



# Mind the Gap: Exploring Gender Differences in Professional Services

# Mind the Gap: Exploring Gender Differences in Professional Services

Earlier this year, TotallyLegal - the UK's leading legal job site and sister site GAAPweb the market leading job site for accountancy professionals both published an Audience Insight Report exploring key trends within their professional communities in 2021.

Alongside exclusive stories about furlough, job security, employee benefits and much more, both reports included thorough analysis of gender pay and representation issues within their respective professions. Now, GAAPweb and TotallyLegal have come together to explore their pooled data, with the ultimate goal of gaining a greater understanding of gender differences and discrepancies in the professional services industry.

## Title Fight

To gain a complete understanding of their audiences, TotallyLegal and GAAPweb both asked survey respondents to disclose their current job title. When analysing this data in relation to gender, it becomes clear that, within the legal profession, progress to gender parity currently has mixed success, at best.

In line with TotallyLegal's past findings, men continue to dominate the leadership and management roles of Practice Manager (67%), Head of Department (60%), General Counsel (54%) and Partner (53%). However, women now outnumber their male counterparts in several key job titles including Conveyancer (92%), Paralegal (79%), Legal Executive (76%) and Solicitor (73%). It's possible this generation of female legal professionals could go on to displace the existing cohort of male leaders.

Women also have greater representation than men in many of the non-fee earning roles, such as Legal PA (100%), Legal Secretary (90%) and Administrator (66%). Yet, these roles are typically some of the lowest paid within the profession.

With men's average earnings of £69,233 sitting £18,682 higher than the £50,551 received by female survey respondents, the overall gender pay gap in the legal profession sits at 27% in 2021. Although the gap has closed by 1% year-on-year, gender pay discrepancies are markedly higher than the 2020 national average of 16%.

Men outearn their female counterparts in 13 of the 24 job titles that TotallyLegal surveyed, including key legal roles such as Solicitor (29%), Lawyer (25%), Paralegal (6%) and In-House Counsel (18%).

In positive news, the gender pay gaps among the most senior legal roles - where men have disproportionate representation - are showing decreases in 2021, with salary differences of 13% (£15,343) and 8% (£7,326) respectively for General Counsel and Partner roles - down from 16% and 28% respectively. Though there clearly remains much work to be done, these shrinking pay gaps might indicate the beginning of lasting change.

Meanwhile, in the world of finance and accountancy, gender representation and pay across job titles is similarly mixed and murky.

For example, female representation is higher or equal to men in a variety of roles, such as Assistant Accountant (67%), Finance Manager (58%) and Audit (54%). However, men outnumber women in 14 of the 22 surveyed job titles including Payroll (90%) and Credit Controller (71%).

Some progress has also been made towards closing the gender pay gap in finance and accountancy, narrowing by 3% this year.

Still, with average male salaries of £70,806 sitting 23% higher than those of their female colleagues (£54,203), gender pay discrepancies within the profession are rife and far above the 2020 national average.

As well as being one of the roles with the highest concentration of male respondents, the gender pay gap is most notable among Credit Controllers, where disparities reach £27,800 or 51% on average, up from 7% last year. The gender pay gap within roles such as Bookkeeper (15%), Assistant Accountant (15%) and PQ Accountant (29%) also show year-on-year growth.

Mirroring TotallyLegal's findings that men dominate the leadership positions in legal, GAAPweb discovered that 93% of CFOs and 73% of Finance Directors are men. However, unlike in legal, where the gender pay gap within senior leadership still favours men, female CFOs earn an average of £9,000 (7%) more than men in similar positions. Likewise, women in Finance Director roles earn £6,000 (6%) more than their male peers.

## Industry Insights

In the finance and accountancy profession, GAAPweb found that women have greater representation than men in 7 of the 20 surveyed sectors, as detailed in the table below.

Sector	% Women	% Men
Public Sector	60%	40%
Property & Housing	61%	39%
Education & Training	59%	41%
Sport & Leisure	63%	37%
Pharmaceutical	52%	48%
Fintech	53%	47%
Law	69%	31%

In the majority of the remaining sectors, though, male finance professionals outnumber their female colleagues. The male-favouring gender representation gap is most pronounced in manufacturing and engineering, where 67% of respondents are men. It's notable, though, that this only represents a slightly smaller majority than the representation gap in law, where women lead the pack.

