



Social Mobility  
Commission



# Socio-economic diversity and inclusion

**Employers' toolkit: Cross-industry edition**

Originally released: February 2020

Updated: July 2021

This work was created by the Bridge Group, in collaboration with the Social Mobility Commission and a wide range of employers, charities and membership bodies. The toolkit draws on a range of sources, including the Bridge Group's applied research with employers over the last decade. We also drew upon the Labour Force Survey, a nationally-representative survey, to generate new analysis and benchmarks. Interviews with employers helped generate case studies and our leading evidence base and wider work with employers helped inform the guidance. To find out more, visit our 'Background to the research informing the employers' toolkits'.



Social Mobility  
Commission

### About the Social Mobility Commission

The Social Mobility Commission monitors progress towards improving social mobility in the UK, and promotes social mobility in England. It is an independent statutory body created by an Act of Parliament.

[www.gov.uk/government/organisations/social-mobility-commission](http://www.gov.uk/government/organisations/social-mobility-commission)

Bridge  
Group  
research  
action  
equality

### About the Bridge Group

The Bridge Group is a non-profit consultancy that uses research to promote social equality. The charity does this by supporting organisations with independent expertise, research and practical know-how to enable them to make real and lasting impact on socio-economic diversity and social equality. The vision is for a higher education system and labour market where outcomes are determined by competence and hard work, and not by socio-economic background.

[www.thebridgegroup.co.uk](http://www.thebridgegroup.co.uk)

\* Social Mobility Commission, [Background to the research informing the employers' toolkits](#), updated May 2021

# Contents

<b>Foreword</b>	<b>2</b>
<b>Introduction</b>	<b>4</b>
Why focus on socio-economic background?	6
<b>Strategic approach</b>	<b>8</b>
Measuring socio-economic background	10
<b>Toolkit</b>	<b>15</b>
The building blocks: the 'must have' interventions	16
Data	19
Leadership and culture	21
Outreach	24
Hiring	26
Progression	30
Advocacy	32
<b>Appendix A: Contributors to this toolkit</b>	<b>34</b>
<b>Appendix B: Key terms</b>	<b>35</b>

# Foreword

Attracting and including a wide and diverse talent pool is a must for any forward-thinking business. Breaking down socio-economic barriers is not only a just cause but also smart business.

This toolkit offers practical help and ideas. It's been created with and for cross-industry, larger employers. It supports those addressing a new frontier in their diversity and inclusion agenda – to find, attract and develop employees from all socio-economic backgrounds.

Your background shouldn't determine your future. And yet, for too many people in our society, it does. We as employers can do more to help people from all backgrounds thrive in work, while also improving our own operations.



In my experience, some of the best talent, particularly talent that develops over time, comes from less obvious places. The challenge is how to find that talent in the first place and then to nurture it to ensure potential is fulfilled.



I left school at 16 and became a bank teller. Over a 30-year career that has now taken me to the most senior levels, I have faced barriers. Some barriers were obvious, like when promotions hinged on having a specific level of qualification that I didn't have. Others were less obvious, such as the assumption that coming from a working class background meant I should fill clerical roles.

Despite the forward thinking of my employer, I still felt that, on occasion, my background counted against me. It was a test of stamina and resilience to overcome it."

**—Steven Cooper**  
Social Mobility Commissioner and CEO  
Aldermore Bank, former CEO of C.  
Hoare and Co and CEO of Personal  
Banking at Barclays



Improving the socio-economic diversity in the workplace is just as important as all other inclusion and diversity initiatives. As someone from a working class background, with no access to funds that would widen my perspective, it can feel like you are always working against the odds.



The barriers can be subtle. It's when you hold yourself back from applying for a role because you make assumptions about the 'type' of people that fit in at the organisation. It's when you feel out of place because you have never been abroad for holidays. Or it's when you don't think you can ask for training or progression opportunities.

When I was starting on my legal journey, I was told that I wouldn't become a lawyer because I didn't go to the right university and I didn't get the highest grades. Overcoming these barriers has not been easy.

Employers have a role to play here. But you aren't alone. Give this toolkit a go and let us know how we can further help your organisation with this important agenda."

**—Sandra Wallace**  
Social Mobility Commissioner and  
Managing Director at DLA Piper

These tools are both practical and proven. They work. Many are simple, low cost and relatively easy to do. And the rewards can be immense – not just to individuals, but also to the business.

This toolkit is our first step to support employers and we want to hear from you. As employers ourselves, we recognise the stretch in this toolkit and the challenges with embedding cultural change. We also recognise that different industries have specific contexts. That is why we will be working with industry leaders to create sector-specific toolkits, beginning with a financial and professional services edition, a creative industries edition and a retail sector edition.

This is important work and we all have a role to play. Join us now to improve social mobility.

**Social Mobility Commission  
Employers Steering Group  
and the Bridge Group**

# Introduction

People are your most valuable asset. Whether you lead a manufacturing company or a professional services firm, the performance, productivity and commitment of your staff is key to your organisation's success. Yet businesses across the country are missing opportunities to recruit, promote and retain some of the most talented and driven people in our country.

The benefits of increasing gender and ethnic diversity in the workforce are well recognised: socio-economic diversity is no different. Data shows that employees from lower socio-economic backgrounds perform at least as well as their more advantaged peers, if not better. Mixed teams are more creative and resourceful than narrow teams. Greater socio-economic diversity offers competitive advantage.

Even so, many firms' talent supply chains exclude some of the best and the brightest who didn't go to a good school or the right university, didn't

have the right contacts, or couldn't afford to work unpaid. And it's not just about entering work – many firms have unequal progression pathways that have led to a significant class pay gap in the UK. Many businesses unintentionally create barriers that prevent excellent people getting ahead. Some barriers are subtle, such as assuming one's accent defines your intelligence, while others are more obvious, like perpetuating in-work poverty. The challenges may differ from one sector to another – in retail it may be about progression from the shop floor into management roles, whereas in financial services it may be more about attracting talent in the first place. But the result in all cases is missed opportunities for businesses and individuals alike.

This practical toolkit has been created because you, the business community, have asked for it. It presents a roadmap for any business wanting to benefit from increasing representation of people from low socio-economic backgrounds – whether they are starting out on their



journey or have ambitions to be among the best. Ultimately, it provides guidance for you to drive improvements in society, the economy and people's lives, as well as your own bottom line.

The toolkit draws on a range of sources, including the Bridge Group's applied research with employers over the last decade. It accompanies their report, *Understanding and Realising the Business Case for Socio-Economic Diversity and Inclusion*.

We are grateful to the community of employers and experts who inputted and peer reviewed this toolkit. That is why we have launched a specific toolkit for financial and professional services and will soon launch toolkits for creative industries, public sector and retail.<sup>1</sup>

In addition, our 'Building blocks' Toolkit, found on our website, is an ideal guide for all employers looking to take your very first steps in improving socio-economic equality at work.

