



HALLMARK
GENDER PAY GAP
REPORT
2017

IT'S THE LITTLE THINGS!
THIS IS HOW WE'LL LEAVE OUR MARK



Diversity and Inclusion



At Hallmark we pride ourselves on our people; we always consider the individual and never take a one size fits all approach. Diversity and Inclusion is really important to us and we work hard to create an environment where everyone can flourish regardless of background, race, age, sex, gender, marital status, sexual orientation, religion or disability.

In addition we make sure we are aware of our legal responsibilities, particularly in regard to recruitment and disciplinary procedures. To make sure we give the right training and support to anyone making decisions where equal opportunity considerations are likely to arise.



CREATIVITY

IT'S IN OUR BLOOD

and we know that the best ideas flourish in a diverse environment.

Our approach to diversity embraces the following:

We aim to foster an environment in which individual differences and contributions are recognised and valued.

We offer a working environment that promotes dignity and respect to everyone.

We generate opportunities where training, development and progression is available for those that want it.

We recruit, develop and retain the best people, recognising and realising potential along the way.

We work hard in developing our colleague and customer base in a way that reflects the different communities in which Hallmark operates.



Our Talent

Julie Maystone (IT) Programme Manager



I have been working at Hallmark for over 17 years and undertaken many different roles. I have had many opportunities to learn new areas of the business and develop my skills. Hallmark has supported this in different ways through mentoring and formal training.

I always had flexibility within my roles but now with a young family this really comes into play. Being able to work part time whilst constantly developing my career is great for me, I don't feel like I am making sacrifices at home or work to achieve this.

Working in IT for over 10 years I have seen a real change from what was historically mostly male employees to a much more even split and many more Women in senior roles. The key focus within IT and the organisation is to get people with the right skills, whoever they are, this brings a diverse workforce together to achieve goals.



INCUMBENTS IN SENIOR ROLES

		
January 2015	69.2%	30.8%
January 2016	66.7%	33.3%
January 2017	59%	41%

(using data from top two grades within our business Jan 2015 to Jan 2017)

The people of Hallmark are our company's most valuable resource. Each and every one of us is here to make a difference & enhance a moment, sharing the pride in the difference that our cards can make.



Our Talent

Sarah Bright & Kirsty Williams

Head of Organisational Effectiveness and Development

Our careers started in HR roles in other organisations and we joined Hallmark in full-time HR Business Partner roles.

Following maternity leave we were both supported to work flexibly in part-time positions. This enabled us to balance our demanding careers alongside our young families.

Having each successfully carried out a couple of different roles on a part-time basis across our HR function we were encouraged to 'Job Share' our current position as Head of Organisational Effectiveness and Development, and joined the HR Leadership team in this role. This works perfectly for us, as individuals as we are able to find the right balance of family life with a fulfilling career, the benefit to Hallmark comes from our combined broad skill-set and complementary styles.

Within our role, we are passionate about ensuring women and men are able to succeed and develop their careers at Hallmark and that there should be no barriers to this. We promote blended learning opportunities which are accessible for all and ensure recruitment and talent processes and decisions are inclusive and enable diversity.

We are positive examples of how flexible working and job-sharing can work at a senior level and value the opportunities and support the organisation has provided us to make it a success!



Tom Gill

Art Director

I first started my career at Hallmark in 2000. I currently work in the Creative Department as an Art Director. I'm one of those annoying people who enjoy their day job and it doesn't feel like work (most of the time).

With our first child on the way, my partner and I decided we liked the thought of being able to split the 12 months leave between us, so that we could both spend some quality time with our new arrival. When I proposed this to Hallmark management, I was pleased how supportive everyone was and the HR department helped me along the way in sorting it out.

I have now returned to work and I can honestly say that the time I took was such a great thing to have. Before hand I would have described myself as a bit of a 'rookie' when it came to parenting and the leave gave me the opportunity to just be a Dad for a bit. I could focus on my child without the pressures of work, at a time in his life when so much was happening and he was changing every day. We had a load of fun and 'I think' I got a bit better at it - although my son Gabriel may disagree with me there.

In terms of the leave itself, I would definitely do it again and would recommend it to anyone.

Now that I'm back in the Studio, I feel the time away has made me a more rounded person. It gave me perspective on what's really important. I think this should help me in my day job when dealing with stresses and pressures. It could never be as hard as looking after a baby!



Understanding the Pay Gap

The mandatory gender pay gap reporting regulations, as defined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (“the Regulations”), require all companies with 250 or more employees on 5 April 2017 to publish details of their gender pay and bonus gap.

What is the gender pay gap?

The Gender Pay Gap is the difference in the **average** pay and bonus of all men and all women across an organisation, expressed as a percentage of men’s earnings.

The gap is reported as a mean average and a median average (mid-point) figure and is calculated from individuals hourly rates as at April 2017.

It is important to note that the gender pay gap covered here, is different from an equal pay comparison. Equal pay means that men and women performing equal work should generally receive the same pay.

MEAN AVERAGE



Vs



Add the male hourly rates
and divide by the total
number of male employees

Add the female hourly rates
and divide by the total
number of female employees

MEDIAN MID POINT

Line up everyone in order from the lowest to the highest
hourly rate and the Median is the middle number



Lowest Paid



The Median
(mid point)



Highest Paid

UK Results

HOURLY PAY GAP

Mean hourly pay gap **33.4%**

Median hourly pay gap **32.5%**

HOURLY PAY QUARTILES

		
Upper (highest paid)	34.8%	65.2%
Upper middle	9.2%	90.8%
Lower middle	8.3%	91.7%
Lower (lowest paid)	13.3%	86.7%

Our quartiles are created by ranking all employees by hourly rates of pay from lowest to highest and dividing them into 4 equal groups. We then express the proportion of males and females in each group as a percentage.