Men outearn women in all sectors apart from charity and pharmaceuticals, but even here women earn just £1,626 (3%) and £1,954 (2%) more than men, respectively.

For finance and accountancy professionals, the gender pay gap by sector reaches its worst - 65% - in property and housing, but is also exceptionally high in education/training (64%), insurance (54%), consultancy & business services (48%), and consumer products / FMCG (47%). Alarmingly, the two sectors with the starker pay inequalities are ones populated with a greater number of women, suggesting that even when representation issues are resolved, pay discrepancy problems persist.

TotallyLegal's findings were similar, in that men outnumbered their female colleagues across most legal practice areas. Construction (67%), energy/environmental (58%), company/commercial (56%), media/entertainment (73%), corporate finance/M&A (60%) and shipping (63%) were all led by men, while women dominate in litigation (71%), residential property (87%), commercial property (76%), private client (77%), public sector (75%), child law (86%), clinical negligence (100%), immigration (71%) and wills & probate (100%).

While it may be unsurprising that men remain in place as the dominant group in the highest-paid practice area (energy/environmental), in 2021, women actually have greater representation than men in the rest of the top 5 highest-paid practice areas.

The most conspicuous pay discrepancies arise in family (65%) and immigration law (64%), but significant wage gaps also exist in practice areas such as private client (57%) and public sector (46%) law. Despite most of these sectors being dominated by women, men still earn more, again suggesting that resolution of representation issues within professional services does not impact salary disparities.

In positive news, pay parity was achieved this year for respondents in the fields of employment and construction law, while women also earned more than men in personal injury (22%), dispute resolution (16%) and child law (13%). Despite these wins, the fact remains that men earn more than women in 17 of the 26 surveyed practice areas, and in 15 of these industries the gender pay gap significantly exceeds the 2020 national average of 16%.

## Qualifications & Experience

The teams at GAAPweb and TotallyLegal agreed that taking a closer look at how gender intersects with education and experience may provide some interesting insights for this joint report.

GAAPweb's Audience Insight Report found that the vast majority (86%) of finance and accountancy professionals hold one of four main qualifications - the ACA (16%), ACCA (25%), CIMA (25%) or AAT (20%).

With 71% female membership among survey respondents, women are significantly more likely to be AAT qualified than men. However, the remaining three qualifications are male dominated.

Qualification	Male	Female
AAT	29%	71%
ACA	70%	30%
ACCA	54%	46%
CIMA	64%	36%

Significantly, the AAT is a lower-level qualification than the other three certificates in the above table. A combination of AAT's popularity and lower rates of higher-level qualification among female respondents may play a part in the comparatively lower salaries offered to women in finance.

When it comes to these specific qualifications, the gender pay gap is in line with, or lower than, the national average.

Qualification	Avg. Male Salary 2021	Avg. Female Salary 2021	Gender Pay Gap
AAT	£72,311	£61,371	16%
ACA	£95,851	£81,420	16%
ACCA	£77,851	£66,130	16%
CIMA	£36,667	£33,521	10%

Despite the prevalence of women in the AAT membership, the gender pay gap still favours male respondents.

In the legal profession, women outnumber men at all post-qualification experience (PQE) levels except 10+ years, where 51% are men.

Perhaps not incidentally, this is also where the highest salaries and the greatest number of industry leaders such as General Counsel and law firm Partners can be found.

It is worth noting that 61% of respondents to TotallyLegal's survey identified as female.

PQE Level	Male	Female
Non-qualified	22%	76%
NQ (1-2 years)	42%	58%
3-6 years	34%	65%
7-10 years	45%	55%
10+ years	51%	48%

In spite of the strong representation women have in the legal profession, men continue to earn significantly more at several PQE levels.

PQE Level	Avg. Male Salary 2021	Avg. Female Salary 2021	Gender Pay Gap
Non-qualified	£55,750	£31,913	54%
NQ (1-2 years)	£37,000	£38,295	-3%
3-6 years	£50,610	£54,026	-7%
7-10 years	£69,766	£57,372	20%
10+ years	£87,830	£75,177	16%

Women do earn slightly more than men between newly qualified (NQ) and 6 years' PQE, but the gender pay gap for more senior (7+ PQE) professionals is substantial.

