BRIEFING

The Prince's Responsible Business Network

RACE AT WORK CHARTER COMMITMENT FOUR – SMART OBJECTIVES TO PROMOTE EQUITY, DIVERSITY AND INCLUSION

This briefing supports Race at Work Charter commitment four and Race at Work 2021 Scorecard Report call to action four. Set performance objectives for managers linked to pay and reward to ensure active, conscious inclusion in their teams.

Make equity, diversity and inclusion the responsibility of all leaders and managers

Race at Work 2021 Scorecard Report highlighted the fact that, since 2018, Black, Asian, Mixed Race and other ethnically diverse employees' confidence in their line manager has increased significantly, from 56% to 65%.ⁱ

It is time for managers to have inclusion performance objectives with incentives linked to pay and reward, so that this improved perception is underpinned with concrete practical actions. Evidence from the Race at Work Charter surveys of 2019 and 2020 shows that this is an aspect of the Race at Work Charter's fourth commitment where employers underperform.ⁱⁱ

Setting these objectives will also support employers in delivering ethnicity targets together with the updated demographic data which will emerge from Census 2021. Employers can support their managers to do their bit towards achieving equality in the UK by ensuring that all their employees can fulfil their ambitions in the workplace, regardless of their ethnicity. Actions can include ensuring that performance objectives for leaders and managers cover their responsibilities to support fairness for all staff.

There has been a narrowing of the gap between White and Black, Asian, Mixed Race and other ethnically diverse managers having objectives to promote equality in the workplace. In 2021, there has been an increase in the percentage of White managers having a performance objective to promote equality – 32% compared to 26% in 2018.

36% of Black, Asian, Mixed Race and other ethnically diverse managers had these objectives in 2018 and 38% in 2021. This closes the gap on the disparity by eight percentage points. This is a significant shift in the right direction.iii

Performance objectives should link to the overall business goals and targets and should be smart.



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SMART:

We are not sure why these persistent disparities exist but a simple way to resolve them is to ensure that all leaders and managers with responsibilities for employees are given a performance objective to promote equality – this means that the responsibility to promote equality should be shared by all leaders within an organisation, not just the CEO or HR or Diversity and Inclusion specialists.

Information on what best practice looks like should be included in employee guidance, handbooks and supporting materials linked to the performance process, where this exists in your organisation. Good performance and achievement of objectives should contribute to the reward and recognition package within your organisation.

Employee survey results, 360-degree feedback and improved outcomes on progression and development are a few concrete measures of success to check if performance objectives have been achieved.

Encourage managers to undertake anti-racism and bias-awareness training, give regular and timely feedback on tasks and performance to employees, and ensure that all employees within their teams get access to the appropriate training to ensure that they can do their jobs well, and give stretch assignments to those on the team who are ambitious and want to progress.

In 2021, **69%** of Black, Asian, Mixed Race and other ethnically diverse employees who completed the Race at Work survey said that progression is important to them, in contrast to **47%** of White employees saying that progression is important. **41%** of Black, Asian, Mixed Race and other ethnically diverse employees would like to access fast-track opportunities, however, only **10%** are on any fast-track programme or initiative at present. This gap in desire for fast track and access to fast-track opportunities has existed since 2015.^{iv} A step change in action is required if the disparities that exist at senior levels in the UK in both the public and private sector is to be changed.

The <u>Race at Work Charter 2020</u> survey of 114 employers found that only 20% of employers have set performance objectives for mangers to promote race equality.

The 2020 survey also found that senior leaders at board level were more likely to have objectives to promote equality, 39% private sector and 59% public sector.

46% of employers ensure that performance objectives of their board and senior team include action on race.

20% of employers ensure that managers have performance objectives to promote race equality and inclusion.

Contact <u>advisory@bitc.org.uk</u> to find out more about the range of training sessions and workshops on career progression and anti-racism that BITC's expert Inclusion Advisers deliver for our members. 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

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review of your wider Equality, Diversity and Inclusion (EDI) strategy.

REFERENCES

ⁱ BITC Race at Work 2021 Scorecard Report

- ⁱⁱ BITC Race at Work Charter 2020 survey of employer signatories.
- iii BITC Race at Work 2021 Scorecard Report
- ^{iv} BITC Race at Work 2015

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