



MOVING THE DIAL ON RACE

A Progress Report on Workplace Inclusion

December 2020

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INTRODUCTION

Three years have passed since CMI published guidance on [Delivering Diversity](#), supporting leaders and managers across the UK to develop ethnic diversity in their organisations. However, the research presented here shows that senior leaders need to do more to build inclusive cultures and support racial diversity in their organisations, with the private sector and small and medium size businesses (SMEs) in particular, needing to scrutinize their existing initiatives.

We know over this time period that many CMI managers report that their organisations have been trying to make progress on critical issues linked to diversity. At the end of 2018 a poll of our members showed that the vast majority of Directors (76%) were very confident to challenge discriminatory language or behaviour by team members. Although the same poll found that 61% of CMI managers reported they had not received training in diversity and inclusion in the previous year.¹

The Parker Review in 2017 recommended that “each FTSE 100 Board should have at least one director of colour by 2021.”² The subsequent update report in 2020 stated that “while there are early signs of progress, this overall ambition looks very challenging.”³ The events of 2020, including the prominence of the Black Lives Matter (BLM) movement, give organisations an opportunity to renew

and refocus their actions on the race equality agenda.

Leaders and managers need to go further. People from diverse ethnic groups remain underrepresented at senior management levels and, worryingly, the diversity of an organisation’s workforce is one of the least important considerations to UK employees when thinking about factors important to their job role - with only 10% of UK employees ranking this in their top 5 priorities before the Pandemic.⁴



61%

of CMI managers reported they had not received training in diversity and inclusion in the previous year¹

“

It would require a large change in culture for my organisation to even begin championing diversity in the workplace.

White male manager working in the private sector for a large employer

”

¹ CMI, Managers Voice Survey findings, 2018

² The Parker Review Committee (2017), [A Report Into the Ethnic Diversity of UK Boards](#), p.49

³ The Parker Review Committee (2020), op.cit. p.11

⁴ CMI, Management Transformed: [Managing in a Marathon Crisis](#), November 2020

KEY FINDINGS

FOR LEADERS:



83%

of managers said their senior leaders are active and vocal about promoting an inclusive culture in their workplaces



62%

of managers told us their organisation had responded to the Black Lives Matter movement in some way

FOR MANAGERS:



89%

of managers said they were confident to call out microaggressions at work



85%

said they felt comfortable to talk about race with their team



68%

of managers felt supported to talk about race with their teams.

However...

We found a gap between rhetoric and action, and evidence that organisations need to be doing more.

THE 'ACTION GAP' FOR LEADERS:

- Only **62%** of managers said their senior leaders invest sufficient resources to implement action plans relating to race
- Only **56%** said their senior leaders have developed and implemented concrete action plans to improve race relations
- Less than half (**44%**) of managers said their organisation collected data and set targets for race diversity
- Only **37%** said that sponsorship and mentoring was available for staff from a diverse ethnic group.

THE 'ACTION GAP' FOR MANAGERS:

- Racial microaggressions in the workplace remain at unacceptable levels. Just over a fifth (21%) of managers from diverse ethnic backgrounds reported that they had experienced a racial microaggression since March 2020
- Only **50%** of managers have had a conversation with their team about racial justice and equality in society
- Even fewer (**34%**) had talked to their team about their organisation's response to Black Lives Matter

There are also significant differences between different sectors and company sizes:

- The public sector is more likely than the private sector to have key initiatives to tackle diversity and inclusion in place; large organisations are more likely to have more diversity and inclusion initiatives in place than SMEs.
- Those in the public sector were also more likely to have conversations about race and Black Lives Matter than those in the private sector.

For more information on equality, diversity and inclusion, visit our [**CMI Race webpage**](#).

TIME FOR CHANGE

Our polling showed two thirds of managers (62%) said their organisation had acknowledged and responded to the Black Lives Matter movement in some way, but a quarter (25%) of managers said their organisation is yet to address the issue.

“We implemented Group diversity training post e-learning/training. This was to encourage open, honest and frank discussion around not only ED&I, but also to discuss the Black Lives Matter [movement] and the issues arising from recent world events. This allowed us to measure understanding and to encourage a more proactive, open approach to challenging inappropriate behaviours. To date, we appear to have seen an increase in staff openly discussing these matters. Senior managers did not attend, and have yet to engage, which has been noted by staff. The ED&I lead has raised this as an issue of staff trusting the SMT.

