

2023/2024
HEADLINES &
HIGHLIGHTS
REPORT





INCLUSIVE COMPANIES

www.inclusivecompanies.co.uk





www.inclusivecompanies.co.uk



INTRODUCTION -

The Inclusive Top 50 (IT50) Report is an annual benchmark of the current state of EDI in UK workplaces. Compiled by Inclusive Companies, this extensive report is based on responses that reflect over 750,000 members of the UK workforce from new junior joiners to those on executive boards. Furthermore, the organisations which took part cover a diverse range of public, private and charity sectors.

The full report can be seen **HERE** and we urge you to take a look. Meanwhile, this shorter summary provides a snapshot of the key findings and trends and suggests the next steps organisations should take to continue their progression along the EDI path.



INCLUSION OVER DIVERSITY-

Last year's report led us to call for organisations to look beyond simply 'diversity' and towards equity. This remains our ultimate goal: to see participation and inclusion of people from diverse backgrounds across the length and breadth of a business. This year, we want to focus on the importance of 'inclusion' and highlight how it is this, not just 'diversity', that will bring success within a workplace, its wider communities and society as a whole.

DIVERSITY & INCLUSION - WHAT IS THE DIFFERENCE? -

Where diversity in the workplace concerns employing a varied representation of employees, inclusion actively involves those employees. Inclusion gives everyone a voice, encourages diverse views and acts on people's ideas. All this leads to them feeling a sense of belonging and being valued within the workplace.

Over the past eight years, the IT50 report has shown that our workforces, reflecting our society, are far more diverse.

Employing a diverse workforce is the first essential step but without inclusion, this could be viewed as more cosmetic than meaningful.

What we must now achieve is greater presence of diverse individuals at more senior levels of organisations, to provide role models for emerging talent while ensuring equity runs through their organisation.

"Equity, the accompanying sense of belonging and talent retention are of the highest importance and are of paramount focus in the initiatives Inclusive Companies develops and delivers. Companies that capture inclusion will have a greater chance in successfully supporting their employees in addition to driving a sustainable business performance. The evidence shows maintaining a thriving EDI strategy is key to equipping a workplace to succeed in a constantly evolving corporate workplace." Paul Sesay, CEO of Inclusive Companies.





HOW DIVERSITY IN MANAGEMENT WILL DRIVE INCLUSION-

Diversity in boardrooms and Senior Leadership Teams should be paramount to organisations and not considered as just something which shows them as being EDI focused. It should become a natural aspect of the organisation being diversified. If it is natural, it will welcome and thrive upon inclusion because diversity drives quality decision-making.

Diversity and Inclusion Leads must have a direct link to their Executive Boards which, our report shows, are far less diverse in their make-up.

Inclusive Companies first explored if D&I leads had a direct link to Executive Boards in 2021. Over the past two years, there has been a significant rise (6.23%) in companies within the IT50 who have a D&I lead with a direct line to the Executive Board. So, things are going in the right direction.

In 2023, 96.49% of the IT50 organisations reported that their Senior Leadership Teams (SLT) were actively championing D&I. The desire is clearly apparent and many submissions revealed very active participation from the top level which is encouraging. By SLT actively participating and engaging with D&I Leaders and networks, an organisation's ethos and business practice is shaped and driven by EDI. Meaningful change occurs; the whole of the workforce is united, as is the business.

We often talk about change needing to 'come from the top' – but 'the top' needs to listen to (and learn from) people further 'down' whose feelings and ideas are both valid and valuable. Change comes far quicker and is far more meaningful if it comes from the top... AND below.

HOWEVER... THE NUMBER OF EDI LEADS IN THE IT50 HAS FALLEN -

Whilst the number of companies who had an EDI Lead with a direct link to the Executive Board has risen...the number of companies with EDI Leads in place has fallen slightly. This is worrying – given how important their role is in uniting people and engaging the decision makers.

This year, 92.98% of the survey participants employed a Diversity Officer or an employee specialising in equality, diversity and inclusion.