This toolkit will help you progress from making an initial commitment, such as taking the Social Mobility Pledge,<sup>2</sup> to becoming an industry leader like those ranked in the Social Mobility Employer Index<sup>3</sup> and those celebrated at events like the Social Mobility Awards.<sup>4</sup>

### How we measure it

An individual's socio-economic background is defined by their highest earning parent's occupation, according to the [National Statistics Socio-economic Classification](#) (NS-SEC).<sup>5</sup>

**High socio-economic or professional backgrounds** are defined as NS-SEC 1 and 2 occupations. Examples include CEOs, senior police officers, doctors, journalists, barristers, solicitors, teachers and nurses.

Intermediate backgrounds are defined as NS-SEC 3 and 4 occupations. Examples include shopkeepers, paramedics, small business owners and police officers.

**Low socio-economic or working class backgrounds** are defined as NS-SEC 5, 6, 7 and 8 occupations. Examples include receptionists, electricians, plumbers, butchers and van drivers.

For more information on how to measure socio-economic background, see [page 10](#).

1 Social Mobility Commission, [Toolkit: Financial and Professional Services](#), accessed 2021

2 [www.socialmobilitypledge.org](http://www.socialmobilitypledge.org)

3 [www.socialmobility.org.uk/index](http://www.socialmobility.org.uk/index)

4 [www.uksomo.com](http://www.uksomo.com)

5 Office for National Statistics, [SOC 2020 volume 3: the national statistics socio-economic classification](#), accessed 2020.

# Why focus on socio-economic background?

## Competitive advantage

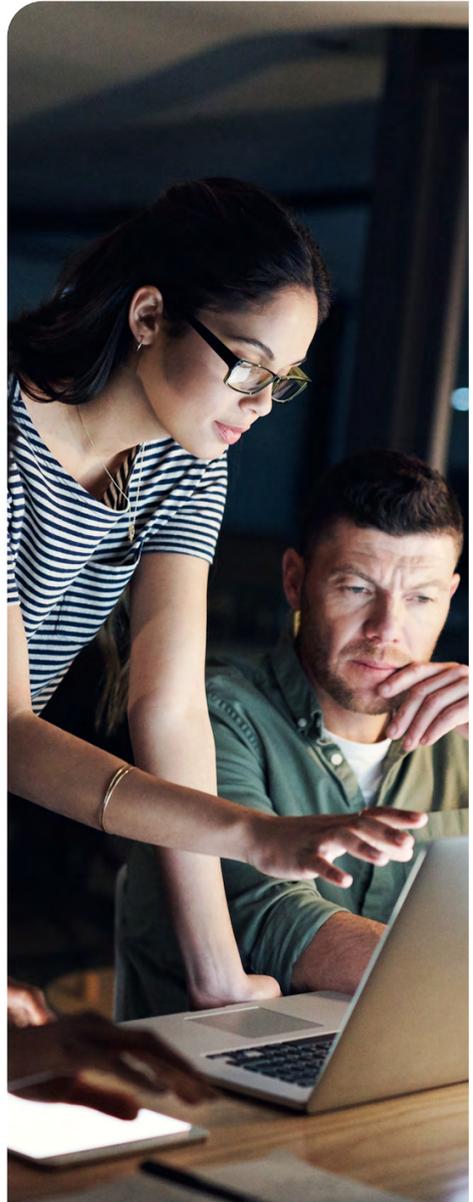
**Raise your game.** Employees from lower socio-economic backgrounds perform at least as well as their more advantaged colleagues, and often outperform them. In professional service firms, for example, trainees from lower socio-economic backgrounds are more likely to achieve the highest performance.

**75%** 

In seven leading law firms, employees educated at state schools are 75% more likely to feature in the top decile of performers than those educated at independent schools.

**Why restrict your talent pool?** Diverse workforces give you access to a wider recruitment pool. You may also benefit from higher employee engagement and lower turnover. Greater diversity could make you a destination employer for the high-performing individuals that will drive your success in the future.

**Work on your image.** People want to see people who look like them, and they want to work for a business with a purpose. Building a visibly diverse workforce signals a commitment to inclusion and improving society. Companies interested in the long term recognise the benefits of this for their reputation and image.



## The next frontier

Recent years have seen a drive to increase diversity in businesses. So far, these efforts have focused primarily on gender and ethnicity. However, forward-looking companies across industries are now looking at how to increase socio-economic diversity as part of this thriving agenda.



The Social Mobility Index ranks employers on the steps they are taking to improve representation from all backgrounds.<sup>6</sup> It saw 37 new entrants submit to the Index in 2020. Change is gathering pace: the challenge now is to keep up with the best.

## An untapped opportunity

Individuals from lower socio-economic backgrounds are a positive asset to businesses, but they are under-represented in professional occupations. People whose parents held professional jobs are more likely to be in a professional job themselves. Likewise, people from professional backgrounds are three times more likely to move to London where the greatest concentration of professional jobs exists. However, larger employers are increasingly recognising the benefits of shifting this pattern, and are targeting the UK's social mobility 'coldspots' (areas of low social mobility) to benefit from talent that exists there.<sup>7</sup>

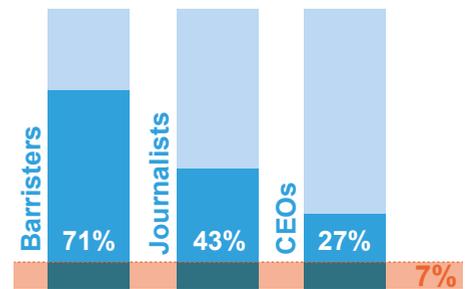
## The national benchmark

The benchmark sets out what percentages of each of the socio-economic background categories (professional, intermediate and working class background) are found in the working population (age 16+).<sup>8</sup> Employers can use these benchmarks to see how the makeup of their workforce by socio-economic background data compares.



Percentage of workforce by NS-SEC category of the main wage earner

## The power gap: the percentage of privately educated people in leading UK roles<sup>9</sup>



■ Total % of people who attend independent (private) schools  
■ Privately educated people in leading roles

6 [www.socialmobility.org.uk/index](http://www.socialmobility.org.uk/index)

7 Social Mobility Commission, *State of the Nation 2017*, 2017.

8 Social Mobility Commission, *Simplifying how employers measure socio-economic background – An accompanying report to new guidance*, 2021

9 Social Mobility Commission, *Elitist Britain*, 2019, pp 58, 39, 31.

# Strategic approach

Socio-economic diversity cuts across teams, functions and levels. Increasing it in your organisation requires actions and initiatives that work together as part of a strategic approach. But it's not just about who gets in, but also who gets ahead. Our research shows that without an equal focus on inclusion, increasing diversity can create as many challenges as it does benefits.

The figure below highlights the key aspects of a strategy that you can follow, drawing on best practice from the most successful employers.

The following pages provide guidance and inspiration for how to implement these elements, whether your organisation is starting out on this journey or has ambitions to be among the best.



**Data and culture and leadership** arrangements create a foundation for the strategy, and support decisions and actions at outreach, hiring and progression stages of the **employee journey**. **Advocacy** helps set the wider agenda, and positions you as a leader in this field.

