



Social Mobility  
Commission

July 2023

# SOCIO-ECONOMIC DIVERSITY AND INCLUSION

Toolkit: Retail Sector



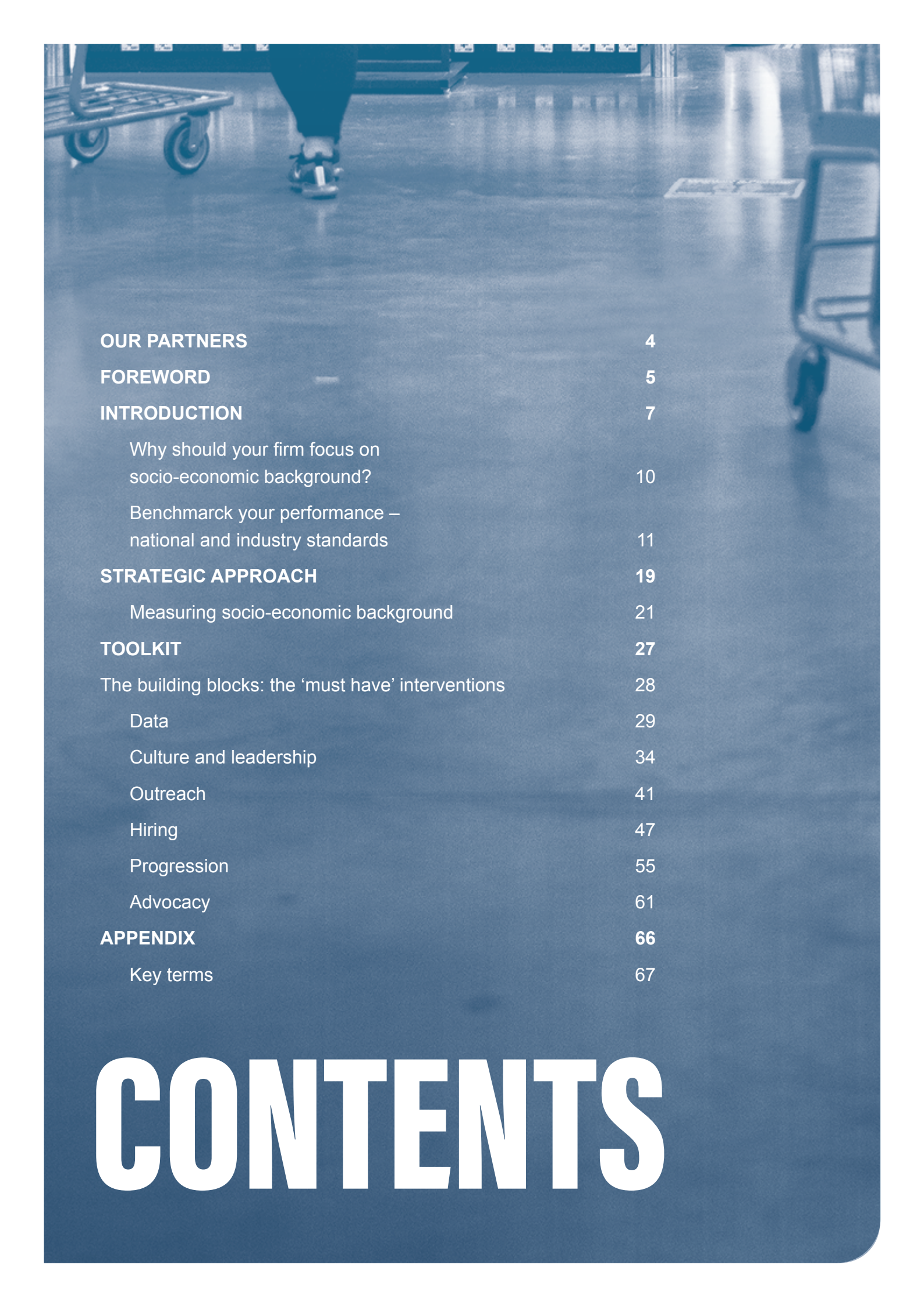
## Social Mobility Commission

[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)





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# OUR PARTNERS

We are immensely appreciative of the help and support these and other contributors have shown in creating this new toolkit. This clearly demonstrates how committed organisations are to improving socio-economic diversity and inclusion and driving positive change in the workplace.

This retail sector toolkit has been endorsed by:



## Contributors:



It's what we do



## Background and context:

To develop this toolkit, we drew upon the Labour Force Survey, a nationally-representative survey, to generate new analysis and benchmarks. We have included case studies from forward-looking organisations who are working to address this situation. These case studies evidence how effective their working practices are having incorporated diversity and inclusion into their employment policies. The toolkit also draws on a range of other sources, including the Bridge Group's applied research with employers over the last decade. To find out more, visit our 'Background to the research informing the employers' toolkits'.<sup>1</sup>

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



# FOREWORD

Retail is a hugely important part of our economy, and has a huge role to play in supporting social mobility. For many, it is their first experience of work, offering an amazing variety of development opportunities from which they learn many important skills to take into the rest of their life. For those who stay within the sector, retail offers outstanding career opportunities, with a wide range of entry-level jobs across the country. Retail recruits locally, within communities, providing opportunities in cities, post-industrial towns, rural locations and coastal places. This is one of its unique features.

The challenge for retail is to make sure it is making the best of the talent which it has. It has an above-average proportion of employees from comparatively disadvantaged backgrounds, in contrast to professional occupations, where 31% come from a professional family background, while only 20% are from families who worked in routine or manual trades. While progression between in-branch roles is common, pathways from in-branch roles to positions in central offices remain slow and unclear for many. Employers may need to consider how to ensure that talent is cultivated through investment in skills, and given opportunities to progress.

Our report 'Increasing in-work training and progression for frontline workers'<sup>2</sup> found that,

despite the benefits to employers, progression from the frontline within the retail sector is low and offering training to frontline workers is also less common. The UK's biggest economic challenges include upskilling, reskilling and retraining all people, and although retail is responding to this challenge, in some areas, such as investment in adult skills, the trends are not encouraging.

Many organisations are seeking different approaches to the recruitment and development of staff, particularly around improving in-work progression. Some are working to address this situation through work experience schemes for branch managers and other measures that aim to bridge the gap. These businesses benefit fully from the talent they already have in place and create a culture of support and progression that increases staff loyalty and retention. But use of these programmes across the sector as a whole remains low, and for many this is the next step to take.

For the sector to tackle some of these issues, data collection is also a vital part of the picture. Measuring the socio-economic background of employees and potential recruits, collecting accurate information and analysing it intelligently, is the critical first step. These measurements help organisations know and plan for what

2 Social Mobility Commission, [Increasing in-work training and progression for frontline workers](#), Nov 2020.

needs to be done in order to improve socio-economic diversity and inclusion.

This practical toolkit has been created because you, the retail sector, have asked for it. It presents a roadmap for any business, big or small, wanting to find and develop talent by looking in places they might not have previously thought to look. Whether you are just starting out on this journey or have ambitions to be

among the best, it is helpful to have strategies which enable all applicants, no matter their background, to demonstrate their skills and talent. Ultimately, this toolkit provides guidance to help you drive improvements in your business by thinking and acting differently in terms of the kind of workforce you need.

**Alun Francis, Interim Chair,  
Social Mobility Commission**





# INTRODUCTION

Retail is a unique sector given its diverse customer base and workforce. As the industry recruits from a broad base and offers opportunities that are highly accessible to those from lower socio-economic backgrounds, the sector has the capacity to be a real incubator of social mobility. Retail is more than the shop floor. It is a gateway to the possibility of multiple careers across industries, creating a flow of talent into roles like finance or distribution. However, for this to happen strategic leadership is essential to develop and embed an effective progression culture in organisations and throughout the sector to allow entry level roles to progress into long term careers, and to ensure that other routes to the top (e.g. direct-entry managerial schemes) are inclusive to candidates from a wide range of socio-economic backgrounds.

Key findings are:

**In theory, the retail sector is well set up to be an engine of social mobility as it offers a wide range of entry level jobs across the UK.** Roles are generally divided between stores, distribution centres, and head offices. Within stores entry level roles are common, and rarely require specific qualifications. Stores are located across the UK in rural and urban areas, including in social mobility 'coldspots' (areas highest on the UK index of multiple deprivation). This makes the sector itself highly accessible to those from lower socio-economic backgrounds.

Retail businesses also often offer part-time roles, which increases accessibility to candidates from diverse backgrounds (for example working parents and carers) who may need to balance work with other responsibilities. However, the nature of these roles and the requirement to physically be in-store means that remote working is rare.

**However, although progression opportunities within stores are common, lack of progression between store and head office roles means staff can hit ceilings.** There are often progression routes established within stores, enabling entry-level workers to train and progress to manager level. However, moving from store to head office is seen as distinct and needing a different skill set. Applicants are often required to have qualifications or experience outside of the sector in a specific field e.g. marketing skills, which limits the extent to which employees can progress without accessing further training. Entry routes into 'shop floor' roles and head office roles are distinct, with head office roles being less accessible. Despite the benefits, progression from the frontline within the retail sector is low, and offering training to frontline workers is also less common. This is evident in the data as there is a large proportion of people from a working class background who are in routine/manual occupations within the sector who are only able to access these roles and do not progress further.

**There are drivers for diversity initiatives across the sector.** One of the main drivers of diversity and inclusion within this sector is the desire to represent and reflect the diverse communities in which stores are located. Brands are in constant competition to attract and retain customers, and see it as important that customers feel they ‘belong’ in a store and are reflected by the staff. Brand purpose has come to the forefront of consumers’ minds, with an expectation of brands speaking out about important social issues – but without representation this lacks authenticity.


Investing in diversity and offering roles and support to those who may not have been given opportunities elsewhere is also valued for making a company more attractive to prospective employees and improving loyalty and retention among existing staff.

