



**Intersectionality in
equal pay -
why the debate
in the UK needs
to go beyond
gender**



A REPORT BY

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#EqualPayUK

**“AS BOTH A WOMAN
AND PERSON OF
COLOUR, IT MAKES ME
FEEL EVEN MORE
CONSCIOUS WHEN
NEGOTIATING PAY - IT
CAN FEEL LIKE
DRIVING A SWORD
INTO MY STOMACH
BECAUSE OF FEAR OF
HOW MY REQUEST
WILL BE RECEIVED”**



BACKGROUND

About us

We are members of the London Hub of the World Economic Forum (WEF)'s Global Shapers [community](#). The Global Shapers Community is a highly selective network of change-makers under the age of 33, working together to address local, regional and global challenges. Many of our members have received international recognition for their efforts, with our alumni well represented in the leadership positions of both domestic and global organisations. Among us are academics, scientists, journalists, lawyers, entrepreneurs, charity founders, activists, investors and doctors. Outside of our day-to-day jobs, Global Shapers run city-based 'projects' to improve our local communities, often in collaboration with city and national governments. Sometimes these projects have a regional or global scope.

Project

As young people living in London, we share the Government's commitment to a more secure and prosperous future for all. One of the key barriers preventing this vision is economic inequality of opportunity. An example of this is the existence of the disparity in salaries of people on the basis of demographic factors. Though discussions of salary gaps have received considerable public attention and media scrutiny over the past two years, the response from employers and policy makers has fallen short.

Therefore, one of the London Hub's projects aims to raise awareness of the need for an intersectional approach to eliminate pay disparity in the UK. Intersectional analysis takes into account how systematic oppression can impact individuals who belong to more than one marginalised group differently than those who belong to just one. We are aware that disparities in pay are a major source of inequity in London and beyond. However, steps taken to date to address this have predominantly been through a gender lens from the Equal Pay Act 1970 to Gender Pay Gap Reporting. Both of these have been strong steps in the right direction but we hold a firm view that an intersectional approach needs to be taken in order to bring about true equality in relation to pay. We are, in particular, concerned with **"equal pay"** which relates to the paying of the same wage for the same kind of work. We have therefore commenced a campaign to raise awareness of the need for an intersectional approach to be taken to eliminate pay disparity in the UK. So far, inequality has been explored primarily by economists but the issue goes much beyond the domain of economic policy.





Therefore, in order to understand the underlying roots of inequality better, we conducted an inductive qualitative research project, and focused on two intersectional aspects - gender and ethnicity. We interviewed people who identify as women and are from an ethnic minority group in the Global Shapers UK community.

The goal of the research was to get a better understanding of:

1. AWARENESS

interviewees' familiarity with the existence of pay disparities

2. TRANSPARENCY

the openness with which pay is discussed

We also conducted secondary research to understand the wider context and support our findings. Building upon our findings, we developed a set of preliminary recommendations with which further research on policy can be conducted.

KEY RECOMMENDATIONS



We recommend,

- 1. All policies and analysis of pay transparency be *intersectional*.** We recognise that vested interests of current structures will create resistance for change but it is critical that all discussions on pay equality undertake a holistic approach to do justice.
- 2. *Intersectional pay data* be collected and shared publicly.**
- 3. Legislation be passed and strengthened to ban unequal pay for equal work** across all demographics including gender, ethnicity, sexual orientation, class and disability; and ensure that there is due process to ensure fairness and transparency.
- 4. Career progression schemes consider intersectionality and institutional barriers** when designing mentorship and sponsorship programmes.
- 5. Organisations focus on not just diversity, but inclusion too – across all demographics.**



1. CONTEXT

There are many factors that impact pay disparities, including occupational choices, career progression and demographic characteristics. These factors are complicated by the existence of intersectionality - when an individual is part of multiple demographic groups that can impact their pay such as being a woman, an ethnic minority and/or disabled.