White male manager working in the private sector for a small employer

Figure 1: Organisations' response to the Black Lives Matter movement

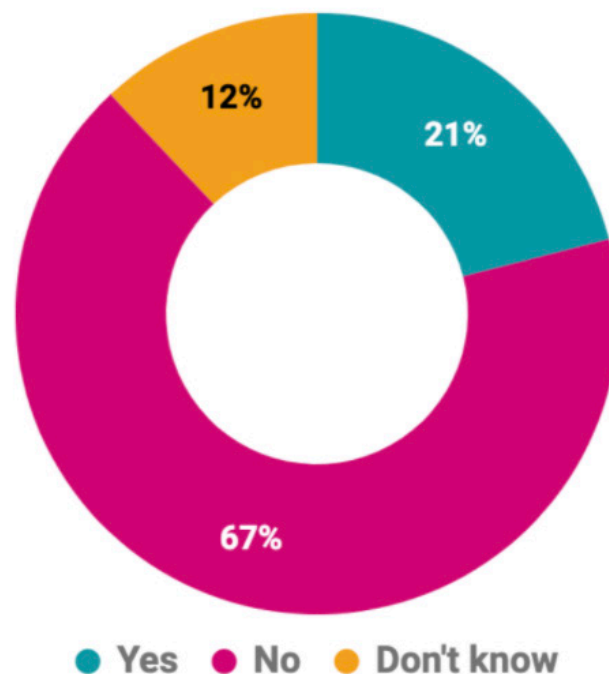


The global pandemic has exposed racial inequalities across the UK labour market. Covid-19 is disproportionately impacting workers from diverse ethnic groups as they are more likely to be in roles with a higher risk of exposure to the virus as well as more likely to be in roles at risk of pandemic-related furloughs and layoffs in the short term. The Covid-19 mortality rate has also been higher for those from diverse ethnic groups.

Our polling also shows that racial microaggressions remain common at work, even with the pandemic forcing many organisations to operate virtually, and this is holding back people from diverse ethnic backgrounds. Just over a fifth (21%) of managers from diverse ethnic backgrounds reported that they had experienced a racial microaggression since March 2020.

This is therefore a critical time for CMI to revisit the progress made by organisations to deliver bona fide change to workplace diversity and identify the role leaders and managers have played. We need to understand if we're really making progress.

Figure 2: Reported microaggressions experienced by diverse racial group managers at the workplace in the last six months



Base: 117

I think my organisation has yet to see the benefits of the initiatives that are in place. Ideally I want to see more diversity at the higher levels. I also want the board to be open to us and listen to us if we feel that the pace is not quick enough.

White female manager working in the third sector for a large employer

DIVERSITY FROM THE TOP

One of the critical themes from Delivering Diversity was the role that senior leaders need to play in leading from the top - to embed diversity in their organisations and role model some of the critical behaviors that make a difference to workplace experiences of race. CMI's research has taken a temperature check on whether managers think that their senior leaders have really stood up and delivered.

Positively, the vast majority of managers (83%) agree that their senior leaders are active and vocal about promoting an inclusive culture in their workplaces and 76% agree that senior leaders support managers to develop inclusive cultures in their teams as well. There is no shortage of policies either: 76% of managers agreed that their senior leaders put in place policies and practices that support representation, progression and success of those from diverse ethnic backgrounds..

“

We have a BAME staff network. It's fairly new, but I feel they're doing what they can to uproot racism. It's also provided a safe place for staff to talk about racism. More people talking about their experience on solidarity hour dial-ins is probably helping too. It's raising awareness and people facing up to their personal truth.

Female manager from a diverse ethnic group working in the third sector for a large employer

”

2020 has seen an emphasis on the importance of listening to the lived experiences of those from diverse ethnic backgrounds on race, to foster greater understanding and enable these vital voices to be heard. 67% of managers agree that senior leaders did listen to the lived experiences of those from diverse ethnic backgrounds - while 61% of managers agreed their senior leaders actively talked about race in the workplace. However only just over half of managers (55%) agree that senior leaders create opportunities for employees to ask questions and learn about race at work - which suggests that more needs to be done to facilitate these conversations across the organisation.

67%

of managers agree that senior leaders did listen to the lived experiences of those from diverse ethnic backgrounds

