2019 Tata Consultancy Services UK Gender Pay Gap Report

Key points:

- TCS UK’s gender pay gap for 2019 is 19.18%, trending in the right direction from a gap of 23.25% in 2018
- 79% of women at TCS UK received a bonus in 2019, up from 65% in 2018
- The proportion of women in TCS UK’s workforce and the proportion of women in leadership roles both increased this year
- We have introduced a range of new initiatives this year to develop diverse leaders and continue to build an inclusive culture

Introduction

Diversity and inclusion has always been at the heart of Tata Consultancy Services (TCS). This commitment is reflected in the values, actions and behaviors that underpin our continuing success.

TCS has been operating in the UK for more than 40 years and is one of the country’s largest digital employers. We have more than 150 clients, including some of Britain’s best-loved brands, and we are committed to attracting diverse talent into both the digital sector and our own business.

More than a third of our over 448,000 global employees are women and we are proud to be the first in our industry to have women make up 36.2% of our global workforce.

Our work is part of a journey to build a diverse talent pipeline that allows us to recruit and retain more women into TCS and our industry, while supporting more women into senior leadership roles.

In the UK, we have an ongoing and ambitious plan to transform the profile of our workforce. It includes:

- **Inspiring** more girls and women to study science, technology, engineering and math (STEM) subjects and explore careers in the digital industry
- **Transforming** recruitment procedures to help attract more diverse talent – particularly women – at the entry level
- **Launching** various initiatives to help retain and develop our female workforce so they progress within the company

This plan is helping TCS both address the gender pay gap and continue to build an inclusive and rewarding workplace for all our employees.

The 2019 results

This is the third year that we have published the gender pay gap information for our UK business, based on data collected in April 2019.

Figure 1 sets out the gender pay gap data for salary and bonus payments at TCS UK. A report from the Office of National Statistics in October 2019 indicated that the **overall gender pay gap in the UK is 17.3%**, down from 17.8% in 2018.

The figures show that the average (‘mean’) pay of our female employees in the UK is 19.18% lower than our male employees. This is down from a gap of 23.25% in 2018 and a gap of 26.09% in 2017.
<table>
<thead>
<tr>
<th></th>
<th>Men</th>
<th>Women</th>
<th>Gap</th>
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</thead>
<tbody>
<tr>
<td>Mean hourly pay</td>
<td>19.18%</td>
<td></td>
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<tr>
<td>Median hourly pay</td>
<td>10.5%</td>
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<tr>
<td>Mean bonus</td>
<td>27.68%</td>
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<tr>
<td>Median bonus</td>
<td>29%</td>
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<tr>
<td>% in receipt of bonus</td>
<td>91%</td>
<td>79%</td>
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**Figure 1:** Salary and bonus payments at TCS UK

The shortage of women engineers, an issue for businesses throughout the digital and information technology industry, is one of the prime reasons why we still have a gender pay gap – although it is narrowing. According to a [2018 report from Engineering UK](https://www.engineeringuk.com), just 12.37% of engineers in the UK are women.

As TCS UK grew, we made changes to our recruitment and talent attraction strategies. We have been able to increase the number of entry-level jobs and bring more women into the company at this level. Women now make up 39.2% of our junior workforce – a significant increase from 29% in 2014.

Encouragingly, 79% of women at TCS UK received a bonus in 2019, up from 65% in 2018.

Figure 2 shows our pay quartiles and the impact this has on the pay gap data. These quartiles have only moved marginally over the past year, and we will need to see higher proportions of women in the higher quartiles to ensure that our pay gap continues to narrow.

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Men</th>
<th>Women</th>
<th>Gap</th>
</tr>
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<tbody>
<tr>
<td>Top quartile</td>
<td>92% men</td>
<td>8%</td>
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<tr>
<td>Upper middle quartile</td>
<td>89% men</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Lower middle quartile</td>
<td>87% men</td>
<td>13%</td>
<td></td>
</tr>
<tr>
<td>Lower quartile</td>
<td>73% men</td>
<td>27%</td>
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**Figure 2:** Pay quartiles at TCS UK

Finally, over the past 12 months:

- The proportion of female employees at TCS UK and Ireland has increased by 0.3%
- The proportion of women in leadership roles has increased by 0.7%
- Six of our UK employees have won diversity awards for their work, talent and the examples they set as role models

**What TCS is doing to close the gap**

Despite being one of the first companies in our industry to have women make up 35% of our global workforce, we know there is much more to be done – particularly in the UK.

Our work to address the gender pay gap – both in TCS and in the industry at large – falls into three main areas:

- Getting more women into STEM careers
- Getting more women into TCS
- Building an inclusive culture and developing leaders
Getting more women into STEM careers

- In 2019, our STEM program – which aims to nurture the IT talent of tomorrow – reached a significant milestone. It has now successfully engaged more than 750,000 students across the UK and registered a sharp increase in participation by young girls.
- A new initiative, TCS Girls in AI, engaged over 1,500 girls in Scotland through a series of workshops that explore machine learning and coding.
- In November 2019, our Digital Explorers event gave 740 12- to 18-year-olds (both boys and girls) the chance to get hands-on experience with AI and coding.

Getting more women into TCS

- We are continuing with our proactive hiring strategy at the junior level and creating a new pool of female talent within TCS.
- Job descriptions are gender neutral and we use blind hiring to eliminate unconscious bias.
- We continue to encourage internships and work experience placements for women to inspire them to take up digital careers, and we work with universities to provide mentoring for students.

Building a supportive culture and developing leaders

- We continue to promote gender diversity at all levels through programs such as STAR Mentoring, which matches our executive leaders with diverse women talent for top-down inclusion, and our global iExcel Executive Education program for women.
- Women are provided with structured coaching and mentoring interventions for professional and personal growth.
- Ensuring a smooth second innings for women returning to work post maternity or long leave through our Return to Work program.
- We continue to grow the TCS Hive Gender Diversity network, which is open to women and men and dedicated to engaging, developing and retaining talented women.
- In February 2020, we launched a new program, Allies of Diversity. This saw 130 participants from different genders, cultures, generations, levels of seniority and abilities come together and commit to be a diversity ally. The program’s aim is to empower employees to be active participants in the creation of an inclusive culture at TCS.
- To mark International Women’s Day, we launched the Champions of Equity campaign, which highlights the importance of everyone in TCS UK owning the gender diversity agenda.
- We have also introduced a new flexible- and home-working policy this year, which will help all employees improve their work-life balance.
- As part of this, TCS is embedding a policy called ‘25 by 25’. This means that only 25% of our associates may have to be at our offices to ensure that TCS is 100% productive.