage managers to have conversations with their direct reports to understand their career aspirations and what we can do to support their development and progression within Pulsant.

We are working towards introducing a career mapping framework this year which will help all individuals understand the requirements for advancement at each stage in their career. It will also enable managers to have in depth conversations with their direct reports around progression and to work with the individuals to understand what may be required in order for them to progress to the next stage of their career.

Diversity, Equity, and Inclusion (DE&I)

DE&I continues to be a focus for Pulsant, and we are fully committed to improving diversity, equity and inclusion. We want to be a place that not only welcomes and encourages differences but truly draws on it. A place where everyone feels they belong. We are building on our strategy and aim to have a clear understanding of our baseline and our ambitions across all areas. We aim to launch our programme to raise awareness across the business. We want to bring to life our DE&I initiatives through our values, policies and working practices and to create communities to encourage collaboration and foster diverse thinking. Throughout 2023, we will focus on gender and neurodiversity, with a 3-year plan to cover other areas such as Accessibility, Multiculturalism and LGBTQIA+.

As we continue to focus on gender and diversity, our ambition for 2023 is to increase diversity to 18%, with the ambition to achieve 20% of females and ethnic mix aligned to geographies by 2024. We look to build on the Women in Technology initiatives and continue to celebrate events such as International Women's Day and attend events such as Women in Technology Festival.

Flexible working

We continue to review our flexible working provisions, to ensure that men and women alike are able to take on roles regardless of their caring responsibilities and we can do our best to support them.

We are continuing to drive our flexible working policy to encourage women to return to work following maternity leave and other family-related leave for both men and woman such as shared parental leave and offer part-time working where appropriate.

We advertise that our roles are hybrid which is improving workplace flexibility for both men and women, however we are aware there is more we can be doing and over the next 12 months will be reviewing roles to allow for more flexible hours and patterns of work in order to make us more attractive to those looking for more flexibility.

We remain committed to attract more women and diverse talent to join Pulsant and ensure we have inclusive and consistent practices in place to recognise and reward all employees, regardless of their gender, ethnicity sexual orientation or other protected class.

Declaration

We confirm that Pulsant Ltd has produced its Gender Pay Gap calculations in accordance with the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and that the calculations are accurate at the time of publishing.

Signed: 

Name: April Clark, Chief People Officer

Signed: 

Name: Rob Coupland, Chief Executive Officer