



Social Mobility
Commission



Socio-economic diversity and inclusion

Employers' toolkit: Cross-industry edition

This work was created by the Bridge Group, in collaboration with the Social Mobility Commission and a wide range of employers.



Social Mobility
Commission

About The Social Mobility Commission

The Social Mobility Commission monitors progress towards improving social mobility in the UK, and promotes social mobility in England. It is an independent statutory body created by an Act of Parliament.

www.gov.uk/government/organisations/social-mobility-commission

**Bridge
Group**
research
action
equality

About the Bridge Group

The Bridge Group is a non-profit consultancy that uses research to promote social equality. The charity does this by supporting organisations with independent expertise, research and practical know-how to enable them to make real and lasting impact on socio-economic diversity and social equality. The vision is for a higher education system and labour market where outcomes are determined by competence and hard work, and not by socio-economic background.

www.thebridgegroup.co.uk

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Foreword

Attracting and including a wide and diverse talent pool is a must for any forward-thinking business. Breaking down socio-economic barriers is not only a just cause but also smart business.

This toolkit offers practical help and ideas. It's been created with and for cross-industry, larger employers. It supports those addressing a new frontier in their diversity and inclusion agenda – to find, attract and develop employees from all socio-economic backgrounds.

Your background shouldn't determine your future. And yet, for too many people in our society, it does. We as employers can do more to help people from all backgrounds thrive in work, while also improving our own operations.

“

In my experience, some of the best talent, particularly talent that develops over time, comes from less obvious places. The challenge is how to find that talent in the first place and then to nurture it to ensure potential is fulfilled.



I left school at 16 and became a bank teller. Over a 30-year career that has now taken me to the most senior levels, I have faced barriers. Some barriers were obvious, like when promotions hinged on having a specific level of qualification that I didn't have. Others were less obvious, such as the assumption that coming from a working class background meant I should fill clerical roles.

Despite the forward thinking of my employer, I still felt that, on occasion, my background counted against me. It was a test of stamina and resilience to overcome it.”

—Steven Cooper

Social Mobility Commissioner and CEO at C. Hoare and Co., former CEO of Personal Banking at Barclays

“

Improving the socio-economic diversity in the workplace is just as important as all other inclusion and diversity initiatives. As someone from a working class background, with no access to funds that would widen my perspective, it can feel like you are always working against the odds.



The barriers can be subtle. It's when you hold yourself back from applying for a role because you make assumptions about the 'type' of people that fit in at the organisation. It's when you feel out of place because you have never been abroad for holidays. Or it's when you don't think you can ask for training or progression opportunities.

When I was starting on my legal journey, I was told that I wouldn't become a lawyer because I didn't go to the right university and I didn't get the highest grades. Overcoming these barriers has not been easy.

Employers have a role to play here. But you aren't alone. Give this toolkit a go and let us know how we can further help your organisation with this important agenda."

—Sandra Wallace
Social Mobility Commissioner and
Managing Director at DLA Piper

These tools are both practical and proven. They work. Many are simple, low cost and relatively easy to do. And the rewards can be immense – not just to individuals, but also to the business.

This toolkit is our first step to support employers and we want to hear from you. As employers ourselves, we recognise the stretch in this toolkit and the challenges with embedding cultural change. We also recognise that different industries have specific contexts. That is why we will be working with industry leaders to create sector-specific toolkits, beginning with a small and medium enterprises edition, a professional services edition and a retail edition.

This is important work and we all have a role to play. Join us now to improve social mobility.

**Social Mobility Commission
Employers Steering Group
and the Bridge Group**

Introduction

People are your most valuable asset. Whether you lead a manufacturing company or a professional services firm, the performance, productivity and commitment of your staff is key to your organisation's success. Yet businesses across the country are missing opportunities to recruit, promote and retain some of the most talented and driven people in our country.

The benefits of increasing gender and ethnic diversity in the workforce are well recognised: socio-economic diversity is no different. Data shows that employees from lower socio-economic backgrounds perform at least as well as their more advantaged peers, if not better. Mixed teams are more creative and resourceful than narrow teams. Greater socio-economic diversity offers competitive advantage.

Even so, many firms' talent supply chains exclude some of the best and the brightest who didn't go to a good

school or the right university, didn't have the right contacts, or couldn't afford to work unpaid. And it's not just about entering work – many firms have unequal progression pathways that have led to a significant class pay gap in the UK. Many businesses unintentionally create barriers that prevent excellent people getting ahead. Some barriers are subtle, such as assuming one's accent defines your intelligence, while others are more obvious, like perpetuating in-work poverty. The challenges may differ from one sector to another – in retail it may be about progression from the shop floor into management roles, whereas in financial services it may be more about attracting talent in the first place. But the result in all cases is missed opportunities for businesses and individuals alike.

This practical toolkit has been created because you, the business community, have asked for it. It presents a roadmap for any large business wanting to benefit from increasing representation of people



from low socio-economic backgrounds – whether they are starting out on their journey or have ambitions to be among the best. Ultimately, it provides guidance for you to drive improvements in society, the economy and people’s lives, as well as your own bottom line.

The toolkit draws on a range of sources, including the Bridge Group’s applied research with employers over the last decade. It accompanies their report, Understanding and Realising the Business Case for Socio-Economic Diversity and Inclusion.

We are grateful to the community of employers and experts who inputted and peer reviewed this toolkit. That is why we will soon launch specific toolkits for retail, small and medium enterprises, and professional and financial services.