A successful strategy combines several linked elements:



1

**Analysis of data**, to understand the current situation, indicate opportunities for action and enable you to measure change. Consistent collection and analysis in the context of your organisation and against relevant external benchmarks should be a central element of your strategy, underpinning all other aspects.

2

**Attention to culture**, with leadership and communication from the most senior levels, to ensure a compelling, shared vision across the organisation. A narrative about why socio-economic diversity is important to your business, the steps being taken to increase it and the goals you aim to achieve should be widely communicated, with clear and visible commitment at senior levels.

3

**The employee journey**, to support all key stages from outreach activities to hiring, to progression and reward. Activities which maximise engagement with a wide range of prospective applicants, hiring practices which emphasise competence rather than qualifications, and support to provide all staff with opportunities to develop and progress; these should be in place to ensure those from lower socio-economic backgrounds are able to get in and get on in your business.

4

**Advocacy and collaboration**, to share practice, support peers and drive sector-wide change. Playing a visible role in guiding and inspiring action to improve opportunities for people from lower socio-economic backgrounds in your industry will enhance the image and performance of your sector and benefit all businesses.

## Measuring socio-economic background

Measuring your socio-economic diversity is critical to driving success. Here is a guide on what questions to ask and why, how to analyse and interpret results, and comparing results with benchmarking data.

Regardless of where you are on your journey, you should ask applicants, apprentices and your workforce this question:

**Question 1: What was the occupation of your main household earner when you were aged about 14?**

- **Modern professional and traditional professional occupations** such as teacher, nurse, physiotherapist, social worker, musician, police officer (sergeant or above), software designer, accountant, solicitor, medical practitioner, scientist, civil/mechanical engineer.
- **Senior, middle or junior managers or administrators** such as finance manager, chief executive, large business owner, office manager, retail manager, bank manager, restaurant manager, warehouse manager.
- **Clerical and intermediate occupations** such as secretary, personal assistant, call centre agent, clerical worker, nursery nurse.
- **Technical and craft occupations** such as motor mechanic, plumber, printer, electrician, gardener, train driver.
- **Routine, semi-routine manual and service occupations** such as postal worker, machine operative, security guard, caretaker, farm worker, catering assistant, sales assistant, HGV driver, cleaner, porter, packer, labourer, waiter/waitress, bar staff.
- **Long-term unemployed** (claimed Jobseeker's Allowance or earlier unemployment benefit for more than a year).
- **Small business owners** who employed fewer than 20 people such as corner shop owners, small plumbing companies, retail shop owner, single restaurant or cafe owner, taxi owner, garage owner.
- **Other** such as retired, this question does not apply to me, I don't know.
- **I prefer not to say.**

- **Why ask?** This is the best measure we have to assess someone’s socio-economic background. Not only that, but it’s easy to understand, it gets the highest response rates in testing, and it’s applicable to those of all ages and from all countries.<sup>10</sup>

- **How to analyse?** Report socio-economic background in 3 groups, following this guide:

- **Professional backgrounds**
  - modern professional and traditional occupations; senior or junior managers or administrators

- **Intermediate backgrounds**
  - clerical and intermediate occupations; small business owners

- **Working class backgrounds** – technical and craft occupations; long-term unemployed; routine, semi-routine manual and service occupations

- **Exclude or report separately** – other; I prefer not to say

- **How to interpret?** Review the proportion of applicants and staff members from each socio-economic background – is there equal or close to equal representation from each group? If not, which is the dominant socio-economic group? Compare your results to the national benchmarks on page 7 of this toolkit.

If you are already implementing diversity and inclusion initiatives, want to get a fast-track to ‘optimising’ status, or find it easier to embed new questions in your HR system at the same time, ask two more questions:

**Question 2: Which type of school did you attend for the most time between the ages of 11 and 16?**

- State-run or state-funded school
- Independent or fee-paying school
- Independent or fee-paying school, where I received a means-tested bursary covering 90% or more of the overall cost of attending throughout my time there
- Attended school outside the UK
- I don’t know
- Prefer not to say

- **Why ask?** This measure shows extreme advantage. Our joint research with the Sutton Trust, [Elitist Britain](#), shows how independent (private) school attendees are over-represented in many of the UK’s top jobs. Plus, many employers in your sector have collected this measure for years.
- Use this longitudinal data to see how your business is performing over time.<sup>11</sup>

10 For more, see the Cabinet Office’s research on this question;

[Measuring Socio-economic background in your Workforce](#), 2018.

11 Our partners at the Social Mobility Foundation additionally suggest advanced employers (and law firms, who are required to by the SRA) include ‘Selective state school’ and ‘Non-selective state school’ in the response categories for this question to get an even clearer picture of the type of school respondents attended.

- **How to interpret?** Review the proportion of applicants and the workforce who attended an independent or fee-paying school. Compare your results to the following national benchmark:

7.5% 

7.5% attended independent schools<sup>12</sup>



**Question 3: If you finished school after 1980, were you eligible for free school meals at any point during your school years?**

- Yes
- No
- Not applicable (finished school before 1980 or went to school overseas)
- I don't know
- Prefer not to say

- **Why ask?** This is a measure of extreme economic disadvantage. Roughly, the poorest 15% of the population received free school meals. It's easy to understand and many firms have been tracking it for years, giving you longitudinal data.
- **How to analyse?** Link 'yes' responses to economic disadvantage.
- **How to interpret?** Review the proportions of applicants and staff members who were eligible for free school meals – what is the size of the group compared to those who were not eligible?
- **How to benchmark?** Compare your results to the following national benchmark:

15% 

15% of pupils at state-funded schools are eligible for free school meals<sup>13</sup>

<sup>12</sup> Department for Education, [Schools, pupils and their characteristics](#), 2019

<sup>13</sup> As above.

**Question 4: If you have a graduate scheme, ask this additional question to your graduate hires only:**

- **What to ask?** Did either of your parents attend university by the time you were 18?
  - No, neither of my parents attended university
  - Yes, one or both of my parents attended university
  - Do not know / not sure
  - Prefer not to say
- **Why ask?** Being the 'first in family' to attend university is an acute form of disadvantage and signals a lack of support to navigate university and entry into the graduate workforce.
- **How to interpret?** Review the proportions of new graduate hires who said 'no' and are thus first in family to attend university and compare it to the national benchmark.
  - 49% of graduates are first in family to attend university.<sup>14</sup>

## Driving up response rates

Enabling high response rates to these questions is as important as asking them. Applicants and employees may not be used to being asked and may worry about providing this type of information; you need to build trust.

Applicants and employees are more likely to engage positively with these questions if they see them as an integrated part of your strategy for promoting diversity and inclusion.

Issues around data storage and use are critically important, as some respondents may be concerned that their data could disadvantage them or encourage discrimination or harassment.

You need to be clear about:

- whether individuals can be identified from the data they provide
- whether information will be stored separately from personal details and in line with data protection rules
- who will have access to the information
- whether they might be contacted as a result of the information they have given, for example, to share materials about support related to a protected characteristic (though this is generally discouraged)

14 Henderson, M. / Shure, N. / Adamecz-Volgyi, A. / [Moving on up: 'first in family' university graduates in England, 2020.](#)

## Assess your progression

Use this data to not only look at who gets in but also who gets on.

