MAYOR OF LONDON

Introduction

Effective organisations understand why good people leave and have retention and career progression polces and practices that address this challenge and which are specifically linked to their equality and diversity strategy. They create a working environment which responds to the needs of a diverse workforce and which is active in identifying and tackling barriers to progression and retention. This will include consulting and involving employees, monitoring reasons for leaving and taking appropriate action. These practices lead to greater employee retention and stability.

Failing to provide equality of opportunity or reasonable adjustments or failing to tackle discrimination or harassment can all contribute to an employee's decision to leave an organisation. Not only is the employer at risk of legal action but it is wasting valuable skills, experience and expertise and will incur additional recruitment costs if it fails to address this as a matter of priority.

This section is split into two parts: the first will deal with the practical steps which will help you to gain an understanding of why employees from different strands leave an organisation and includes suggestions for monitoring and measurement. The second section will deal with developing policies and practices to enhance retention, including looking at the role of the line manger given that people generally leave their managers rather than a company or their job.

Part 1

Measurement for retention

Many employers can analyse their new recruits by the diversity strands of gender, race, disability, age (also working pattern) and sometimes sexuality and faith. They will have taken care to ensure that all candidates have an equal opportunity to move through the various stages of the recruitment process.

However employers are often less well informed about the diversity make-up of their employee exits or how staff from the various diversity groups are progressing through the levels of their particular structure. This is where you need to start to understand what is happening on retention in your company.

Monitoring

Age, gender, race and working hours are reasonably well covered in most staff data systems but employers may choose not to ask about disability, sexuality or faith. For an employer to exclude a certain category in its monitoring runs the serious risk of sending a message that they are not interested in potential discrimination in that area. To include all categories is strongly recommended.

Employees may choose not to disclose certain details about themselves because they fear how they will be treated or because they regard it as irrelevant. This is challenging but emphasises the need to create the right trusting climate and work towards convincing staff that the motivation for asking is to rectify bias and monitor progress. Please refer to the more detailed guidance on workforce monitoring in this toolkit.

Although not as helpful for retention monitoring a step on the way can be to use anonymous monitoring within an employee opinion survey. In both staff record and survey datasets it is important to be very aware of concerns about the security of data and fears of being identified. Processes must ensure confidentiality and anonymised reporting.

Make-up of staff by grade and of exits

The diversity make-up of each band/grade of employee should be analysed to see what is happening and how people are developing their careers. For example, evidence may emerge such as disabled staff remaining in junior grades and women not getting beyond middle management.

Similarly, a diversity analysis of exits to understand what is happening is vital. It is also essential to understand the length of service of people exiting and whether problems areas are for new recruits or for longer-serving staff. Retention problems may well arise from not hiring the right people in the first place who may not have fully understood what the role was about. An analysis of this aspect may take you back into reviewing your recruitment practices. See the guidance on recruitment in a different section in this toolkit.

In the life cycle of an employee there are obvious points when they are most likely to leave and some of these reasons may be beyond the reach of the very best retention policies. However, the effort that goes into creating a really good retention culture will be good for everyone. At particular risk of leaving are people with major domestic life changes and it would be sensible to analyse for example what is happening after maternity breaks. Another area worthy of particular analysis may be graduate exits particularly if your organisation invests a lot in attracting in large numbers of new graduates.

Cost of exits

Exits cost a lot in so many ways. The intangible disruption caused in a team is accompanied by the very tangible costs of an exit. It may well be worthwhile calculating this for various groups of your employees taking into account:

- Time required for administration of the exit
- Vacancy cover costs
- Advertisement or recruitment agency costs
- Time and costs of the recruitment and selection process itself
- Induction time and costs
- Training

However, as a broad rule of thumb six months salary costs are often used as a proxy.

Exit interviews

It remains a surprise how many employers do not routinely undertake high quality exit interviews, especially as it is known that the reason given for resignation is frequently partially untrue. It would seem obvious that having invested such a lot in the recruitment, induction and training of an individual, an employer would wish to understand fully why they were leaving and would channel this invaluable information so as to improve their processes for present employees and future recruits, looking particularly at the diversity aspects. An effective organisation records the reasons for leaving in a way which will assist with identifying underlying causes and takes appropriate action. Designing the process so that the learning can be properly used later is essential.