This toolkit will help you progress from making an initial commitment, such as taking the Social Mobility Pledge,^{1,2} to becoming an industry leader like those ranked in the Social Mobility Employer Index and those celebrated at events like the Social Mobility Awards.³

In this toolkit we refer to socio-economic background as a key factor in diversity and social mobility. We define a person’s background by their parents’ qualifications and occupation, and measure it by the resulting impacts on their own childhood opportunities, including whether they were state or privately educated, or eligible for free school meals. Barriers to social mobility at work include a lack of opportunity to enter a sector and then to develop and progress: both result from a ‘power gap’ between the decision-makers and the hard-to-reach; and both are responsible for holding people and businesses back. More detailed definitions of key terms can be found in Annex C.

1 www.socialmobilitypledge.org
2 www.socialmobility.org.uk/index
3 www.uksomo.com

Why focus on socio-economic background?

Competitive advantage

Raise your game. Employees from lower socio-economic backgrounds perform at least as well as their more advantaged colleagues, and often outperform them. In professional service firms, for example, trainees from lower socio-economic backgrounds are more likely to achieve the highest performance.

75% 

In seven leading law firms, employees educated at state schools are 75% more likely to feature in the top decile of performers than those educated at independent schools.

Why restrict your talent pool? Diverse workforces give you access to a wider recruitment pool. You may also benefit from higher employee engagement and lower turnover. Greater diversity could make you a destination employer for the high-performing individuals that will drive your success in the future.

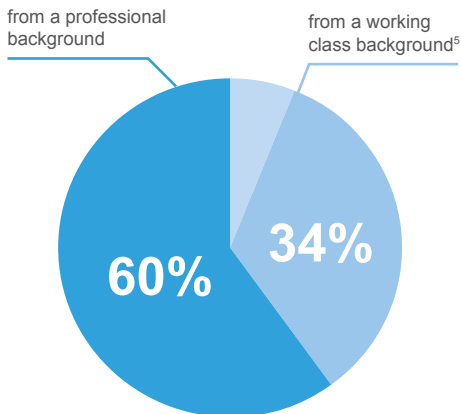
Work on your image. People want to see people who look like them, and they want to work for a business with a purpose. Building a visibly diverse workforce signals a commitment to inclusion and improving society. Companies interested in the long term recognise the benefits of this for their reputation and image.



An untapped opportunity

Individuals from lower socio-economic backgrounds are a positive asset to businesses, but they are under-represented in professional occupations. People whose parents held professional jobs are more likely to be in a professional job themselves. Likewise, people from professional backgrounds are three times more likely to move to London where the greatest concentration of professional jobs exists. However, larger employers are increasingly recognising the benefits of shifting this pattern, and are targeting the UK's social mobility 'coldspots' to benefit from talent that exists there.⁴

The socio-economic backgrounds of people in professional jobs



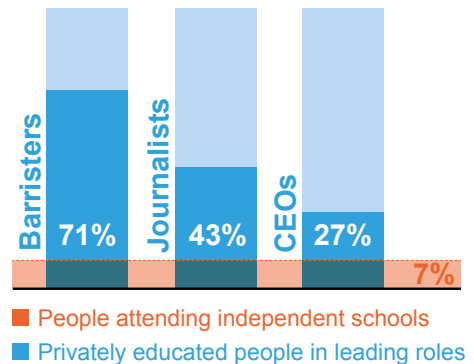
The next frontier

Recent years have seen a drive to increase diversity in businesses. So far, these efforts have focused primarily on gender and ethnicity. However, forward-looking companies across industries are now looking at how to increase socio-economic diversity as part of this thriving agenda.



The Social Mobility Index ranks employers on the steps they are taking to improve representation from all backgrounds.⁵ It saw 23 new entrants into the top 75 employers in 2019. Change is gathering pace: the challenge now is to keep up with the best.

The power gap: the percentage of privately educated people in leading UK roles



⁴ Social Mobility Commission, [State of the Nation 2017](#), 2017.


⁵ Social Mobility Commission, [Elitist Britain](#), 2019, pp 58, 39, 31.

Strategic approach

Socio-economic diversity cuts across teams, functions and levels. Increasing it in your organisation requires actions and initiatives that work together as part of a strategic approach. But it's not just about who gets in, but also who gets ahead. Our research shows that without an equal focus on inclusion, increasing diversity can create as many challenges as it does benefits.

The figure below highlights the key aspects of a strategy that you can follow, drawing on best practice from the most successful employers.

The following pages provide guidance and inspiration for how to implement these elements, whether your organisation is starting out on this journey or has ambitions to be among the best.



Data and **culture and leadership** arrangements create a foundation for the strategy, and support decisions and actions at outreach, hiring and progression stages of the **employee journey**. **Advocacy** helps set the wider agenda, and positions you as a leader in this field.

**A successful strategy
combines several
linked elements:**



1

Analysis of data, to understand the current situation, indicate opportunities for action and enable you to measure change. Consistent collection and analysis in the context of your organisation and against relevant external benchmarks should be a central element of your strategy, underpinning all other aspects.

2

Attention to culture, with leadership and communication from the most senior levels, to ensure a compelling, shared vision across the organisation. A narrative about why socio-economic diversity is important to your business, the steps being taken to increase it and the goals you aim to achieve should be widely communicated, with clear and visible commitment at senior levels.

3

The employee journey, to support all key stages from outreach activities to hiring, to progression and reward. Activities which maximise engagement with a wide range of prospective applicants, hiring practices which emphasise competence rather than qualifications, and support to provide all staff with opportunities to develop and progress; these should be in place to ensure those from lower socio-economic backgrounds are able to get in and get on in your business.

