EXECUTIVE SUMMARY

- With a digital skills training academy in Glasgow which has already created 267 jobs since its establishment 2 years ago and been awarded the Best Employer Brand at the S1 Job Recruitment Awards, FDM Group is the UK’s leading IT graduate employer and a longstanding champion of diversity in the workforce. We are passionate about Women in IT and have been at the forefront of this agenda globally. Leading by example, 50% of our senior management team are female.
- Across Scotland, women account for just 18% of those in digital technology occupations, compared to 48% of the workforce as a whole.
- The technology gap starts at school and overall gets worse as females progress through the education system. Girls represent 20% of those studying national 5 computing in Scottish schools and this falls to just 16% of those pursuing computing degrees at Scottish universities being female.
- With the average salary for digital roles some £20,000 higher than the national average wage in Scotland, this is resulting in a significant gender pay gap.
- Identifying role models and championing their achievements is key to encouraging women into and within the industry; we are firm believers that ‘you can’t be what you can’t see’.
- Supporting women back into work at senior levels via returners to work programmes is also important to tackle the lack of females in senior positions in the tech industry and redress the significant gender pay gap.
- We have found that over half of female graduates taking up careers with us did not study a STEM related degree yet they are thriving in the industry. This opens up the industry to many more women given that, proportionately, not many take IT related courses.
- Given this, we argue that to tackle the gender gap in tech it is important to focus on how we can attract talent from non-tech backgrounds. Whilst we agree that there needs to be a continued focus on engaging girls at a young age in STEM subjects, the impact of this change is likely to take decades whereas there is a pool of talent available now with transferrable skills for the sector.

As outlined in the call for evidence, we will focus primarily on the questions:
Are there specific issues with gender pay within the Scottish public and private sectors?

What are some examples of good or bad practice within Scotland or internationally?

What are some examples of gender pay policies leading to more effective and successful businesses?

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**Introduction**

FDM Group is the UK’s leading IT graduate employer and a longstanding champion of diversity in the workforce. Inclusivity is one of our core values and this success was recently recognised when FDM was awarded the TARGETjobs Diversity Recruitment Award ahead of major international names like IBM, Accenture and Barclays.

We are passionate about Women in IT and have been at the forefront of this agenda globally. Leading by example, 50% of our senior management team are female as are 26% of all of our employees (compared to just 17% across the UK tech sector workforce).

Without imposing quotas or diversity recruitment targets we have achieved a diverse workforce across all measurements. More than 60 nationalities and cultures work at FDM and of our 2016 consultants:

- 51% are from an ethnic minority background
- 59% attended a state school
- Over a quarter were the first in their family to attend university

FDM Group provides individuals with technical and professional training to equip them with the skills needed by the industry. Once training is completed, they then progress to one of our client sites to work as consultants. We work with over 180 leading businesses across multiple sectors.

We are committed to nurturing and retaining talent in Scotland and supporting the IT skills needs of the country’s growing technology sector by recruiting local talent from diverse backgrounds. FDM’s Glasgow training academy has already created 267 jobs over the last two years for graduates and ex-forces personnel. We have links with 15 Scottish universities and work to supply skilled staff to companies such as Barclays, RBS, Lloyds, Mastercard, Aviva and HSBC. We were recently granted ‘Best Employer Brand’ at the S1 Job Recruitment Awards, voted for by Scottish jobseekers.

**Extent of Gender Pay Gap in Scottish Tech Industry**

Across Scotland, women account for just 18% of those in digital technology occupations, compared to 48% of the workforce as a whole.
The technology gap starts at school and overall gets worse as females progress through the education system. Girls represent 20% of those studying national 5 computing in Scottish schools, 17% at Higher and only 13% at Advanced Higher levels. Just 16% of those pursuing computing degrees at Scottish universities\(^1\) are female.

69% of employers and 71% of employees responding to a Digital Scotland survey\(^2\) thought that a lack of women studying related subjects at university was a barrier to female employment in the digital technology sector.

The average full time wage in 2015 (the most recent year in which figures are available) in Scotland was £27,710. The advertised average digital salary in Glasgow in 2016 was £46,854 and in Edinburgh, £51,227. The significantly higher wages in this sector combined with the under-representation of women perpetuates a substantial gender pay gap.

**Examples of Best Practice in Tackling the Gender Gap in Tech**

At FDM, we are committed to tackling the large gender gap in digital industries, the gender pay differential and the lack of females in senior positions.

FDM’s efforts to promote more women into IT and business include a global Women in IT initiative which strives to attract, support and promote the opportunities available to women. The annual FDM everywoman in Tech Awards aim to reward, celebrate and promote the achievements of outstanding women.

**Female Champions** are selected internally as role models to support and encourage women within our business, because we believe that ‘one cannot be what one cannot see’. By showcasing role models to our employees, as well as to students on campus, they can aspire to follow in their footsteps.

**Supporting Women into Senior Positions**

To tackle the lack of females in senior positions in the tech industry, FDM recently launched the Getting Back to Business Programme. This supports those who have taken a career break to get back into the workplace. Its development was based on the importance of attracting returners into the same level as they left, in order to ensure that there is a pipeline of talent that can work its way through the management structure which will increase diversity at the top.