Understand how your inclusion and progression are working within your firm.

Follow these steps:

- **Breakdown your current workforce:** Ensure your dataset allows you to look at a person's socio-economic background and their seniority level (e.g. partner, associate).
- **Analyse the data:** Group seniority levels together (e.g. all at 'partner level') and identify the percentage at each level by the 3 socio-economic background groupings (professional, intermediate and working class).
- **Interpret the results:** Is there equal or close to equal representation of socio-economic backgrounds at each seniority level? Is there a group that dominates a certain level? Does your data have a 'cliff edge' effect, where those from lower socio-economic backgrounds suddenly fall off, or a 'pyramid' effect, where they slowly drop off the higher the level?
- **Adjust your strategy:** Understanding where those from lower socio-economic backgrounds stop progressing will help you target interventions.

### Success story: Boosting survey response rates at PwC

Achieving high response rates to questions on socio-economic background can be challenging. PwC have increased response rates from 30% to 80% on a number of key measures in the last two years. Their approach included having senior leaders championing the issue and contextualising the request in the problem they were hoping to help to solve.

Firmwide messages from PwC's Chief People Officer, a newly formed social mobility network and sharing personal social mobility stories all encouraged completion of the survey. PwC also incorporated the questions into its annual, firmwide compliance training.

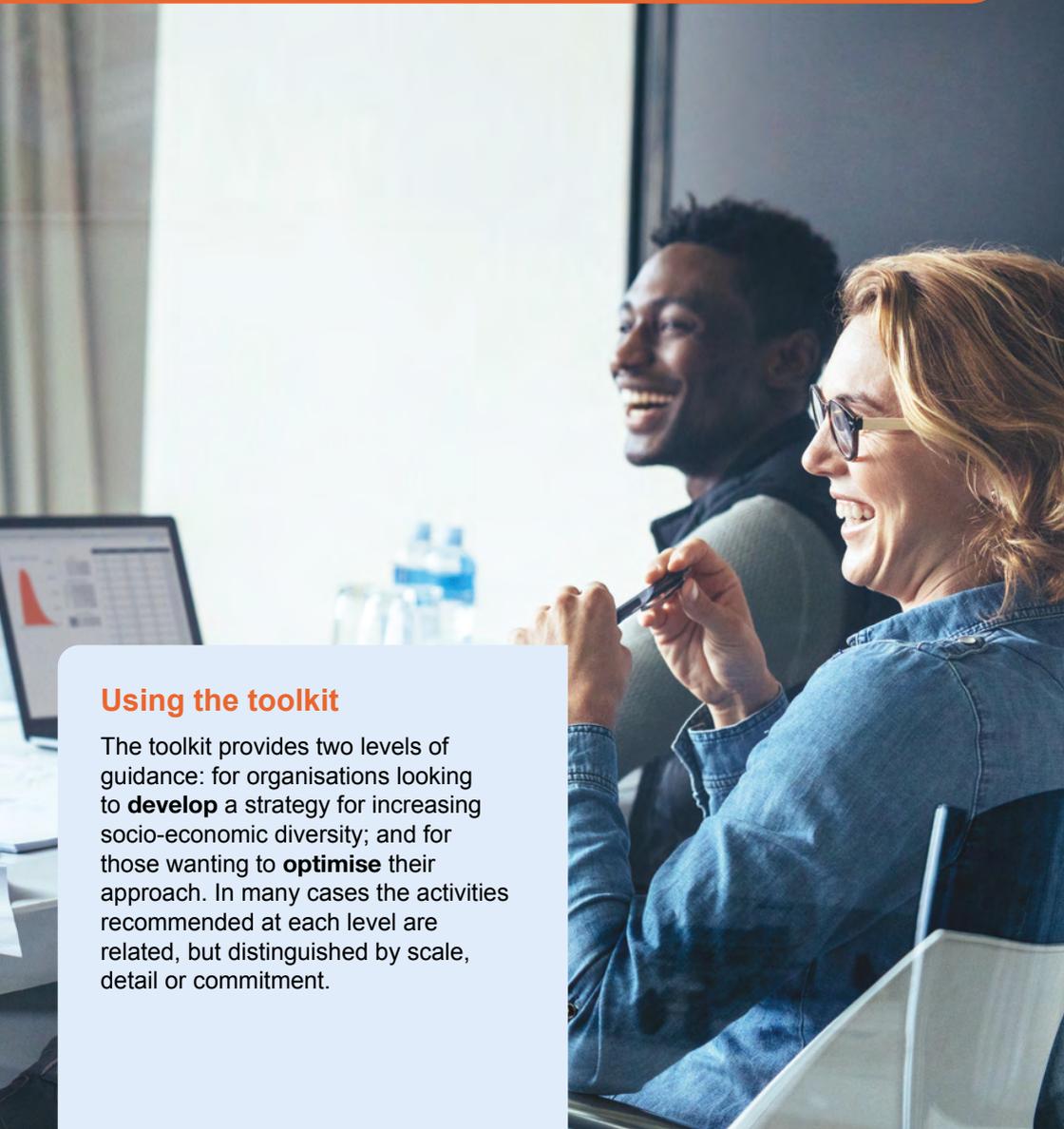
Information on how the data would be used was included, along with the purpose: to help improve equality of access to opportunities in the firm, as part of their wider social mobility activity. As a result of these efforts, responses to questions about socio-economic background rose by 50% to over 80% in total, allowing PwC to conduct further analysis looking at intersectionality of characteristics as well as progression and retention rates.



# Toolkit

## Using the toolkit

The toolkit provides two levels of guidance: for organisations looking to **develop** a strategy for increasing socio-economic diversity; and for those wanting to **optimise** their approach. In many cases the activities recommended at each level are related, but distinguished by scale, detail or commitment.



## The building blocks: the ‘must have’ interventions

For those just starting out on their social mobility journey, these are the first steps. All of these are ‘must have’ interventions, so if you can only do a few things to start, ensure you are doing these.

