



CRISIS PRACTICE

Coronavirus

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COVID-19 and The Implications for Diversity, Equality and Inclusion– An EU-UK Perspective

COVID-19 has had a profound impact across all workplaces and sectors, with a rise in unemployment, economic inactivity and redundancies. Several global studies have shown that women have been disproportionately impacted by the pandemic as they are more likely to work in the “shutdown sectors” and/or perform roles more susceptible to furlough or redundancy (for example, roles which cannot be performed at home). In this May alert we are focussing on how COVID-19 has impacted on women at work, what this means for diversity and inclusion and how employers can positively respond.

RECENT DATA

- As at 31 January 2021, 2.32 million jobs held by women were on furlough, compared to 2.18 million jobs held by men. Since the start of the pandemic, the number of women furloughed has always been slightly above that of men. According to the Institute for Fiscal Studies (IFS), one reason for this is that women were about one third more likely to work in a sector that was shut down by the pandemic.
- A study by the IFS has found that mothers were 1.5 times more likely than fathers to have either lost their job, faced circumstances at home forcing them to resign or were at risk of being furloughed.
- Another survey by the IFS revealed that working mothers have reduced their paid working hours more substantially than working fathers, with the average number of paid hours per weekday falling from 6.3 to 4.9 (with working fathers' hours falling from 8.6 hours to 7.2 hours).
- A similar study by the Fawcett Society found that 35% of working mothers have had to reduce their hours due to a lack of childcare support during the pandemic.



Whilst both male and female employees have faced an array of challenges in their personal and professional lives, the data suggests that working mothers are more likely to have taken a step back from paid work during the pandemic (either voluntarily due to caring responsibilities or through job loss). The implications of this could have potential knock on effects on female representation in the workplace, with women finding it harder to return to pre-pandemic work levels or opting to continue working remotely.

WILL WE SEE A WIDENING OF THE GENDER PAY GAP?

The ONS found in 2019 that there was a 17.3% pay gap between men and women in the UK when considering part and full-time employees together. Gender pay gap reporting was suspended in March 2020 shortly after the first lockdown began and further suspended until 5 October 2021. The effects of the pandemic on the gender pay gap remain to be seen, although with the above statistics, it is unlikely that the pay gap will have been reduced.

When considering promotions, pay rises and bonus criteria this year, employers should ensure that women have not been disadvantaged as a result of the changes required to their working patterns and workloads. If actions taken during the pandemic are found to have a greater negative impact on female employees, there is a risk that such actions will be challenged as indirect discrimination on the grounds of sex or part-time status. Employers should add a further step into the pay round moderation process to ensure that women are not disadvantaged in this year's performance or pay reviews.

FLEXIBLE WORKING – TURNING A NEGATIVE INTO A POSITIVE

The pandemic has accelerated the prospect of flexible and remote working and this is expected to continue in the post-pandemic world. In our [client survey](#) earlier this year, the vast majority of respondents emphasised an increased overall flexible approach to balancing work and home life in the long-term. The changes to working habits necessitated by the pandemic raised awareness to how effective remote working could be and encouraged the creation of the digital platforms needed to make this possible.

Already, employers have put in place more mechanisms to support working carers and have showed an acute understanding of the additional home responsibilities faced by their staff. Over the past year we have seen the move to an entirely remote workforce, an increase in flexibility of hours to cope with school closures, an increase in paid and/or unpaid time off and additional flexibility to move from a full time to a part time schedule.

Over the next year we will see a move to a “new normal” for flexible working, with a hybrid model of home and workplace flexibility being adopted by many employers. A move to such a model would allow carers to balance paid work and caring responsibilities more effectively in the long-term. Such flexible working could lead to more diversity in the workplace, with the removal of some of the challenges of childcare.

Employees' mindsets and attitudes towards flexible working practices have also adjusted. Flexible and remote working policies are likely to form a key part of both attracting and retaining talent after the pandemic is over – for men and women alike.

OUT OF SIGHT CANNOT MEAN OUT OF MIND

With the impending return to physical offices, employers need to ensure that return-to-work approaches are inclusive and do not inadvertently exclude working carers who opt to work from home for as long as possible.

There needs to be an emphasis on ensuring those working from home are able to participate equally. Many employees have reported worries of a loss of connectivity and belonging with colleagues, and fears of stalled career growth. Employers should be mindful of this when scheduling meetings and ensure that remote workers remain connected with colleagues.



If those working from home are being overlooked for projects and opportunities, there may be an increase in discrimination claims if women are disadvantaged for opting for a more flexible approach.

WHAT ELSE CAN EMPLOYERS DO?

Environmental, social and governance (**ESG**) issues are at the forefront of many our clients' minds. Companies are faced with rising expectations from customers and clients to behave in a socially responsible way. Diversity, equality and inclusion play a key role in corporate strategy and brand promotion.

Employers can consider taking the following steps to tackle gender inequality mitigate the impacts of COVID on women in the workplace:

- Prepare for gender pay gap reporting. Gender pay gap reports may be read by your employees, clients/customers, suppliers and competitors. Do you know how your figures will look when it comes to reporting time? Consider undertaking an audit and understanding your own statistics. If your gender pay gap has widened over COVID, it will be important to understand why in order to add context to reports and to improve the data moving forward.
- Retain a focus on D&I initiatives as a top priority and ensure execution plans have teeth. How do D&I initiatives need to be updated to reflect the pandemic and its aftermath?
- Review flexible working and remote policies. It is crucial that the adoption of a more flexible mindset and culture is supported by a formal structure and policies, and vice versa.
- Create infrastructure that ensures that recruitment, promotion and remuneration processes are free of subconscious bias or potentially indirectly discriminatory performance criteria.
- Consider whether performance reviews and promotion criteria need to be updated – is there a risk of rewarding 'presenteeism'?
- Ensure workloads are balanced for those both in and out of the office. Resist the temptation to assign work to those sitting at the next desk.
- Ensure support structures are in place to prevent those working from home from fears of isolation and career stalling.
- Provide clear channels of career progression to ensure that talented remote workers are retained, as well as recognised and promoted.
- Review family friendly policies, including unpaid childcare to support employees experiencing an increased childcare burden during the pandemic and beyond.

If you would like advice on any of the issues raised here, please do not hesitate to contact us.



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