

BRIEFING

CAPTURING ETHNICITY DATA – 10 REASONS TO MONITOR ETHNICITY (BRIEFING 1 OF 3)

The Race at Work Charter has seven commitments. This briefing supports commitment two.

Capture ethnicity data and publicise progress

Capturing ethnicity data is important for establishing a baseline and measuring progress. It is also a crucial step towards an organisation being able to report on ethnicity pay.

The Race at Work 2021 Scorecard Report found that 19% of employees said that their employers were voluntarily capturing their ethnicity pay data. This has increased from 11% in 2018.

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 organisation to better reflect

customers, clients, service users and the local resident population.

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 for 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 organisations 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



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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 workforces.
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.** Signal 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 employers to minimise possible legal, financial and reputational harm.

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

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

Business in the Community's (BITC) expert Inclusion Advisers provide a range of tailored support to our members, from increasing data declaration rates and analysis, to communicating data externally through our Ethnicity Pay Gap Reporting workshop. In addition to helping our members progress against individual charter commitments, our Inclusion Advisory team can also work with you to embed the commitments as part of a review of your wider Equality, Diversity and Inclusion (EDI) strategy. Contact advisory@bitc.org.uk to find out more.

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