



# The role of employers and workplace practices in social mobility

Evidence review and recommendations for the Social Mobility Commission's employer toolkit

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# Table of contents

|                                      |    |
|--------------------------------------|----|
| Table of contents                    | 2  |
| Foreword                             | 3  |
| Executive summary                    | 6  |
| Recommendations                      | 7  |
| Introduction                         | 8  |
| The role of employers                | 10 |
| Workplace sorting                    | 10 |
| Differential treatment               | 11 |
| Workplace practices                  | 14 |
| Measuring SEB in the workplace       | 14 |
| Recruitment and selection            | 16 |
| Pay-setting                          | 18 |
| Progression                          | 20 |
| General principles                   | 21 |
| Recommendations for a future toolkit | 23 |
| Core equality of opportunity purpose | 23 |
| Evidence based, principles based     | 23 |
| Thematic toolkits                    | 24 |
| How SEB is measured                  | 25 |
| Periodic review                      | 27 |
| Supporting the data environment      | 27 |
| Conclusions                          | 29 |

# Foreword



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

It is important to everyone that employers, when they are recruiting into their business, or supporting employees to develop their careers, choose the best candidates, irrespective of their socio-economic background. We know that this is very important to employers too. We see this in the fact that they are often willing to invest time and effort into making sure they are open to talent and that their recruitment and retention systems are fair and transparent.

Within social mobility policy, this area attracts a lot of attention, particularly through charities and educational organisations. Employers are often willing to invest in advice or programmes of work focussed on improving the recruitment, retention and reward of high quality candidates. Employers – particularly large organisations – are keen to ensure their policies are based on evidence and the consensus of good practice.

This is why employers have been so responsive in shaping and using the Social Mobility Commission’s (SMC) “cross-industry toolkit”, which was first published in 2020 and has been used ever since by hundreds of businesses. Employers have told us time and again how useful the toolkit has been to help inform and shape practices in their workplaces.

It is clear to us, however, that the evidence base on which a lot of this work rests is very thin. There is a real risk that practices become “good” or “best” practice without sufficient evidence to back them up. Policies can have unintended consequences or be applied in inappropriate circumstances. There are lots of examples of myths which become established as facts. The most obvious is the claim that demographically diverse boards are more profitable – a claim for which there is little good quality evidence.<sup>1</sup> In terms of broader equalities policies around employment, Frank Dobbin

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<sup>1</sup> See, for example, A. Edmans, (2018) [The Business Case for Diversity: A Critical Look at the Evidence](#)

and Alexandra Kalev have given several examples of initiatives intended to improve workforce diversity that end up having detrimental effects.<sup>2</sup>

We therefore decided it was time to review our cross-industry toolkit and commission an independent review of its advice. We asked Mark Williams, Professor of Human Resource Management at Queen Mary Business School and an expert in this area, to undertake this work, and the findings of his review suggest that employers should be cautious about the practices and programmes they adopt.

The findings suggest that much that employers are told about social mobility and much of the received wisdom in this field has to be treated with caution. There do appear to be disparities in recruitment, pay and promotion, but the evidence about the underlying causes, such as the role of accent bias, cultural interests or social connections, is not strong. This review shows that workplace systems and practices can be decisive, but that there are no 'one-size-fits-all' solutions. Employers need to be clear about the purpose of their employment practices, which should be firmly focussed on equality of opportunity, rather than seeking to improve the demographic diversity of the workforce as an end in itself.

The review also highlights that many of the proxy measures used to categorise the socio-economic background of individuals can be unreliable indicators, or at least have serious limitations. Employers should use these measures with a clear understanding of their strengths and weaknesses and look to use a wide range of categorisation where possible. Employers should be guided by a set of broad principles: evidence, transparency, accountability and evaluation.

Although proxy measures of socio-economic background can be useful for monitoring trends, they should not be seen as binary categories for categorising the workforce. As an example of this, last year the Civil Service announced plans to limit entry into its Summer Internship Programme to those from a lower socio-economic background, based on parental occupation at age 14. This is a flawed approach because it assumes that group averages easily translate into prescriptions for how we treat individuals. The measure of parental occupation, which is the key measure for socio-economic background, illustrates this point clearly. If this is used carelessly, it will mean that someone from a disadvantaged neighbourhood, living on a low income, in a lone parent family could be excluded, for example, because that one parent was a primary school teacher. This is defined as a 'professional' job. Others, however, whose parents may better fit the definition of 'working class', may be in a two income family, with well paid jobs, such as that of a train driver or an electrician. They would be included.

Our findings are not bad news for employers. They suggest that there is much to learn and more research to be done, but employers should be confident to recruit on merit,

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<sup>2</sup> Dobbin and Kalev (2022) Getting to Diversity: What Works and What Doesn't

have a clear focus on equality of opportunity, and that good practice is simpler and less cumbersome than it might appear.

Our review echoes our previous calls for better data and further research so that employers and policymakers can better understand what works. These calls are particularly important given that, in September this year, the Government announced its decision to close the SMC. The SMC has statutory duties to monitor and promote social mobility and our work with employers has been a key focus, alongside wider engagement with the public and private sectors. The Government has announced plans to establish a 'Class Unit' within Government, but in the absence of the SMC there may no longer be a dedicated body for independent scrutiny in this area.

We hope the review's recommendations can be taken forward by the SMC or the new Class Unit, so that employers get the help they need to make sure their recruitment and performance practices are meritocratic and appointments are made based on talent and potential, not background or identity. Given that economic growth is dependent on employers finding the best candidates, managing them well and rewarding their performance fairly, providing employers with evidence-based and constructive guidance on how to achieve equality of opportunity should be a priority to boost innovation, productivity and growth.

# Executive summary

This paper reviews and evaluates the existing evidence on how employers and workplace practices influence socio-economic inequalities and social mobility in the UK. We provide recommendations for the future development of the Social Mobility Commission's cross-industry employer toolkit.

## Core findings

Employers have always played an important role in social mobility, through the jobs they create and how their internal practices decide who gets which jobs and who progresses within organisations. However, there is relatively little systematic evidence of the role of employers and workplace practices in shaping social mobility in the UK. This is partly due to the lack of a suitable national linked employer-employee dataset and the difficulties of drawing conclusions from different contexts.

A person's socio-economic background (SEB) can affect access to, and progression within, workplaces in many ways. However, our principal finding is the relative scarcity of high-quality evidence, both on the role of employers in understanding SEB inequalities and on the efficacy of specific workplace practices in the UK. This scarcity meant that a formal systematic review was not feasible.

Evidence for the causes of differential treatment, such as 'accent bias' and other socio-cultural cues such as interest and hobbies, dress sense or visible tattoos are relatively limited and mixed. The importance of traits such as confidence, ambition and disposition are plausibly linked to SEB and are correlated with career success, though again evidence here is limited. Physical traits such as stature, obesity and physical health may also have correlations with both SEB and labour market outcomes.

Overall, the evidence on these factors leading to differential treatment based on SEB in the workplace is mixed and generally implies small correlations. Nevertheless, a myriad of diffuse and small effects could be cumulatively significant and further research needs to better measure and quantify this cumulative dimension. The implication from this is that employers who want to understand SEB inequalities need to measure SEB as directly as possible rather than rely on proxies that poorly signal it.

Employers are increasingly collecting data on the SEB of their workforces and potential applicants, and many have turned to the SMC employer toolkits for advice in this regard. This paper provides a review of the strengths and weaknesses of the commonly used measures.

Using the receipt of free school meals or parental qualifications are found to be poor or mixed indicators for SEB. Schooling type can be a useful indicator in some specific instances but is also very limited. Parental occupation (asking the occupation of someone's main earning parent when they were 14 years old) remains the most

commonly used and is the strongest indicator. It is, however, not without limitations. Using homeownership as a proxy for wealth background is a potential additional indicator that requires more testing at scale.

