

Ethnicity Pay Gap Research Report

September 2020





In the urgent drive for equality, data matters

The devastating death of George Floyd in Minnesota, and subsequent upsurge in support for Black Lives Matter, has once again highlighted how people of ethnicity are treated by the criminal justice system. And the statistics on people of ethnicity deaths from Covid-19, and of people of ethnicity frontline workers in particular, have reinforced the need for urgent action.



After decades of protests, inquiries and reviews, there's a sense of hope that we're on the brink of real change in the drive for racial equality. But hope is not enough; it's time for business leaders to act.

The workplace doesn't offer equality of opportunity

In the foreword to her 2017 report, Baroness McGregor-Smith noted: "There is discrimination and bias at every stage of an individual's career, and even before it begins. From networks to recruitment and then in the workforce, it is there. People of ethnicity are faced with a distinct lack of role models, they are more likely to perceive the workplace as hostile, they are less likely to apply for and be given promotions and they are more likely to be disciplined or judged harshly."

Her report, and others, clearly back up this view. As the CIPD reported in 2017, people of ethnicity individuals in the UK are both less likely to get in, and get on in, the workplace, compared with their white counterparts. One in eight of the workingage population is from an ethnicity background, yet they occupy only one in sixteen of top management positions. And according to Race at Work 2018: The Scorecard Report, over half of BAME employees believe they will have to leave their current workplace to progress in their career.

Indeed, our own data tells a similar story. A recent survey, based on a sample of companies representing over 90,000 UK employees, revealed that 14% were people of ethnicity. 70% of these employees were in the bottom income levels, earning less than £17,000, and just 4% of them were earning more than £50,000.

And while many organisations have clear diversity and inclusion strategies, these tend to have a broad remit, covering issues such as gender, disability and age, as well as ethnicity. If the current focus on people of ethnicity rights is to lead to real change, we need to take a more targeted approach. Otherwise, there is a risk that it will get lost within a wider debate about equality, or considered 'too difficult' to tackle.

It's also worth noting at this point that even the term people of ethnicity is broader than many would like. Grouping together black, Asian and minority ethnic people as a homogenous group gives the impression that the issues they face are the same. In reality, different ethnic groups, and groups within these groups, have different challenges to overcome.

To change the experiences of employees of ethnicity, we need to track the data

So what's the answer? In the wake of the Black Lives Matter protests, changes are being suggested. For example, the business network Business in the Community has launched a campaign calling on the government to require organisations to publish their ethnicity pay gap alongside their gender data, to "shine a light on race/ethnicity based inequalities in the workplace so they can be addressed."

And it shouldn't just be a question of legislation; the responsibility for opportunity in the workplace also lies in the hands of business leaders. As Sam Gyimah argued recently, "For organisations, there is no need for another government review. Public commitments must be matched by leadership that drives cultural change and objective metrics. Because what gets measured is what gets done."

But unfortunately, that measurement just isn't happening. Very few employers are tracking the experiences of their employees of ethnicity. Part of the reason is that most HR systems hold limited data on ethnicity; new starters aren't required to state their ethnic background, and employers don't encourage them to do so. And while that's understandable on both counts, it's also a missed opportunity.

Proactive data capture shows a willingness to take action

Instead of seeing it as a problem, leaders could take the opportunity to engage with their employees about the benefits of gathering ethnicity data. They could explain that it will allow them to track the progress of groups of employees, to explore any differences and to take action to overcome the barriers that cause them.

In short, they could be clear that the data that is captured will be used to hold the leadership team to account. And not just the data of new starters; capturing this information about current employees and unsuccessful candidates will give leaders even better clarity about the BAME experience and how it can be improved.

Collaboration between companies will give us the full picture

But why stop there? If we really want to change the workplace for employees of ethnicity, we need to think bigger than at organisational level. If companies were to share their learnings, pool their data and collaborate on next steps, it would be far easier to identify what works, and implement it more widely. That's where we come in.

We're calling on business leaders to work with us to create a robust set of data that will allow proper tracking and improvement of opportunities and progression for employees of ethnicity, including looking at the different ethnic groups that sit under this term. We're making a start by creating clear guidelines for how to collect the data, and what data to collect.

We'll then ask companies to share their results with us, so we can validate that data, report on what we've learned, and identify areas for improvement. We'll also be looking to share examples of best practice, and suggest potential sector-led workstreams, on our HR DataHub platform.

Join us, and help create the change we're all hoping to see

As Baroness McGregor-Smith concluded: "The evidence demonstrates that inclusive organisations, which attract and develop individuals from the widest pool of talent, consistently perform better. That is the business case. But I believe the moral case is just as, if not more, compelling. We should live in a country where every person, regardless of their ethnicity or background, is able to fulfil their potential at work."

Clearly, the more data we have, the more robust our insights and conclusions will be. This issue is too important to leave to chance; if you're willing to take part, and help us acquire the data that could drive lasting change, please get in touch.



Ethnicity Pay Gap Research Introduction

Ethnicity pay gap legislation is on the horizon but not yet in place. However, some companies have chosen to make the positive step forward and self declare.

This report looks at 82 UK companies who have done just that providing us with the opportunity to review ethnicity pay and the actions being put in place to address the gap.

This report has reviewed the gender pay gap reports from 82 of the biggest employers in the UK to understand what they have put in place to close their ethnicity gap. From this we have been able to identify 27 of the most frequently used measures.

The report looks at each of these measures in detail and also makes an assessment of their relative impact on reducing the ethnicity4 pay gap.

This is broken down into each sector. From this we can start to understand the impact that these measures have had and if other companies should consider adopting a similar approach.

The report also looks at innovation – where companies are implementing new and unique approaches to closing the ethnicity pay gap.

Finally, we provide some guidance on external benchmarking and the importance of comparing yourself against peer groups.

Companies Reviewed



- Education
- Finance & Insurance
- Legal
- Media
- Pharma & Health
- Professional Services
- Public Sector
- Real Estate & Construction
- Retail
- Transport

Education

University of Liverpool Queen Marys University Sheffield Hallam University St Georges University

Teach First

University of Bristol

Brunel University

Canterbury Christ Church University

Newcastle University
Nottingham Trent University
University College of London
University of St. Andrews
De Montfort University Leicester

Finance and Insurance

Barclays Natwest Nationwide Barclays Canada Life

Chartered Insurance Group Financial Conduct Authority

RBS Santander Zurich

Legal

Browne Jacobson Freshfields Allen & Overy Bryan Cave Capsticks Clifford Chance

Gowling

Baker McKensie

Charles Russell Speechlys Eversheds Sutherland

Hogan Lovells
LinkLaters
Mills & Reeve
Norton Rose
Reed Smith
RPC
Shoosmiths
Slaughter and May
Osborne Clarke
Irwin Mitchell

Media

BBC FT Hachette ITV

The Telegraph VIACOMCBS

Guardian New & Media

ITN

Pharma and Health

The London Clinic

Royal Pharmaceutical Society

Professional Services

Mott MacDonald Grant Thornton Deloitte EY KPMG Mazars Mott MacDonald

PwC Wellcome

Overseas Development Institute

Public Sector

National Assembly of Wales The Royal Borough of Kensington and Chelsea

Brent

London & Partners

Ofcom

Transport for London

Camden House of Lords

Metropolitan Thames Valley

Met Police

Real Estate and Construction

Canary Warf CBRE The Hyde Group Tower Hamlets Home

Mace

Retail

John Lewis

Transport Network Rail

Rail Safety and Standards Board



Some Caution should be taken

This report should be used to help companies evaluate what they are doing now and to identify new ways to close the EPG. Guided by what they can learn from other companies. We fully recognise the following factors:

- As a measure Gender
 Pay Gap is flawed and is
 being used by the majority
 of the 82 companies to
 calculate their EPG
- The sample size is limited and becomes less reliable once it is split down by sector
- There is a myriad of influences on EPG that will cause it to increase/ decrease year on year – implementing measures outlined here will help but can never be assessed in isolation

Methodology

To build this report we reviewed Ethnicity Pay Gap reports from 82 companies as detailed in the previous section.

These 82 companies represent the majority of the businesses that have self declared their ethnicity pay gap in the UK.

The focus of this report is to identify what companies are doing to close their EPG. To achieve this we reviewed each report and extracted details for each of the measures put in place by each company. Once this was done we categorised each measure into 27 types to capture frequency of use. Any measure that did not fit into these types is seen as unique and can be found in the innovation section of this report.

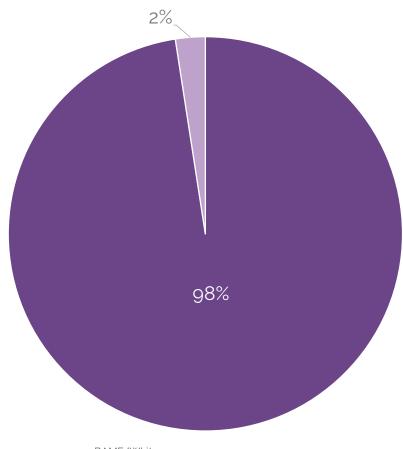
To determine the impact that these measures have had we looked at the movement of the median hourly pay gap and number of non-white people in the top quartile of earners. This provides us with the change in pay but also (and more importantly) the impact of the measures towards getting more people of ethnicity into senior roles.

We then classed each company into each quartile (LQ/Median/UQ) against the 82 sample for their pay gap and tope quartile earners. The count of each measure used by LQ and UQ was then compared to determine which was more prevalent for those with a LQ position v UQ.

Classifications

The vast majority of companies only reported to two classifications being white and non-white (or BAME). Only two companies reported to six classifications. It might be that companies do collect data on more classifications but have decided to report only two due to sample size.

Ideally companies will report on at least five classifications and ideally ten to truly understand the different experiences of their people.



BAME/White/Other ethnic groups/Mixed ethnicity/black & Black british/Asian & Asian British

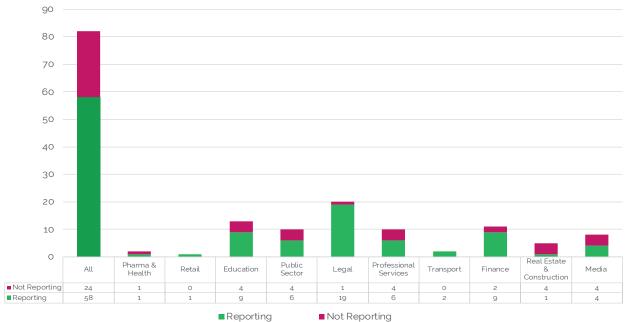
Disclosure Rates

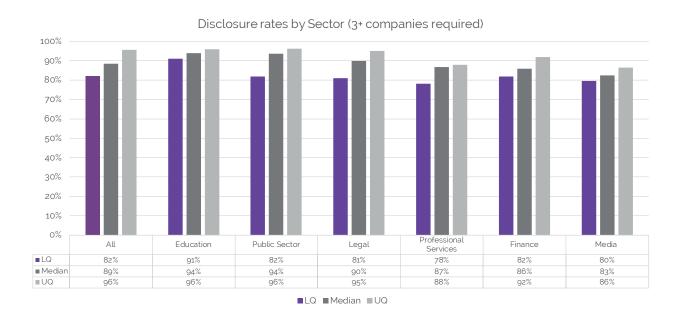
The majority of companies struggle to capture ethnicity data from their people. It is extremely sensitive and if the right trust is not built then it will be difficult to get enough data to make meaningful change.

The majority of companies in this report have above average disclosure rates - it was a requirement before they could self declare. In reality the typical declaration rate is around 60%.

Although it is noted that 24 of the companies did not provide their declaration rate.

