

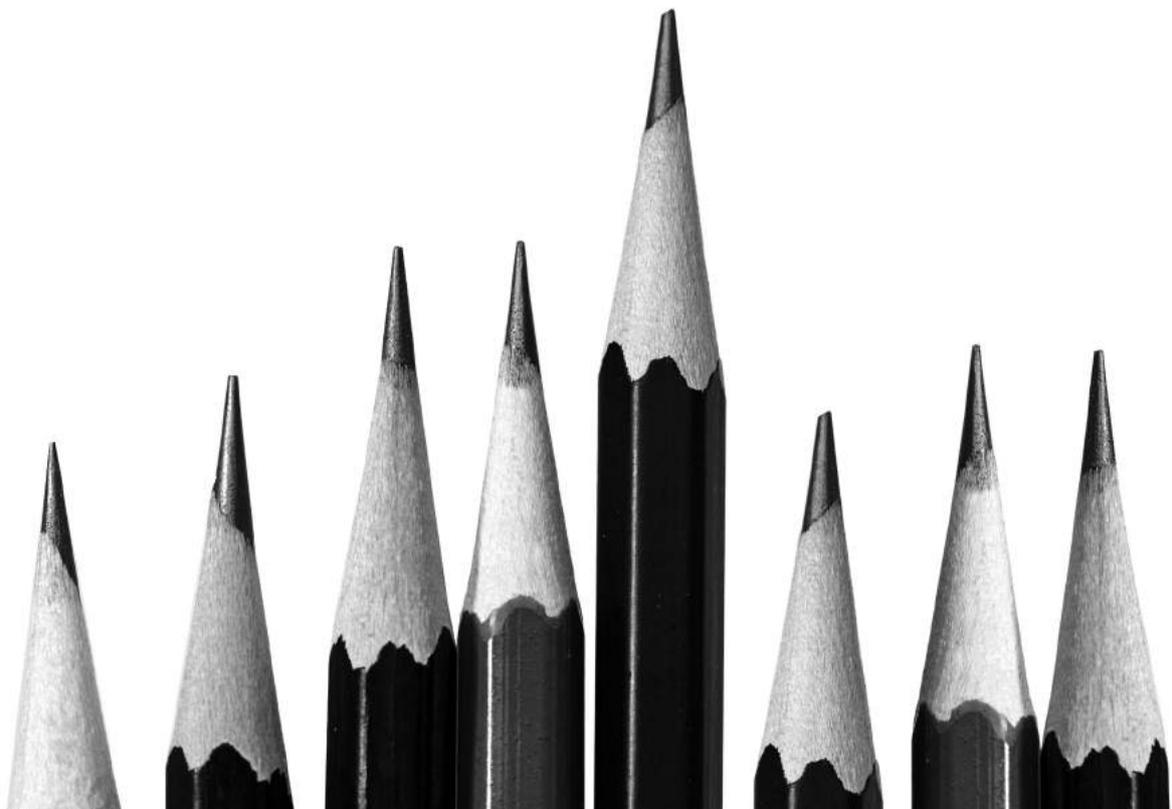


The Prince's  
Responsible  
Business Network



# THE BEST EMPLOYERS FOR RACE

2018



# FOREWORD

I want to commend all of the employers from the private, public and third sectors who have a clear commitment to ensuring they have truly inclusive workplaces and have entered the 2018 Best Employers for Race listing. This listing was created in response to the independent government sponsored McGregor-Smith Review Race in the Workplace, published in February 2017.

The bold work of these leading organisations has laid the foundations for the recently established Race at Work Charter. You will see through the trend data and quotes within this report that the organisations in the Best Employers for Race listing are already demonstrating clear action on leadership, progression and recruitment in alignment to the five Race at Work Charter principles:

### **Appoint an Executive Sponsor for race**

Executive Sponsors for Race provide visible leadership on race and ethnicity in their organisation.

### **Capture ethnicity data and publicise progress**

Capturing ethnicity data is important to establishing a baseline and measuring progress.

### **Commit at Board level to zero tolerance of harassment and bullying**

Leadership from the top is necessary to effect real change.

### **Make clear that supporting equality in the workplace is the responsibility of all leaders and managers**

Actions can include ensuring that performance objectives for leaders and managers cover their responsibilities to support fairness for all employees.

### **Take action that supports ethnic minority career progression**

Actions can include embedding mentoring, reverse mentoring and sponsorship in the organisation.

We have mapped the Best Employers for Race trends against the Charter commitments in this report. From 2019, we will be transitioning this list and some of the key survey questions to a tracker survey for all employers who sign up for the Race at Work Charter. 100 employers have already signed up and I am inviting all the employers in the 2018 Best Employers for Race list, to join them if they have not already done so, and encourage them to ask their top five suppliers to do the same.

Thank you to the leaders and executive sponsors for race and diversity who are taking action to accelerate the recruitment and progression of black, Asian and minority ethnic (BAME) employees in their workplaces. We have spotlighted some of them within this report.

