# FACTSHEET

The Prince's Responsible Business Network

### **IMPROVING EMPLOYMENT OUTCOMES FOR YOUNG BLACK MEN**

#### Introduction

While most Black people experience some type of discrimination throughout their lives regardless of their gender and age, young Black men appear to suffer a triple disadvantage with the unemployment gap even larger among young people than other age groups<sup>I</sup>. Young Black men are also twice as likely to struggle to find employment compared to young White menii.

According to a report from the Joint Committee on Human Rights <u>Black people, racism and human</u> <u>rights</u>, Black people in the UK believe that they receive unequal treatment in education, employment and crime compared to White people. These perceptions are matched by the day-to-day reality as the UK Government's Race Disparity Audit has shown clear inequality in employment, housing, and the criminal justice system. <sup>III</sup>

# **45%**

# of Black people in the UK do not believe their human rights are equally protected compared to White people<sup>iv</sup>.

Employers can play a vital role in addressing these disparities by creating inclusive and diverse workforces, that break down stereotypes and champion innovation in attraction and recruitment. Business in the Community (BITC), with funding from Brent Council, is delivering part of the <u>Moving On Up</u> project to improve employment outcomes for young Black men. This fact sheet brings together BITC's expertise across employment and skills, and race equality at work, as well as the key findings from new research with BITC members and young Black men.



#### Members referenced in this factsheet

- J Murphy and Sons Group Limited
- NatWest Group

# Understanding the issue Race disparity

Black men of all ages consistently experience higher unemployment levels at national, regional, and local level compared to White men, even when they have the same level of qualifications<sup>v</sup>.

### "I've got to work twice as hard to get as much as other young people because of my ethnicity." Moving on Up Ambassador

Once in employment, Black people are also likely to be under-represented in senior leadership roles and earn less than their counterparts<sup>vi</sup>. This is particularly disruptive to younger people who may grow up with the perception that certain professions and sectors are unattainable because they have limited role models that look like them.

Race equality in the UK will potentially bring a £24 billion per year boost to the UK economy – 1.3 per cent GDP – that is £481 million a week<sup>vii</sup>.



#### Unemployment rates for White and Black males

**Source:** Annual Population Survey, data from July 2019 to June 2020 \* Estimate and confidence interval unreliable since the group sample size is small (3-9).

Note: Brent unemployment figures are from July 2017 to June 2018 due to later years having too small a sample size

#### **Gender disparity**

Data from the Annual Population Survey demonstrates that Black men are also more likely to be unemployed compared to Black women at a national and regional level.

Research suggests that the lack of business role models for young Black men, accompanied with structural discrimination and negative stereotypes, can lead young men to seek inclusivity and a feeling of belonging outside of the world of work.

According to the Black Training and Enterprise Group (BTEG), 'young Black men who are looking for work feel they are resisting peer pressure to follow this route rather than an alternative path into gangs and crime. They feel isolated from their peers and unsupported to 'do the right thing<sup>viii</sup>.'

"When I was in school the goal was to get us out of the streets not into the world of employment. The big thing that was missing was employers coming to us and showing us the opportunities that were out there."

Moving on Up Ambassador

### Unemployment rates for Black males and Black females



Source: Annual Population Survey, data from October 2019 to September 2020 unless states \* Estimate and confidence interval unreliable since the group sample size is small (3-9). Note: Brent unemployment figures are from July 2017 to June 2018 due to later years having too small a sample size

#### Youth employment

Since the start of the COVID-19 pandemic, young people<sup>ix</sup> and Black, Asian, and ethnic minority people<sup>x</sup> have been two of the groups most disproportionately affected in the UK.

"Before COVID-19, I was hearing back from employers a lot more, but now I don't hear anything. The pandemic has made the process slower."

#### **Brent resident**

As of January 2021, youth unemployment has risen to 14.2% compared to 5% for the general population. The impact for men has been greater, with employment levels falling by 9% for young men and 6% for young women<sup>xi</sup>.

This is particularly challenging for young people who are now having to compete against a wider pool of talent in a new normal and with a tighter labour market. This may also lead to the risk of long-term unemployment which is particularly damaging for the youth population who may face long lasting 'scarring' effects on their pay, job prospects, health, and wellbeing<sup>xii</sup>. The UK's emerging workforce is more diverse than ever and if these disparities among race, gender and age are not tackled systemically, young people from disadvantaged groups will continue to endure inequalities and have to work harder to achieve the same as their counterparts.