However, research from the British Retail Consortium and the MBS Group shows an engagement gap, as while nearly all (93%) retailers are prioritising D&I, certain groups such as those who are disabled, and those who belong to the LGBTQ+ community report feeling marginalised in the workplace.<sup>3</sup>

**Social mobility is not often treated as a specific work stream, but as a cross-cutting factor.** Social mobility tends to be seen as a cross-cutting issue, which should be considered across all D&I work, rather than a designated strand on its own. Retail companies do appear to be making a significant effort to create inclusive hiring processes and reach disadvantaged groups, but more targeted strategies could develop and progress social mobility initiatives further. 100%

3 The MBS Group and BRC, [Tracking progress on diversity and inclusion in UK retail](#), June 2023.

4 As above.

 **Diversity and inclusion is not only the moral thing to do, but it is vital for commercial success. I am encouraged to see from our most recent report that social mobility has a much greater focus than it had even two years ago. While retail has traditionally been an industry where anyone can rise up through the ranks – we must be sure that everyone, no matter their background, has equal opportunity to enter and achieve their full potential in the workplace.”**

Helen Dickinson OBE,  
Chief Executive of the  
British Retail Consortium

of D&I strategies look at gender, and race and ethnicity, 88% look at LGBTQ+, 80% look at disability. The BRC reports an increase in the proportion of businesses focusing on social mobility in their D&I strategies. In 2023 65% include it, compared with 20% in 2021.<sup>4</sup> Work on social mobility is still in the early stages, with many retailers unable to collect consistent data.

Consideration of socio-economic make-up of the retail workforce is limited by low levels of data collection, in part due to companies perceiving it as insensitive to ask questions on socio-economic status.



## The retail sector has the potential to be a leading sector in facilitating social mobility.

The high number of entry level roles and wide geographic reach provide ample opportunities for social mobility initiatives within the retail sector. The sector is well set up to support apprenticeships and outreach to target those from lower socio-economic backgrounds but is limited by progression ceilings and a lack of

data collection and strategy. There is a sharp divide in the sector between 'shop floor' roles, and positions in an organisation's 'headquarters', with limited training opportunities to develop the skills to support progression between store and head office. The industry should consider practical steps to aid progression opportunities throughout the sector.



### OUR METHODOLOGY

Figures quoted in this toolkit are drawn from our analysis of 2017–2019 Labour Force Survey (LFS) data, unless otherwise stated. The LFS is a study of the employment circumstances of the UK population. It is the largest household study in the UK and provides the official measures of employment and unemployment. We use data from the Labour Force Survey (LFS)<sup>5</sup> covering the period of July to September 2019. Although a more recent dataset covering the same period is available, we avoid using it due to the risk of the Covid-19 pandemic skewing the results, since survey collection may have been affected and result in the findings being less comparable over time.

We also used data from the Inter-Departmental Business Register (IDBR) and the Annual Survey of Hours and Earnings (ASHE).<sup>6</sup>

The data is drawn from research completed in England but the recommendations can just as easily be applied in businesses across the devolved administrations.

We analysed the data to get a picture of the sector's standing. We interviewed organisations for case studies and insights into the industry and to test our recommendations. We triangulated this with insights from our wider employer's programme and leading research to create this toolkit. For more on the quantitative methodology used here, visit our guidance 'Background to the research informing the employers toolkit'.<sup>7</sup>



### WHAT IS SOCIAL MOBILITY?

Social mobility is the link between a person's occupation or income and the occupation or income of their parents. In other words, it's about ensuring your background doesn't determine your future.

5 [Labour Force Survey – Office for National Statistics \(ons.gov.uk\)](https://ons.gov.uk), accessed 2020.

6 Result obtained from the 2019 quarters of the LFS and the 2019 IDBR.

7 Social Mobility Commission, [Background to the research informing the employer toolkits](#), May 2021.

# Why should your firm focus on socio-economic background?

Forward-looking companies in the retail sector are realising the benefits of employing and working with people from a range of backgrounds. They recognise that an active and integrated approach to diversity and inclusion is key to achieving the mixed teams that they are aiming for.

## **Increase engagement, loyalty and retention.**

Employers with diversity and inclusion at the heart of their values and culture, who offer employees opportunities that they may not have had elsewhere, often benefit from higher engagement and lower staff turnover. Staff who face discrimination or suffer from a lack of inclusion, however, are more likely to leave, increasing turnover and costs.

“**Retention is important in all organisations, if we offer opportunities to young people that might not usually get access, we know they engage with us and want to do a really great job.**”

Sue Renny, Apprenticeship Programme Manager, Superdrug & Savers

“**We place the same value on socio-economic diversity as protected characteristics. It enhances our talent pool and ultimately, enriches our organisation.**”

Lorna Jones, Social Mobility Manager, The Co-op



## DEFINITIONS OF OCCUPATIONS

An individual's socio-economic background is defined by their highest earning parent's occupation, according to the [National Statistic Socio-Economic Classification \(NS-SEC\)](#).<sup>8</sup>

**High socio-economic or professional backgrounds** are defined as NS-SEC 1 and 2 occupations. Examples include: CEOs, CFOs, CHROs, CMOs, procurement managers, sales managers.

**Intermediate** occupations are defined as NS-SEC 3 and 4 occupations. Examples include: shopkeepers, small business owners, store managers, assistant store managers.

**Low socio-economic or working class** backgrounds are defined as NS-SEC 5, 6, 7 and 8 occupations. Examples include: cashiers, store assistants, customer service assistants, van drivers.




**Representation matters.** Diverse teams think more creatively, understand their audiences better, and deliver more innovative, inspirational products and services. Increasing socio-economic diversity gives your organisation a better perspective on what your customers want to see, and a wider range of skills and experience to help you deliver for them.

McKinsey found that while companies in the top quartile for gender diversity are 21% more likely to outperform on profitability, those in the top quartile for ethnic/cultural diversity are 33% more likely to outperform on profitability. It said this was compelling evidence to develop a strategy for inclusion and diversity. It argued that the penalty for opting out was significant: companies in the bottom quartile for both gender and ethnic/cultural diversity were 29% less likely to achieve above-average profitability.<sup>8</sup>

Less data is available on the impact of socio-economic diversity, partly because fewer

organisations gather this data about their employees, but given the different perspectives staff from different backgrounds can bring, it is possible that benefits would be similar.

 **We have a lot of examples of social mobility in our business. It has always been there, but our job is to amplify that message for others that maybe have the perception that you can't join because you have to be a certain type of person. We don't discount people from socially different backgrounds. We want our business to reflect the diversity of our customers and we recruit colleagues based on attitude and competency."**

Clare Wright, Chief People Officer,  
Jardine Motors

## Benchmark your performance – national and industry standards

The sector is already making effective contributions to social mobility. But there are still actions you can take to improve further and reap the benefits of increased socio-economic diversity and inclusion. Benchmarking is an impartial, data-driven means to understand how your workforce compares to the national

workforce. It is based on national workforce data, therefore consideration should be given to your own organisation's circumstances such as sector, location or any other factors specific to your organisation. Nonetheless, benchmarking can highlight any stark differences between your organisation's workforce and the national

<sup>8</sup> McKinsey & Company, [Delivering through Diversity](#), 2018.

picture, which you can then investigate to see what is happening and what the reason might be. It is a useful starting point to see if your hiring or progression practices are as fair and meritocratic as they can be. You should consider what success looks like and how to measure the impact of any interventions you are making.

Data is therefore critical to understanding your performance. Later in the toolkit, we will show you at a high level how to collect and understand your organisation's data. You should then compare it to the national and industry benchmark, below.

## Who works in the sector?

Of those working in the retail sector, 44% are from a working class background. 26% are from an intermediate class background and 31% are from a professional background. Comparing this composition to the national average suggests the retail sector consists of disproportionately more people from a working class background (which make up 39% of the population) and disproportionately fewer people from a professional background (which make up 37% of the population).

The majority of the retail sector consists of working class roles, which make up 59% of all roles. 15% of the jobs are classed as intermediate class and the remaining 25% are professional roles. But whether you end up in one of these working class roles, or in a professional role, is influenced by your socio-economic background. 31% of people with a professional background are themselves in a professional role in retail. However, only 20% of those with a working class background are in a professional role in retail. This suggests someone with a professional background is 1.6 times more likely to end up in a professional role in retail than someone with a working class background. This is similarly the case for those from an intermediate background, who are

1.4 times more likely to be in a professional role than someone from a working class background.

This shows us that the industry struggles to diversify its workforce within different types of jobs. Frontline, working-class jobs are filled with working-class people, whereas HQ office roles (professional and managerial roles) are dominated by those from high socio-economic backgrounds.

### The socio-economic background profile of employees in the retail sector in comparison to the national benchmark

Managerial and professional backgrounds / National benchmark



Intermediate backgrounds / National benchmark



Working class occupations / National benchmark

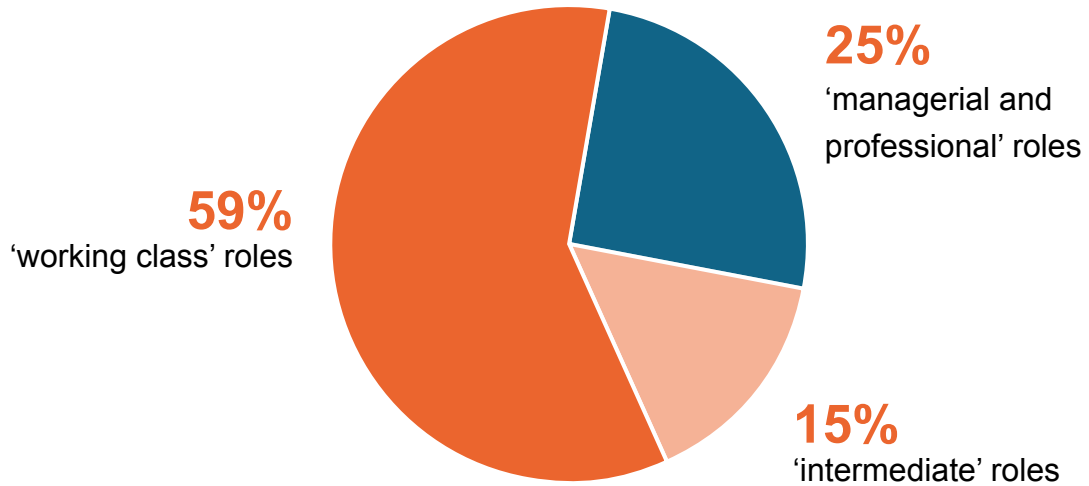


Percentage of the workforce by NS-SEC category of the main wage earner when respondent was 14.