Interpreting our Pay Gap

Although we are confident that we have equal pay for work of equal value, we do have a gender pay gap when we compare the overall average pay and bonuses for women and men.

The main reason for this organisation-wide gender pay gap is an imbalance in the distribution of male and female colleagues across the company, not because of our pay policies and practices.

There are a number of reasons we have a gap, in summary:

- In the UK Hallmark has a small number of International roles which, given their broad remit are compensated for appropriately. These roles have had an impact on our Mean and Median hourly pay gaps as at the time they were filled by men.
- Hallmark offers a significant proportion of part-time roles, commonly resulting in a high proportion of women in our lower quartile roles, our field merchandising population are an example of this.
- As a society women are more likely to take time out of their careers to start a family or have carer responsibilities. The gap typically widens where women reach the age of 40 and this impacts Hallmark too.

UK Results

MEAN	HOURLY PAY
Overall gap	33.4%
Demographic gap	31.8%
Non-Demographic gap	1.7%

The demographic effect relates to the amount of the pay gap which is attributable to the difference in male /female representation across grades.

The non-demographic effect relates to the amount of the pay gap which is attributable to the difference in pay between men and women within each grade in our business.

Pay Gap Analysis

Whilst the mean overall gap is 33.4%, it is helpful to consider how much of this gap is a result of having a larger percentage of men in senior roles than in more junior roles, or because men are paid more for the same role.

Our demographic gap shows that 31.8% of the 33.4% gap is attributable to there being more men in higher grades.

When we account for these grade differences the gender pay gap reduces to 1.7% (this is referred to as the non-demographic gap).

This demonstrates that the pay gap is driven by seniority, with Hallmark having more men in senior roles than are in junior roles and this is clear in our data shown by the hourly pay quartiles. It is important to state that we do still have a significant proportion of females in senior roles in all areas of our business.

UK Results

BONUS PAY GAP

Mean bonus pay gap **58.0%**

Median bonus pay gap **-8408.0%**

PROPORTION OF EMPLOYEES WHO RECEIVED BONUS PAY



41.7%



12.9%

Bonus Pay Gap Analysis

The bonus pay gap includes any bonus payment made over the 12 month period ending on the 5th April 2017.

At Hallmark bonus is predominantly a percentage payment linked to salary and the amount of payment therefore goes up as colleagues move up in seniority. It's worth noting however, that incentives not attributed to our annual scheme are included in our calculations, such as one off incentive payments.

The calculation set out in the regulations do not make a provision to adjust for part-time working and this affects our mean bonus pay gap as we have a sizeable number of colleagues working part time.

The Median bonus pay gap is derived by lining up all the people who received any form of bonus from the most to the least and then taking the middle person in the line. The gap is expressed as a % of men's earnings.

Our Plans

We know there is always more we can do to strengthen our position and these gender pay insights provide us with a valuable resource to help our focus.

FLEXIBILITY

We already offer our colleagues the opportunity to work flexibly, where possible. This includes part-time working (63.75% of our workforce are currently working on a part-time basis). We have long established Maternity, Adoption and Shared Parental policies to support both parents balance the demands of family life with their careers.

We also offer specific individual coaching and development to our high potential colleagues (regardless of gender) to support them if they wish to progress to more senior, leadership or managerial positions within the company.

BUDDY SCHEMES

We are establishing 'buddy' schemes to support existing parents-to-be. Employees returning to the organisation following Maternity, Adoption, Paternity and Shared Parental leave, and those with other caring responsibilities.

WORKING FORWARD SCHEME

Looking to the future, we have pledged our support to the Working Forward scheme. The Equality and Human Rights Commission's nationwide campaign to make workplaces the best they can be for pregnant women and new parents.

This will include exploring opportunities for Returnships and supported hire programmes as options, to enable people to return to the world of work after an extended break from their career.

SENIOR TEAM

In society women are often underrepresented in senior roles where remuneration is higher, although this is not as true in Hallmark. We need to remain committed to having a senior team that is as balanced and representative as elsewhere in the business.

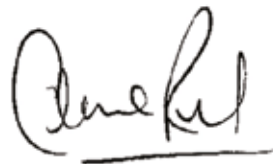
We will continue to support a variety of local external forums aimed at encouraging and empowering women in leadership. We are committed to advertising all roles as potentially suited to flexible types of working to include applicants who may want a more flexible working option.



Essentially, by using the data and talking to our colleagues to help us really understand the pay gap, we will continue to build a reward strategy that not only improves the gender pay gap but identifies further ways in which we can reward and recognise our colleagues as individuals.

We will also continue to identify ways in which our current provisions can be enhanced, ensuring Hallmark continues to be a place that people feel able to be their whole selves at work and are supported and encouraged to really make their mark.

As HR Director for Hallmark UK & Ireland, I, Claire Reid, can confirm that the information contained herein is accurate.



Claire Reid
HR Director - UK & Ireland

If you have any queries regarding anything contained in this report, please contact connected@hallmark-uk.com

