

ILM Research Paper 3: UK Managers' Profile, 2013

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May, T and Pardey, D (2013) *ILM Research Paper 3: UK Managers' Profile, 2013* ILM, London

The series so far consists of:

ILM Research Paper 1: Flexible Working: A selective summary of recent research

ILM Research Paper 2: Values & ethics in management

ILM Research Paper 3: UK Managers' Profile, 2013

NB: The report is dated 2013 as this is the date of publication but, due to the time lag in the publication of ONS data, most of the data relates to surveys in 2011 and 2012.

Introduction

About this report

According to the 2011 census, one in nine (10.9%) of the employed workforce (in England and Wales) is a 'Manager, director or senior official'. Who are these people? This Research Report brings together publicly available data from the Office of National Statistics (ONS) and Eurostat to create a dynamic profile of the manager population. It is dynamic as we have attempted to show how the current profile is changing by comparison to previous years' data. By looking at the changes that have taken place it becomes possible to develop a sense of the direction of travel.

The Table below (showing estimates based on the Labour Force Survey for April-June 2012) gives an overall picture. 22% of 'Managers, directors & senior officials' are self-employed (compared to 13% of the rest of the labour force) and 33% are women (compared to 48%). Some 87% of managers work full time, compared to 70% of the rest of the labour force. Amongst male managers, only 7% work part time, half the proportion (14.5%) of other males in the labour force. Amongst female managers a similar pattern emerges; 22% work part time but this is also half the proportion of the rest of the female labour force, at 45%.

Introduction Table 1: Labour Force Survey estimates of the manager population

Standard Occupational Classification (SOC 2010):	Total	Employed	Self-employed	Male	Female
Total workforce	29,414	24,983	4,176	15,804	13,610
1 MANAGERS, DIRECTORS & SENIOR OFFICIALS	2,982	2,294	662	2,005	976
111 Chief Executives & Senior Officials	71	64	6	56	16
112 Production Managers & Directors	465	387	77	422	43
113 Functional Managers & Directors	762	647	109	473	290
115 Financial Institution Managers & Directors	93	86	7	60	33
116 Managers & Directors in Transport & Logistics	156	146	11	133	23
117 Senior Officers in Protective Services	57	57	*	49	8
118 Health & Social Services Managers & Directors	93	90	*	30	63
119 Managers & Directors in Retail & Wholesale	338	279	57	216	122
121 Managers & Props. in Agriculture Related Services	33	13	20	24	9
122 Managers & Props. in Hospitality & Leisure Services	282	176	102	171	111
124 Managers & Props. in Health & Care Services	81	74	7	16	65
125 Managers & Props. in Other Services	548	277	262	354	193

NB: Figures are in '000. * Sample size too small for reliable estimate.

It is this variability in the manager population that this report attempts to portray.

Populations change slowly; a man retiring on reaching the state pension age of 65 in 2013 will have entered the labour force in the mid- to late-1960s. A woman joining the workforce at the same time will have reached the state retirement age in 2008. Given the levels of post-compulsory participation in education, let alone participation in higher education (only 10% or so at that time), it is quite probable that the man started work in 1964, at 15. Someone – male or female - entering the labour force today (at 17) is likely to be working until 2066 or later. Given the differences between the workplaces of 1966 and today, and the likely changes that will have occurred by 2066, it is remarkable that these two very different work environments, 100 years apart, will be spanned by two adjacent generations.

Technology changes far faster than demographics, and social attitudes and behaviours change at some intermediate pace. Hence, the changes that we outline in this report may look relatively small, but they represent significant changes in the manager profile and, probably, in the way that organisations work as they adapt to the rapid pace of economic change.

Most of ILM's research is designed to find out about how leaders and managers think and behave, and to explore their experiences in their roles. This report is designed to complement that research by simply saying 'This is who they are'. As far as possible we have tried to say something about the average (usually the arithmetic mean), and also to show the distribution, as this is often far more descriptive. For example, the average manager is just under 46, is more male than female, and predominately white, but over the last eight years has got slightly older, more female, less white and a bit better qualified! It is in the detailed breakdown that these bald facts have meaning.

The primary sources for the data we have analysed are the Annual Population Survey, carried out between June 2011 and July 2012, and the Labour Force Survey, carried out between October and December 2012. Both involve relatively large samples (shown in the tables in this report in the format 'n.12,345', where '12,345' is the size of the sample being analysed). At the time of publication of this report, this is the most up to date data available, and has only recently been published.

The Annual Population Survey (APS) is a continuous household survey, covering the UK, with the aim of providing estimates between censuses of key social and labour market variables at a local area level. The APS is not a stand-alone survey, but uses data combined from two waves from the main Labour Force Survey¹ with data collected on a local sample boost. Apart from employment and unemployment, the topics covered in the survey include housing, ethnicity, religion, health and education.¹

The Labour Force Survey (LFS) is a survey of households living at private addresses in the UK. Its purpose is to provide information on the UK labour market which can then be used to develop, manage, evaluate and report on labour market policies. The survey is managed by the Social Surveys division of the Office for National Statistics (ONS)¹ in Great Britain and by the Central Survey Unit of the Department of Finance and

¹ ONS (2012) *Information Paper: Quality and Methodology Information*
<http://www.ons.gov.uk/ons/guide-method/method-quality/quality/quality-information/social-statistics/summary-quality-report-for-the-annual-population-survey--aps-.pdf>.

Personnel in Northern Ireland on behalf of the Department of Enterprise, Trade & Investment (DETINI).²

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Table D1 is based on data from Eurostat, the statistical office of the European Union, and is used in accordance with the copyright/licence policy at
http://epp.eurostat.ec.europa.eu/portal/page/portal/about_eurostat/policies/copyright_licence_policy

² ONS (2011) *Labour Force Survey User Guide VOLUME 1 – LFS background and methodology 2011* <http://www.ons.gov.uk/ons/guide-method/method-quality/specific/labour-market/labour-market-statistics/index.html>

Section A

Managers' profile by age, sex and ethnicity

Section A1: UK Managers by Age

Managers are about four years older than other employees; over the last eight years this gap has widened slightly, as the manager population's average age has gone up by just over two years, whilst the average age of non-managers has increased, but by less.

The average age of UK managers is just under 46 (45 years, 10.3 months), compared to the average age of non-managers of slightly less than 42 (41 years, 10.8 months). Since 2008 the manager average has gone up by slightly more than two years, whilst the non-manager average has increased by 1.6 years (see Table A1).