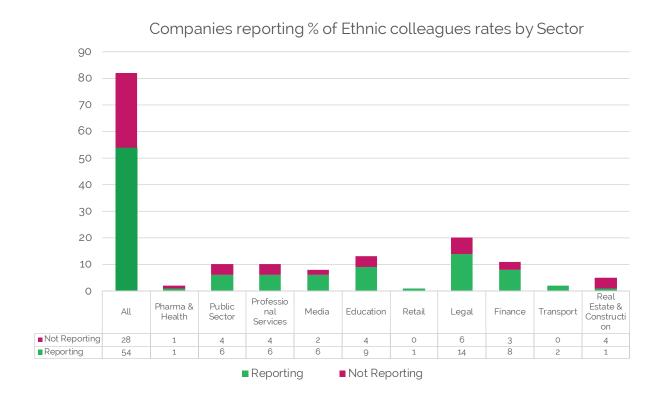


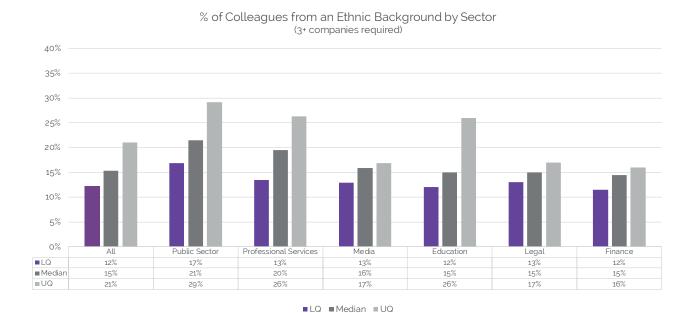




% of Non-White Colleagues

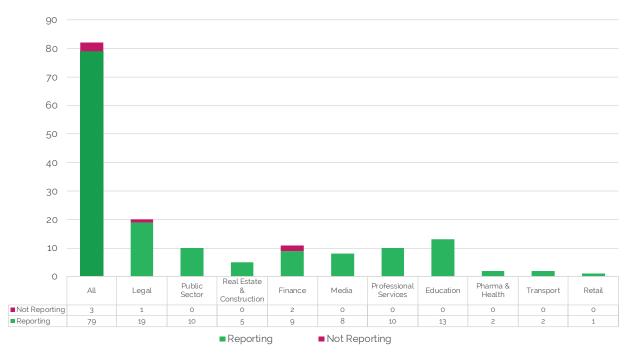
A company should always look to represent their customers and community which they serve. According to the 2001 census 14% of people in the UK have an ethnic background. But this is not necessarily the target for each company. It should be aligned to local area from where they attract talent from.



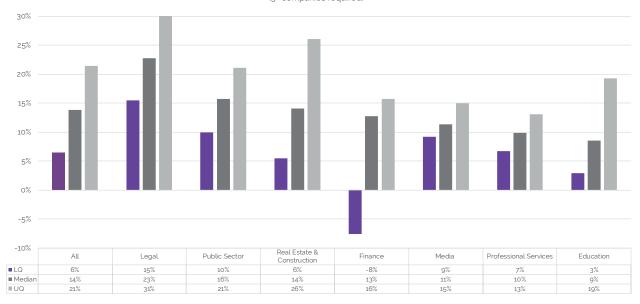


Median Ethnicity Pay Gap





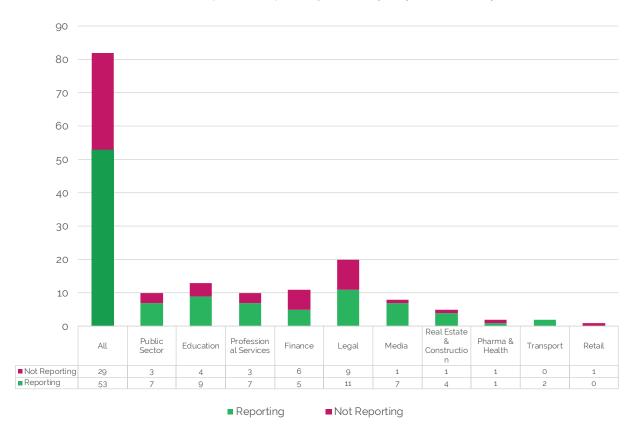
Median % Ethnicity Pay Gap from by Sector (3+ companies required)



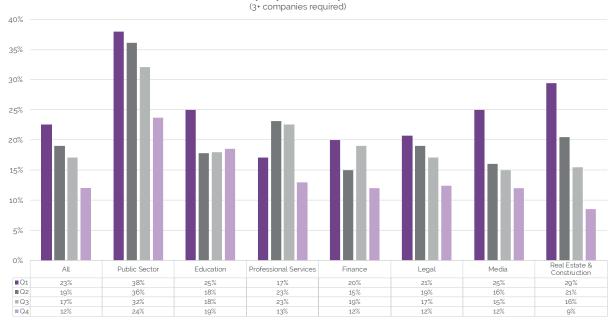
■LQ ■Median ■UQ

Median Ethnicity Pay Gap

Companies reporting Ethnicity Pay Quartiles by Sector







■Q1 ■Q2 ■Q3 ■Q4



Overview of measures used by the 82 companies

82 of the biggest employers in the UK have put in place measures and programmes to help close their ethnicity gap.

From this data we have been able to identify 27 of the most frequently used measures, that are making a difference in closing the gap, as well as making a positive impact on employee's perceptions of the organisation.

The critical starting point before embarking on any programme, is to review the data, to fully understand the problems facing the organisation, and to be able to make decisions on where to invest both energy and budget. It is better to focus on a few programmes and give dedicated time on these, rather than take a scatter gun approach, as how these programmes are implemented, and the continuity of these will set the scene for how committed, and therefore how important these are in relation to the ongoing commitment to the People agenda.

The information below looks at each of these measures in detail and also provides positive approaches and impacts on the organisation in relation to employees, and also considerations when implementing, to ensure they are a success.

Internal Diversity Networks

Creating Diversity Networks are a way for organisations to visibly demonstrate their ongoing commitment to enable people to bring their 'true selves' to work.

Hosting regular forums that enable like-minded employees to come together to share ideas and concerns, learn from best practice (internal and external), collaborate on how to improve ways of working and make suggestions that can be proposed and implemented, can not only make employees feel more engaged and connected to the organisation, but can generate an environment where employees feel their voice is heard and can therefore become a real advocate; spreading positive messages about working for the organisation.

These can be set up as either face to face, or virtual events using the likes of yammer or other such collaboration tools, and to be effective need to be run monthly (to begin with) or quarterly to create momentum. Examples of these networks can be Ethnicity, LGBTQ +, Women, Multi-faith, disability, Autism, Maternity returners, however, to enable employees to recommend and start other networks on subjects that are creating challenges in their personal lives and impacting their work, should be encouraged.

Positives

Getting self-nominating employees to lead and host these forums will bring a sense of ownership by those who are most passionate about the subject. They can then start to drive the agenda based on personal experiences and encourage participation from their colleagues and friends at work. Getting the leads together to share their experiences of hosting these networks; what is going well and needs to improve is also a way to encourage collaboration and successful participation across all networks.

These networks are also an opportunity to enable company-wide projects/programmes that relate to the agendas to be shared and piloted with the relevant network, so that feedback and ideas around how to communicate and key considerations when implementing can be given prior to go live.

Considerations

For these networks to be effective they require senior leader/board level visible support; any introduction and on-going communication of these networks, needs to demonstrate that the leadership teams (collectively, and as individuals), actively support and encourage these events, and having a leadership sponsor for each of these networks is a positive confirmation of the importance to the organisation.

Regular meetings between the leads/hosts and sponsors are needed to ensure there is clear understanding of the purpose of the network, and to agree upfront the measures of success. The initial data analysis should be used to understand the challenges, and what good looks like in order to set the overall key performance measures, whether it be for the networks as a collective or individually.

Company	Example
FT	We support employee-led networks to connect and empower individuals across the organisation.
MACE	The Ethnic Diversity Inclusion Network (EDIN) aims to celebrate the ethno-cultural backgrounds of all employees. They have set out clear objectives, with their top priority to promote and raise awareness of issues relating to racial equality and ethnic diversity in the construction industry.
University of St Andrews	In June 2018, the University launched its first Staff BAME Network. The purpose of the informal network, which is supported and fully funded by the University, is to provide:
	· a confidential forum to share knowledge and good practice through networking
	 effective solutions in policy and planning development
	• events and initiatives to increase the positive profile of visible-BAME staff.

External Forum and/or **Charter Members**



These forums are collectively on a mission to drive inclusive social investment through the gathering of sector wide experts, in order to commission research and to share knowledge and good practice. External benchmarking is also an important step to understand how the company is performing in context, as well as identifying new opportunities for improvement.

Positives

Being part of an external forum is an opportunity to demonstrate, the organisations commitment to diversity extends far beyond the formal role title but shows a willingness and enthusiasm to be involved in both the research and embedding of activity that serves diverse groups. It is also worthwhile considering memberships to organisations such as Business in the Community, who are one of the largest business-led membership organisations dedicated to responsible business, with the aim of helping create a skilled, inclusive workforce today and for the future.

Considerations

Attending these forums can be time consuming therefore it is important to understand how much time can be dedicated to attending external events v's the value gained. It is advisable to select events and topics that relate to specific issues or agendas you are looking to improve or implement, so that there is value to be gained from attending, as well as sharing company good practice.

Company	Example
University of Bristol	Working collaboratively with leaders of public sector agencies across the city as part of the BristolRace Equality Strategic Leaders Group to increase the diversity and improve the inclusion of staff across all organisations.
Barclays	Barclays provides targeted development opportunities to BAME colleagues via our partners; Black British Business Awards (BBBA), INvolve, and Business in The Community (BITC).
Baker McKensie	As one of the first signatories to the Race at Work Charter, ensure our plans aligned to the good practice recommendations.



Supporting Progression / Succession Planning

The strategic approach of Succession Planning enables an organisation to proactively ensure the right people are identified with the necessary talent, skills and knowledge when needed, especially if people in critical positions were to leave at short notice.

The true value of this activity is gained when it is implemented with a conscious lens of true diversity; when business leaders take a step back and consider not just the future business needs and build a broad-based plan that addresses these critical needs, but equally important, ensure they are considering the whole workforce and building greater diversity within Talent pools.

This activity should take place with HR leadership at the table to ensure key information is shared around diversity statistics as a starting point, such as;

- Ensuring there are measurable diverse population objectives or set percentage goals and understanding current performance levels. Both overall and by function. Ensuring a clear understand of what determines success.
- Setting, adhering to and tracking performance criteria that is designed to reduce bias.
- Understanding what percentage of diverse talent will be needed in the pipeline to create a difference in the next three to five years?
- There is a policy in place that includes the setting of targets where a lack of diversity in the succession planning talent pool is identified.
- Creating a plan to prepare for the support of diverse talent and succession pipelines, with measures in terms of progress, timeliness, mobility and advancement.

Positives

Positive support of employee's progression and succession planning is a proactive way of addressing a number of employee issues such as increased turnover, fast-paced changes at work, and to ensure a true diverse workforce across all levels. When diverse talent is identified, it is important to ensure these individuals are supported, through ongoing and active discussions around their progression, providing guidance and coaching to ensure strengths and stretch areas are identified, post work/projects reviews take place to ensure lessons are learnt and understood. Plus, opportunities are discussed to raise their profile and help them to understand their true potential.

Considerations

When carrying out Succession planning it is important not to take just an overall organisation approach but to set objectives and goals across each function, this will ensure all functions are then focusing on the same objectives and can ensure any areas where there are gaps in diversity (at all levels), can have specific measures and actions in place to ensure progress.

The outcomes of individual progression discussions also need to be regularly reviewed at leadership level, to ensure these discussions take place, and the strengths, stretch areas and projects are shared, this will then make it a simpler process to identify future successors for roles, when there has been ongoing discussions around peoples progress.

Company	Example
RBS	Pipeline & Pull-through: targeted development for BAME colleagues (7% promoted / 14% moved roles) and women (18% promoted / 26% moved roles)
Guardian New & Media	Accelerate progression: support talented BAME employees to progress to the next level in their career, with a particular focus on those moving into leadership and management roles.

Ethnicity Data Collection & Analysis

The critical role of data collection and analysis is to understand current challenges and opportunities that exist around Ethnicity across the organisation.

And to address questions, predict future trends, and to encourage credible research around the current situation, in order to evaluate outcomes. We need to ensure we collect data with an explicit purpose; to learn incredible insights, and to take the data and make it actionable, determining what activity or programmes to put in place to reduce current gaps.

It is easy to put a number of programmes in place to show that something is being done by an organisation, however it is important not to come up with solutions for problems that don't exist, assuming the problem is known, and a knee jerk action taken, therefore collecting and analysing data will help to validate the extent and severity of issues to resolve. It is important to start by understanding where you are now, the baseline, and benchmarks in order to determine targets and areas to improve.



Positives

Collecting and analysing data can help build understanding of the starting point, and on progress against targets when being actioned, as well as helping to bring greater objectivity when making decisions on where to invest time and action. Analysis will also help in conducting a cost benefit analysis, and identify where to make investments, and ensure solutions are not costing more that the problem.

There are several ways in which data can be collected, such as employee feedback surveys, focus groups, 1 to 1 interview, contests, social collaboration groups. To be effective, reviews should be carried out before and after programmes have been put in place in order to validate changes or improvements made through change.