### Type of roles within the industry

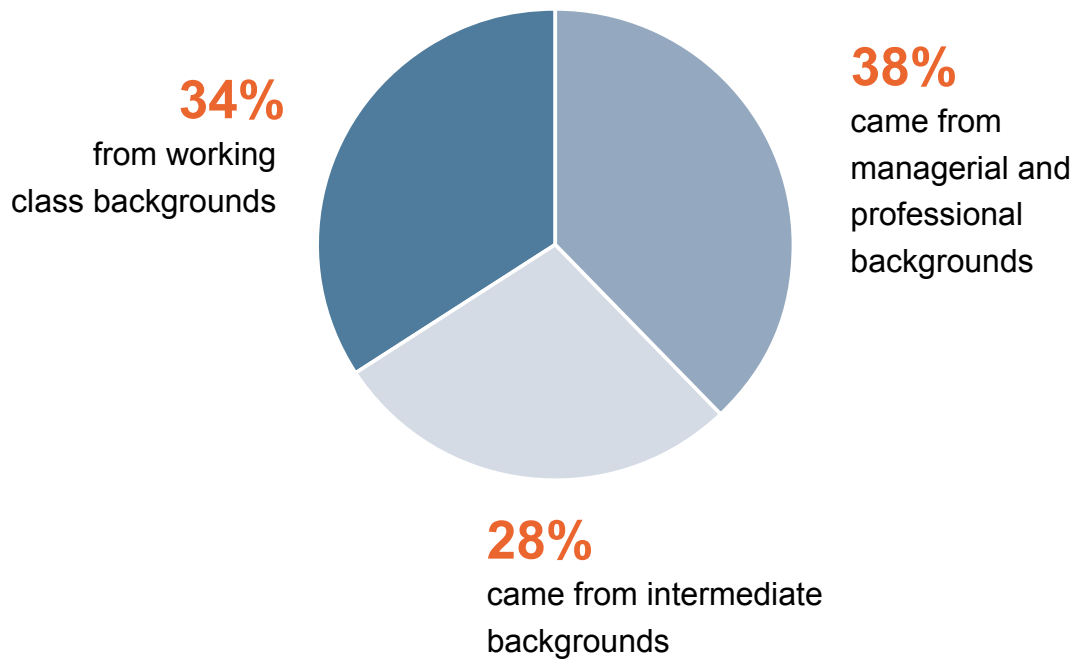
The industry is dominated by routine and manual jobs; 59% of roles within the industry fall into this category compared to 15% of intermediate jobs and 25% managerial and professional jobs.



Distribution of workforce by NS-SEC category.

### Socio-economic backgrounds of those in higher managerial and professional roles

We look here at who gets into professional roles, as these are often higher paid, more stable and considered higher profile which make up 25% of the roles in the sector.



Distribution of the higher managerial and professional workforce by NS-SEC category of the main wage earner when respondent was 14.

## Where do they work?

The retail sector employs people across the whole of the country: the distribution of employees is broadly in line with that of the general population. However, managerial and professional roles are disproportionately prevalent in London and the South East, and to a lesser extent the North West.

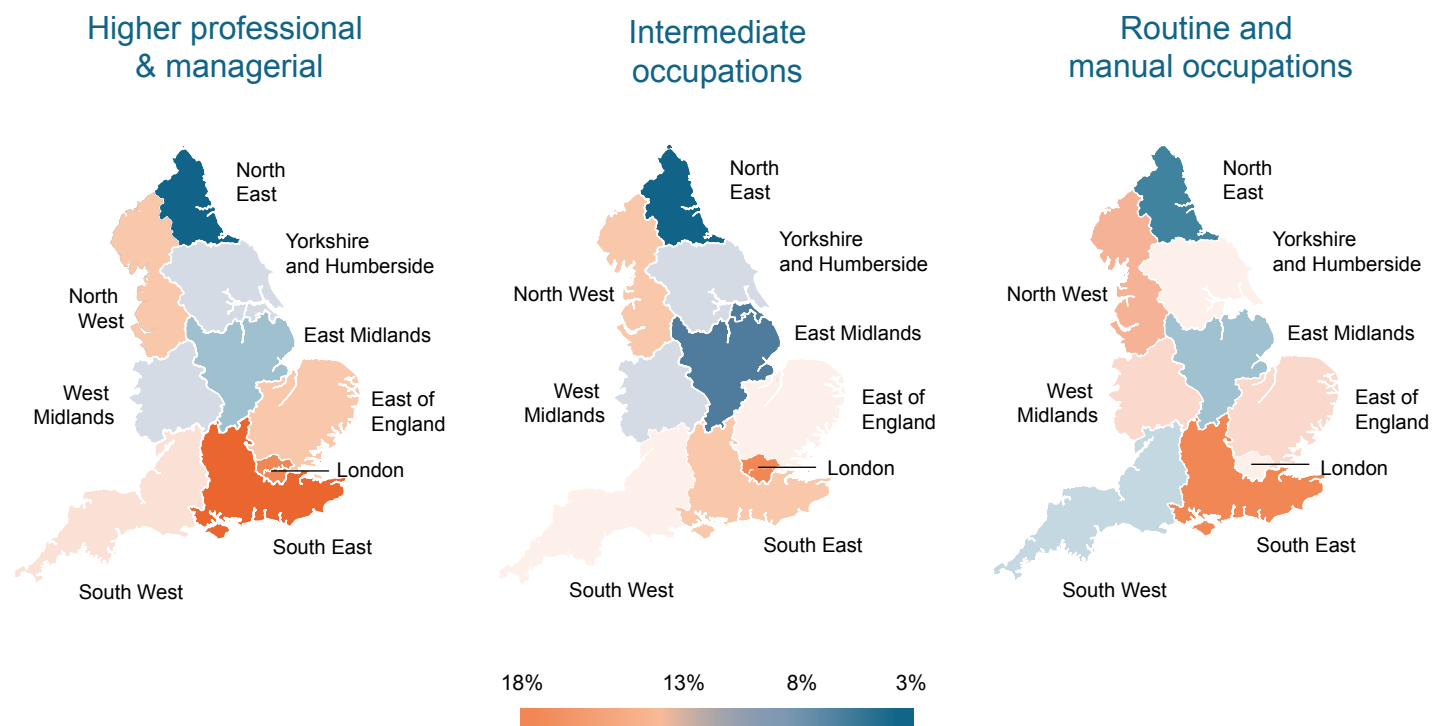
This is a problem for socio-economic diversity. People from professional backgrounds are 3 times more likely than those from working class backgrounds to want or be able to move to

London, where they can take advantage of this concentration of opportunities.<sup>9</sup>

Some businesses are recognising the impact of this pattern and seeking to address it by increasing flexible working arrangements. Others with central offices in the south-east have opened regional offices elsewhere in the country. But the discrepancy between the geographic distribution of businesses and talent remains a challenge for the sector.

### Geographical composition

Distribution of workforce by reported region of workplace and NS-SEC.



Data sourced from all quarters of the 2019 LFS.

These maps use data on reported region of workplace, as opposed to region of residence.

A small percentage of respondents were missing NS-SEC data and have been excluded from this analysis.

9 Social Mobility Commission, [Moving out to move on](#), 2020.

Our research ‘Moving out to move on’<sup>10</sup> highlights that nearly 60% of those who move for study or work have one or both parents belonging to a higher managerial occupation compared with 40% who stay in their hometown. It also shows that those from lower socio-economic backgrounds are less likely to move to London and the south-east both because of financial constraints and connections to family and friends in their hometowns, coupled with a lack of connections in London. The importance

of social connections to find accommodation in London, where the demand for housing and cost of living is high, was emphasised by those interviewed for the report.<sup>11</sup>

If managerial and professional roles in the retail sector remain disproportionately prevalent in London and the south-east, employers who want to support social mobility must consider how they support those from other areas to access these roles.

## Who gets on?

Measures to increase opportunities and diversity at the recruitment stage are often not matched by those intended to support employees to progress. There is a sharp divide in the sector between ‘shop floor’ roles, and positions in an organisation’s ‘headquarters’. Employees who begin in junior roles in branches may have the opportunity to advance and become branch managers, but further progression requires a move to a more centralised role. These roles are often seen as requiring different skill sets from those that are valued on the shop floor, and the transition between them can be unclear, with fewer opportunities for training and progression.

In general, training opportunities to develop skills and support progression are less widespread in the retail sector than elsewhere, with only a quarter of employees having been offered job-related training. Conversely, nearly three-quarters of those offered training took it up, a higher proportion than in other sectors,

which suggests that there is pent-up demand for opportunities.

### Three quarters of retail employees have not been offered training recently



Percentage of workforce that has taken part in job related training or education in the last 3 months or has been offered training or education (Data sourced from the January – March quarters of the Labour Force Survey (LFS) from the years 2017–2019).

10 Social Mobility Commission, [Moving out to move on: understanding the link between internal migration, disadvantage and social mobility](#), July 2020.

11 As above.





Our report *Increasing in-work training and progression for frontline workers*<sup>12</sup> looked at progression, training and careers guidance for frontline or low skilled workers in the retail, industrial, and hospitality sectors. The study used a behavioural approach to explore barriers and facilitators to the provision and uptake of training and careers guidance amongst frontline workers.

The report found despite the benefits, progression from the frontline within the retail sector is low. Offering training to frontline workers is also less common. The most significant barrier was that social mobility was rarely reported to be a priority for organisations in the sector. Leaders did not see the business case for investing in a strong training and progression culture for frontline staff.

Significant barriers to the provision and uptake of training and progression opportunities were operating at two key levels:

- 1. Sector level:** the sector is **fast-paced** and **customer- and profit-focused**, with retail facing a **particularly challenging financial environment**. There was a **tendency to view frontline staff as disposable** and replaceable and therefore organisations did not prioritise investing in staff development at this level.
- 2. Frontline level:** staff entering the sector **did not see their jobs as a career** (and commonly had other more important priorities in their life). They often **lacked confidence** in their ability to progress, were sometimes **reluctant to take on extra responsibility**, and had low expectations of employers in the sector to provide training and access to progression – particularly where there was a lack of realistic opportunities to move into.

The report identified four key steps required to support increased offer and take-up of in-work training and careers guidance around progression, with opportunities for intervention at each stage including:

- **Buy-in from strategic leaders was essential to develop and embed an effective progression culture.**

In organisations with a strong progression culture, strategic leaders had chosen to prioritise staff development at all levels, including the frontline, to increase staff satisfaction and retention. Leaders tended to see this as an important part of their company

<sup>12</sup> Social Mobility Commission, [Increasing in-work training and progression for frontline workers](#), Nov 2020.

brand and reputation. They also linked it to the quality of their service delivery.