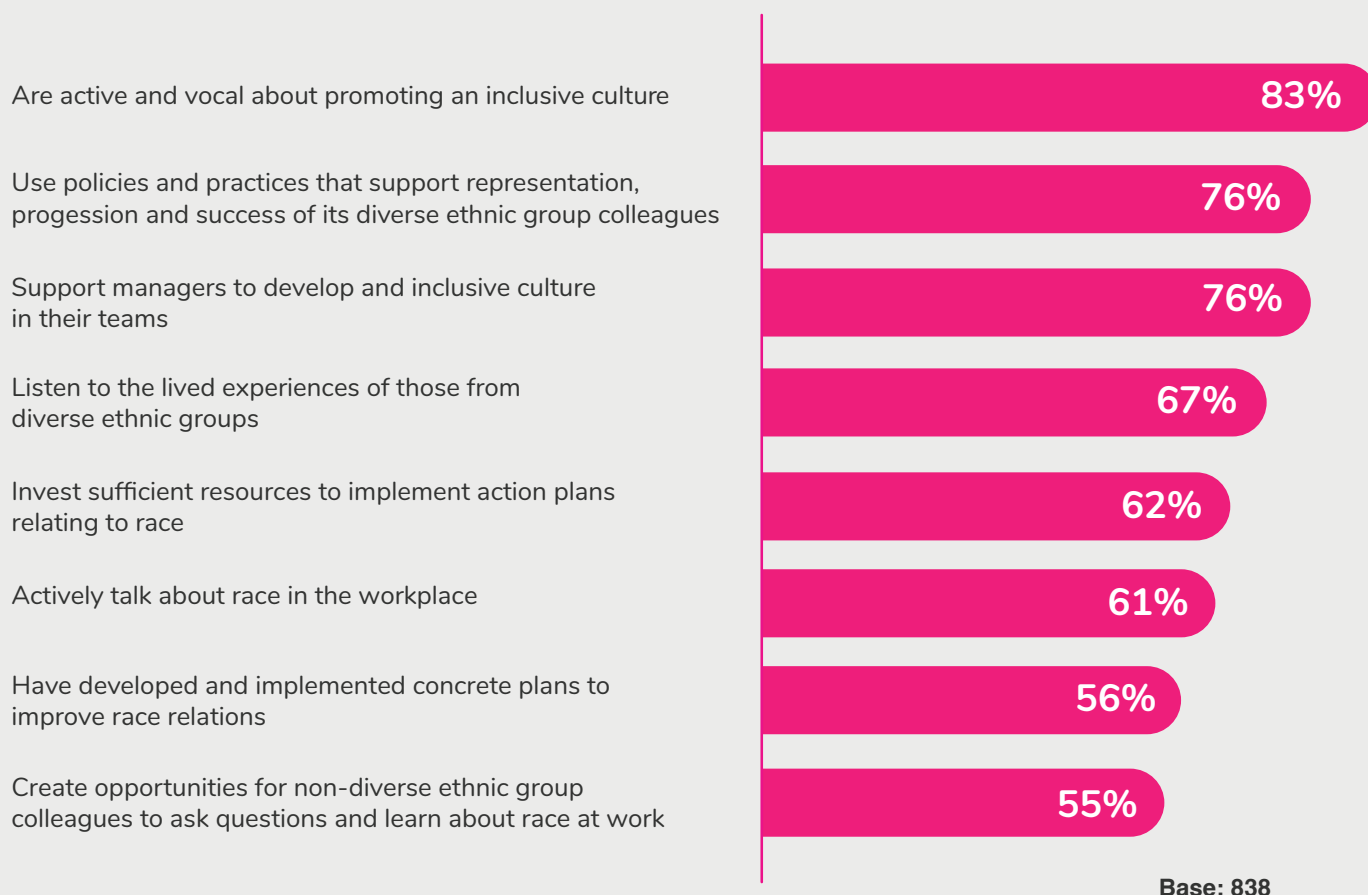
61%

of managers agree their senior leaders actively talked about race in the workplace

55%

of managers agree that senior leaders create opportunities for employees to ask questions and learn about race at work

Figure 3: Proportion of managers agreeing on senior leaders' approaches to diversity and inclusion in their organisations



“ The leadership team talking about culture in the workplace has certainly increased...We have also seen a lot more communications and sharing articles from colleagues from an ethnic background, which has been really refreshing and insightful. It opens up the agenda and speaks volumes of the great people we have in the organisation that may have faced challenges in the past, and how they see things now is a very effective way of keeping the subject on the agenda.

White male manager working in the private sector for a large employer ”

Table 1: Proportion of managers agreeing initiatives implemented by senior leaders in organisations by ethnicity.

| Senior Leader Initiatives | Overall Agree | Ethnicity Agree % | |
|---|---------------|-------------------|------------------------|
| | | A White | B Diverse Ethnic Group |
| Are active and vocal about promoting an inclusive culture | 83% | 86% ↑ | 63% |
| Use policies and practices that support representation, progression and success of its diverse ethnic group colleagues | 76% | 78% ↑ | 58% |
| Support managers to develop an inclusive culture in their teams | 76% | 78% ↑ | 61% |
| Listen to the lived experiences of those from diverse ethnic groups | 67% | 68% | 57% |
| Invest sufficient resources to implement action plans relating to race | 62% | 64% ↑ | 44% |
| Actively talk about race in the workplace | 61% | 64% ↑ | 46% |
| Have developed and implemented concrete action plans to improve race relations. | 56% | 57% ↑ | 47% |
| ↑ Statistically significant differences compared to Diverse Ethnic Group Base: All managers: 838, White managers: 720, Diverse Ethnic Group managers: 100 | | | |

It is positive to see that the majority of managers report their senior leaders are actively promoting an inclusive culture, using policies to support this initiative and conversations that should help to facilitate it. However, too many of the actions that can really embed racial and ethnic diversity in an organisation are lacking.

Only just over half (56%) of managers agree that senior leaders have developed and implemented concrete action plans to improve race relations in their organisations. And only 62% of managers agree that their senior leaders invest sufficient resources to implement action plans in relation to race.

“ Provide the resources needed to do that work. Often organisations talk a good game but the resources to actually adequately implement what they talk about are not provided. This creates a major ‘we say / we do’ gap that can cause more damage in the long run than saying nothing. ”

White male manager working in the private sector for a large employer

At CMI we see this as critical to delivering lasting change: organisations agreeing that there were concrete action plans were more likely to agree that investment in action plans had been sufficient.

Table 2: Senior leaders implementation of action plans to improve race relations by investment of resources

| Senior leaders' have developed and implemented concrete action plans to improve race relations | | Invest sufficient resources to implement action plans relating to race | | |
|--|-------|--|------------|--------------|
| | Total | A Agree | B Disagree | B Don't Know |
| Agree | 56% | 77%↑ | 23% | 21% |
| Disagree | 28% | 13%↑ | 70% | 21% |
| Don't Know | 16% | 10%↑ | 7% | 58% |
| ↑ Statistically significant differences compared to Disagree/Didn't Know | | | | Base:838 |

ORGANISATIONAL INITIATIVES

Delivering Diversity made many recommendations around initiatives that could help to embed diversity at an organisational level. We checked in with managers to see what initiatives have been put in place across their organisations since 2017 and how long these had been in place.

