

THE MAYOR'S FUND DIVERSITY PLEDGE

THE BUSINESS OF STAFF DIVERSITY IN LONDON'S EMPLOYMENT SECTORS

Introduction

Young people from low income backgrounds face several barriers when looking to build meaningful careers. Research shows that low income is related to age, background and gender, as illustrated, for example, by disproportionately high unemployment levels for young women from certain ethnic backgrounds. These inequalities continue throughout career paths; The 2017 'Parker Review' of the ethnic diversity of UK companies revealed that over half of all FTSE 100 firms did not have one single director from an ethnic minority background¹. Yet, the 2018 'Delivering through diversity' report by McKinsey demonstrates a strong link between diversity and financial performance²

In the long-term, lack of diversity will affect businesses negatively; indeed, many industries are already facing an increasing skills shortage and employers have raised the difficulty of attracting and retaining qualified staff. Drawing in people from a wider cross-section of the population, by transforming recruitment practices, will provide benefits both to business and society.

The Pledge

The Mayor's Fund is campaigning for young Londoners from low income backgrounds to have equal access to the outstanding opportunities the capital has to offer. The Diversity Pledge, which was developed through a partnership with the Joseph Rowntree Foundation, is an opportunity for employers to publicly commit to the importance of building a more diverse staff base. Joining hands with stakeholders from a range of industries and sectors, the Mayor's Fund will provide a platform for debate, influence and change. Ultimately, the aim is to create more inclusive pathways for meaningful careers benefitting young Londoners from low-income backgrounds.

Aims

- To raise awareness of the practice employers and support organisations can engage in to increase diversity, narrow the skills gap and provide business benefits to London's employers
- To build a powerful Alliance of employers who sign up to the Pledge, acting as agents of positive change
- To utilise learnings and share industry-wide

Our vision

We aim to break barriers for young Londoners from low-income backgrounds in building meaningful careers. Transforming outreach, recruitment and progression practices will build a more diverse staff base whilst creating sustainable business benefits.

¹ <https://www.ey.com/uk/en/newsroom/news-releases/17-10-12-final-recommendations-of-the-parker-review-published>

² <https://www.mckinsey.com/business-functions/organization/our-insights/delivering-through-diversity>

Commitment

By signing up to the Diversity Pledge, employers:

- Agree to follow the Pledge principles. We will not be formally monitoring commitments but will carry out informal reviews of activity against the principles annually in particular to review with you that these principles remain a core part of the vision of your organisation
- Share your experience and good practice examples. From time to time we will invite you to join us at events and collaborate as a collective Alliance
- Encourage relevant stakeholders to approach us to sign the Pledge. We are looking to build the Alliance with representatives of major London industries in London

Employers can choose to take part in the pledge at two levels.

1. As a **supporter**: The signatory commits to and champions the core principles of the pledge
2. As an **implementer**: The signatory goes one step further in implementing one or more recommendations for success.

Core Principles

Employers who are **supporters** of the Pledge are committed to 3 core principles:

Working in partnership to drive sustainable change

Recruitment is expensive and companies are likely to incur additional costs when traditional recruitment approaches are not resulting into the required level of candidates. Employers to engage closely with a wide range of employment support organisations and schools, allowing access to a broader talent pool.

Creating internal transparency and appointing champions

Staff and recruitment partners to be aware of employer's commitment to diversity. Existing recruitment methods and promotion of progression routes need to be continuously reviewed to ensure they are inclusive to all applicant groups. Appointing senior champions and encouraging peer to peer mentoring are powerful methods of embedding commitment to diversity.

Acknowledging short term investment creates long term benefit

Providing access to structured work experience opportunities and/or quality apprenticeships are key methods of bringing new skills to business. Good practice has shown that the associated upfront costs are offset by the longer-term benefit to business.

RECOMMENDATIONS FOR SUCCESS

As an **implementer**, employers commit to actively implement one or more recommendations for success to increase diversity.

These recommendations also include our commitments as the Mayor's Fund for London to the employers who take part in the pledge.

I. Raising Aspirations

Collaborate with schools and community organisations

1. Employers to actively participate in opportunities to raise awareness of the sector to young people in school and those who are looking for work. Through these opportunities employers will create more visibility of employment pathways and the skills requirements so that young people are made aware of what is required of them to secure a lasting career within the sector.
2. Employers to provide structured work experience for students, to give young people insight into the industry. The work experience should be underpinned by a work plan and clear feedback mechanisms to the students to ensure the experience is meaningful for both the young person and the employer.
3. The Mayor's Fund for London to provide employers access to opportunities to influence school careers strategies through the Mayor's Fund and GLA's **Enterprise Advisor Network** programme. The programme matches business leaders and senior members of staff with schools across London to develop careers education and business engagement strategies. This ensures that schools tailor support towards growth and opportunity sectors and the young people are equipped with the skills they need to succeed in the world of work
4. The Mayor's Fund to provide volunteering opportunities to all levels of staff to take part in raising awareness of the sector employability through the **Access Aspiration** and **EPIC** programmes. Both schemes provide employability support to young people in school and those who are looking for work. Through Access Aspiration, employers will also be provided a work experience coordination service.

II. Inclusive Recruitment and Selection

Explicit commitment to Diversity

5. Employers to explicitly communicate their commitment to diversity and interest in a diverse pool of candidates to
 - Prospective applicants in the job descriptions and/or job adverts
 - All internal key stakeholders as well as any recruitment partners

6. Employers to ensure that all internal staff involved in the recruitment process, from senior management to line managers, have received appropriate training on diversity issues and understand and support the organisation's commitment to diversity.

