

Pressure mounts on Equal Pay and Diversity

Get Pay Equity Reports quickly: Introducing uFlexReward Lite

The UK Corporate Governance Code 2018 means Remuneration Committees (REMCOs) now face greater pressure to ensure companies are complying with their stated reward policies. This has opened up a Pay Equity Data Gap, with a huge potential risk of pay equality claims by employees against their employers.

What's at stake?

To meet the new rules, REMCOs will need comprehensive data on: all forms of reward (not just compensation), for all employees (including acquisitions and innovation units), across a broad cross-section of inequalities (not just gender), with much more detail on the criteria that companies use to justify variations. This includes pay ranges within grades, job descriptions, performance review, work experience and other factors.

Gathering this data in one place can be time-consuming and laborious. But without it, REMCOs will be unable to sign off or assure against the risk of future diversity and pay equality claims. We only have to look at headlines to know the cost of unknown risk is huge; while Tesco and Asda are currently fighting billion-pound claims, the BBC arguably suffered more from reputational loss than it paid in unequal pay compensation.

Bridging the Pay Equity Data Gap

To close the data gap, audits must now include the following:

1. All current reward data (including benefits, share incentives, bonus, and pension values).
2. All current employees in the business
3. A common time stamp on source data
4. A consistent data format
5. Detailed employee demographics
6. Data that justifies pay variations
7. Results delivered in an environment allowing unlimited statistical analysis.

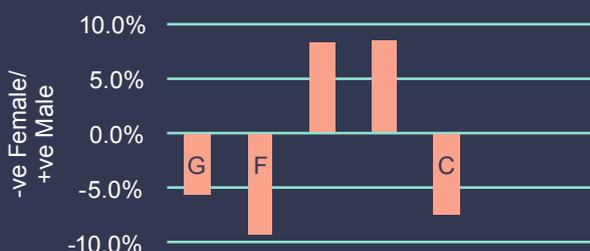
A 48-hour solution for Unilever

In 2019, Unilever produced all of this data within 48 hours. The challenge was met through Unilever's newly deployed Digital Total Reward Platform. The platform cut the data delivery time from three months to two days, and already has the capability to include reward data from contingent labour and supply chain, to comply with the direction of travel in equal pay regulations.

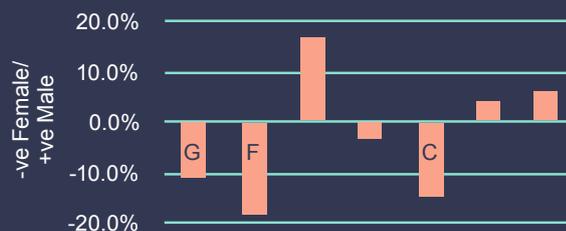
How to follow suit

Unilever is committed to support equality and diversity globally, so, in response to requests from external advisors and other organisations, they asked us to create uFlexReward Lite, which closes the Pay Equity Data Gap – without the need for an expensive, time consuming, IT project.

Bonus Gap by Gender by Grade



Pay Gap by Gender by Grade



Introducing uFlexReward Lite

uFlexReward Lite bridges the Pay Equity Gap with a very powerful and proven technology. In a test, Unilever UK was set up in less than one week; with 6,500 employees, 15 locations, five grades and many variations of pay, benefits, pensions, bonuses, shares.

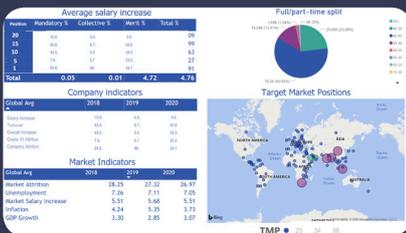
- A UFR Lite Pay Equity audit covers all employees, all reward and a full range of employee HR criteria.
- No IT systems need to be installed.

- Data security is guaranteed by technology, location and client supervision.
- The data then gets extracted into the client's data warehouse.
- The client can very quickly and cost effectively repeat the exercise, no need to gather the data again the following year
- The contract is purely for consulting services.

Our four step process

UFR Lite can complete Pay Equity Data gathering in as little as one week.

1. Tell us your UK reward policies, and we will document them in the system under your supervision. This is very fast and easy. You hold the key to this secure and separate 'total reward policy engine'.
2. We take a file extract from your HRIS which contains all employee reward eligibility data and personal demographic attributes (such as gender, ethnicity, age and religion).
3. By passing this through the reward policy engine we create a database (held in your data warehouse), which calculates all forms of reward, for all employees, alongside their personal eligibility and diversity attributes.
4. After the transfer, the data is deleted and the system is closed down. You may choose to preserve your reward policies library, to allow you to repeat the exercise quickly, whenever required.



UFR Lite Dashboard

For clients using Microsoft Power BI, UFR Lite is delivered with a dashboard of pre-configured Pay Equity reports.

Additional reports can be produced by anyone familiar with BI tools, or the data can be loaded into standard Pay Equity templates supplied by specialist consultancies.

To find out more about how uFlexReward can help your business, contact info@uflexreward.com

uFlexReward