Topping the list of actions that organisations have taken are those often implemented through HR teams: 69% of managers reported that diversity training was a requirement for all staff, followed by 65% saying inclusive recruitment practices were in place. Most organisations were weaker on inclusive promotion practices, however - with just 55% reporting these were in place - while under half of managers (44%) reported data/targets for race diversity/ethnicity were in place to complement inclusive recruitment and promotion measures.

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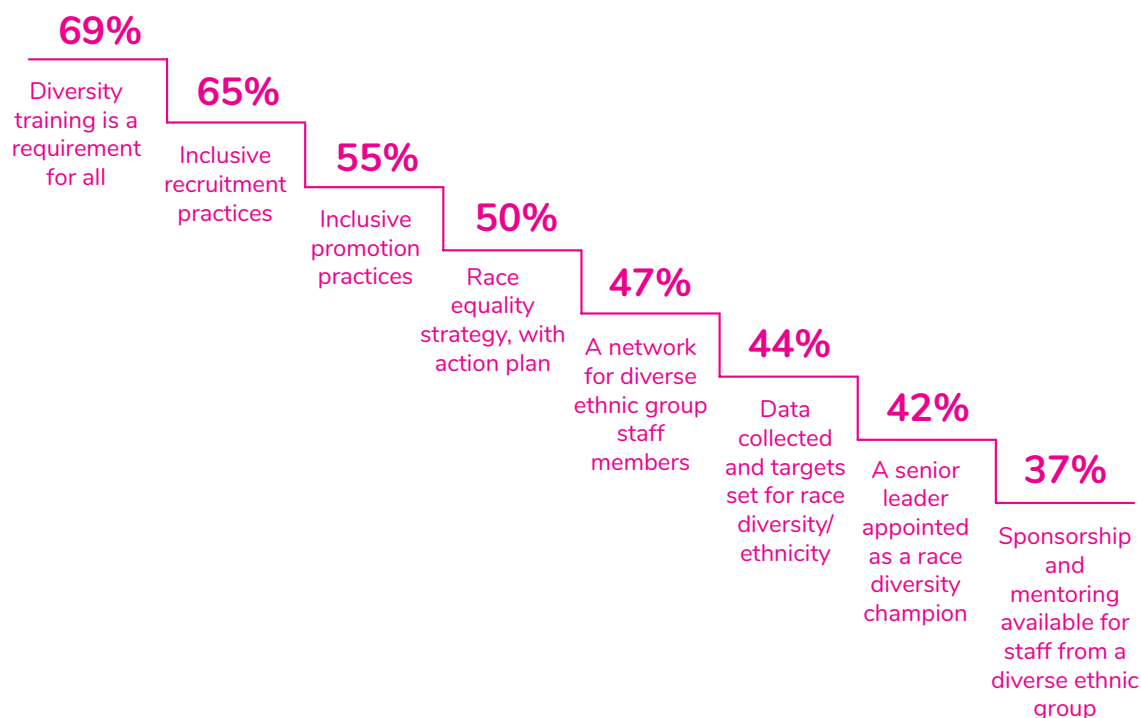
My organisation makes all the right noises about wanting to be inclusive. However, this is not reflected in the senior management of the organisation. For me as a manager to be able to effectively champion the organisation as being an inclusive one (and even to push for this), it needs to be seen that actual action will be taken to include staff from all backgrounds, including in training, appointments and in giving opportunities for further development, including opportunities provided to middle managers.

Female manager from a diverse ethnic group working in the private sector for a large employer

”



Figure 4: Proportion of managers stating that initiatives had been put in place across their organisation



Base: 838

Despite respondents thinking that, on the whole, their senior leaders modelled behaviours that supported race equality in the workplace, this was not matched by corporate policies and approaches. Only 50% reported a race equality strategy - with accompanying action plan - was in place, and only 42% said that a senior leader had been appointed as a race diversity champion.



We should actually have some policies to address all racial equality processes. If they exist, I've never been shown them.

White male manager working in the private sector for a medium-sized employer



And although we see some positive change in terms of HR policies, networks to strengthen the position of those from diverse ethnic backgrounds in the workplace were reported by less than half of managers (47%). Sponsoring and mentoring - widely recognised as being important to reduce under representation at managerial level - was cited as being available by only a third of managers (37%).