<b>Data</b>	<p><b>Communicate</b> – share why and how data is being collected and analysed to understand socio-economic diversity, alongside other diversity data.</p> <p><b>Ask the key question</b> – following the steps in the previous section, collect the data of your current employees and new hires.</p> <p><b>Analyse your data</b> – Compare your workforce data against national and industry benchmarks. Understand what representation you have at all levels of your business. If you can see what is happening you can target the change.</p> <p><b>Measure your success</b> – build key performance indicators around your socio-economic diversity data into your firm’s performance.</p>
<b>Leadership and culture</b>	<p><b>Create a compelling, shared vision of socio-economic diversity and inclusion across your business</b> – real change can only happen when it has the backing of the whole business, from top to bottom.</p> <p><b>This is a business strategy and must be owned by senior officials</b> – regardless of size of your organisation, the CEO or another senior official must be accountable for the delivery, whether part of their job or part of a team.</p> <p><b>Leaders must speak out</b> – to gain employees’ trust, leaders must show their whole self and participate in internal communications about the importance of the agenda.</p> <p><b>Normalise the social mobility conversation</b> – get people to publicly share their stories.</p> <p><b>Get lots of people involved</b> – build a social mobility network or champion forum. The momentum happens when people get involved.</p>

<p><b>Outreach</b></p>	<p><b>Widen your talent pool</b> – when it comes to outreach and hiring, you could be missing out on the kind of talent that will give your organisation a competitive advantage.</p> <p><b>Don't re-invent the wheel</b> – work with partners on our directory and use their expertise.<sup>15</sup></p> <p><b>Choose one intervention</b> and do it well, then build from there.</p> <p><b>Target schools and further education colleges</b> in social mobility coldspots or with high levels of free school meals.</p> <p><b>Activate your social mobility network</b> – get them involved. If applicable, encourage members to use volunteer days to support outreach work.</p>
<p><b>Hiring</b></p>	<p><b>Remove qualification barriers</b> – qualifications can often exclude disadvantaged applicants who may not have had the best opportunities but who can thrive in your organisation.</p> <p><b>Use inclusive language</b> such as “We're looking for a spark of potential. Don't worry if you don't think you have it – we're good at spotting it.”</p> <p><b>Keep in contact</b> – once a job is offered, keep in contact and use the time to develop their skills before joining.</p> <p><b>Evaluate often</b> – use your data to understand where your process can be improved.</p>
<p><b>Progression</b></p>	<p><b>Make sure the best get on</b> – socio-economic inclusion is not just about who gets in, it's also about who gets on.</p> <p><b>Use your data</b> – follow the steps in the previous section to see where individuals from a lower socio-economic background stop progressing.</p> <p><b>Ensure managers at all levels are offering training and progression conversations</b> – a crucial part of enabling individuals to develop are clear opportunities to get training and career conversations.</p> <p><b>Reduce informal ways to progress</b> – sponsorships, accelerator roles and informal networks or norms can give those from privileged backgrounds a leg up.</p> <p><b>Clearly define the skills</b> required to progress each level and align interview criteria to reflect this.</p>

15 <https://www.socialmobilityworks.org/organisation-directory/>

<p><b>Advocacy</b></p>	<p><b>Be public with your commitment to social mobility</b> – share your organisation’s commitment and targets with progress updates.</p> <p><b>Everyone can be an advocate of social mobility</b> – collaborate within your sector and wider ecosystem, listen, learn, present, share, and work together for a societal change.</p>
<p><b>General</b></p>	<p><b>Remember</b> – all buildings start with the laying of those first blocks.</p> <p><b>You don’t need a huge budget</b> – start, prove a concept so the value can be seen, and go from there.</p> <p><b>Start with the right mindset and belief in socio-economic diversity</b> – you will have challenges and hurdles to overcome. Start with a base of commitment and conviction for your actions.</p>

For more information on the building blocks visit our website. Our ‘Building blocks’ Toolkit provides more guidance on those steps listed above and is an ideal guide for all employers looking to take your first steps in improving socio-economic equality at work.

## Data

Understand the current situation; inform activities; evaluate change.

	Developing	Optimising
Collection	<p>Follow guidance in the prior section, 'Measuring socio-economic background', and ask your applicants, apprentices and workforce the key question.</p> <p>Assure them that their data will:</p> <ul style="list-style-type: none"><li>• be stored and handled in line with GDPR best practice</li><li>• be used in aggregate to help make evidence-based decisions</li><li>• not be used for appointment and promotion decisions</li><li>• not be accessible beyond the core team in HR</li></ul> <p>Aim for a response rate of around two-thirds.</p>	<p>Provide a variety of mechanisms to encourage and enable employees to disclose data year-round.</p> <p>For example:</p> <ul style="list-style-type: none"><li>• internal communications</li><li>• annual diversity surveys</li></ul> <p>Make response to surveys compulsory for employees (always with the option "prefer not to say"). Aim for overall response rates of at least 70%.</p> <p>Share response rates internally and brief senior managers on progress and targets in their areas.</p> <p>Target encouragement and support at functions or grades where response rates are low.</p>
Profiling	<p>Compare aggregated data on socio-economic background against peers within the organisation and against national benchmarks (e.g. <a href="#">page 7</a>).</p> <p>Use evidence to inform the overarching strategy and underpin evaluation.</p>	<p>Benchmark disaggregated data by function and grade to understand the organisation's socio-economic profile in greater detail.</p> <p>Identify intersectionality between socio-economic background and other characteristics and their effect on different outcomes.</p>



### **Success story: Maximising response rates with HMRC**

Establishing a robust baseline of employees' socio-economic background was key to HM Revenue and Customs' strategy for creating an inclusive workplace. The department commissioned a survey that aimed for a representative sample of all staff and grades. Given the size and diversity of the workforce, researchers issued the questionnaire to around 12,000 staff and planned for a response rate of 35% within a three-week period.

The department took several important steps to explain to staff why the survey was important and how the results would be used. To maximise publicity, researchers worked closely with businesses leads, unions and senior leaders to gain their agreement and support to issue the survey, issued messages to all managers and added a news article to the intranet. Staff invited to take part received a personalised message from the project's senior sponsor, and were assured that their responses would be completely anonymous. Once collected, survey data was stored in a restricted folder, which could only be accessed by the project analysts.

These steps resulted in a response rate of 42%, well above the planned figure. Findings and personal social mobility stories were shared with staff, inspiring a rise in members of networks promoting progress on social mobility and inclusion within HMRC.

### **Success story: Data with Ministry of Justice**

The Ministry of Justice (MoJ) has over 70,000 staff in locations across the UK: high-quality data is key to understanding and improving socio-economic diversity in such a large and varied organisation. All staff are asked questions to establish their socio-economic background, aligned to those recommended within this toolkit. Applicants are asked when they apply; existing staff are asked to update their internal HR profiles; and the questions are asked on the annual staff survey.

Analysis of this data shows progress against three key targets: who gets in, who gets on and how does it feel? The data informs interventions ranging from schools' outreach activities and work experience opportunities in social-mobility coldspots, to mentoring for staff from disadvantaged backgrounds. Data also measures effectiveness: two-thirds of students attending one of almost 600 school events would consider a career in MoJ; and one-third of almost 400 staff entering into a mentoring relationship have since achieved promotion or level transfer. This clear strategy underpinned by quality data has established the MoJ in the upper reaches of the Social Mobility Employers Index.

## Leadership and culture

Ensure a compelling, shared vision across your organisation.