Table A1: Average age of managers and non-managers, 2013 and 2005

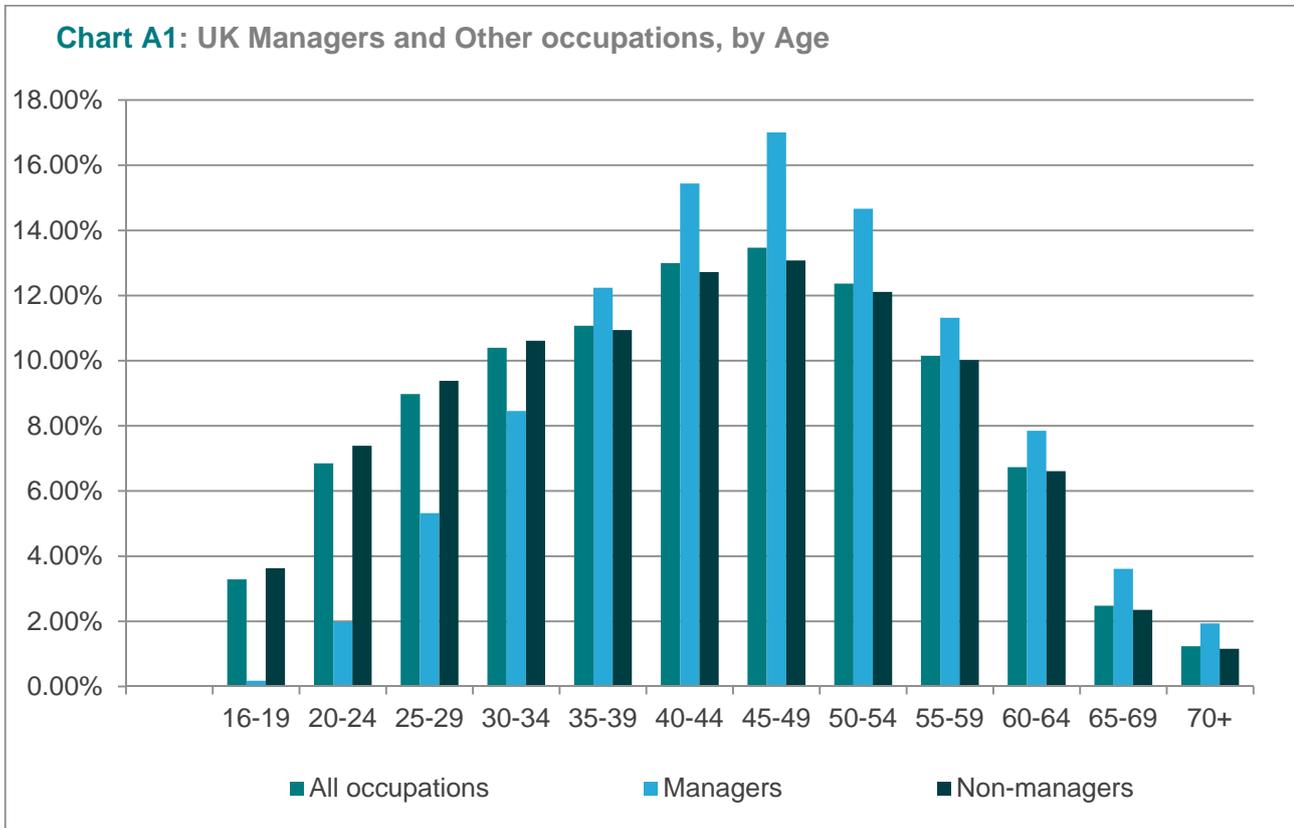
	2013	2005
All occupations	42.25	41.1
Managers	45.86	43.68
Non-managers	41.9	40.3

This difference in average ages reflects a significantly different age distribution (see Chart A1); 7.5% of managers are under 30, compared to 19.4% of non-managers. This skewing of the manager population age profile reflects that fact that most managers will have already had experience in a non-managerial role before moving into management. From age 35 onwards, the proportion of managers is higher in each age group than the proportion of non-managers in that same age group.

Previous (unpublished) research by ILM has shown that most managers enter their first management role in their early 30s; a few do so earlier, but some do not become managers until they are a lot older. Only in a few industries is it common for people to become managers in their early- or mid-twenties - in the military and the hospitality sectors for example. This career pattern reflects the fact that one of the most significant factors shaping recruitment decisions about appointing someone to a first management role is that person's 'technical or functional skills'³. People must prove themselves capable in their technical or functional role before they can manage others.

³ Source: ILM (2012) *The leadership and management talent pipeline* <https://www.i-ilm.com/Why-ILM/Research-reports/Talent-pipeline>

Chart A1 illustrates the different age distributions of both managers and non-managers. It is striking to note that there are nearly as many managers over the age of 70 as there are under 25!



n. 140595. Annual Population Survey June 2011-July 2012

This age distribution is a static picture, showing how the employee populations varies at a single point in time. When the data for 2005 is compared with 2012 (see Table A2), the differences in average age over time are reflected in the different age distributions. For all occupations there are (relatively) fewer aged 16-39 now than eight years ago, though managers appear to be ageing more than non-managers. The decline in the proportion of non-managers stops at 30-34, whereas for managers the decline continues in all age groups up to 45-49. For this group and those who are older, the proportions increase; it is notable that in 2005 1.9% were 65-70, by 2012 this has nearly doubled to 3.6%. At a time when there is much talk about the growth of the generation Y and millennial generation in the workforce, it is sobering to see that they are actually a less significant part of the workforce than their preceding generational groups, and that the 'baby boomers', the post-war generation, is surprisingly reluctant to leave the workforce, especially those with managerial roles.

Table A2: Age distribution 2005 and 2012

	Ave. age	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
All occupations													
2005	40.9	3.6%	9.0%	11.3%	10.6%	11.5%	13.0%	13.0%	10.9%	8.7%	5.7%	1.8%	0.8%
2012	42.3	3.3%	6.8%	9.0%	10.4%	11.1%	13.0%	13.5%	12.4%	10.2%	6.7%	2.5%	1.2%
Managers													
2005	43.8	0.2%	2.9%	7.7%	11.0%	14.4%	16.5%	16.8%	12.8%	9.2%	5.6%	1.9%	1.0%
2012	45.9	0.2%	2.0%	5.3%	8.5%	12.2%	15.4%	17.0%	14.7%	11.3%	7.8%	3.6%	1.9%
Non-managers													
2005	40.3	4.3%	10.1%	12.0%	10.6%	11.0%	12.4%	12.3%	10.5%	8.6%	5.7%	1.8%	0.8%
2012	41.9	3.6%	7.4%	9.4%	10.6%	10.9%	12.7%	13.1%	12.1%	10.0%	6.6%	2.4%	1.2%

n. 39798. Annual Population Survey June 2011-July 2012, June 2005-July 2005.

The rise in the average age of people in all occupation probably reflects the fact that people are retiring later and that, particularly during the recession, there have been fewer young people being recruited (reflected in the relatively high levels of youth unemployment). The fact that this has been a little more marked amongst managers suggests a particular slowing of the turnover of managers - fewer managers retiring and therefore fewer younger managers being recruited to replace them. Amongst all occupations the proportion of employees under 30 has fallen between 2005 and 2012 (down from 23.9% to 19.1%, a fall of 4.8 points), whereas the proportion over 50 has increased from 27.9% to 33%, a rise of 5.1 points) - see Table A2.

It is when the managers and non-managers are compared that the different patterns become more evident. The reduction in under 30s was much smaller (down 3.3 points, from 10.8% to 7.5%) amongst managers, than for non-managers, where it fell 6 points (from 26.4% to 20.4%). On the other hand, there was an increase of 8.8 points in the proportion of managers over 50 (up from 30.5% to 39.3%), but only up 4.9 points amongst non-managers (from 27.4% to 32.3%). In other words, a bigger drop in the proportion of young non-managerial employees compared to young managers (already much smaller) was offset by a smaller rise in older non-managerial employees, compared to a significant rise in the proportion of older managers. Collectively, these changes pushed up the average age of all employees, but had a bigger impact on managers than non-managers.