4

Advocacy and collaboration, to share practice, support peers and drive sector-wide change. Playing a visible role in guiding and inspiring action to improve opportunities for people from lower socio-economic backgrounds in your industry will enhance the image and performance of your sector and benefit all businesses.

Toolkit

Using the toolkit

The toolkit provides two levels of guidance: for organisations looking to **develop** a strategy for increasing socio-economic diversity; and for those wanting to **optimise** their approach. In many cases the activities recommended at each level are related, but distinguished by scale, detail or commitment.



Using data

Measuring socio-economic diversity is often the biggest barrier employers face. But it is critical to overcome this so that data underpins your strategy.

Ask applicants and employees four questions (which are set out in full in Appendix A):

- parental occupation at age 14
- type of school attended at age 11–16
- free school meal eligibility
- highest parental qualification⁶

These questions may not be new and only take five minutes to complete. The gold standard is to ask them all, and 4 in 10 employers in the Social Mobility Index do this. But parental occupation is the most effective as it typically gets high response rates, is accessible to those from all nationalities and is a strong predictor of outcomes. So if you can only ask one, ask this one.

Consistency is key. Building these questions into your HR systems, alongside other data on characteristics, attainment and performance, allows you to monitor progress against key indicators such as:

National benchmarks



Parental occupation at age 14

Professional: 34%
Intermediate: 38%
Working class: 29%⁷



Type of school attended at age 11–16

Independent schools: 7.5%⁸



Free school meal eligibility

Pupils at state-funded schools: 15%⁹

- the representativeness of your applicant pool
- the profile of your workforce by socio-economic background
- relative success rates at recruitment and promotion, by socio-economic background
- how socio-economic background relates to other forms of diversity
- correlation between performance in the selection process and job performance
- relationships between socio-economic background and pay, progression and job performance

⁶ This is used as an assessment of university access and is useful mainly to employers that invest heavily in graduate recruitment. There is no definitive national benchmark but 2018 data from the Department for Education shows that 26% of students from low incomes enter higher education by age 19 compared to 43% of their better-off peers.

⁷ Social Mobility Commission, [Social Mobility, the Class Pay Gap, and Intergenerational Worklessness: New Insights from the Labour Force Survey, 2017](#). Individuals aged 25–60, reported at 2014–2015.

⁸ Department for Education, [Schools, Pupils and their Characteristics, 2019](#). Stable data since 2011.

⁹ Department for Education, [Schools, Pupils and their Characteristics, 2019](#). Average from 2011 to 2019, for primary and secondary schools combined.

Driving up response rates

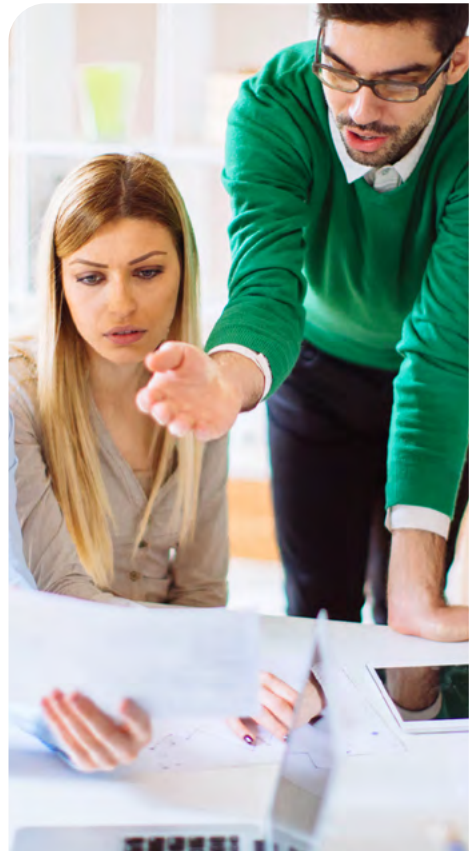
Enabling high response rates to these questions is as important as asking them: the quality and value of the data you collect depends on this. Applicants and employees may not be used to being asked, and may worry about providing this type of information, so it is important to understand and minimise any concerns. You can take several steps to increase response rates:

- ensure they understand how and why the information is relevant to the organisation and their experiences at work
- consider the culture of your organisation – is it open and inclusive, or are there concerns about possible discrimination?
- ensure easy access to information on how their details will be used, and on confidentiality
- provide opportunities to disclose this information on an ongoing basis

Applicants and employees are more likely to engage positively with these questions if they see them as an integrated part of your strategy for promoting diversity and inclusion. Share examples of how diversity information has been used to plan initiatives and to identify and remove barriers that people like them may have faced.

Issues around data storage and use are critically important, as some respondents may be concerned that their data could disadvantage them or encourage discrimination or harassment. You need to be clear about:

- whether individuals can be identified from the data they provide
- whether information will be stored separately from personal details and in line with data protection rules
- who will have access to the information
- whether they might be contacted as a result of the information they have given, for example, to share materials about support related to a protected characteristic (though this is generally discouraged)



Spotlight on: Maximising response rates with HMRC

Establishing a robust baseline of employees' socio-economic background was key to HM Revenue and Customs' strategy for creating an inclusive workplace. The department commissioned a survey that aimed for a representative sample of all staff and grades. Given the size and diversity of the workforce, researchers issued the questionnaire to around 12,000 staff and planned for a response rate of 35% within a three-week period.