- **Review company structures and ways of working to enable access to meaningful career progression opportunities at all levels.**

Organisations saw the value in retaining long-serving staff over higher turnover and new starters. They engaged in two-way dialogue with frontline staff to develop appropriate opportunities. They also provided structured support for staff to participate in training and progression in line with their needs and aspirations (e.g. line management meetings and stress management).

- **Engage and build trust with employees by actively listening and then responding to their aspirations and concerns.**

Inductions for new staff set expectations about annual performance reviews and goal setting. Regular team and line management meetings presented the best environment to communicate training and progression opportunities to frontline staff.

- **Embed measures throughout the business that prioritise and support individuals to progress at their own pace.**

Organisations provided all employees with training logs to record and monitor progress against goals. They ring-fenced a training budget to ensure they could offer development opportunities to staff at all levels. Learning and Development roles were created to ensure accountability to their commitment to staff progression.

Benefits of a strong progression culture for organisations include increased productivity and growth, higher quality outputs and decreased staff turnover (and recruitment costs). In organisations that demonstrate best practice, strategic leaders have chosen to prioritise staff development as a way to increase staff satisfaction/engagement and retention.

Many organisations do not prioritise collecting diversity data and therefore do not know who gets ahead within their workforce. That is why a key step is to start to implement the actions laid out in this toolkit to collect and analyse this data.



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## Wider diversity<sup>13</sup>

Analysis of data from the Labour Force Survey sheds some light on the intersectionality between socio-economic background and the protected characteristics of ethnicity, gender and disability.

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### Ethnicity

The sector's workforce is predominantly White (86%), but overall levels of socio-economic diversity are very similar among Asian, Black and Other ethnic minority groups and White employees. Of Asian, Black and Other ethnic minority employees in higher managerial and professional roles, 34% come from working class backgrounds; the equivalent figure for White employees is also 34%.

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### Gender

The sector workforce overall is slightly skewed towards female employees (57%), but a higher proportion of men hold professional roles compared to women (30% and 22% respectively) despite higher numbers of women overall. This suggests a notable gender disparity in roles at the professional level.

Socio-economic diversity is also higher among men than women. Men from working class backgrounds are more likely to hold professional roles than women from working class backgrounds (23% vs 18%). This may indicate a possible cumulative disadvantage for women from a working class background.

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### Disability

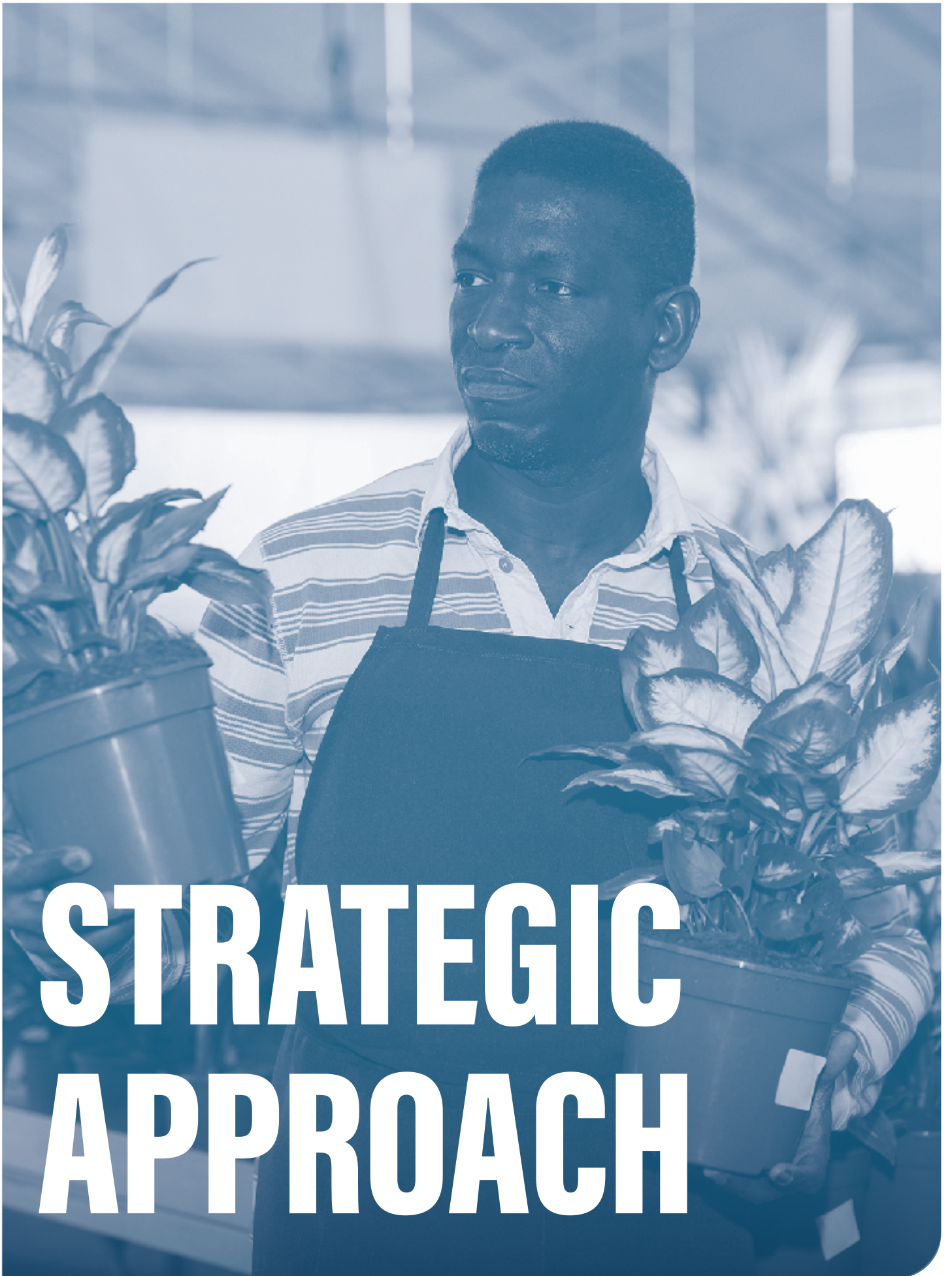
Around one in six (16%) of employees in the sector have a disability vs 19% of working aged adults across the UK<sup>14</sup>, and 15% of these employees hold a professional role.<sup>15</sup> The equivalent figure for non-disabled employees is 27%, so disabled employees are under-represented in professional roles. The proportions of disabled and non-disabled employees from working class backgrounds who hold professional roles are 9% vs 22% respectively. This may indicate a cumulative disadvantage for disabled working class employees.

13 Social Mobility Commission, [Background to the research informing the employer toolkits](#), May 2021.

14 Department for Work and Pensions, Family Resources Survey: 2019 to 2020, March 2021.

15 [ONS 2019](#) uses the Labour Force Survey (LFS) to provide overall comparisons between disabled and non-disabled people and breakdowns by sex covering the period 2013 to 2019.





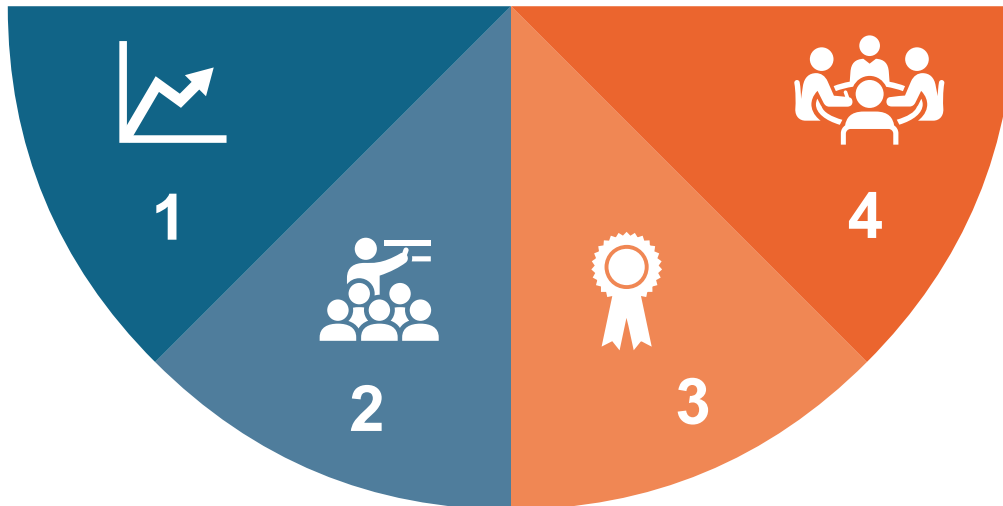
# STRATEGIC APPROACH

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 show how to implement these elements, whether your organisation is

starting out on this journey (developing) or has ambitions to be among the best (optimising).

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 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.

**3 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.

**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 business.

# 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 and employees this question:

## QUESTION 1

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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 owners, 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.**

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**Why ask?** This is the best measure we have for assessing 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>16</sup>

<sup>16</sup> For more, see the Cabinet Office's research on this question; [Measuring Socio-economic background in your Workforce](#), 2018.



**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. Compare your results to the national and industry benchmarks.

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 (found overleaf). These will give you additional nuance to understand your workforce but it is important to note **they are not substitutes for measuring social background**. Always compare this data alongside parental occupation (question 1):



## 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 private school attendees are over-represented in many of the UK's top jobs.<sup>17</sup> 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>18</sup>

**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%**

attended independent schools<sup>19</sup>

17 The Sutton Trust and the Social Mobility Commission, [Elitist Britain](#), 2019.

18 Our partners at the Social Mobility Foundation additionally suggest advanced employers 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.

19 Department for Education, [Schools, pupils and their characteristics](#), 2019.

### 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 and exclude those who said 'not applicable,' 'I don't know' or 'prefer not to say'.

**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%**

of pupils at state-funded schools are eligible for free school meals<sup>20</sup>

<sup>20</sup> Department for Education, [Schools, pupils and their characteristics](#), 2019.

## QUESTION 4

Did either of your parents attend university and gain a degree (e.g. BA/BSc or equivalent) 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.

**Who to ask?** If you have a graduate scheme, ask this additional question to your graduate recruits only.

**Why ask?** Attending university gives a nuanced form of cultural advantage, as organisational cultures favour attendees. Being the 'first in family' to attend signals a potential lack of support to navigate university and entry into the graduate workforce. This can help you understand the experiences and needs of your graduate hires.