Section A2: UK Managers by Age and by Sector

There are significant variations in the age of managers across different sectors. This reflects the recruitment strategies and the rates of new entrants to the different sectors.

This analysis uses the Standard Occupational Classification⁴ 'sub-components of the sub-major' class of 'Major Group 1 Managers, Directors and Senior Officials' population, sub-divided by a mix of functional specialism, industry sector and level. This rather complex classification reflects the fact that management roles cut across industry sector boundaries in a way that most other occupations do not. The spread of mean ages (from under 42 for Protective Services Officers) through to over 54 (for Corporate Managers & Senior Officials) shows how industry employment demographics affects the average.

Table A3: average age by manager category, 2012

Manager type	Mean age	No. ⁵
117 Protective Service Officers	41.67	252
114 Quality and Customer Care Managers	42.55	892
115 Financial Institution and Office Managers	43.56	2620
116 Managers in Distribution, Storage and Retail	43.76	2338
122 Managers in Hospitality and Leisure	43.96	1625
113 Functional Managers	44.09	6458
118 Health and Social Services Managers	47.72	954
112 Production Managers	47.76	2310
123 Managers in Other Service Industries	48.54	2741
121 Managers in Farming, Horticulture, Forestry etc	49.99	170
111 Corporate Managers & Senior Officials	54.28	359

n. 20719. Annual Population Survey June 2011-July 2012

⁴ See: http://www.neighbourhood.statistics.gov.uk/HTMLDocs/dev3/ONS_SOC_hierarchy_view.html

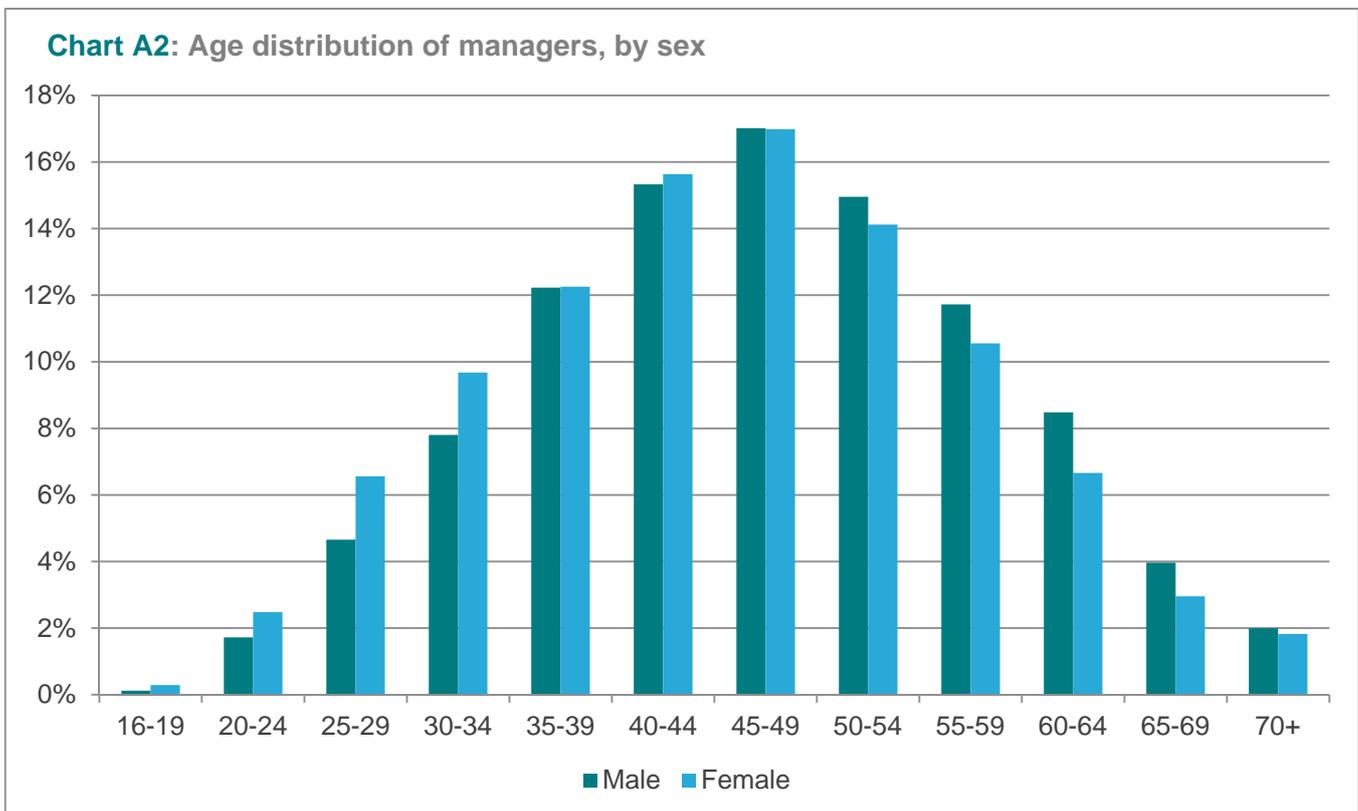
⁵ Number in the sample – not UK.

Section A3: UK Managers by Age and by Sex

Women managers are nearly 2 years younger than male managers, on average. Although the majority of managers are male, the ratio of male to female managers is closer to 50:50 amongst under 30s, whereas it is 30:70 amongst those aged 60+.

The non-manager workforce splits almost exactly 50:50 male and female (50.1% male, 49.9% female); by comparison, 65.1% of managers are male and 34.9% are female. This represents a major challenge to employers, in reviewing their recruitment, promotion and career development strategies.

The age distribution varies by sex, as shown below in chart A2 and table A4. A higher proportion of female managers are aged 44 or younger, than male managers, who have higher proportions aged 45 and older. This is reflected in the average ages of female managers (slightly under 45.5), almost two years younger than male managers (whose average age is nearly 47). Overall the age distribution for all managers follows an approximate bell curve (normal distribution) as the slightly younger profile of female managers is balanced by the older profile of male managers. While the difference is not large, it is interesting that there is a higher proportion (of approximately 2.5 percentage points) of female managers aged between 25 and 34.



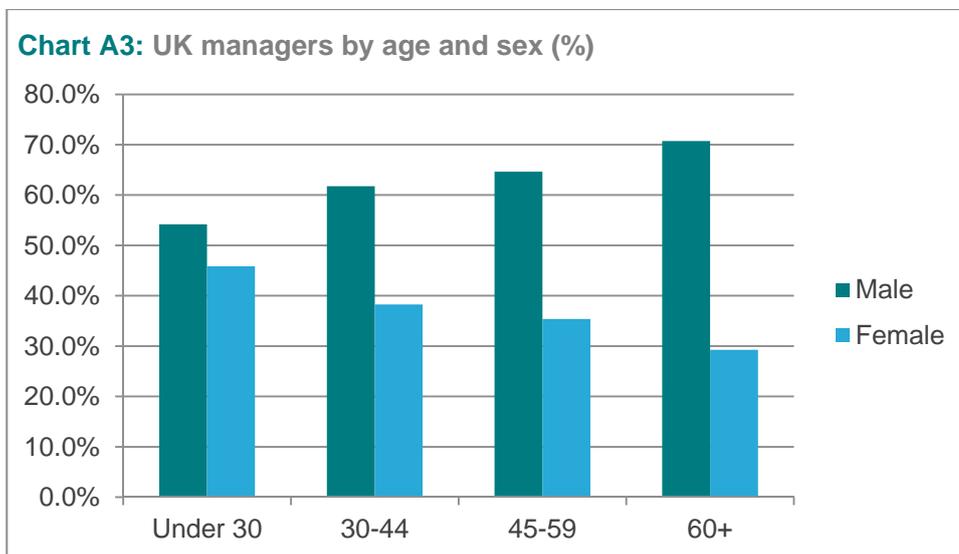
As a snapshot it is impossible to know whether this is a new trend and the increased proportion will track all the way through the age bands with time. It may be that the challenges of work life balance from mid 30s to mid 40s for these women will take their toll⁶.