The department took several important steps to explain to staff why the survey was important and how the results would be used. To maximise publicity, researchers worked closely with businesses leads, unions and senior leaders to gain their agreement and support to issue the survey, issued messages to all managers and added a news article to the intranet. Staff invited to take part received a personalised message from the project's senior sponsor, and were assured that their responses would be completely anonymous. Once collected, survey data was stored in a restricted folder, which could only be accessed by the project analysts.

These steps resulted in a response rate of 42%, well above the planned figure. Findings and personal social mobility stories were shared with staff, inspiring a rise in members of networks promoting progress on social mobility and inclusion within HMRC.

Spotlight on: Data with Ministry of Justice

The Ministry of Justice has over 70,000 staff in locations across the UK: high-quality data is key to understanding and improving socio-economic diversity in such a large and varied organisation. All staff are asked questions to establish their socio-economic background, aligned to those recommended in Appendix A. Applicants are asked when they apply; existing staff are asked to update their internal HR profiles; and the questions are asked on the annual staff survey.

Analysis of this data shows progress against three key targets: who gets in, who gets on and how does it feel? The data informs interventions ranging from schools outreach activities and work experience opportunities in social-mobility coldspots, to mentoring for staff from disadvantaged backgrounds. Data also measures effectiveness: two-thirds of students attending one of almost 600 school events would consider a career in MoJ; and one-third of almost 400 staff entering into a mentoring relationship have since achieved promotion or level transfer. This clear strategy underpinned by quality data has established the MoJ in the upper reaches of the Social Mobility Employers Index.

Data

Understand the current situation; inform activities; evaluate change.

	Developing	Optimising
Collection	<p>Invite applicants and staff to disclose their socio-economic background anonymously, using the questions in Appendix A.</p> <p>Assure them that their data will:</p> <ul style="list-style-type: none">• be stored and handled in line with GDPR best practice• be used in aggregate to help make evidence-based decisions• not be used for appointment and promotion decisions• not be accessible beyond the core team in HR <p>Aim for a response rate of around two-thirds.</p>	<p>Provide a variety of mechanisms to encourage and enable employees to disclose data year-round. For example:</p> <ul style="list-style-type: none">• internal communications• annual diversity surveys <p>Make response to surveys compulsory for employees (always with the option “prefer not to say”). Aim for overall response rates of at least 70%.</p> <p>Share response rates internally and brief senior managers on progress and targets in their areas.</p> <p>Target encouragement and support at functions or grades where response rates are low.</p>
Profiling	<p>Compare aggregated data on socio-economic background against peers within the organisation and against national benchmarks (e.g. page 13).</p> <p>Use evidence to inform the overarching strategy and underpin evaluation.</p>	<p>Benchmark disaggregated data by function and grade to understand the organisation’s socio-economic profile in greater detail.</p> <p>Identify intersectionality between socio-economic background and other characteristics and their effect on different outcomes.</p>



Culture and leadership

Ensure a compelling, shared vision across your organisation.

	Developing	Optimising
People	<p>Appoint a senior individual with an informed and respected voice to advocate socio-economic diversity and inclusion internally.</p> <p>Include discussion of socio-economic diversity on board-level agendas alongside more established issues such as gender and ethnicity.</p> <p>Appoint an individual with internal management and operational responsibility for socio-economic diversity and inclusion.</p> <p>Ensure your anti-discrimination policies clearly incorporate and relate to socio-economic background, and that managers understand this.</p>	<p>Appoint a senior leader with external profile as a leading advocate for socio-economic diversity and inclusion.</p> <p>Appoint specific individuals to be accountable to the board for this agenda; communicate this internally.</p> <p>Convene a community of managers with individual accountability to advocate socio-economic diversity internally.</p> <p>Ensure there is:</p> <ul style="list-style-type: none"> • routine collaboration between HR, division heads and CSR teams in delivering the strategy • significant cross-working with other diversity focus areas – e.g. gender and ethnicity • strong support for and ownership of the strategy throughout the organisation so that each team understands their role
Narrative	<p>Engage senior colleagues in crafting a narrative about socio-economic diversity that highlights:</p> <ul style="list-style-type: none"> • its importance and the rationale for focusing on it • how it relates to other forms of diversity • the current situation in your organisation, citing internal evidence • where you wish to get to, and how you will achieve it <p>Include elements of this narrative in regular internal communications alongside other diversity areas to emphasise intersectionality and equal importance.</p>	<p>Ensure the chair and CEO are public in their support for this narrative.</p> <p>Ensure the narrative always features prominently in key communications, including your website, recruitment communications, annual reports and procurement materials.</p> <p>Communicate evidence of positive organisational change in this area.</p>

Spotlight on: Leadership with Channel 4

Once seen as ‘Britain’s poshest broadcaster’, Channel 4 had one of the lowest proportions of staff from working-class backgrounds in the creative sector. Addressing this required visible leadership and commitment at the most senior levels. In 2016, Channel 4 brought in an independent researcher to work with staff at all levels to understand the barriers faced by those from a lower socio-economic background. The resulting strategy highlighted actions to broaden opportunities throughout the hiring process, from supporting young people to take up work experience to helping independent production companies offer more apprenticeship places.

Since then, CEO Alex Mahon has continued to push diversity to the top of the agenda. Social mobility was the key theme in the 2018 DIVERSE Festival, and partnerships have been forged with youth agencies and networks to invigorate outreach activities. As a result, the proportion of staff not from professional or managerial backgrounds has increased by almost 20% between 2016 and 2019.