**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. **Please note this is not a measure of socio-economic background** and should always be interpreted alongside the parental occupation question (question 1).

68%

of graduates are first in the family to attend university<sup>21</sup>

**Data storage and use.** 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).

<sup>21</sup> Henderson, M./Shure, N./Adamecz-Volgyi, A./ [Moving on up: 'first in family' university graduates in England](#), 2020.



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## 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 organisation.

Follow these steps:

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### **Breakdown your current workforce:**

Ensure your dataset allows you to look at a person's socio-economic background and their seniority level.

---

**Analyse the data:** Group seniority levels together (e.g. all at 'executive 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 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.

---

## 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.

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.





# TOOLKIT



This toolkit provides high level guidance for organisations looking to **build the foundations** for increasing socio-economic diversity in their workforce, alongside those looking to **develop** their strategy, and one 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.

For those just starting out on their social mobility journey, ‘the building blocks’ are the first steps, as all buildings start with the laying of those first blocks. All of these are ‘must have’ interventions,

so if you can only do a few things to start, ensure you are doing these.

For more information on the building blocks visit our website. Our ‘Building blocks’ Toolkit<sup>22</sup> provides more guidance on those steps listed below and is an ideal guide for all employers looking to take your first steps in improving socio-economic equality at work.

It’s only when you know where you are that you can decide where you want to go.



22 Social Mobility Commission, [The Building Blocks: An employer’s guide to improving social mobility in the workplace](#), September 2022.



# DATA

## Why is it important?

It's only when you know where you are that you can decide where you want to go. Data should be the foundation of your effort.



Knowing the socioeconomic background of both your current employees and potential recruits is an invaluable step to help shape and refine your approach. It helps you understand the makeup of your workforce and target interventions. It also

gives your organisation a way to measure the progress your efforts have made, as ultimately any intervention should be evaluated for its results.

## ‘Must-have’ interventions

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**Communicate** – share why and how data is being collected and analysed to understand socio-economic diversity, alongside other diversity data.

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**Ask the key question** – following the steps in the previous section, collect the data of your current employees and new hires.

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**Analyse your data** – 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.

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**Measure your success** – embed key performance indicators around your socio-economic diversity data into your businesses performance management systems.



## Developing

## Optimising

### Collecting

**data:** How to encourage employees to disclose data and how to collect it.

- Follow guidance in the prior section, 'Measuring socio-economic background', and ask your applicants, apprentices and workforce Question 1.
  - Communicate a clear message and intent to your employees about the importance of understanding your employees' socio-economic backgrounds.
  - Assure your employees that their data will be stored and handled in line with GDPR best practice, and only used in aggregate to make better decisions about fairer employment practices. It will not be:
    - Used for appointment and promotion decisions;
    - Accessible beyond the core team in HR/CSR.
  - Aim for a 66% response rate in order to get enough data to paint a true picture of the makeup of your workforce.
- Follow guidance in the prior section, 'Measuring socio-economic background', and ask your applicants, apprentices and workforce Questions 1, 2 and 3.
  - Use questions on other surveys that collect diversity data. For example:
    - internal communications;
    - annual employee surveys.
  - Aim for a 70% response rate to the question (those selecting something other than "prefer not to say").
  - Drive inclusivity by sharing response rates internally, including longitudinal progress.
  - Include senior managers by informing them of progress in their areas, providing them understanding on how the data is being used.
  - Target encouragement and support at divisions, branches or teams where response rates are low.

## Developing

## Optimising

**Profiling:** How you examine your data and create informative summaries.

- To get an overview of your organisations level of socio-economic inclusion, compare workforce data on socio-economic background with national and industry benchmarks. Consideration should be given to your own organisation's circumstances such as sector, location or any other factors specific to your organisation.
  - Use data to inform and drive your strategy (e.g. use applicants' responses to see if those from working class backgrounds are applying and are successful).
- To get a more detailed look at your organisations socio-economic profile, benchmark the disaggregated data by seniority level (e.g. Board Director, Director, regional manager, store manager).
  - Analyse the relationship between socio-economic background and other characteristics (e.g. gender, ethnicity). Look at different outcomes (e.g. pay, performance ratings, retention).





## Measuring socio-economic background by collecting and analysing data



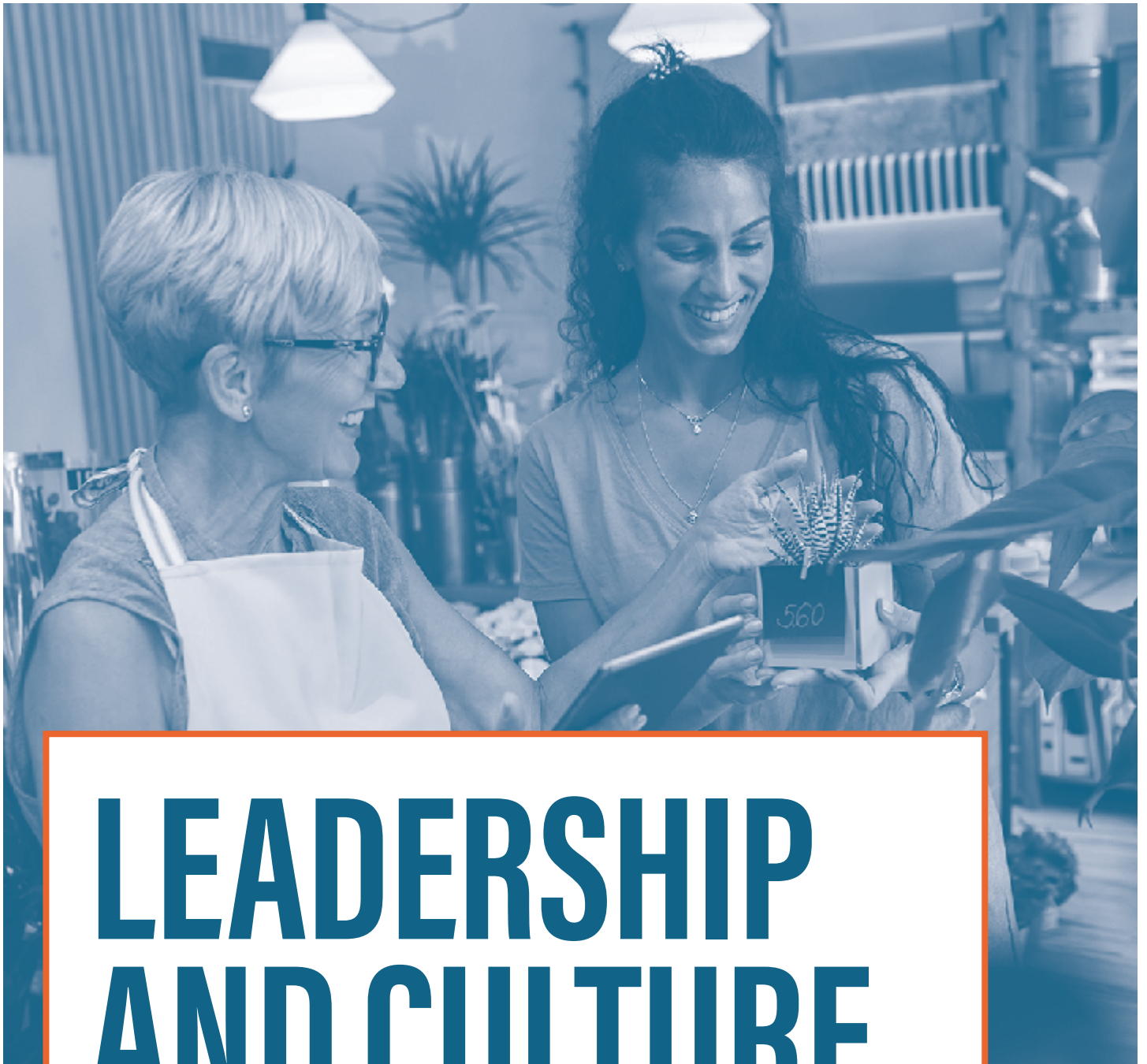
Enterprise Rent-A-Car is a world leading mobility provider. Their European Head Office is based in Egham, Surrey with 450 branches throughout the UK employing more than 5,000 people.

To ensure data on socio-economic background is collected, Enterprise ask all job candidates the four questions recommended by the Social Mobility Commission.

As part of the recruitment process Enterprise builds trust by assigning an individual recruiter to each candidate who takes them through the job application process. This has seen an improvement in data collection response rates as they are able to ensure candidates understand why the data is being collected so that they feel comfortable to voluntarily complete the demographic form.

Beyond HR, senior leaders are transparent at employee town halls and through employee networks explaining the importance of collecting data to enable them to initiate appropriate diversity and inclusion initiatives, tailor coaching and training and to understand better what the workforce looks like. Data collected is analysed according to management levels and seniority in tandem with their socio-economic background, gender, ethnicity, and sexual preference, in an effort to understand mobility trends as well as intersectionality issues (where possible), and is then compared against internal benchmarks. The data analysis has reaffirmed Enterprise's strategy to recruit more people from diverse backgrounds and to ensure that staff reflect local demographics.





# LEADERSHIP AND CULTURE

## Why is it important?

Leaders set the tone of organisations. For you to take social inclusion seriously, this must be more than an individual or HR led exercise.

Leaders set the tone of organisations. For you to take social inclusion seriously, this must be more than an individual or HR led exercise. It has to be high on your agenda and an issue that

occupies the minds of your whole organisation, from board members to junior staff, changing mindsets and behaviours across your culture.

## ‘Must-have’ interventions

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**Create a compelling, shared vision of socio-economic diversity and inclusion across your business** – real change can only happen when it has the backing of the whole business, from top to bottom and from bottom up.

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**This is a business strategy and must be owned by senior leadership** – regardless of the size of your organisation, the CEO or another senior member of staff must be accountable for the delivery, whether part of their job or part of a team.

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**Leaders must speak out** – to gain employees’ trust, leaders must be transparent and participate in internal communications about the importance of the agenda.

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**Normalise the social mobility conversation** – get people to publicly share their stories.

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**Get lots of people involved** – build a social mobility network or champion forum. The momentum happens when people get involved.



## Developing

## Optimising

### People:

Who in your organisation will help shape and drive a socially inclusive culture?

