

Building a Fairer City action plan

25th September 2023, 1:30pm to 5:00pm

Macquarie, 28 Ropemaker St, London EC2Y 9HD

Accelerating the pace of change in developing an inclusive workforce:

Black, Asian and Minoritised communities.

Learning note

On the 25th of September 2023, the Greater London Authority, in collaboration with East London Business Alliance (ELBA) and Shared Intelligence, ran an event focussed on how organisations can accelerate the pace of change in developing an inclusive workforce. This event was part of a series of three challenge events centred around a specific provocation:

“Are positive action and hard targets coupled with accountability at all levels the way forward to step up the pace on underrepresentation?”

The discussion with attendees at the event and the presentations of key speakers highlighted three key areas that must be considered by all organisations in accelerating the pace of change. These are Culture, Action, and Accountability.

Culture

Ensuring the right culture within an organisation is crucial to implementing change. Action to improve equality, diversity and inclusion (EDI) needs to be embedded throughout organisations, rather than led by one team or department, such as human resources or equalities teams.

This means that there needs to be senior leadership buy-in into improving workplaces for people from ethnic minority communities. Without the drive and commitment from the top, workplaces will struggle to form a strategic approach to EDI. Without CEO/Chair level commitment, nothing is going to change.

There is a recommendation for London’s senior leaders to demonstrate leadership and engagement by establishing and participating in a London Employers Positive Action Network. The purpose would be to have a group of leading employers openly making use of positive action especially in relation to ethnicity, disability and gender.

However, top level commitment needs to be paired with a ground-up approach to design and implementation of these policies. Employees from ethnic minority backgrounds and those with lived experience should be encouraged to collaborate with organisations to improve workplaces in a substantial, considered way that leaves long-lasting impact and ensures their voices are heard.

Action

London-based organisations provide some of the leading action to developing inclusive workplaces and many of this has been translated into practical toolkits to help organisations and sectors take action themselves. However, uptake and implementation of these tools by employers has been low. It is important that employers continue to be made aware of the tools that can share learning around good practice and overcoming common issues and guide action more widely. **There is a recommendation that organisations should strive to align new initiatives and resources to existing ones so it is clearer for organisations to understand what is relevant and available to help them take action.**

Below are some of the actions that organisations can take to become more inclusive which were discussed in the event.

Translating policy into action

Middle management, who often set priorities for their teams, are often already managing competing priorities. Policies and strategies need to be translated into actionable, practical and reasonable steps that are simple to understand and action. The managers who decide on recruitment need to be as committed as those at the top and be held accountable for increasing diversity and inclusion in their teams.

Action should not just focus on recruitment and entry. Sustaining a diverse person in a job and then how they progress is as important.

Toolkits

These have been specifically designed to translate learning into tangible actions organisations can take to implement change in their organisation. There are a multitude of toolkits available, including, [The Good Work Standard \(GWS\)](#) and [Inclusive employer toolkits](#).

Barriers to recruitment

People who are from ethnic minority backgrounds face more barriers to entering the workforce than their white counterparts. For example, young black men are three times more likely to be unemployed than their white counterparts. Good practice to remove some of the barriers to recruitment includes scholarships, reverse culture interviews whereby interviewees can ask the company outside of the hiring process

about the culture of the company (Macquarie have a 100% acceptance rate post having the meeting), blind applications etc. However, retention and progression of staff is equally as important, which is where the culture of an organisation as mentioned above is crucial.

Affinity groups

These are another way for employees to inform organisational policy and drive change. Affinity groups look to unify the voices of groups, some of which bring communities with particular protected characteristics together. But affinity groups need to have sufficient resource and power to enable them to drive change, for example time built into the working hours of the group's members so they have time to dedicate to the work of the group.

It is important to highlight that with affinity groups linked to race, there is some cynicism creeping in due to promises in the wake of the murder of George Floyd not being followed through and that they are becoming part of the way an organisation decides not to make progress.

Therefore, there is a recommendation for new work with affinity groups to understand their potential and needs in order to ensure they are agents for change in the organisation, not objects for exploitation.