	Developing	Optimising
Account-ability	<p>Communicate internally that data is being collected and analysed to understand socio-economic diversity.</p> <p>Set targets using internal and external data benchmarks and analysis.</p>	<p>Ensure there is board accountability for targets, and make progress a standing item on the board agenda.</p> <p>Share performance against targets publicly.</p> <p>Link managers' accountability for diversity and inclusion targets to their performance review and promotion.</p>
Inclusion	<p>Create opportunities for employees to engage with the narrative on socio-economic diversity, for example:</p> <ul style="list-style-type: none"> • internal events, webinars and podcasts • physical and online fora for employees to share views and experiences where appropriate • share evidence and practice from across the sector 	<p>Engage with your supply chain in advancing socio-economic diversity, with contractual obligations where appropriate (e.g. about unpaid internships, becoming an accredited voluntary Living Wage employer and data collection).¹⁰</p> <p>Explore how and in what ways client perceptions and expectations affect who gets ahead.</p>



¹⁰ www.livingwage.org.uk

Outreach

Maximise engagement with a wide range of prospective applicants.

	Developing	Optimising
Design	<p>Develop a clear overarching strategy for outreach work involving:</p> <ul style="list-style-type: none"> • a strategic plan detailing activities and success measures • activity focused on achieving specific outcomes for pupils – e.g. awareness of certain professions; presentation, teamwork and problem-solving skills • partnerships with other organisations <p>Take advantage of the numerous existing mechanisms for outreach to schools – don't invent it all yourself.</p>	<p>Involve employees in the design and implementation of the outreach programme.</p> <p>Target activities at the most suitable young people, including in social mobility cold spots, using publicly available school and college data.</p> <p>Ensure success measures are overseen by senior colleagues.</p> <p>Link outcomes for pupils engaged in early outreach to the Gatsby Benchmarks.¹¹</p>
Delivery	<p>Deliver complementary activities – e.g. mentoring and work experience together rather than separately.</p> <p>Draw on teachers' views of what will benefit pupils most.</p> <p>Make outreach participants aware of opportunities to progress into the organisation and expectations about what is required.</p> <p>Seek to develop sustained relationships with activity participants.</p> <p>Ensure internships and other work experience opportunities are targeted at a diverse range of applicants.</p> <p>Ensure these opportunities are publicly advertised and paid.</p>	<p>Develop materials and guidance that wider influencers can draw on, including teachers and parents.</p> <p>Deliver activities in collaboration with other employers and the FE/HE sectors.</p> <p>Include digital activities to promote scale, access and breadth in engagement.</p> <p>Provide specific opportunities for participants to maintain engagement:</p> <ul style="list-style-type: none"> • a pipeline of activities, communications and learning • genuine pathways into the organisation for those who are interested <p>Analyse data to examine how participation converts to appointments, and how this varies between groups.</p> <p>Ringfence internships for applicants from under-represented groups, including by socio-economic background.</p>

¹¹ www.gatsby.org.uk/education/focus-areas/good-career-guidance

	Developing	Optimising
Evaluation	<p>Use your strategic plan to identify key impact metrics and measure against these.</p> <p>Collect data on participant characteristics to assess whether those engaged meet eligibility criteria.</p> <p>Gather feedback from participants to understand:</p> <ul style="list-style-type: none"> • whether they feel they have benefited from the outreach • if they would recommend it to peers • how activities can be improved 	<p>Use your strategic plan to assess impact of the activities against outcomes identified at all stages in the model.</p> <p>Validate and refine the strategic plan by tracking key behavioural and destination outcomes for participants, and verifying these against the outcomes highlighted in the model.</p>



Hiring

Ensure practices are accessible and equitable to all applicants.

	Developing	Optimising
Attraction	<p>Ensure messages in marketing materials have wide appeal – e.g. ‘we’re looking for potential rather than experience’.</p> <p>Advertise for skills and not qualifications, which can create barriers for applicants.</p> <p>Be clear about the application process and what is assessed at each stage.</p> <p>Include role models from a variety of backgrounds.</p> <p>Recruit from schools, FE colleges and universities that have diversity in their student bodies.</p> <p>Design engagement activities that connect directly with a school, college or university’s curriculum so that opt-in does not depend wholly on students’ existing interests.</p> <p>Choose which student societies and/or community groups to sponsor with careful regard to the demographics that this may reach.</p> <p>Be transparent about eligibility criteria and the broad achievements of successful applicants for similar roles (for example, typical A level or technical qualification grades).</p>	<p>Advertise definitions of competences sought, and the characteristics of those who progress in the organisation.</p> <p>Undertake market research to understand how applicants from different demographics respond to marketing materials, to inform future development.</p> <p>Work with external organisations, careers services, specific faculties and other experts to design events, programmes and digital activities that engage under-represented groups.</p> <p>Create inclusive online environments that give applicants detail on application processes and hiring approaches to support diversity and inclusion.</p>

	Developing	Optimising
Geography	<p>Review your policies and approaches to flexible working, and ensure your offer to staff meets CIPD best practice.¹²</p> <p>Identify social mobility cold spots across the UK, and investigate options for improving your levels of attraction and recruitment from these areas.¹³</p> <p>Ensure IT systems enable any applicable job in the organisation be deliverable remotely; subsequently aim to reduce required travel to headquarters.</p> <p>Ensure senior leaders communicate the effectiveness of remote working and that inclusion efforts are apparent at all levels of management.</p> <p>Reimburse applicants who incur travel costs (e.g. to attend an assessment centre).</p> <p>If a role requires relocation, ensure there is a budget available to support this.</p>	<p>Assess social mobility cold spots as locations for new roles if your business is expanding – identify opportunities for supporting local economic renewal by providing new employment, as well as attracting new talent to your organisation.</p> <p>Evaluate the impact of flexible working arrangements on your ability to attract, recruit and develop staff from different parts of the country; create policies that enable employees to progress through the organisation without having to move to major city centres.</p> <p>Place ‘headcount’ limits on hiring in expensive urban centres.</p> <p>Set targets for offering and take up of training opportunities in regional hubs.</p>



¹² CIPD, [Cross-sector insights on enabling flexible working](#), 2019.