There are obvious decisions to be made about how exit interviews should be undertaken to deliver maximum information for a sensible cost and time investment. With very expensive senior hires, graduate hires or where there are high exit numbers, it may well be worth investing in third party support for anonymous information or perhaps sending out a survey a little while after departure. Reviews by line managers or those who may have to give a reference is unlikely to elicit honest information but is better than no interview at all. Confidentiality must be assured.

Career progression

It may be that lots of attention has been paid to ensuring that recruitment into the organisation is barrier-free but rather less to internal promotion practices or indeed external recruitment into senior positions. A detailed audit and analysis should be undertaken, checking that selection criteria are relevant, measurable and transparent and checking that these are observed. Also look at diversity statistics through each of the stages of internal recruitment to assess if there are any barriers in evidence or if bias may have crept in.

Additionally, for internal recruitment you know your pool size and so should be able to work out if different groups of people are applying for promotion in the same numbers as appear in the level below. If not, what are the barriers which are preventing people applying? See the toolkit guidance on promotion for further information.

Access to training

Another area not as often analysed by diversity strand is take-up of training even though a lack of training and developmental opportunities is regularly cited as a major reason for exit. A diversity confident employer needs to be sure that selection, delivery methods, content and location of delivery are not excluding, and that the take-up across the diversity strands is assessed and reviewed. Please refer to the section on 'Effective Training and Development' for more detail.

Appraisal results

Performance management assessments should be reviewed to help identify any difference in outcomes for diverse groups. Review for example if there are differences by ethnicity or age and take action to understand the findings. If an employee's performance deteriorates, always consider the possibility that they may have developed a disability.

Staff surveys

Employee Opinion Surveys when properly used can be a goldmine of useful and actionable information on employee retention and diversity. One of the most important elements of a really complete survey from a diversity perspective is to invite participants anonymously to state their diversity characteristics across all the strands in the data capture section and to include part-time and flexible working.

Obviously it is helpful to have a question about employee perception of equal opportunities commitment and practice and to be able to analyse this by each of the diversity strands. However, even more helpful is to look at a range of measures which cover the entire employee experience (from views on performance management and promotion opportunities and whether this is a healthy workplace to whether pay is fair).

This can then create an index and effort can be prioritised to eliminate the biggest differences. So, for example, if heterosexual staff have a satisfaction index of 78% and GLBT staff have an index of 69% across the range of measures, the gap to close is 9%. This may be bigger or smaller than the gap perhaps between full-time and part-time staff or between white staff and staff from ethnic minorities or the gap between older staff and staff of other ages. Further analysis of the content of the index will reveal more specifically where priority action is required. Later surveys can ensure tracking of the impact of activity by checking that the gap is being eliminated.

Of particular interest in gaining a complete picture on future retention outcomes is to analyse the response to the questions on how long people think they will stay with the organisation. This review should examine the difference across the combined results between the majority and minority groups. See also the detailed toolkit guidance on employee surveys.

Other feedback

Another really important source of feedback is through consultations or structured conversations with staff from minority groups themselves or with individual groups such as new recruits, maternity returners, people who work part-time or who have caring responsibilities. This can be gained in a number of ways, whether through diversity linked staff networks or specially convened listening groups, or through proactive research. Focus groups are covered in the 'Culture and Inclusion' section of this toolkit.

A senior leadership group listening to a series of anecdotes describing people's own experiences can be very powerful especially if the individuals feel able to share them in person. If not, they can be recorded or read out by actors.

Employees should be encouraged to air their views about what could be done to improve the workplace and working practices. Do people feel they have an equal chance to progress and develop in the organisation? Ask employees directly for their views on what would improve the workplace and retention rates and feed these into the retention policy and action plan.

Part 2

Action to enhance diversity retention

A good starting point, as always, is to establish the current situation and understand the details of what is going on. The section above provided many examples of areas which can be analysed in order to establish if and where there is a problem. This should help build the case for action and this next section sets out some specific steps which can be followed in order to deliver enhanced retention and diversity.