- Appoint a senior champion with an informed and respected voice to advocate for socio-economic diversity and inclusion internally.
  - Set aside board time to make the business case for increasing socio-economic diversity throughout the organisation, and to outline how this will be achieved, and in what timescale.
  - Where appropriate appoint a social mobility champion at each location/store who will take accountability of two-way communication channels with regards to all aspects of social mobility.
  - Ensure that communication is not all 'top down'; establish an employee-led social mobility network across regions/locations where senior leaders can listen and amplify diverse voices.
- Appoint a senior leader with an external profile as a leading advocate for socio-economic diversity and inclusion.
  - Appoint individuals, ideally with understanding of the area, to be accountable to the board for this agenda and communicate this internally.
  - Convene a community of managers or champions with individual accountability to advocate socio-economic diversity internally.
  - Ensure there is:
    - Routine collaboration between HR, division heads and corporate and social responsibility leads in delivering the strategy;
    - Significant cross-working with other diversity focus areas (e.g. gender and ethnicity);
    - Strong support for and ownership of the strategy throughout the organisation so that each team understands its role.
  - Share your sector-wide collaboration efforts (see 'Advocacy' section for more detail).

## Developing

## Optimising

### Narrative:

Communicating your commitment to developing an inclusive culture.

- Engage front line, middle management and senior colleagues in crafting a narrative about socio-economic diversity that highlights:
    - Its importance and the rationale for focusing on it;
    - How it relates to other forms of diversity;
    - The current situation in your organisation, citing internal evidence;
    - Where you wish to be as an organisation, and how you will achieve it.
  - Include elements of social mobility narrative in regular internal communications (HQ and regionally) tailoring content to readership.
- Ensure senior leaders are internally and externally public in their support for this agenda.
  - Ensure the narrative always features prominently in key communications, including your website, recruitment communications, annual reports and procurement materials.
  - Share evidence of positive organisational change with all colleagues, and what is being done to ensure this continues in future.
  - Showcase specific examples (e.g. managers who use their data to inform their interventions and hiring practices).
  - Offer reverse mentoring so that middle and senior managers directly hear about experiences of staff.





## Developing

## Optimising

### Accountability:

Build a culture with accountability to accelerate and facilitate the change

- Communicate internally that data is being collected and analysed to understand socio-economic diversity, alongside other diversity data.
  - Produce annual reports for internal publication.
  - Support your management population with tools and techniques so they can make informed day-to-day team, store and regional decisions with inclusion and diversity in mind.
- Share data with managers, and where they are accountable link diversity and inclusion goals to their performance review and promotion.
  - Produce annual reports for external publication (see 'Advocacy' section).



## Developing

## Optimising

### Inclusion:

How you can help establish a sense of belonging for everyone, enabling individuals to bring their best self to work everyday.

- Listen to your workforce; create opportunities for employees to engage with the narrative on socio-economic diversity, normalising the conversation, for example:
    - Social mobility networks;
    - Focus groups to evaluate your performance;
    - Internal events, webinars and podcasts;
    - Regular pastoral support programme for those entering the workplace for the first time/ long absence from work, for the first 3 months and then on demand thereafter with skilled educated buddies.
  - Create a listening strategy, design and provide discreet enablement initiatives e.g. travel and meal expenses for interview/first month of employment, uniform/clothing assistance and buddy.
  - Review HR policies and procedures to support socio-economic diversity (e.g. paying a living wage, supporting travel expenses for applicants or having flexible working practices).
  - Build into internal diversity and inclusion training programmes themes specific to social mobility such as accent bias.
- Engage with your supply and distribution chain in advancing socio-economic diversity, with contractual obligations where appropriate (e.g. about unpaid internships, becoming an accredited voluntary Living Wage employer, diversity in their recruitment and data collection).



SUCCESS STORY

## Leadership and Culture: Building a culture which celebrates diversity



Jardine Motors Group represents 14 of the world's most renowned car brands across more than 50 locations in the UK and employs over 2,700 colleagues.

Jardine Motors wanted to celebrate diversity among its leadership team as a way of driving a more inclusive culture.

Previous National Inclusion Week activity enabled an opportunity to kick-start a more inclusive-focused conversation. Directors took part in a story-sharing campaign where they spoke about their backgrounds, experiences and career journeys. The aim of the campaign was to inspire colleagues throughout the business to have conversations on diversity and set the precedent for others to feel comfortable doing the same.

Jardine Motors also has a Colleague Culture Council and ED&I Steering Group, which consist of listening sessions in which people can openly discuss ED&I issues with fellow colleagues, providing a space where issues can be raised and addressed. These are sponsored by a director from the leadership team so that feedback reaches the top.

The impact of such activities is evident in the results of the latest colleague survey in which 88% agreed the company treats colleagues fairly regardless of background and creates an environment where people of diverse backgrounds can succeed. In addition, 85% of colleagues agreed they feel comfortable to be their authentic selves at work.





# OUTREACH

## Why is it important?

The best talent may not be in the obvious places. When it comes to recruitment, is your organisation fishing in the same pond or reaching out to where the best talent can be found?



The best talent may not be in the obvious places. When it comes to recruitment, is your organisation fishing in the same pond or reaching out to where the best talent can be found? A strong recruitment policy means

reaching out to inspire talented individuals whose backgrounds might have prevented them from applying to your company, and providing innovative paths of entry to a rewarding career.

## ‘Must-have’ interventions

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**Widen your talent pool** – 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.

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**Don’t reinvent the wheel** – work with partners on our directory and use their expertise.<sup>23</sup>

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**Choose one intervention** and do it well, then build from there.

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**Target schools, further education colleges and non-school routes** such as community and local education institutions in social mobility cold-spots (areas highest on the UK index of multiple deprivation) or with high levels of free school meals.

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**Activate your employee networks** – get them involved. If applicable, encourage members to use volunteer days to support outreach work.



<sup>23</sup> <https://www.socialmobilityworks.org/organisation-directory/>.

## Developing

## Optimising

**Design:** How you establish your areas of focus.

- Commit the organisation to broadening its recruitment pool by reaching out to a wide set of education providers (e.g. Further Education colleges as well as schools).
  - Devise a strategy to ‘open doors’ for a new, fresh and diverse intake that might otherwise have been missed.
  - Think about how you can use consumer interactions within your design of outreach (e.g. stores/online shopping/social media).
  - Create a marketing campaign that highlights the job prospects and opportunities in retail, so it is seen as a career, not just a job.
  - Appoint ‘ambassadors’ to inspire and inform a new generation of potential employees whose circumstances might otherwise have excluded them from your profession.
- Involve all employees, particularly those from diverse backgrounds, in the design and implementation of the outreach programme.
  - Target activities at young people including in social mobility coldspots (areas highest on the UK index of multiple deprivation) and at schools and further education colleges with high rates of free school meals, using publicly available school and college data.<sup>24, 25</sup>
  - Draw on educators views of what will benefit pupils most through surveys, questionnaires and career fairs to help feed into your plan.
  - Ensure success measures are overseen and owned by senior colleagues.

24 For more on social mobility coldspots, view the Social Mobility Commission’s reports: [State of the nation](#), 2017 and [The long shadow of deprivation: regional disparities in England](#), 2020.

25 To find schools and colleges with higher rates of free school meal intakes, use government’s [‘Find statistics and data’](#) tool.

## Developing

- Make outreach participants aware of opportunities to progress into the organisation and expectations about what is required.
- Ensure internships, insight days and other work experience opportunities are targeted at a diverse range of applicants.
- Ensure these opportunities are publicly advertised and paid at least the Living Wage, and where appropriate, supported with travel stipends or other bursaries.

## Optimising

- Develop materials and guidance that wider influencers can draw on, including teachers and parents.
- Provide specific opportunities for participants to maintain engagement:
  - Regular ‘touch-base’ conversations outside of formal activities (especially important in virtual programmes);
  - A pipeline of activities, communications and learning;
  - Varied pathways into the organisation for those who are interested (e.g. apprenticeships that can lead to a similar result as graduate schemes).
- Ringfence some internships for applicants from under-represented groups, including by socio-economic background.
- Provide elements of the graduate or apprenticeship application process to individuals at internship/work experience application process level to provide a fast-track through to recruitment.

**Delivery:** How you go about executing your plan.

## Developing

## Optimising

### Evaluation:

How you regularly evaluate outreach activities to provide data and inform future direction of interventions.

- Use your strategic plan to identify key impact metrics and measure against these (use our scorecard for ideas).<sup>26</sup>
  - Collect data on participant characteristics to assess whether those engaged meet eligibility criteria.
  - Gather feedback from participants to understand:
    - Whether they feel they have benefited from the outreach;
    - If they would recommend it to peers;
    - How activities can be improved.
- Use your strategic plan to assess impact of the activities against outcomes identified at all stages.
  - 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.



<sup>26</sup> Visit [www.socialmobilityworks.org](http://www.socialmobilityworks.org) for more.



SUCCESS STORY

## Outreach: Financially supported work experience for care leavers

Superdrug ☆

savers  
HEALTH HOME BEAUTY

Health and beauty retailers Superdrug and Savers currently have 1,400 stores across the UK with more planned to open in 2023. Superdrug's head office is based in East Croydon employing 650 staff.

Aware that many disadvantaged young people have the education and skills necessary to succeed but lacked the opportunities of their more privileged peers, Superdrug partnered with Drive Forward, based in London, a company focused on helping young adults from foster or residential care to gain employment and achieve their potential, targeting opportunities for those who would benefit the most.

Working together, an initiative was developed offering eight-week summer placements across

various departments in head office including; marketing, office services, IT, HR and pharmacy. To help reduce financial barriers, Superdrug reimbursed lunch and travel expenses until the first salary payment was received and collaborated with Drive Forward to develop a training offer for those managing the placements to understand how the experience of care impacts individuals. After completing the summer placements, several students were offered ongoing part-time work to fit around their studies.

In their stores Superdrug & Savers partner with the [Care Leaver Covenant](#) to support young care leavers into the world of work, offering both work related and pastoral support.



# HIRING

## Why is it important?

Your process for attracting talent will ultimately drive your talent pipeline. Widening your talent net will enable you to find brilliant individuals from diverse backgrounds.

Your process for attracting talent will ultimately drive your talent pipeline. Widening your talent net will enable you to find brilliant individuals

from diverse backgrounds. Look for potential, not pedigree or qualifications, and work to eliminate barriers and blockers.