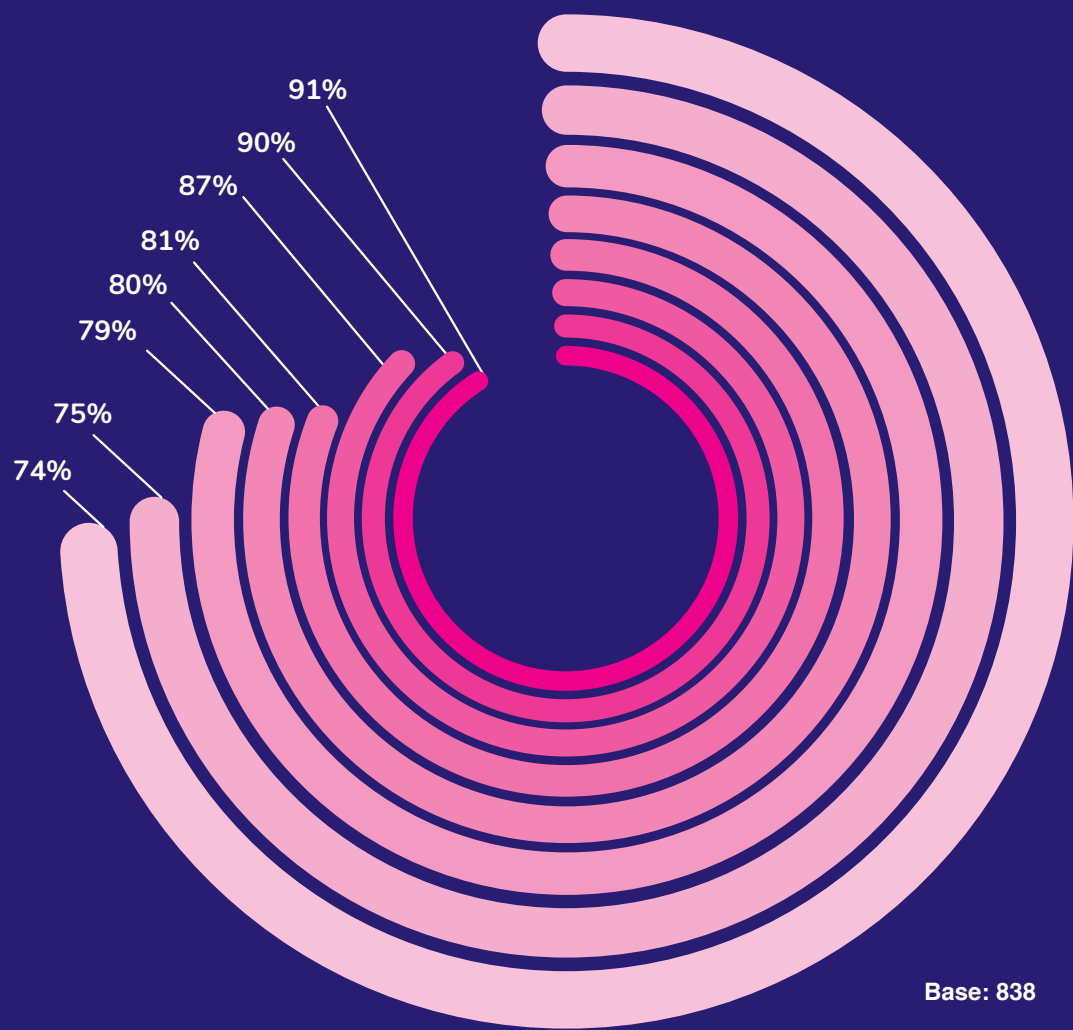










We have a mentoring scheme for ethnic minorities but it seems to have lost momentum... It did help a number of people.

Female manager from a diverse ethnic group working in the third sector for a large employer



Figure 5: Proportion of managers who say diversity and inclusion initiatives have been in place for more than a year



- | | |
|---|---|
|  Inclusive promotion practices (e.g. clear and transparent promotion criteria, employees can self-nominate for promotion.) |  Sponsorship and mentoring available for staff from diverse ethnic groups. |
|  Diversity training is a requirement for all staff. |  A network for staff from diverse ethnic groups. |
|  Inclusive requirement practices (e.g. anonymised applications, diverse recruitment panels.) |  Race equality strategy, with action plan. |
|  Data collected and targets set for race diversity/ethnicity (e.g. ethnicity pay gap reporting, race diversity is a KPI.) |  A senior leader appointed as a race diversity champion. |

It's important to note that the likelihood of a manager reporting their organisation has diversity and inclusion initiatives in place is far greater in both large and public sector organisations. The public sector is more likely than the private sector to have all the initiatives we asked managers about in place, while large organisations are more likely to have more initiatives in place than SMEs. The only areas where there were similar levels of adoption between large business and SMEs were for inclusive recruitment and inclusive promotion practices.

We asked managers if three specific initiatives - around racism, diversity and talking about race - had been put in place. As with other elements around delivering diversity these initiatives were more likely to happen in large and public sector organisations.



Nearly two thirds (64%) of managers report that initiatives had been put in place to tackle racism



Just over half of managers (53%) report that initiatives were in place to increase racial and ethnic diversity



Only 51% of managers report that initiatives had been put in place to talk about race

BLACK LIVES MATTER (BLM) MOVEMENT

BLM has presented a further opportunity for companies to assess their position in relation to corporate anti-racist behaviours - at least publically. For example, [Yorkshire Tea told consumers](#) not to buy its products if they were not anti-racist. Through our latest research we wanted to explore the impact that BLM has had on organisations across the UK. We were interested in understanding not just the impact on larger organisations who may feel compelled to make a public statement on their positions, but the mood and response in smaller organisations as well. We can only make progress on race equality at work with buy-in across organisation type and size.

Just under two thirds (62%) of managers told us that their organisation had responded to the BLM movement in some way, although we see limited consistency of approach, with no one action reported by more than a third of managers. Where action was taken it

was again more common in large and public sector organisations.

The most common actions were to address the issue internally directly with staff (34%), put out an official statement in relation to the issue (31%) and review their D&I practices as a result of BLM (29%). Just over a quarter of managers (26%) were planning new D&I initiatives as a result.

“

The change was by our head of division to have meetings to discuss racial awareness, personal experiences and use a SliDo to raise questions for learning and educating about such matters. It was effective because it gave varying backgrounds of people to share and understand views.

