

# 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<sup>1</sup>. To put this into context, this year's central government budget for Education is £28.6 billion<sup>2</sup>.*

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<sup>3</sup>.
- 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<sup>4</sup>.
- 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<sup>5</sup>.
- 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<sup>6</sup>.
- 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<sup>7</sup>.
- 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<sup>8</sup>.
- 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%<sup>9</sup>.

## Achievements

### Women in the workforce

- Women make up 47% of the UK workforce<sup>10</sup>.
- Eliminating gender discrimination in relation to occupation and pay could increase women's wages by about 50% and national output by 5%<sup>11</sup>.
- Women's unemployment is currently at a 24 year high<sup>12</sup>.

### 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<sup>13</sup>.
- 57% is the proportion of first degree graduates that are women<sup>14</sup>.
- 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<sup>15</sup>.
- 1 in 3 female graduates has a degree in health related studies or education, compared with only 1 in 11 male graduates
- 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<sup>16</sup>.

### Women and entrepreneurship

- 4% of women are engaged in entrepreneurial activity compare to 9% of men<sup>17</sup>.
- If women set up businesses at the same rate as men, there would be an extra 150,000 start-ups in the UK each year<sup>18</sup>.

## Women are achieving the most senior positions

- 17.3% of FTSE 100 directorships and 13.2% of FTSE 250 directorships are held by women<sup>19</sup>.
- 34% of board appointments on FTSE 100 since 1 March 2012 have been women<sup>20</sup>.
- 86 more board seats held by women are needed to reach Lord Davies' 25% target<sup>21</sup>.
- 7 of FTSE 100 company boards and 67 of FTSE 250 company boards are all-male<sup>22</sup>.

## 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%<sup>23</sup>.
- The 2012 median full-time gender pay gap for hourly earnings was 9.6%<sup>24</sup>.
- £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<sup>25</sup>.
- In the financial sector, women working full-time earn 55% less annual average gross salary than their male colleagues<sup>26</sup>.
- 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<sup>27</sup>.
- An estimated 28,000 equal pay claims per year are accepted at tribunals in the UK<sup>28</sup>.
- 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<sup>29</sup>. 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<sup>30</sup>.
- Sexual discrimination continued to be the most frequent type of discrimination claim received by tribunals during 2011/2012<sup>31</sup>.
- £13,911 is the average award for sex discrimination claims<sup>32</sup>.
- £289,167 was the highest payout for a sex discrimination claim in 2010/2011<sup>33</sup>.

## Work-life Balance

- There are 2.11 million men and 5.85 million women in part-time employment<sup>34</sup>.
- £7,750 is the estimated cost of replacing a job-leaver<sup>35</sup>.
- 43% of employees believe that flexible working would help them with stress, while 52% believe it would make them happier<sup>36</sup>.
- 62.3 years is the average age of withdrawal from the labour market for women (64.6% for men)<sup>37</sup>.
- 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<sup>38</sup>.

## Childcare and Care

- 38% is the proportion of employed women with dependent children (aged 18 and under)<sup>39</sup>.
- 43.6% of mothers (with dependent children) in employment, work full-time.<sup>40</sup>
- 27.9 years is the average (mean) age of first time mothers in the UK<sup>41</sup>.
- Nearly two-thirds (65%) of fathers were aged 30 and over<sup>42</sup>.
- 91% of fathers took time off after the birth but only 29% of fathers took more than two weeks<sup>43</sup>.
- 1 in 5 women aged 45-59 is a carer<sup>44</sup>.

- 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<sup>45</sup>, whilst median weekly wages for all employees remained unchanged<sup>46</sup>.

