

THE GENDER PAY GAP



The Gender Pay Gap regulation aims to improve and provide transparency around the gender pay gap by requiring employers with 250 or more employees to report on 6 equality measures. These give a snapshot of the difference in average earnings between men and women, as of 5th April 2018. We have chosen to report on an additional 7th figure, looking at our Gender Pay Gap from a salary only perspective.

The Gender Pay Gap calculations are not the same as equal pay, which is about ensuring men and women are paid the same for work of equal value. Instead, the Gender Pay Gap is made up of multiple contributory factors, such as the industries and jobs open to women. The gaps reported in our industry last year were even higher than the UK average, therefore we must be part of a collective effort to encourage more women into Media Agencies and Marketing Technology.

This report explains the positive actions and initiatives we have introduced over the past year to help us further develop our diverse and balanced workforce. We know there is still work to be done and improvements to be made and will continue our focus on reducing and removing the gap. As a business we value diversity of experience and thought, because we know that it will improve us as a community and as a business.

That is why in 2018 we launched a Global Diversity and Inclusion Council, pioneered in EMEA, supported and promoted by key senior leaders from across our business. Through the Gender pillar of this council we already have partnerships with multiple charities and organisations and will look to partner with more that support our commitment to increase female representation across our senior roles.

We will also be calling on our employees and leadership team to widen their network, share their experiences and encourage the next generation's talent!

Whilst our median Gender Pay Gap of 13% is below the UK average median Gender Pay Gap in 2017 of 18.4%*, we know that the Gender Pay Gap is not just about data in one year, it's about what we do in the coming years to make a long term difference.

Fostering an environment that inspires a courageous workforce that works collaboratively, will ultimately drive more valuable contributions for our clients, our business and society as a whole.

Jane Wright
HR Lead for EMEA – VP




Michael Komasinski
President – Merkle EMEA




Hourly pay gap (Salary only)



Hourly pay gap (Total Compensation)



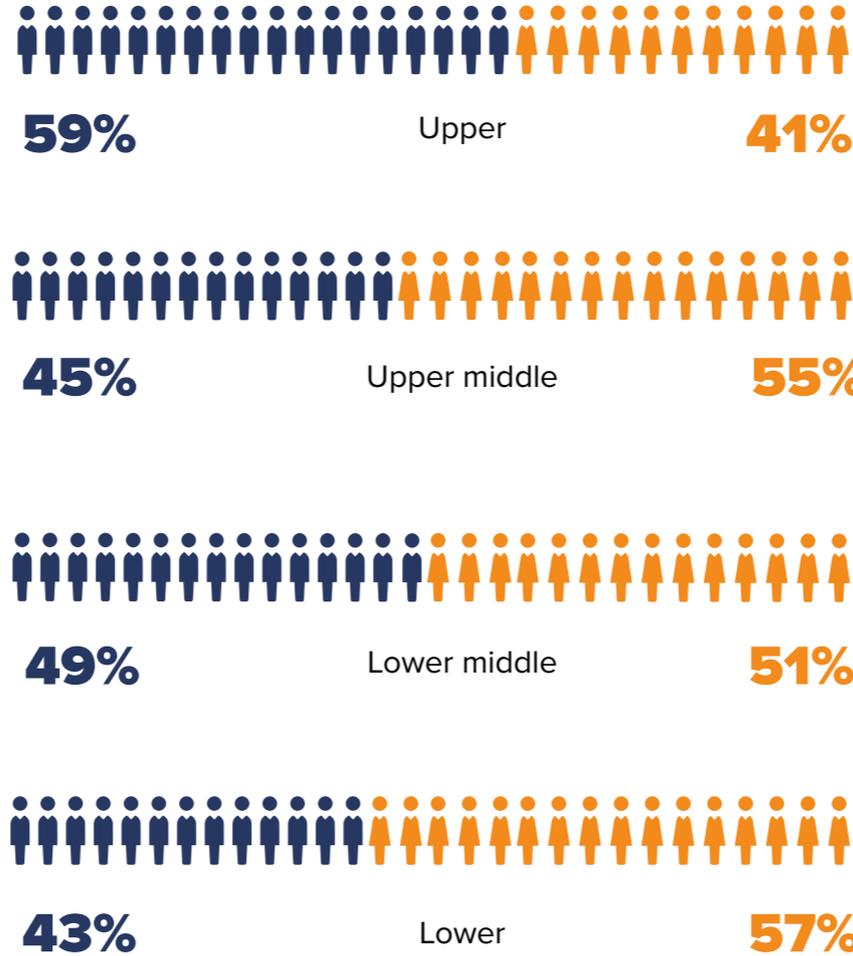
Percentage of employees who received bonus pay



Bonus pay gap

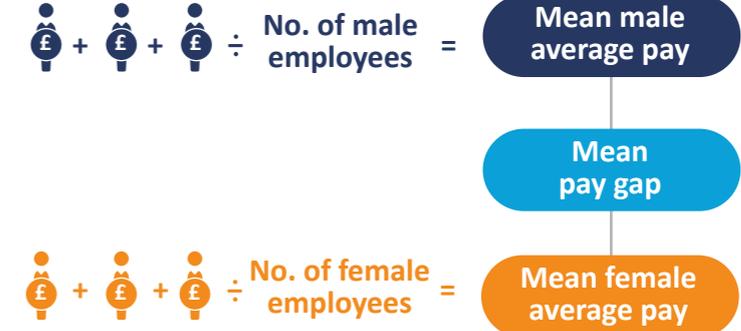


Proportion of men and women in the different pay bands (pay quartiles)