Since 2017 there had been a steady increase with a slight dip in 2020 and then a significant increase in 2021, a popular trend in the EDI field after the death of George Floyd. This year, there has been a drop in the number of companies in the IT50 with Diversity Officers, almost retreating to how many were employed in 2020. Not only is this a worrying trend in itself, as Diversity Officers are more likely to be from a diverse background, employers are also cutting their diverse talent when losing these important roles. **Employing and retaining a Diversity Officer really must be an area for companies to consider.**

UNDERREPRESENTATION: WHAT DOES IT MEAN AND WHY DOES IT MATTER?-

In 2023, we saw the worst performance in the last three years for declaring representation data across most areas.

We can see that, most of the time, representation data that is not declared is highest at the executive board level. And, as mentioned above, the data received for this level reveals the Executive Board to be the least diverse.

Inclusive Companies would encourage organisations to measure and declare representation across all levels, particularly the executive boards.

Another trend that emerged from our data collection was organisations declared more representation data for gender and underrepresented communities compared to representation on disability and LGBTQ+. This is predictable, due to laws requiring businesses to report gender pay gaps, so organisations are already measuring this data, similar to the government's recommendation to report ethnicity pay gaps.

"Employers should strive to declare all types of diversity representation data to ensure they are representative of the communities they serve. Employers should consider anonymising the data they collect or collate this through a third-party organisation to ensure employees cannot be identified." Paul Sesay, CEO of Inclusive Companies.





www.inclusivecompanies.co.uk



NETWORKS ARE KEY TO INCLUSION -

Networks sit at the heart of EDI within companies. They give people a visible identity and sense of belonging. Nearly every company has networks and many companies are expanding both the number, in terms of representing people from different protected characteristic groups, and the way in which these networks are able to have a clear and powerful voice that brings change within an organisation.

We are seeing more SLT members working with their organisations' dedicated networks; again, this gets the messages to the place where decisions are being taken. Better still is when SLT members and those from the Executive Board belong to the network.

2023 STATISTICS

43.86% of participants had age related networks
82.46% of participants had disability related networks
82.46% of participants had gender related networks
82.72% of participants had LGBTQ+ related networks
82.46% of participants had ethnicity related networks
64.91% of participants had faith related networks
68.42% of participants had religion related networks
84.21% of participants had other related networks

2022 STATISTICS

41.38% age related networks
86.21% disability related networks
86.21% gender related networks
93.10% LGBTQ+ related networks
93.10% ethnicity related networks
62.01% faith related networks
62.07% religion related networks
75.86% other related networks

2021 STATISTICS

45.10% age related networks
82.35% disability related networks
84.31% gender related networks
96.08% LGBTQ+ related networks
90.20% ethnicity related networks
50.98% faith related networks
58.82% religion related networks
66.67% other related networks

NETWORK RISES AND FALLS

LGBTQ+ networks were the most prevalent group with 87.72% of organisations within IT50 companies having one. This year there has been an increase in age, faith and religion networks since last year. However, there has been a decrease in the number of disability, gender, LGBTQ+ and ethnicity internal diversity networks for 2023's IT50 companies.

Over the years we have run the IT50, we have seen fluctuations in which certain networks seem more active and popular. National and international news stories will have an influence on these movements, that is only natural. And, of course, if they draw attention to an injustice or inequity and there is a positive response, that can only be for the good. However, there can also be a scenario when certain aspects or groups are seen as being topical or, far worse, fashionable to support. Whether conscious or otherwise, it screams of tokenism which suggests transience when, in fact, EDI needs to build for lasting and meaningful change. Organisations need robust systems to ensure there is regular monitoring, guaranteeing the processes which support groups are embedded within the business culture.







www.inclusivecompanies.co.uk



AN AGEIST SOCIETY?

Similar to previous years, age is the least represented network with just 43.86% of IT50 organisations implementing a network of this nature. It really does paint a clear picture that we are ageist as a society. And this is not something which just can be laid at the door of the organisations. As age is something we all experience, surely we should all be clamouring for such a network to support us? Stop and think:

- How many people leave work in 'middle age'? Why is this?
- Are we all a little bit guilty of accepting that as people age they become less active in the workplace? And less influential?
 Certainly, older people in lower and middle management positions are less likely to have their voices heard...even by those of similar age generations who may inhabit the more senior positions
- Is age just accepted as a 'natural process' and not something which can be changed?
- As all other protected groups are not defined by age, will they be more likely to have younger, more vocal and determined participants?