We also review the available evidence on recruitment and selection practices, pay-setting and progression in work. Disparities can emerge during application processes, sifting and interviews, but direct discrimination based on SEB is difficult to prove.

Pay disparities clearly exist; those from lower SEB's earn less than those from other backgrounds within the same occupation classification, and these differences cannot be fully explained by observed characteristics. There has been a focus in the research on pay transparency as a potential way to mitigate inequalities.

There are also SEB gaps in career progression, with those from lower SEBs taking longer to advance to senior levels and having unequal access to professional networks. These disparities may be addressed through transparent and objective performance criteria, mentorship and regular evaluations of job design.

## Recommendations

Our recommendations for future development of the SMC's cross-industry employer toolkit are:

| Recommendation                          | Description                                                                                                                                                         |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Core equality of opportunity purpose | The toolkit should be clearly built around equalising opportunities in the workplace for those from lower SEBs                                                      |
| 2. Evidence based, principles led       | The principles of evidence-based practice, transparency and accountability should run through the toolkit                                                           |
| 3. Thematic toolkits                    | The core toolkit should be extended with supplementary toolkits organised around themes such as recruitment and selection, progression, and pay-setting             |
| 4. How SEB is measured                  | Free school meals should be dropped as a recommended measure, and how parental occupation categories are categorised should be refined                              |
| 5. Periodic review                      | Given the evolving evidence base and context, the guidance should be reviewed and updated approximately every 5 years                                               |
| 6. Support the data environment         | Setting up a central data repository for employers would improve employer-level transparency and accountability but also improve research data and therefore policy |

# Introduction

The Social Mobility Commission (SMC) exists to help create a country where socio-economic background (SEB) does not determine outcomes in life. While this report was being written, the government announced that the SMC is to be closed and a new Class Unit established within the Office for Equality and Opportunity. The few details of the new Unit at the time did not suggest that the SMC's core purpose would be abandoned in the new Unit. It was also reported that the Unit would be responsible for introducing the socio-economic duty (section 1 of the Equality Act 2010) in England, which would require public bodies to consider how their strategic decisions can reduce inequalities of outcome resulting from socio-economic disadvantage. As this report will show, SEB can be a source of disadvantage in employment, warranting continued policy focus in this area. The report has therefore been written with both the continuing operation of the SMC and the setting up of the new Class Unit in mind.

Reflecting the growing interest in how employers shape SEB inequalities in employment and how they might reduce them, the SMC published its cross-industry employer toolkit in 2020.<sup>3</sup> Building on consultations, the toolkit provided practical guidance for employers seeking to improve SEB equality in the workplace. This was subsequently supplemented by industry-specific toolkits. Collectively, these publications represented a forward-thinking development, and they appear to have been highly influential. For example, the National Health Service (NHS), the UK's largest employer, recently adopted SEB data collection and cited the toolkit as an influence.<sup>4</sup>

At the time the toolkit was developed, however, relatively little systematic evidence existed on the role of employers and workplace practices in shaping SEB inequalities and social mobility in the UK. While the evidence base has modestly expanded in recent years, it is still critically underdeveloped – as this review will demonstrate. This is partly because the UK lacks a linked employer–employee dataset (LEED) containing detailed information on SEB. In any case, there are limits on how informative an evidence base can be given that employers have varied strategies and face varied contexts. In light of this, this review argues that employers themselves have an important role to play in producing the evidence they need to inform their decisions.

The purpose of the review is to assess the current evidence on the role of employers and workplace practices in shaping SEB inequalities and social mobility, and to identify implications for the future development of a government-issued toolkit. Our principal finding is the relative scarcity of high-quality evidence, both on the role of employers in understanding SEB inequalities and on the efficacy of specific workplace practices in the UK. This scarcity meant that a formal systematic review was not feasible. The scope was therefore broadened iteratively to include international evidence and then the wider literature on workplace equality and human resource

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<sup>3</sup> The toolkit was later updated in 2021; SMC (2021), [Socio-economic diversity and inclusion: Employers' toolkit cross-industry edition](#).

<sup>4</sup> NHS (2025), [National Workforce Data set \(NWD\) guidance documents](#).

management. We gave particular weight to reviews and meta-analyses where available, especially where there were gaps in evidence relating directly to SEB.

The report proceeds as follows. The next section reviews evidence on the relative importance of employers in shaping SEB inequalities. Following that, we examine evidence on workplace practices and their potential contribution to SEB inequalities in workplaces. These two themes are closely related: understanding the scale and mechanisms of SEB inequalities helps to identify where workplace practices may be most relevant. The fourth section then sets out recommendations for a future toolkit, before the fifth section concludes.

# The role of employers

## Workplace sorting

Employers contribute to SEB inequalities and social mobility through the jobs they create. In the workplace, managers and internal practices contribute through deciding who gets which jobs and how they get on in them. Sorting, or segregation, across workplaces plays a substantial role in accounting for sex and ethnicity pay gaps in the UK.<sup>5</sup> Perhaps surprisingly, while the clustering of different SEBs across occupations is the central object of study in social mobility research, their clustering across workplaces is severely understudied.

As mentioned in the introduction, a perennial challenge is the lack of sufficiently detailed LEEDs that also contain SEB data. LEEDs allow researchers to isolate the role of the workplace in understanding inequalities in the labour market, including those that relate to SEB. For instance, in Sweden, a country with a well-developed LEED, one study found that social class origin pay gaps between identically qualified workers in similar jobs was accounted for entirely by differential SEB-based sorting across high- and low-paying workplaces.<sup>6</sup> Those from higher SEBs were more likely to cluster in workplaces that paid relatively high pay for a given job. This suggests that equalising SEB pay gaps in Sweden is largely a matter of improving access to high-paying workplaces for those from lower SEBs.

The recent inclusion of business identifiers in the Longitudinal Educational Outcomes (LEO) dataset has enabled some initial analysis of the role of the workplace in the UK, although research has yet to fully exploit this development. A recent Resolution Foundation analysis of LEO looking at graduates holding identical qualifications found that around two-fifths of the pay gap associated with a very low-income background was within employers, with only about one-tenth between employers.<sup>7</sup> This represents tentative evidence that unlike in Sweden, in the UK the role of the workplace in understanding SEB pay inequalities appears to be more about what goes on after hiring, such as differential progression, at least among graduates.

However, both LEO and this analysis have some very serious limitations relative to the Swedish and other LEEDs. Most critically, LEO does not contain occupation information. While 2 individuals from different SEBs working in the same workplace may be identically qualified, they may be doing very different jobs. LEO also contains a low-validity SEB indicator (receipt of free school meals, discussed further below), does not include migrant workers (who occupy 1 in 5 jobs) and focuses only on young cohorts (who are yet to reach peak earnings). Some of these limitations may be

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<sup>5</sup> A. Bryson and others (2026), [The relative importance of the establishment in the determination of job quality](#); T. Butcher and others (2017), [Workplaces, low pay and the gender earnings gap in Britain](#); J. Forth and others (2023), [The role of the workplace in ethnic wage differentials](#); W. Olsen and others (2018), [The gender pay gap in the UK: Evidence from the UKHLS](#).

<sup>6</sup> P. Engzell and N. Wilmers (2025), [Firms and the intergenerational transmission of labor market advantage](#), figure 7C.

<sup>7</sup> Resolution Foundation (2026), [The long shadow of childhood poverty](#).

rectified in time, for example through linkage to the Census or to survey data to obtain information on occupation.

