



INCLUSION **AT WORK 2022**

Findings from the
inclusion and diversity
survey 2022

The CIPD is the professional body for HR and people development. The registered charity champions better work and working lives and has been setting the benchmark for excellence in people and organisation development for more than 100 years. It has almost 160,000 members across the world, provides thought leadership through independent research on the world of work, and offers professional training and accreditation for those working in HR and learning and development.

Inclusion at work 2022

Findings from the inclusion and diversity survey 2022

Executive summary

Contents

Acknowledgements	1
Foreword from the CIPD.....	1
Foreword from Reed	3
Introduction	5
Summary of key findings	7
Recommendations for practice	10
Conclusion.....	18
Further resources	19

Acknowledgements

The CIPD and Reed are grateful to those organisations and individuals who gave their time to support this research. These include:

- two members of CIPD’s policy forum for kindly reviewing the survey design and giving feedback on the report findings: Andrew Walker, former HR Director; and Louise Gavin, People Strategy Advisor, Kent County Council
- YouGov Plc for advising on survey design, running the survey, analysing the data and providing the data tables.

Foreword from the CIPD

In recent years we have seen a heightened awareness of the inequality of opportunity that exists across society, related to people’s background, identity and circumstances. Significant events across the world have drawn attention to the unacceptable behaviours and ingrained inequalities in society that need to be addressed with urgency.

In addition to societal calls for action, government reviews and reporting requirements have helped highlight the need for action to tackle inequalities in UK workplaces. A genuine commitment by employers to create fair and inclusive workplaces is essential to tackle the disadvantage experienced by many at work, based on their background, identity or circumstances. We are seeing change happen, but not at the pace required.

For some, the situation is improving, but not for all. For example, attention tends to be focused mainly on gender and race, where systemic change is certainly still needed, but

there's less focus on other personal characteristics such as social mobility, religion and belief, neurodiversity and the inclusion of transgender and non-binary people. And even where there is more focus, not everyone with a particular characteristic is benefiting from progress in that area. For example, progress on female representation has mainly benefited white women. People have multiple identities that are interlinked in a complex way, which is why looking at intersectionality is so important.

Addressing inequalities at work isn't something that can be done by just the people function. The whole business needs to own and engage with a commitment to equality, diversity and inclusion, making them part and parcel of all aspects of the business, not just a focus when time and resources allow. Our findings demonstrate there is a long way to go to make this ambition a reality, which starts with seeing the need for action. However, it's encouraging that our survey findings suggest that employers taking action are motivated to do so by moral and social justice reasons, as well as recognising the business benefits.

[Labour market figures](#) show there is strong competition for talent and that many organisations are facing skills shortages, meaning employers need to pay attention to staff retention as well as recruitment. Structural, cultural and social barriers to getting into work, to being treated fairly, and to progress need to be addressed if we are to enable people to utilise their skills and capabilities, encouraging them to stay with an organisation. [Low unemployment but record job vacancies](#) also mean employers will benefit from looking at untapped and underutilised talent pools. However, a diverse workforce won't be attracted to, or stick with, an organisation where they don't feel valued, included and respected, and if they don't feel they have equality of opportunity.

The survey findings

This survey report provides an overview of what UK employers are currently doing to improve inclusion and diversity in their workplaces and the practices they have found to be effective. It also highlights where more action is needed. We propose seven recommendations for practice to help people professionals improve or re-energise their approach to creating an inclusive and diverse workplace with equality of opportunity (see page 10).

Overall, although there are pockets of good practice, the proportion of organisations implementing inclusive people management practices and focusing on removing inequalities faced by people with certain personal characteristics is low.

Looking ahead

It's worrying that notably fewer organisations say they plan to focus on each personal characteristic, or area of I&D, over the next five years (compared with the past five years). Furthermore, 36% of employers said they're not planning to focus on any of these areas over the next five years (compared with just 5% not having had a focus the past five years). It's important that organisations don't lose focus on inclusion and diversity and allow operational demands to take over, or assume the job is done.

We hope that the findings, and the points for employer practice to support inclusive workplaces, may help to inspire change and maintain momentum for I&D in your organisation.

Dr Jill Miller (PhD)
Senior Policy Adviser, CIPD

Foreword from Reed

You may have heard the quote “Culture eats strategy for breakfast” from influential management thinker Peter Drucker. Just so this quote isn’t misconstrued, what he is saying is not that a business’s strategy is unimportant, but that an empowering and open culture is a much more certain route to organisational success.

Why have I highlighted this quote? I was surprised to see some of the results our research revealed, yet encouraged by certain elements at the same time. As you will see when reading through this report, we all still have a long way to go to achieve a truly inclusive culture within organisations and society as a whole.

The importance of inclusion and diversity

One of the most alarming results from the research was that just 30% of employers say leaders in their organisation are completely committed to having a diverse workforce. And similarly, just 36% said that senior leaders are completely committed to having an inclusive workplace.

The importance of inclusion and diversity in the workforce can be underestimated, but research into the field continually reveals that a high level of adoption is associated not only with greater productivity and performance, but innovation, talent attraction, employee retention and overall workforce wellbeing.