Positive action

Positive action is not the same as positive discrimination. The Equality Act 2010 supports positive action through two sections to reduce disadvantage, meet different needs and increase participation. [Positive action in the workplace - GOV.UK \(www.gov.uk\)](https://www.gov.uk/positive-action-in-the-workplace)

- “General (section 158): This involves proportionate actions which are designed to meet the 3 aims above. This could include, for example, providing a leadership scheme to help an underrepresented group achieve more senior positions in an organisation or providing tailored training for a group because they have specific requirements.
- Recruitment or promotion (section 159): This involves actions that reduce disadvantage and/or increase representation specifically when it comes to deciding between equally qualified candidates. For example, hiring one candidate over another equally qualified one because the former has a certain protected characteristic that is underrepresented in the workforce. Other activities which are related to recruitment (for example, jobs fairs targeted at ethnic minority groups), but do not involve choosing between candidates, fall under the ‘general’ (section 158) provisions.”

There is an over-emphasis on employers ensuring that candidates are fully like-for-like before using section 159, also known as the tiebreaker rule. An ethnic minority candidate who is fully capable of doing the job could still lose out to a white

candidate who is super-qualified for the role, despite a lack of representation in that role in the organisation.

There is a tendency to caution in the use of positive action and indeed to it leading to less progress on inclusive workplaces. There is appetite to understand the legal framework for positive action in more depth and how to reduce its for employers.

There is therefore a recommendation for follow-up support with organisations to continue developing an understanding of the legal framework and how they can use it to make, not inhibit, progress.

Accountability

Changing an organisation's culture and taking action needs accountability to ensure that the pace of change stays on track.

Organisations should collect data on representation at different levels and publish it internally and externally. They can set targets for improving representation and include making progress as part of appraisal of staff. The issues of data, what to collect, how to collect, how to use it, is fertile ground for more work including Ethnic Minority Pay Gap reporting.

The FCA has published a requirement for the organisations it regulates. The “comply or explain” requirement. The ‘comply or explain’ statement targets include “at least one member of the board should be from an ethnic minority background excluding white ethnic groups (as set out in categories used by the Office for National Statistics).”

There is a recommendation to:

- **Explore whether this could be adopted by other regulators and/or sector bodies**
- **Check how this is working in practice and developing some good practice resources around how organisations are managing the changes.**

Key Takeaways

- Everyone in an organisation has a contribution to make in creating inclusive workforces. But understanding and buy-in at a senior level to prioritise and resource action, along with insights from employees across the organisation to inform action, are essential.
- There are many examples of approaches organisations can take to make change. It is important for organisations to consider what is possible and tangible to do in order to make change now. Toolkits are specifically designed to help with this. But any action taken must be sufficiently resourced.
- Organisations must be held to account in order to ensure action continues to be a priority and progress is being monitored. Beyond externally enforced regulations and duties (e.g. the Public Sector Equality Duty), there is flexibility in who can hold the organisation to account, for example internal affinity groups can be well placed for this.

Key Recommendations:

Culture

- There is a recommendation for London's senior leaders to demonstrate leadership and engagement by establishing and participating in a London Employers Positive Action Network.

Action

- There is a recommendation that organisations should strive to align new initiatives and resources to existing ones so it is clearer for organisations to understand what is relevant and available to help them take action.
- New work with affinity groups to understand their potential and needs in order to ensure they are agents for change in the organisation, not objects for exploitation.
- Follow-up support with organisations to continue developing an understanding of the legal framework and how they can use it to make, not inhibit, progress.

Accountability

- Explore whether this could be adopted by other regulators and/or sector bodies
- Check how this is working in practice and developing some good practice resources around how organisations are managing the changes.

Helpful Resources

Visit the GLA's Building a Fairer City Hub for more helpful resources and toolkits:

<https://www.london.gov.uk/who-we-are/what-mayor-does/priorities-london/london-recovery-coronavirus-crisis/london-partnership-board/building-fairer-city-hub>