The highest-quality LEEDs do not only identify employers: they also include information on workplace practices, allowing researchers to isolate the effects of, for example, recruitment and selection or pay-setting practices. Such detailed LEEDs are extremely rare and generally derive from specially conducted surveys rather than administrative records alone. The UK was previously a world leader in this type of LEED with its nationally representative Workplace Employment Relations Survey (WERS) series, which provided the template for similar LEEDs internationally. Unfortunately, the WERS was discontinued in 2011 after 3 decades of informing research and policy.

## Differential treatment

SEB may affect access to, and progression within, workplaces beyond differential parental socio-economic resources such as professional knowledge, access to internships, etc. Within workplaces, SEB may manifest in subtle ways that could have concrete effects on working lives, through differential treatment by managers and colleagues, directly and indirectly, consciously and unconsciously.<sup>8</sup> The cues for such differential treatment may be socio-cultural, psycho-social or physical.

On the socio-cultural side, perceptions of others' SEB based on visible cues of self-presentation and taste may lead to biased perceptions of performance or fit. One prominently discussed example is 'accent bias'. For at least half a century, there appears to have been a remarkably stable and shared hierarchy in perceptions of regional accents in the UK, with Essex and Birmingham accents generally being rated as having the lowest prestige, 'Queen's English' and 'received pronunciation' as having the highest.<sup>9</sup>

Evidence on how this hierarchy manifests in discriminatory behaviour in workplace settings is more limited. In one of the few behavioural studies, members of the public gave competence ratings to fictitious trainee solicitors applying for positions in a fictitious corporate law firm who spoke in different regional accents; the study found only marginal differences in the ratings.<sup>10</sup> And when practising lawyers were given the same mock interview experiment, they showed no bias according to regional accent and based their judgements solely on the competency of the spoken responses.<sup>11</sup> This suggests that trained professionals are able to separate substance from delivery in an interview setting, implying that regional accents might not be a handicap in a professional context. However, it is notably difficult to gather adequate field evidence on such issues, and the evidence base is too slim to draw firm conclusions.

Other evidence on accent bias is focused on attitudes rather than behaviours; this is easier to collect but arguably less informative about real-world workplace settings. This evidence suggests that SEB-correlated variants of regional accents have only

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<sup>8</sup> S. Friedman and D. Laurison (2019), [The class ceiling](#).

<sup>9</sup> D. Sharma and others (2022), [50 years of British accent bias](#).

<sup>10</sup> E. Levon and others (2021), [Accent bias and perceptions of professional competence in England](#), figure 1.

<sup>11</sup> E. Levon and others (2021), [Accent bias and perceptions of professional competence in England](#), p. 377.

limited implications, if any, in the workplace. A Sutton Trust report found essentially no difference between young university applicants from lower and higher SEBs in levels of concern that their accent could affect their ability to succeed in the future.<sup>12</sup> Differences were found among workers, but this was a result of lower levels of concern among those from higher SEBs about their accent rather than substantially greater concern among those from lower SEBs.<sup>13</sup> Importantly, concerns about accent-related disadvantage in the workplace were more consistently associated with region of origin than SEB, particularly for those growing up in northern England.<sup>14</sup> This suggests that accent bias research may be more relevant to regional inequalities than to SEB inequalities in the workplace or social mobility. A critical issue is the extent to which accent signals SEB at all or simply geographical background – a different construct entirely.

There is little direct evidence on the correlation between SEB and speaking with a regional accent. Instead, there appear to be class-based accent variants within broad regional accents, e.g. working-class and middle-class versions of Manchester English.<sup>15</sup> No workplace simulation experiment has focused on these class-based accent variants. This may explain why existing research has failed to identify any substantive bias in the workplace. Future research needs to carefully distinguish SEB-signalling accents from general regional accents if it is to be of relevance to SEB inequalities and social mobility debates.

Other potential socio-cultural cues for SEB which have been studied include interests and hobbies. A UK factorial survey experiment involved showing fictitious worker profiles that varied according to ‘highbrow’ (e.g. golf, theatre) or ‘lowbrow’ (e.g. darts, watching TV) interests to 100 workers with recruitment responsibilities. No differences were found in rated hiring probability or likelihood of interview invitation across conditions.<sup>16</sup> In another study using the UK Household Longitudinal Study, an indicator of cultural capital was unable to account for social class origin pay gaps, although it had small independent effects on pay.<sup>17</sup>

Other visible cues might involve dress sense and visible tattoos. However, one US study found that while women from lower SEBs were more likely to have visible tattoos, visible tattoos in turn had no association with pay.<sup>18</sup> Overall, then, known socio-cultural aspects of SEB appear to have no substantive effects within the workplace, but this could partly be due to the difficulty in signalling them in studies. On the other hand, cultural tastes and behaviours may have converged between classes, meaning that they do not signal class.<sup>19</sup>

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<sup>12</sup> E. Levon and others (2022), [Speaking up](#), figure 7.

<sup>13</sup> E. Levon and others (2022), [Speaking up](#), figure 15.

<sup>14</sup> E. Levon and others (2022), [Speaking up](#), figures 9 and 12.

<sup>15</sup> D. Turton and M. Baranowski (2026), [The sociolinguistics of sounding happy: A stable vocalic variable in Manchester English](#).

<sup>16</sup> L. Burchartz and others (2026), [Cultural and human capital signals in hiring: A factorial survey experiment across contexts](#).

<sup>17</sup> M. Valley (2026), [Cultural capital and the social origin pay gap in the UK: Do you like the opera?](#)

<sup>18</sup> M.T. French and others (2019), [Are tattoos associated with employment and wage discrimination? Analyzing the relationships between body art and labor market outcomes](#).

<sup>19</sup> S. Friedman and A. Reeves (2020), [From aristocratic to ordinary: Shifting modes of elite distinction](#).

On the psycho-social side, there are internal – not directly observable – traits such as confidence, ambition and disposition. These are plausibly related to SEB as a result of being influenced by the environment in which a person grows up. Qualitative research does find that those from lower SEBs who are socially mobile report that they feel lacking in these areas despite this mobility.<sup>20</sup> It is still unclear how such feelings correlate with SEB nationally. Certainly, aspects of personality have modest correlations with career success once other factors such as qualifications and occupation are controlled for,<sup>21</sup> indicating that they might be important if they are related to SEB.

On the physical side – that is, bodily and cognitive endowments which correlate with SEB – there are long established differences in stature, obesity and physical health according to SEB even within social classes which stem from childhood conditions.<sup>22</sup> As with psycho-social factors, the labour economics literature has long established small but notable differences in pay according to these traits independent of qualifications and occupation.<sup>23</sup>

In sum, the evidence is somewhat mixed on the effects of socio-cultural, psycho-social and physical factors leading to differential treatment with respect to SEB in workplace settings. The research so far suggests that the effects in all 3 categories are modest once qualifications and occupation are taken into account, and their correlations with SEB is not very clear in some cases. Nevertheless, a myriad of diffuse and small effects could still be cumulatively significant, and future research needs to better measure and quantify this cumulative dimension. The main implication from previous studies, then, is that if workplaces want to understand and combat SEB inequalities, then they need to directly measure SEB rather than rely on proxies which may only poorly signal it.

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<sup>20</sup> L. Ashley (2022), [Highly discriminating](#); S. Friedman and D. Laurison (2019), [The class ceiling](#).

<sup>21</sup> M. Williams and E. Gardiner (2018), [The power of personality at work: Core self-evaluations and earnings in the United Kingdom](#).