Considerations

While the process of data collection can differ from company to company, one aspect that should remain the same, is to maintain data integrity. Although the main purpose of collecting data is to answer questions, it is critical that the data is correct and reliable.

Also, consider the use of a balanced score card for diversity, which utilises a wide variety of agreed upon measures to evaluate programmes success. Ensuring that it covers the most appropriate measures for the organisation.

Company	Example
Grant Thornton	The firm's approach to our Inclusion and Diversity strategy is rooted firmly in data collection and analysis. We have been working on improving data collection by encouraging people to disclose their ethnic background in annual declarations - this resulted in 90% disclosures in 2019.
Mott MacDonald	Using EDI data to support our early careers talent strategy Our early careers recruitment strategy – focused on apprentices, industrial placements and graduate opportunities – is directly shaped by diversity data.
Financial Conduct Authority	We created a diversity dashboard which captures gender and ethnicity for all our divisions at all contractual levels. It also looks at data such as new hires, turnover, acting up opportunities and internal development programmes. This also allows us to look at trends data and is driving focussed, positive action.



Unconscious Bias / Cultural Awareness Training

The purpose of providing Unconscious bias or Cultural Awareness training is to create awareness across employees of implicit bias.

To highlight prejudiced thinking and/or behaviour that is done without realising, and to provide ways of adjusting automatic patterns of thinking and eliminate discriminatory behaviours. Also, to highlight what behaviour is expected in the workplace.

This training can take many forms, from e learning programmes or PowerPoint presentations to in-depth workshops with interactive talks and exercises, the later having the greater impact on changes in building awareness and helping to change behaviour.

Positives

For training programmes to be effective, it is important to support this training with other initiatives to ensure employees can see this is as part of an ongoing journey in changing behaviour and creating a more diverse and inclusive workplace. Therefore, there are other activities that can put in place to ensure this awareness continues long after the training is completed, such as:

- Asking people to share stories and add these to social collaboration channels, and internal intranet pages, and generate discussions of what would good look like.
- Provide communication briefings as part of team meetings, around 'walking in some-one else's shoes' to ensure understanding of what the experiences are, of minority or disadvantaged groups.
- Give responsibility and accountability for diversity to leaders
 as part of yearly objectives, to encourage employees to
 share any instancing of bias, and ensure these actions are
 exposed and dealt with using formal processes.

Considerations

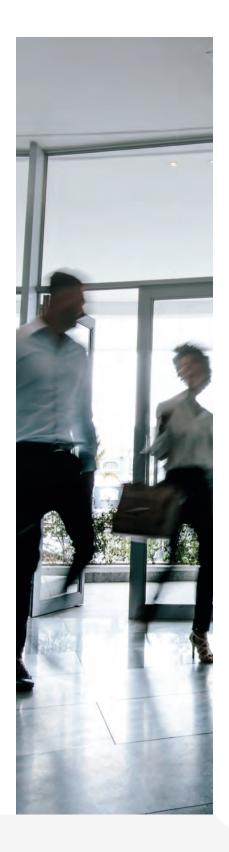
Although unconscious bias and cultural awareness training is effective for raising awareness, and can help to reduce implicit bias, benefits of this training will be short lived if they are not supported with other actions and are unlikely to change behaviour longer term. Having Executive sponsorship, a consistent leadership voice which empowers employees to speak up, will give greater confidence to challenge workplace bias, and subside concerns of not being taken seriously, therefore encouraging a place where all employees feel that they belong.

Company	Example
Teach First	Over the next 12 months we'll build on previous work to deliver a comprehensive employee training programme covering diversity and inclusion basics (including compliance training on our discrimination, harassment and bullying policy and procedures), being an active bystander (i.e. interrupting oppressive moments) and allyship. Alongside this our senior leaders will complete inclusive leadership training
Charles Russell Speechlys	It is mandatory for all Partners and staff to complete the Firm's diversity and inclusion training module. It is also mandatory for all Partners and line managers to attend Respect training; which covers different elements of inclusive leadership including unconscious bias.
Norton Rose	While we continue to deliver inclusive leadership training and unconscious bias education, the firm introduced a new Respectful Behaviour policy in April 2019 which replaced our former Dignity at Work policy.

Executive Sponsorship

Executive sponsorship, as already mentioned in cultural awareness training amongst others, is the number one indicator of a business Ethnicity programme success and can be the key difference between being perceived as a 'tick in the box' solution, or a meaningful Ethnicity support programme.

Executive Sponsors have a number of duties in demonstrating active support, such as ensuring the programme goals are aligned with the overall company and People strategy, communicating goals and overcoming resistance from senior leaders and employees, as well as providing on-going direction of the programmes throughout its lifecycle. As well as being the public face for the organisation.



Positives

Successful Executive Sponsors are those who speak out on issues and educate others. They consciously sponsor employees from different backgrounds and challenge other executives to do the same. Given the role, there is ample opportunity to highlight issues at team meetings, at Executive meetings or during one to one discussion to help ensure actions are in place to raise awareness, to support diverse progression and to mentor and coach others. There is also an on-going role to share employee data, and champion the progress of programmes, and the measurable difference being made towards the company culture, as well as encourage recognition of people when exhibiting positive behaviours.

Considerations

While every business programme involves employees at some level, Diversity and Ethnicity is incredibly people focused, and can raise a lot of sensitivities. A Sponsors presence at programmes and events will not only attract more employees because they will see Executives role modelling, it also speaks volumes about the importance on the organisation's agenda.

When being an Executive Sponsor, not everything will be an engaging or positive opportunity, at times, there will be issues that come to light that will require the Sponsor to speak out, either internally, or externally, which can be difficult depending on the culture.

Company	Example
Barclays	We have appointed an Executive Committee member, our Chief Risk Officer C.S. Venkatakrishnan, as executive sponsor for our Multicultural agenda.
Chartered Insurance Group	Accountability and individual sponsoring at executive level for our diversity and inclusion plan.
Zurich	Over half of Zurich's UK executive team is involved in the Insurance Industry's Cultural Awareness Network's mentoring programme. In addition, the executive team are already engaged in Zurich's own reverse mentoring scheme, giving them the opportunity to listen and better understand the experiences of ethnic minority employees and any barriers they face to career progression.



Most organisations will have development programmes for employees which cover an overview on Diversity and Inclusion.

But only a few will have focused development that ensures a joined up and aligned development approach to talent identification, career and management development, and ongoing coaching leaders have a key role to play to ensure the ongoing identification, support and recognition of talent from ethnic backgrounds, therefore development for managers as part of talent reviews to help identify characteristics of talented leaders, and the personality traits will be a positive development activity.

Positives

Ensure there are regular cultural awareness sessions and further diversity training reminders communicated for those involved in recruitment, appraisals, promotion, talent identification and succession planning will help to bring to life the importance of unconscious bias during these activities. As well as ensuring written materials are linked to these processes. Ensure there are 'round up' sessions after these activities to provide a sense check against bias.

Considerations

As with any development, it is only worthwhile if this development becomes part of an ongoing programme and is practiced across the organisation.

It is also important to remember before embarking on any development programme, collect and review data to determine what problems or opportunities the development programme is looking to resolve, so that any investment has a clearly identified purpose with measures of success.

Company	Example
Sheffield Hallam University	Continue to support female, BAME and disabled employees to progress in their careers so that the proportion of these groups in senior grades increases by offering targeted development as well as ensuring their participation in other leadership development programmes.
Overseas Development Institute	A review of career development pathways and opportunities with particular reference to employees from minority ethnic groups
The Hyde Group	Continuing to promote talent programme opportunities to women and BAME employees identified in the wider talent pool; and Continuing to promote our career builder tool specifically though the Hyde Aspire and continuing to use this network to encourage women to develop their own careers. Diversity and Inclusion will form a key part of our 2020-23 People and Culture Strategy, and we look forward to continuing our journey of building a more diverse workforce.

Quota Shortlists

Quota shortlists are a mechanism and proactive practice intended to increase the proportion of diversity across an organisation.

Having quota shortlists as part of a programmed approach can help in identifying and developing diverse talent and ensuring there is an overall focus on who are best placed to apply for roles and helping create greater diversity. Quotas, which should be determined from employee data analysis, can be created to support the recruitment process, to ensure a diversity balanced candidate pool, as well as adoption as part of succession planning. These shortlists can be used to track this balance in headcount data for both the Recruitment function, and line managers.

Positives

Providing quotas requires a commitment from an organisation to reframe their policies, to positively encourage the increase in lower diverse groups, as well as the restriction on highly represented ones to create more impact. Amending, communicating and educating managers and employees on these policies will go a long way to showing an organisations intent to not recruit and progress 'to a current type', but to actively encourage people from diverse backgrounds to both join and progress through an organisation.

Considerations

An important reminder is to ensure that although balanced shortlists will encourage a more diverse pool of candidates in both recruitment and succession, there needs to be a validation to ensure the best candidates are selected based on merit. Balanced shortlists, in order to be effective, also need to ensure that there is sufficient diversity within these talent pools.

Company	Example
OFCOM	We ask recruiting managers to ensure diversity in our interview panels and shortlisted candidates for all posts, for example by having a gender mix and minority ethnic representation wherever possible.
CBRE	Proportionate representation – we are challenging ourselves to ensure that decisions such as promotion shortlists and outcomes are representative of our population.
СВІ	Applying the Rooney rule to all externally hired management roles which means ensuring there is at least one BAME candidate shortlisted and interviewed during recruitment
The Hyde Group	We ensured that all recruitment shortlists contain a mix of male and female candidates and that they are as ethnically diverse as possible (an extension of the Rooney Rule).

Ethnicity Leadership Programmes

The purpose of a Leadership programme is to train future and current leaders on the critical skills, knowledge and competencies as a leader, that are conducive to a positive and engaging working environment.

They should increase both morale and retention, promote better decision making and improve productivity Providing a dedicated cultural and inclusive leadership session as part of a Leadership Development programme is a worthy step when considering how to evidence the education of leaders and providing a benchmark for measuring the progress made in the education of diversifying leadership.

Positives

The most effective programmes are ones that include a blended learning approach, combining a range of learning and development tools including self-paced learning, peer to peer coaching, live online learning and collaboration, as well as support for reflection, and the application of learning. It would also be beneficial to feature expert coaching, and high-profile guest speakers including those from ethnic backgrounds to share their experiences and help share their own learning and experience within a leadership role.

Considerations

Programmes that are most successful, are based on partnership with institutions and external organisations who can bring fresh ideas and approaches to challenges within the workplace, and encourage truthful, yet sometimes challenging discussions around culture and working practices. However, these conversations are important to initiate changes in behaviour, as well as challenge current thinking.

Company	Example
Mazars	We aim to have equal numbers of male and female participants as well as better BAME representation on our manager and leadership training programmes.
The Hyde Group	We have signed up to 'Leadership 2025', which aims to support and empower BAME senior professionals to become sector leaders of the future and has a long-term ambition of supporting the creation of a housing sector that is vibrant and diverse at all levels.
Rail Safety and Standards Board	Emerging Leaders Programme is a new talent initiative at RSSB. Specifically, this is a structured programme of development activities designed to support thought and people leadership capability. This programme has equal male and female participants as well as BAME representation.

Targeted Graduate Recruitment

Recruiting graduates differs from more generic employee recruitment where candidates have previous employment experience under their belt.

In general, they are highly ambitious, eager to impress in their first role, and have high expectation of their manager to support and actively sponsor their career. Creating targeted graduate recruitment, as part of the recruitment strategy should create a process that works for the business and enables a focus on sourcing and creating greater diversity in functions where there are the greatest gaps, therefore positively increasing the number of BAME graduate intake, and subsequent talent pipeline.

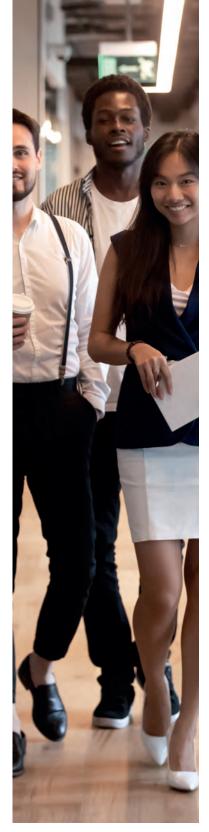
Positives

Proven targeted approach's include using higher education ethnicity data to focus on sourcing new intake from universities with better BAME representations. Plus implementing cross-functional schemes; where BAME graduates spend a few months in each department to evaluate where their best skills lie, this approach also enables greater exposure across the business. Conducting a people census prior to new intake will enable an overall picture of representation across the functions and can be used to inform future targeted interventions.