**Sandra Kerr OBE**  
**Race Equality Director**  
**Business in the Community**

# 2018 Best Employers for Race Listing

ACAS  
Accenture  
Atos  
Baker McKenzie  
Bank of England  
Barclays  
Baringa Partners  
BP  
Bramwith Consulting  
BT plc  
CA Technologies  
Cabinet Office  
Capgemini UK  
Centrica  
Crown Prosecution Service  
Deloitte  
Department for Business, Energy & Industrial Strategy  
Department for Digital, Culture, Media and Sport  
Department for Education  
Department for International Development  
Department for International Trade  
Department for Transport  
Department for Work and Pensions  
Department of Health and Social Care  
EDF Energy  
Enterprise Rent-A-Car  
EY  
Fidelity International  
Financial Conduct Authority  
Financial Ombudsman Service  
Foreign & Commonwealth Office  
Freshfields Bruckhaus Deringer LLP  
Fujitsu Services Ltd  
Government Legal Department  
Hampshire Constabulary  
HarperCollins Publishers Ltd  
Herbert Smith Freehills LLP  
HM Revenue & Customs  
Hogan Lovells International LLP  
Home Office  
HSBC  
KPMG UK  
Leicestershire Police  
Linklaters LLP  
MI5  
Ministry of Defence  
Ministry of Housing, Communities & Local Government  
Ministry of Justice  
National Grid  
NEL NHS Commissioning Support Unit  
Norton Rose Fulbright LLP  
PepsiCo  
Pertemps  
Public Health England (PHE)  
PwC  
Royal Air Force  
Royal Bank of Scotland Group  
Royal Navy  
Sainsbury's  
Santander UK plc  
Secret Intelligence Service (MI6)  
Shell UK  
Sky  
Slaughter and May  
Southbank Centre  
St Mungo's  
The British Army  
Victim Support  
Virgin Money  
Welsh Government

# INTRODUCTION

This is the second year that employers have stepped up to the challenge of reporting back on the policies and practices they have in place and their successes in taking action and measuring impact. We have read about the effectiveness of their actions in their case studies and there are some great examples and impact stories from employers doing this effectively. The BITC Race Equality Awards finalists, highly commended and winner organisations are a testament to that. This report represents 70 businesses and over 1.1 million UK employees of which 12% are BAME. 52% of employers are from the private sector, 44% public sector and 4% third sector.

1 in 4 children at primary and secondary school in the UK is BAME. 1 in 8 of the working age population is from a BAME background and 1 in 16 of leaders within an organisation is from a BAME background.

**Current UK employment statistics still show gaps in the employment rates between white and BAME people, against a backdrop of an emerging racially diverse population. The employers who have participated in this year's listing are taking action to embrace and capture this growing future pool of talent. We have chosen to spotlight the CEO's and executive sponsors who are already demonstrating commitment and leadership within their organisations to ensure race is mentioned at the top table.**

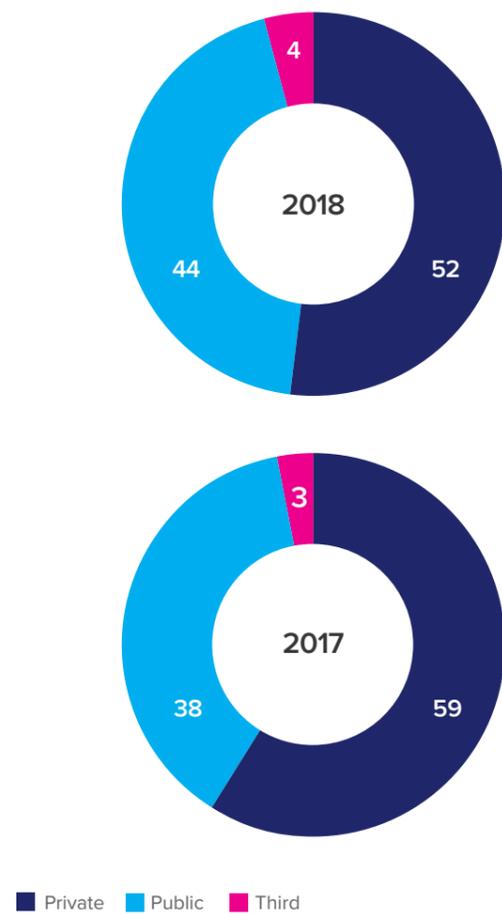
The Race at Work 2018 survey highlighted that only 33% of employees said there were senior level executives in their organisation who promoted diversity and inclusion. We hope that by spotlighting these leaders we will inspire the unlisted organisations to appoint an executive sponsor for race in their workplaces.



## EMPLOYER CHARACTERISTICS

70 employers made the 2018 Best Employers for Race List. This year there was much greater participation from the public sector. They now make up 44% of the list, compared to 38% last year.

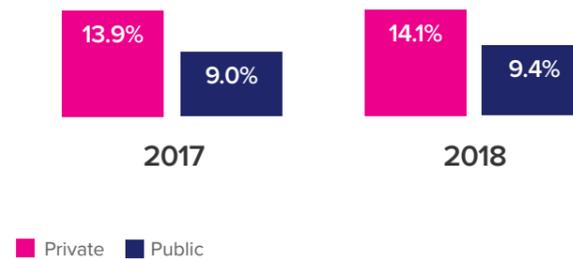
### Sector participation – overall



Even though private and public sector representation was different to 2017, the representation of UK employees remained the same – 1.1 million workers, of which 12% are from a BAME background. In both 2017 and 2018 BAME workers were more represented in the private sector than the public sector – 13.9% and 14.1% respectively. See *Figure 1*.

It is really positive news that both public and private sectors have increased the number of BAME employees since 2017.