<sup>22</sup> Y. Guo and others (2026), [Social mobility and health: Evidence from the 1958 British birth cohort](#); M. Krzyżanowska and C.G. Mascie-Taylor (2011), [Intra- and intergenerational social mobility in relation to height, weight and body mass index in a British national cohort](#); C. Power and others (2002), [Are inequalities in height underestimated by adult social position? Effects of changing social structure and height selection in a cohort study](#).

<sup>23</sup> A. Case and others (2009), [Making sense of the labor market height premium: Evidence from the British Household Panel Survey](#); G. Heineck (2008), [A note on the height-wage differential in the UK: Cross-sectional evidence from the BHPS](#); M. Jones (2024), [The disability pay gap in the UK: What is the role of the public sector?](#)

# Workplace practices

## Measuring SEB in the workplace

Employers are increasingly collecting SEB data on potential applicants and their workforces, including through the use of the indicators promoted in the SMC's toolkit. The toolkit, which recommended 4 SEB indicators (see Table 1), was the culmination of extensive employer consultations dating back several years, including with employers already fielding indicators. A 2025 paper evaluated these indicators on 4 criteria: conceptual clarity, international scope, data quality and validity.<sup>24</sup> Table 1 summarises this evaluation. The study concluded that parental occupation was the strongest overall indicator, exhibiting fewer limitations than the alternatives assessed. Notable relative strengths were its ability to gauge different levels of advantage and disadvantage, high response rates, strong validity, and broad applicability across different countries of origin.

*Table 1: Strengths and weaknesses of SEB indicators in the SMC's toolkit*

| Indicator                        | Strengths                                                                                                                                                                     | Weaknesses                                                                                                                                                                                                  |
|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Parental occupation              | Used in social mobility research; validated by research; gets highest response rates; easy to understand; grades of advantage/disadvantage; applicable to foreign-born people | Unclear how well it applies to foreign-born people from less developed countries <sup>25</sup>                                                                                                              |
| Schooling type                   | Indicator of high household income; associated privilege has been validated by research; collected by some employers for years                                                | Binary and crude—over 90% of those in the labour market were state schooled; not applicable to foreign-born people                                                                                          |
| Free school meal (FSM) recipient | Indicator of extremely low household income; used in educational research; easy to understand; collected by some employers for years                                          | Binary and crude—only the very poorest have FSM; high level of measurement error—school meals are free in Scotland, much of London and elsewhere; not applicable to older cohorts or to foreign-born people |
| Graduate parent(s)               | Indicator of disadvantage in navigating university and entry into graduate workforce; easy to understand; applicable to foreign-born people                                   | Binary and crude—60 per cent of workers are 'first generation' graduates; high non-response; less relevant in the workplace than educational settings,                                                      |

<sup>24</sup> M. Williams and E. Gardiner (2018), [The power of personality at work: Core self-evaluations and earnings in the United Kingdom](#).

<sup>25</sup> Another study on 38 countries across five continents (mainly middle- and high-income countries) found parental occupation to have high validity across a broader range of countries than the Western European ones for which such indicators were originally designed; see M. Williams and others (2026), [The class question in organizations: Developing a social class background indicator for HRM research and practice](#).

|  |  |                                        |
|--|--|----------------------------------------|
|  |  | especially if qualifications are known |
|--|--|----------------------------------------|

Source: Adapted from M. Williams (2025), [Getting the measure of socio-economic background in organizations](#).

Receipt of FSM during schooling and parental qualifications were found to be poor or mixed indicators, although they are widely collected among employers collecting SEB data. Both generally performed poorly across the board relative to the other indicators. In particular, FSM suffers from the fact that state schools increasingly provide free meals to all students, meaning that it no longer signals household income; and collecting parental qualifications data is arguably less useful when a person's own qualifications are known, since part of its value is in predicting educational attainment. Schooling type was found to be useful in some specific instances (e.g. differentiating within higher SEBs) but was limited by its poor international scope.

The paper also investigated parental homeownership as a proxy for wealth background – a potential new indicator which has not yet been tested at scale.<sup>26</sup> Around a quarter of workers come from non-homeowning backgrounds. The Cabinet Office had decided against adopting this indicator following an earlier consultation,<sup>27</sup> but the 2025 study of workers found high response rates and high predictive validity with respect to occupational attainment, independent of other SEB indicators. This is consistent with other evidence suggesting that family wealth independently supports labour market success in the UK.<sup>28</sup>

Although it was the strongest indicator overall, parental occupation was not without issue. The indicator is based on a simplified version of the National Statistics Socio-Economic Classification (NS-SEC). It asks workers to self-code their main breadwinning parent's occupation into a reduced number of NS-SEC categories that are in turn divided into higher, intermediate and lower SEB categories (see Table 2). While NS-SEC is not solely an earnings-based measure,<sup>29</sup> the substantial pay differences between some classes are nevertheless obscured by this overly simplified self-coded version. First, it collapses higher and lower managerial and professional occupations. As Table 2 shows in terms of hourly pay relative to the national median, there is a notable gap between NS-SEC 2 (e.g. nurses, teachers) and NS-SEC 1 (e.g. dentists, finance managers), but they are grouped together. A more serious issue concerns the classification of NS-SEC 5 occupations (e.g. mechanics, electricians) as lower SEB. In social mobility research, these occupations are treated as intermediate rather than working-class positions,<sup>30</sup> as their relative earnings (and prospects) more closely resemble those of intermediate occupations (e.g. bookkeepers, paramedics) than those of semi-routine or routine occupations (e.g. retail assistants, labourers).

<sup>26</sup> M. Williams (2025), [Getting the measure of socio-economic background in organizations](#).

<sup>27</sup> Cabinet Office (2018), [Annex A: Evaluation of measures of socio-economic background](#).

<sup>28</sup> P. Levell and D. Sturrock (2023), [Using Understanding Society to study intergenerational wealth mobility in the UK](#).

<sup>29</sup> M. Williams and others (2020), [Mapping good work: The quality of working life across the occupational structure](#).

<sup>30</sup> See e.g. E. Bukodi and others (2022), [The social origins and schooling of a scientific elite: Fellows of the Royal Society born from 1900](#).

Table 2: Relative hourly pay by NS-SEC category mapped onto SEB

|   | NS-SEC category                                | Hourly pay relative to national median (%) | SMC toolkit SEB category |
|---|------------------------------------------------|--------------------------------------------|--------------------------|
| 1 | Higher managerial and professional occupations | 145.2                                      | Professional backgrounds |
| 2 | Lower managerial and professional occupations  | 116.3                                      |                          |
| 3 | Intermediate occupations                       | 76.5                                       | Intermediate             |
| 4 | Small employers and own account workers        | N/A                                        |                          |
| 5 | Lower supervisor and technical occupations     | 88.0                                       | Working class            |
| 6 | Semi-routine occupations                       | 70.0                                       |                          |
| 7 | Routine occupations                            | 68.9                                       |                          |
| 8 | Never worked and long-term unemployed          | N/A                                        |                          |

Source: author's calculations based on Office for National Statistics (ONS) (2020), [SOC 2020 Volume 3: the National Statistics Socio-economic Classification \(NS-SEC rebased on the SOC 2020\)](#); ONS (2025), [Earnings and hours worked, occupation by four-digit SOC: ASHE Table 14](#); SMC (2021), [Socio-economic diversity and inclusion: Employers' toolkit cross-industry edition](#), page 11.

## Recruitment and selection

Recruitment is the process of attracting suitably qualified candidates, and selection is the application of techniques to choosing between candidates within the recruitment pool. As demonstrated earlier in the evidence from Sweden (and the UK), some of the pay differential between those from different SEBs can be attributed to the distribution of workers across types of workplaces. This could stem from either differential propensity to apply for jobs in different types of workplaces, or, once an application has been made, differing success in obtaining the jobs. The former points to recruitment mechanisms being the bottleneck while the latter points towards selection mechanisms.