Considerations

Conducting a review of the current graduate intake approach is a good starting point in understanding where bias can be created, across each stage of the recruitment process.





Performance Moderation

The purpose of Performance Moderation is to ensure there is a consistent way across the organisation of evaluating performance.

Ensuring everyone understandings the standards required at each level of the rating scale, and the integrity of the Performance Management process is protected. The process is to review the spread of performance ratings on individuals or groups of employees and aim for fairness, transparency and consistencies in scores and ratings. If any inconsistencies are identified a clarification against the set criteria should be validated to ensure consistency is maintained.

Positives

Moderation or Validation panels can be set up, to ensure the review of ratings before assessments are finalised. These panels will enable reviewing managers to reflect on, and share with colleagues, the evidence for, and basis of, ratings awarded. They provide support and guidance in making sure assessments; facilitate the sharing of best performance practice and experiences; and support and test fairness, equality and transparency in the performance review.

Considerations

Good practice is to enlist support from HR teams to facilitate and moderate annual performance and bonus decisions, and to avoid any unconscious biases.

Company	Example
Wellcome	reviewed performance ratings, which determine most employees' bonuses, to identify any anomalies relating to race and ethnicity
Baker McKensie	Thoroughly moderating our annual performance evaluation processes and bonus decisions to avoid any gender, racial or other unconscious biases and introducing support to HR teams to facilitate these departmental and practice group conversations.
The Royal Borough of Kensington and Chelsea	Undertaking a full review of the Council's current pay, grading and Performance Related P schemes including identifying actions required to help eliminate pay gaps and ensure equal pay. This will also address the current impact of more men than women and more white than BAME employees currently receiving performance related payments.

Sponsorship Programmes

Senior level sponsorship as part of any new measure or programme, is a critical step in ensuring sustainable change.

Without this support organisations will not sustain changes made in behaviour, programme sponsorship needs to provide visibility, access to the board table and reduce professional risk, and to bring challenging conversations to the table to enable support and advancement of new activity. They are someone appropriately placed in the organisation, who has significant influence on decision-making processes or structures and who is advocating for, protecting, and positively driving good cause, and should become a role model for the organisation for an inclusive workforce.

A key part of their role is to believe in the potential of the programme outcomes and be prepared to be 'the face of change 'for the organisation. They will utilise their voice at the table to champion and challenge bias, as well as shield positive promotors from harm or undue criticism. Their role is to demonstrate the case for change, and at all times champion building a positive culture.

Positives

Programmes for inclusion work well when they are driven by senior leaders and shaped by their people. A successful cross-cultural sponsor relies on mutual understanding on matters related to race, culture and inclusion, therefore they need to be visible, willing to have sometimes challenging conversations about race with honesty, understanding and courage.

Considerations

Without sponsorship, programmes tend to fail; aspiring leaders are less aware of what is takes to succeed, and the behaviours that are expected to create an inclusive workplace,; they are less likely to take on new assignments that turbocharge their careers, if there are no senior role models to look up to. In short, the right level of sponsorship can be a career game changer.

Company	Example
Nationwide	We have launched a Sponsorship Programme to match talented people from minority groups to leaders who believe in their potential and will support their development.
House of Lords	developing an inclusive sponsorship programme for our existing colleagues
Viacom CBS	BAME Talent Sponsorship Programme

Mentoring

Mentoring is a learning and supportive relationship between an employee and a peer or senior manager.

Who openly shares their knowledge, work experiences and wisdom in order to enrich the employees' professional journey. For a Mentoring relationship to be successful, there needs to be trust between the Mentor and Mentee, so that each person can openly share experiences and challenges and have faith that the conversation will be kept confidential.

According to research from the CIPD, "BAME employees are significantly more likely to say that your identity or background can influence the opportunities you are given than white employees". Therefore, it is important to enable all budding employees from diverse backgrounds to be given access to contacts, networks or prospects to successfully climb the career ladder.

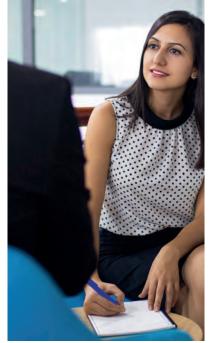


Mentoring gives a real positive message that as an employee I matter, and want to have a career with you, (however long), and during this time I will be supported and valued, be able to grow my skills, knowledge and experience, and add value. Communication of Mentors, including Vlogs of managers willing to Mentor post performance reviews are a great way to give a support structure to those who need it. Or create a virtual Hall of fame of Mentors that employees can reach out to for support as part of their career development.

Considerations

Every person should be able to fulfil their full potential at work, regardless of their background, identity or circumstance, although we know this is more of an aspiration than reality right now. Employees who are new in an organisation, or not well connected may feel hesitant to ask to be mentored, and not sure how to go about it. We therefore have a responsibility to inspire and actively encourage the next generation of leaders to develop themselves and take this support. Ensure that support systems such as Mentoring are highly visible and accessible across the organisation, so that employees feel that no one is excluded, and everyone has the same opportunity to thrive!

Company	Example
Nottingham Trent University	During 2019, as part of this commitment, we introduced a VC's mentoring scheme designed to provide ambitious BAME employees with support and insight into a pursuing a career in senior management;
St Georges University	Extending our mentoring and coaching offer, particularly for BME employees, including extending the B-Mentor scheme and implementing for academic staff.
RBS	Sponsorship and Stewarding, Reciprocal and Cross Organisation Mentoring



Reverse Mentoring

Whereas traditional Mentoring as mentioned above, is focused on the developing the mentees professional development journey, with Reverse mentoring both the mentor and mentee are provided the opportunity to learn from each other.

Reverse Mentoring gifts mentors the opportunity to learn from their mentee's experience, knowledge and skills and can be considered as a career development opportunity for both parties. It can provide a tangible opportunity for leaders to walk the talk when it comes to inclusion, directing culture change through leading by example.

Positives

Reverse mentoring is an effective way to build genuine awareness of the barriers faced by BAME, and other diverse groups, it can enable leaders to demonstrate their commitment to race equality, by taking time to get to know employees they may otherwise have no interactions with, and by building an understanding of their mentee's point of view. When starting a Reverse Mentoring programme, it's important to do the following:

- Understand the challenge you are trying to solve. Clearly define what business issue this approach will address to get the organisation bought in. Then measure the current status and develop the metrics to understand the current situation and what success will look like.
- Engage and Recruit a balance of mentors and mentees. Attracting mentees first to understand how many mentors will be needed. Then bring mentors and mentees together. Hold a meeting to bring mentors and mentees together. me
- Review the metrics. After the programme assess the key metrics and understand and communicate
 what worked/what could be done differently next time. Then decide next steps. If the program achieved
 its goals, plan how to set up the next program, taking into consideration the first round's feedback.

Considerations

As with many programmes, getting a senior figure to sponsor a programme of Reverse Mentoring will increase its value and exposure. The sponsor needs to meet with the mentors and mentees together to communicate why the programme is important and explain the goals and benefits of the programme.

It's also important to hold regular reviews with both mentors and mentees, and organise private, sense-check meetings to see how both are getting along. See what is and isn't working, and amend the process based on feedback. At the end of the programme, call everyone in for a final feedback session. Ask what would be done differently next time, what has been learned, and achieved.

Company	Example
LinkLaters	This year, we ran the second cohort of our popular Reverse Mentoring programme, with 34 senior leaders being mentored by junior colleagues from under-represented groups including BAME
Grant Thornton	A cornerstone of how we want our leaders to experience different perspectives is reverse mentoring, where senior leaders are mentored by junior colleagues to broaden their understanding of the challenges faced
Zurich	the executive team are already engaged in Zurich's own reverse mentoring scheme, giving them the opportunity to listen and better understand the experiences of ethnic minority employees and any barriers they face to career progression.

Diversity Targets

Setting targets around Diversity and Inclusion has always been a point of controversy. Whether to set goals and targets?

If so, will this lead to discrimination practices and negative pushback? However, it is important to demonstrate that everyone in an organisation is valued, and to reap the benefits of a diverse workforce, it's vital to have/create an inclusive environment where everyone feels able to participate and achieve their potential. Therefore, to it is important to understand the baseline and set targets/goals against key processes and behaviour that are identified through employee data and feedback.

Positives

Setting goals and targets are best set when both are aligned to the Organisation and People strategy, and when considering facts and relevant data. Leverage data such as engagement survey feedback, leavers reports, external benchmarking and Glassdoor is critical to identify gaps and opportunities to change both processes and behaviour.

Many organisations consider building targets that are aligned to four key areas:

- The organisations culture and employee engagement
- · Recruitment and onboarding
- Talent management and career advancement
- Community impact

Objectives can also be set for individual members of the Executive/leadership team as a personal objective, rather than an organisational collective.

Considerations

The concerns raised around setting targets are in relation to driving the right behaviours. Organisations may actually meet certain percentage targets, and still not have the right management behaviours. Therefore, depends on the strategy it's important to define up front; is the purpose to focus a target, or is it trying to change behaviour, and fundamentally develop a different culture.

Company	Example
NatWest	Our goal is to identify, develop and pull through at least 14% non-white leaders by 2025.
Mills & Reeve	We have a taskforce to increase the proportion of BAME staff and partners from 9% to 14% and a BAME and Allies network to support us enhance practice. We are addressing ways to increase accountability, changing our ways of working, promoting, recruiting, and providing more support. We are also pushing to increase ethnicity disclosure above the current level of 83.9% to improve the quality of our ethnicity data.
Network Rail	A target to achieve 13 per cent of our workforce to be from a black, Asian and minority ethnic (BAME) background has been set. The target is based on the 2011 census which highlighted this as the figure for the UK's BAME population We aim to achieve at least 13 per cent by the end of Control Period 6 (31 March 2024)

Pay Gap Transparency

Organisations are required to publish their pay gap analysis annually in the UK if they have more than 250 employees, based on data collected in the same year.

The requirement is to calculate and publish statistics on pay gaps between male and female employees, measured by hourly pay and bonuses, as well as the proportion of male and female employees in each pay quartile.

Positives

Being transparent and sharing this gap analysis with employees provides an opportunity to share the successes of existing programmes and to explain how they have contributed to creating a more inclusive workplace, as well as sharing any new measures and activity that will be sponsored across the next year to improve or enhance existing activity. This transparency is also an opportunity to listen to ideas from employees on what they have seen work in other organisation so that they feel they are contributing to changes for the better.

Considerations

There may be instances of the pay gap widening, or no improvements made across the year, despite a number of activities being in place. Being open about these pay gaps, and where these gaps are is even more important to share with employees, as it demonstrates that there is acceptance of the current situation, as well as commitment from the Executive team to improve.

Company	Example
RBS	Equal pay analysis and transparency on pay gap reporting, including voluntarily sharing our ethnicity pay gap ahead of any mandatory requirement
BBC	We have conducted a fair pay check reviewing the salary position of every employee against their relevant job pay range to ensure their pay is fair;
	• gone further on pay transparency. The pay ranges for every job are available for all staff to see. We have previously shown staff where they sit in comparison to colleagues either in their job pay range or career level band. We have now also shown this comparison split by gender;
	 published two reports on transparency that found that the BBC has led one of the most ambitious shifts around pay transparency in the public sector. The BBC is also found to be more transparent than most private sector organisations of comparable size.

Creating Feedback and Support Channels

Around two-thirds of employees, regardless of ethnicity, feel able to be themselves at work, this highlights that greater improvement is required to make workplace cultures genuinely inclusive.

The aim is to have inclusive cultures where a diverse range of people feel able to be themselves, to feel their voice matters and they are able to share ideas, as then they can perform at their best at work. Having mechanisms in place where employees can highlight issues about inequality and can share their view on matters affecting them at work is a key activity to create employee engagement.

It is also essential that disadvantaged and disconnected groups know how to access these mechanisms, in order to express their voice.

Positives

There are a number of feedback mechanisms that can be generated to provide support. Examples include:

- Social collaboration groups, such as Yammer and What's App which create short yet ongoing dialogue across teams to share views and good news stories.
- Employee survey feedback Ambassadors to create improvements in ways of working post survey feedback.
- Employee Resource groups can also be a valuable way to encourage employee feedback. These are
 groups created with shared characteristics, or who have a shared goal. They create a sense of belonging
 and community and provide opportunities to work with others across an organisation to bring about
 change. These groups can also act as a sounding board when introducing new products and services.

One of the key support channels that must not be underestimated is ongoing and active support from line managers. Creating a virtual 'open door policy' where employees can talk with their line managers at any time, about any subject will build greater trust and a stronger working relationship.