Senior engagement

Engaging senior leaders in diversity work is essential if sustainable change is to be effected. A vision for diversity must describe what excellent retention will look like and how success will be measured. A combination of financial cost monitoring, an analysis of what is currently happening and personal anecdotes (including particularly those who have left the organisation) can be presented as a compelling case for looking very seriously at employee retention and diversity.

This will be even stronger if you can combine it with industry comparators and external intelligence on reputational information. Of particular interest will be how the organisation is viewed as an employer by recent graduates and undergraduates, recruitment agencies, and head-hunters. Shareholders are increasingly taking an interest in the diversity make up of boards and it can be interesting to review questions on this topic raised at an AGM.

Diversity champions by strand are undoubtedly helpful. It is also useful to consider thematic champions. Who in the organisation at the most senior level is responsible for retention and diversity? If not immediately evident, then a retention champion (or perhaps even a designated role) might well be called for. Given the strong business case for retention and diversity, accountability for performance in this area should be clear.

The behaviour of business leaders obviously sets the tone and this is covered in more detail elsewhere in this toolkit. It can be particularly visible (negatively) in the retention context when either expensively acquired high profile new external hires or long serving senior staff leave the organisation, and even more so if they are drawn from one or more of the diversity strands.

Senior leaders who understand the business gains to be made and personally demonstrate the behaviours that will deliver a culture of loyalty and retention are critical. They should also provide visible ownership of programmes and their delivery, accompanied by appropriate public statements.

This active commitment to communicate strong leadership messages on equality and retention needs to be supplemented by the allocation of appropriate resources. A retention and diversity problem is unlikely to be solved with no investment. Senior leaders can allocate and unlock the finance to aid delivery. For further information, please refer to the various guidance notes in the 'Gaining Buy-in' section.

First impressions and recruitment experience

We often think of retention in connection with longer-term staff, but from the moment they apply, the quality of a new member of staff's interactions will play a part in shaping their views on whether this is a company they will commit to for the medium/longer term or not. Joining is not evidence of commitment and some new starters may already be looking around elsewhere at the same time. Many companies have a loyal and long-serving core staff and high turnover in the margins.

These first impressions are formed from the very first contact during the recruitment process. If a good recruitment process demonstrates warmth and individual care and concern but then this experience does not translate into what happens in the first weeks of a new job all that effort could be wasted. The line manager is critical in delivering and maintaining this inclusive welcome.

Line manager responsibility

Once a new recruit or promoted individual joins a team, the responsibility for their smooth integration and continued retention and career in the company becomes that of the line manager. He or she is responsible for making sure that all staff are treated fairly and have the same opportunities.

The line manager's behaviour has a direct link to employee engagement and job satisfaction. On the whole, people leave their managers more often than a company or their job; poor line manager behaviour is likely to be a major factor behind an individual's decision to quit. It is relatively rare for people to leave jobs in which they are happy, even when offered higher pay elsewhere. Most staff have a preference for stability.

Consequently, it is important that retention and diversity messages are firmly embedded in management training and development. Managers may not have been helped to see the benefits of having a diverse team.

Indeed the line manager should be held accountable for retention and rewarded for keeping people. Many will be very focused on immediate delivery of their business objectives and may need reminding of the longer term gain which could follow from real employee engagement with the whole team, especially when taking on new staff can be such a time consuming and expensive process. You might want to spend some time working out how to build retention and diversity into management performance objectives.

Induction

As mentioned earlier, first impressions count for a lot. The first few weeks of a new employee's work will quite possibly determine whether they plan to stay for a while or are already beginning to think about moving on elsewhere. There are far too many stories of individuals left alone with piles of manuals to read, with no desk to sit at or no working IT in place, and no schedule of welcoming meetings with their new boss and team.

Setting out induction and early work objectives is of course just good practice but is particularly important for an individual who may have different needs such as accessible IT adjustments or a different working pattern. It can be very challenging and potentially

isolating to be the only one and this can apply across all the diversity strands. Line manager and team sensitivity from the very beginning is vital. Induction mentors can be helpful.