White male manager working in the public sector for a large employer

”

Figure 6: Organisational response to the Black Lives Matter movement by organisation size



Statistically significant differences compared to SMEs.

Base: All managers: 838, all managers in large organisations: 646, all managers in SMEs: 186

“ At a Departmental level, leadership has been shown by our Permanent Secretary as our Race Champion. At an Agency level, leadership has come directly from the Chief Executive herself, who has taken part in events run by our Race Network and shown her commitment to learning and improvement, and her support for the Network and the Race Action Plan that has been developed since the death of George Floyd.

White female manager working in the public sector for a large employer ”



LINE MANAGERS, BLM AND RACE

We also wanted to better understand the actions that managers felt able to take with their direct reports and teams in response to BLM.

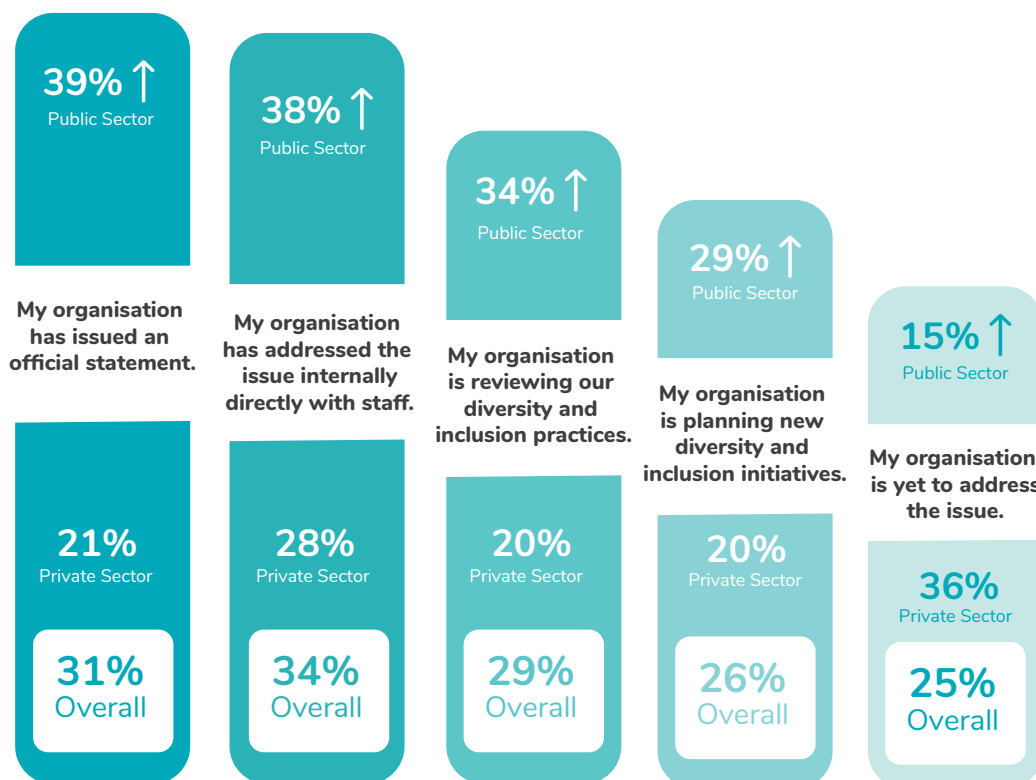
- The vast majority of managers (89%) told us they were confident to call out microaggressions at work;
- 85% said they felt comfortable to talk about race with their team; and
- Two thirds of managers (68%) felt supported to talk about race with their teams.

Despite this, only 50% of managers reported having a conversation with their team about racial justice and equality in society and only a third (34%) had talked to their team about their organisation's response to BLM. Again those in the public sector were more likely to have conversations about race and BLM than their counterparts in the private sector.

As a manager we get encouraged to speak to our staff [about diversity] but we have not had any training/support on how best to do this.

Female manager from a diverse ethnic group working in the private sector for a large employer