Source: Department for Education: Schools, pupils and their characteristics Academic Year 2019/20

In London alone, the proportion of Black students is almost the same as the proportion of White students. This is a large proportion of future talent that businesses may be missing because they have not reviewed and innovated their strategies. It is vital that businesses are engaging with young Black men from an early stage to increase awareness of the opportunities available and inspiring them to pursue higher education or the necessary qualifications to succeed in the world of employment.

"There is a big issue in terms of exposure – young Black men don't know about these opportunities... And this cannot be solved in isolation. This has to be done with the wider community including government, schools and employers."

Youth Advisory Panel Member

#### Barriers young Black men can face

#### According to BTEG's, Voices of the

<u>Underrepresented</u>, some of the barriers young Black men face to access sustainable employment include:

- Early negative perceptions
- Lack of support in transitioning from
  university to work
- Barriers to recruitment such as lack of diversity on interview panels and bias
- Lack of role models and of encouragement
  or resources

#### How employers are responding

Responsible businesses know that their workforces should reflect the communities they serve, and with one in five of all young men in London being from Black and mixed ethnic groupsxiii, employers need to ensure they have a strategic and proactive approach to their attraction and recruitment processes.

Employers are in a unique position to leverage their leadership, resources, and commitment to help tackle systemic inequalities in society by understanding the places they operate in and by investing in talent locally. Employers should be aware of structural barriers that disadvantaged groups continue to face and use their influence to break stereotypes and champion diversity and inclusion in everything that they do.

### "I know that my ethnicity plays a role on whether I get a job because I don't have a look of someone that works there."

#### Moving on Up Ambassador

#### **Getting internal buy-in**

Through interviews with employers leading on diversity and inclusion, it was clear that securing internal buy-in is fundamental to create the cultural change needed and work towards workforces that are fairly represented.

#### **Senior management**

To address under-representation in the workplace, there needs to be leadership from senior

management on areas such as setting targets to recruit under-represented groups or creating policies which ensure diversity and inclusion are at the core of the business<sup>xiv</sup>.

Getting senior management teams to understand the importance of this agenda may be difficult. However, when Human Resources or Corporate Social Responsibility departments can demonstrate the business case to the executive team, senior leaders are more likely to get on-board. Indeed, research from McKinsey & Co shows that businesses with ethnically diverse senior teams financially outperform competitors by 36%<sup>XV</sup>.

As part of BITC's Race at Work Charter, we ask senior leaders to take the following actions:

- 1. Appoint an Executive Sponsor for race
- 2. Capture ethnicity data and publicise progress
- 3. Commit at board level to zero tolerance of harassment and bullying
- Make clear that supporting equality in the workplace is the responsibility of all leaders and managers
- 5. Take action that supports ethnic minority career progression.

There is more information about making a visible commitment to <u>diversity and inclusion in the Race at</u> <u>Work Charter.</u>

#### **Internal networks**

Research carried out by BITC in partnership with Kings College London, shows that employers should encourage networks and other forums that enable employees to support, champion and crucially hold leadership accountable. Networks create inclusivity and can play a vital role in supporting employees who may feel excluded<sup>xvi</sup>. Networks can be the catalyst for culture changes by giving a voice to people from underrepresented groups. When networks are sponsored by a member of the executive team, it becomes easier to move from talking to action.

#### Data

BITC's <u>Monitoring Ethnicity guide</u> shows that monitoring enables employers to identify where there may be 'bottlenecks' in the talent pipeline, and identify where they might wish to target action and resources<sup>xvii</sup>.

#### Take a look at <u>Monitoring Ethnicity: A</u> <u>Comprehensive Guide for Employers</u> to learn more about effective ways of monitoring ethnicity and how to navigate the use of data.

#### J Murphy & Sons Ltd

J Murphy & Sons Group People Director, Dawn Moore, has been part of the Moving on Up initiative since its early days. After having tested some of the recommendations in the <u>Inclusive Employers</u> <u>Toolkit</u> produced by the Black Training and Enterprise Group (BTEG) for the GLA, J Murphy has begun a phased plan to implement practical steps to make their attraction and recruitment processes more accessible to young Black men.

It began by adopting a tool through its HR system, to ensure the language used on recruitment materials was inclusive towards young Black men and other under-represented groups, and by ensuring diverse panels are used where practically possible during the selection process. J Murphy then rolled-out a programme to raise line managers' awareness on inclusive recruitment practices and is continually providing awareness of inclusion in various forms to ensure it leads to culture change within the organisation.

This includes ensuring D&I is a dedicated part of a board level people forum.

