Businesses rely on their people for success. But many still question whether companies are doing enough to ensure they represent the breadth of society, provide fair opportunities for all, and are inclusive of different opinions and experiences. Progress is being made, but business can go further to show leadership and build more diverse and inclusive workplaces.

Diverse and inclusive workplaces are good for everyone...

- Diversity is important for public confidence in business. Firms won’t have the full confidence of all groups in society unless they feel they are represented in the make-up of the business community and their views are heard.
- Business does better and is more productive when it can draw on a range of skills and talent. For example, looking at gender equality alone, if there was equal participation of men and women in the UK workforce, it could help boost the economy by 0.5% a year and 10% by 2030.
- Businesses themselves know that diverse groups of staff bring different ideas and experiences. This all helps firms to better spot new opportunities, make good decisions and understand the needs of a diverse customer base.

...but business has a lot more to do

- When it comes to gender equality, women might make up almost half of the workforce, but they make up only a third of senior positions like managers and directors. There are still only five female CEOs among the UK’s 100 biggest listed companies and on average men earn 19.2% more than women.
- Although 14% of the population are from ethnic minorities, only 1 in 20 of the top 20 leaders in a FTSE firm are from a BAME background. And in the last five years, 2.4m people witnessed verbal homophobic bullying at work.
- Diversity is not just a problem at the top either. Many firms (59%) feel that there aren’t enough people from...
different backgrounds in their sector or profession in the first place, stopping them from developing the vibrant workforce they want. More can be done to make sure that a range of people from all sorts of backgrounds get a good start in their careers. This will also ensure there is a broader base of individuals that can progress to the top.

Some progress is now being made, particularly on gender diversity in the workplace

- Demand by both employers and employees to be more flexible and inclusive is on the up. Globalisation, changes in technology and shifting attitudes towards, for example, raising a family, studying or caring responsibilities mean that there is a role for schools and careers advice services, but firms could help by engaging with students about all the options that are open to them.
- Some progress is now being made, particularly on gender diversity in the workplace. Globalisation, changes in technology and shifting attitudes towards, for example, raising a family, studying or caring responsibilities mean that people need and want to work in different ways.
- From the right to request flexible working, to high profile reports on the number of women at the top of companies, many firms have shown that they will embrace the challenge when it comes to supporting diversity.
- Progress has been made, particularly when it comes to gender diversity. There is no single measure to show improvement but a snapshot shows that female participation in the labour market here in the UK is higher than ever before. And women are gradually starting to occupy more top positions – over a quarter (26.1%) of all board posts in the UK’s 100 biggest listed companies are now held by women, up from 12.5% in 2011.

Business can build on this and take further steps to drive change

- Encouraging a diverse range of people into careers and professions is a key first step. There is a role for schools and careers advice services, but firms could help by engaging with students about all the options that are open to them.
- Managers could do more to make diversity a priority for their firms and create the right environment to make this possible. This includes looking at the way that they identify, hire and encourage staff to stay.
- Talent will also be lost if businesses cannot provide the right support. This means challenging stereotypes and encouraging more role models. That’s why the CBI has called for a voluntary target of 25% for female senior executives in major UK companies.
- Businesses could also go further to challenge outdated assumptions of traditional working patterns. A more flexible approach to work isn’t a “women’s issue” – it is the future of work, for both men and women.

SOME QUESTIONS TO CONSIDER

- What is the biggest challenge for business in boosting diversity?
- What will a diverse and inclusive workplace look like in the future?
- How can a business change attitudes within their organisation?
- What can businesses do to broaden the diverse base from which they recruit?