Figure 7: Organisational response to the Black Lives Matter Movement by sector

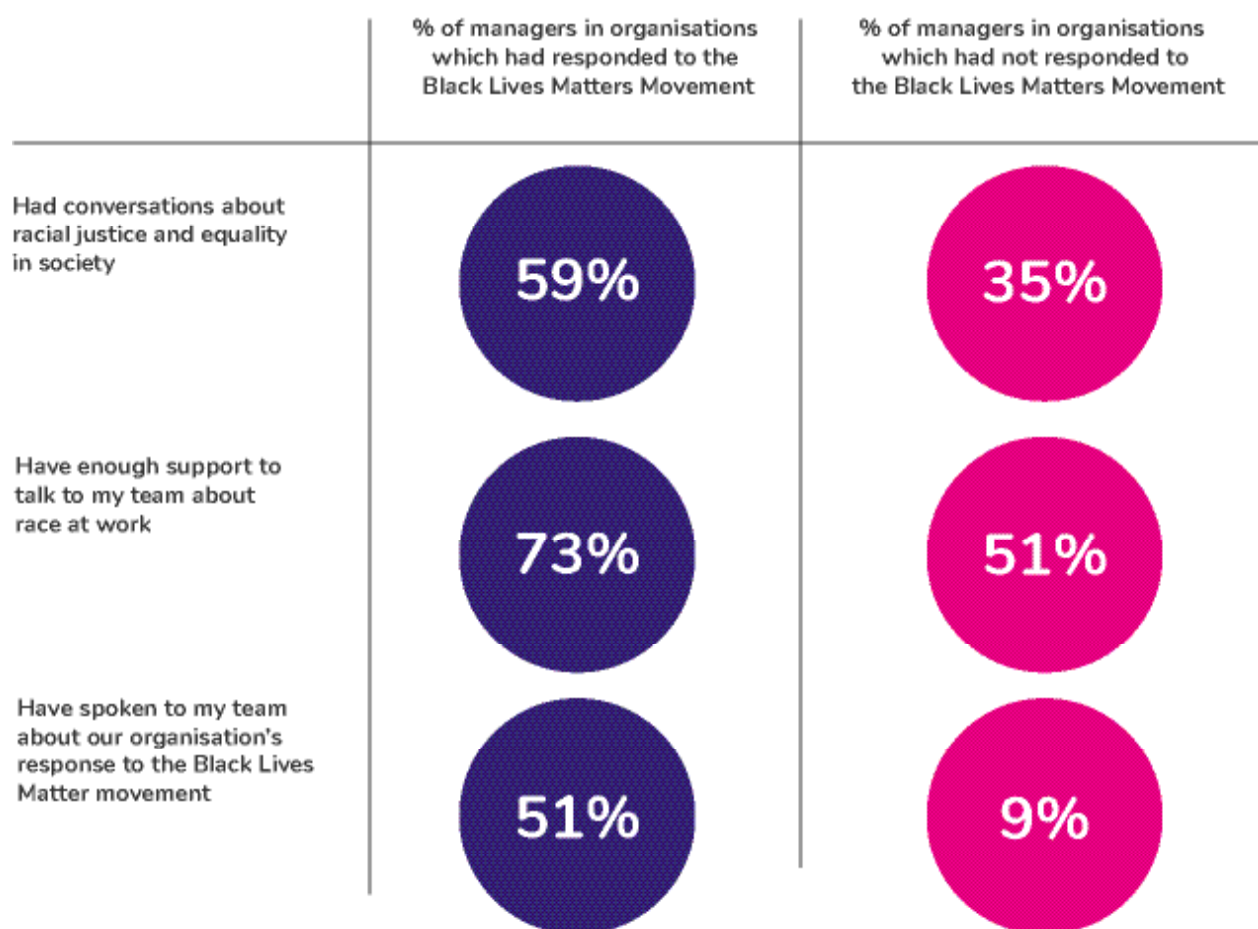


Statistically significant differences compared to the private sector.

Base: All managers: 838, all managers in the public sector: 381, all managers in private sector: 377

Unsurprisingly managers were more likely to have conversations with their team about race and feel supported to talk to their team about race where their organisation had taken steps to respond to the BLM movement. This highlights the importance of senior leaders encouraging a culture of talking about race and equality at work.

Figure 8: Proportion of managers taking action with their team around race by their organisation's response to the Black Lives Matter movement



Base for 'Had conversations with my team about racial justice and equality in society' and 'Have enough support to talk to my team about race at work': All managers: 838, all managers in organisations which responded to BLM: 488, all managers in organisations which did not respond to BLM: 211

Base for 'Have spoken to my team about what our organisation's response to the Black Lives Matter movement': All managers: 787, all managers in organisations which responded to BLM: 469, all managers in organisations which did not respond to BLM: 211

WHERE DO WE NEED TO FOCUS OUR ATTENTION

Some organisations are clearly taking some positive steps when it comes to building inclusive workplaces. Many managers have reported that their senior leaders are vocal when it comes to promoting diversity and inclusion and many organisations have responded to the BLM movement in some way.

However, there is also a gap between rhetoric and action. Despite managers reporting that senior leaders are vocal, they are significantly less likely to say that their leaders are implementing concrete, well-resourced action plans. In fact, our research shows that the extent to which organisations are actually engaging in a full range of initiatives is low.



55%

of managers said inclusive promotion practices were in place in their organisation



50%

said their organisation had a race equality strategy, with action plan



47%

said their organisation had a network for staff members from diverse ethnic backgrounds



44%

of managers said their organisation collected data and set targets for race diversity/ethnicity



42%

said a senior leader has been appointed as a race diversity champion



37%

said sponsorship and mentoring was available for staff from diverse ethnic backgrounds

Furthermore, whilst the majority of managers feel confident to talk about race with their team, significantly less have reported actually talking about racial justice and equality in society with their team, and even less their organisation's response to BLM.

Organisations need to be doing more if they want to bring about a truly diverse and inclusive working environment. Encouraging internal conversations about race equality are an essential first step to tackling bias within an organisation. This should be a priority for managers and leaders. We need managers and leaders to collect better data, enhance transparency and implement concrete, well-resourced action plans.

Action plans need to recognise the pivotal role that managers and leaders play in improving diversity and inclusion. [CMI's Moving the Dial on Race: a practical guide on workplace inclusion](#) provides actionable steps that managers can take, as well as case studies and examples. Managers and leaders should be:

1

Supporting people
who face racism

2

Learning how to
talk about race

3

Ending
microaggressions
at work

4

Building Support

5

Raising Awareness

6

Raising Skills

David Dent, Senior Director of Business Development for Parexel International and Diversity & Inclusion committee member for Ireland and UK and a Chartered Fellow for CMI, describes Parexel's latest global initiatives on promoting inclusive practices and strengthening diversity, with a particular emphasis on inequities based on race and ethnicity.

