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# Dorchester Hotel Ltd

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## Gender Pay Narrative

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November 2017

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## 1. Introduction

In light of the recent Government Regulations regarding Mandatory Gender Pay Gap Reporting, Total Reward Group have been tasked with writing the Gender Pay Narrative to support the gender pay gap reporting requirements for Dorchester Hotels Ltd as of the 5<sup>th</sup> of April 2017 snapshot date.

## 2. Foreword

As a business we have a passion for excellence and innovation, honouring the individuality and heritage of our iconic hotels. Everything we do, from our financial disciplines to our human resource policies, is focused on that aspiration.

Our business comprises three key areas: The Dorchester, 45 Park Lane and the regional office which supports our London hotels.

We care for our people and recognise that they are our greatest asset. We want to ensure our workforce is diverse and inclusive and our culture continues to be open, fair and inclusive. We are committed to building a company which people want to work for and where they feel welcomed regardless of their ethnicity, gender, age, disability, religion or sexual orientation. We aim to attract, develop and retain the best talent available.

We recognise the implementation of mandatory gender pay gap reporting is an important step in terms of progression and transparency to encourage greater equality of opportunity for women in work.

Our Gender Pay Gap Report suggests that we have areas where we can do more to support gender equality and by scrutinising the detail to understand the reasons behind the high level numbers, we can build a plan of action which builds on and improves programmes and activities already in place.

We have a mean gender pay gap of 15% favouring males and a median gender pay gap of 7% favouring males, which, on a positive note, are both below the national average and median figures as reported by the Office of National Statistics, 2017.

To help improve our pay gap, we will continue to provide access to training and development opportunities to encourage and promote progression into more senior roles. We continue to ensure our HR policies encourage and support flexible working within the organisation. Our HR team actively supports our diversity message across the organisation by positively influencing and challenging our hiring managers to ensure they recognise how their individual behaviours and actions impact our overall ability to create an open, fair and inclusive workplace culture.

### 3. Gender Pay Gap

Mandatory Gender Pay Gap Reporting applies to all private and voluntary sector employers in England, Wales and Scotland with at least 250 employees as of the 5<sup>th</sup> of April 2017 snapshot date. Those organisations are required to publicly report their gender pay gap metrics as follows on the government-sponsored website, **with the aim of eliminating the gender pay gap:**

<b>Mean gender pay gap</b> Difference between average hourly earnings of males and females	<b>Median gender pay gap</b> Difference between median hourly earnings	<b>Gender bonus gap</b> Difference between average bonus earnings
<b>Mean gender bonus gap</b> Difference between median bonus earnings	<b>Median gender bonus gap</b> Proportion of male and female employees receiving bonus within the 12 month period	<b>Pay quartiles</b> Insight into career paths

As of the 5<sup>th</sup> April 2017 payroll, our mean gender pay gap stood at 15%, with our median gender pay at 7%, both of which currently favour males:

Mean Hourly Pay Differences

	Full Pay Employees
All	£10.43
Female	£9.45
Male	£11.15
<b>Pay Gap</b>	<b>15%</b>

Median Hourly Pay Differences

	Full Pay Employees
All	£9.18
Female	£8.92
Male	£9.56
<b>Pay Gap</b>	<b>7%</b>

These are both below the national mean (17.4%) and median (18.4%) as reported by the Office of National Statistics, 2017.

The underlying reason behind the gap is predominantly due to the higher representation of women in more junior roles in our organisation and lower representation of women in more senior leadership roles. The Food & Beverage sector of the industry is typically male-dominated and this is reflected across our organisation, from chefs through to managers (35 of our 57 managers are male, half of whom sit in this business). When we look across our group, the majority of our roles are sourced from this industry. We also recognise that a large proportion of our female senior managers were on maternity leave during the relevant pay period and therefore their data has been excluded from the analysis. We are confident that all our HR processes and practices ensure that our people are not paid differently due to gender.

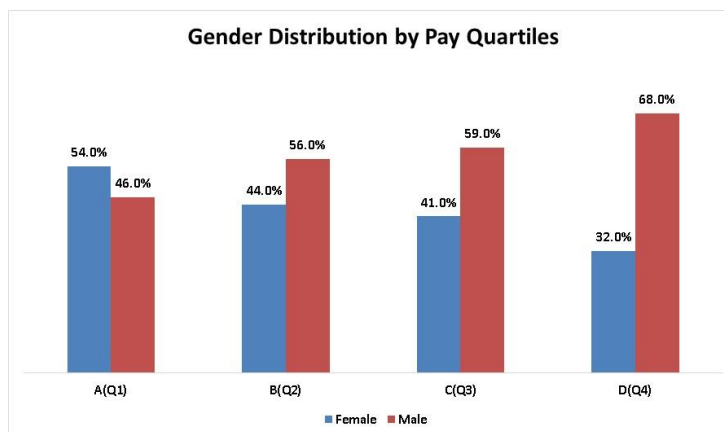
Our mean bonus gap currently stands at 38% favouring males, with our median bonus gap favouring males at 61%. We have a similar proportion of male and female employees receiving a bonus:

Mean Bonus Differences				Median Bonus Differences			
	Mean Bonus	Number receiving a Bonus	% Bonus Distribution		Median Bonus	Number receiving a Bonus	% Bonus Distribution
Female	£2,796.79	298	90%	Female	£913.89	298	90%
Male	£4,494.69	422	95%	Male	£2,336.71	422	95%
<b>Pay Gap</b>	<b>38%</b>			<b>Pay Gap</b>	<b>61%</b>		

The underlying reason for these gaps is predominantly due to a large number of males receiving higher bonus payments relative to a smaller female population, who are operating in more junior roles.

Discretionary performance-related bonuses are awarded and paid on an annual basis, taking account of company, business area and individual performance. As an equal opportunities employer, all our permanent employees, irrespective of their position, age, gender or ethnicity, are eligible for bonus.

Our gender distribution by quartiles, as defined by the regulations, show us that female employees are underrepresented in the top three quartiles, with the greatest difference being in the last quartile where we observe a broadly 66/33 split favouring male employees. Males are underrepresented in the first quartile.



We are committed to hiring the best talent for roles across our organisation and as part of this, we continue to actively create an environment where everyone is motivated to develop and progress through innovative HR policies and practices and an encouraging environment. While we continue to make real strides in this area, we recognise that we need to actively ensure our hiring managers reflect our strategic approach to diversity. We recognise the motivational importance of positive senior role models to inspire confidence and success and we are proud that half our senior management roles are occupied by females.

#### 4. Closing remarks

This is our first year reporting our gender pay gap and we know that we need to further explore the numbers and identify what actions are required to ensure that we make real progress to close the pay gap that is evident in our industry.

We constantly develop and improve our HR policies and practices to encourage and promote the development and progression of all our employees and ensure that our culture actively supports our female employees in being well represented and championed across our organisation.

Building on our values, we will continue to work with all of our employees, and regardless of ethnicity, gender, age, disability, religion or sexual orientation, provide them with opportunities to build their confidence and help them in reaching their full potential.

#### Our Values

- **Passion:** with pride, we enthusiastically deliver exceptional service.
- **Personality:** with confidence, we take on challenges as opportunities to express our generosity.
- **Respect:** with integrity and fairness, we value the diversity of people, cultures and environments.
- **Working together:** with trust, we act as one team celebrating everyone's contribution and successes.
- **Innovation:** with a spirit of curiosity, innovation and ongoing learning, we share creative solutions for continuous improvement.