Considerations

According to the CIPD, line manager support for Development (Career), is a key issue across organisations, regardless of ethnicity. Setting expectations (a number of days a year) with line managers to provide this support to their teams will not only help identify future talent, it will also increase talent pipelines across the organisation, and provide greater awareness of previously untapped potential.

Company	Example
Clifford Chance	The BAME network has created a forum for BAME (black, Asian and ethnic minority) employees to voice their concerns about the firm's culture which has facilitated discussions with senior leaders about these issues.
London & Partners	We will involve our newly formed BAME Group in strategies to improve recruitment & retention of BAME employees.
Allen & Overy	Provide the platform for role models and allies at all levels to talk openly about their ambitions, challenges and successes.

Celebrating Difference

Celebrating diversity and difference across an organisation, is about signalling each employee is unique, and that individual differences are valued.

It is about understanding each other and moving beyond tolerance, to fully embracing and celebrating the rich dimensions that a truly diverse workforce can bring.

Celebrating cultural events across the year, whether it be PRIDE, Black history month, Diwali, or Bastille Day, helps to unite and educate others, and understand other's perspectives and broaden our own. Through understanding others diverse backgrounds, the whole organisation can gain a sense of pride for the diversity of the organisation culture. Celebrating and understanding other backgrounds is crucial to personal and community growth.

Positives

There are many benefits in celebrating differences and enabling people to be their true selves at work, specific benefits are as follows:

Helps overcome stereotypes

Stereotyping whether it be conscious, or unconscious is unfortunately commonplace, it has a negative impact on the way people see and behaviour with others who are different. It encourages employees to make assumptions about others, which can be incorrect and hurtful, as well as hindering collaboration and teamwork. When an organisation celebrates differences, it encourages preconceived notions to be proved wrong, breaks down stereotypes and helps us to see people for who they are and not what people assume.

Building cultural awareness

People tend to surround themselves with people like them, as it is familiar. However, encouraging working with difference cultures and backgrounds, not only helps to educate others and build appreciation of other cultures and their histories. It can also prevent group think, bring innovation, create new ways of working, improve current processes and also give employees an ability to make changes in the way they work, for the better.

Discouraging racism

Racism is often born out of fear and ignorance. In the workplace, it could be a subtle joke or simply leaving someone out, either way it should not be tolerated. With increased awareness and appreciation of different cultures and races, comes increased respect for other people and differences. When prejudices and stereotypes are removed through education and celebration, it is also a necessity to discourage the ignorance that supports racism.

Considerations

'We're all in this together' is a phrase often heard in the context of building a collaborative workforce because we face the same organisational challenges, we have one purpose as a company and common goals, therefore it accurately summarises the culture, organisations aspire to become.

However, it is important to remember, while creating 'unity', all employees are unique, therefore enabling people to be themselves, and embrace and celebrate their difference will bring not only a greater breadth of ideas and solutions but build a culture where everyone feels valued and appreciated.

Company Example			
LinkLaters	we celebrated our firm's very own Inclusion Heroes around the world.		
Mills & Reeve	We regularly share articles spotlighting an exemplary individual's career to inspire and encourage others in similar situations. Recently, we have featured people with disabilities, who are LGBT+, BAME or make the most of flexible working. These articles receive high levels of interaction with the people highlighted becoming mentors for others.		
Shoosmiths	Awareness. We will build a national network of champions to coordinate activities which celebrate ethnic diversity and provide educational material which highlights and breaks down unconscious biases.		

Inclusion Audit

An Inclusion audit, sometimes known as a Diversity audit, helps to understand both the culture and demographics of employees across the organisation and therefore the breadth of diversity, and what factors and activities to focus investment on to help increase inclusion across the business.

This audit can include a variety of diagnostic tools and activities, such as gender pay gap analysis, supplier diversity audits, or equality impact assessments; which is a process which assesses the likely effect of company policies in relation to defined characteristics.

Positives

Diversity audits are seen as positive activities to building an inclusive culture, as they bring together data collection and analysis through consultation with employees. They provide a holistic view of the organisation in terms of diversity, equality, and inclusion, enabling the creation of focused and recommended diversity strategies that deliver targeted benefits to both the organisation and workforce.

Considerations

As well has generating valuable data, one of the key benefits of carrying out these audits is the signpost to employees that their views and opinions on how to become a more inclusive employer matter. Depending on the number of employees involved, this can generate many ideas, sometimes too many for the organisation to cope with from a budget perspective. Therefore, it useful to set up and share some 'ground rules and expectations' at the start of these sessions that explain, although all ideas and suggestions are valued, not all will be taken on board.

Company	Example	
National Assembly of Wales	Undertaking an inclusion audit and further organisational review of recruitment effectiveness our recruitment practices and processes;	

Reward Strategy

A Reward strategy involves designing and implementing reward policies and practices to support organisational objectives; with the aim of enabling a motivated, valued and effective workforce.

The right Reward strategy can achieve this aim by implementing benchmarked benefits, bonuses and pay incentives, which also encourage loyalty, due to offering competitive organisational benefits which is a key enabler for attracting new diverse talent.

Positives

Creating and communicating a positive psychological contract to all new employees is a good way to communicate a total reward package, as it sets out the expectations around the organisational culture, what will be required from an employee and what they will get in return.

This approach ensures both sides understand and are clear on these expectations and understand what it will take to be a successful employee, and to be rewarded. Therefore, documenting and sharing this information as part of the onboarding process in terms of total reward, (cash compensative, benefits, personal growth and work environment), is positive way of setting the ground rules from day one.

Considerations

Creating a total reward approach looks at what the organisation is trying to achieve, and what is important to employees, (employee survey data should contain questions around pay and benefits in order to collect this data). However current affordability and the review of pay structures and bands are also key considerations when forming the plan and may require formal reviews prior to implementing a new total reward approach.

Company	Example	
National Assembly of Wales	Developing an Attraction, Retention and Reward strategy which includes working with external partners as an employer of choice, looking at our offering for work placements and how we attract the widest range of talented people	
Newcastle University	Broadened our pay gap analysis to cover other protected characteristics such as ethnicity and disability. This will continue to inform our ongoing review of reward and recognition mechanisms.	

Monitoring of Starting Salaries

Each organisation has a minimum and maximum (or band of) pay rate for employees performing a particular job or function.

This salary range is determined by market pay rates, established through market pay studies, for people doing similar work in similar industries in the same region of the country. Pay rates and salary ranges are also set up by individual employers to recognise the level of education, knowledge, skill and experience needed to perform each job, and where a salary band needs to start for each role.

The value of regular monitoring of these starting salaries, is to be competitive, each organisation wants to attract the best talent and nothing attracts high calibre employees more than offering a healthy compensation package, which includes a competitive starting salary, especially when the organisation is renowned for being a great place to work.

Positives

Working closely with the Resourcing team to understand current challenges in recruiting certain roles, as well as analysing leavers data is a good starting point for determining what roles to monitor first, as this will define the organisations greatest challenges in attracting new talent.

Depending on the data analysis, it may also be advisable to benchmark starting salaries, with the aim of helping to set, (or reset) own pay rates at an appropriate level in order to recruit and retain employees without paying more than necessary.

Benchmarking clubs of employer groups that regularly exchange information on pay levels will provide access to data for similar employees can also provide another source of comparison.

Considerations

Paying less than comparable organisations may also bring mediocre employees and fail to fulfil your desire to create a high performing work culture. If on the other hand, the HR strategy is to get cost effective labour in the door quickly, with little regard for turnover, the salary could reflect this.

Company	Example
The Hyde Group	Ensure fairness by monitoring Starting salaries and in-year salary increases for any emerging trends or bias
Brent	To undertake monitoring of new joiners' starting salary for grades PO5 and above by gender and ethnicity and extend to disability.
Sheffield Hallam University	Undertake further analysis of the impact of starting salary recommendations, revising the guidance to managers as appropriate.

Capturing Recruitment Data

Capturing and analysing your sources of hire data can provide a wealth of information.

It can help determine where the majority of candidates are entering the recruitment process, what job boards, social media sites, mobile hiring apps or referral approaches are the most effective, and what resources are bringing a greater diversity of candidates.

Capturing this data will help to indicate the sources more likely to find top talent candidates in the future and help determine where to invest resources going forward to ensure the greatest return on investment.

Positives

Data collection during each stage of the recruitment process can provide an in-depth look into the hiring process. Recruiting ratios, such as number of applicants from diverse backgrounds applying, compared to the number of interviews, or the number of interviews compared to the number of jobs offers across the organisation and within each function highlight any possible 'halo or horns effect' recruitment or personal bias.

A good practice would be to arrange for employees such as employee network groups, to act as 'mystery shoppers', review current campaigns to track the number of BAME applicants and their recruitment journeys and feedback on their experiences.

Considerations

Organisations are starting to enable diversity data forms to be coded and tracked through each stage of the recruitment process, to start identifying problems in both attracting and recruiting BAME employees and addressing key causes. These can also be used to identify necessary changes in job adverts to ensure they better reflect the breadth of available talent from all backgrounds.

Company	Example		
Queen Marys University	Review and analyse BAME recruitment and selection data through all stages of the recruitment cycle.		
Teach First	Diversity data forms are now coded and tracked through each stage of our recruitment process. Once we have enough data, we will be able to start identifying where our problems are in attracting and recruiting BAME people and addressing them. Using this data, we have already changed where we place our job adverts to better reflect the breadth of available talent.		

Blind CV

Encouraging Blind CVs is a good way to overcome unconscious bias and promote greater diversity across the organisation.

It has increased in popularity over the last couple of years after a series of studies showed that people with ethnic names needed to send out 50% more resumes before they got a call back than job seekers with 'white' sounding names.

Blind CVs encourage the recruitment of new employees without personal indefinable information, so that personal bias doesn't creep in. It requires removing information such as age, gender, name, education and even the number of years' experience from CVs, that might otherwise prejudice an application.

Positives

Start by determining the absolute necessities an applicant must possess to fill the role and remove the information that has no bearing on a persons' ability to competently carry it out, such as the name, gender, age, sexual orientation, address and marital status. These can all be blinded from the application process.

Considerations

The success of your blind hiring process should be captured in diversity recruitment metrics by measuring the statistics for shortlisting, testing, interviewing, hiring and retention before and after blind hiring.



Company	Example	
Baker McKensie	Continue to support blind CV's, coupled with our use of the Rare contextual recruitment system which helps us to identify graduate candidates with the greatest potential from diverse backgrounds;	
The London Clinic	We will complete our blind CV trial and assess what changes we make to our recruitment process as a result.	



There are two types of bias in job adverts; explicit and implicit.

Explicit biases are ones that we can control, such a racism, discounting groups or promoting preference. Implicit bias on the other hand are unconscious perceptions, stereotypes and beliefs that have been developed from past experiences and influences. These references are often more subtle than explicit, more difficult to identify, and are also called unconscious bias.

Positives

To make job adverts more inclusive, start by taking gendered words like 'guru' or rock star' out of job titles and replace them with more straightforward titles that specify the role, e.g. HR Director, or Data analyst. Although they may be written with less flair, they are also more inclusive and less likely to turn off candidates who may feel they don't fit the image being portrayed.

Considerations

Thankfully, many organisations are taking major steps towards becoming a more welcoming and inclusive place to work. Taking the opportunity to show this as part of job adverts by stating their commitment to be an equality opportunity employer. Adding a statement that demonstrates that commitment, is also a positive step to demonstrate the importance placed on this from a company perspective. Such as:

'We are committed to creating a diverse environment and are proud to be an equal opportunity employer. All qualified applicants will receive consideration for employment without regard to race, colour, religion, gender, gender identity or expression, sexual orientation, disability, or age'.

Company	kample	
RBS	auditing role descriptions and adverts to remove bias	

Targeted Internships / Work Experience

Internships are career-based learning experiences that involve a "real world" work environment and standard workplace expectations.

Apprenticeships are a method for developing a new generation of practitioners of a trade or profession with training that is done on the job, accompanied by formal study. There is significant under-representation of BAME apprentices in some industry sectors with higher earnings potential, such as engineering and science. Therefore, organisations have a crucial role to play in redressing this balance and ensuring that women, disabled people, BAME and other disadvantaged groups are not discouraged from taking up apprenticeship opportunities. Which taking a targeted Apprenticeship approach can help with.

Positives

A good practice is to create an 'Introduction to our company event, to invite a diverse set of first year students from universities with diverse representation into offices to find out more about the organisation, with introductions and talks from employees at different levels and functions.

Use higher education ethnicity data to focus on engaging universities with better BAME representation.