Organisations are at fault if they overlook older members of their workforce. An organisation is led by people, who may well embody some of the above points, but will then be losing valuable experience. And paying the price in recruitment, training and loss of input for a period of time.

Inclusive Companies strongly recommends that Age is seriously recognised as a protected characteristic within workplaces and that organisations have greater support for these valuable colleagues.

WHY MEASURE INCLUSION?

For organisations to understand the value that diverse and inclusive workplace culture can bring, it is key for employers to set meaningful, data driven Diversity and Inclusion metrics to identify risk factors, prioritise initiatives, set targets, programme goals, assign accountability and measure the impact of initiatives.

Our results indicate that 94.74% of the IT50 companies do measure inclusion within their organisation, a slight decrease of 1.81% from last year at 96.55% and 96.08% in 2021. The figure is still high, but without such measurements an organisation cannot know the initiatives and practices they are following are having the desired effect. Indeed, they may not even know what that desired effect is or should be. Relying on anecdotal evidence is never going to be enough.

In addition, 89.47% of participants currently provide mandatory D&I training to employees. To establish and embed a culture of EDI, mandatory training must be at the heart of an organisation's working practice. The training must be regular, assessed and updated to match the needs of the workplace to ensure it is not simply a 'tick box' exercise.

UNDER-REPRESENTATION – THE NEED TO LEAD BY EXAMPLE

Representation at middle management, senior and executive board level is key to progress and shows inclusion. Diversity at higher levels provides role models and engenders a degree of empathy for staff and colleagues with similar characteristics. Yet our IT50 report shows the higher we go in an organisation, the lower the representation. Will this change over time as younger, more diverse staff rise through the ranks alongside continued culture change? Quite possibly. But can we speed things up by including more diverse individuals higher in an organisation? Most definitely.







www.inclusivecompanies.co.uk



EXECUTIVE BOARD LEVEL -

Underrepresented communities (Black, Asian, Minority Ethnic, Eastern European, Roma, etc) had the lowest representation at the Executive Board level compared to all other levels of employment. This should be an area for improvement in coming years to ensure opportunities of promotion are available to all. 29.82% of IT50 companies had 50% gender representation at their Executive Board level, this showcases there is room for improvement to ensure there is equity amongst the genders at the highest levels of employment.

- 33% of IT50 had no disability representation at the Executive Board level which is significantly lower than in previous years, showcasing signs that disability representation has increased at the Executive Board level.
- LGBTQ+ representation has also increased drastically this year within the Executive Board level with 1.75% of the IT50 participants having half of their Executive Boards identifying within this category.

SENIOR MANAGEMENT LEVEL-

A large proportion of IT50 report participants have increased their underrepresented communities' representation at the senior management levels, 3.51% having half of this employment level identifying with this community.

- 66.67% of IT50 organisations had 31% of Senior Management Level as females.
- Fewer than 9% of IT50 companies had no disability representation.
- Only around 11% of IT50 companies had no LGBTQ+ representation.

Although there is room for improvement to increase representation in disability and LGBTQ+ areas at the senior management levels, the data does imply that representation has increased in this area over the years.

MIDDLE MANAGEMENT LEVEL -

Over 82% of IT50 participants reported they had underrepresented communities at their Middle Management level. This was the highest representation among all the levels of employment.

- Over 70% of the IT50 had more than 31% of female representation at the Middle Management level.
- 1.75% of IT50 companies had over half of their middle management level representing as disabled a notable change.
- The largest percentage of representation was between 1-5% for LGBTQ+ colleagues with 43.86% of IT50 organisations reporting this.

OVERALL WORKFORCE LEVEL -

When figures are taken overall across a workforce, the EDI picture looks good – with space still for improvement. Highlights from the IT50 report are here below – please see the **FULL REPORT** for the full context.





www.inclusivecompanies.co.uk



OVERALL REPRESENTATION

- 56.14% of survey submissions revealed 11% of their workforce was made up of employees from underrepresented communities, this is a 9.6% increase compared to 2022 (46.54%).
- 5.26% of the IT50 had at least 41% representation of underrepresented communities in their overall workforce. This is a great increase from 2022 and 2021 where the amount of representation in this category was 0%.