J Murphy's Group People Director Dawn Moore explains:

"A one-off training session won't change the culture, you have to change behaviours and that takes time along with a multi strand approach. You have to engage with people, ask questions and make tweaks as you go along. Accept things won't change overnight, particularly in a traditional industry, but that is ok – initiatives have a lifespan, but culture change is longer lasting."

To get senior buy-in for organisational culture change, J Murphy advises employers to start by deploying changes in very specific initiatives to show the organisation that they are feasible and rewarding. For J Murphy, the Kickstart scheme was the perfect opportunity to put to the test targeted interventions to attract more diverse talent including young Black men. Building on the small practical steps mentioned above, J Murphy approached the Workforce Integration Network (WIN), which supports young Black men into living wage employment in London, to promote the placements and attract young Black men into their workforce. With the right collaborations and an inclusive approach, they have been able to reach this cohort which continues to be underrepresented in the construction work.

#### Innovative attraction and recruitment

There are simple effective interventions that organisations can put in place in their attraction and recruitment processes to make employment more accessible to disadvantaged groups. BITC's 'Inclusive Employment: Inspire, hire and grow diverse talent' factsheet shows how most of the interventions businesses put in place for one group are also effective at removing barriers and supporting sustainable employment for others<sup>xviii</sup>.

With regards to young Black men, employers cite removing unconscious bias from their processes as essential. Some of the interventions mentioned were the use of:

 inclusive language and imagery across their full range of marketing materials

- ethnically diverse selection panels
- diversity and inclusion training
- different communication channels to reach their audiences

Employers should also move away from assessing candidates on qualifications and assess young people on their behaviour and Essential Skills instead, and not ask for previous experience for entry-level roles.

"Something as simple as someone looking over your CV or having a quick chat about the application process, can have a tremendous impact."

#### Youth Advisory Panel Member

Given that Black people are over three times as likely to be arrested as White people in England and Wales, and that this over-representation continues throughout the criminal justice system<sup>xix</sup>, it is important for employers to consider the disproportionate impact that asking about criminal convictions could be having on Black jobseekers. BITC's Ban the Box campaign calls on employers to remove the criminal records tick box from applications and ask about convictions later in the recruitment process<sup>xx</sup>. This reinforces the importance of recruiting based on people's skills and abilities to create a fairer, more diverse workplace<sup>xxi</sup>.

Making these changes to attraction and recruitment processes will not only benefit young Black men but also other excluded groups.

Sometimes making these changes towards more inclusive employment are not enough to attract excluded groups who have faced discrimination and are from poorer socio-economic backgrounds. In this situation, targeted interventions may be necessary to ensure organisations are representative of the communities they serve. This may be particularly helpful for employers in sectors that struggle to attract certain demographics, such as the construction sector. Targeted interventions can take different shapes and forms such as school outreach schemes, work placements, apprenticeships, and insight days. For instance, when a young Black man was asked the one thing employers could to help young Black men into employment, he responded:

"If you are a big company and you want diverse talent, specifically from minorities, go out to where they are and host events. If you are trying to attract young Black men for example, make sure you send a senior Black employee to speak, so they can see that there are opportunities for progression. Just putting images of people on the website is not good enough, you need to go out and engage with people."

#### **NatWest Group**

NatWest Group's purpose is to champion potential, helping people, families, and businesses to thrive. NatWest is committed to breaking down barriers that hold people back, including those challenges faced by ethnic minorities. The business also believes that its workforce needs to represent the communities it serves, and as such, as there is a higher underrepresentation of Black colleagues in senior roles compared to other ethnic minority groups, relative to the UK's working population, in 2020, NatWest has introduced a new target to have 3% Black colleagues in senior UK roles by 2025. This is in addition to their existing ethnicity target to have 14% Black, Asian, and Minority Ethnic colleagues in their UK top four leadership levels by 2025.

Though NatWest does not target young Black men specifically in its attraction and recruitment approaches, its innovative processes to attract a diverse and talented workforce are fully inclusive. NatWest goes out to market through a variety of channels to build audiences and engagement across social media channels including LinkedIn, Twitter, Instagram, and YouTube. It uses a friendly and unbiased tone in its communications and content shared is often from existing employees' experiences.

"We use very genuine and authentic content that is representative of the people that work with us." Jill Duthie, Head of Resourcing, Services and Functions, NatWest Group

NatWest also has a checklist which challenges hiring managers to think about the diversity of their interview panel and shortlists, and to ensure they are not asking for criteria that could make opportunities less accessible to under-represented groups.