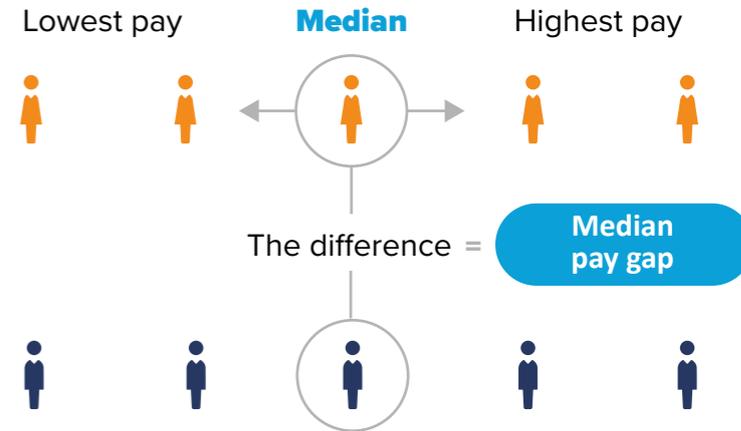


How we calculate the mean and median difference

Mean Difference:



Median Difference:

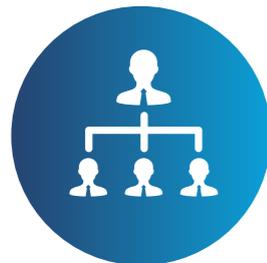




These figures represent our April 2018 gender pay gap. Since April 2018, we have launched the Merkle Career Framework across all 5 acquired businesses to drive consistency in the way we Recognise and Reward all employees. As part of this launch, we introduced a consistent Bonus scheme which will go a long way to addressing our current bonus gap. These initiatives will improve transparency across Merkle UK as we continue to align our businesses.



In addition to there being more men than women in the upper quartile, our Leadership Team, is also predominately male. This was influenced by the historical difficulty in recruiting females at the graduate level when we were a smaller business and our approach of promoting from within causing the higher weighting of men to females at our top quartile. However, with a now more balanced representation at the lower quartiles and continued internal promotion based on merit, we expect a more equal balance across our business to occur naturally over the coming years.



After exploring what is driving our Gender Pay Gap, we can see that one factor of influence is due to our upper quartile having a bigger percentage of males to females. As with many other businesses, the underlying reason for our combined gender pay gap is predominately the lower representation of women in our most senior leadership roles. In our sector, this is coupled with the incredibly low representation of women in Science, Technology, Engineering and Mathematics (STEM) sectors at only 14% in the UK, in 2018*.



We know that our bonus gender pay gap has the biggest improvement to be made. Largely as a result of historically not having a bonus scheme in place in Merkle UK Three. Therefore, all bonuses paid have been to those individuals on commissions schemes which mainly applies to those individuals responsible for generating new clients and business, a team made up (until recently) of only males.



Championing gender equality

In 2016 we launched the EMEA Women in Leadership (WiL) council which aims to drive gender equality across all levels within our business. WiL promotes and celebrates equal opportunity across our business through education and training, the introduction of a structured global mentoring programme and the monitoring of our business management information to ensure we continue to move in the right direction. Our Recruitment team hired a 50:50 gender split of experienced hires in 2018 and will continue to aim for a more balanced hiring pool. This was achieved alongside the introduction of our employee referral scheme in 2018, which aims to encourage all employees to diversify their networks and consequently the hiring of diverse talent into our workforce.



Equality and Inclusivity for all employees

WiL is one of 6 pillars in our Diversity & Inclusion Framework which was designed and founded here in the UK. Our Diversity & Inclusion Council is now in its second year and has already had a noticeable impact through the many networking, awareness, social and guest speaker events that our pillars have organised! It is made up of a diverse group of individuals including a member of the Executive Leadership team, Recruitment, our Head of UK HR and a leader from both of our core areas of the business – Marketing Solutions and Agency Services. In addition, this year we have launched a Career Framework which spans all acquired businesses, which will in turn improve transparency around pay and promotions and what is expected of each employee at each level.



Supporting our working parents

We have done a lot of work on improving our Family Friendly policies and are supportive of Shared Parental Leave, but we can and will do more to make these widely known and available to all employees. The WiL council have championed the increase of our maternity pay from the statutory entitlement to 16 weeks full pay, which we implemented last year. We ensure all new parents are provided with additional support and guidance by our HR team before and after their leave.



2019 AND BEYOND

- The Senior Leadership Team will continue to look at our structure through the lens of equality and diversity on a quarterly basis.
- Every new joiner and every new manager will complete unconscious bias training.
- Our strategy is always to promote internally where possible, based on merit. This means we expect the change to happen organically as we are more balanced at our lower levels.
- All Senior Leaders within our business are committed to ensuring we have Equality and Diversity across our business, they're in support of our Diversity and Inclusion initiatives and in many cases are the drivers behind them!