## ‘Must-have’ interventions

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**Remove qualification barriers** – Recruit for skills and potential over qualifications and polish. Asking for a qualification should only be standard if it is essential to the role. Effective competency based interviews combined with practical assessment methods will provide greater inclusivity in the assessment process. Try to differentiate between important soft skills (e.g. communication) and arbitrary factors such as accent or cultural affinity.

**Use inclusive language** 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.”

**Keep in contact** – once a job is offered, keep in contact and use the time to develop their skills before joining.

**Evaluate often** – use your data to understand where your process can be improved.



## Developing

## Optimising

### Attraction:

How your organisation connects with individuals from lower socio-economic backgrounds.

- Use inclusive language and (e.g. “We’re looking for potential rather than experience”).
  - Remove unnecessary qualifications, which can create barriers for applicants. Advertise for skills and provide examples where appropriate.<sup>27</sup>
  - Be clear about the application process and what is assessed at each stage.
  - Review the diversity of the educational establishments you target, ensuring they have a diverse intake, and make sure you are working with institutions such as state schools, FE colleges and non-Russell Group universities.
  - Be transparent about eligibility criteria and the broad achievements of successful applicants for similar roles (e.g. typical A level or technical qualification grades, or skills other applicants have exhibited).
  - Ensure detailed feedback is given on specific areas of improvement during the hiring process.
- Use simple language when defining your desired competences and report the characteristics of those who progress in the organisation.
  - Undertake market research internally and externally to understand how applicants from different demographics respond to marketing materials, to inform future development.
  - Work with external organisations, careers services, specific faculties and other experts to design events, programmes and digital activities that engage under-represented groups.
  - Create inclusive online environments that give applicants detail on application processes and hiring approaches to support diversity and inclusion.
  - If you use an assessment tool, offer a practice test with feedback so applicants have the opportunity to practise for free.

<sup>27</sup> For help and ideas, visit <https://www.skillsbuilder.org/>.



## Developing

## Optimising

### Geography:

How you are removing geographical blockers and barriers.

- Review your policies and approaches to flexible working and ensure your offer to staff meets best practice.<sup>28</sup>
  - Target social mobility coldspots near you and investigate options for improving your levels of attraction and recruitment from these areas.<sup>29</sup>
  - Reimburse applicants who incur travel costs (e.g. to attend an assessment centre or to go to headquarters).
  - If a role requires relocation, ensure there is a budget available to support this.
  - Ensure IT systems enable any applicable job in the organisation to be deliverable remotely; and subsequently aim to reduce required travel to headquarters.
- 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.
  - Where appropriate, place ‘headcount’ limits on hiring in London and other expensive urban centres.
  - Set targets for offering and take-up of training opportunities in regional hubs.
  - 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 up the organisation without having to move to major city centres.

28 For more, see [CIPD Flexible working practices](#).

29 For more on social mobility coldspots, view the Social Mobility Commission’s reports: [State of the nation, 2017 and The long shadow of deprivation: regional disparities in England](#), 2020.

## Developing

## Optimising

### Entry routes:

How your organisation is engaging with individuals through multiple entry routes (e.g.internships, apprentices and graduate programmes).

- Compare applicant data with external benchmarks to assess how well they reflect the eligible talent pool.
  - Consider how introducing a range of alternative routes into the organisation could support diversity.
  - If applicable, offer quality apprenticeships with:
    - Entry at Level 2 and a clear sequence of apprenticeships above that, enabling an individual to go from Level 2 (GCSE equivalent) up to Level 6 (degree equivalent);
    - Progression routes through the organisation or wider industry once completed;
    - Pastoral support from line managers (with training) and buddying arrangement.
- Offer a range of non-graduate routes with external and internal communications on how these vary in terms of:
    - The activities involved;
    - Who they may suit best;
    - The competences required for each role;
    - The prospects of progression.
  - Ensure higher level apprenticeships and other apprenticeships offered to existing employees are targeted at less advantaged individuals, as those from lower socio-economic backgrounds are routinely overlooked for training in this sector.



## Developing

## Optimising

### Evaluation:

How your organisation is evaluating potential candidates to enable socio-economic diversity.

- Ensure candidate assessment processes are transparent, with easy access to details.
  - Apply selection processes consistently to all candidates (e.g. avoid preferential treatment for those who apply earlier or decisions made by discretion).
  - 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).
  - Conduct an annual evaluation of your selection processes' impacts on disadvantaged applicants, and redesign as needed.
  - Where panel interviews take place, ensure the panel has diverse representation, and that final decisions are made with transparency, against guidelines with a consciously objective approach to assessing the evidence.
- Ensure that assessment centres include a range of activities and exercises that are independent of each other and led by different assessors.
  - Monitor data during the application process to identify where diversity is low and take immediate action to increase diversity in the pipeline.

## Developing

## Optimising

### Lateral hiring:

How your organisation is enabling experienced workers from a lower socio-economic background to be successful.

- Implement a robust induction process for lateral hires that demonstrates how talent is identified, valued and rewarded, and how they can bring diversity of thought into the organisation.
  - Brief recruitment agencies on your organisation's commitment to advancing socio-economic diversity among hires, mentioning your desire for potential over polish.
  - Provide training and support for managers (see 'Evaluation' section).
  - Encourage applicants to anonymously self-report their socio-economic background alongside other diversity measures, explaining why it's important they do this even if they use the "prefer not to say" option.
  - Ensure processes for lateral hiring are followed by default, with any exceptions registered and fully explained.
- Engage with your recruitment agencies to share data on the diversity of their candidate base.
  - Require recruitment agencies to deliver diversity shortlists with respect to socio-economic background.
  - Deploy current employees to support attraction activities and act as role models for under-represented groups.



## Hiring: Reaching a wider range of talent



The Co-op is a large business which employs around 65,000 people across its grocery stores, funeral care, insurance and legal services businesses. Its head office is in Manchester with 2,500 stores across the UK, with around 10% of employees working at management level and around 100–150 in senior positions.

**Ensuring recruitment advertisements use inclusive wording:** The Co-op has invested in tools which check the wording of recruitment advertisements to ensure there is no adverse impact on different groups.

**Removing experience-based questions from interview process:** Replaced competency questions with behavioural questions – assessing natural tendencies and values rather than experiences. Assessing

in this way means they're less reliant on candidates needing experience in every role they recruit, opening up their process to those who may not have had the opportunities others have had.

### **Investing in developing community employability:**

The Co-op commit to running employability initiatives, programmes focused on providing skills and experiences for those from disadvantaged backgrounds. Through programmes such as Kickstart, Co-op are able to increase employability in the local community whilst developing a talent pipeline into the business. Additionally, the Co-op offers an e-Learning platform to anyone wanting to develop their employability, which is totally free to use. Over 15,000 people have signed up to use the platform since its launch in 2021.



# PROGRESSION

## Why is it important?

Progression within an organisation is often tilted disproportionately towards those from privileged backgrounds. This can be a result of structural issues, or gaps in inclusion and hiring policies.

Progression within an organisation is often tilted disproportionately towards those from privileged backgrounds. This can be a result of structural issues, or gaps in inclusion and hiring policies.

It is important to look beneath the surface to discover hidden talents that can accelerate your business. This should be a major area of focus for many organisations in the retail sector.

## ‘Must-have’ interventions

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**Make sure the best get on** – socio-economic inclusion is not just about who gets in, it’s also about who gets on.

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**Use your data** – follow the steps in the previous section to see where individuals from a lower socio-economic background stop progressing.

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**Ensure managers at all levels are offering training and progression conversations** – a crucial part of enabling individuals to develop are clear opportunities to get training and have career conversations.

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**Reduce informal ways to progress** – sponsorships, accelerator roles and informal networks or norms can give those from privileged backgrounds a leg up.

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**Clearly define the skills** required to progress each level and align interview criteria to reflect this. Have a clear and transparent salary/reward policy.





## Developing

## Optimising

### Progression:

How your organisation enables individuals from a diverse background to be promoted.

- Analyse data to understand how assessments, progression rates, pay and bonuses or other rewards may be affected by socio-economic background; examine how decisions about this are made (see section above on 'Measuring socio-economic background').
  - Create a clear definition of talent at each level of the business, and an explicit narrative about what experiences, skills and behaviours should contribute to progression.
  - Create incremental career stages (e.g. extra paid responsibilities) to support development of front-line staff in stores to HQ or management roles.
  - Consider whether your organisation offers 'accelerator' roles or experiences, which enable individuals who access them to fast-track up the ladder.
  - Promote and, if able, target training opportunities at those from low socio-economic backgrounds, who regularly receive less training at all levels of jobs.
  - Ensure training opportunities are evenly taken up by those from all backgrounds.
- Undertake more advanced analyses to understand staff profiles and in more detail, for example:
    - Correlations between different diversity characteristics (e.g. socio-economic background, gender and ethnicity) and relative performance, pay and progression;
    - Regressions of different diversity characteristics (e.g. school attainment, university attended, gender and ethnicity) on progression rates throughout the organisation;
    - Qualitative research to understand issues in more detail.
  - Empower senior leaders with key performance indicators about recruitment, retention, remuneration and progression of colleagues in their area from lower socio-economic backgrounds and with other characteristics; this then can be built into part of senior leaders' performance review processes.
  - Reward management on developing an inclusive work environment in their teams, stores and regionally.



	Developing	Optimising
<p><b>Progression:</b> (continued)</p>	<ul style="list-style-type: none"> <li>• Provide support and empowerment for management to make informed decisions around business and diversity and inclusion culture priorities.</li> <li>• Establish talent and leadership diversity training schemes that are targeted at those from lower socio-economic backgrounds.</li> </ul>	<ul style="list-style-type: none"> <li>• Career tracks must be redesigned to be more flexible, demonstrating alternative routes to senior roles.</li> <li>• Where managers have autonomy, set managers targets regarding.</li> </ul>
<p><b>Inclusion:</b> Providing an environment where individuals feel comfortable to bring their whole self to work.</p>	<ul style="list-style-type: none"> <li>• Ensure progression and training opportunities are available to all employees regardless of their working status e.g available to part-time workers.</li> <li>• Embed responsibility for progression across the whole organisation, not just HR or a specific senior colleague.</li> <li>• Support management and employees to build a culture of progression – ensure managers at all levels are offering training and holding regular career conversations with all employees at any level.</li> </ul>	<ul style="list-style-type: none"> <li>• Engage with your supply and distribution chain in advancing socio-economic diversity (see section above on ‘Leadership and culture’).</li> <li>• Engage with those you work with in advancing socio-economic diversity, with contractual obligations where appropriate (e.g. unpaid internships or data collection).</li> </ul>

## Developing

## Optimising

### Opportunities:

Providing information and support for career routes throughout the organisation.