Communication is key

Leaders are busy people (aren’t we all) and even if inclusion and diversity are a top priority for their organisation, they may not be communicating their commitment to it effectively. This, therefore, results in employees feeling that I&D aren’t at the heart of the business and, as our research highlights, under half of employers agree that senior leaders in their organisation actively promote it.

Effective communication by leaders is vital to ensure all employees feel they are empowered and that they belong – if I&D are important to you, you need to make sure you’re communicating that message to your workforce through everything you do and it’s high on your company’s strategic priorities. Also, your means of communication itself needs to be inclusive.

Widen your talent pool

Our research also highlighted that 21% of employers feel senior leaders just pay lip service to inclusion and diversity in their organisation. This showcases the need for organisations to embed I&D everywhere, in their strategy and communication, and in everything they do, from their employer brand and employee value proposition to recruitment processes.

On a positive note, it’s encouraging to see nearly three-quarters (72%) of employers have at least one practice in place to make their recruitment approach more diverse and inclusive. Inclusivity, and diversifying your workforce, are the best ways to organically expand your talent pool and retain talented people. Simple things such as changing the language used in your job adverts, reassessing the qualifications needed for a role, and having a diverse interview panel can have a positive impact.

Keep up momentum

I would like to reiterate CIPD Senior Policy Advisor Dr Jill Miller’s concern for the future, with survey results showing fewer organisations say they plan to focus on each personal

characteristic, or area of I&D, over the next five years, in comparison to the last five. As a HR professional myself (formerly chief HR officer for the Reed Group), I am more than aware of the vagues human resources teams go through, concentrating on topics that are considered 'on-trend' at the time. At the time of writing this foreword, the environment is firmly at the helm. But while the environment is very important, it's vital as far as inclusion and diversity are concerned that we keep up the momentum to ensure we aren't undoing all of the good work that has been done; rather building on it.

I&D should be the responsibility of everyone in an organisation, not just the HR/people team. So, to complement the work of HR and I&D specialists, and help keep the momentum going, organisations should consider selecting a diversity and inclusion champion, or group of champions, who can keep the topic high on the agenda – we all know that your employees are far more engaged by their peers.

In what is currently a very competitive labour market, showcasing your organisation's inclusive and diverse culture, and dedication and commitment to the cause is vital. Companies are crying out for talented people to fill their open vacancies and having a culture that is diverse and inclusive will set you in good stead to attract the best professionals above your competitors.

**Ian Nicholas, Chartered MCIPD,
Global Managing Director, Reed**

Introduction

Welcome to the executive summary of the CIPD's first *Inclusion and Diversity at Work* survey report, in partnership with Reed. We examine the inclusion and diversity practices adopted by UK organisations, providing benchmarking data and information about employers' current approach as well as future plans.

This executive summary provides an overview of the key survey findings and details the suggestions for practice we have drawn out from the findings to help employers take stock, expand on and improve their current approach.

You can read the full survey report [here](#).

Terms used

We refer to inclusion and diversity in this survey, and we provided the definitions below to survey respondents to help ensure consistency in definition for the purposes of this survey. Our intent is that these terms incorporate the idea of equality in its widest possible meaning, including as under the Equality Act 2010.

- **A diverse organisation:** the workforce is made up of people with different backgrounds, circumstances, identities and experiences. Its people are representative of the organisation's community.
- **An inclusive organisation:** difference is valued, and people feel they belong without having to change who they are at work. Anyone, regardless of their identity, background or circumstance, has equality of access, treatment and outcomes at work, including equal opportunity to develop, progress and be rewarded. People are treated fairly, with dignity and respect.

However, we recognise that organisations may use different or additional terms (for example respect, belonging, equality, equity, fairness, dignity, justice). In the survey, we asked what terms organisations use (see the 'Summary of key findings' section on page 7).

We included survey questions that asked employers which areas of I&D their organisation is focusing on. When discussing this part of the research, the term 'personal characteristics' is used – the term is broader than the nine protected characteristics and so encompasses the areas of I&D we asked about in the survey.

What the survey covers

- Areas of current and future focus
- Practices used and views on their effectiveness
- Budget
- The role of leaders and managers
- Workforce data

Who completed the survey

The survey was conducted by YouGov Plc and took place online between 13 May and 15 June 2022. We had responses from 2,009 senior decision-makers in UK organisations. In terms of sector, we had 1,475 responses from employers in the private sector, 366 responses from employers in the public sector, and 168 responses from employers in the third/voluntary sector.

In the full survey report, we examine the approaches taken in each of the sectors, while also examining what small and medium enterprises (SMEs) are doing compared with large organisations.

Table 1 examines the make-up of each sector by organisation size. For example, it is worth noting that 911 of the 1,475 private sector businesses surveyed were SMEs, so the private sector figures reflect a combination of SME and large organisation practice, which can be very different contexts. In this vein, in the main survey report, we try to draw attention to the notable differences in approach to enable readers to get a more comprehensive understanding of what other organisations in a similar context to them are doing to improve inclusion and diversity.