Considerations

Utilising internal network groups and asking existing employees for referrals for interns and work experience opportunities are also positive ways to target interns. However, be sure to treat this programme like any other hiring process; if there are rules against hiring employees' relations, this should apply to interns and work experience too. Internships should not be nepotistic; they should be a serious part of an organisations hiring pipeline.

Company	Example			
Guardian New & Media	offering young people from BAME or lower socio-economic backgrounds work experience and internships, as well as supporting the Guardian Foundation outreach and Scott Trust bursary scheme.			
Grant Thornton	We have several key programmes in place to help widen access and improve diversity in our trainee recruitment and in our wider profession. In 2019, we hired 71 students onto our Access Accountancy work experience programme to young people from lower socioeconomic backgrounds. Of these, 50% were from a BAME background. We have recently partnered with Black Young Professionals Network to sponsor events and advertise roles.			
CBRE	Our Next Generation Programme is critical in supporting us with future talent from underrepresented groups such as women, people of colour and those from a lower socioeconomic background. Our 2020 graduate intake has seen a 200% increase in offers made for positions with CBRE to people of colour vs our 2019 intake. We are committed to continuing our schools outreach programme to further improve our progress.			

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Positives

Ways to help this targeting include:

 Encouraging applications for apprenticeships from under-represented groups – consider how recruitment strategies could help reach a wider audience.

 Review recruitment and selection criteria to ensure they don't exclude or discourage under-represented groups.

 Consider giving all atypical applicants who meet the minimum selection criteria an interview and consider using positive action to address under-representation.

 Target information at parents of young people from disadvantaged groups to help address their under-representation.



Considerations

As with any targeted approach, it is important to treat people as individuals, and placing positive value on diversity in the workforce. Equality is about fairness in society, where everyone can participate, and has the opportunity to fulfil their potential. For Apprentices, there is a need to ensure equal access to opportunities to fully participate in the learning process, to treat everyone fairly, and equip both managers and learners with the skills to challenge inequality and discrimination in their work/study environment.

Company	Example		
Hachette	We recruited our third cohort of Publishing Trainees, open to people from BAME backgrounds, and introduced buddying, senior mentors, and an Accountability Officer, to provide them with a robust and well-rounded network of support.		
University of Bristol	Targeting of local BAME communities and groups to promote employment opportunities across Professional Services, providing advice and support through the process.		
Baker McKensie	Continue to work closely with a number of external Graduate partners, including the Black Lawyers Directory Foundation, the Social Mobility Foundation, Rare Recruitment and Aspiring Solicitors;		



Targeted Advertisement of Job Adverts

Taking a targeted advertising approach for jobs means to direct roles towards audiences with certain skills, knowledge or experience or from certain backgrounds or cultures in order to increase the likelihood of employing people with those requirements.

Positives

It may be that the organisation has won a big contract with a client that requires certain experiences or cultural backgrounds that are lacking in the current workforce, or there is an organisation objective to increase the representation of groups to reflect the communities it serves. Either way would require positive targeting of job adverts.

Advertising roles through specific organisations such as the Asian Business Chamber of Commerce to attract candidates from a wide range of backgrounds is one approach.

Considerations

Targeted job adverts can be seen as a positive contributor when trying to increase cultural diversity or provide opportunities for those from underprivileged backgrounds to break the boundary of social class. However, at no time should they encourage discrimination or unconscious bias in the way candidates are treated or take away opportunities and equality in overall recruitment.

Company	Example		
Guardian New & Media	offering young people from BAME or lower socio-economic backgrounds work experience and internships, as well as supporting the Guardian Foundation outreach and Scott Trust bursary scheme.		
Grant Thornton	We have several key programmes in place to help widen access and improve diversity in our trainee recruitment and in our wider profession. In 2019, we hired 71 students onto our Access Accountancy work experience programme to young people from lower socioeconomic backgrounds. Of these, 50% were from a BAME background. We have recently partnered with Black Young Professionals Network to sponsor events and advertise roles.		

Innovation

(new measures)

When identifying the 27 measures it was noted that some companies have taken a different more innovative approach – either within these measures or brand new ones.

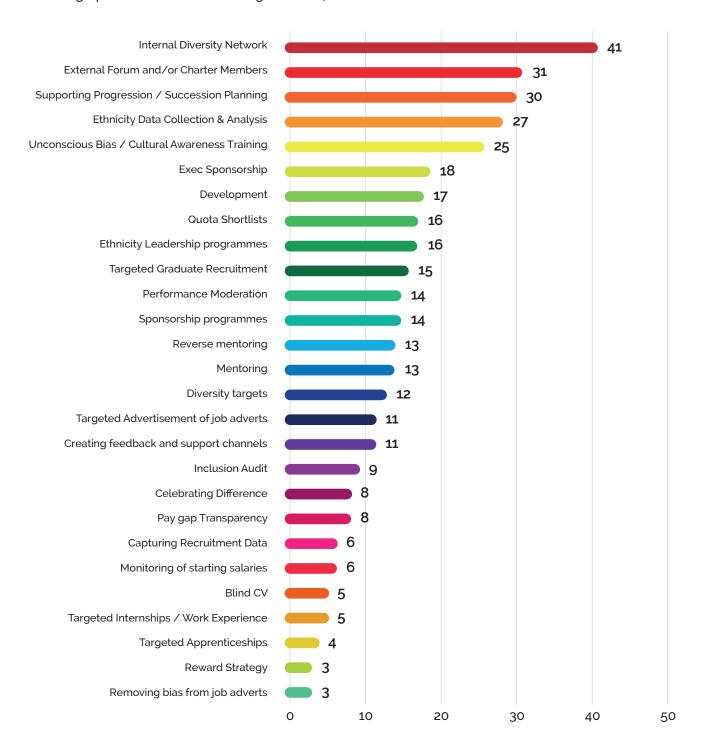
They are as follows:

Company	Sector	Area	Comments from the Company
Camden	Public Sector	Career Pathways	More broadly, the Council is playing its part with commitments in the Camden Plan 2025 which seek to ensure that every child is able to access the pathway that is right for them, whether academic or vocational, and every part of the education system works together to ensure opportunities are available across diverse groups.
Teach First	Education	Data Analysis	Diversity data forms are now coded and tracked through each stage of our recruitment process. Once we have enough data, we will be able to start identifying where our problems are in attracting and recruiting BAME people and addressing them. Using this data, we have already changed where we place our job adverts to better reflect the breadth of available talent.
Barclays	Finance	Data Analysis	We are developing plans to use data analytics to help design and implement actions that will support the progress of BAME employees through the organisation, expanding the work which has been carried out for gender during 2019.
canada life	Finance	Data Analysis	Producing dashboards for the executive team to demonstrate lateral and promotion movements of our employees. Up until now the dashboard has focused on gender, so we'll extend it to incorporate ethnicity as well.
Hachette	Media	Data Collection	We plan to conduct a People Census, which will allow us to build a more comprehensive picture of representation across our workforce, and we will use this information to inform future targeted intervention.
Chartered Insruance	Finance	Development	We are piloting a two-year leadership and management programme with a recognised Diploma certificate via the Institute of Leadership & Management at Level 5. Some 37.5% of colleagues on the programme are from our BAME community.
The Royal Borough of Kensington and Chelsea	Public Sector	Diversity Champions	We have trained 24 diversity champions to create a safe space for staff to raise concerns and actively promote and inclusive workplace. They also act as ambassadors for diversity and inclusion.
Baker	Legal	Graduate Recruitment	Targeted Graduate recruitment programme introduced a number of years ago by our BakerEthnicity employee group. This has drastically increased the number of BAME candidates in ourgraduate intake and subsequently our talent pipeline at associate level.
Mott Macdonald	Professional Services	Graduate Recruitment	use higher education ethnicity data to focus our engagement on universities with better BAME representation.
Guardian	Media	Objecitives	Set objectives: every member of the GNM executive committee will continue to have a personal objective relating to diversity and inclusion.
RBS	Finance	OD	Organisational Design Test: "how does this (restructuring/resourcing opportunity) positively impact gender / ethnicity balance?"

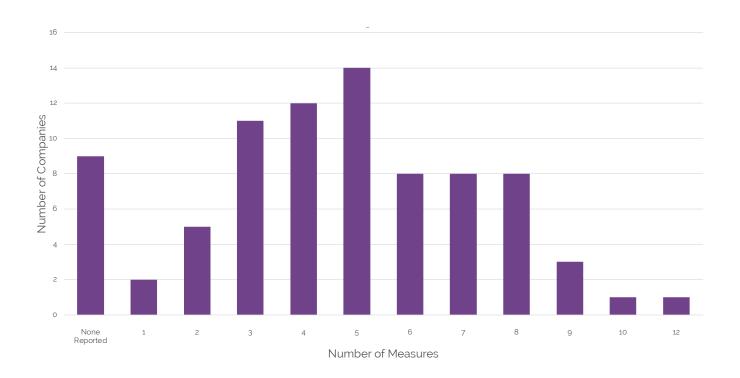
Company	Sector	Area	Comments from the Company
Baker	Legal	Performance Review	Thoroughly moderating our annual performance evaluation processes and bonus decisions to avoid any gender, racial or other unconscious biases and introducing support to HR teams to facilitate these departmental and practice group conversations.
Natwest	Finance	Recognition	Externally, we are a Top Ten Employer in the Investing in Ethnicity Maturity Matrix in recognition of our positive action approach and the progress we are making."
Queen Marys University	Education	Recruitment	The Equality, Diversity and Inclusion team to act as "mystery shoppers" and review at least five recruitment campaigns from each faculty to track number of BAME applicants and their recruitment journey.
СВІ	Finance	Recruitment	Applying the Rooney rule to all externally hired management roles which means ensuring there is at least one BAME candidate shortlisted and interviewed during recruitment
Bryan Cave	Legal	Recruitment	UK entry level hiring review: We recently conducted a full review of our approach to trainee solicitor recruitment, specifically tracking the success of diverse applicants at each stage in our hiring process. Our analysis found a disproportionate number of black applicants and Non-Russell Group candidates failed to achieve the required threshold in the firm's verbal reasoning test. As further analysis demonstrated no link between test scores and performance in role, we removed the pass mark, in essence removing an unnecessary barrier to entry.
Mazar	Professional Services	Recruitment	Advertising our roles through organisations such as Stonewall and the Asian Business Chamber of Commerce to attract candidates from a wide range of backgrounds.
Met Thames Valley	Public Sector	Recruitment	Asking colleague network groups to audit our recruitment processes
Freshfields	Legal	Social Mobility	Our partnership with Rare Recruitment connects us with BAME students and we are founding members of Aspiring Solicitors with whom we collaborate on a social mobility mentoring programme.
Nationwide	Finance	Strategy	Each of our business areas — which we call 'communities' — have Inclusion Partners with their own inclusion and diversity plans that are guided by our strategy. They're driven by their leaders and shaped by their people.
Mills and reeve	Legal	Work Experience	We are inviting a diverse set of first year students into our Birmingham office to find out more about Mills & Reeve through talks from partners and trainees.
Mott Macdonald	Professional Services	Recruitment	This year we will implement an 'achieve or explain' approach to our interview shortlists. Hiring managers will be expected to achieve a minimum of 25% diverse candidates on a shortlist in terms of gender or ethnicity (e.g. in a shortlist of four suitable applicants, at least one must be female and/or BAME) to ensure no candidates are being overlooked or talent pools unexplored. If this is not achieved, hiring managers have to explain the steps they have taken to attract diverse candidates and are held accountable by our talent acquisition team. If they have not taken active steps to achieve this, they are required to take further action and will not be allowed to interview a homogenous candidate list.

Number and percentage of companies using each measure

The graph below outlines the usage of the 27 measures:



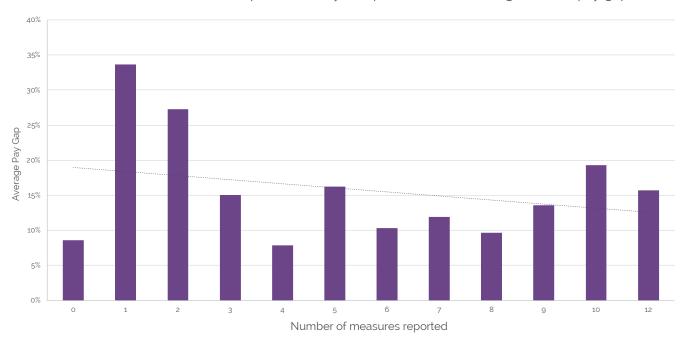
Number of Measures used by Companies



The average number of measures used by companies is five although some companies have reported as many as twelve. These are only those that have been reported and in realty companies maybe implementing additional changes.