	Developing	Optimising
People	<p>Appoint a senior individual with an informed and respected voice to advocate socio-economic diversity and inclusion internally.</p> <p>Include discussion of socio-economic diversity on board-level agendas alongside more established issues such as gender and ethnicity.</p> <p>Appoint an individual with internal management and operational responsibility for socio-economic diversity and inclusion.</p> <p>Ensure your anti-discrimination policies clearly incorporate and relate to socio-economic background, and that managers understand this.</p>	<p>Appoint a senior leader with external profile as a leading advocate for socio-economic diversity and inclusion.</p> <p>Appoint specific individuals to be accountable to the board for this agenda; communicate this internally.</p> <p>Convene a community of managers with individual accountability to advocate socio-economic diversity internally.</p> <p>Ensure there is:</p> <ul style="list-style-type: none"> <li>• routine collaboration between HR, division heads and CSR teams in delivering the strategy</li> <li>• significant cross-working with other diversity focus areas – e.g. gender and ethnicity</li> <li>• strong support for and ownership of the strategy throughout the organisation so that each team understands their role</li> </ul>
Narrative	<p>Engage senior colleagues in crafting a narrative about socio-economic diversity that highlights:</p> <ul style="list-style-type: none"> <li>• its importance and the rationale for focusing on it</li> <li>• how it relates to other forms of diversity</li> <li>• the current situation in your organisation, citing internal evidence</li> <li>• where you wish to get to, and how you will achieve it</li> </ul> <p>Include elements of this narrative in regular internal communications alongside other diversity areas to emphasise intersectionality and equal importance.</p>	<p>Ensure the chair and CEO are public in their support for this narrative.</p> <p>Ensure the narrative always features prominently in key communications, including your website, recruitment communications, annual reports and procurement materials.</p> <p>Communicate evidence of positive organisational change in this area.</p>

## Success story: Leadership with Channel 4

Once seen as 'Britain's poshest broadcaster', Channel 4 had one of the lowest proportions of staff from working-class backgrounds in the creative sector. Addressing this required visible leadership and commitment at the most senior levels. In 2016, Channel 4 brought in an independent researcher to work with staff at all levels to understand the barriers faced by those from a lower socio-economic background. The resulting strategy highlighted actions to broaden opportunities throughout the hiring process, from supporting young people to take up work experience to helping independent production companies offer more apprenticeship places.

Since then, CEO Alex Mahon has continued to push diversity to the top of the agenda. Social mobility was the key theme in the 2018 DIVERSE Festival, and partnerships have been forged with youth agencies and networks to invigorate outreach activities. As a result, the proportion of staff not from professional or managerial backgrounds has increased by almost 20% between 2016 and 2019.



	Developing	Optimising
Accountability	<p>Communicate internally that data is being collected and analysed to understand socio-economic diversity.</p> <p>Set targets using internal and external data benchmarks and analysis.</p>	<p>Ensure there is board accountability for targets, and make progress a standing item on the board agenda.</p> <p>Share performance against targets publicly.</p> <p>Link managers' accountability for diversity and inclusion targets to their performance review and promotion.</p>
Inclusion	<p>Create opportunities for employees to engage with the narrative on socio-economic diversity, for example:</p> <ul style="list-style-type: none"> <li>• internal events, webinars and podcasts</li> <li>• physical and online fora for employees to share views and experiences where appropriate</li> <li>• share evidence and practice from across the sector</li> </ul>	<p>Engage with your supply chain in advancing socio-economic diversity, with contractual obligations where appropriate (e.g. about unpaid internships, becoming an accredited voluntary Living Wage employer and data collection).<sup>16</sup></p> <p>Explore how and in what ways client perceptions and expectations affect who gets ahead.</p>



## Outreach

Maximise engagement with a wide range of prospective applicants.

	Developing	Optimising
Design	<p>Develop a clear overarching strategy for outreach work involving:</p> <ul style="list-style-type: none"> <li>• a strategic plan detailing activities and success measures</li> <li>• activity focused on achieving specific outcomes for pupils – e.g. awareness of certain professions; presentation, teamwork and problem-solving skills</li> <li>• partnerships with other organisations</li> </ul> <p>Take advantage of the numerous existing mechanisms for outreach to schools – don't invent it all yourself.</p>	<p>Involve employees in the design and implementation of the outreach programme.</p> <p>Target activities at the most suitable young people, including in social mobility coldspots, using publicly available school and college data.</p> <p>Ensure success measures are overseen by senior colleagues.</p> <p>Link outcomes for pupils engaged in early outreach to the Gatsby Benchmarks.<sup>17</sup></p>
Delivery	<p>Deliver complementary activities – e.g. mentoring and work experience together rather than separately.</p> <p>Draw on teachers' views of what will benefit pupils most.</p> <p>Make outreach participants aware of opportunities to progress into the organisation and expectations about what is required.</p> <p>Seek to develop sustained relationships with activity participants.</p> <p>Ensure internships and other work experience opportunities are targeted at a diverse range of applicants.</p> <p>Ensure these opportunities are publicly advertised and paid.</p>	<p>Develop materials and guidance that wider influencers can draw on, including teachers and parents.</p> <p>Deliver activities in collaboration with other employers and the Further Education (FE)/Higher Education (HE) sectors.</p> <p>Include digital activities to promote scale, access and breadth in engagement.</p> <p>Provide specific opportunities for participants to maintain engagement:</p> <ul style="list-style-type: none"> <li>• a pipeline of activities, communications and learning</li> <li>• genuine pathways into the organisation for those who are interested</li> </ul> <p>Analyse data to examine how participation converts to appointments, and how this varies between groups.</p> <p>Ringfence internships for applicants from under-represented groups, including by socio-economic background.</p>

17 [www.gatsby.org.uk/education/focus-areas/good-career-guidance](http://www.gatsby.org.uk/education/focus-areas/good-career-guidance)

	Developing	Optimising
Evaluation	<p>Use your strategic plan to identify key impact metrics and measure against these.</p> <p>Collect data on participant characteristics to assess whether those engaged meet eligibility criteria.</p> <p>Gather feedback from participants to understand:</p> <ul style="list-style-type: none"> <li>• whether they feel they have benefited from the outreach</li> <li>• if they would recommend it to peers</li> <li>• how activities can be improved</li> </ul>	<p>Use your strategic plan to assess impact of the activities against outcomes identified at all stages in the model.</p> <p>Validate and refine the strategic plan by tracking key behavioural and destination outcomes for participants, and verifying these against the outcomes highlighted in the model.</p>



## Hiring

Ensure practices are accessible and equitable to all applicants.