## 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.

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- <sup>1</sup> *Shaping a Fairer Future*, Women And Work Commission, 2006
- <sup>2</sup> UK budget for tax year 2013  
<http://www.ukpublicspending.co.uk/>
- <sup>3</sup> *Women Matter*, McKinsey 2010
- <sup>4</sup> *The Bottom Line: Corporate performance and women's representation on boards*, Catalyst 2007
- <sup>5</sup> *Women on Board and Firm Performance*, Mijntje Lückcrath-Rovers, Erasmus University Rotterdam, 2010
- <sup>6</sup> *Women in the Workplace: Latest Trends in Gender Equality*, Thomson Reuters 2012
- <sup>7</sup> *Leeds University Business School, 2009*
- <sup>8</sup> *Women on Boards: Not Just the Right Thing ... But the 'Bright' Thing*, The Conference Board of Canada, 2002
- <sup>9</sup> *Women in the Workplace: Latest Trends in Gender Equality*, Thomson Reuters 2012
- <sup>10</sup> Labour Market Statistics, Office National Statistics (ONS), November 2012
- <sup>11</sup> Rachael Mayanja, UN Special Adviser, Gender issues and the Advancement of women *Groundbreakers*, Ernst & Young, 2009
- <sup>12</sup> Women's Business Council first evidence paper, 2012
- <sup>13</sup> 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
- <sup>14</sup> Higher Education Statistics Agency, Students in Higher Education Institutions 2011/12
- <sup>15</sup> Apprenticeships Statistics 2012  
<http://www.apprenticeships.org.uk/News-Media/Latest-News/Article070.aspx>
- <sup>16</sup> Economic & Labour Market Review Vol 5. No. 4, ONS, 2011
- <sup>17</sup> 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.
- <sup>18</sup> BIS (2011) 'Bigger, Better Business', Department for Business Innovation and Skills
- <sup>19</sup> All figures quoted from Professional Boards Forum BoardWatch, March 2013
- <sup>20</sup> *ibid*
- <sup>21</sup> *ibid*
- <sup>22</sup> *ibid*
- <sup>23</sup> Economic & Labour Market Review Vol 5. No. 4, ONS, 2011
- <sup>24</sup> <http://www.equalpayportal.co.uk/>
- <sup>25</sup> *ibid*
- <sup>26</sup> Financial Services Inquiry, Equality and Human Rights Commission, 2009
- <sup>27</sup> Parliamentary Briefing on Improving Gender Pay Transparency, Equality & Human Rights Commission, 2010
- <sup>28</sup> *Legislative measures to promote equal pay*, Government Equalities Office, 2011
- <sup>29</sup> *Employee Outlook Survey*, 2011, Chartered Institute for Professional Development
- <sup>30</sup> Tribunal Services Report 2011/12  
<http://www.justice.gov.uk/downloads/statistics/tribs-stats/ts-annual-stats-2011-12.pdf>
- <sup>31</sup> *ibid*
- <sup>32</sup> Tribunal Services Report 2010/11  
<http://www.justice.gov.uk/downloads/statistics/mojstats/employment-trib-stats-april-march-2010-11.pdf>
- <sup>33</sup> *ibid*
- <sup>34</sup> Women's Business Council's second evidence paper, Home Office, 2012
- <sup>35</sup> *Recruitment, Retention and Turnover*, Chartered Institute for Professional Development
- <sup>36</sup> YouGov Flexible Working poll for Opportunity Now 20<sup>th</sup> Anniversary, 2011
- <sup>37</sup> Pension Trends 2010, ONS, [Pension Trends, Chapter 4: The Labour Market and Retirement, 2013 edition Release](#)
- <sup>38</sup> YouGov Flexible Working poll for Opportunity Now 20<sup>th</sup> Anniversary, 2011
- <sup>39</sup> Labour Force Survey, Office of National Statistics, Q3 2012
- <sup>40</sup> *ibid*
- <sup>41</sup> Live Births in England and Wales by Characteristics of Mother 1, 2011, Office of National Statistics, released January 2013
- <sup>42</sup> *ibid*.
- <sup>43</sup> ONS (2011) 'Births and Deaths in England and Wales 2010' Office for National Statistics
- <sup>44</sup> Figures provided by Carers UK, quoted in: Hills (Chair) (2010) 'An Anatomy of Economic Inequality in the UK: Report of the National Equality Panel' Government Equalities Office; Centre for Analysis of Social Exclusion Report 60
- <sup>45</sup> Daycare Trust, Childcare Costs Survey 2011
- <sup>46</sup> Annual Survey of Hours and Earnings 2011.