Measures vs Median

Number of measures implemented by companies vs their Average median pay gap



There is no direct corralation between the number of measures implemented and the size of the ethnicty pay gap. So more activity does not always yield the best results. It is more about understanding the issues you have in the company and putting in place targeted changes that make a real difference. This understanding can only come from the analysis of data, benchmark and talking to your colleagues.

Impact of the measures on closing the median pay gap

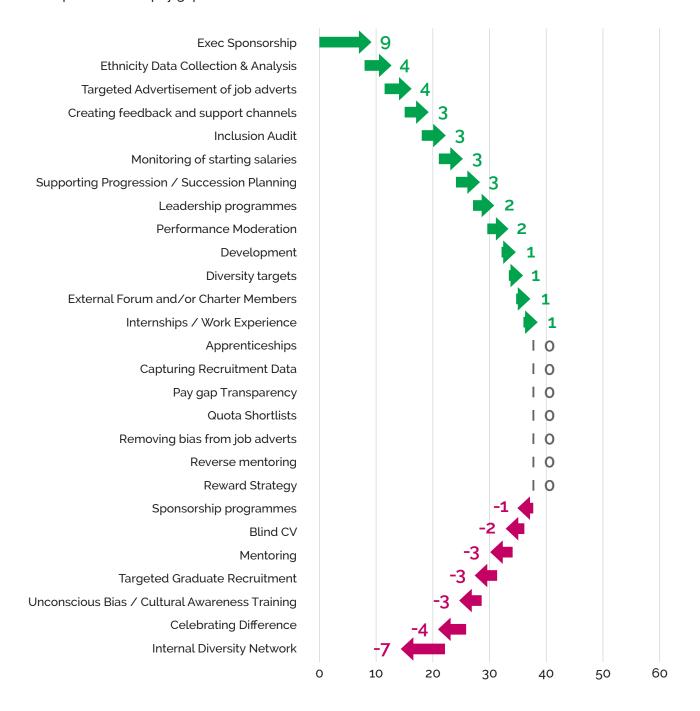
The frequencey in the usage of the 22 meaures have been split against those companies that have **increased** their median pay gap from 2017 to 2018 (or 2019 if data is available) and those that have **decreased** their gap over the same period. The variance is then used as an indicator to determine the relative success of each measure.

This is shown in the table and graph below:

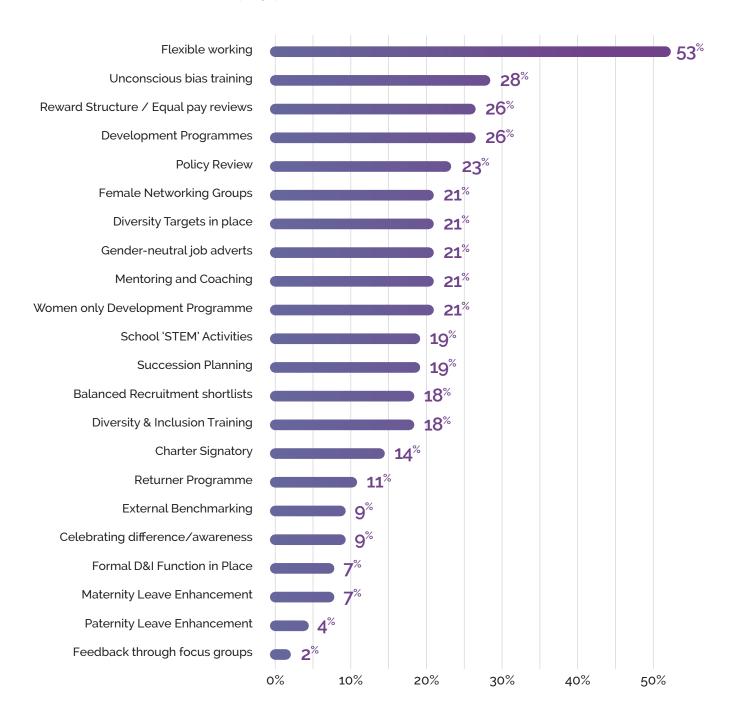
Change	LQ	UQ	VAR
Exec Sponsorship	11	2	9
Ethnicity Data Collection & Analysis	12	8	4
Targeted Advertisement of job adverts	5	1	4
Creating feedback and support channels	5	2	3
Inclusion Audit	5	2	3
Monitoring of starting salaries	4	1	3
Supporting Progression / Succession Planning	11	8	3
Leadership programmes	8	6	2
Performance Moderation	6	4	2
Development	7	6	1
Diversity targets	4	3	1
External Forum and/or Charter Members	12	11	1
Internships / Work Experience	2	1	1
Apprenticeships	1	1	0
Capturing Recruitment Data	1	1	0
Pay gap Transparency	3	3	0
Quota Shortlists	3	3	0
Removing bias from job adverts	1	1	0
Reverse mentoring	4	4	0
Reward Strategy	1	1	0
Sponsorship programmes	5	6	-1
Blind CV	1	3	-2
Mentoring	2	5	-3
Targeted Graduate Recruitment	4	7	-3
Unconscious Bias / Cultural Awareness Training	6	9	-3
Celebrating Difference	1	5	-4
Internal Diversity Network	10	17	-7

Variance between where companies have a LQ median pay gap v those with an UQ median pay gap for each measure.

The graph below show the relative impact of each measure on reducing the median hourly pay gap. The green arrows shows the more successful measures as they are more frequently used by companies with a LQ pay gap. The red arrows show the least successful measures as they are more prevalent in companies whose pay gap sit at UQ.



Most frequently used measures for companies who have a LQ median pay position



Impact of the measures on increasing more people of ethnicity in the top quartile of earners

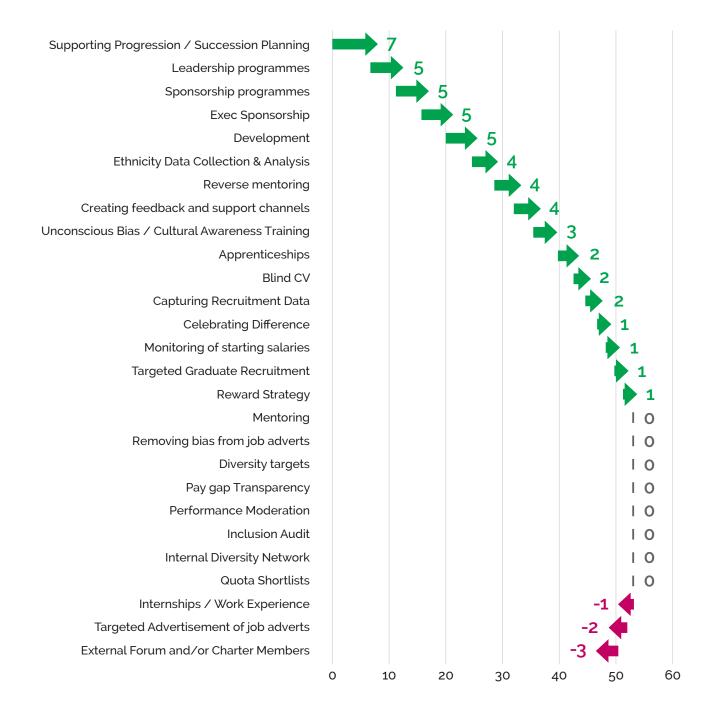
The frequency in the usage of the 27 measures have been split against those companies that have UQ percentage of people of ethnicity in the top quartile of earners and those that LQ. The variance is then used as an indicator to determine the relative success of each measure.

This is shown in the table and graph below:

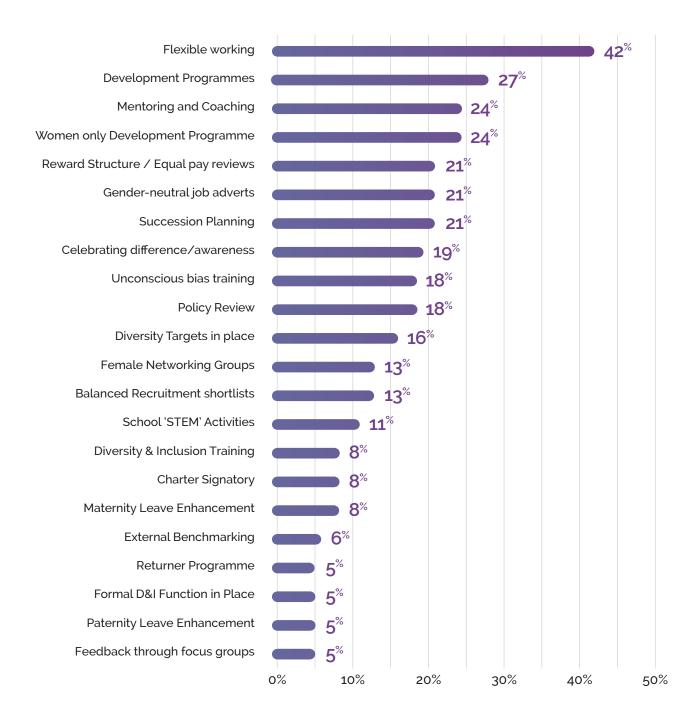
Change	LQ	UQ	VAR
Supporting Progression / Succession Planning	11	4	7
Leadership programmes	5		5
Sponsorship programmes	7	2	5
Exec Sponsorship	6	1	5
Development	7	2	5
Ethnicity Data Collection & Analysis	7	3	4
Reverse mentoring	5	1	4
Creating feedback and support channels	4		4
Unconscious Bias / Cultural Awareness Training	5	2	3
Apprenticeships	2		2
Blind CV	2		2
Capturing Recruitment Data	3	1	2
Celebrating Difference	3	1	2
Monitoring of starting salaries	2	1	1
Targeted Graduate Recruitment	3	2	1
Reward Strategy	1		1
Mentoring	4	4	0
Removing bias from job adverts			0
Diversity targets	2	2	0
Pay gap Transparency	1	1	0
Performance Moderation	4	4	0
Inclusion Audit	2	2	0
Internal Diversity Network	7	7	0
Quota Shortlists	2	2	0
Internships / Work Experience		1	-1
Targeted Advertisement of job adverts		2	-2
External Forum and/or Charter Members	3	6	-3

Variance between where companies have increased the percentage of women in the top quartile of earners v companies that have decreased the percentage of women.

The graph below show the relative impact of each measure on increasing more women in the top quartile of earners. The green arrows shows the more successful measures as they are more frequently used by companies who saw a decrease in the median bonus gap %. The red arrows show the least successful measures as they are more prevalent in companies whose the number of women in the top quartile of earners reduced.



Most frequently used measures for companies with an upper quartile increase in the number of women in the top quartile of earners



Most and least used measures by industry

Education

most used

rank 1	Ethnicity Leadership programmes
rank 2	Ethnicity Data Collection & Analysis
rank 3	External Forum and/or Charter Members
rank 4	Unconscious Bias / Cultural Awareness Training
rank 5	Supporting Progression / Succession Planning

least used

rank 1	Removing bias from job adverts
rank 2	Reward Strategy
rank 3	Targeted Apprenticeships
rank 4	Blind CV
rank 5	Pay gap Transparency

Finance & Insurance

most used

rank 1	Exec Sponsorship
rank 2	Ethnicity Data Collection & Analysis
rank 3	Internal Diversity Network
rank 4	External Forum and/or Charter Members
rank 5	Supporting Progression / Succession Planning

least used

rank 1	Targeted Internships / Work Experience
rank 2	Monitoring of starting salaries
rank 3	Targeted Apprenticeships
rank 4	Blind CV
rank 5	Reverse mentoring

Legal

most used

rank 1	Internal Diversity Network
rank 2	External Forum and/or Charter Members
rank 3	Ethnicity Data Collection & Analysis
rank 4	Targeted Graduate Recruitment
rank 5	Sponsorship programmes

least used

rank 1	Removing bias from job adverts
rank 2	Reward Strategy
rank 3	Targeted Internships / Work Experience
rank 4	Monitoring of starting salaries
rank 5	Targeted Apprenticeships

Media

most used

rank 1	External Forum and/or Charter Members
rank 2	Exec Sponsorship
rank 3	Internal Diversity Network
rank 4	Supporting Progression / Succession Planning
rank 5	Unconscious Bias / Cultural Awareness Training

least used

rank 1	Capturing Recruitment Data
rank 2	Mentoring
rank 3	Removing bias from job adverts
rank 4	Reward Strategy
rank 5	Monitoring of starting salaries