Table B4: Age distribution by sex, 2012

	Ave. age	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
All Managers	45.86	0.2%	2.0%	5.3%	8.5%	12.2%	15.4%	17.0%	14.7%	11.3%	7.8%	3.6%	1.9%
Female managers	45.39	0.2%	2.6%	7.6%	11.2%	13.4%	16.4%	16.5%	13.6%	9.8%	5.3%	2.1%	1.3%
Male managers	46.94	0.1%	1.8%	5.2%	9.2%	13.2%	15.9%	16.8%	14.5%	10.9%	7.4%	3.2%	1.5%

n. 72049. Annual Population Survey June 2011-July 2012

A consequence of women managers being on average younger than men is that the proportion of women managers in each age group varies sharply. Amongst managers aged under 30, 54% are male and 46% are female. Amongst those aged 30 to 44, the proportions are 38% female and 62% male. For those aged 45 to 59 they are 35% and 65% respectively, and for over 60s 29% and 71%.



During the next decade, the proportion of female managers under 30 is almost certainly going to be the majority. This will undoubtedly take time to feed through into more senior positions, but already employers need to recognise that, with a close to even mix of young male and female managers coming into the talent pipeline, they

⁶ See, for example, ILM (2011) *Ambition and gender at work* <https://www.i-l-m.com/Why-ILM/Research-reports/Ambition-and-gender>

need to ensure that their working practices are designed to retain them. As we know from our research, it is amongst middle managers in their mid- to late-thirties that larger employers in particular look for their future leaders⁷. It is also the lack of flexibility in working practices that prevents so many female middle managers from moving up into senior roles.

Section A4: UK Managers by Age and Ethnicity

As with women, the proportion of ethnic minority managers is below that of non-managers, but there are signs that this is likely to change and that the phenomenon is, at least in part, a time lag due to the nature of the managerial career, as the proportion of young ethnic minority managers is closer to their proportion in the wider workforce.

In terms of ethnicity, the population of managers contains slightly fewer people who do not classify themselves as 'white' compared to the non-manager population. The difference is of 1.4 percentage points; 92.6% of managers classify themselves as 'white' compared to 91.2% of non-managers. In the detailed analysis of ethnicity, below, the percentages of some of the groups represent some very small sample numbers. Consequently, it is difficult to draw firm conclusions about those classified as being of mixed ethnic groups or Bangladeshi. It is interesting that, although the numbers are small, those who classify themselves as Chinese appear to be more likely to be a manager than a non-manager.

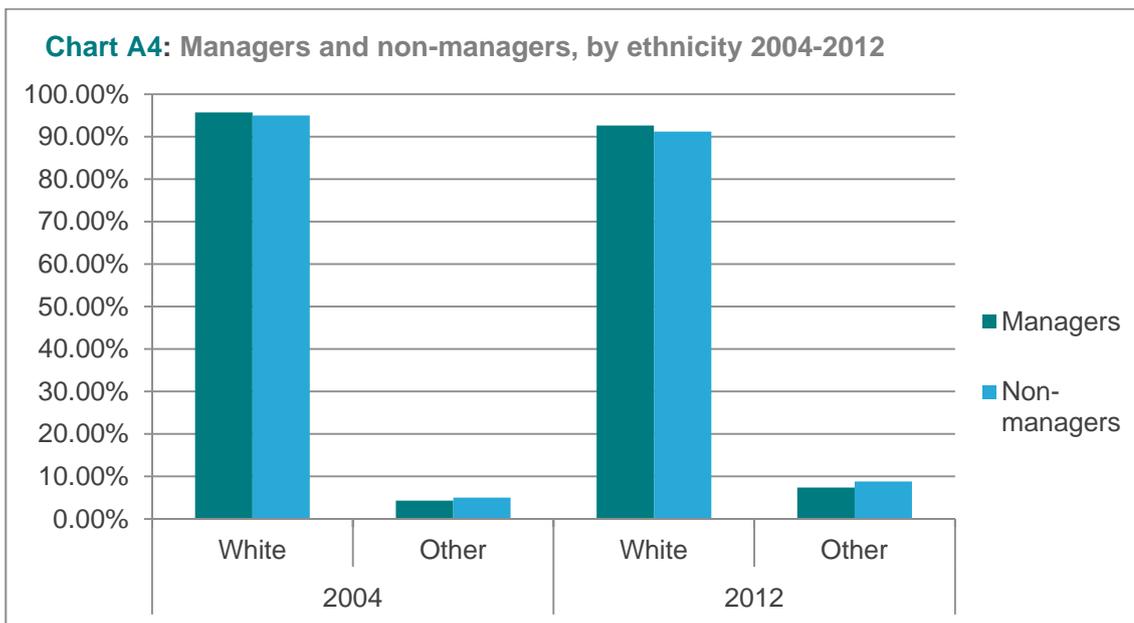
Table A5: Ethnicity of managers and non-managers 2012

Ethnic classification	Managers	Non-managers	All occupations
White	92.6%	91.2%	91.3%
Mixed/ multiple ethnic groups	0.6%	0.7%	0.7%
Indian	2.2%	2.3%	2.3%
Pakistani	1.2%	1.1%	1.1%
Bangladeshi	0.3%	0.4%	0.4%
Chinese	0.6%	0.4%	0.4%
Any Other Asian Background	0.5%	0.9%	0.9%
Black/African/Caribbean/Black British	0.9%	2.0%	1.9%
Other ethnic group	1.2%	1.1%	1.1%
Total	100%	100%	100%

n. 140512. Annual Population Survey June 2011-July 2012

⁷ See ILM (2010) *Creating future leaders* <https://www.i-l-m.com/Why-ILM/Research-reports/Creating-future-leaders>

It is difficult to make detailed comparisons over time because the ethnicity classifications have changed between datasets. However, it is possible to compare those classifying themselves as 'white' to the other categories. As the chart below shows, the respective populations of employed managers and of employed non-managers have become more diverse between 2004 and 2012. The proportion of 'non-white' managers has increased from 4.3% in 2004 to 7.4% in 2012, this is from a lower base and is slightly less than 'non-white' non-managers, where the equivalent change is an increase from 5.0% to 8.8%.



n. 37582. Annual Population Survey June 2011-July 2012, June 2005-July 2005.

The data suggests a similar change is taking place in the ethnic make up of the manager population as is happening with the gender profile – it is mirroring that of the non-manager population but more slowly, with a time lag of about ten years. Given that people do not get promoted to managerial roles until they have some experience, this suggests that barriers to entering management for ethnic minority employees, as with women, are diminishing in the same way that they have with other occupations, albeit at a later stage, reflecting the nature of the managerial career.