For new disabled employees, it is essential to ensure that buildings, room, IT and training materials are all accessible and that all the reasonable adjustments have been put in place in readiness for their arrival.

Graduate induction and retention

Many companies invest very heavily in attracting new graduates and put particular effort into ensuring a diverse group is attracted. This group is likely to be very career minded and already thinking perhaps about moving between companies every two or three years to build a CV with several employers. It therefore makes good business sense to ensure that the very best retention practice is in place for this group and this can be a useful cohort with which to develop new practices.

The transition from academic based learning to workplace can be challenging in the early weeks and the first year is a crucial period for a graduate recruit. It can be helpful to have a senior leader accountable for graduate recruit induction, with a particular focus on diversity.

Allow time for graduates to network. This enables them to build relationships with each other, and to appreciate and take advantage of the diversity of the group in its widest sense. Graduates also need the opportunity to network with others in the organisation; graduates who build strong relationships throughout the business are more likely to stay in the long term. Connecting them with diversity staff networks and buddies/mentors can be particularly helpful.

Longer term retention practice needs to ensure that graduates who have been carefully nurtured during their early years management or leadership development programmes are not suddenly left to their own devices once they have reached a certain stage.

Mentoring

This can be delivered in a great many ways and having someone prepared to give time and to support an individual can make a big difference to someone's loyalty to their employer, either from the same diversity strand or not. There are advantages either way and the benefits to the more senior person can be considerable. Attachments or secondment programmes can also be helpful. Less formal buddying can often work well, and can be extended beyond the traditional diversity strands to encompass new or expectant parents.

Training and development

Access to training may at first appear to be pretty straightforward but it is certainly an area worth reviewing carefully, even if you don't have the diversity take-up data readily available. Examples of barriers for face-to-face training could include the need to stay away overnight, long distance travel, inaccessible premises and methods of delivery. Non-inclusive delivery could include case studies which do not represent the whole community,

poorly informed trainers and exercises which do not work for all age groups or for people with disabilities. Particular care needs to be taken that training delivery works for flexible and part-time workers and for the needs of some disabled staff where alternative formats and methods may be required. E-training is not necessarily the best learning method for everyone. See the toolkit guidance on training for further information.

Diversity awareness training

All employees should have diversity training but this should be particularly reviewed where there are new joiners or someone who has become disabled. For example, subject to an individual's willingness to disclose, it may be good practice for a line manager and their team to undertake some specific awareness training on a topic linked to a new team member. Periodic refresher training should be undertaken in any case.

Training needs to focus on the business, economic and ethical case for having a diverse workforce, help with an understanding of different cultures, and to emphasise the creativity gains to be had from different perspectives. It will help understand why inclusivity is business critical, what inclusive behaviour looks like, and must raise awareness and skills.

It must also cover the use of language so that teams can understand that what may appear to them as light-hearted banter can be received as harassment or bullying. A company may be at risk of legal action if an issue of discrimination, harassment or bullying has not been tackled. This can be extremely expensive in cost and time to deal with. Wider legislation must also be covered as well as an understanding of organisational policies and procedures. Please refer to the toolkit guidance on 'Bullying and Harassment' and 'The Legal Framework'.

Staff need to be reminded that team activities need to cater for everyone in the team, taking account of difference backgrounds, experience and learning styles. Real care needs to be taken with social activities to ensure that they are inclusive for everyone and so cater for people not interested in sport or alcohol and for those for whom evenings out are not an option.

For line managers, the training must also include how to manage diverse staff (including performance management), and should cover the benefits of flexible and part-time working. The benefits of focusing on retention generally and with a particular awareness of diversity should be made very clear.

Performance management

The process and the actual appraisal itself need to be reviewed to ensure they are barrier-free even if an analysis of historic outcomes by diversity strand has not proved possible. A competency framework approach is recommended, where expectations are clear against agreed objectives and measurable criteria. A fair, open and transparent process is essential, with measurement standardised across the whole organisation.