¹³ Social Mobility Commission, [State of the Nation](#), 2017.

	Developing	Optimising
Entry routes	<p>Compare applicant data with external benchmarks to assess how well they reflect the eligible talent pool.</p> <p>Consider how introducing a range of entry routes into the organisation could support diversity.</p> <p>Offer quality apprenticeships with:</p> <ul style="list-style-type: none"> • progression routes into the organisation or wider industry once completed • pastoral support from line managers (with training) and buddying arrangements 	<p>Offer a range of non-graduate routes with external and internal communications on how these vary in terms of:</p> <ul style="list-style-type: none"> • the activities involved • who they may suit better • the competences required for each • the prospects of progression <p>Offer apprenticeships at different levels and provide training in 'soft skills' as well as technical.</p> <p>Ensure higher level apprenticeships are targeted at less advantaged individuals.</p>
Evaluation	<p>Ensure candidate assessment processes are transparent, with easy access to details.</p> <p>Apply selection processes consistently to all candidates – e.g. avoid preferential treatment for those who apply earlier.</p> <p>Clarify to all assessors that applicants from lower socio-economic backgrounds may not have access to some premium experiences (e.g. extra-curricular activities, internships and studying abroad).</p> <p>Examine whether aspects of the selection process might disadvantage certain groups, and redesign as needed.</p>	<p>Reimburse applicants who incur travel costs (e.g. to attend an assessment centre).</p> <p>Ensure that assessment centres include a range of activities and exercises that are independent of each other and led by different assessors.</p> <p>Balance competency-based approaches with strengths-based assessment and situational judgement testing as they have fewer negative effects on under-represented groups and are linked to job performance.</p> <p>Monitor data during the application process to identify where diversity is low, and take immediate action to increase diversity in the pipeline.</p>

	Developing	Optimising
Lateral hiring	<p>Brief recruitment agencies on your organisation's commitment to advancing socio-economic diversity among hires.</p> <p>Ensure there is time in recruitment processes to give sufficient attention to advancing diversity.</p> <p>Monitor the use of referral bonuses to avoid encouraging employees to recruit in their own image.</p> <p>Implement a robust induction process for lateral hires that demonstrates how talent is identified, valued and rewarded.</p> <p>Ensure processes for lateral hiring are followed by default, with any exceptions registered and fully explained.</p>	<p>Require recruitment agencies to deliver diverse shortlists with respect to socio-economic background.</p> <p>Deploy current employees to support attraction activities and act as role models for under-represented groups.</p> <p>Set managers targets regarding socio-economic diversity in lateral hiring; review performance in decisions about their pay and promotion.</p> <p>Analyse data on lateral hires to assess the impact on diversity.</p>

Spotlight on: Hiring with Enterprise

With over 470 branches across the UK, Enterprise Rent-A-Car knows the value of recruiting locally and being smart about finding the best people, regardless of socio-economic background. The business firmly believes that real talent goes to any university: it recruits from around 100 institutions and has a presence at more than 60 careers fairs to ensure students know their applications will be welcome. On-campus interviews in many universities mean students do not have to incur travel expenses. Assessments are based on competencies rather than qualifications. Coaching sessions help applicants from less advantaged backgrounds communicate their experience and abilities with confidence.

As a result, 80% of their recruits come from non-Russell Group universities. Moreover, around 15% of recruits are non-graduates: Enterprise engages closely with Business in the Community initiatives, mentors students at schools and colleges, and works with people who have been unemployed for a long time to fill its apprenticeship and entry-level positions. As in all businesses, strong, visible leadership and collaboration with other national employers to share experience and practice is vital to driving these activities. With over 60% of senior managers from lower socio-economic backgrounds themselves, there is no shortage of support for maximising diversity at Enterprise – and no ceiling to promotion.

Progression

Support all staff to access opportunities to develop.

	Developing	Optimising
Progr- ession	<p>Analyse data to understand how progression rates and receipt of bonuses and rewards may be affected by socio-economic background; examine how decisions about this are made.</p> <p>Create a clear definition of talent in each section of the organisation, and an explicit narrative about what experiences and behaviours should not contribute to progression.</p> <p>Create clear processes and policies for work allocation and performance management.</p> <p>Ensure training opportunities are evenly taken up by those from all backgrounds.</p>	<p>Undertake more advanced analyses to understand staff profiles and intersectionality in more detail, for example:</p> <ul style="list-style-type: none">• correlations between different diversity characteristics – e.g. socio-economic background, gender and ethnicity – and relative performance, pay and progression• regressions of different diversity characteristics – e.g. school attainment, university attended, gender and ethnicity – on progression rates throughout the organisation• qualitative research to understand issues in more detail
Inclusion	<p>Create opportunities for employees to engage with the narrative on socio-economic diversity, for example:</p> <ul style="list-style-type: none">• internal events, webinars and podcasts• physical and online forums for employees to share views and experiences where appropriate <p>Share evidence and practice from across the sector.</p>	<p>Engage with your supply chain in advancing socio-economic diversity, with contractual obligations where appropriate (e.g. about unpaid internships and data collection).</p> <p>Explore how and in what ways client perceptions and expectations affect who gets ahead.</p>