Of particular concern is the finding that non-qualified men are paid considerably more than their female counterparts, despite only making up 22% of all non-qualified respondents.

Although the particulars are incongruous, the wider implications here are in harmony. Clear disparities persist between men and women within the professional services industry, even when their experience and education are aligned.

## Gender, Ethnicity & Age

Another key area of exploration for both TotallyLegal and GAAPweb was how gender interacts with other demographic features like ethnicity and age.

Among finance and accountancy professionals, men outnumber women in nearly all ethnic groups. Only in the Black, African & Caribbean group do we see more female respondents than male.

Similarly, men of most ethnic backgrounds outearn women who share that same background. The only example of this being untrue is among Mixed / Multiple Ethnic Groups.

Ethnic Group	Female	Male	% Pay Gap
Asian / Asian Black	£54,286	£57,500	6%
Black / African / Caribbean / Black British	£53,485	£56,129	5%
Mixed / Multiple Ethnic Groups	£72,321	£59,833	17%
White	£53,683	£75,651	41%

The gender pay gap is most substantial when observing White respondents, with White men earning more than any other surveyed group.

When it comes to age, GAAPweb found the largest group in its audience to be men aged 41-50 years (17%), followed by women aged 41-50 and 31-40 (both 14%).

Age	Female	Male
21-30	8%	6%
31-40	14%	13%
41-50	14%	17%
51-60	10%	11%
60+	1%	5%

Responses also reveal that there are more women than men in the younger age groups, while the opposite is true for older age groups. This could be a sign that in the future we will see greater female representation in finance and accountancy, however this is not the only possible explanation. It could be that women leave the profession before men because they are not afforded equal opportunities and rewards, or they take time out to start families and then find it difficult to re-enter the workforce.

As is the case within finance and accountancy, male legal professionals outearn women of the same ethnic background in all but the Mixed / Multiple Ethnic Groups category.

Ethnic Group	Female	Male	% Pay Gap
Asian / Asian Black	£47,071	£63,636	35%
Black / African / Caribbean / Black British	£44,097	£48,750	11%
Mixed / Multiple Ethnic Groups	£57,625	£47,142	18%
White	£51,977	£74,798	44%

Once again mirroring GAAPweb's findings, gender pay discrepancies are most starkly apparent when reviewing the salaries of White respondents, where White men earn more than any other surveyed group.

At 23% of total survey respondents, women aged 31-40 are the largest segment of TotallyLegal's audience by gender and age. This is followed by women aged 21-30 (16%) and men aged 31-40 (15%).

Despite the prevalence of women in the audience, male respondents outearn females in every age bracket. The pay gap widens exponentially as legal professionals get older, too. While those at the start of their careers are subject to a relatively small difference of 5%, those aged 51 and above are facing astronomical discrepancies of 57% and higher.

Age	Female	Male	% Pay Gap
21- 30	£35,258	£36,973	5%
31-40	£52,997	£63,941	21%
41-50	££68,333	£87,500	25%
51-60	£49,625	£89,167	57%
51-60	£31,875	£59,688	61%

## Mind the Gaps

Individually, the **TotallyLegal** and **GAAPweb** Audience Insight Reports each make for a sobering read, studded with the occasional indication of progress or glimmer of hope.

Combined, this resulting report unsurprisingly reaches a similar conclusion. Much of what we have learned here is a continuation of many years of findings from both job boards that gender disparities - both in terms of representation and compensation - are rife within professional services.

The intermittent strands of good news, while of course welcomed by all at **GAAPweb** and **TotallyLegal**, are often eclipsed by deeply entrenched issues and systems which put female legal and finance professionals at a considerable disadvantage throughout their careers.

In 2021, the positions with the power and platform to influence progress to parity in professional services are invariably filled by men. Until this changes, the gender pay gap in professional services will continue to close at its snail's pace of 2% per year - or worse, it will start to grow.



## Contact

 **[sales@gAAPweb.com](mailto:sales@gAAPweb.com)**

 **0207 348 5010**

 **[www.gAAPweb.com](http://www.gAAPweb.com)**