A major cause of resignations is a perception of unfairness. People need to know what is expected of them and to feel valued and respected and to be given opportunities to develop and progress. Evaluation of individual commitment should be based on results and not hours put in. There should be no penalty for individuals who need reasonable

adjustments and the question about what adjustments might be needed for the future should be asked at each review. See also the section on Managing Performance.

Absence and leave management

Policies in this area need to be fairly applied and to take account of diversity very specifically. Your policy should recognise different kinds of leave, including emergency and carers leave. It should also take into account disability related absence. It is best practice to record this separately from other types of absence so that you can then, when appropriate, discount this when making decisions on performance management, promotions or a disciplinary. Absence levels and the reasons for absence should be assessed and reviewed to inform future policy and practice and must all connect with the reasonable adjustment policy. Particular care should be taken with disability leave when reducing or ending sick pay.

Maternity return and parental caring responsibilities

The return from maternity leave can be challenging with a lot of new arrangements to make and of course the added pressures of ensuring safe childcare and handling its occasional unreliability, together with the challenge of balancing the demands of home, family and work. A prolonged break from work may have led to uncertainty about motivation and a concern that skills are out-dated.

Options to consider include appointing a co-ordinator or champion, regular keeping in touch during the leave, seminars and events, different working patterns, a phased return, support networks and information, maternity mentoring or buddying, emergency childcare provision and emergency leave provision. Many employers provide extra help to staff with childcare responsibilities (with additional support for the parents of disabled children) and elder care.

Guidance for managers is also required. Also consider profiling parents who successfully manage childcare and the balance between work and home. The case for retaining experienced maternity returners should not need to be made.

Flexible and part-time working

A great many employees now work flexibly for a variety of reasons, often related to childcare or elder care but not solely so. There are many types of flexible working, including home or remote working, annual hours, compressed hours and flexi-time. There is growing acceptance that different working patterns are generally associated with added productivity and greater loyalty and many job-share partnerships work successfully. Where people are forced to work hours that do not suit their domestic responsibilities they will probably look for another job which does.

Some managers fall into the trap of assuming that people with different working hours have less commitment and are seeking less demanding work. Many part-time people have under-utilised skills and do not progress; some may even say they don't want to but this may be more to do with their perception of long working hours and pressure than of their own competence. It is important to ensure that flexible working is available at all levels of

the organisation including the most senior. Beware of 'presenteeism' and long hours where people feel obliged to work longer hours than necessary to impress the boss.

Consider the take-up rates of your flexible working policies and check that you are responding carefully and appropriately to the legal right to ask to work flexibly. See the section in this toolkit on flexible working for further detail.

Reasonable adjustments

The concept of reasonable adjustments is generally associated with disabled people but in fact is a fine way of approaching all employees. What adjustments are needed to enable this employee (new or already in the role) to do the job to do the best of their ability? For disabled people this is a legal right and enables an employer to confidently recruit disabled people and help retain them in work. Not to provide reasonable adjustments can lead to claims of unlawful discrimination and also, of course, to a strong risk of exit.

All organisations should have a widely published policy on adjustments, whether these relate to a workstation, IT systems, working hours, location, time-off for treatment, additional training or giving minor duties to another job holder. The standards for speed of implementation should be clear as should line manager responsibility for ensuring the adjustment is made and is effective. Confidentiality must be observed when requested as this can be sensitive personal information.

At an organisational level, the number of requests and whether or not they have been met should be regularly reviewed and assessed to check they have been adequately handled. It is good practice to keep a database as a learning resource. It should be remembered that the majority of adjustments cost very little and government support may be available via Access to Work. Of course most disabled people need no adjustments, just the opportunity to contribute.

For new recruits who have a disability, any reasonable adjustments necessary should have been fully discussed and agreed during the recruitment process, with an agreement on the degree of disclosure to the wider team also. As stated before, the employee should arrive in their new job with everything agreed in place. It is also important that occupational health teams are clear on their responsibilities and are supportive and recognise confidentiality also. Please also refer to the detailed guidance on reasonable adjustments elsewhere in this toolkit.