#### **Partnerships**

It is common for organisations to not have the necessary knowledge in-house to affect long-lasting change towards fully inclusive and diverse workforces. BITC research found that the most successful interventions are those that are delivered in partnership with support organisations, who have specialist knowledge and experience, and with the direct involvement of people from excluded groups themselves<sup>xxII</sup>.

Selecting the right partner is key to successful interventions. Key to ensuring mutually beneficial relationships is to make sure that expectations are managed efficiently and that both parties share similar values and objectives. This will allow businesses to work with partner organisations towards the goal of supporting under-represented groups.

Interventions are most successful when they are:

• tailored to the specific needs of the target group

- promoted through the correct channels
- hosted in areas where a large proportion of the population is from the target group

#### Mentoring

BITC's <u>Race at Work infographic</u> shows that there is a severe lack of Black representation in senior roles in a range of different sectors from charities to FTSE 100 companies<sup>xxIII</sup>. On the other hand, findings from a focus group with young Black men in Brent revealed that mentors are viewed as very valuable to help young people into careers, but where young people had mentors or role models, most referred to family members, celebrities, or staff from partner organisations<sup>xxIV</sup>.

"All of these interventions are a miss if you don't have any support or direction. The process is not as clear as it could be. There needs to be symbiosis between employers and young people."

#### Youth Advisory Panel Member

Additionally, BITC's <u>Race at Work survey insights</u> from 2018 highlight mentoring as something highly desired by Black, Asian and ethnic minority employees and jobseekers; and states that ethnic minorities who advance further in their career all share one characteristic – a strong network of mentors and corporate sponsors who nurture their professional development.<sup>xxv</sup>"

Read our <u>Mentoring and Youth Unemployment</u> <u>factsheet</u> to find out more about mentoring circle models.

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#### Conclusion

The examples in this factsheet demonstrate the impact that can be made by improving employment outcomes for young Black men. From simple changes in recruitment processes to more targeted interventions, employers are in a unique position to open up more opportunities for young Black men, while benefitting from a diverse and inclusive workforce.

"Give young Black men more chances – they don't give us chances – you don't see a lot of Black people in most jobs." Brent resident

The more businesses that embark on diversity and inclusion projects with clear and tangible targets, the more young Black men and other excluded groups will have opportunities to find good employment and be represented across all sectors.



#### Talk to one of our expert team today to learn how

membership of BITC can help you take your responsible business journey further and drive lasting global change.

#### REFERENCES

<sup>i</sup> IFS: <u>Race and Ethnicity</u>

<sup>ii</sup> Ibid.

<sup>III</sup> UK Government (2017), Race Disparity Audit [online] accessed here: <u>https://www.gov.uk/government/publications/race-disparity-</u> audit

<sup>Iv</sup> Joint Committee on Human Rights: <u>Black people, racism and</u> <u>human rights</u>

<sup>v</sup> Trust for London: <u>Employment initiative helps 100s of young</u> <u>Black men in London</u>

vi BITC: <u>Race at Work – Black voices report</u>

<sup>vii</sup> The McGregor-Smith Review: <u>Race in the workplace</u>

v<sup>III</sup> BTEG: Action Plan – <u>to increase employment rates for young</u> Black men in London

<sup>ix</sup> Resolution Foundation: Class of 2020 <u>Education leavers in the</u> <u>current crisis</u>

\* The Guardian: <u>Black, Asian and minority-ethnic UK workers hit</u> worst by Covid job cuts

<sup>xi</sup> House of Commons: <u>Youth unemployment statistics</u>

<sup>xii</sup> Learning and Work Institute: <u>Urgent action needed as long-</u> term unemployment risks surging to <u>1.6 million</u> xiii BTEG: Inclusive Employers Toolkit

xiv BTEG: Inclusive Employers Toolkit

<sup>xv</sup> McKinsey & Company: <u>Diversity wins – how inclusion matters</u>
 <sup>xvi</sup> BITC: <u>Everyday Inclusion – what really works?</u>

will BITC: <u>Monitoring Ethnicity – a comprehensive guide for</u> employers

<sup>xviii</sup> BITC: <u>Inclusive employment – inspire, hire and grow diverse</u> talent

<sup>xix</sup> Ministry of Justice (2019) <u>Statistics on Race and the Criminal</u> Justice System 2018

\*\* BITC: <u>Inclusive employment – inspire, hire and grow diverse</u> talent

<sup>xxi</sup> BITC: <u>Why Ban the Box?</u>

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<sup>xxIII</sup> BITC: <u>Race at work – a sustained responsible business</u> approach to race

xviv Young Black Men Consultation Findings, Moving on Up Brent, 2019

xxv BITC: Race at Work 2018: the Scorecard Report