Inclusive attraction processes

7. Employers to review job descriptions and personal specifications and the adverts to ensure:
 - The language and tone of job descriptions are not off-putting to any particular group
 - Wording and imagery used in adverts are inclusive
 - Where appropriate focus on skill sets rather than qualifications and work experience to attract and capture the widest diverse talent. Remove or reduce the requirement for applicants to have a fixed number of years of experience, which automatically restricts the pool of people who meet your criteria and instead recruit for aptitude and attitude.
8. Employers to promote vacancies through free channels like the Mayor's Fund for London's **Provider Network**, and other employment support organisations that support school/university leavers, unemployed people and experienced hires with the aim of increasing visibility of these opportunities to a wide and diverse candidate base.
9. The Mayor's Fund for London to provide employers with free, tailored recruitment service through the **Young London Working** Brokerage programme, providing employers with access to over 40,000 candidates across London, with over 70% of candidates coming from ethnically diverse backgrounds, as well as an end to end recruitment service. Through this service employers will also receive advice on tailoring job descriptions and personal specifications to attract a diverse applicant base.

Inclusive selection processes

10. Where possible, employers to ensure that all shortlists include at least one candidate from an under represented group
11. Employers to diversify interview panels to include at least one female or ethnic minority panel member.
12. Employers to provide timely feedback to all applicants who are unsuccessful at interview stage to increase the reputation of the sector and keep applicants engaged in applying for other opportunities with the same employer or others in the industry. Through this feedback employers will also promote services like the free support offered by the Provider Network to help applicants identify and develop their areas for improvement and be better prepared to secure employment in the sector in the future.

Alternative Recruitment Methods

13. The Mayor's Fund for London to provide employers the opportunity to recruit temporary staff through their agency service **Mayor's Fund for London Solutions**, a

scheme established to encourage talented young people from underrepresented groups to consider a career in unfamiliar sectors and gain the relevant experience to secure permanent employment.

III. Retention and Progression

14. Employers to actively promote the career pathways and onward opportunities within their business to both prospective applicants and the existing workforce.
15. Employers to profile ethnic minority and female role models to encourage internal applications for more senior posts.
16. If possible, employers to identify and offer talented employees in underrepresented groups (such as women and minority ethnic employees) access to a range of bespoke development activities to address personal and professional development. Development activities do not need to be expensive and may include informal access to role models and mentors as well as more formal activities like coaches, sponsors and bespoke learning and development programmes.

IV. Sharing Best Practice

17. Employers to work collaboratively for the greater good of the sector, for example if diverse role models cannot be identified within an employer's own workforce, employers will establish a pool of role models for use across the sector.
18. The Mayor's Fund to continue to facilitate best practice sharing between employers and to promote collaboration between employers and support organisations to help increase workforce diversity within the sector.

Sign the **Diversity Pledge** and join the Alliance

- Option 1: Sign the Pledge and join the Alliance by being a Supporter. This means you share the vision and agree to support the three core principles
- Option 2: Sign the Pledge and join the Alliance by being an Implementer. This means you share the vision and agree to support the three core principles as well as implementing one or more recommendations for success

APPENDIX 1 – Mayor's Fund for London Programmes

Young London Working (YLW)

A talent matching programme providing employers access to over 40,000 candidates aged 16-24 from across London. The service is funded through sponsorships and charitable funding and is available for free to employers and candidates providing a great alternative to paid recruitment services.

YLW is supported by a network of 80 provider organisations who have access to a diverse talent pool of candidates ranging from school/college leavers, graduates, those who are looking for work and experienced hires who are looking to progress on their careers ladder.

Employers who recruit through YLW, for part time, full time or apprenticeship roles are provided a dedicated Senior Employer Account Manager who supports end to end recruitment from advertisement to screening and shortlisting. The programme now in its third year will have supported 1,400 into work by the end of 2018.

Mayor's Fund for London Solutions

This scheme supports employers who are looking to hire temporary staff or run a paid placement scheme. Employers benefit from all the services offered by the YLW initiative as well as the added value of the Mayor's Fund acting as an agency to directly employ the candidates on behalf of the host employer.

The programme can be tailored with added support such as mentoring and pastoral support provided by our experienced Advisors and Trainers to suit the needs of the employer.

EPIC

A two-week course run periodically around the year, with the aim of supporting young people who are looking for work. The programme provides employers opportunities to volunteer as sector speakers, mock interviewers or Dragon's Den panel members. The scheme also provides employers a chance to spot talent first hand by observing or taking part in the volunteering activities.

Access Aspiration

This programme provides a range of initiatives geared towards supporting young people in schools and colleges. Employers can deliver sector talks in classrooms and assemblies, take part in mock interviews or host group visits to their offices.

Access Aspiration also provides a work experience coordination service for employers who are able to host students for one week or more. The programme also can create tailored packages for employers who want to participate in wider initiatives with students.

Enterprise Adviser Programme

A scheme that matches senior business leaders with schools across London, for business leaders to support the development of the school careers and employer engagement strategies. Through this initiative business leaders are able to use their real-life skills and experience in supporting the school to be better aligned to the business needs of London.

Each matched business and school is supported by a Mayor's Fund for London Coordinator who facilitates the initial activities.

Contact

If you would like more information or if you are interested in taking part in any of our programmes please contact Oli Rahman on 020 7983 4483 or email: olahman@mayorsfundforlondon.org.uk