This is illustrated in Table A6 below; this shows the relative age distributions by 'white' and 'non-white' ethnic classification, of managers. By ethnicity, both categories have the highest proportion of people in their 40s; reflecting the average age of managers. However, those classified 'white' peak in the 45-49 group; those classified non-white peak in the younger 40-44 group and, overall, their profile is younger. As has been noted above, regarding the additional proportion of younger women (25-34), there is a similar proportion of younger non-'whites' (indeed some of these – 8.5-9.8% of the sample - are both female and non-white). There is a greater proportion (approximately three to six percentage points) of 'non-white' managers aged 25-39 in contrast to the manager population as a whole. The proportion of non-white managers drops more dramatically than for managers overall after the age of 59.

When looking at the distribution of ethnic classification by age group, that higher proportion of younger non-'white' managers can again be seen. They make up over ten per cent of 25 to 34 year old managers.

Table A6: Managers, percentage distribution by age and by ethnicity 2012

	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+	Total
Age distribution, within ethnic group													
All Managers	0.2%	2.0%	5.3%	8.5%	12.2%	15.4%	17.0%	14.7%	11.3%	7.8%	3.6%	1.9%	100%
White	0.2%	2.0%	5.1%	8.0%	12.0%	15.4%	17.2%	14.8%	11.4%	8.1%	3.8%	2.0%	100%
Other	0.2%	2.3%	8.2%	14.4%	15.2%	15.6%	14.4%	12.5%	9.8%	4.5%	1.2%	1.7%	100%
Age distribution, within ethnic group													
White	92.0%	91.4%	88.6%	87.4%	90.8%	92.6%	93.7%	93.7%	93.6%	95.8%	97.6%	93.4%	
Other	8.0%	8.6%	11.4%	12.6%	9.2%	7.4%	6.3%	6.3%	6.4%	4.2%	2.4%	6.6%	
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	

n. 13993. Annual Population Survey June 2011-July 2012

Section B

Managers' qualifications and training

Section B1: UK Managers' Qualification level

Managers tend to be better qualified than the rest of the workforce, on average, and younger managers are better qualified than older ones.

The Labour Force Survey provides data on qualifications attained by managers. Table B1, below, shows that the largest group has achieved a degree or equivalent and a further 12% have attained a higher education qualification below full degree. Also, over 20% have a maximum of lower secondary qualifications. Despite appearances, the dataset used shows no significant differences between male and female managers.

By contrast, not only are non-managers less likely to have a higher level qualification (Degree or equivalent + Higher Education), at 39.2% compared to 49.7% of managers, but there is a clear difference between male and females, with 42.3% of the latter claiming a higher level qualification, compared with 36.1% of the former. (For managers, the percentages are almost identical, 50.0% for females and 49.4% for males.)

Table B1: Highest qualification held by sex, by managers 2012

Qualification	Managers			Non-managers		
	Female	Male	Total	Female	Male	Total
Degree or equivalent	37.7%	37.2%	37.4%	30.4%	27.0%	28.7%
Higher Education	12.3%	12.2%	12.3%	11.9%	9.1%	10.5%
GCE, A level or equivalent	18.3%	22.5%	21.1%	20.4%	26.6%	23.5%
GCSE grades A*-C or equivalent	22.3%	16.0%	18.2%	23.5%	18.7%	21.1%
Other qualifications	4.5%	6.5%	5.8%	7.4%	10.7%	9.0%
No qualification	3.8%	4.7%	4.4%	5.4%	6.8%	6.1%
Don't know	0.9%	0.9%	0.9%	0.9%	1.1%	1.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

n. 4768. Labour Force Survey October-December 2012.

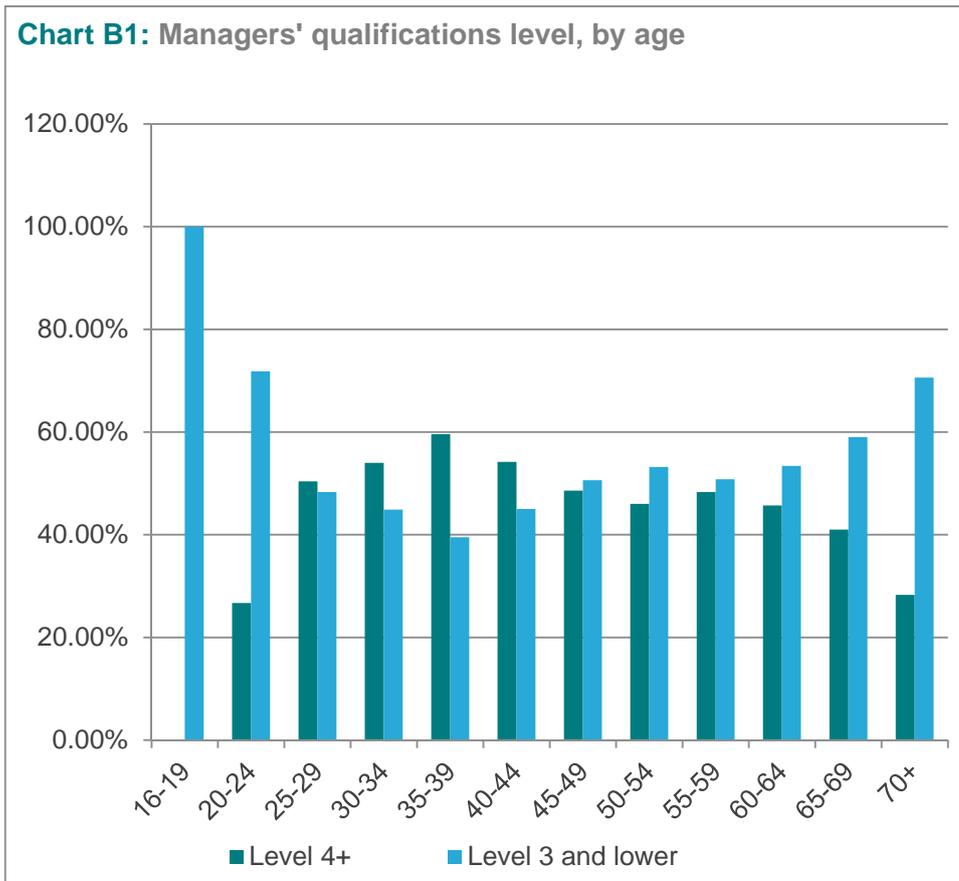
Table B2 (next page) shows the distribution of highest qualification held by managers by age group. The number holding degrees peaks for 30-39 year olds at 48%; this drops to 35% for 45-49 year olds before stabilising in the low thirties. At the other end of the scale, generally (with the exception of 20-24 year olds) two to three per cent of managers aged under 50 have no qualifications. This proportion in each age group increases on a curved trajectory from five per cent to 12% for 65-70 year olds (and higher for those who are over 70).

This same data is illustrated in Chart B1, but aggregated to 'higher' (QCF/FHEQ Level 4 and higher) and 'lower' (up to QCF/NQF Level 3) qualifications. The patterns of younger (ie under 40 years of age) managers being better qualified than older managers is clear, with the exception of the youngest age groups.

