FACTSHEET

Capturing Ethnicity Data – 10 reasons to monitor ethnicity (factsheet 1 of 3)

The Race at Work Charter has five calls to action. This factsheet supports action 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.

We recommend capturing ethnicity data on recruitment for each stage of the selection process – application, sift, interview and hiring - as a simple first step. This can help you to examine if your recruitment processes are fair and ensure that there is not a disproportionate drop out of specific ethnic minority groups at any stage of your selection process.

The Ethnicity Facts and Figures website provides data on pools of available talent by regional locations in the UK. This data can be used to set a baseline for the representation of employees within your workplace and for the inflows of new employees into your organisations to better reflect customers, clients, service users and the local resident populations.

We have captured ten reasons for monitoring ethnicity that you can use to make the case for action within your organisation:

1. **Effective monitoring is an important tool** for measuring performance and progress towards equality and diversity goals and in ensuring a truly inclusive working environment.

2. **Understand the composition of the workforce**. Employers can see where there is a lack of representation of employees from different ethnicities. It can enable an organisation to identify where there may be differences between groups in terms of satisfaction, engagement and progression. Understanding this can enable organisations to identify, tackle and prevent issues that would otherwise undermine employee engagement and productivity.

3. **Examine the impact of policies**. Monitoring equality and diversity in the workforce enables organisations to examine how their employment policies and processes are working and to identify areas where these appear to be impacting disproportionately on certain groups of employees.

4. **Review data evidence**. This can lead to the development of better and more informed inclusive decision making, including decisions on recruitment and promotion.

5. **Build reputation**. Research shows that the best performing organisations are those that invest most on promoting equality and diversity in their workforce.

6. **Improve productivity**. We know that valuing and supporting the diversity of people's backgrounds and lifestyles is important in making the most of the contribution that they can bring to an organisation's performance.

7. **Recruit and retain the best from the widest talent pool**. Examining local demographic data can help you to set a baseline of the available talent pool that applications and new hires to your organisation should reflect.

8. **Create awareness**. Signalling the organisation's understanding of and commitment to creating a more inclusive work environment.

9. **Provide specific adjustments, training or interventions**. This will help you to identify at what level and employee group you may wish to target specific resource.

10. **Identify and address any inequalities** in the application of employment practices and avoid risk. Effective monitoring also helps departments minimise possible legal, financial and reputational harm.

There are three factsheets in this **Capturing Ethnicity Data** series. See also:

- **What should employers monitor in terms ethnicity?**
- **Five steps to a successful monitoring programme**