Table 1: Sample profile

	Micro (2–9)	Small (10–49)	Medium (50–249)	Net: SME	Large (250+)	Total
Private sector	365	294	252	911	564	1,475
Public sector	5	40	57	102	264	366
Third/voluntary sector	47	51	31	129	39	168
Total	417	385	340	1,142	867	2,009

The data analysis

YouGov Plc conducted the data analysis. To ensure a representative sample, quotas were set during fieldwork. Results have been weighted and are representative of UK employers by size, sector and region. Net figures may not precisely total the sum of individual categories due to rounding.

Not everyone answered every question. We report the number of respondents who answered a question as the base number under the corresponding tables or figures.

Summary of key findings

Here we present some of the key findings from each section of the [main survey report](#).

Strategy and approach to inclusion and diversity

- Inclusion, respect, diversity, equality and fairness are the top five terms respondents' organisations use to refer to this topic.
- Under half (48%) of employers surveyed have either a stand-alone I&D strategy or action plan in support of their wider organisation's strategy, or have I&D integrated into their wider people strategy.
- Around three-quarters (76%) of employers who have an I&D strategy or action plan evaluate its effectiveness in some way; however, 18% do not.
- The most common methods of evaluation are with internal stakeholders (through staff surveys and gathering qualitative feedback from staff networks).
- The public and third/voluntary sectors are most likely to say their approach to inclusion and diversity is proactive.

Current areas of focus

- The most common areas of I&D that employers focus on are mental health (29%), race/ethnicity (23%) and gender (21%).
- Two key motivations for organisations' choice of focus are to do with improving people's working lives and the benefits that focus will bring to the organisation.
- 'Data showing there are inequalities in this area within the organisation' did not appear on employers' top five list of reasons for focusing on the inclusion and diversity of any of the personal characteristics.
- Just 5% said their organisation has not focused on any inclusion and diversity areas in the past five years.

Future areas of focus

- The most common areas for future focus are mental health (21%), race/ethnicity (15%) and gender (14%).
- Just over a third (36%) of employers said their organisation is not planning to focus on any inclusion and diversity areas in the next five years.
- Comparing current and future areas of focus, the ranking of the areas of focus remains largely the same, but the percentage of employers saying they will be focusing on each area in the future is notably smaller.

Inclusion and diversity practices

- The top three most common practices used to make their recruitment approach more inclusive and diverse are: reviewing job descriptions to accurately reflect the requirements of the job; making reasonable adjustments where possible throughout the recruitment process; and using structured interviews (for example, standardised questions).
- Giving underrepresented groups guidance on the recruitment process was the least used recruitment-related practice (used by just 6% of employers), but it was rated highly in terms of effectiveness.
- The top three most common practices used to ensure people management approaches are fair and inclusive are: managers are trained in how to address conflict in their teams and deal with any concerns or complaints; training managers in

fair and inclusive people management; and training or awareness sessions for all employees on inclusion and diversity topics.

- All practices relating to management capability were rated highly in terms of effectiveness.
- Around half of employers say they have flexible working policies (52%) and a similar number have anti-discrimination, bullying and harassment policies (49%) and hybrid working policies (for example, ability to work from home/remotely and in physical workspace) (48%).

Inclusion and diversity budget

- Just 7% of organisations have a specific inclusion and diversity budget.
- Twenty per cent of employers said activities are funded via the wider training/learning and development budget.
- The majority of organisations (62%) have no specific budget for inclusion and diversity activities.
- Around half of employers (51%) said the budget was about the same as last year, 25% said it had increased, and just 5% said the budget had decreased compared with last year.

Leadership

- Just over three-quarters (78%) of leaders understand how an inclusive workplace and diverse workforce can benefit the organisation.
- Just over two in ten employers (21%) said leaders are not very committed, or not at all committed, to having a diverse workforce, and 17% are not committed to having an inclusive workplace.
- Twenty-one per cent of employers agreed that senior leaders just pay lip service to inclusion and diversity in their organisation, with 46% saying they don't.
- Around a quarter (23%) of the senior decision-makers we surveyed agreed with the statement that senior leaders wrongly believe they already have an inclusive and diverse organisation.
- Around a quarter (23%) agreed that senior leaders feel uncomfortable talking about inclusion and diversity.
- Tangible action on inclusion and diversity is part of how senior leaders' performance is judged in 29% of organisations.

Managers

- Around half of employers (51%) believe managers, in general, feel confident to improve inclusion and diversity in their team.
- Three-fifths of employers say managers have the 'softer' people management skills to manage people as individuals with empathy, fairness and compassion.
- However, managers are not given the time and resources to foster an inclusive and diverse team in 28% of organisations.
- In just under half (46%) of organisations, inclusion and diversity considerations take a back seat to operational imperatives (for example, when managers are urgently hiring).
- Inclusion and diversity objectives are part of a manager's performance objectives in just 30% of organisations.