The concept of **intersectionality** was first coined¹ by African American civil rights advocate and a prominent scholar of critical race theory Kimberlé Crenshaw in 1989 to demonstrate how systematic oppression can impact individuals who belong to more than one marginalised group differently than those who belong to just one. This concept is critical to the understanding of how inequality in pay might impact a white woman less than it would to a woman who belongs to an ethnic minority.

Though discussions of wage gaps have received considerable public attention and media scrutiny over the past two years, the response from employers and policy makers has fallen short.

There is some statistical evidence² to suggest that a **“double disadvantage”** exists for intersectional demographics such as certain ethnic minority women groups. Despite this, governments and employers globally tend to examine pay from a single demographic perspective such as gender or ethnicity rather than a combined approach which limits the effectiveness and credibility of the analysis. For this reason, this report highlights further evidence of the need to approach pay disparities with an intersectional lens.

We found that most organisations are not collecting let alone publishing any kind of intersectional data on pay, which hinders our collective ability to have data-driven conversations on this issue. When it comes to the intersectionality of gender and ethnicity upon UK pay disparities, we would emphasise three crucial issues.

¹ [Demarginalizing the Intersection of Race and Sex: A Black Feminist Critique of Antidiscrimination Doctrine, Feminist Theory and Antiracist Politics, Kimberlé Crenshaw, 2019](#)

² [“Pay gaps across the equality strands: a review”, National Institute of Economic and Social Research, 2009](#)



Issue 1

While there is a small but growing body of evidence in place, there is a need for further work in the UK to examine the double disadvantage faced by ethnic minority women.

Key studies include:

- “Pay gaps across the equality strands: a review”, [National Institute of Economic and Social Research](#), 2009
- [Multiple disadvantage and wage growth: the effect of merit pay on pay gaps](#) - Woodhams, Carol, Lupton, Ben, Perkins, Graham, Cowling, Marc, 2015
- “Gender Pay Gap by Ethnicity in Britain” – [Briefing](#), Fawcett Society, 2017

We are encouraged by the fact that many of these studies have been published recently, which suggests growing interest in this topic.

Issue 2

Research shows that certain ethnic minority women face a double disadvantage when it comes to pay.

Notably, the Fawcett Society study³ released in 2017 highlights two particularly worrying sets of statistics:

- Women from almost every minority ethnic group experience a pay gap with white British men, with the largest disparity being a **19.6% gap for Black African women**.
- Women of most minority ethnic groups experience a gender pay gap compared with men of the same ethnicity. **Indian women experience the widest full-time gender pay gap of this type (16.1%)**, with a 5.5% gender pay gap between Pakistani and Bangladeshi men and women.

Issue 3

There is likely some overlap between the drivers of ethnic pay disparities and gender pay disparities.

Whilst more research remains to be done, there is evidence to suggest that there are some drivers⁴ which are common to both gender and ethnicity. For instance, occupational segregation and slower progression are likely explanatory factors for both, whilst women may also face an additional set of dynamics to contend with e.g. the pay penalty for women who take maternity leave, and women’s lower propensity to negotiate pay. It is also important to acknowledge the difference between ‘pay gap’ and

³ [“Gender Pay Gap by Ethnicity in Britain” – Briefing, Fawcett Society, 2017](#)

⁴ [“The State of Pay - Demystifying the Gender Pay Gap”, Institute for Public Policy Research, May 2018](#)



‘equal pay’. The following are defined as such by the Chartered Institute of Personnel and Development⁵.

PAY GAP is the difference in median pay between two different demographic groups (e.g. the Office for National Statistics defines the gender pay gap as being the difference in median pay between men and women).

EQUAL PAY is the right for people of different backgrounds to be paid the same when doing the same, or equivalent, work.

In this report, when we refer to ‘pay gaps’, it will be in the context of gaps and disparities in pay and not as defined above.