Figure 1: Representation of BAME workers by sector (2017 compared with 2018)

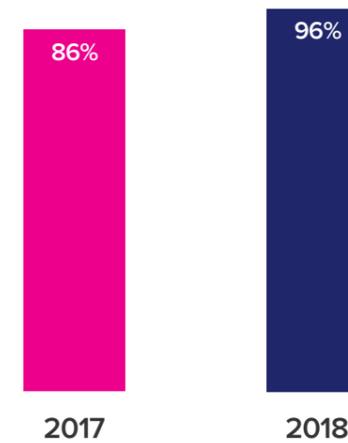


**12%**  
of 1.1 million UK workers represented are from a BAME background

## ACTION ON LEADERSHIP

The employers who participated in the 2018 survey clearly understand the need to have an appointed person at senior level to lead on race, with 96% of employers stating they had established a Race Champion at Board or senior executive level, compared to 86% of employers in 2017. See *Figure 2*.

Figure 2: Employers overall who have a race champion (2017 compared with 2018)



This is a good news trend for this network as the Race at Work 2018 – Scorecard Report showed no change since 2015 in the percentage of employees reporting an Executive Sponsor for Diversity and Inclusion in their workplaces. Only 33% of employees in the Race at Work 2018 survey reported there was an executive sponsor within their organisation. The participants in the Best Employers for Race listing are demonstrating clear commitment to the first Race at Work Charter principle.

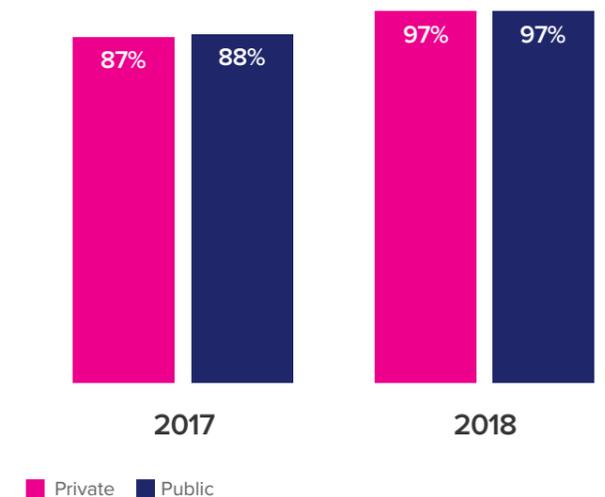
The Best Employer survey also revealed that 97% of both the private and public sector employers who participated in the 2018 Best Employers for Race listing had race champions. A significant increase for both sectors from the 2017 listing where 87% and 88% respectively had board level race champions. See *Figure 3*.

### Race at Work Charter – Principle One

#### Appoint an Executive Sponsor for race

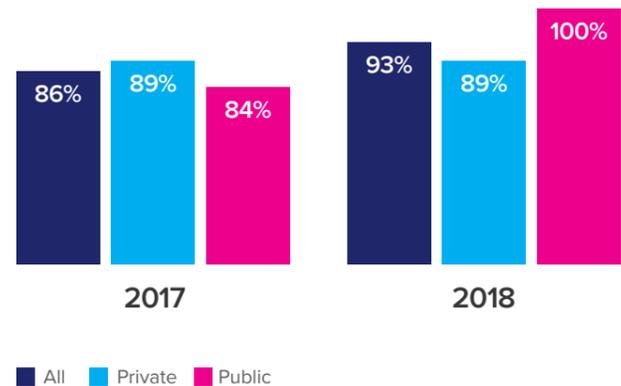
Executive Sponsors for Race provide visible leadership on race and ethnicity in their organisation and can drive key actions such as setting targets for ethnic minority representation, briefing recruitment agencies and supporting mentoring and sponsorship.

Figure 3: Employers who have a race champion by sector (2017 compared with 2018)



Recommendation 21 from the McGregor-Smith Review Race in the workplace stated that mentoring and sponsorship schemes should be made available to anyone who wants them. 100% of public sector employers who participated in the Best Employers for Race listing are now doing this, a huge leap from 84% in 2017. See *Figure 4*.

**Figure 4: Q11.3 – Do any of your Board members or senior teams mentor and/or reverse mentor ethnic minority employees?**



**Diversifying our workforce is a priority at HarperCollins, and a current focus is on improving representation in senior levels of the business. Our various mentoring initiatives and our BAME Development Circle are helping build the next generation of publishing leaders.**

Charlie Redmayne, CEO, HarperCollins UK

Again, it is great to see leaders within the Best Employers for Race engaging in two-way mentoring models which also aligns with the Race at Work Charter principles.

**Capturing pay and ethnicity data**

New for 2018 were two questions to gain an understanding on whether employers were capturing data on pay and ethnicity and whether the data was published. It is encouraging to find that over 60% of employers in this Best Employers for Race list are capturing this data. See *Figure 5*. The number of employers publishing this data is low with public sector ahead of the private sector, 26% compared to just 14%. See *Figure 6*. While this performance is low, the Best Employers for Race organisations outperform the Race at Work 2018 – Scorecard Report results where 11% of employees reported that their employers were collecting ethnicity and pay data, falling to 8% of small business employers saying this. The second principle of the Race at Work Charter is to capture data on ethnicity.

**Race at Work Charter – Principle Two**

**Capture ethnicity data and publicise progress**

Capturing ethnicity data is important to establishing a baseline and measuring progress. It is also a crucial step towards an organisation being able to report on ethnicity pay.

**Figure 5: Q1.2.4 – Do you monitor data on pay and ethnicity?**



**Figure 6: Q1.2.5 – Do you publish data on pay and ethnicity?**



**At Deloitte we have been clear that diversity is an outcome of an inclusive culture and that delivering this culture – alongside targeted interventions – will enable us to fully achieve a truly diverse workforce. This year we also took the decision to calculate and publicly report on our ethnicity pay gap and will do so each year.**

Emma Codd, Managing Partner for Talent, Deloitte

One of the key findings from the Business in the Community Race at Work 2018 survey is that the number of managers being given personal performance objectives has fallen dramatically. This survey shows that the public sector is making significant strides against this key priority in contrast to the private sector. See *Figure 7*.