Inclusion and diversity data

- Just 38% of employers say they collect some kind of equal opportunities monitoring data.
- The most common personal characteristics they collect data about are sex, age, race/ethnicity and disability.
- Inclusion and diversity data is included in an organisation's dashboard and shared with other business functions in a minority of organisations who collect data (28%). A further 12% don't know.
- In just over a fifth (21%) of organisations who collect equal opportunities monitoring data, inclusion and diversity data is connected to other organisation and business data (for example, to examine links between inclusive and diverse teams and customer service and productivity).
- Just over three in five (61%) employers responding to our survey said that senior leaders are interested in the inclusion and diversity data collected in their organisation.
- Around half of employers who collect data (49%) said there is demand for more I&D data.
- In just 37% of organisations who collect data, I&D data is used to change the people management approach.
- Just under a third (31%) say data helps identify where I&D activities should be focused.

Dealing with conflict

- Seventy-two per cent of employers agree or strongly agree that managers deal with any discrimination, bullying or harassment issues promptly, seriously and discreetly.
- The majority (81%) of employers say employees know how to raise a complaint, and to whom.
- We asked those employers who said reports of discrimination had been raised by employees in their organisation in the past three years (since 2019) which protected characteristics they related to. Around a third (31%) said race/ethnicity, 28% said sex and 20% said disability.

How representative and inclusive are UK workplaces?

- Thirty-one per cent said they thought their organisation was above, or well above, average, in terms of how inclusive it is in comparison with competitors and industry peers, and just 14% said below average. A third (33%) said average.
- Organisations believe they are most representative of the UK working population in terms of age and gender, and least representative in terms of disability and also transgender and non-binary people.
- Organisations say they are slightly more representative of the local working-age community than of the UK as a whole in relation to many of the personal characteristics.

Recommendations for practice

Our first inclusion and diversity survey, in partnership with Reed, helps to identify where some of the gaps are in both employer strategy and practice. As well as providing useful benchmarking data, the findings provide ideas of I&D practice you may want to consider for your organisation, based on your context and needs.

We strongly believe that an inclusive workplace, where a diverse range of individuals feel valued and have equality of opportunity to get into work and reach their potential, is good for individuals, organisations and society. It's not just the right thing to do; it makes business sense and can help achieve your strategic priorities. But inclusion cannot be an add-on or just focused on during the good times. An organisation's structures, culture, policies and standards of behaviour all need to be designed with inclusion in mind, with everyone in the organisation appreciating they have a role to play in making it a reality.

Based on the survey findings, we have drawn out seven recommendations for practice that we hope will help you as people professionals (and I&D specialists in particular) improve or re-energise your approach. These are:

- 1 Build an evidence-based long-term plan or strategy with impact measures to track progress.
- 2 Take a data-driven approach to gain buy-in, investment and maximum impact.
- 3 Critically assess your people management approach with an I&D lens.
- 4 Enable managers, including through job design and training on core people management skills, to fulfil their key role in creating inclusive workplaces.
- 5 Support leaders to champion I&D as role models and hold others accountable.
- 6 Tailor your I&D approach to your organisation context.
- 7 Take a long-term view; don't take your foot off the pedal.

Taking each in turn, we discuss the seven recommendations for practice in detail, and suggest what you might want to consider when reviewing or rebooting your I&D approach, to ensure I&D is one of the fundamental principles by which your organisation operates.

1 Build an evidence-based long-term plan or strategy with impact measures to track progress

A significant number of organisations have an ad hoc approach to I&D, responding when a problem or a need arises. Around half (47%) of those surveyed said their organisations don't have a formal strategy or action plan on inclusion and diversity, either stand-alone or as part of the wider people strategy. Furthermore, a quarter of employers say their approach to I&D is entirely or mostly reactive.

A strategy or action plan is a necessity to set direction and foster commitment to I&D from across the organisation. It can also help focus attention on key issues to make lasting change, as opposed to a largely ad hoc and reactive short-term response.

The issues need to be the right ones for your organisation, so it's essential that your strategy or plan is built on evidence. Worryingly, just a quarter of organisations (25%) say they consult I&D data before new inclusion and diversity activity is planned. Furthermore, in the survey we asked senior decision-makers to tell us why they chose to focus on certain areas of I&D. The response option of 'data showing there are inequalities in this area within the organisation' did not appear on the top five list of reasons for focusing on any area.

Look at whether and how your I&D strategy is aligned to the overall business strategy, as well as to the people strategy. This includes how I&D activity will help achieve your organisation's priorities (see Figure 1 in the [main report](#)).

Data is essential to be able to regularly track the impact of your strategy and know if you're making progress, or if your direction or activity needs reassessing. Around three-quarters (76%) of employers evaluate the effectiveness of their I&D strategy or action plan in some way; however, 18% do not. The most common methods of evaluation are with internal stakeholders (through staff surveys and gathering qualitative feedback from staff networks). Just 28% of organisations said they have metrics to measure the impact of their I&D strategy or action plan throughout the recruitment stages. A combination of qualitative and quantitative data is needed to help you track progress and examine the reasons behind successes or a need to re-evaluate and refocus your strategy.

Questions to consider

- Do you have an I&D strategy or an action plan that has been communicated and is accessible across your organisation?
- What evidence is your strategy or plan based on?
- How have you linked/aligned the I&D strategy up to the wider business strategy and priorities?
- How will you track progress and communicate that across the organisation?