2. METHODS

In order to better understand the underlying sources of inequality, we conducted an inductive qualitative research project, and focused on gender and ethnicity. Due to the above mentioned issues such as lack of intersectional research, an inductive qualitative approach was deemed most adequate in order to provide initial insight.

The findings in this report have been derived from an analysis of 10 semi-structured interviews conducted with young ethnic minority women leaders based in the UK. The respondents came from a variety of professional backgrounds and between the ages of 25 and 35. In order to somewhat control for level of education and other personal traits, we purposefully selected ethnic minority women leaders from the Global Shapers community, as they are all highly educated, proactive, ambitious, and well networked individuals. Using our research skills and knowledge, an interview guide with questions related to awareness and transparency was developed. The findings, along with key recommendations can be found below. Although our research is limited by the number of participants, it provides a unique lens on the experiences of young ethnic minority leaders in the UK.

⁵ [https://www.cipd.co.uk/knowledge/fundamentals/relations/gender-pay-gap-reporting/guide](https://www.cipd.co.uk/knowledge/fundamentals/rerelations/gender-pay-gap-reporting/guide)



3. KEY FINDINGS

The results indicate a clear need to review pay disparities from an intersectional perspective. By reviewing pay data based on either gender or ethnicity in isolation, we are likely to miss important information that could eliminate the gap. We have summarised the findings into two sections: *awareness and transparency*.

Awareness

Our study revealed a high level of ‘inequality awareness’ among our interviewees. Our interviewees, who are all women of colour, are aware that they are paid less than male or white colleagues – and recognise that discrimination could come in multiple forms, including personal experience of different treatment based on nationality, gender and ethnicity. As one of our interviewees explained:

“One of my colleagues said I was earning ‘pennies on the dollar’ (relative to other members of an otherwise all-male, all-white team). They paid more for our office Christmas party, than they did for my monthly salary. And yet I’ve contributed drastic positive cultural changes to the company.” - interviewee

However, despite the fact that our interviewees had a high level of inequality awareness, they acknowledged that the reasons for unequal pay are rather complex, and includes structural barriers such as access to mentorship and sponsorship within a role etc.

As one of them argued:

“I work in an industry that recruits from elite academic institutions primarily even though there are some more vocational links with less prestigious universities, so it’s still a challenge in terms of access for ethnic minorities, who aren’t as well represented in these elite institutions in the UK or globally”.

This implies that in addition to salary inequality, we should consider factors like access to jobs and promotion prospects where ‘cultural differences’ could drive any existing differences further.

Another issue to factor in is the lack of information on these issues. Although there are some key external channels that provide data on salary benchmarking, including recruiters and websites, these resources may not be available to a wider audience and



situations are not always comparable. Many interviewees said that publicly available websites like Glassdoor and LinkedIn were not helpful for researching pay.

Transparency

The companies that our interviewees work for tend to vary in perceptions of transparency. However, our findings indicate that topics like salary level, pay bands (salary, bonus, other compensation) were a “taboo topic” in the vast majority of organisations. For instance, some interviewees became aware of the ‘pay gap’, only when they were in charge of the budget and could see others’ salaries.

“My company is not transparent at all. They haven’t talked about pay. There is no publication of salary bands.” - interviewee

“It wasn’t a very comfortable conversation to have pay chats with anyone in the organisation.” - interviewee

“I’m happy to talk publicly [about my salary] but within my company I wouldn’t - because of the difference in [...] pay: the difference in work doesn’t justify the salary gap which is why wouldn’t speak about it. It’s a difficult situation.” - interviewee

Similarly, another interviewee shared that when she told her salary to coworkers, they told her she was underpaid but didn’t share their salaries with her either. This suggests that when there is awareness of unequal pay, employees who are overpaid may feel they stand to lose from disclosing their salary, and are unlikely to do so, meaning that it is hard for those who feel they are underpaid to be certain of it. Another structural problem that we found was that many interviewees argued that once people were overpaid, it would be harder to lower their wage; and that if the underpaid people were brought up to a competitive salary, it would drive up the national average. This suggests a view that employers would have to spend more on salaries by bringing up the underpaid salaries to the overpaid level.