*Recommendation 9* of the McGregor-Smith Review called for employers to include clear diversity objectives in all leaders' annual appraisals to ensure that they take positive action seriously.

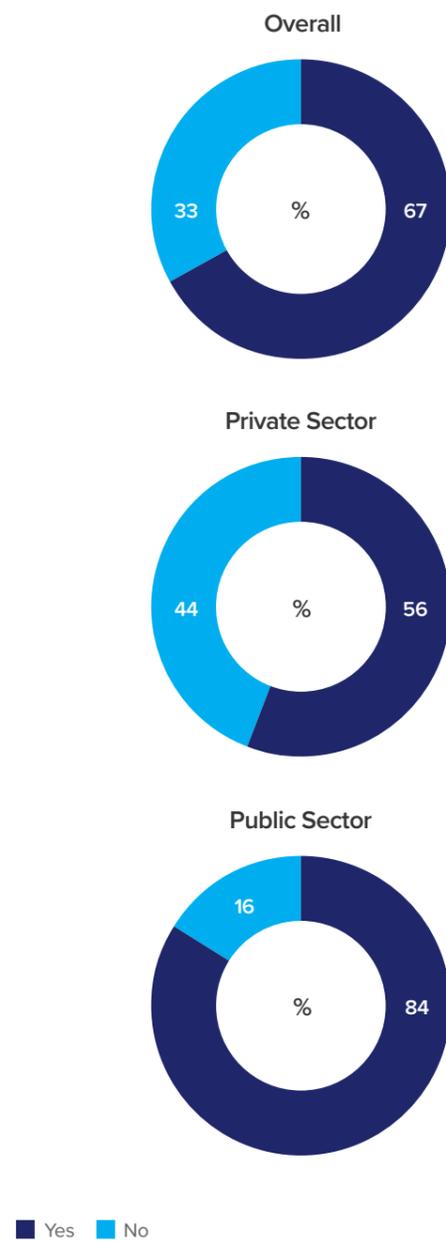
**61%**  
of the Best Employers for Race are capturing data on pay and ethnicity



**We here at Acas have made a Board decision that all our senior leaders will have an objective on diversity and inclusion in the spirit of transparency.**

Susan Clews, Chief Operating Officer, Acas

**Figure 7: Q1.2.3 – Does your Board and senior team have personal performance objectives on diversity that include action on race?**



## OUR LEADERS IN ACTION

The Race at Work 2018 survey reported (33%), 1 in 3 employees saying that they had an executive sponsor for diversity and inclusion within their organisation. This is unchanged

since 2015. We wanted to spotlight the great leaders within the 33% of leaders in the UK who are demonstrating clear leadership commitment on race, diversity and inclusion within their organisations.



**Welsh Government has an equality objective to be an exemplar in the equality, diversity and inclusion agenda by 2020. As part of this we are focusing on the protected characteristic of race with a Board approved target to increase the numbers of BAME staff through recruitment and retention including a comprehensive development programme for BAME staff.**

Andrew Goodall  
Director General for Health and Social Services (& Minority Ethnic Staff Network Senior Sponsor), Welsh Government



**Being based in Central London, we have always striven to hire the highest calibre of candidates from the diverse London workforce, utilising as many different sources as possible, so we don't miss out on great people, wherever they may be currently.**

Ben Riley  
Director and co-owner, Bramwith Consulting



**I am extremely proud of the fact that Hampshire Constabulary are part of the inaugural top Best Employers for Race list. BAME representation is a crucial area for policing and I remain committed to this by holding the role of Race Champion in Hampshire. This helps me to understand the issues that are important to BAME Officers, Staff and Volunteers, and BAME victims of crime.**

Olivia Pinkney QPM, Chief Constable,  
Hampshire Constabulary



**Atos believes it is the right thing to inspire individuals to be more aware of diversity and race not only within the workplace but also in wider society.**

Kulveer Ranger, Vice President,  
Strategy & Communications UK&I  
Atos



**Diversity and Inclusion are embedded in the command chain as a fundamental component of our management system. At the heart of a truly diverse and inclusive organisation is leadership and maximisation of talent.**

Admiral Sir Philip Jones KCB ADC  
First Sea Lord and Chief of Naval Staff, Royal Navy



**Strong, visible leadership is essential to create a diverse and inclusive culture in any organisation. I'm proud to have played an active role in shaping the conversation about race with my senior peers in the Cabinet Office.**

Kevin Cunnington,  
Director General Government Digital Service  
and Cabinet Office Race Champion, Cabinet Office



**As a firm we remain committed to increasing ethnic diversity throughout the firm. We aim to have a balanced and proportionate representation of Black, Asian and Minority Ethnic individuals at all levels. Our clients and staff require us to stop talking about diversity and start making those changes now.**

Farmida Bi, Chair, Europe, Middle East & Asia,  
Norton Rose Fulbright LLP



**BAME talent needs to be visible, mentored and sponsored. Therefore, we have introduced a new leadership programme specifically designed for BAME employees aspiring to move to leadership positions – we have already seen some great successes.**

Nicola Shaw,  
UK Executive Director,  
National Grid

The Race at Work 2018 survey reports that only 1 in 5 employers (22%) encourage their employees to call out bullying and harassment. The organisations in the 2018 Best Employers for Race list out-perform this with 100% of the public sector organisations in the list saying they do this and 94% overall encouraging their employees to call out racial harassment and bullying if observed in the workplace. See *Figure 8*.