2 Take a data-driven approach to gain buy-in, investment and maximum impact

Collecting, utilising, and interpreting I&D data is an area for improvement. As we saw in point 1, data is needed to plan and target activity, and a combination of qualitative and quantitative data will help you not only identify issues and trends, but also go some way to explaining them.

However, just 38% of employers collect some kind of equal opportunities monitoring data from employees and/or job applicants. A minority of organisations use this data to see who is applying for jobs, being recruited, or to identify where action is needed and to plan activity.

People professionals need to think carefully about the types and sources of data that will enable them to get a good picture of what is happening in their organisation. They also need to ensure they have the capabilities needed to collect, analyse and draw insight from workforce data. Around three in ten (29%) of the senior decision-makers who responded to our survey said HR is not confident at collecting I&D data.

It's important that employers can examine the employee experience of different employee groups (including related to treatment at work and outcomes) to be able to pinpoint potential inclusion and diversity issues. For example, how representative is your workforce (both horizontally and vertically in the organisation)? What are the characteristics of those applying for jobs, versus being called for interview, versus joining the organisation? How are different employee groups progressing in relation to each other? Whose performance is being managed or is facing disciplinary action? And, who is leaving the organisation, at what tenure, and at what point in their career?

Data is also essential to make the case for change and to challenge inaccurate perceptions of I&D and its importance in the business. For example, in the survey, 24% of senior decision-makers told us that leaders believe they already have an inclusive workplace.

Encouragingly, respondents also told us that the appetite of the business for I&D data is there – however, it appears that people professionals are not always capitalising on it. A high 61% of employers said that senior leaders are interested in the inclusion and diversity data collected in their organisation. Furthermore, around half of employers (49%) said there is demand for more I&D data.

However, inclusion and diversity data is only included in an organisation's dashboard and shared with other business functions in a minority of organisations (28%). A further 12% don't know if it is or not. And in just 21% of organisations, inclusion and diversity data is connected to other organisation and business data. Despite the interest being there in many organisations, HR is not linking I&D data to other business metrics.

Demonstrating the link between different aspects of equality, diversity and inclusion, and key business priorities, challenges and outcomes is essential for top-level buy-in and commitment. For example, how can I&D activity help address skills shortages, aid retention, contribute to a cost management focus, enhance customer service, and support being a socially responsible and sustainable business? Demonstrating potential and actual impact is important also for securing I&D budget, which we know 62% of organisations don't have.

Questions to consider

- What do you know about the make-up of your workforce?
- How are you measuring the impact of every piece of I&D activity?
- How are you connecting I&D data and insight to wider business priorities and metrics?
- Do you communicate I&D insights across the organisation in a way that helps colleagues from different functions address the challenges they're facing?

3 Critically assess your people management approach with an I&D lens

Only 20% of employers say they critically review their people management policies to ensure they are fair and inclusive. However, 87% of those who do this, and were asked about it, rated it an effective method of creating a more inclusive and diverse workplace. The tone and emphasis of policies sets the scene for the people management style the organisation expects of line managers and sends a signal to employees of whether the organisation values its people.

Articulating a commitment to an inclusive and diverse workplace and what that looks like in practice provides a reference point for everyone in the organisation to use when reviewing policy, practice and behavioural expectations. Just 30% of the senior decision-makers who responded to the survey told us that a commitment to an inclusive and diverse workplace is articulated in their organisation.

Following on from the first two points related to data, workforce data can be one source that can helpfully inform a review of your people management policies and practices. Another is staff feedback, including from employee resource groups who are likely to be able to feed in

suggestions based on the lived experience of your workforce with different identities, backgrounds and circumstances.

Reviewing your practices at each stage of the employee lifecycle to see the extent to which they are helping your organisation achieve its I&D goals is an important step. For example, your current hiring approach will continue to give the same level of diversity of candidates unless it's reviewed. However, just 37% of organisations use I&D data to change their people management approach.

Questions to consider

- When did you last review your people management policies with an inclusion lens?
- Are your current people management practices supportive of an inclusive and diverse workforce? How do you know?
- Do you seek out staff feedback, for example via the employee resource groups, when writing new policies?
- How do you keep abreast of new developments in good practice?

4 Enable managers, including through job design and training on core people management skills, to fulfil their key role in creating inclusive workplaces

We know managers are a key influence on the employee experience at work. They enact the people management practices, design jobs, allocate work, and have a significant influence over hiring and promotion decisions. They are employees' main, formal point of contact with the organisation, and their behaviour and management style shape the climate of the team. Recognising their pivotal role in creating an inclusive and diverse workplace is fundamental to progress in this area.

The survey suggests some employers are already taking steps to equip managers with the skills to manage inclusively; however, there is still room for improvement here (see Table 12 in [main report](#)). At the moment, just 23% of employers say they train managers in fair and inclusive people management, yet 87% who do this and were asked about it say it's effective in creating a more inclusive and diverse workplace. In fact, all of the manager-related practices aiming to improve I&D had low uptake but were rated highly in terms of effectiveness.