When asked about how they would react in a situation that they are underpaid, many interviewees stated that should they recognise they are underpaid, they would theoretically discuss it with their manager, generally around the time of their annual performance review when they are thinking more about pay inequities. As one of the interviewees bluntly put:

“I would start by challenging management, asking why; go for an internal approach first. If I received an unsatisfactory answer, I would seek legal advice.” - interviewee



Our findings show that few have actually had these conversations with their managers. The reasons for this vary. For instance, a number of our interviewees claimed that immigration status plays a key role, as one of them described:

“When you are not British, there is also another dimension as a foreigner - things like visa issues put you at mercy of employers who have more power. I told my employer who offered me a job that I was happy for them to pay the minimum! I was worried about being deported, it felt like it was the only job that I had a chance, and after facing so much rejection, I was drained.” - interviewee

In addition to immigration status, what is interesting is that our findings indicate some “less obvious” issues. For instance: managers are not always decision makers (e.g. “My manager doesn’t have the authority to give a raise”) and individuals of minority backgrounds often have a general hesitation and lower confidence to negotiate (e.g. “It can feel hard to get a job as person of colour – so you’re grateful to just have the job”)

4. RECOMMENDATIONS

Based on the findings of our inductive study, we propose 6 main recommendations, which we believe should be a first step for further research and policy making in the topic of gender and ethnic pay inequality.

1. All policies and analysis of pay transparency be intersectional.

We recognise that vested interests of current structures will create resistance for change but it is critical that all discussions on pay equality undertake a holistic approach to do justice.

“Encourage workplaces to have more transparent pay logic so at least people understand how they will be compensated when they enter companies.” - interviewee

“I’m going to be leaving the company soon and I need my payslips to show a fair number (so I can get a competitive rate at my future employer).” - interviewee

“My past earnings (from previous jobs) often end up being a predictor of my future earnings rather than my employer thinking through pay structure on a responsible, fair basis.” - interviewee



ACTION

- Salaries to be published internally, and where possible, externally, to eliminate the taboo and increase access to opportunity.
- Past salaries are not asked of candidates and if known, are not taken into account when deciding on pay bands.
- The Government uses its power as a market regulator to set up standards for fair initial offers and complaints procedures especially for smaller firms that do not have HR departments.
- Management and leadership teams institute better formal routes to asking for a raise, and proactively consider offering a performance-based raise and not leaving it to employees to negotiate for themselves.

2. Intersectional pay gap data be collected and shared publicly.

This in principle isn't complex, but in practice is hard and we acknowledge that firms undertaking such reforms will need to have an experimental approach where the methodology is refined over time.

ACTION

- Employers collect "intersectional" pay data looking at the spectrum of inequalities including but not limited to gender (the full spectrum), ethnicity, socio-economic background, sexual orientation, class and disability.
- Employers (especially those with more than 250 employees) proactively perform yearly "intersectional" audits on pay inequality.
- The Government works with a select number of champion companies to perform yearly "intersectional" audits on pay inequality and report these in their annual reports; at a threshold similar to the gender pay gap reporting guidelines (250 employees or more).

3. Legislation be passed and strengthened to ban unequal pay for equal work across all demographics including but not limited to gender, ethnicity, sexual orientation, class and disability; and ensure that there is due process to ensure fairness and transparency.

5. Career progression support programmes such as mentorship and sponsorship should incorporate intersectionality into their design.

Sponsorship and mentorship are both popular career progression support programmes. For many, the active advocacy and championing that goes with sponsorship can be more effective than passive mentorship schemes. Regardless, both programmes should take intersectionality into account. For instance, this could be in determining who are the mentors and sponsors most best suited to understand the barriers faced by the employees.





ACTION

- Employers provide mandatory negotiation training for employees and managers

6. Organisations focus on not just diversity, but inclusion too for employee retention – across all demographics.



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