A study of job advertisements in the UK found that those for managerial and professional occupations were more likely to ask for what the study called 'non-merit' characteristics such as personal characteristics (e.g. physical appearance) and 'social skills', as opposed to 'merit' ones such as qualifications, cognitive abilities and effort.<sup>31</sup> Such non-merit requirements could potentially put off applicants from lower SEBs if these characteristics are correlated with coming from such backgrounds.

<sup>31</sup> M. Jackson (2007), [How far merit selection? Social stratification and the labour market](#).

Recent evidence from applications to graduate schemes at 17 large professional services employers found that the applicant pools had a similar SEB composition to that of the wider young graduate population,<sup>32</sup> suggesting that university students from lower SEBs were not disproportionately less likely to apply to these employers. However, these employers are unlike typical graduate employers, as they collect SEB data. Such employers tend to have well-developed SEB outreach programmes beyond selected universities. These recruitment practices likely improve lower SEB representation in recruitment pools. Other research with respect to sex finds that conscious efforts to increase the number of female applicants do ultimately lead to more women being hired.<sup>33</sup>

When it comes to selection, the study using data aggregated from 17 large employers that collected SEB data found that graduates from lower SEBs had a one-third lower chance of obtaining entry-level graduate job offers than those from higher SEBs.<sup>34</sup> This drops to about a fifth when controlling for observable attributes such as specific job role, university attended, degree subject, degree class, ethnicity and nationality. These disparities emerge at multiple stages of the selection process, with around half of the gap occurring at the application sift/online test phase and half at the interview stage.

However, simply observing success rates by SEB, even when controlling for a diverse range of factors, does not necessarily demonstrate direct discrimination. It could be that those from lower SEBs are less well prepared as a result of having to take on part-time jobs while studying, or as a result of the parents of those with higher SEBs passing on professional knowledge.

A common research method for detecting discrimination in hiring is through correspondence studies. These studies involve sending in applications for real jobs from fictitious candidates who are identically qualified but who vary in a characteristic such as sex or ethnicity, then comparing callback rates across the conditions.

The advantage of correspondence studies is that they can be interpreted as demonstrating direct discrimination. However, the only correspondence study focusing on SEB in the UK is now somewhat dated.<sup>35</sup> It signalled SEB on written CVs through name (e.g. double-barrel names), schooling type (e.g. private school), and interests (e.g. skiing). The study found only very small (non-significant) differences between study conditions, suggesting that employers were not clearly discriminating on these 3 characteristics. An international meta-analysis of correspondence studies found more substantial but still modest effects according to SEB. In general, much bigger effects were found for more visible attributes such as sex, ethnicity and disability.<sup>36</sup>

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<sup>32</sup> C. Dilnot and others (2025), [Inequalities in access to professional occupations](#).

<sup>33</sup> S.K. Johnson and others (2016), [If there's only one woman in your candidate pool, there's statistically no chance she'll be hired](#); M.A. Kazmi and others (2022), [Search committee diversity and applicant pool representation of women and underrepresented minorities: A quasi-experimental field study](#).

<sup>34</sup> C. Dilnot and others (2025), [Inequalities in access to professional occupations](#).

<sup>35</sup> M. Jackson (2009), [Disadvantaged through discrimination? The role of employers in social stratification](#).

<sup>36</sup> L. Lippens and others (2023), [The state of hiring discrimination: A meta-analysis of \(almost\) all recent correspondence experiments](#).

A weakness of correspondence studies is that they show only differences in callback rates rather than in job offer rates. Perhaps a more serious weakness of this method for SEB inequalities is the difficulty in signalling SEB through CVs.

A long established literature in industrial and organisational psychology has focused on how predictive selection methods are of job performance ('validity'). Validity is important for equality of opportunity, because methods that better predict performance reduce the scope for bias. Meta-analyses find a relatively clear hierarchy in how predictive different methods are of future job performance.<sup>37</sup> For instance, work samples generally have high validity and references low validity, although validity is ultimately contingent on the type of job.<sup>38</sup> Interviews have mixed validity: structured interviews have very high validity, while for unstructured interviews validity is very low.<sup>39</sup> Research has also examined disparities in performance by various ascribed characteristics (most commonly sex and ethnicity) using different methods and has found systematic differences in some highly valid methods (e.g. general mental ability tests). The research also found that selection methods can be reconfigured to address demographic disparities with no loss of validity.<sup>40</sup>

The implications of this research for SEB inequalities are threefold. First, selection methods should robustly reflect future performance. Second, performance across different methods may vary according to demographics, potentially including SEB (e.g. those from lower SEBs may perform less well in unstructured than structured interviews). Third, methods can be redesigned or supplemented with equally valid alternatives if systematic biases are found. Employers also likely already possess much of the data to make their own assessments.

## Pay-setting

Those from lower SEBs earn 17 per cent less than those from other backgrounds within higher managerial and professional occupations.<sup>41</sup> About half of this gap is explained by various demographic, human capital and job characteristics. Differences in educational qualifications alone explain about a quarter of it. Much of the explained gap is due to those from lower SEBs being more likely to work in lower-paying higher managerial and professional occupations such as engineering, the civil service and IT, while those from higher SEBs are more likely to work in higher-paying areas such as law, finance and medicine.<sup>42</sup> Nevertheless, half of the gap was not accounted for by such factors.

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<sup>37</sup> P.R. Sackett and others (2022), [Revisiting meta-analytic estimates of validity in personnel selection: Addressing systematic overcorrection for restriction of range](#).

<sup>38</sup> S.B. Morris and others (2015), [A meta-analysis of the relationship between individual assessments and job performance](#).

<sup>39</sup> P.R. Sackett and others (2022), [Revisiting meta-analytic estimates of validity in personnel selection: Addressing systematic overcorrection for restriction of range](#).

<sup>40</sup> C.M. Berry and others (2024), [Insights from an updated personnel selection meta-analytic matrix: Revisiting general mental ability tests' role in the validity-diversity trade-off](#); P.R. Sackett and others (2026), [Hiring people in organizations: The state and future of the science](#).

<sup>41</sup> D. Laurison and S. Friedman (2016), [The class pay gap in higher professional and managerial occupations](#).

<sup>42</sup> M. Williams and others (2026), [Social class origin and job quality among higher managerial and professional occupations in the United Kingdom](#).

Some of this ‘unexplained’ pay inequality across SEBs among otherwise similar workers may arise from pay-setting mechanisms, which correlate with SEB. Few studies have focused specifically on SEB and pay-setting, but fortunately, pay-setting is one of the few areas where evidence is generally higher in quality and relatively conclusive across other ascribed characteristics. There are 2 aspects to pay-setting: how individualised pay systems are (do they reward individuals or the jobs they do?) and how transparent they are (how visible are the pay determination processes and their outcomes?).

In one of the few studies to focus on SEB and pay-setting, US MBA students from lower SEBs (proxied by parental qualifications) were less likely to negotiate their starting salary. Nevertheless, they received similar salaries to those who did negotiate.<sup>43</sup> This study is limited by the highly specific context and early-career sample. A German study with a more generalisable sample found that those from what it called ‘lower-status’ categories were less likely to report the opportunity to negotiate, less likely to take advantage of it when available and received lower returns when they did negotiate.<sup>44</sup> Although it did not focus on SEB specifically, the results may be relevant to SEB given that opportunity to negotiate and associated higher pay offers were observed at far higher rates in middle-class jobs, the experience of which may be passed down intergenerationally. Those from higher SEBs, then, may well then be better prepared for individualised pay systems where processes and outcomes are opaque.