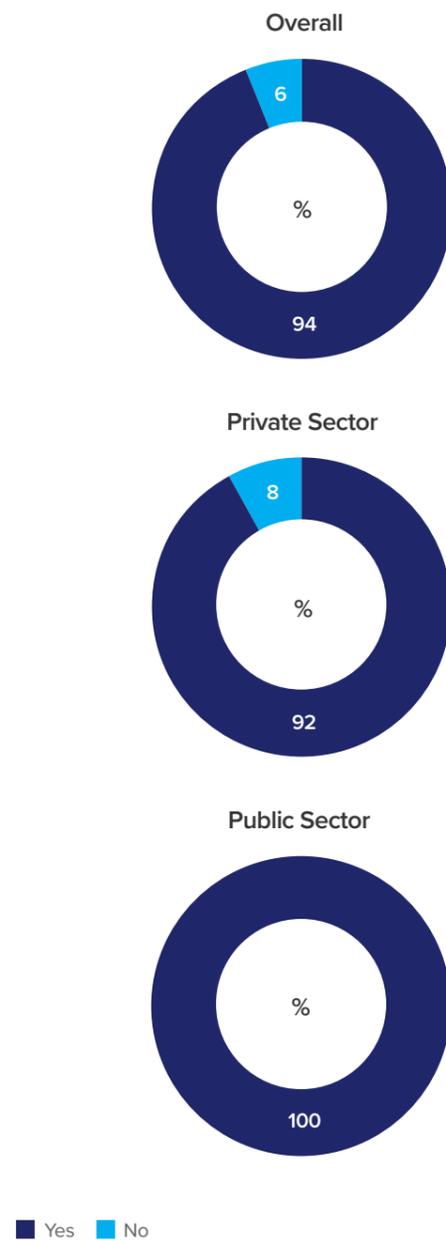
**Race at Work Charter – Principle Three**

**Commit at Board level to zero tolerance of harassment and bullying**

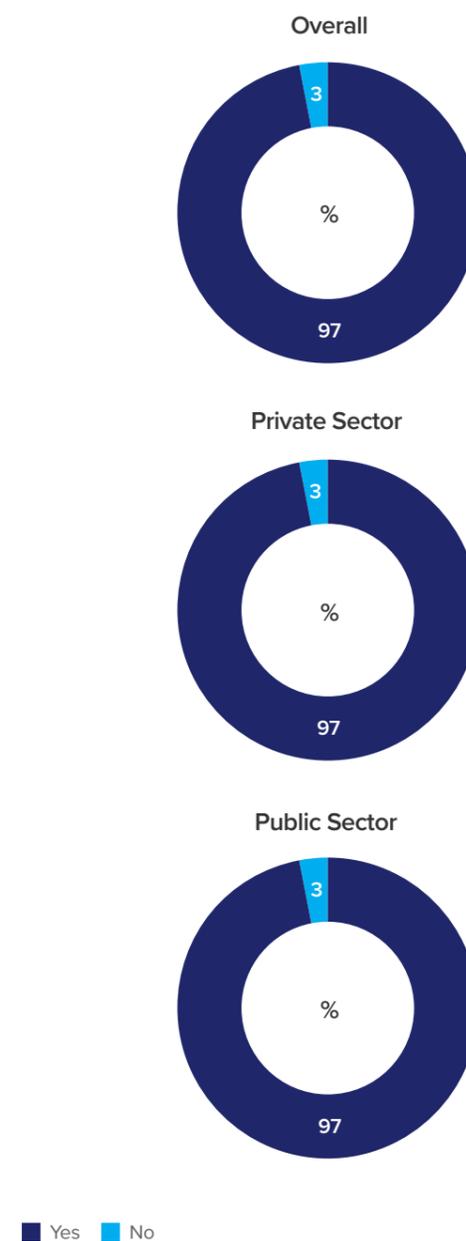
The Race at Work Survey revealed that 25% of ethnic minority employees reported that they had witnessed or experienced racial harassment or bullying from managers. Commitment from the top is needed to achieve change.



**Figure 8: Q2.1.5 – Do you encourage your employees to call out bullying and harassment if it is observed in the workplace?**



**Figure 9: Q2.1.4 – Do you have a clear policy which sets out zero tolerance on racial harassment and bullying from managers, colleagues, customers and contractors?**



**97%**  
of the organisations in the 2018 Best Employers for Race list have a clear policy setting out zero tolerance on bullying and harassment



**We are committed to improving the diversity of our organisation and as such we are to put in place several aspirational targets to encourage diversity parity. However, we acknowledge there is a lot more work we can do to ensure we meet the recommendations of the Parker Review.**

Ulf Bengtsson  
Group Head of Talent, Resourcing and Learning, Centrica

## ACTION ON PROGRESSION

The Race at Work 2018 – Scorecard Report highlighted a significant fall in the number of managers with performance objectives to promote equality in the workplace as well as a disparity between White and BAME managers with objectives. When looking at the Best Employers for Race, this trend has improved, with 36% giving their line managers performance objectives. See *Figure 10*.