In terms of what managers are doing to improve I&D, 72% of the senior decision-makers we surveyed agreed or strongly agreed that managers deal with any discrimination, bullying or harassment issues promptly, seriously and discreetly. Only 6% disagreed. However, a lower 60% told us that managers have the softer skills to manage people with empathy, fairness and compassion. And approximately half (51%) said managers are confident to improve I&D in their team, signalling areas for investment.

A significant barrier holding managers back in this area of people management is the design of their roles, which are not structured in a way that supports this aspect of their job. Just over a quarter of survey respondents (28%) said that managers are not given the time and resources needed to demonstrate a tangible commitment to I&D, and only 29% of managers have I&D as part of their performance objectives. Could a lack of effective job design explain the finding that just under half (47%) of employers say that inclusion and diversity considerations take a back seat to operational imperatives, for example when managers are urgently hiring?

Questions to consider

- How are line manager roles designed to balance operational demands with a focus on good people management, including inclusion and diversity?
- Do line managers understand both the business and employee benefits of having a fair and inclusive workplace, including equality of opportunity?
- To what extent is line manager performance judged on operational deliverables, and to what extent is it judged on people management capability and role-modelling fair, supportive and inclusive behaviours?
- How do you train and support managers on core people management skills to manage their team in a fair, compassionate and inclusive way, giving them the confidence, flexibility and trust to respond to individual needs and circumstances?

5 Support leaders to champion I&D as role models and hold others accountable

Like most employees and managers, leaders will also need training and support on inclusion and diversity to understand what it means for them and their role. The I&D agenda needs to be owned by the whole business, starting with leaders. Just under a quarter of survey respondents said that senior leaders feel uncomfortable talking about inclusion and diversity. And around two-fifths said senior leaders completely understand what equality (41%), diversity (39%) and inclusion (37%) mean.

A vital step is engaging with them on the I&D strategy and the organisation's needs in this area. A concerning 32% of the senior decision-makers who completed the survey from large organisations said they didn't know or couldn't recall what areas of I&D the organisation would be focusing on over the next five years.

Ensuring they have capability and confidence in this area is especially important as employees will look to them as role models. They need to exemplify inclusive behaviour as well as ensure inclusion is a key consideration in strategy and high-level business decisions. They won't have lived experience of all aspects of diversity, yet they need to be internal and external champions of inclusion and diversity, including promoting equality of opportunity.

However, akin to line managers, commitment to I&D is not called out in the performance objectives of many leaders. In just 29% of organisations, tangible action on inclusion and diversity is part of how senior leaders' performance is judged. Senior leaders also need to ensure everyone, right through the organisation, takes their role in creating an inclusive workplace seriously and hold people accountable for progress in this area.

For some, this education piece will need to start with the basics, as 22% of survey respondents said leaders are not very committed, or not at all committed, to I&D. However, for the vast majority, it appears from our findings that the door is open for people professionals to demonstrate what a focus on creating a fair, inclusive and diverse workplace looks like, the business benefits and how to get there.

Questions to consider

- How do you engage with senior leaders on the inclusion and diversity agenda? And to what effect?
- To what extent do leaders understand and embrace the need for an inclusive and diverse workplace? How do you know?
- Is I&D a regular feature in board-level and leadership conversations? If not, why is that?
- What training and development opportunities related to I&D would most benefit the leadership team in your organisation?

6 Tailor your I&D approach to your organisation context

The survey data tells us that SMEs (micro businesses in particular, followed by small businesses of 10–49 people and medium businesses of 50–249 employees) are less likely than larger organisations to have an I&D strategy or action plan, be proactive in their I&D approach, and less likely to be focused on most areas of I&D, as well as most likely to say they're not focusing on any areas in the next five years.

We recognise that each organisation's context, needs and resources will be different. However, we believe the basic principles of inclusive and fair people management apply whatever the type of organisation or sector, and whether it employs 10 people or 1,000. The ability of SMEs to attract and retain talent is crucial for their business, especially when they're growing. They need to have a dual focus on (a) reaching out to a broad talent pool and (b) focusing on retaining staff, due to a need for cost management and the competition for talent facing all UK businesses.

Micro (1–9 people) and small businesses (10–49 people) are less likely than medium-sized (50–249 people) and large organisations to use most of the recruitment practices that can help support I&D (see Table 10, on page 36 of the [main report](#) for more detail). Some of the practices that were rated highly in terms of their effectiveness in improving I&D would be simple to implement, being mindful of the SME context. For example, using structured or standardised interview questions was rated highly in terms of effectiveness, as was ensuring that all involved in recruiting follow objective assessment and scoring criteria, explaining expectations about inclusive behaviour when onboarding employees, and reviewing job descriptions to accurately reflect the requirements of the job.

It is often the case that people get promoted into a management role as they are technically good and it is assumed they will manage people well, despite not having training in this respect. However, leader and manager behaviour significantly influences employees' experience of an organisation, and it's often said that people leave a manager, not a job. However, only a minority of micro and small businesses said they train managers to manage people in a fair and inclusive way. And similarly, low numbers said leaders are educated on inclusive leadership.