Table B2: Highest qualification held by age group, by managers 2012

	16-19	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+	Total
Degree or equivalent	0.0%	21.1%	42.0%	47.7%	48.2%	40.9%	35.0%	33.6%	32.1%	30.1%	31.6%	19.6%	37.4%
Higher Education	0.0%	5.6%	8.4%	6.3%	11.4%	13.3%	13.6%	12.4%	16.2%	15.6%	9.4%	8.7%	12.3%
GCE, A level or equivalent	40.0%	38.0%	26.1%	21.5%	19.2%	16.9%	21.3%	22.9%	19.1%	22.8%	22.2%	25.0%	21.1%
GCSE grades A*-C or equivalent	60.0%	25.4%	17.6%	15.9%	14.7%	21.6%	20.7%	17.3%	18.4%	17.3%	15.2%	8.7%	18.2%
Other qualifications	0.0%	2.8%	2.5%	4.9%	4.3%	4.4%	5.2%	8.1%	6.9%	6.1%	9.9%	13.0%	5.8%
No qualification	0.0%	5.6%	2.1%	2.6%	1.3%	2.1%	3.4%	4.9%	6.4%	7.2%	11.7%	23.9%	4.4%
Don't know	0.0%	1.4%	1.3%	1.2%	0.9%	0.9%	0.7%	0.8%	0.9%	0.9%	0.0%	1.1%	0.9%
Total	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

n. 4768. Labour Force Survey October-December 2012.



In terms of higher degrees, table B2, below, shows that approximately eight per cent of managers hold masters degrees and one per cent hold doctorates. Given the relatively small numbers involved these should be treated as approximations and the other variable on the Labour Force and Annual Population surveys (which classifies employees as managers, supervisors and others) shows slightly higher proportions; especially for post graduate certificates in education (of approximately three per cent). Females appear to be slightly more likely to hold a higher degree qualification. However, the only qualification that they are significantly more likely to hold is another post graduate degree or professional qualification; they are significantly less likely to hold a doctorate⁸.

⁸ $\chi^2(3, N=508) = 10.503, p < .015$. Cramer's V = .144.

Table B3: Higher degree qualifications held by sex, by managers 2012

Degree	Female	Male	Total
Doctorate	0.6%	1.2%	1.0%
Masters	8.3%	7.3%	7.6%
Post Grad Cert in Education	0.8%	0.5%	0.6%
Other post Grad degree or professional qualification	2.0%	1.1%	1.4%
Total higher degree	11.8%	10.0%	10.6%
Total number	1654	3122	4776

n. 4776. Labour Force Survey October-December 2012.

The available data also records if the respondent has gained a qualification in the 12 months prior to being surveyed (Table B4). In total, just under eight % of managers had obtained a qualification during the previous 12 months to being surveyed. The largest group of qualifications were 'other', which undoubtedly includes qualifications like ILM's (as the largest provider of leadership and management qualifications in the UK), followed by qualifications from higher education and then by NVQs/SVQs.

Table B4: Qualifications obtained by managers in the last 12 months to being surveyed in 2011/2012

Qualification	Female	Male	Total
Other qualifications	6.1%	5.9%	6.0%
Degree or higher education	1.0%	0.8%	0.9%
NVQ/SVQ	0.9%	0.6%	0.7%
Diploma in Higher Education	0.2%	0.1%	0.1%
Teaching qualification (excl PGCE)	0.2%	0.1%	0.1%
Total	8.2%	7.4%	7.7%

n. 4341. Labour Force Survey October-December 2012.

Section B2: UK Managers' participation in training

A high proportion of managers tend to have participated in training quite recently

We can also gain an insight into job related training. Table B5 below shows that one in five (21%) managers had participated in some form of training in the three months prior to being surveyed.

Table B5: Participation in job related training by managers in last 3 months to being surveyed in 2011/2012

	Female	Male	Total
Job related training in the last 3 months	19.7%	22.9%	20.8%

n. 5636. Labour Force Survey October-December 2012.

Although the number of respondents is very low (208 managers) the data from the Labour Force Survey also indicates that the main purpose of the training relates to the job they have, for half of the men responding; for the other half it is mainly for personal or social reasons. For women the split is 40% work reasons and 60% for personal or social reasons. The same survey data also tells us (Table B6) whether they mainly study during work time or not. Again, bearing in mind that this is only a small number (207 managers) it shows that most, 62%, only studied during their own time and 30% only studied during paid working hours.

Table B6: Whether managers mainly trained during working hours

	Female	Male	Total
Only during paid working hours	22.4%	35.8%	29.5%
Mostly during paid working hours	2.0%	2.8%	2.4%
Mostly outside paid working hours	3.1%	4.6%	3.9%
Only outside paid working hours	70.4%	54.1%	61.8%
Not employed at that time	2.0%	2.8%	2.4%
Total	100.0%	100.0%	100.0%

n. 4774. Labour Force Survey October-December 2012.

The Labour Force Survey also asks respondents if they have taken part in informal⁹ or non-formal¹⁰ learning during the three months or four weeks prior to being surveyed. Nine out of ten said that they didn't take part in any informal or non-formal learning. Of the few that did that did, most took part in informal learning. They were also asked if their current employer offers education and training. Only 9.4% (of the 4776 managers asked) responded that their employer does,

⁹ Learning which is not organised or intentional but arises from everyday activities, it does not have learning objectives and does not lead to a qualification.

¹⁰ Learning which has planned activities and is intentional and may or may not have learning objectives – it also does not lead to a qualification.

Section C

Managers' working conditions and pay

Section C1: UK Managers' flexible working patterns

There is surprisingly little evidence of formal flexible working, and much of it is amongst female managers.

The ILM's survey of managers in 2012¹¹ found that flexible working is now standard practice in half of the organisations we asked, with four in five managers saying they had taken advantage of flexible working practices in the past four years. However, much of this is informal, especially flexible hours and off-site (usually home) working. The Labour Force Survey asks only about formal flexible working and excludes off site working, which explains some of the differences in their findings, from ILM's. Whilst formally agreed flexible working arrangements are adopted by 15% of managers they don't apply to most. Table C1 below, shows that although women are more likely to work flexitime than men, they and men are more likely not to have any of these formalised flexible working arrangements. Flexitime is the most common form of flexible working in this survey, with annualised hours and on-call working the other two most widely found forms.

Table D1: Agreed flexible working arrangements used by managers 2012

Qualification	Female	Male	Total
Flexitime	12.9%	8.1%	9.8%
Annualised hours contract	2.8%	2.1%	2.4%
On-call working	1.7%	2.2%	2.1%
9-day fortnight	0.2%	0.3%	0.3%
4.5-day week	0.2%	0.3%	0.3%
Term time working	0.3%	0.2%	0.2%
Job-sharing	0.4%	0.1%	0.2%
Zero hours contract	0.0%	0.2%	0.1%
None of these	81.4%	86.4%	84.7%
Total	100.0%	100.0%	100.0%

n. 3984. Labour Force Survey October-December 2012.

About 13% work part time, the majority (87%) work full time. However, as table C2 illustrates the overall figures mask the significant differences by sex. Only eight per cent of men work part time compared to 22% of women¹²**Table C2: Managers working full time or part time**

Job related training in the last:	Female	Male	Total
Full time	77.8%	92.1%	87.2%
Part time	22.2%	7.9%	12.8%
Total	100.0%	100.0%	100.0%

n. 4774. Labour Force Survey October-December 2012.

¹¹ ILM (2013) *Flexible working: Goodbye nine to five* www.i-l-m.com/Why-ILM/Research-reports/Flexible-working

¹² $\chi^2(1, N=4774) = 196.992, p < .001. \Phi = .203.$

In both cases this is significantly below the average of all employees, with 13.3% of men and 43.6% of women working part time.