A stream of research has focused on pay transparency – most of it on sex-based inequalities, but the underlying mechanisms and effects may also apply to SEB. Across many studies and countries, the evidence, including highly convincing experimental studies,<sup>45</sup> consistently finds that pay transparency reduces inequality.<sup>46</sup> In the UK, causal estimates of the effect of the introduction of mandatory gender pay gap reporting suggest that sex pay gaps among affected employers fell by historic levels, though this was a result of male employees receiving smaller pay rises than female employees, rather than of female employees receiving larger pay rises, after the introduction of the policy.<sup>47</sup>

Transparency is thought to reduce inequalities because it makes visible seemingly invisible inequalities, compelling employers to act to maintain harmony and reputation. But it is more likely to be effective when embedded within wider practices and principles such as transparent pay systems, grading structures and job-based rates. Transparency also improves accountability: when practices and outcomes are opaque, accountability is weaker. Research generally finds that workplace practices have stronger equality effects if they are related to accountability structures.<sup>48</sup>

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<sup>43</sup> Y. Lin and others (2026), [The social-class gap in negotiation: Lower-class individuals negotiate less and face more backlash](#).

<sup>44</sup> C. Sauer and others (2021), [Categorical distinctions and claims-making: Opportunity, agency, and returns from wage negotiations](#).

<sup>45</sup> C. Harbring and S. Simons (2026), [Salary transparency works: Investigating gender differences in self-set salaries](#).

<sup>46</sup> M. Bennedsen and others (2023), [Gender wage transparency and the gender pay gap: A survey](#).

<sup>47</sup> J. Blundell and others (2025), [Pay transparency and gender equality](#).

<sup>48</sup> A. Kalev and others (2006), [Best practices or best guesses? Assessing the efficacy of corporate affirmative action and diversity policies](#).

Some employers have gone as far as extending transparency to SEB by publishing their ‘class pay gaps’, but no independent evaluation exists of the efficacy of this practice. Finally, while transparency evidently has equality benefits, it is not costless. Mandatory schemes have been critiqued for adding to the already heavy regulation burden on (particularly large) employers. These concerns may be mitigated to an extent by making reporting less regular and detailed and by partially automating the process.

## Progression

‘Progression’ refers to mobility, whether upwards, lateral or downwards, within and between organisational career structures. While pay is an important component, it is not the only one: changes in tasks, rank, span of control and other benefits also fall under this heading. Some descriptive evidence exists on progression with respect to SEB, published mainly by professional bodies and think tanks. For instance, the Bridge Group analysed records from 10 corporate law firms and found that those from lower SEBs took a year and half longer to progress to senior levels.<sup>49</sup>

Very little systematic evidence exists on why those from lower SEBs might progress more slowly. At the heart of progression within organisations are performance management systems.<sup>50</sup> These aim to capture performance and inform decisions such as promotion. They often centre on performance appraisals.<sup>51</sup> For SEB inequalities in progression, how performance is decided could be critical. Qualitative research suggests that unwritten and informal processes can often account for some of the differences in progression, with those from higher SEBs having greater access to networks, socio-cultural resources and confidence.<sup>52</sup> These resources may facilitate progression independently of formal performance criteria.

One response is the use of structured mentorship (advice and guidance) and sponsorship (active advocacy for advancement) programmes to increase access to career-related information, support and opportunities. Another is to make performance criteria more transparent and objective, for instance using quantitative rating scales rather than a narrative method for rating performance. Similarly, scales which are behaviourally anchored in measurable outcomes, as opposed to those anchored in traits and attitudes, are likely to lead to more consistent assessments of performance.<sup>53</sup> This of course also requires equal application of the criteria as well as equal availability of resources and opportunities to perform well.

Another area to consider is the opportunity for job design, both formal and informal. A national survey in the UK found that those from lower SEBs in higher managerial and professional occupations in the UK reported lower levels of access to progression and development opportunities, were given lower-level tasks, and had poorer relations

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<sup>49</sup> Bridge Group (2020), [Socio-economic background and progression to partner in the law](#).

<sup>50</sup> J.N. Baron and D.M. Kreps (1999), [Strategic human resources: frameworks for general managers](#).

<sup>51</sup> P. McGovern and others (2007), [Market, class, and employment](#).

<sup>52</sup> L. Ashley (2022), [Highly discriminating](#); S. Friedman and D. Laurison (2019), [The class ceiling](#).

<sup>53</sup> A. Rafferty (2025), [Performance appraisal](#).

with managers than those from higher SEBs in identical occupations.<sup>54</sup> Validated, high-quality and cheap workforce experience surveys can pick up and quantify these often invisible inequalities in job content.<sup>55</sup>

## General principles

Even if there were an abundance of relevant studies, an issue that remains is the extent to which identified effects apply to a specific employer's strategy and context. In the human resource management literature, this is known as the 'best practice' versus 'best fit' debate. The best practice perspective argues that certain workplace practices have broadly universal effects whereas the best fit perspective argues that effectiveness depends on contextual factors such as strategy, workforce composition, job characteristics, labour market conditions and institutional environment. Consequently, it is difficult to identify specific interventions that could be expected to improve SEB equality across all employers.

Across the preceding sections and the wider literature, practices associated with greater transparency and accountability appear more likely to produce greater equality of opportunity. Formalisation can help here by reducing reliance on managerial discretion, which can unintentionally reproduce existing inequalities.<sup>56</sup> However, formalisation alone is unlikely to be sufficient. Excessively rigid procedures can generate resistance from managers, and they may be evaded.<sup>57</sup> Transparency and accountability help to ensure that processes are applied consistently, that outcomes can be monitored by workers and managers, and that decisions can be attributed to specific individuals so that anything unjust can be more effectively challenged.

There is also growing evidence that fair workplace practices built on transparency and accountability can be associated with improved business performance. Recent evidence from the US suggests that organisations with workplace practices that have a distinct equality focus tend to achieve greater demographic diversity and perform better.<sup>58</sup> However, systematic reviews generally find that demographic diversity itself does not have universally positive effects on business performance.<sup>59</sup> One interpretation is that equality and diversity should not be treated as synonymous. Fair workplace practices may improve business performance through mechanisms such as

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<sup>54</sup> M. Williams and others (2026), [Social class origin and job quality among higher managerial and professional occupations in the United Kingdom](#).

<sup>55</sup> A. Felstead and others (2019), [Conceiving, designing and trialing a short-form measure of job quality: A proof-of-concept study](#).

<sup>56</sup> S.M. Ugarte and J. Rubery (2021), [Gender pay equity: Exploring the impact of formal, consistent and transparent human resource management practices and information](#).

<sup>57</sup> F. Dobbin and others (2015), [Rage against the iron cage: The varied effects of bureaucratic personnel reforms on diversity](#); A. Kalev and others (2006), [Best practices or best guesses? Assessing the efficacy of corporate affirmative action and diversity policies](#); M. Noon and E. Ogbonna (2021), [Controlling management to deliver diversity and inclusion: Prospects and limits](#).

<sup>58</sup> F. Dobbin and others (2015), [Rage against the iron cage: The varied effects of bureaucratic personnel reforms on diversity](#); A. Edmans and others (2026), [Beyond diversity: Equity and inclusion in firms](#); A. Kalev and others (2006), [Best practices or best guesses? Assessing the efficacy of corporate affirmative action and diversity policies](#).