Questions to consider

- Is your current recruitment approach attracting and finding you people with the skills and capabilities you need?
- Could you benefit from engaging with an HR professional to help develop your recruitment approach, or even your wider people management approach?
- Do the leaders and managers in your organisation know how to manage people in a fair and inclusive way? What training and support do they have?
- Are any other local businesses (large or small) looking at improving inclusion and diversity that you could buddy with or learn from?

7 Take a long-term view; don't take your foot off the pedal

A small percentage (5%) of senior decision-makers said their organisation has not focused on any inclusion and diversity areas in the last five years, yet a much larger 36% said their organisation is not planning to focus on any inclusion and diversity areas in the next five years. This is a concerning trend, as unless there is focused attention on I&D, progress will slip. Organisations that fail to keep their foot on the pedal will see employees perceive the organisation as not serious about I&D, and leaders and managers are likely to see it as something to look at when time and resources allow, rather than it being an integral part of how the organisation operates.

Private sector organisations are most likely to say they're not planning on looking at any areas of I&D in the next five years. This is partly because most of the private sector is made up of SMEs (64%) and they are more likely than large organisations to say this. The percentage of organisations saying they're not planning on looking at any areas of I&D in the next five years increases as size of organisation decreases (Table 9 in [main report](#)). Therefore, it's micro businesses (1–9 people) that are most likely to say they're not planning on looking at any areas of I&D over the next five years (56% vs 14% saying they haven't focused on any areas in the past five years). This compares with 39% of small businesses (up from 3% saying they had no focus during the past five years), 25% of medium-sized businesses (up from 2% saying they had no focus during the past five years), and 16% of large organisations (up from 0% saying they had no focus during the past five years).

We can but speculate the reasons for the large shift in focus of micro and small businesses in particular. Two possible reasons are that they haven't planned that far ahead – as we know that they're less likely to have a formal strategy or plan than larger organisations and less likely to be proactive in their approach to I&D – or they may no longer have the resources to dedicate to I&D with other priorities taking over. Of course, given the many and growing challenges SMEs are facing, it's possible to see why some are placing less emphasis on I&D as they look ahead. However, this may well come at the expense of their ability to recruit and retain the people they need to flourish and grow in a competitive labour market.

However, overall, we need to bear in mind that for all organisation sizes there is a prominent shift in the percentage of employers saying they're not planning on looking at any areas of I&D between 2022 and 2027 (compared with the number that focused on it in the previous five years). The question had a separate 'don't know' response option.

Could it be that these organisations are not planning to do anything related to inclusion and diversity, or that they're not planning on being proactive about it? An optimistic interpretation

would be that these organisations will continue existing inclusion and diversity work but aren't planning on introducing anything new.

Another notable finding when looking to the future is that, although the ranking of I&D areas that organisations say they'll be focusing on remains largely the same (mental health, race/ethnicity, gender) over the next five years as it was in the past five years, the percentage of employers saying they will be focusing on each area is notably smaller going forward.

Whatever the explanation for the findings, the lack of priority given to I&D is disappointing given that the need for progress across UK workplaces is undeniable. At the CIPD we will continue to encourage employers to be proactive and prioritise the need for focused attention on creating an inclusive, diverse and fair workplace. We will continue to develop resources that will help employers to do this.

Questions to consider

- If the focus on I&D in your organisation is diminishing, can you pinpoint why that is?
- Which of the recommendations for practice are most applicable/useful to you in re-energising your approach?
- To what extent is I&D reflected in the organisation strategy, plans and values? Or is it seen as an add-on when there is time and resources?
- What are the risks for your organisation of not taking action to create a fair, inclusive and diverse workplace?

Conclusion

A large body of research shows there is a substantial amount of work to do before we can claim equality of opportunity in UK workplaces. We know that there are significant barriers to entry (partly evidenced through employment gaps), and to progression for many minority groups. It's also clear that those barriers differ both between and within groups.

When there is an overrepresentation of people with particular personal characteristics at the lower levels of organisations and a significant lack of diversity in the most senior roles, it's clear there is inequality of opportunity that needs addressing, as well as an underutilisation of skills.

Progress has been made, but it's slow and the pace needs to increase. Change needs to happen across all aspects of society, with employers playing a key part in that to ensure fair treatment and equality of opportunity at work. It's worrying that notably fewer organisations say they plan to focus on each personal characteristic, or area of I&D, over the next five years (compared with the number that said they'd focused on them in the past five years). Also that there's been a shift in the number of organisations saying they're not planning to focus on any of these areas in the next five years (36% compared to just 5% on any areas of I&D in the past five years). Lasting change requires constant employer attention on improving I&D and removing the barriers to equality at work faced by different employee groups.

There are also core aspects of an inclusive workplace that employers need to ensure are in place and regularly updated that can benefit employees from many different backgrounds and identities. These include ensuring I&D is a core principle on which people management policies are built, and that line managers are trained in inclusive people management and what are often termed the softer management skills, to manage people as individuals with empathy, fairness and compassion.

It's clear from the findings of this survey that there is huge opportunity for UK organisations, across sectors and sizes. We hope that the benchmarking data in this report and the seven recommendations for practice presented on page 10 will help you as people professionals (and I&D specialists in particular) improve or re-energise your approach, and really make a difference in your workplace.