By age group while full time working is most prevalent, the incidence of part time working increases amongst 35-39 year olds (mainly female) and again for those aged over 55.

Table C2: Managers working full time or part time by age group

Age group	Full time	Part time	All
16-19	100.0%	0.0%	100%
20-24	97.2%	2.8%	100%
25-29	95.4%	4.6%	100%
30-34	90.7%	9.3%	100%
35-39	87.0%	13.0%	100%
40-44	90.7%	9.3%	100%
45-49	93.5%	6.5%	100%
50-54	92.2%	7.8%	100%
55-59	87.1%	12.9%	100%
60-64	73.8%	26.2%	100%
65-69	52.4%	47.6%	100%
70+	33.3%	66.7%	100%
Total	87.2%	12.8%	100%

n. 4774. Labour Force Survey October-December 2012.

Section C2: UK Managers' earnings

43 years after the Equal Pay Act, women managers earn about four-fifths what male managers earn.

In terms of earnings the gross weekly pay for managers in October to December 2012 was on average £587. However, this hides the difference between men (£636) and women (£524) – 82.4% of the male average. While the sub-sample is small¹³ we can see the pattern is accentuated when only comparing men and women working fulltime. Full time working men had an average gross weekly pay of £917 compared to full time working women who had an average of £715 – 78.% of the make rate.

In terms of managerial pay by sector, the highest average was found in the *Energy and water* sector followed by *Manufacturing* and then *Transport and communication*. The lowest paid managers work in the *Distribution, hotels and restaurants* and *Agriculture, forestry and fishing* sectors.

Table C3: Average gross weekly pay by sector

Sector	Average managerial gross weekly pay
Agriculture, forestry and fishing	£481
Energy and water	£695
Manufacturing	£649
Construction	£642
Distribution, hotels and restaurants	£457
Transport and communication	£645
Banking and finance	£622
Public admin, education and health	£596
Other services	£487

n. 23260. Labour Force Survey October-December 2012.

¹³ 578 full time employed male managers and senior officials and 287 female full time employed managers and senior officials. Labour Force Survey October-December 2012.

Section D

Defining a manager

Section D1: Is the UK over-managed?

The UK has either a far higher proportion of managers per employee than any other EU country, or the way that people describe their role varies from country to country.

Throughout this Research Paper, we have relied on the ONS description of a manager, which in turn is largely self-defined. Respondents to surveys are asked to describe their own occupation by reference to a set of descriptors. Although this may seem to be reasonable objective, there are clearly some distinct cultural differences in determining who is a manager, as shown by Table D1.

The Labour Force survey asks respondents: 'What was your (main) job in the week ending Sunday the [date]?' This response is then used to classify respondents using the Standard Occupational Classification 2010 (SOC2010)¹⁴. In this classification, there are four levels of classification, starting with Major Groups, of which there are ten - Major Group 1 is *Managers, directors and senior officials*. This is divided into two Sub-Major Groups (11 and 12), which are then sub-divided into nine and five Minor Groups respectively, which are, in turn, divided into 36 Unit Groups. These are all listed in the Appendix to this report.

However, a further classification system is also used, the National Statistics Socio-economic Classification (NS-SEC), which is derived from the SOC 2010. This includes three managerial classifications:

- 1 Higher managerial and professional occupations
 - 1.1 Large employers and higher managerial occupations
 - 1.2 Higher professional occupations
- 2 Lower managerial and professional occupations

This latter combines both managerial and professional occupations. As far as possible, the data in this report is based exclusively on those people classed as managers. However, the fact that this is based on self-descriptions which are then coded and then further combined into different classifications.

It seems unlikely that the UK (11.6% of employees are managers) needs almost six times as many managers per employee as Denmark (2.0%). Whilst some variations are explicable by reference to the structure of industry in each country, it seems unlikely that Denmark only has one manager per 49 employees whilst the UK has one for each seven. More likely is that the UK tends to use the label 'manager' more broadly than some other countries, where more junior managers, who still perform a functional role as well, are more likely to describe themselves by reference to that functional role.

¹⁴ <http://www.ons.gov.uk/ons/guide-method/classifications/current-standard-classifications/soc2010/index.html>

Table D1: Comparisons of the proportion of managers in the workforce across the EU¹⁵

	Managers	Professionals	Technicians and associate professionals	Clerical support workers	Service and sales workers	Skilled agricultural, forestry and fishery workers	Craft and related trades workers	Plant and machine operators, and assemblers	Armed forces occupations
Austria	4.8%	16.8%	20.6%	11.8%	19.3%	5.1%	15.1%	6.3%	0.3%
Belgium	10.1%	24.1%	15.5%	13.9%	15.1%	1.6%	12.3%	6.9%	0.5%
Bulgaria	7.3%	17.4%	9.4%	7.4%	23.7%	4.0%	15.5%	14.3%	1.0%
Croatia	4.5%	17.1%	14.6%	9.9%	18.7%	11.8%	12.4%	10.3%	0.6%
Cyprus	4.5%	21.0%	16.5%	13.2%	23.1%	2.2%	13.0%	5.2%	1.3%
Czech Republic	5.7%	15.0%	19.3%	10.0%	15.9%	1.5%	18.2%	14.0%	0.4%
Denmark	2.0%	29.9%	18.8%	8.5%	22.4%	2.1%	9.9%	6.0%	0.4%
Estonia	9.8%	20.6%	14.3%	7.3%	13.9%	2.0%	17.6%	14.5%	0.0%
Finland	3.5%	24.8%	19.5%	7.2%	20.5%	3.8%	12.2%	8.2%	0.4%
France	8.0%	19.4%	22.5%	10.4%	18.8%	3.3%	9.3%	7.3%	1.0%
Germany	4.7%	19.2%	22.9%	13.2%	16.8%	1.6%	13.9%	7.2%	0.5%
Greece	5.1%	20.3%	8.7%	10.8%	22.3%	13.4%	11.3%	6.5%	1.6%
Hungary	5.2%	18.0%	15.9%	8.6%	17.5%	3.3%	16.3%	14.8%	0.4%
Ireland	8.6%	24.6%	12.1%	10.8%	21.8%	4.7%	10.6%	6.2%	0.5%
Italy	4.2%	15.5%	19.6%	13.8%	18.6%	2.6%	16.5%	7.9%	1.3%
Latvia	9.8%	20.1%	15.1%	6.9%	17.8%	4.1%	15.0%	10.5%	0.6%
Lithuania	9.8%	24.7%	12.1%	4.2%	15.1%	6.8%	15.2%	12.0%	0.0%
Luxembourg	3.2%	40.1%	20.2%	8.4%	12.5%	2.1%	8.1%	5.1%	0.3%
Malta	10.5%	17.0%	15.6%	12.5%	22.2%	1.0%	12.5%	7.4%	1.3%
Netherlands	7.4%	25.5%	17.9%	10.7%	21.3%	2.5%	9.8%	4.6%	0.3%
Poland	6.8%	19.8%	11.8%	7.2%	14.7%	11.8%	16.1%	11.2%	0.6%
Portugal	7.4%	17.4%	11.4%	8.3%	18.7%	11.1%	15.5%	9.3%	0.8%
Romania	2.6%	14.9%	7.4%	4.8%	14.6%	26.6%	17.0%	11.2%	1.1%
Slovakia	4.4%	11.7%	18.4%	9.4%	19.8%	1.1%	19.0%	15.7%	0.5%
Slovenia	8.4%	22.8%	14.0%	8.8%	14.6%	6.0%	14.0%	10.4%	0.8%
Spain	5.7%	19.8%	12.2%	11.6%	25.6%	3.1%	12.8%	8.6%	0.6%
Sweden	6.2%	27.0%	18.0%	6.3%	21.4%	1.9%	10.8%	8.1%	0.3%
United Kingdom	11.6%	26.3%	14.2%	10.8%	20.8%	1.2%	9.1%	5.4%	0.4%

¹⁵ Source Eurostat (2012 Q4) *Employment by occupation and economic activity*
<http://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.do>

Section E

Conclusions

Section E1: Who are the UK's managers?