<sup>59</sup> G. Kirton and A.-M. Greene (2022), [The dynamics of managing diversity and inclusion: A critical approach](#); Q.M. Roberson (2019), [Diversity in the workplace: A review, synthesis, and future research agenda](#); K. Zhao and others (2025), [A systematic meta-review of organizational diversity and inclusion interventions and their associated outcomes](#).

better utilisation of talent, higher retention levels and enhanced reputation, regardless of whether they lead to measurable changes in workforce composition. The correlational evidence that exists with respect to SEB and the UK is positive but limited, so this is an important area for future research.<sup>60</sup>

Beyond the general principles of transparency and accountability, evidence-based practice provides another useful principle. It argues that decisions should be guided not by intuition, tradition or management fads but by the best available evidence.<sup>61</sup> It involves defining a problem, gathering evidence and critically evaluating its quality, applying the findings to decision-making, and subsequently evaluating outcomes. It recognises multiple sources of evidence, including scientific research, organisational data, professional expertise and stakeholder perspectives.

Rather than searching for universal solutions, employers should identify the particular issues within their workplaces and evaluate which interventions are most likely to address them. This also implies ongoing monitoring and evaluation. From this perspective, the question is not whether a particular intervention ‘works’. A more useful question is whether, and to what extent, a practice helps to solve a specific problem, for which groups and under what conditions. Evidence-based management provides a framework for answering these questions.

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<sup>60</sup> Accenture (2022), [A fair chance to advance: The power of culture to break socioeconomic barriers in the workplace](#).

<sup>61</sup> E. Barends and others (2014), [Evidence-based management: The basic principles](#); R.B. Briner and others (2009), [Evidence-based management: Concept cleanup time?](#)

# Recommendations for a future toolkit

## Core equality of opportunity purpose

As set out in the introduction, the SMC's toolkit was a forward-thinking development, but its purpose could be clearer and more evidence-based. The stated purpose of the cross-industry employers' toolkit was to provide “a roadmap for any business wanting to benefit from increasing representation of people from low socio-economic backgrounds”.<sup>62</sup> Based on the findings of this review, this framing is problematic for 2 reasons. First, it assumes that increasing the representation of workers from lower SEBs generates demonstrable organisational benefits. Second, it implies that these benefits are broadly applicable. This review finds both claims to be far from universally well founded, although this may change in the future as the evidence base is built up.

Therefore, this review recommends openly promoting a society in which SEB does not determine access to and progress in employment – an objective of the SMC likely to stand in the new Class Unit and consistent with the broader remit of the Office for Equalities and Opportunity. A more defensible approach for a future toolkit is therefore to aim to provide a set of frameworks for employers seeking equality of opportunity with respect to SEB. This is arguably a more robust foundation than claims about benefits that cannot yet be convincingly substantiated by the available evidence.

In places, the existing toolkit implies that increasing SEB diversity is an objective in itself. However, a workforce that is diverse in terms of SEB is not necessarily one characterised by equal opportunities. Similar criticisms have been made of wider diversity initiatives, which sometimes prioritise representation over the processes that generate fair outcomes. Indeed, some go as far as to argue that equality of opportunity is the best way to increase diversity.<sup>63</sup> A future toolkit should therefore be based around equality of opportunity and fair treatment rather than diversity alone.

## Evidence based, principles based

Two central findings of this review are that the evidence base on SEB-related workplace practices is limited and that there is a general theoretical difficulty in identifying universal ‘best practice’. While there is stronger evidence in measurement, particularly the measurement of SEB, the effectiveness of most workplace practices is likely to be highly dependent on context. Consequently, a future toolkit should focus on promoting equality of opportunity as the overarching objective; validated approaches to measuring SEB and other relevant metrics; and broad frameworks for identifying,

<sup>62</sup> SMC (2021), [Socio-economic diversity and inclusion: Employers' toolkit cross-industry edition](#), page 4.

<sup>63</sup> F. Dobbin and A. Kalev (2025), [Achieve DEI goals without DEI programs](#).

analysing and addressing SEB inequalities across categories of workplace practices. Cross-cutting these would be the important principles of transparency and accountability.

Additionally, employers should be encouraged to identify and address the specific issues within their own workplaces. This requires ongoing measurement, experimentation, monitoring and evaluation. Rather than prescribing particular interventions, the toolkit should therefore support employers to adopt an evidence-based approach to decision-making and to assess whether workplace practices are achieving their intended objectives.

The Class Unit and the Office for Equality and Opportunity may also wish to explore a broader role in supporting the development of evidence-based practice among employers. One possibility would be to act as a repository for data produced by recommended standardised SEB metrics, analogous to the role it already plays with respect to mandatory gender pay gap reporting. Similar recommendations for a ‘data lab’ with respect to SEB have been made elsewhere.<sup>64</sup>

Such an approach would require careful consideration of issues including data quality, reporting burdens, confidentiality and comparability across employers, and consultation would be needed. Nevertheless, greater standardisation in measurement and reporting, and a centralised place to make it public, could encourage transparency and accountability among employers while simultaneously strengthening the evidence base on SEB inequalities in the workplace, which could in turn be incorporated into a future toolkit.

## Thematic toolkits

The SMC’s supplementary toolkits were a useful development insofar as they recognised that a ‘best fit’ approach may be more appropriate than ‘best practice’. However, the ‘building blocks’ toolkit did not appear to offer substantially different content from the core materials and could be discontinued. Similarly, while the ‘industry toolkits’ varied their emphasis across workplace practices, such as a greater emphasis on recruitment and selection in professional services or on progression in retail, much of their content duplicated the core material. The focus on only a small number of industries also left incomplete coverage. In any case, industry (product markets) may be a less salient factor than occupation (labour markets) when it comes to managing workforces.

This review therefore recommends replacing the supplementary toolkits with a series of thematic toolkits organised around categories of workplace practices (e.g. recruitment and selection, progression, pay-setting). These can also be extended to less conventional areas that matter to workers, such as non-pay aspects of job

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<sup>64</sup> B. Huband-Thompson (2024), [The opportunity effect: How social mobility can help drive business and the economy forward](#).

quality.<sup>65</sup> Additional guidance could still be developed for specific contexts that differ substantially – such as SMEs, where qualitative evidence may be more informative.

Alongside a core toolkit focused on measuring SEB and supporting evidence-based, principles-led approaches to equality of opportunity, a thematic approach would allow greater depth while remaining broadly applicable across sectors. It would also provide more practical guidance on how employers can apply evidence-based practice within different human resource management functions, including identifying potential standardised metrics, processes for gathering evidence, criteria for selecting appropriate interventions and guidance on evaluating outcomes. Such an approach would be more consistent with the current evidence base, which generally supports broad principles rather than any specific practices, with a strong emphasis on validated measurement tools (as this is where the evidence is stronger).

In terms of content, the employer case studies in the previous toolkit are worth retaining and updating. For example, PwC's approach to increasing response rates to SEB data collection provides a useful illustration of practical implementation.<sup>66</sup> Consistent with the findings of this review, more emphasis should also be given to areas of workplace practice beyond recruitment and selection, particularly progression and pay-setting.

## How SEB is measured

Based on the findings of this review, the way that employers are advised to measure SEB should be revised. First, FSM and parental qualifications perform relatively poorly compared with other indicators.<sup>67</sup> FSM should no longer be recommended as a core SEB measure. This reflects its weakening relationship with parental income. Second, the parental qualifications indicator should be recommended with the caution that its conceptual relevance is limited in workplace settings where attained qualifications are already known. Third, the use of schooling type should be reconsidered. At a minimum, the specific circumstances in which the measure is most useful should be clarified. This is particularly the case when differentiating within relatively advantaged groups, but even in these circumstances, a refined parental occupation measure that distinguishes higher from lower managerial and professional occupations, consistent with the categories underlying the NS-SEC, may achieve a similar objective.