	Developing	Optimising
Attraction	<p>Ensure messages in marketing materials have wide appeal – e.g. ‘we’re looking for potential rather than experience’.</p> <p>Advertise for skills and not qualifications, which can create barriers for applicants.</p> <p>Be clear about the application process and what is assessed at each stage.</p> <p>Include role models from a variety of backgrounds.</p> <p>Recruit from schools, FE colleges and universities that have diversity in their student bodies.</p> <p>Design engagement activities that connect directly with a school, college or university’s curriculum so that opt-in does not depend wholly on students’ existing interests.</p> <p>Choose which student societies and/or community groups to sponsor with careful regard to the demographics that this may reach.</p> <p>Be transparent about eligibility criteria and the broad achievements of successful applicants for similar roles (for example, typical A level or technical qualification grades).</p>	<p>Advertise definitions of competences sought, and the characteristics of those who progress in the organisation.</p> <p>Undertake market research to understand how applicants from different demographics respond to marketing materials, to inform future development.</p> <p>Work with external organisations, careers services, specific faculties and other experts to design events, programmes and digital activities that engage under-represented groups.</p> <p>Create inclusive online environments that give applicants detail on application processes and hiring approaches to support diversity and inclusion.</p>

	Developing	Optimising
Geography	<p>Review your policies and approaches to flexible working, and ensure your offer to staff meets CIPD best practice.<sup>18</sup></p> <p>Identify social mobility coldspots across the UK, and investigate options for improving your levels of attraction and recruitment from these areas.<sup>19</sup></p> <p>Ensure IT systems enable any applicable job in the organisation be deliverable remotely; subsequently aim to reduce required travel to headquarters.</p> <p>Ensure senior leaders communicate the effectiveness of remote working and that inclusion efforts are apparent at all levels of management.</p> <p>Reimburse applicants who incur travel costs (e.g. to attend an assessment centre).</p> <p>If a role requires relocation, ensure there is a budget available to support this.</p>	<p>Assess social mobility coldspots as locations for new roles if your business is expanding – identify opportunities for supporting local economic renewal by providing new employment, as well as attracting new talent to your organisation.</p> <p>Evaluate the impact of flexible working arrangements on your ability to attract, recruit and develop staff from different parts of the country; create policies that enable employees to progress through the organisation without having to move to major city centres.</p> <p>Place ‘headcount’ limits on hiring in expensive urban centres.</p> <p>Set targets for offering and take up of training opportunities in regional hubs.</p>



18 CIPD, [Cross-sector insights on enabling flexible working](#), 2019.

19 Social Mobility Commission, [State of the Nation](#), 2017.

	Developing	Optimising
Entry routes	<p>Compare applicant data with external benchmarks to assess how well they reflect the eligible talent pool.</p> <p>Consider how introducing a range of entry routes into the organisation could support diversity.</p> <p>Offer quality apprenticeships with:</p> <ul style="list-style-type: none"> <li>• progression routes into the organisation or wider industry once completed</li> <li>• pastoral support from line managers (with training) and buddying arrangements</li> </ul>	<p>Offer a range of non-graduate routes with external and internal communications on how these vary in terms of:</p> <ul style="list-style-type: none"> <li>• the activities involved</li> <li>• who they may suit better</li> <li>• the competences required for each</li> <li>• the prospects of progression</li> </ul> <p>Offer apprenticeships at different levels and provide training in 'soft skills' as well as technical.</p> <p>Ensure higher level apprenticeships are targeted at less advantaged individuals.</p>
Evaluation	<p>Ensure candidate assessment processes are transparent, with easy access to details.</p> <p>Apply selection processes consistently to all candidates – e.g. avoid preferential treatment for those who apply earlier.</p> <p>Clarify to all assessors that applicants from lower socio-economic backgrounds may not have access to some premium experiences (e.g. extra-curricular activities, internships and studying abroad).</p> <p>Examine whether aspects of the selection process might disadvantage certain groups, and redesign as needed.</p>	<p>Reimburse applicants who incur travel costs (e.g. to attend an assessment centre).</p> <p>Ensure that assessment centres include a range of activities and exercises that are independent of each other and led by different assessors.</p> <p>Balance competency-based approaches with strengths-based assessment and situational judgement testing as they have fewer negative effects on under-represented groups and are linked to job performance.</p> <p>Monitor data during the application process to identify where diversity is low, and take immediate action to increase diversity in the pipeline.</p>

	Developing	Optimising
Lateral hiring	<p>Brief recruitment agencies on your organisation's commitment to advancing socio-economic diversity among hires.</p> <p>Ensure there is time in recruitment processes to give sufficient attention to advancing diversity.</p> <p>Monitor the use of referral bonuses to avoid encouraging employees to recruit in their own image.</p> <p>Implement a robust induction process for lateral hires that demonstrates how talent is identified, valued and rewarded.</p> <p>Ensure processes for lateral hiring are followed by default, with any exceptions registered and fully explained.</p>	<p>Require recruitment agencies to deliver diverse shortlists with respect to socio-economic background.</p> <p>Deploy current employees to support attraction activities and act as role models for under-represented groups.</p> <p>Set managers targets regarding socio-economic diversity in lateral hiring; review performance in decisions about their pay and promotion.</p> <p>Analyse data on lateral hires to assess the impact on diversity.</p>

### Success story: Hiring with Enterprise

With over 470 branches across the UK, Enterprise Rent-A-Car knows the value of recruiting locally and being smart about finding the best people, regardless of socio-economic background. The business firmly believes that real talent goes to any university: it recruits from around 100 institutions and has a presence at more than 60 careers fairs to ensure students know their applications will be welcome. On-campus interviews in many universities mean students do not have to incur travel expenses. Assessments are based on competencies rather than qualifications. Coaching sessions help applicants from less advantaged backgrounds communicate their experience and abilities with confidence.

As a result, 80% of their recruits come from non-Russell Group universities. Moreover, around 15% of recruits are non-graduates: Enterprise engages closely with Business in the Community initiatives, mentors students at schools and colleges, and works with people who have been unemployed for a long time to fill its apprenticeship and entry-level positions. As in all businesses, strong, visible leadership and collaboration with other national employers to share experience and practice is vital to driving these activities. With over 60% of senior managers from lower socio-economic backgrounds themselves, there is no shortage of support for maximising diversity at Enterprise – and no ceiling to promotion.

## Progression

Support all staff to access opportunities to develop.

	Developing	Optimising
Progression	<p>Analyse data to understand how progression rates and receipt of bonuses and rewards may be affected by socio-economic background; examine how decisions about this are made.</p> <p>Create a clear definition of talent in each section of the organisation, and an explicit narrative about what experiences and behaviours should not contribute to progression.</p> <p>Create clear processes and policies for work allocation and performance management.</p> <p>Ensure training opportunities are evenly taken up by those from all backgrounds.</p>	<p>Undertake more advanced analyses to understand staff profiles and intersectionality in more detail, for example:</p> <ul style="list-style-type: none"> <li>• correlations between different diversity characteristics – e.g. socio-economic background, gender and ethnicity – and relative performance, pay and progression</li> <li>• regressions of different diversity characteristics – e.g. school attainment, university attended, gender and ethnicity – on progression rates throughout the organisation</li> <li>• qualitative research to understand issues in more detail</li> </ul>
Inclusion	<p>Create opportunities for employees to engage with the narrative on socio-economic diversity, for example:</p> <ul style="list-style-type: none"> <li>• internal events, webinars and podcasts</li> <li>• physical and online forums for employees to share views and experiences where appropriate</li> </ul> <p>Share evidence and practice from across the sector.</p>	<p>Engage with your supply chain in advancing socio-economic diversity, with contractual obligations where appropriate (e.g. about unpaid internships and data collection).</p> <p>Explore how and in what ways client perceptions and expectations affect who gets ahead.</p>

	Developing	Optimising
Opportunities	<p>Ensure that those taking non-graduate routes receive comparable opportunities for progression and reward as those taking graduate routes.</p> <p>Ensure middle managers visibly support the offer of training, development and progression opportunities for low-skilled workers.</p> <p>Provide clear information about training activities so that employees can request access to these themselves.</p>	<p>Implement rigorous processes for succession planning to:</p> <ul style="list-style-type: none"> <li>• avoid rushed hiring processes to replace leavers (which risks compromising consideration of diversity)</li> <li>• reduce the effectiveness of individuals threatening to leave to gain advantage (which is more common among dominant groups)</li> </ul>

### Success story: Progression with KPMG

Activities to increase socio-economic diversity often focus on outreach and hiring. But KPMG, which has been taking action to maximise the diversity of its workforce for many years, knows that ensuring all employees feel included and have opportunities to progress is just as important. How people 'get on' affects retention and performance: it matters just as much as who 'gets in'.