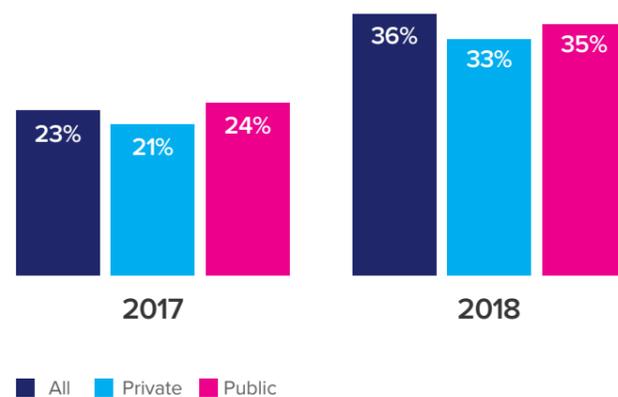
The fourth principle of the Race at Work Charter is calling on all managers with employees to have an objective to promote race equality, diversity and inclusion in the workplace. Inclusion needs to be everyone’s responsibility. These trends demonstrate that a Charter commitment to action is necessary to create the step change in action required across organisations and businesses from all sectors.

### Race at Work Charter – Principle Four

#### Make clear that supporting equality in the workplace is the responsibility of all leaders and managers

Actions can include ensuring that performance objectives for leaders and managers cover their responsibilities to support fairness for all staff.

**Figure 10: Q1.2.5 – Do your line managers have diversity performance objectives to take action to facilitate the development and progression of diverse BAME talent within their teams?**



**People are key to the CPS’ success. We have focused on talent management and succession planning to create a culture and an environment that supports talented people, regardless of personal characteristics and background, to develop to be the best they can. I am proud that the CPS employs such a diverse workforce at all levels of the organisation.**

Paul Staff, Chief Executive, Crown Prosecution Service

## EMPLOYER CULTURES

Employee networks, employee resource groups and affinity groups are a great way to hear the lived experience of BAME employees in the workplace and those from other protected characteristics. 94% of the Best Employers for Race have a race, ethnicity, cultural diversity or inclusion network. See *Figure 11*. An employee network can provide you with a great source of talent to support you with increasing the diversity of your selection panels for internal selection and external recruitment attraction and outreach activity.

Employee survey results are another great way to hear directly from your employees about the lived experience of inclusion in your workplaces. Where employee survey results are examined by ethnicity breakdowns or other diversity characteristics, it enables an employer to examine by diverse categories such as employees feel supported by managers, their engagement with the organisation, access to training, gaining fair access to opportunities and feeling included.

# 94%

**of the Best Employers for Race have a race, ethnicity, cultural diversity or inclusion network**

83% of the Best Employers for Race organisations are analysing their employee survey results against the Census 2011 categories. See *Figure 12* (overleaf).

**Figure 11: Q2.1.1 – Do you have a race, ethnicity, cultural diversity or inclusion network?**

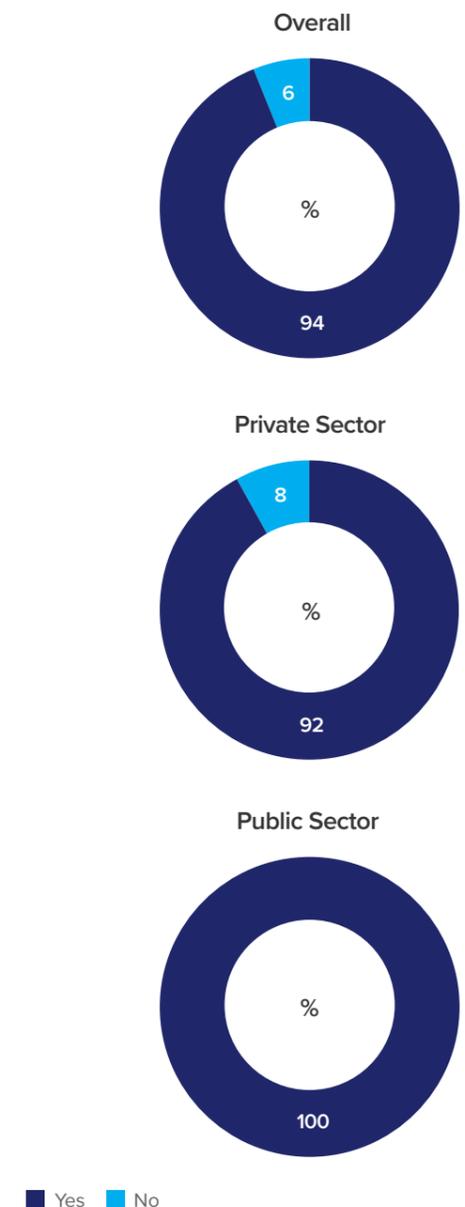
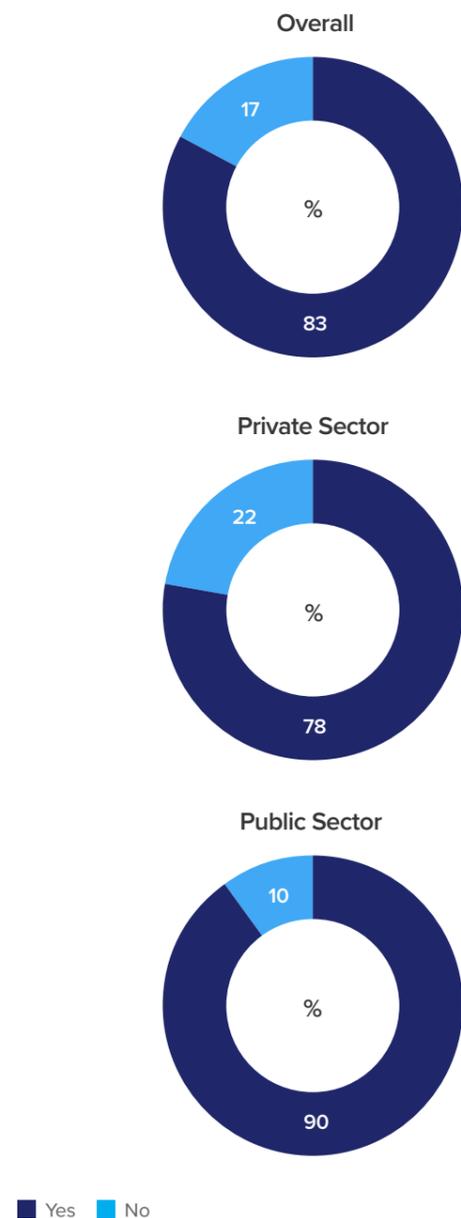