Fourth, a future toolkit should consider incorporating a measure of wealth background, such as parental homeownership, as growing evidence points to the increasing importance of family wealth in shaping life chances.<sup>68</sup>

Taken together, and aside from the possible inclusion of a wealth measure, the evidence suggests that parental occupation should serve as the principal and possibly only measure of SEB within a new toolkit. Advantages of a single measure include the

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<sup>65</sup> SMC (2025), [Perceptions of social mobility in the UK: Unpacking public attitudes and evolving aspirations](#); M. Williams and others (2020), [Mapping good work: The quality of working life across the occupational structure](#).

<sup>66</sup> SMC (2021), [Socio-economic diversity and inclusion: Employers' toolkit cross-industry edition](#).

<sup>67</sup> M. Williams (2025), [Getting the measure of socio-economic background in organizations](#).

<sup>68</sup> P. Levell and D. Sturrock (2023), [Using Understanding Society to study intergenerational wealth mobility in the UK](#).

reduction in the burden on employers and workers alike and comparability in metrics within and across employers.

Finally, the parental occupation measure itself would benefit from some minor refinements. First, a five-category classification would be preferable to the current four-category approach. The existing measure combines higher and lower managerial and professional occupations, despite noteworthy differences in economic advantage between these groups, as noted earlier. Separating them would provide greater granularity and reduce the need to collect schooling type as an additional differentiator among those from more advantaged backgrounds. Second, technical and craft occupations should be reclassified from lower to intermediate SEB. This would bring the categorisation closer to that used in social mobility research and would reflect the earnings and prospects of such occupations, again as noted earlier.

Third, the ‘long-term unemployed’ category should be expanded to include those unable to work and in receipt of benefits. Long-term benefit receipt may arise from disability as well as from long-term unemployment, and the classification should reflect this. A lightly revised classification is proposed in Table 3.

*Table 3: Recommended refinements to the parental occupation indicator*

| Existing toolkit                                             |                                           | Recommended                                                                       |                                    |
|--------------------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------------|------------------------------------|
| Senior, middle or junior managers or administrators          | 1. Professional backgrounds               | Senior managers and directors                                                     | 1. Higher professional backgrounds |
|                                                              |                                           | Traditional professional occupations                                              |                                    |
| Modern professional and traditional professional occupations |                                           | Middle or junior managers                                                         | 2. Lower professional background   |
|                                                              |                                           | Modern professional occupations                                                   |                                    |
| Clerical and intermediate occupations                        | 2. Intermediate backgrounds               | Clerical and intermediate occupations                                             | 3. Intermediate backgrounds        |
| Small business owners                                        |                                           | Small business owners                                                             |                                    |
| Technical and craft occupations                              | 3. Lower SEB or working-class backgrounds | Technical and craft occupations                                                   | 4. Lower SEB backgrounds           |
| Routine, semi-routine manual and service occupations         |                                           | Routine, semi-routine manual and service occupations                              |                                    |
| Long-term unemployed                                         |                                           | Long-term unemployed or unable to work (e.g. disabled) and in receipt of benefits |                                    |
| Other                                                        | 4. Exclude or report separately           | Other                                                                             | 5. Exclude or report separately    |
| Prefer not to say                                            |                                           | Prefer not to say                                                                 |                                    |

## Periodic review

As the evidence base develops, socio-economic conditions evolve, and the priorities of employers and government change, a future toolkit should be formally reviewed approximately every 5 years. This would help to ensure that recommendations remain relevant, evidence-based and aligned with current conditions. Reviews should, wherever possible, be conducted independently or with independent oversight, drawing on input from employers, academics and other relevant stakeholders. This would strengthen the credibility of the process and help to ensure that revisions reflect developments in evidence and practice rather than the preferences of any particular group. Care should be taken to coordinate with other toolkits that have since appeared, such as that of the Sutton Trust.<sup>69</sup>

At the same time, reviews and revisions should not result in sudden shifts in direction. Major changes to the toolkit's core purpose and recommended approaches could weaken its authority and reduce employer engagement. In particular, fundamental elements such as the definition and measurement of SEB should remain relatively stable unless compelling evidence emerges to justify revision. Similarly, the tone and content should remain as neutral, balanced and evidence-led as possible. A periodic review process should therefore aim to balance continuity with change. As the SMC will be closing, the Class Unit or another part of the Office for Equalities and Opportunity should take up leading this function.

## Supporting the data environment

The final recommendation concerns not the next iteration of the toolkit directly but rather the wider environment in which it occurs. The central finding of this review is the paucity of relevant evidence. Therefore, we recommend that the SMC commission original research – or at least lobby for funding for or otherwise support external funding applications for – research into, first, the general role of employers in accounting for SEB inequalities, distinct from other known causes; and second, the role of specific workplace practices in accounting for and shaping SEB inequalities. Both significant gaps could be addressed by improvements to the data environment. The SMC, as a leading voice, should lobby for an appropriate LEED or for modifications to existing ones that would help to address the first gap (e.g. integrating occupation information into LEO) or, better yet, a WERS-style survey to address this and the second gap.

These improvements in the data environment would allow a quantification of the role of workplace segregation versus differential treatment in accounting for SEB inequalities, identifying the roles of specific practices to reduce them and investigating the extent to which both are associated with business outcomes (e.g. productivity). It would also allow an in-depth analysis of how such patterns vary according to employer type (e.g. size), type of job (e.g. managerial and professional vs routine and manual), geography, industry and ownership type.

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<sup>69</sup> Sutton Trust (2020), [Social mobility in the workplace: An employer's guide](#).

As mentioned, the Class Unit, or another government body, preferably within the Office for Equalities and Opportunity, may wish to act as a central repository for reporting data, much as bodies within the Office for Equalities and Opportunity do for other characteristics. This could build a complementary evidence base from which to gain insights, as well as encouraging engagement, transparency and accountability among employers.

# Conclusions

This review has examined the literature on the role of employers and workplace practices in shaping SEB inequalities and social mobility in the UK. Based on this, it has developed a set of recommendations for a future toolkit. The principal conclusion from the literature review is the surprising paucity of evidence. Consequently, much of this review drew on wider literature relating to other ascribed characteristics. Even then, few specific interventions emerge as clear examples of universal ‘best practice’. Instead, the evidence generally supports broad principles centred on equality of opportunity, transparency, accountability and evidence-based decision-making. Against this backdrop, the report proposes 6 recommendations, ranging from minor refinements to the measurement of SEB, to more significant revisions to the structure of a future toolkit, to broader recommendations concerning research and data infrastructure. These recommendations are summarised in Table 4.

*Table 4: Summary of recommendations*

| Recommendation                          | Description                                                                                                                                                         |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Core equality of opportunity purpose | The toolkit should be clearly built around equalising opportunities in the workplace for those from lower SEBs                                                      |
| 2. Evidence based, principles led       | The principles of evidence-based practice, transparency and accountability should run through the toolkit                                                           |
| 3. Thematic toolkits                    | The core toolkit should be extended with supplementary toolkits organised around themes such as recruitment and selection, progression, and pay-setting             |
| 4. How SEB is measured                  | Free school meals should be dropped as a recommended measure, and how parental occupation categories are categorised should be refined                              |
| 5. Periodic review                      | Given the evolving evidence base and context, the guidance should be reviewed and updated approximately every 5 years                                               |
| 6. Support the data environment         | Setting up a central data repository for employers would improve employer-level transparency and accountability but also improve research data and therefore policy |

Perhaps the most important recommendation is that a new toolkit should play a leading role in supporting the development of the evidence base – among employers but also within government. Without a stronger foundation, employers, policymakers and researchers will continue to face significant uncertainty about which workplace practices are most effective in promoting equality of opportunity and reducing SEB inequalities, as well as their effects on business performance.