As a global Contract Research Organisation (CRO) focused on the development of new therapies that prevent, treat and cure disease, we are committed to promoting the health and well-being of all individuals—regardless of race, ethnicity, orientation, gender identity, religion or other differences.

That's why we selected "We care" as our guiding principle and "Respect" as one of our core values. We strive to create a culture in which people feel, "This is a place for people like me." Our multiple global steering committees respectively address diversity in talent recruitment, gender partnership and equality, the LGBTQ+ community and allies, and supplier diversity. In the wake of tragic events such as the death of George Floyd, Parexel has further strengthened its commitment to fostering a culture of diversity, not only for our colleagues but for our customers, vendors, suppliers, patients and sites.

In recent months, our Executive Leadership has hosted seven virtual focus groups with employees around the world, creating authentic dialogues about race and ethnicity to discuss unconscious bias; held workshops with internal and

external leaders who represent the rich and diverse ethnic backgrounds of our colleagues; enhanced our participation in community remembrances such as Juneteenth celebrating emancipation from slavery; implemented companywide inclusion and awareness training; and bolstered our position as a leader among CROs in promoting diversity and inclusion within clinical trials.

When we examine clinical trial participation over the past 10 years based on disease prevalence, the Black and minority community is highly under-represented in every therapeutic area. Parexel is working across the industry to conduct both qualitative and quantitative research with ethnically diverse groups of patients, doctors, researchers and patient advocates with the goal of improving diversity in clinical research to ensure treatments are studied in a reflective group of patients representative of the populations that have the diseases and conditions our customers are striving to treat and cure.

We're partnering with the Center for Information and Study on Clinical Research Participation's (CISCRP) Cross-Sponsor/CRO Clinical Trials Collaborative as well as the Society for Clinical Research Sites (SCRS) Diversity Awareness program to identify ways to ameliorate the lack of diversity in clinical trials.

As part of our patient strategy, we have instituted a significant workstream focused on clinical trial diversity and will widely share the results of these efforts as we progress.


Our customers now expect their partners to wage meaningful efforts to increase patient diversity as well as diversity among principal investigators who participate in clinical research, and Parexel is leading the charge in the CRO industry to effect this change. Similar expectations are now the norm among partnerships with vendors, procurement and others to ensure those who we work with, and who work on our behalf, uphold these principles.

We must remember that, by its nature, diversity is inclusive of all differences, and while single-issue initiatives are vital where inequality exists, this must not be a single-ticket agenda that focuses on one area, a phenomenon known as “hierarchies of categorical disadvantage.” The diverse groups we represent and continue to engage in authentic conversations include, among others, race- and ethnic-specific groups, the LGBTQ+ community, women in leadership and STEM, Differently Abled, Neurodiverse and more.


We are proud to have been recognised by the industry for our culture of diversity:



Named in the
2020, 2019 & 2018
Forbes America's
Best Employers for
Diversity List



Named a Winning
'W' Company by
2020 Women
on Boards



Listed in the Human
Rights Campaign
Foundation's 2020
Corporate Equity Index
pharmaceutical category
for LGBTQ equality, the
only CRO to be listed

RESEARCH METHODOLOGY

We undertook a poll with our Managers Voice Community between the 8th - 11th September 2020: 838 practising UK managers took part. Key demographics are below

- **Gender:** 45% female, 53% male, less than 0.5% other, 2% prefer not to say
- **Ethnicity:** 86% White, 12% diverse ethnic backgrounds, 2% prefer not to say
- **Organisation size:** 22% SME, 77% large organisations, 1% don't know
- **Sector:** 45% public sector, 45% private sector, 10% third sector or not-for profit
- **Region:** 17% London, 15% South East, 11% South West, 9% Yorkshire and Humber, 10% North West, 9% West Midlands, 6% East of England, 6% East Midlands, 7% Scotland, 4% North East, 3% Wales, 1% Northern Ireland

Although the majority of the participants in the research declare their ethnicity as White the proportion is broadly reflective of the ethnic mix in the UK population. However, in order to ensure that the practical guidance issued by CMI through "Moving the Dial on Race" is appropriately informed we augmented these research findings with case studies on the lived experiences of managers from diverse ethnic backgrounds. Before publication all of the content was subject to the scrutiny and sign off of the CMI Race advisory committee, where 80% of the members are from diverse ethnic backgrounds.

If you require further information, please contact the CMI research team research@managers.org.uk

Chartered Management Institute (CMI)

The Chartered Management Institute (CMI) works with business and education to inspire people to unleash their potential and become skilled, confident and successful managers and leaders.

With a wealth of practical qualifications, events and networking opportunities on offer throughout the UK and Asia-Pacific, CMI helps people boost their career prospects and connect them with other ambitious professionals in any industry and sector.

In fact, CMI has more than **90,000** people training to be better managers right now.

Backed by a unique Royal Charter, CMI is the only organisation allowed to award Chartered Manager status – the ultimate management accolade.

Practical insight on critical issues for a **140,000** plus membership community and anyone looking to improve their skills, nurture high-performing teams and help pave the way for the next generation of managers and leaders.

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