\(^1\) [http://www.skillsdevelopmentscotland.co.uk/media/42478/tackling-the-technology-gender-gap-together-2.pdf](http://www.skillsdevelopmentscotland.co.uk/media/42478/tackling-the-technology-gender-gap-together-2.pdf)

\(^2\) ibid
The programme provides the training needed to bring returners’ skills up to date so that they can re-enter the sector at a senior level and redress the significant gender pay gap and under-representation of women that currently exists. This has been successfully introduced in our London office and was recently recognised in the UK Government’s Digital Strategy as an example of innovative work to encourage more women into tech. We are currently in discussions with Scottish businesses about its roll out here.

**One thing we have learnt from the first cohort of our ‘women returners’ is that the language used to recruit them is very important. Potential candidates were put off by adverts that described roles differently to how they viewed themselves. For example, the returners are very reluctant to pigeon hole themselves as Business Analysts or Project Managers; they would rather talk about their experiences as this is what they relate to.**

**More recent feedback has indicated that the use of the term ‘returnships’ can be offputting as this is often used to refer to shorter term work contracts similar to internships. Our programme is a two year job guarantee, focused on relaunching the careers of those who apply.**

We will shortly be publishing more detailed case studies.

**Wider Diversity Recruitment Best Practice**

Our work in promoting diversity in the workplace extends much wider than just tackling the gender gap. We believe that it is vital to have a workforce that reflects society and that this ultimately makes the business successful. FDM’s Founder, Rod Flavell, has established a culture where diversity and social mobility are the norm.

Our recruitment process supports employing talent from a range of educational and socioeconomic backgrounds. We do not limit our recruitment to the Russell Group of universities because we believe that diversity of education and experience creates diversity of thought. We are also proud not to be ‘degree snobs’ and take on candidates from all degree types as well as levels (ranging from PhDs to no degree). Whilst 51% achieved first class honours or a 2.1, 23% hold lower second class degrees. We focus on finding people with ambition, potential and the aptitude to succeed rather than focusing on past successes; we believe what is important is a candidate’s drive and what they can become. To support this, every CV received is screened by someone in our recruitment team (candidates are contacted at every stage of the process by the same person with hints and tips to be successful) and we use strengths based interview questions to remove the bias of social capital that can help some candidates in competency-based questions.
Practical Advice to Support a Diverse Workforce

FDM would advise other employers to identify role models and champion their achievements for others to see, as well as making sure their senior management team understand the value that diversity brings to the business.

Our experience shows that setting a culture that supports diversity starts at the very top. We would recommend creating a champion at board level who can lead the organisation’s aspirations for diversity with an accompanying business case for it and practical steps that can be followed across the entire organisation.

Practicalities include setting recruitment policies and practices that support diversity, providing unconscious bias training, implementing ongoing monitoring and making adjustments to policies and practices as a result. In addition, networking and learning from other organisations can provide insight into good practices for different companies. Keeping abreast of up to date research and findings can also help inform policy discussions and prove the business case.

The Benefits

The business benefits of having a diverse workforce include a greater understanding of customer and client needs. Employees who come from a wide range of backgrounds and experience bring a much wider view of the world with them and their different viewpoints help foster greater understanding.

These varied experiences and viewpoints also generate innovation and creativity as employees learn from each other; sharing their different life experiences to create innovative solutions to challenges.

In addition and very importantly, organisations which are diverse have the benefit of an increased talent pool from which to recruit. A narrow recruitment focus may mean missing out on some of the best talent available. Equally, organisations that have a reputation for diversity are attractive to potential employees.

Recruiting people from non-tech backgrounds to tackle the gender gap

Skills Development Scotland notes that over half of female graduates in the tech sector come from non-tech backgrounds such as creative arts, business studies and natural/social sciences.

FDM’s own experience as the UK’s leading IT graduate employer supports this; we have found that 56% of female graduates taking up a career with us did not study a STEM degree, yet they are thriving in a career in technology.
As such, contrary to what many think, an IT related degree is not required to gain employment in the tech sector given the diversity of digital roles. This opens up the industry to many more women given that, proportionately, not many take IT related courses.

Whilst changing the balance of girls who come through the system studying IT will take many years, there is a pool of ‘hidden talent’ which can be drawn upon now, namely, graduates with the transferable skills for the sector who the industry needs to engage with.

To tackle the gender pay gap, therefore, we argue that it is important to focus on how we can attract new talent from non-tech backgrounds.

The problem is that those taking non-STEM degrees are not aware of the opportunities in the sector and often perceptions of the industry are putting off talent individuals, in particular girls, from considering this route.

Faced with many preconceptions about a career in IT, girls need to be able to see what digital is all about in order to opt to go into it.

We interviewed 400 of our female consultants and asked them what their perception of the IT industry was before and after joining a digital organisation. Frequently used words to describe their view of the sector from an outside perspective were: ‘closed’, ‘introverted’ and ‘back-office’. Most seemed to have a vision of an isolated coder in a dark room. Having visibility of a digital company drastically altered their perceptions of IT. Having joined a digital organisation, the consultants now talked about the IT industry as ‘creative’, ‘innovative’, ‘exciting’ and full of personalities.

Given the extent of the digital skills and gender gaps, it is vital that this group is encouraged to consider the sector. There is a pool of talented graduates out there now who can succeed in digital; it is a question of raising awareness that this option is available to them and getting them exciting about the possibilities of a career in the sector.

To do this, there needs to be increased visibility of diversity in tech. We strongly believe that “you can’t be what you can’t see”; unless there are role models going to talk to schools and universities about their story of how they got into tech from a range of backgrounds and what working in digital is really about, young people will not consider this option.

FDM Group