Recognising the importance of intersectionality, KPMG commissioned extensive research using its own data and qualitative interviews to understand how gender, ethnicity and socio-economic background affect an employee's progression within the firm. The results have been key to engaging leadership and creating a culture where all staff feel able to flourish. The research identified specific barriers to progression, such as potential bias in the way work and opportunities were allocated, and informed targeted interventions to address these.

More generally, KPMG's leadership development programme GROW, which has long focused on maximising the potential of diverse talent, was extended to include individuals from low socio-economic backgrounds. Almost 40% of participants in this programme have been promoted by at least one grade.

## Advocacy

Share practice, support peers and drive sector-wide change.

	Developing	Optimising
Transparency	<p>Publish aggregate diversity data, together with the rationale for collecting these and statements about your strategy in response.</p> <p>Separate data by at least one layer horizontally (by broad function) and vertically (by broad grade bandings).</p> <p>Make a public commitment to publishing data annually and reporting on trends.</p>	<p>Publish granular diversity data annually across all grades and functions, with explicit benchmarking for areas including pay and progression.</p> <p>Create and publish a detailed plan to increase socio-economic diversity, as measured against key metrics in the data.</p> <p>Set three-year targets and publish the actions planned and taken to realise them.</p>
Inclusion	<p>Have a presence at industry-specific events designed to advocate, inform and drive positive change.</p> <p>Have an active voice in national campaigns to support socio-economic diversity – e.g. unpaid internships or university access.</p> <p>Collaborate with other employers in activities such as early outreach initiatives, support for diversity among work experience applicants, and research into challenges and solutions.</p>	<p>Show leadership regarding socio-economic diversity, for example:</p> <ul style="list-style-type: none"> <li>• speaking at national events</li> <li>• advocating change in the media</li> <li>• contributing to national campaigns</li> <li>• bringing together peer employers, clients, suppliers and other stakeholders to engage in debate, and publicising outcomes</li> <li>• sharing and celebrating evidence of impact to help drive positive, informed change</li> </ul> <p>Lead collaborative programmes with focused objectives, such as collating and benchmarking cross-sector data on socio-economic diversity, generate a wider evidence base to inform change.</p>

## Success story: Advocacy with JLL

The property sector has long been seen as predominantly White, middle class and male. But JLL sees clear commercial reasons for increasing the socio-economic diversity of its workforce and changing perceptions of the wider sector, as well as believing this is the right thing to do. Since 2014, JLL has been spearheading the Changing the Face of Property initiative. This programme brings together the CEOs of the largest firms to discuss and commit to actions around diversity; and it delivers extensive outreach activities to target thousands of students.

To make the most of the resulting pipeline, JLL has championed a contextual recruitment tool that looks at applicants' academic abilities in the context of their socio-economic background. This tool now helps numerous businesses spot applicants who have the potential to succeed even if they don't have the grades. The JLL Foundation also funds research into the reasons behind the lack of socio-economic diversity in the sector, and makes this available to other firms with a view to inciting change across the sector.



# Appendix A:

## Contributors to this toolkit

- BBC
- BCLP
- Channel 4
- Chartered Institute of Personnel and Development
- City of London Corporation
- Clifford Chance
- Dr Louise Ashley, Royal Holloway, University of London
- Dr Sam Friedman, London School of Economics
- Ernst & Young
- Enterprise
- HMRC
- Institute of Student Employers
- Jerwood Arts, Weston Jerwood Creative Bursaries
- Joseph Rowntree Foundation
- KPMG
- Linklaters
- Ministry of Justice
- PwC
- Social Mobility Foundation
- Teach First
- The Civil Service Fast Stream
- The Inner Temple
- The JLL Foundation
- And dozens of individual businesses, HR executives and others

# Appendix B:

## Key terms

### Socio-economic background

‘Socio-economic background’ is the term to refer to the particular set of social and economic circumstances that an individual has come from. It permits objective discussion of the influence of these circumstances on individuals’ educational and career trajectories; and it can be objectively measured by capturing information on parental occupation and level of education.

### Social class

Class can be a loaded term. Class encompasses a range of socio-cultural and geographical factors. Objective measures of assessing family income may not necessarily match up with individuals’ perceptions of their social class status, and individuals may feel less comfortable talking about social class. However, class can invoke a range of tacit assumptions and practices, from how to dress and talk to food choices and hobbies, and using it can expose the negative ways that these assumptions affect attitudes and behaviours. In this toolkit, we use the National Statistics Socio-economic Classification groupings.

Those from ‘professional’ backgrounds are from managerial and professional backgrounds. Examples include: CEOs, senior police officers, doctors, journalists, barristers, solicitors, teachers and nurses. Those from ‘working class’ backgrounds are from routine and manual occupations. Examples include: receptionists, electricians, plumbers, butchers and van drivers.

### Social mobility

Social mobility is the link between an individual’s income and occupation and the income and occupation of their parents. It is about where people end up in comparison to their parents or relative to their peers. It is widely adopted as a way of describing the importance of creating opportunities for individuals from lower socio-economic backgrounds to enable them to become more economically successful.

## Diversity

This term captures the importance of recognising and valuing difference among individuals, along the lines of gender, ethnicity, socio-economic background, sexual orientation, age, and disability, for example. It generally refers to increasing the representation of groups that are under-represented in organisations. It must however be understood alongside 'inclusion'. Diversity in and of itself does not result in an inclusive environment.

## Inclusion

This is the meaningful achievement of diversity. This involves creating the conditions to ensure individuals from diverse backgrounds are valued and treated equally, feel empowered and are able to progress.

## Intersectionality

Individuals do not experience their diversity characteristics in isolation: these characteristics overlap and collide to compound the experience of inequality. For example, patterns of progression in the firm will vary not only by gender, ethnicity or socio-economic background, but by combinations of all three. Policy and practice need to recognise the convergence of factors and respond accordingly.



If you have any comments or suggestions for improvements to future versions, please email:

**[contact@socialmobilitycommission.gov.uk](mailto:contact@socialmobilitycommission.gov.uk)**

Follow us on LinkedIn and Twitter to stay up to date with tips, events and the latest research to support you in this work.