For a newly disabled employee

For an employee who becomes disabled during their working life (the majority of disabled people), there are particular retention challenges which are individual and require sensitive handling. The assumption should be made that the employee will stay or return to work and of course they have the same rights and expectations for speedy implementation of any necessary reasonable adjustments required so they can continue in or resume their role. Phased return to work might well be appropriate. Again, occupational health teams should be supportive and looking for ways to ensure employees can stay in work. It should be remembered that redeployment to a new role can be considered a reasonable adjustment.

Development for under-represented groups

Although not as likely to leave, people who are stagnating and have been at the same level for some time may well be not be delivering as much value to the company as they could if they were enabled to reach their potential. Disabled and part-time employees often fall into this category where valuable skills are being wasted.

So consider specific development or positive action to deliver additional investment in under-represented groups of staff where there appears to be a barrier into progress into the levels above. It is perfectly legitimate to encourage staff from under-represented groups and to support them in developing their career opportunities. So for example, if staff from an ethnic minority appear not to be progressing into senior management, then focused career development events or additional training can be made available for individuals deemed to have potential. Please refer to the section on 'Targeted Employee Development' for further information.

Succession planning

This is very important not just so that the business has the confidence of a good supply of future talent but also so that good staff seeking career progression are able to apply for more senior positions and are not overlooked in the excitement of bringing in new blood. A perception of being treated unfairly or of being overlooked for promotion is a major cause of people leaving.

Diversity should be explicitly considered within succession plans so that they will help the company meet its diversity aspirations. The balance between internal and external hires is one to think about carefully given the negative impact it can have on aspiring existing staff, and the risk that they will leave.

Other employment policies

All employee policies should clearly signal an employer's commitment to creating a supportive and diverse environment which actively promotes employee retention. All policies and procedures should be audited to demonstrate that this is the case and to check that the policies and practices are not directly or indirectly influencing people's decisions to leave the organisation.

All policies should be accessible and use language that makes them easy to understand and are in themselves inclusive. The policies themselves should give the reassurance that if anything were to happen an individual would be supported. Policies to check out particularly would include equal pay and reward generally, healthy workplace and stress prevention, bullying and harassment, grievance, disciplinary, all absence and leave policies, emergency planning, redeployment and redundancy, ill-health retirement and occupational health. Please refer to the section on 'Policy Assessment' for detailed information.

You then need to check out how these are being applied in practice.

Staff networks

Diversity related networks, listening groups and similar events can play a real part in better retention outcomes and in enabling staff from different groups to come together to give feedback to their employer and to generate mutual support and a staff voice. They can provide tangible demonstration that their organisation values them. Networks can deliver direct business benefit for customer-focused segment marketing and product testing. Individual contribution to networks should be recognised in performance management reviews.

If there are issues which need to be resolved, staff in a network or listening group can jointly raise them with senior managers. They can ask for data and to be kept up-to-date with progress on agreed actions; they often have more power than they realise and together can exert real influence - thus helping the company with its retention practices overall.

It is important that they are properly resourced and that the effort in making them work well is not under-estimated. Networks do not run themselves and require a lot of input to ensure they are well-run and delivery-focused.

Careful thought is required on the challenges of location. Geography can play a big part as in some locations there may be very few representatives of a minority group, in others lots. Travel to meetings needs to be carefully thought through, particularly for people with caring responsibilities and certain disabilities. Virtual networks have a role to play also.

Role models

A lack of visible diversity in management roles can contribute to a feeling of 'this isn't the right place for me'. The visibility of willing role models who are happy to become champions or to engage in staff networks and in internal communications can make a very real difference, with profiles in internal and external newsletters and articles. Public statements and external profile from key individuals from minority backgrounds can make a real difference to how employees feel about their employer. This requires careful and innovative approaches for less visible differences such as sexual orientation, child and elder care, part-time working, mental ill-health and many other invisible disabilities.

People able to be themselves

Staff who indicate that they are accepted for who they are and feel valued are likely to feel loyal and stay longer. A workforce culture which enables employees to be open and relaxed about who they are is more likely to deliver people who enjoy their work, form honest relationships with colleagues and are more productive. Employees working in this sort of environment are likely to place a very high value on it.

