

2020 Gender Pay Gap Reporting Narrative

Under legislation brought in April 2017 by Government, UK employers with more than 250 employees are required to publish their gender pay gap (GPG) with the purpose of encouraging companies to take action to close their GPG with greater transparency.

Due to the disruption of Covid-19, reporting of GPG has been deferred by a six-month period until 5 October 2021.

L.E.K. Consulting LLP is a meritocratic firm with commitment to equity, diversity and inclusion (ED&I). All our staff with the same experience, qualification and rank are remunerated equally, irrespective of gender.

Overall, women make up 39.9% of our workforce, including all employees and Partners. In analysing our data, we include Partners for complete transparency.

Our analysis reveals that due to the greater proportion of women in support roles, such as EAs, there is an inadvertent distortion to the GPG given the manner in which it needs to be reported on. In addition, while the firm is on the continuous journey of implementing initiatives to support and facilitate greater female representation at senior levels, which are the highest paid within the firm, there is still a relatively low proportion of women at such levels in comparison to their male counterparts. We fully expect that this would be addressed as females currently at junior levels acquire seniority.

As a result, the determinant of the deviation in the notional hourly pay rates in the GPG report is the proportion of female representation at senior levels, rather than any pay differential between the genders for the same role. As performance bonus payment forms the largest component of total remuneration at senior levels, this also further compounds a differential in the bonus GPG.

As we operate a robust meritocratic performance and reward process with remuneration parity for same roles, our GPG is firmly based on lower female representation in senior and Partner level roles rather than any pay inequality. In our commitment to fulfil the full potential of all our staff, we have more than doubled the number of our female Partners and senior leadership in the last three years and continue to focus on this effort as we grow the firm.

We continue to work hard in our commitment to developing and implementing initiatives across the business to support our cultural values and ethos of diversity and inclusion. Further, following a comprehensive audit of the gender balance, backed by extensive internal analysis of all our talent processes and qualitative feedback from our staff in 2019 and 2020, we have launched, as part of our overarching ED&I strategy, a number of initiatives with a view to increasing female retention, including a dedicated mentoring and coaching programme for women as well as additional talent retention strategies. These should automatically address the current GPG.

As part of our journey, will continue to drive the advancement and potential of our female workforce with rigour and focus.

L.E.K. Consulting LLP

We confirm that the data reported below is accurate.

Vassilis Economides
Partner, Head of London

Clay Heskett
Partner, Head of Europe

London, 5th October 2021

The 2020 Gender Pay Gap at L.E.K. Consulting LLP

The 'gender pay gap' is the difference in average earnings (separately, hourly pay rate and annual bonus payments) between all men and all women (including Partners) in the UK, expressed as a percentage of men's average earnings. This is calculated based on the snapshot date of 5th April 2020.

	Mean	Median
Gender pay gap	27.2%	25.8%
Bonus gender pay gap	76.0%	46.4%
	Women	Men
Proportion receiving bonus payment	88.2%	92.4%

Proportion of employees and Partners in each pay quartile