	Developing	Optimising
Opportunities	<p>Ensure that those taking non-graduate routes receive comparable opportunities for progression and reward as those taking graduate routes.</p> <p>Ensure middle managers visibly support the offer of training, development and progression opportunities for low-skilled workers.</p> <p>Provide clear information about training activities so that employees can request access to these themselves.</p>	<p>Implement rigorous processes for succession planning to:</p> <ul style="list-style-type: none"> • avoid rushed hiring processes to replace leavers (which risks compromising consideration of diversity) • reduce the effectiveness of individuals threatening to leave to gain advantage (which is more common among dominant groups)

Spotlight on: Progression with KPMG

Activities to increase socio-economic diversity often focus on outreach and hiring. But KPMG, which has been taking action to maximise the diversity of its workforce for many years, knows that ensuring all employees feel included and have opportunities to progress is just as important. How people ‘get on’ affects retention and performance: it matters just as much as who ‘gets in’.

Recognising the importance of intersectionality, KPMG commissioned extensive research using its own data and qualitative interviews to understand how gender, ethnicity and socio-economic background affect an employee’s progression within the firm. The results have been key to engaging leadership and creating a culture where all staff feel able to flourish. The research identified specific barriers to progression, such as potential bias in the way work and opportunities were allocated, and informed targeted interventions to address these.

More generally, KPMG’s leadership development programme GROW, which has long focused on maximising the potential of diverse talent, was extended to include individuals from low socio-economic backgrounds. Almost 40% of participants in this programme have been promoted by at least one grade.

Advocacy

Share practice, support peers and drive sector-wide change.

	Developing	Optimising
Transparency	<p>Publish aggregate diversity data, together with the rationale for collecting these and statements about your strategy in response.</p> <p>Separate data by at least one layer horizontally (by broad function) and vertically (by broad grade bandings).</p> <p>Make a public commitment to publishing data annually and reporting on trends.</p>	<p>Publish granular diversity data annually across all grades and functions, with explicit benchmarking for areas including pay and progression.</p> <p>Create and publish a detailed plan to increase socio-economic diversity, as measured against key metrics in the data.</p> <p>Set three-year targets and publish the actions planned and taken to realise them.</p>
Inclusion	<p>Have a presence at industry-specific events designed to advocate, inform and drive positive change.</p> <p>Have an active voice in national campaigns to support socio-economic diversity – e.g. unpaid internships or university access.</p> <p>Collaborate with other employers in activities such as early outreach initiatives, support for diversity among work experience applicants, and research into challenges and solutions.</p>	<p>Show leadership regarding socio-economic diversity, for example:</p> <ul style="list-style-type: none">• speaking at national events• advocating change in the media• contributing to national campaigns• bringing together peer employers, clients, suppliers and other stakeholders to engage in debate, and publicising outcomes• sharing and celebrating evidence of impact to help drive positive, informed change <p>Lead collaborative programmes with focused objectives, such as collating and benchmarking cross-sector data on socio-economic diversity, generate a wider evidence base to inform change.</p>

Spotlight on: Advocacy with JLL

The property sector has long been seen as predominantly white, middle class and male. But JLL sees clear commercial reasons for increasing the socio-economic diversity of its workforce and changing perceptions of the wider sector, as well as believing this is the right thing to do. Since 2014, JLL has been spearheading the Changing the Face of Property initiative. This programme brings together the CEOs of the largest firms to discuss and commit to actions around diversity; and it delivers extensive outreach activities to target thousands of students.

To make the most of the resulting pipeline, JLL has championed a contextual recruitment tool that looks at applicants' academic abilities in the context of their socio-economic background. This tool now helps numerous businesses spot applicants who have the potential to succeed even if they don't have the grades. The JLL Foundation also funds research into the reasons behind the lack of socio-economic diversity in the sector, and makes this available to other firms with a view to inciting change across the sector.



Appendix A: Questions to use



Question 1	Which type of school did you attend for the most time between the ages of 11 and 16?
Options	<input type="checkbox"/> A state-run or state-funded school <input type="checkbox"/> Independent or fee-paying school <input type="checkbox"/> Attended school outside the UK <input type="checkbox"/> I don't know <input type="checkbox"/> Prefer not to say

Question 2	If you finished school after 1980, were you eligible for free school meals at any point during your school years? Free school meals are available to school-aged children from families who receive other qualifying benefits and who have been through the relevant registration process. It does not include those who receive meals at school through other means (e.g. boarding school).
Options	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not applicable (finished school before 1980 or went to school overseas) <input type="checkbox"/> I don't know <input type="checkbox"/> Prefer not to say

Question 3	What is the highest level of qualification achieved by either of your parent(s) or guardian(s) by the time you were 18?
Options	<input type="checkbox"/> Above degree level (e.g. MA, MSc, MPhil, PhD) <input type="checkbox"/> Degree or equivalent (e.g. first or higher degrees, postgraduate diplomas, NVQ/SVQ Level 4 or 5) <input type="checkbox"/> Below degree level (e.g. A level, SCE Higher, GCSE, O level, SCE Standard/Ordinary, NVQ/SVQ, BTEC) <input type="checkbox"/> No qualifications <input type="checkbox"/> I don't know <input type="checkbox"/> Prefer not to say <input type="checkbox"/> Not applicable

In relation to the question below, the Office for National Statistics’ guidance on the derivation of NS-SEC from the four questions on parental occupation is available [here](#).¹⁴