Figure 12: Q2.1.3 – Do you analyse your employee survey results by ethnic group using Census 2011 categories?



Only 48% of employees in the Race at Work 2018 survey said that they received equality and diversity training. More worryingly, only 4% of employees reported that they believed this to be mandatory for managers. The Best Employers for Race are out-performing this trend by a dramatic contrast with 99% of employers reporting they are doing this. See Figures 13 and 14.

Figure 13: Employers who provide equality and diversity training – overall

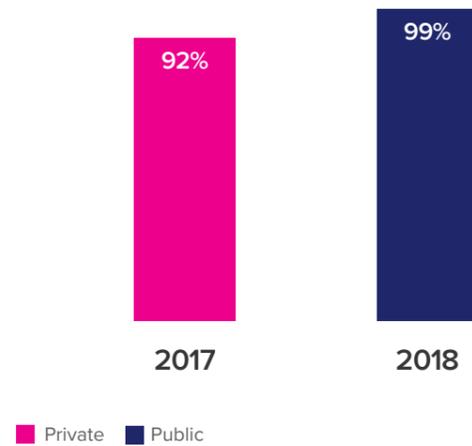
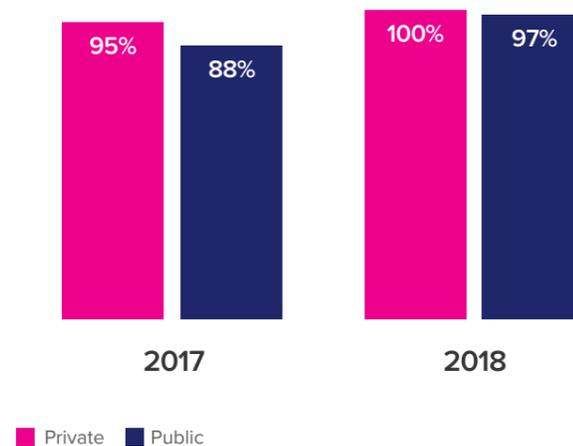


Figure 14: Employers who provide equality and diversity training by sector



## ACTION ON RECRUITMENT

The fifth Charter action calls on employers to take action on progression which involves stimulating fast track opportunities into the workplace.

### Race at Work Charter – Principle Five

#### Take action that supports ethnic minority career progression

Actions can include embedding mentoring, reverse mentoring and sponsorship in their organisations.

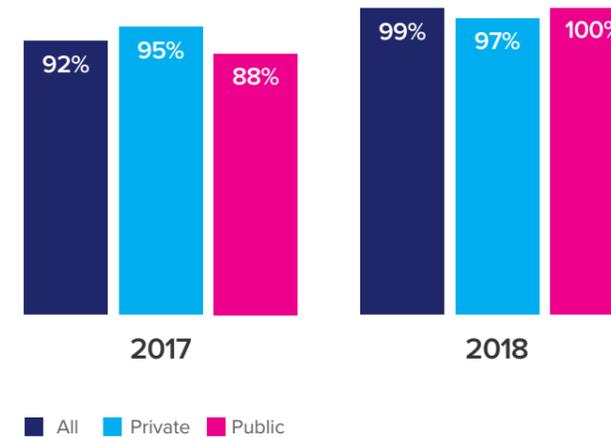
It is great to see an overall improvement from the Best Employers for Race who are advising recruitment agencies to produce data on recruitment based on demographic data. Requesting diverse shortlists is a key recommendation for action from leaders which forms the first call for action in the Race at Work Charter.

Active engagement with recruitment agencies is very important.

In 2018, BAME employees are more likely than White British employees to register with a recruitment agency. (57% vs 46%). Those from a Black African background are most likely to register with an agency at 75%, those from Black Caribbean background at 64% and those from a mixed-race background at 59%

Employees from a Black African (47%) and Black Caribbean (45%) background remain more likely than those from a White British (30%) background to say that they will use a recruitment agency to search for their next job or role.<sup>1</sup>

Figure 15: Q3.2.2 – Do you provide unconscious bias training for those involved in recruitment?



**99%**  
of the Best Employers for Race offer equality and diversity training

<sup>1</sup> Race at Work 2018 – Scorecard Report

Figure 16: Q3.1.5 – Do you brief your recruiters and head hunters to produce an ethnically diverse shortlist using national and local demographic data?