We can infer from the data that overall workforce representation of underrepresented communities has increased this year, finding the greatest representation in the IT50 so far for this category.

GENDER REPRESENTATION

- = 61.40% of participants had fewer than 50% of female employees across their workforce, an increase of 1.06% from last year.
- The largest increase in gender representation in 2023 was in the 41-49% range of representation, with an increase of 3.93%. A contrast to the data in 2022 where largest increases were revealed in the lowest representation percentiles.

DISABILITY REPRESENTATION -

15.79% of participants had no data for disability representation across their workforce (compared to 22.41% in 2022).

LGBTQ+ REPRESENTATION —

- 24.14% of employers did not provide workforce LGBTQ+ data last year, which has decreased in 2023 to 21.05%.
- LGBTQ+ was the least reported protected characteristic across overall workforce data, which has changed from 2022 where disability was the least reported data.

OBSERVATIONS FROM THE OVERALL WORKFORCE-

The overall workforce level comprises the largest number of people and shows the overall picture within an organisation. It also shows the potential for greater inclusion as diversity across all levels is taken into account. Here are some observations of note:

- Collection of inclusion EDI data is improving but there are significant gaps at certain working levels and for certain protected characteristics.
 To help, organisations may need to reflect upon how they try to access such information. Is such information gathering made easy and anonymous for all employees?
- The largest representations are nearly always at Overall Workforce level, followed by Middle Management. As a group percentage increases in its number, this band may decrease. At these two levels we may, with more confidence, infer that this represents growing progress within each organisation as the band with a larger number represented grows and the smaller bands diminish. However, it is less likely to be as sound an inference at the higher levels for the simple reason that such positions are not always filled from within the same companies.
- This is where tracking data is so important for individual organisations; they can see how initiatives are working, or not, and address the situation.





www.inclusivecompanies.co.uk



WHAT DO THE STATISTICS TELL US? —

Similar to previous years, age is the least represented network with just 43.86% of IT50 organisations implementing a network of this nature. It really does paint a clear picture that we are ageist as a society. And this is not something which just can be laid at the door of the organisations. As age is something we all experience, surely we should all be clamouring for such a network to support us?

Pure statistics, in any survey, will only tell so much. And, of course, when looking at a large range of companies, whose workforces differ greatly, the statistics which emerge will offer only a general pattern. The pattern may be a very strong match for some of the participants and less so for others. Or a mix of both.

However, as the information for our IT50 report was taken from 130 organisations, across many sectors, whose workforces ranged from fewer than 10 employees to more than 10,000, the results do capture a very detailed picture of working practices when it comes to EDI.

OUR WORKPLACES ARE FAR MORE DIVERSE THAN WAS THE CASE ONLY 10 YEARS AGO



EVOLVE TO THRIVE-

Overall, the IT50 2023 Report points to progress being made. More and more organisations are getting involved and wanting to judge how their working practices compare with others. Senior Leadership Team members are actively involved and Executive Boards are far more open to listening to, talking with and acting upon the messages they are receiving.

"The IT50 report is informed by statistics which, by and large, show progress. Hugely heartening is how our case studies show a great many organisations are actively helping others in their EDI journeys. They are setting a great example and we thank them for sharing their insight.

"Our workplaces are far more diverse than was the case only 10 years ago. They are becoming far more inclusive, driven by people who want and need to experience that change. This is changing business practices and cultures. Those that seek to become truly inclusive are attractive propositions as employers, customers and clients. It is they who will attract and retain talent. In short, those organisations brave enough to evolve will be the ones to thrive." Paul Sesay, CEO of Inclusive Companies







www.nationaldiversityawards.co.uk | @ndawards



www.inclusivetop50.co.uk | @InclusiveTop50



www.inclusiveawards.com | @InclusiveAwards



diversitypowerlist.com



www.inclusivejobs.co.uk

For further information about any of our initiatives, please contact a member of the Inclusive Companies Team info@inclusivecompanies.co.uk or telephone 0151 708 5775

www.inclusivecompanies.co.uk

Inclusive Companies Registered in England No 113 97949, VAT Reg No 305 8157 12





Powered by

INCLUSIVE COMPANIES

CHAMPIONING DIVERSITY IMPLEMENTING INCLUSION

www.inclusivecompanies.co.uk