- Ensure that progression and reward opportunities are available for non-graduates and not restricted to graduate routes.
  - Ensure middle managers visibly support the offer of training, development and progression opportunities for low-skilled workers.
  - Provide clear information about available training so that colleagues can request access to these themselves.
- Implement rigorous processes for succession planning to:
    - Avoid rushed hiring processes to replace leavers (which risks compromising consideration of diversity);
    - Reduce the effectiveness of individuals threatening to leave to gain advantage (which is more common among dominant groups);
  - Develop support interventions for individuals to navigate the organisation. These could include mentor or sponsorship programmes.
  - Provide career counselling and coaching to enable individuals to overcome current sector innate blockers or barriers.



## Progression: Shifting from graduate to apprenticeships programmes



The Co-op wanted to ensure its Early Career offer was supportive of social mobility. They decided to move away from a graduate scheme and prioritise their apprenticeship offer as data shows that the university system can exclude those from lower socio-economic backgrounds.

The Co-op offers a range of apprenticeships across the business and partners with employability partners such as Talent Foundry for their legal apprenticeships to identify the right candidates from social mobility coldspots.

As well as offering traditional 'school leaver' apprenticeships, the Co-op also facilitates social mobility by enabling existing colleagues to develop their career and gain further training which they may otherwise not be able to afford. A brilliant example is their highly successful LGV (Large Goods Vehicle) apprenticeship programme which enables both new hires and current warehouse colleagues to re-train as lorry drivers and progress into a role with a much higher salary.



# ADVOCACY

## Why is it important?

As an organisation that is developing its track record, there is an opportunity to be an industry leader.



As an organisation that is developing its track record, there is an opportunity to be an industry leader. By promoting sector-wide changes and supporting campaigns that promote social

inclusion in the workplace, your organisation will be at the forefront of promoting better work practices and a more cohesive society.

## ‘Must-have’ interventions

**Be public with your commitment to social mobility** – share your organisation’s commitment with progress updates.

**Everyone can be an advocate of social mobility** – collaborate within your sector and wider ecosystem, listen, learn, present, share, and work together for a societal change.



## Developing

## Optimising

### Transparency:

How your organisation publicly communicates their commitment to social mobility.

- Make a public commitment to publishing data annually and reporting on trends. Do this by publishing:
    - Workforce-level diversity data, as well as by job function or types of work and by grade level or seniority bands;
    - The rationale for collecting these and statements about your strategy.
  - Take part in social mobility research, data and celebration activities, e.g. the [Social Mobility Employers' Index](#), UK Social Mobility Awards.
- Publish granular diversity data annually across all grades and functions, with explicit benchmarking and targets for areas including pay and progression.
  - Create and publish a detailed plan to increase socio-economic diversity, as measured against key metrics in the data.
  - You may want to set targets and publish the actions planned and taken to realise them.
  - Work with other industry bodies to promote data transparency across the sector.



## Developing

- Have a presence at industry-specific events designed to advocate, inform and drive positive change.
- Have an active voice in national campaigns to support socio-economic diversity (e.g. unpaid internships).
- Collaborate with other employers in activities such as early outreach initiatives, support for diversity among work experience applicants, and research into challenges and solutions.

### Inclusion:

How your organisation shares and collaborates with others to lead on change within the social mobility space.



## Optimising

- Show leadership regarding socio-economic diversity, for example:
  - Speaking at national events;
  - Advocating change in the media;
  - Contributing to national campaigns;
  - Bringing together peer employers, clients, suppliers and other stakeholders to engage in debate, and publicising outcomes;
  - Sharing and celebrating your own evidence of impact – warts and all – to help drive positive, informed change;
- Lead collaborative programmes across your sector, and beyond.
- Focus on objectives, such as collating and benchmarking cross-sector data on socio-economic diversity, to generate a wider evidence base to inform change.
- Review your suppliers' approaches to socio-economic diversity and inclusion to understand any opportunities to work together to maximise impact.
- Consider setting expectations on your clients on what they can do to boost social mobility.
- Evaluate the impact of current, existing and new advocacy initiatives.



SUCCESS STORY

## Advocacy: Partnering to help young people transform their lives



TJX Europe comprises the TK Maxx and Homesense brands, and is Europe's leading off-price apparel and homeware retailer. Headquartered in Watford, the company employs over 25,000 associates in the UK, the majority of whom work in stores.

As part of an ongoing commitment to support young people in fulfilling their potential, TK Maxx and Homesense have partnered with The Prince's Trust across a range of initiatives, including its Get Into Retail, Loss Prevention and Distribution programmes and as headline sponsor of The Prince's Trust Awards. Since 2013, through their partnership with The Prince's Trust, they have supported over 1500 young people through their Get Into programmes (Retail, Loss Prevention and Distribution).

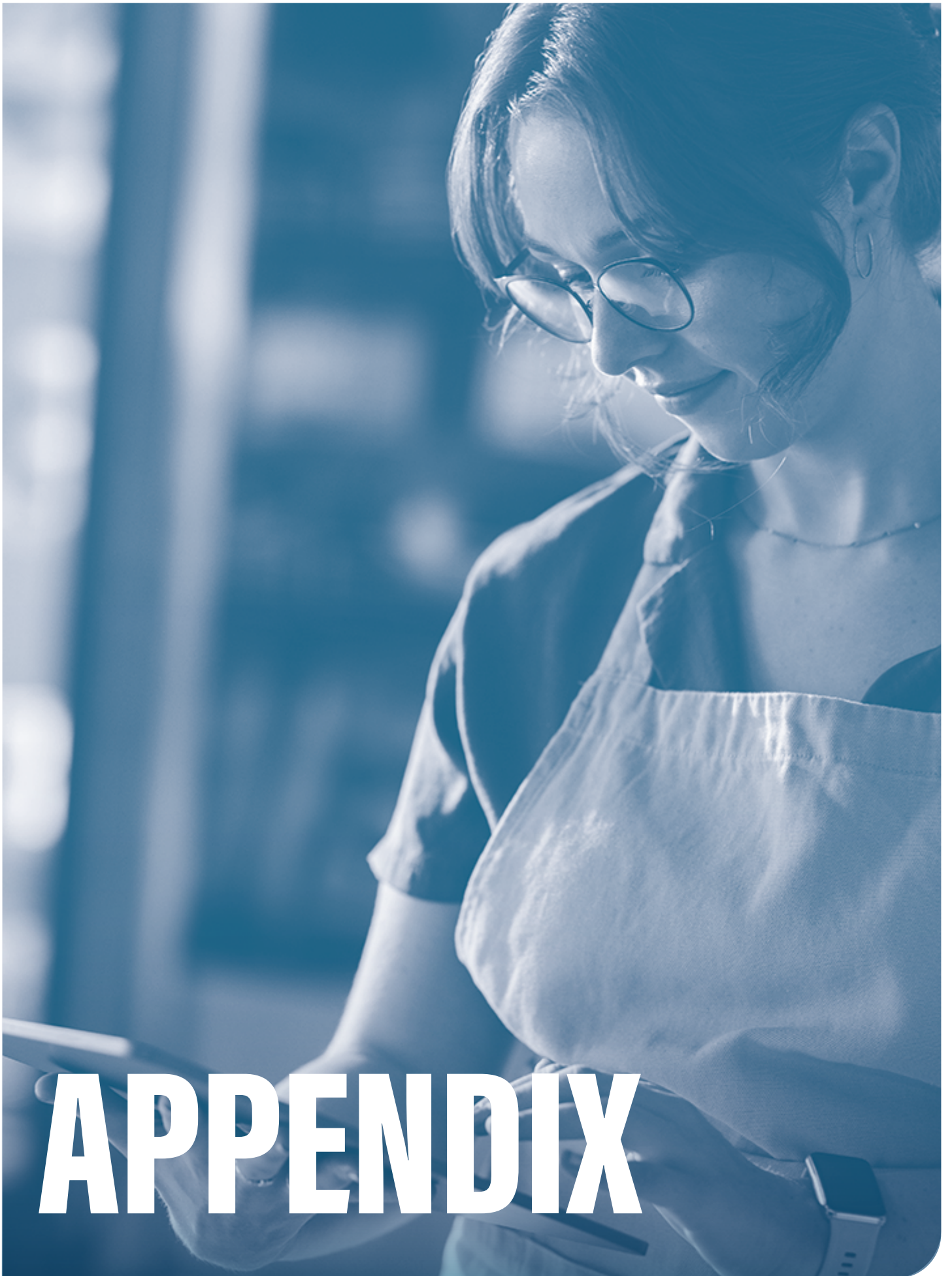
The partnership with The Prince's Trust supports TJX's ambition to be a business that encourages social mobility, made up of

incredible people from a range of backgrounds, who all bring their own unique qualities, experiences and views.

TJX Europe recognises the importance of industry-wide commitment to social mobility, removing barriers to progression and creating opportunities for all. Through the partnership, not only has it had the privilege of making a difference to the lives of these young, talented people who have gone on to enrich the business, but its teams have benefitted from the learnings that come from implementing and running the programmes.

TJX Europe are proud sponsors of The Trust and The Prince's Trust Awards and hope that its involvement raises awareness of the great work of The Trust and of the inspirational individuals involved, and will also help encourage sector-wide change.





# Key terms

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## Socio-economic background

Socio-economic background refers 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. It can be objectively measured by capturing information on parental occupation and level of education.

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## 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.

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## Diversity

This term captures the importance of recognising and valuing difference among individuals, e.g. along the lines of gender, ethnicity, socio-economic background, sexual orientation, age or disability. 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.

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## 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.

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## Microaggressions

These can be defined as everyday words or acts that send denigrating messages to certain groups who are perceived (or perceive themselves) as 'different' (e.g. in terms of race, gender, ethnicity or socio-economic background). They are subtle demeaning comments or statements, which, over time, make individuals feel inferior or excluded.

Members of the dominant culture are often unaware that certain comments or behaviours may be causing harm as there is no intention to offend. Relatively insignificant issues can build up to become extremely problematic as constant small comments gradually erode employees' confidence, self-belief and sense of belonging.





Social Mobility  
Commission

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

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