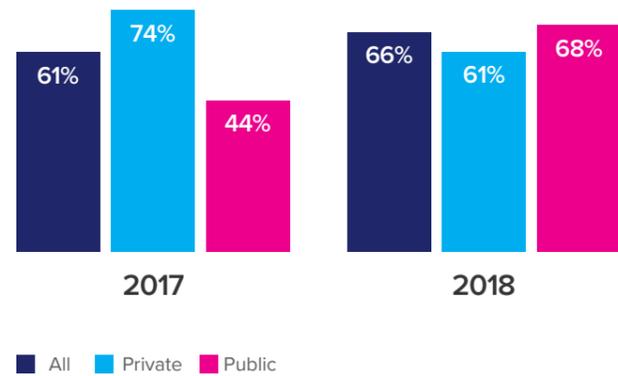


Figure 17: Q3.1.1 – Do you set targets or KPIs for recruitment using national and local demographic data to ensure that your applications reflect the talent pool?

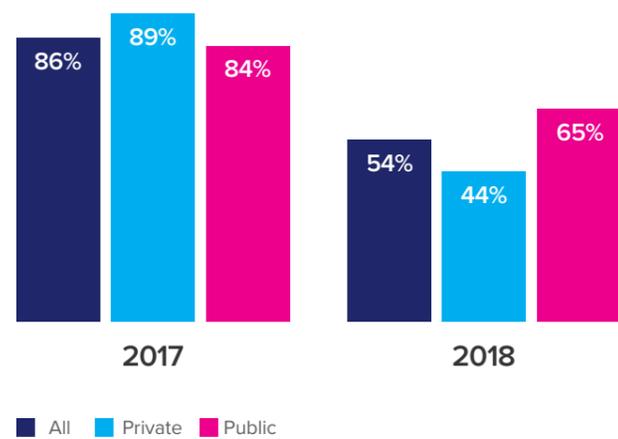


Figure 18: Q3.2.1 – Do you ensure there is racial diversity on your interview panels?

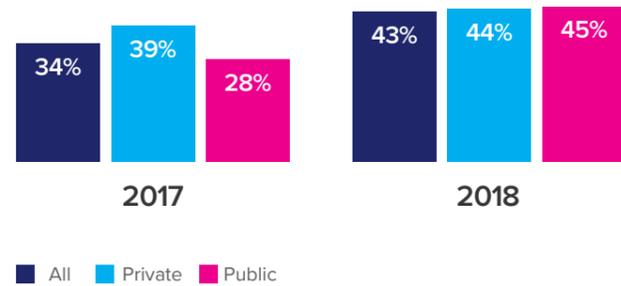
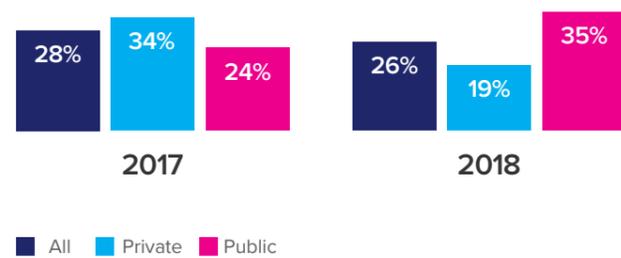


Figure 19: Q2.3.7 – Do you consistently have racially diverse panels for promotion interviews?



**KPMG has published detailed firm-wide diversity profiles, including ethnicity, along with targets for us to aspire to. Publicly holding ourselves to account sends a strong signal of how seriously we take this.**

Bill Michael, Chairman, KPMG

## NEXT STEPS AND CALL FOR ACTION

**We are calling on all the employers listed who have not already done so, to sign the Race at Work Charter and encourage their top suppliers to do so. We will be taking progress against these actions with a number of the Best Employer for Race questions as we transition from the Best Employers for Race listing to annual reporting against the Race at Work Charter 2019.**

All organisations want to recruit from the widest pool of talent and help them progress as it is key to their future productivity and performance.

The Race Disparity Audit's Ethnicity Facts and Figures website and the BITC Race at Work survey highlight that people from ethnic minority backgrounds still encounter significant disparities in employment and progression. The McGregor-Smith Review highlights that greater progress and positive outcomes are now needed to ensure all organisations benefit from the wealth of diverse talent on offer.

The Race at Work Charter is composed of five principle calls to action for leaders and organisations across all sectors. Signing up means taking practical steps to ensure their workplaces are tackling barriers that ethnic minority people face in recruitment and progression and that their organisations are representative of British society today.

### The Charter – Five Calls to Action

Signatories will:

#### Appoint an Executive Sponsor for race

Executive Sponsors for Race provide visible leadership on race and ethnicity in their organisation and can drive key actions such as setting targets for ethnic minority representation, briefing recruitment agencies and supporting mentoring and sponsorship.

#### Capture ethnicity data and publicise progress

Capturing ethnicity data is important to establishing a baseline and measuring progress. It is also a crucial step towards an organisation being able to report on ethnicity pay.

#### Commit at Board level to zero tolerance of harassment and bullying

The Race at Work Survey revealed that 25% ethnic minority employees reported that they had witnessed or experienced racial harassment or bullying from managers. Commitment from the top is needed to achieve change.

#### Make clear that supporting equality in the workplace is the responsibility of all leaders and managers

Actions can include ensuring that performance objectives for leaders and managers cover their responsibilities to support fairness for all staff.

#### Take action that supports ethnic minority career progression

Actions can include embedding mentoring, reverse mentoring and sponsorship in their organisations.

**Thank you to all  
the employers who  
participated in the  
2017 and 2018 Best  
Employers for Race  
Listing. You are the ones  
who have established  
the foundations for the  
Race at Work Charter.**



The Prince's  
Responsible  
Business Network

**Business in the Community**

137 Shepherdess Walk  
London N1 7RQ

[www.bitc.org.uk](http://www.bitc.org.uk)

Chairman: Jeremy Darroch

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