Managers exist in all sectors, at all levels of seniority. They are less representative of the wider population, but their profile is changing, slowly, as older managers retire and new, younger managers are appointed to the leadership & management pipeline.

In the Introduction, we described the average manager as being 'just under 46 .. more male than female, and predominately white, but, we added, 'over the last eight years has got slightly older, more female, less white and a bit better qualified'. This report is not designed to be normative, but to provide as objective a picture as possible without making any judgements. However, it has to be said that the image of managers as white, middle aged males is still a valid picture of the majority of managers, but that it is changing to better reflect the wider working population.

It is inevitable that managers are older, on average, than the rest of the workforce as management is a second career for most – ILM's own research¹⁶ has shown how a primary strength of newly appointed managers is their technical/functional expertise. They need several years experience before they acquire this, which is why most managers are over 30. As the retirement age has increased in recent years, managers have stayed on longer and so pushed up the average age. These two characteristics – a later start date in the career than for other occupations and the effect of staying on longer in work, means that any change occurring in the workforce that reflect changes in the wider population profile will be delayed in their impact on the manager profile.

That only just over one third of managers is female reflects a real weakness in the recruitment and promotion of women. However, we have identified a gradual equalisation of the sexes taking place at the 'entry level' of management, amongst the under 30s. Assuming this trend continues, over the next few years the proportion of new entrants to management will be equal, male and female. This will, in turn, present a significant future challenge for employers if they want to retain and develop this talent to provide them with their future senior leadership. As ILM has commented in previous research¹⁷ on female management careers, the failure of employers to accommodate the needs of women managers at critical periods in their careers will prevent them from benefitting from retaining high potential female managers and from the investment that they have made in them.

A similar pattern is evident amongst ethnic minority managers, where the impact of the career development time lag (as managers enter the role in their thirties or later)

¹⁶ *The leadership and management talent pipeline* <https://www.i-l-m.com/Why-ILM/Research-reports/Talent-pipeline>

¹⁷ *Ambition and gender at work* <https://www.i-l-m.com/Why-ILM/Research-reports/Ambition-and-gender>

means that the profile of managers doesn't yet reflect the workforce, but is changing relatively quickly. It is likely that this change will produce a management population that is a better reflection of the workforce sooner than with women, simply because the drop out from the role in mid-career amongst women, due to the inflexibility of employment, is not likely to have an impact on minorities in the same way.

A weakness of British managers, identified by a substantial body of research¹⁸ over several decades, is their comparatively lower level of education and training, leading to the UK performing less well, in terms of productivity, than our major economic competitors. Again, there is evidence that this is changing. Managers are generally better qualified than the rest of the workforce, but this is to be expected, given that they tend to be first selected for management for their technical/functional expertise. What is noticeable is younger managers are better qualified than older managers, so that the profile of manager can be expected to change significantly over the next few years.

What's more, managers do seem to be getting access to training, something that is critical if they are to perform their role effectively. Being better qualified does not, in itself, make people better managers, if the qualification is a general one or in a technical or functional specialism. Leadership and management is not something that people should be expected to pick up on the job, if employers are to be successful. This makes this profile useful in looking at the way that recruitment, promotion, training and career development operate as effectively as possible, to ensure that those best able to perform the role are appointed, rather than those who reflect the existing profile in the organisation or role.

This is likely to require employers to adopt a more enlightened approach to employment conditions, encouraging greater use of flexible working, especially enabling more managers to work part time (or job share). The incidence of part time working amongst women reflects the fact that they still tend to have primary responsibility for child care and for care of older relatives. This is very age specific; by accommodating the needs of managers for a part of their careers, employers will benefit from higher levels of loyalty and engagement, retaining managers who may then be capable of progressing to more senior roles.

Finally, the difference between male and female managers' salaries reflects the failure to put in place career development opportunities for women in the past. Too few women have had the opportunity to progress into management and to progress within management. The former is changing (as we have shown above); changing employment conditions is needed if the latter is to be overcome.

¹⁸ There is a good summary of this research in the BIS report *Leadership and management in the UK: The key to sustainable growth* (which ILM contributed to) https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/32327/12-923-leadership-management-key-to-sustainable-growth-evidence.pdf

Appendix: SOC 2010 Major Group 1 Managers, Directors and Senior Officials

11		CORPORATE MANAGERS AND DIRECTORS
111		Chief Executives and Senior Officials
	1115	Chief executives and senior officials
	1116	Elected officers and representatives
112		Production Managers and Directors
	1121	Production managers and directors in manufacturing
	1122	Production managers and directors in construction
	1123	Production managers and directors in mining and energy
113		Functional Managers and Directors
	1131	Financial managers and directors
	1132	Marketing and sales directors
	1133	Purchasing managers and directors
	1134	Advertising and public relations directors
	1135	Human resource managers and directors
	1136	Information technology and telecommunications directors
	1139	Functional managers and directors n.e.c.
115		Financial Institution Managers and Directors
	1150	Financial institution managers and directors
116		Managers and Directors in Transport and Logistics
	1161	Managers and directors in transport and distribution
	1162	Managers and directors in storage and warehousing
117		Senior Officers in Protective Services
	1171	Officers in armed forces
	1172	Senior police officers
	1173	Senior officers in fire, ambulance, prison and related services
118		Health and Social Services Managers and Directors
	1181	Health services and public health managers and directors
	1184	Social services managers and directors
119		Managers and Directors in Retail and Wholesale
	1190	Managers and directors in retail and wholesale
12		OTHER MANAGERS AND PROPRIETORS
121		Managers and Proprietors in Agriculture Related Services
	1211	Managers and proprietors in agriculture and horticulture
	1213	Managers and proprietors in forestry, fishing and related services
122		Managers and Proprietors in Hospitality and Leisure Services
	1221	Hotel and accommodation managers and proprietors
	1223	Restaurant and catering establishment managers and proprietors
	1224	Publicans and managers of licensed premises
	1225	Leisure and sports managers
	1226	Travel agency managers and proprietors
124		Managers and Proprietors in Health and Care Services
	1241	Health care practice managers
	1242	Residential, day and domiciliary care managers and proprietors
125		Managers and Proprietors in Other Services
	1251	Property, housing and estate managers
	1252	Garage managers and proprietors
	1253	Hairdressing and beauty salon managers and proprietors
	1254	Shopkeepers and proprietors – wholesale and retail
	1255	Waste disposal and environmental services managers
	1259	Managers and proprietors in other services n.e.c.