Pharma & Health

most used

rank 1	Creating feedback and support channels
rank 2	Reverse mentoring
rank 3	Ethnicity Data Collection & Analysis
rank 4	Unconscious Bias / Cultural Awareness Training
rank 5	Internal Diversity Network

least used

rank 1	Capturing Recruitment Data
rank 2	Mentoring
rank 3	Removing bias from job adverts
rank 4	Reward Strategy
rank 5	Monitoring of starting salaries

Professional Services

most used

rank 1	Ethnicity Data Collection & Analysis
rank 2	Internal Diversity Network
rank 3	Supporting Progression / Succession Planning
rank 4	Targeted Graduate Recruitment
rank 5	External Forum and/or Charter Members

least used

rank 1	Creating feedback and support channels
rank 2	Inclusion Audit
rank 3	Targeted Apprenticeships
rank 4	Capturing Recruitment Data
rank 5	Mentoring

Public Sector

most used

rank 1	Development
rank 2	Unconscious Bias / Cultural Awareness Training
rank 3	Internal Diversity Network
rank 4	Targeted Apprenticeships
rank 5	Mentoring

least used

rank 1	Celebrating Difference
rank 2	Targeted Advertisement of job adverts
rank 3	Removing bias from job adverts
rank 4	Pay gap Transparency
rank 5	Diversity targets

Real Estate & Construction

most used

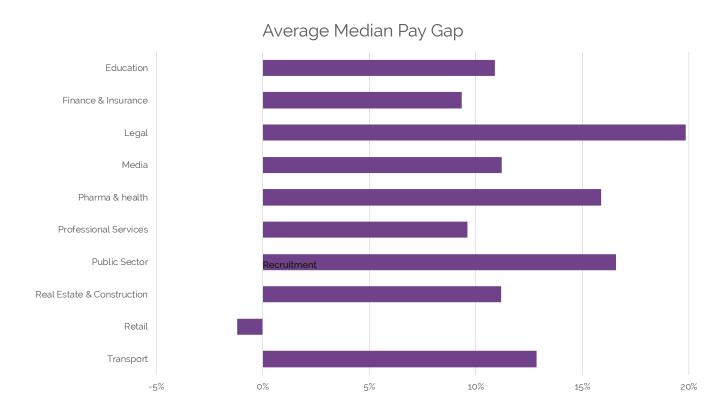
rank 1	Internal Diversity Network
rank 2	Quota Shortlists
rank 3	Unconscious Bias / Cultural Awareness Training
rank 4	Development
rank 5	Removing bias from job adverts

least used

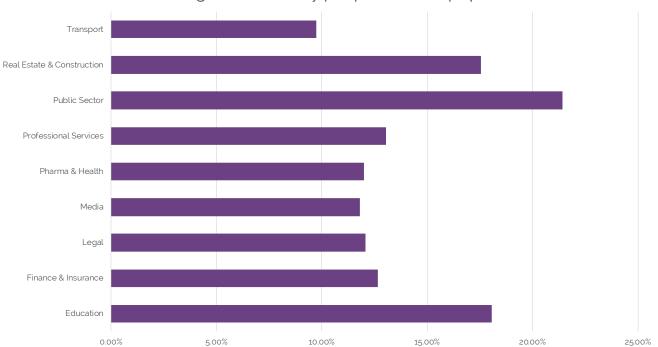
rank 1	Exec Sponsorship
rank 2	External Forum and/or Charter Members
rank 3	Blind CV
rank 4	Capturing Recruitment Data
rank 5	Sponsorship programmes

Pay Gap Summary by Sector

All sectors

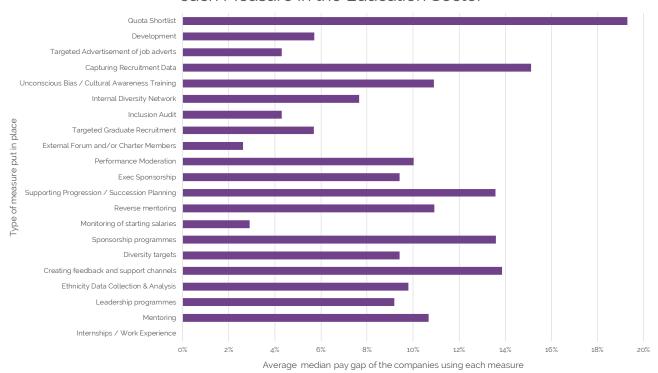




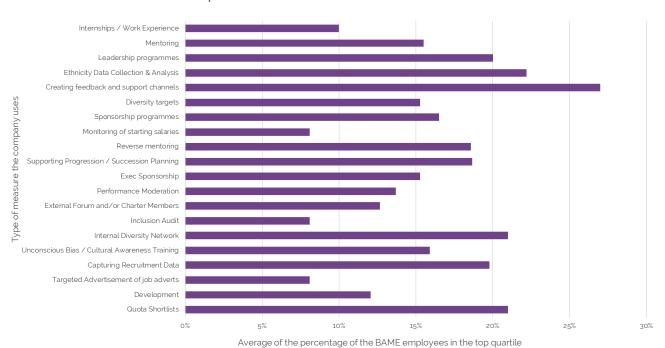


Education

The Average Median Pay Gap of Companies using each Measure in the Education Sector

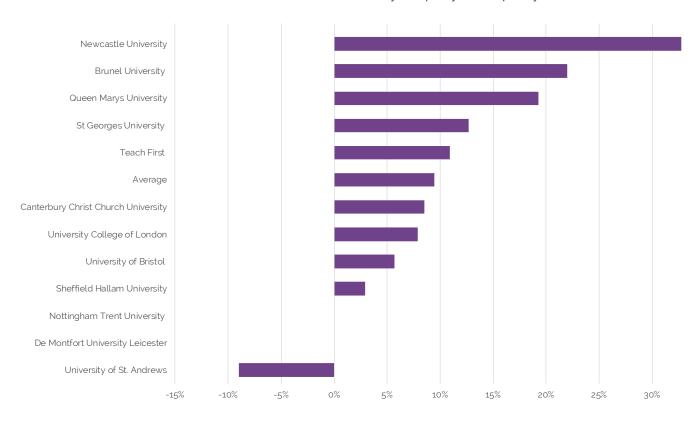


Average of the Percentage of BAME Employees in the Top Quartile (Q4) for each Measure in the Education Sector



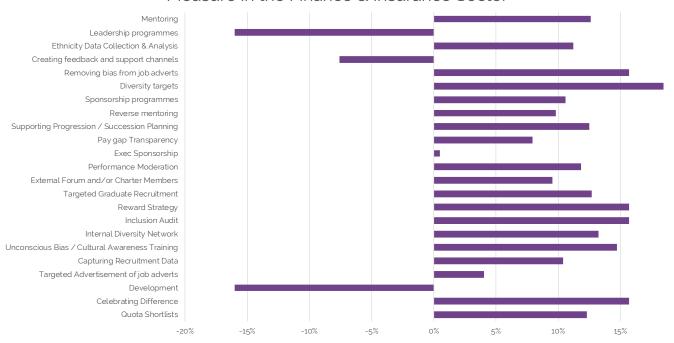
Education

Education Sector: Median Pay Gap by Company

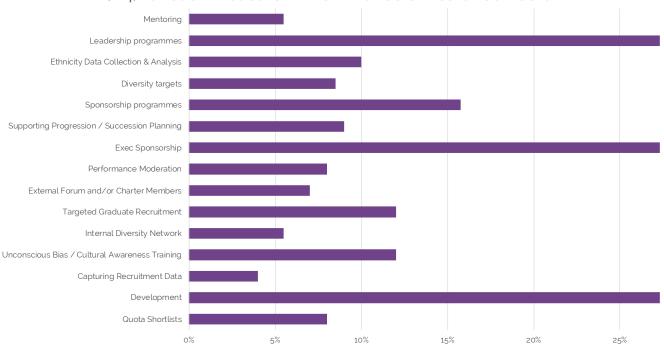


Finance & Insurance

The Average Median Pay Gap of Companies using each Measure in the Finance & Insurance Sector

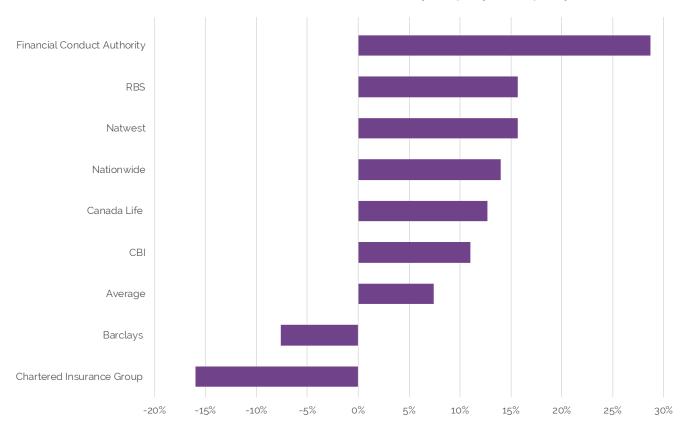


Average of the Percentage of BAME Employees in the Top Quartile (Q4) for each Measure in the Finance & Insurance Sector



Finance & Insurance

Finance & Insurance Sector: Median Pay Gap by Company



Legal

The Average Median Pay Gap of Companies using each Measure in the Legal Sector



Average of the Percentage of BAME Employees in the Top Quartile (Q4) for each Measure in the Legal Sector

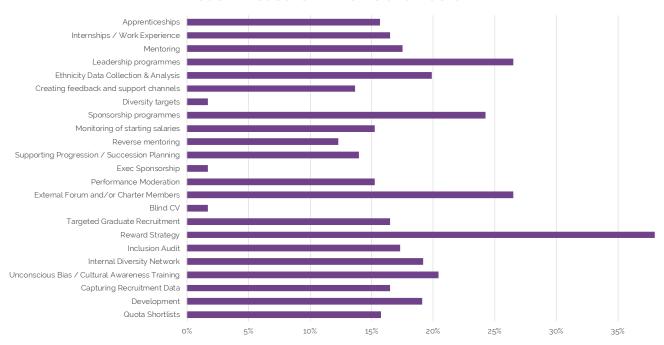


Legal



Public Sector

The Average Median Pay Gap of Companies using each Measure in the Public Sector

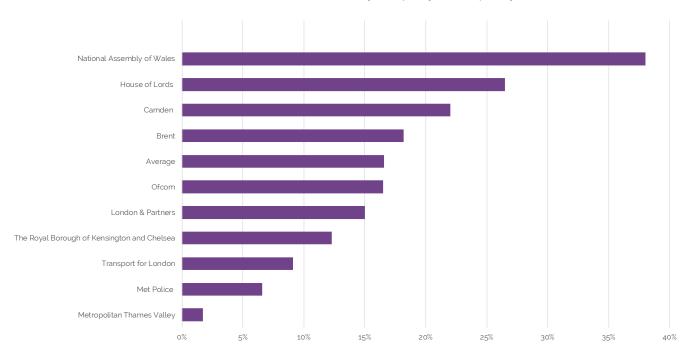


Average of the Percentage of BAME Employees in the Top Quartile (Q4) for each Measure in the Public Sector



Public Sector

Public Sector: Median Pay Gap by Company



Media

The Average Median Pay Gap of Companies using each Measure in the Media Sector

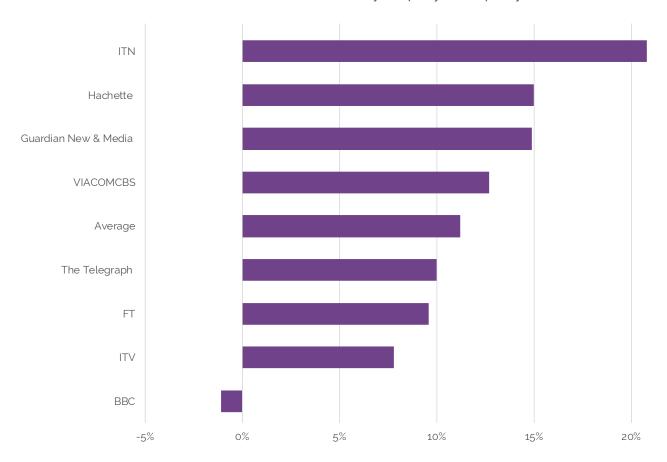


Average of the Percentage of BAME Employees in the Top Quartile (Q4) for each Measure in the Media Sector



Media

Media Sector: Median Pay Gap by Company



Professional Services

The Average Median Pay Gap of Companies using each Measure in the Professional Services Sector



Average of the Percentage of BAME Employees in the Top Quartile (Q4) for each Measure in the Professional Services Sector



Professional Services

Professional Services Sector: Median Pay Gap by Company

