

# Case study: Conducting a gender pay gap analysis



## HESTA



Financial and  
Insurance Services



150  
employees



63%  
female



37%  
male

## Challenge

In 2016 HESTA began the process of applying for the Employer of Choice for Gender Equality citation. To support this process, an in-depth gender pay gap analysis was required to understand the state of gender pay equity within the organisation.

## Strategy

HESTA has been conducting an annual gender pay gap analysis since 2014, but a more extensive analysis would form the basis for a new action plan to ensure the organisation was prepared for future growth with a proactive focus on equality.

## Actions

In preparation for the analysis, the People & Culture team attended the Workplace Gender Equality Agency's (WGEA) online workshops and consulted the pay equity resources on the WGEA website to better understand how to undertake the analysis.

HESTA used the pre-populated WGEA Pay gap calculator and once the reports were run, the data was sorted according to the WGEA technical guide. The team brainstormed different ways to look at the data and decided to start broad and then dig down – looking at the data from different angles to get an understanding of the gender split in teams and then looking for potential salary gaps.

# HESTA Conducting a gender pay gap analysis

Salary was reviewed by gender and across business units at each level – executive, general manager, manager, technical professional and administrative – then within specific teams.

The data was then further broken down to look at part-time and full-time employees in each team, analysing for factors such as tenure, role changes, career breaks and parental leave uptake.

## Outcomes

Already having a strong emphasis on gender pay equity, the analysis did not reveal any major discrepancies. The analysis found the like-for-like pay gap was zero, but the organisation-wide and the level-by-level pay gaps prompted some key actions:

- Committing to continue using the more rigorous annual pay equity analysis model that looks at the organisation by gender, organisation, team and level.
- Analysing performance reviews by gender, organisation, team and level to see if any gender bias (conscious or unconscious) was identified.
- Continuing to deliver unconscious bias training as part of induction for new employees and throughout the organisation. This has increased employee confidence in having conversations about potential bias, gender pay gaps and diversity and inclusion.
- Working with senior leaders to increase their understanding of gender equality to help them champion diversity and inclusion at a team level, making this an organisational focus, rather than just a People & Culture owned initiative.
- Developing retention plans for high-potential employees, particularly when there is difficulty in finding gender balance within female- or male-dominated specialisations.
- Reviewing the Diversity & Inclusion Strategy 2015–2018 to ensure that the expectations and goals of the strategy are being met by their required deadline. Making this information

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available to all staff has made the organisation accountable for reaching its specific goals.

- Continuing to use diversity and inclusion questions taken from the WGEA Employer of Choice for Gender Equality citation in the annual engagement survey.

HESTA was awarded the WGEA citation for Employer of Choice for Gender Equality in 2016.

### Equal access to development

As a result of the pay gap analysis, HESTA began to challenge traditional thinking about how training resources are allocated. In reviewing the organisational spend on learning and development by gender, it was noted that the pro-rata allocation of training budgets for part-time employees, the majority of whom are women, was limiting opportunities for women’s learning and development.

To ensure a fairer and more consistent allocation of budget and time for employees to focus on capability development and career progress, HESTA changed the allocation of training budgets for part-time employees to ensure equal access to development across the company.

# Workplace experience

Rejecting the perception that a pay gap analysis is simply a number crunching exercise, HESTA now uses the detailed annual process as an essential part of influencing areas like workforce planning, strategic planning, recruitment and selection strategy, capability and learning planning.

With an organisation-wide focus on innovation and challenging historic processes, HESTA used the gender pay gap analysis as an opportunity to identify and focus on areas that required improvement.

“When we saw the data, we were pleased that our organisation was in a relatively good position but as we started splitting the data by team and looking at gaps that could potentially emerge within teams, we started asking more questions,” says Sophie Sigalas, Executive, People Strategy. “Why were so many women working part-time and why weren’t more of our men working flexibly? Why are more women or men in certain parts of the business?”

HESTA’s data revealed that flexible work and parental leave arrangements were mostly used by women and while not surprising, it started a conversation within the organisation about the societal and business impacts of so few men taking on caring responsibilities.

“It’s something HESTA wants to challenge – where there is a gender imbalance in caring roles, there will always be one in the workforce. And as women and men increase sharing parental and elder care responsibilities, there will be more equal representation of women and men at all levels of the workforce,” says Sophie.

As a result, HESTA has started career coaching for women and men going on and returning from parental leave and a parental support program with a specific focus on dads.

Building internal support networks for parents helps to increase the visibility of women and men



working flexibly, with the aim of encouraging more men to take up parental leave and flexible work arrangements.

When speaking with similar sized organisations, the team was surprised by how many small-to-medium businesses felt the data exploration required for the pay gap analysis was too challenging, often citing a lack of sophisticated tools to complete the process.

“While bigger organisations have sophisticated programs that easily crunch numbers and produce reports at the touch of a button, we felt our small size was a huge advantage when going through the pay gap analysis process,” says Sophie.

“We weren’t just looking at numbers – we were looking at the people we work with and support every day. We were in a unique position to understand the story the data was telling us. The People & Culture team could see trends and patterns and was able to use the process to ask questions and challenge assumptions. We could talk directly to groups of leaders and make a bigger impact with conversations about diversity in a shorter space of time.”



Visit [www.wgea.gov.au](http://www.wgea.gov.au) to learn about employer best practice and download practical tools to improve gender equality in your workplace.

Drill down into our data at [data.wgea.gov.au](http://data.wgea.gov.au) to compare how industries are performing on gender equality.