Question 4a	Please tell us about the occupation of your main household earner when you were aged 14. ¹⁵
Options	<div><div><input type="checkbox"/> Modern professional occupations such as: teacher, nurse, physiotherapist, social worker, musician, police officer (sergeant or above), software designer.</div><div><input type="checkbox"/> Clerical and intermediate occupations such as: secretary, personal assistant, clerical worker, call centre agent, nursery nurse.</div><div><input type="checkbox"/> Senior managers or administrators (usually responsible for planning, organising and co-ordinating work, and for finance) such as: finance manager, chief executive.</div><div><input type="checkbox"/> Technical and craft occupations such as: motor mechanic, plumber, printer, electrician, gardener, train driver.</div><div><input type="checkbox"/> Semi-routine manual and service occupations such as: postal worker, machine operative, security guard, caretaker, farm worker, catering assistant, sales assistant.</div><div><input type="checkbox"/> Routine manual and service occupations such as: HGV driver, cleaner, porter, packer, labourer, waiter/waitress, bar staff.</div><div><input type="checkbox"/> Middle or junior managers such as: office manager, retail manager, bank manager, restaurant manager, warehouse manager.</div><div><input type="checkbox"/> Traditional professional occupations such as: accountant, solicitor, medical practitioner, scientist, civil/mechanical engineer.</div><div><input type="checkbox"/> Long-term unemployed (claimed Jobseeker’s Allowance or earlier unemployment benefit for more than a year)</div><div><input type="checkbox"/> Retired</div><div><input type="checkbox"/> This question does not apply to me</div><div><input type="checkbox"/> I don’t know</div><div><input type="checkbox"/> I prefer not to say</div></div>

14 Office for National Statistics, [The National Statistics Socio-economic Classification](#), Accessed Dec 2019

15 Note that the age of 14 is specified here since research highlights that parental occupation at this age is the strongest predictor of adult outcomes.

Question 4b	At age 14, did the main household earner in your house work as an employee or were they self-employed?
Options	<input type="checkbox"/> Employee <input type="checkbox"/> Self-employed with employees <input type="checkbox"/> Self-employed/freelance without employees (go to question 4d) <input type="checkbox"/> Not working <input type="checkbox"/> I don't know <input type="checkbox"/> Prefer not to answer questions about parental occupation (skip remaining questions)

Question 4c	<p>Where 4b is employee: How many people worked for your main household earner's employer at this time?</p> <p>Where 4b is self-employed with employees: How many people did your main household earner employ at this time? Move to question 3d when you have completed this question.</p>
Options	<input type="checkbox"/> 1 to 24 <input type="checkbox"/> 25+ <input type="checkbox"/> I don't know

Question 4d	Did they supervise employees?
Options	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> I don't know

Appendix B: Contributors to this toolkit

- BBC
- BCLP
- Channel 4
- Chartered Institute of Personnel and Development
- City of London Corporation
- Clifford Chance
- Dr Louise Ashley, Royal Holloway, University of London
- Dr Sam Friedman, London School of Economics
- Ernst & Young
- Enterprise
- HMRC
- Social Mobility Foundation
- Institute of Student Employers
- Jerwood Arts, Weston Jerwood Creative Bursaries
- Joseph Rowntree Foundation
- KPMG
- Linklaters
- Ministry of Justice
- Teach First
- The Civil Service Fast Stream
- The Inner Temple
- The JLL Foundation

Appendix C: Key terms

Socio-economic background

'Socio-economic background' is the term to refer to the particular set of social and economic circumstances that an individual has come from. It permits objective discussion of the influence of these circumstances on individuals' educational and career trajectories; and it can be objectively measured by capturing information on parental occupation and level of education.

Social class

Class can be a loaded term. Class encompasses a range of socio-cultural and geographical factors. Objective measures of assessing family income may not necessarily match up with individuals' perceptions of their social class status, and individuals may feel less comfortable talking about social class. However, class can invoke a range of tacit assumptions and practices, from how to dress and talk to food choices and hobbies, and using it can expose the negative ways that these assumptions affect attitudes and behaviours. In this toolkit, we use the National Statistics Socio-economic Classification groupings.

Those from 'professional' backgrounds are from managerial and professional backgrounds. Examples include: CEOs, senior police officers, doctors, journalists, barristers, solicitors, teachers and nurses. Those from 'working class' backgrounds are from routine and manual occupations. Examples include: receptionists, electricians, plumbers, butchers and van drivers.

Social mobility

Social mobility is the link between an individual's income and occupation and the income and occupation of their parents. It is about where people end up in comparison to their parents or relative to their peers. It is widely adopted as a way of describing the importance of creating opportunities for individuals from lower socio-economic backgrounds to enable them to become more economically successful.

Diversity

This term captures the importance of recognising and valuing difference among individuals, along the lines of gender, ethnicity, socio-economic background, sexual orientation, age, and disability, for example. It generally refers to increasing the representation of groups that are under-represented in organisations. It must however be understood alongside 'inclusion'. Diversity in and of itself does not result in an inclusive environment.

Inclusion

This is the meaningful achievement of diversity. This involves creating the conditions to ensure individuals from diverse backgrounds are valued and treated equally, feel empowered and are able to progress.

Intersectionality

Individuals do not experience their diversity characteristics in isolation: these characteristics overlap and collide to compound the experience of inequality. For example, patterns of progression in the firm will vary not only by gender, ethnicity or socio-economic background, but by combinations of all three. Policy and practice need to recognise the convergence of factors and respond accordingly.



If you have any comments or suggestions for improvements to future versions, please email:

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