We firmly believe that a commitment and focus on creating an inclusive workplace with equality of opportunity for all is the right thing to do as well as responsible business practice. In addition, the benefits for the organisation of having a genuinely inclusive workplace are vast, particularly as reputation is everything and competition for talent intense. Attracting a diverse range of people to the organisation and enabling them to realise their potential at work can help achieve organisation-level strategic priorities, including tackling the current skills challenges.

Further resources

[Equality, diversity and inclusion hub page](#)

Resources to help employers, and HR in particular, promote equal opportunities and manage inclusion and diversity in the workplace. Including CIPD viewpoints on key inclusion and diversity issues, research reports on different aspects of I&D, practical guides and podcasts.

[Inclusion and Diversity in the Workplace factsheet](#)

What inclusion and diversity mean in the workplace and how an effective I&D strategy can support business.

[Building Inclusive Workplaces](#)

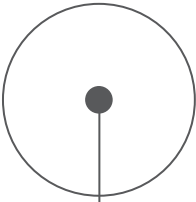
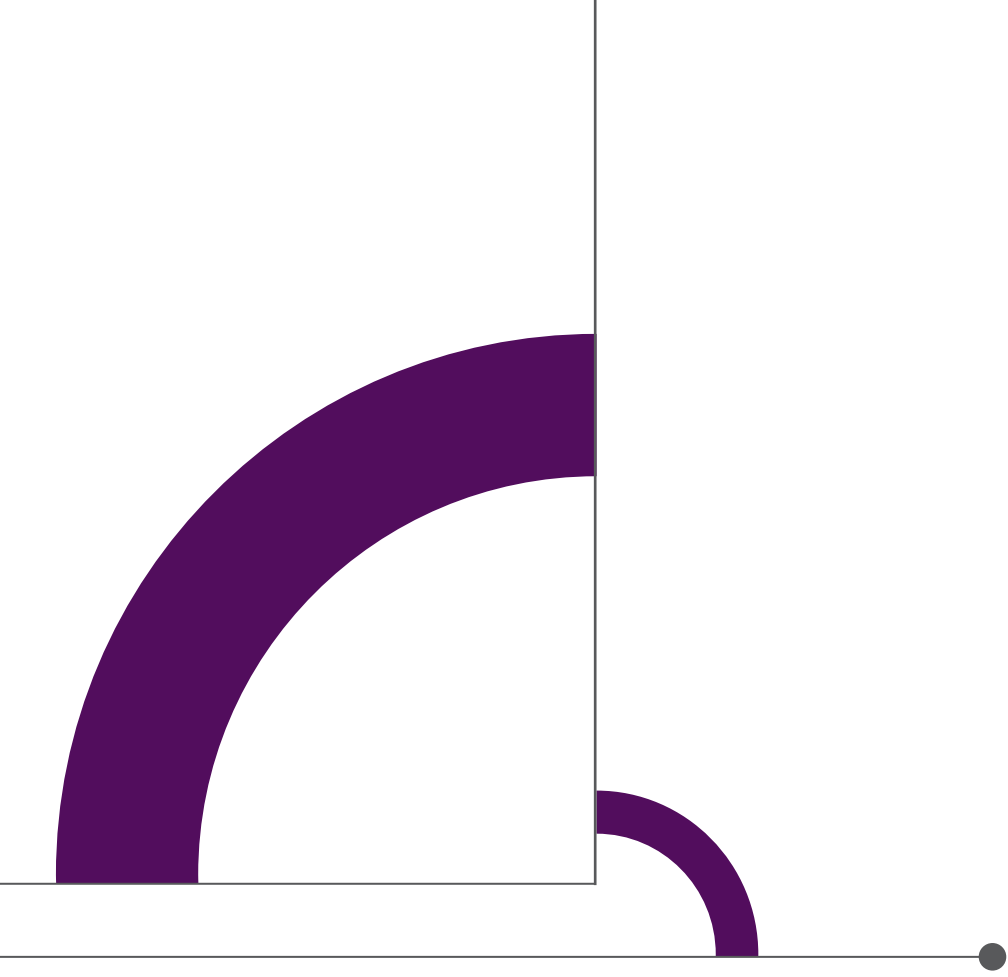
This research report assesses the evidence on inclusion – what inclusion looks like in practice, and how people professionals and the wider business can be more inclusive.

[Diversity and Inclusion at Work: Facing up to the business case](#)

This report assesses the evidence on both the outcomes of diversity at work and how organisations can tackle these to make work an equal business.

[People data hub page](#)

Resources to help HR and people managers make decisions and solve business problems using people data and analytics.



CIPD

Chartered Institute of Personnel and Development
151 The Broadway London SW19 1JQ United Kingdom
T +44 (0)20 8612 6200 **F** +44 (0)20 8612 6201
E cipd@cipd.co.uk **W** cipd.co.uk

Incorporated by Royal Charter
Registered as a charity in England and Wales (1079797)
and Scotland (SC045154).

Issued: December 2022 Reference: 8297 © CIPD 2022