Not being able to be open about who you are at work can have a significant negative impact on employee retention, efficiency and productivity. Being able to be open about sexuality is an obvious example but so are hidden disabilities, especially mental health, and caring responsibilities. Trying to pretend is inhibiting and stifles full commitment and creativity. Clearly someone who has been open and has had opposition is very likely to look for a job elsewhere. Of course many people would not even consider joining an employer in the first place unless they were confident they could be 'out'.

Companies differ on what is the right response in an area such as faith with some doing very little and others choosing to actively engage with employees of different faiths. There is little doubt that loyalty and reputation will be enhanced by the provision of areas such as recognising religious festivals, food and drink policy and provision, holiday policy, prayer and quiet rooms, and looking at uniform and dress codes. See also the section on 'Organisational Culture and Inclusion'.

Communications and reporting

A company's communication strategy should consciously aim to build greater understanding and support for equality and thereby help with enhancing retention. Employees will value open reporting on progress and acknowledgement of barriers as long as it is accompanied by focused action planning. Public statements can be very helpful in ensuring enduring commitment. Successes should certainly be celebrated, and the line managers who have helped make a difference in retaining diverse staff and teams should also be recognised.

Use intranets, newsletters and other corporate communications but when using images, try to use real people from your organisation across the strands in preference to library pictures of young, smiley people neatly representing all the races. All communications should be fully accessible to disabled people who need alternative formats. It is good practice to check whether messages communicated to employees about retention and diversity have been heard and understood.

Target setting for retention and performance management

Diversity retention targets are generally as simple as improving employee representation by level and there is strong temptation for busy senior executives to seek simplicity and ease of communication in this way. Targets like these can be helpful but there is a risk of moving into this too soon when the real focus might need to be on behaviours, accompanied by serious monitoring. Numeric targets can of course be set for the longer term but can also focus on getting activities in place such as monitoring and audits, public reporting, getting the learning from exits and exit interviews or to demonstrate an improving trend in employee opinion surveys.

The debate on whether to link employer reputation and retention performance to performance bonuses depends very much on individual company culture. Building diversity objectives into performance management is challenging but can be done and some organisations claim to have had successes with this and believe they have achieved behavioural shifts by the link with bonuses. Whatever the case, it would certainly seem appropriate to recognise individual contributions to delivering diversity retention.

Customer and supplier relationships

For employees in customer or supplier facing roles, the relationships and experiences they have are critical to their day-to-day experience at work. If an employee experiences external discriminatory behaviour not only does the employer have a legal responsibility to protect them but it must also understand the negative impact if swift action is not taken.

Ultimately this could lead to asking customers to take their business elsewhere or to severing supply contracts.

Ensuring suppliers have inclusive policies and practices should be included in the criteria for awarding contracts. Staff need to know what they should do and how they will be supported if they experience difficulties with suppliers or customers. If this is not followed through in an holistic way, diversity intentions can appear superficial and there is an increased risk of staff departures.

Customer and community engagement

Although this section is about employee retention, one of the main drivers for having a diverse workforce is to harness difference in order to better serve the wider community. Making the connection between corporate social responsibility, community activity and recruitment from different communities can help make this real.

Retaining a diverse workforce should lead to better customer understanding and loyalty which can be tracked through customer satisfaction measures. Any consultation with customers will almost inevitably refer to the need for experienced staff and will thereby reinforce the need for excellent retention.

Conclusion

All employers need a retention policy that seeks to address why people leave and which specifically addresses why some people are more likely to leave than others and which takes into account the needs of a diverse workforce. A good employer puts lots of effort into ensuring someone stays with them for a good length of time - not just to recoup that cost but more importantly so that they can help grow their business through excellent customer service built on a foundation of good staff knowledge and experience.

The implementation of your retention policy should translate into a reduction in the number of people who leave for diversity related reasons. You should find equal retention rates across different groups of workers. Employee consultation and engagement together with the implementation of up-to-date and responsive retention strategies will ensure that this continues.