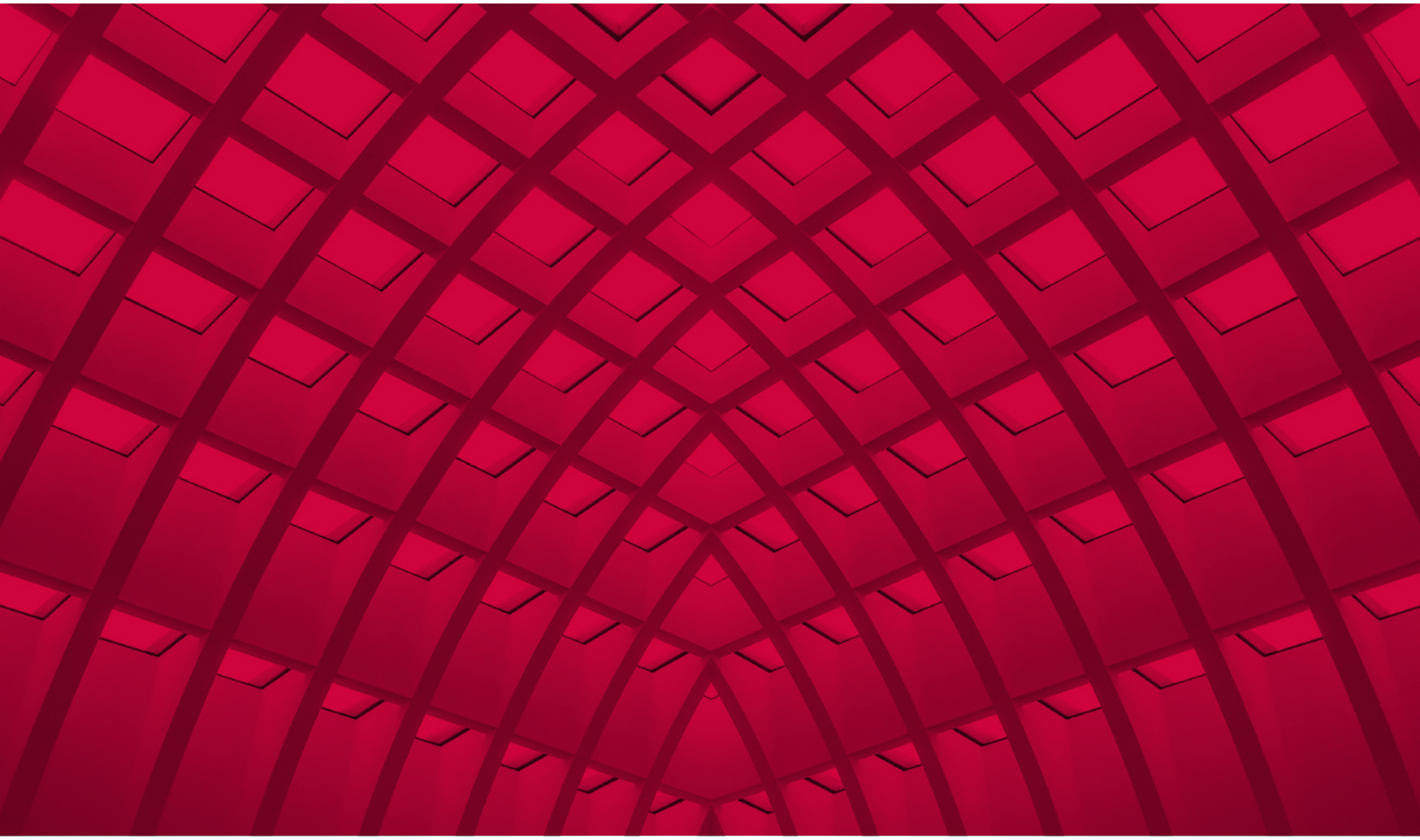
MBS Intelligence

Recruiting for diversity

A toolkit from The MBS Group and WiHTL



Diversity in Hospitality
Travel & Leisure

Welcome

This recruitment toolkit was borne out of a request from the WiHTL Collaboration Community to identify best practices and highlight strategies in recruiting processes that would help organisations attract, select and onboard a rainbow of talent within the hospitality, travel and leisure industry.

As we begin to exit from the constraints of the Covid pandemic, we strive to facilitate ways in which businesses can begin to rebuild and realign in this new normal while staying focussed, now more than ever, on D&I initiatives and continuing to build on the progress we have made so far. To achieve this successfully, we need to encourage shared insight, be bold to challenge assumptions and to take a broader approach when recruiting for new roles. The post-pandemic recruitment landscape requires a fresh outlook through expanding professional networks, learning about new technologies which help reinforce D&I policy and teaming up with executive search firms who can guide HR departments through recruitment processes while aligning with D&I policy.

This toolkit has been put together by selecting the best examples from within the WiHTL Community and deep insights from The MBS Group who have been bringing diversity into the recruitment process for many years. It also builds on the feedback and perspectives of other executive search companies operating across our industry. They have contributed to the toolkit by sharing their experience of working with dozens of companies across the sector. I sincerely hope that the approaches and insights in the toolkit will serve as a means to accelerate inclusive recruitment processes and practices.

WiHTL is continuing to consolidate its efforts within this collaboration community to make a positive difference to five million women and people from ethnic minorities who are employed in HTL, and I would like to thank Sam Seigler at The MBS Group and the whole MBS team for their ongoing support in promoting diversity and inclusion within the sector.

Tea Colaianni

Founder & Chair, WiHTL

The MBS Group is delighted to partner with WiHTL for this practical guide to recruiting for diversity.

It is no secret that the hospitality, travel and leisure sector has faced never-before-seen disruption since the outset of Covid-19. It is also unsurprising that D&I slipped down the list of corporate priorities at the height of the crisis.

But today, businesses are reopening their doors, restoring their workforces and refreshing their senior teams – and there is an opportunity to build back better, with diversity at the top of the agenda.

The case for diversity has never been stronger than now: as we move into the latter stages of the pandemic, organisations will need creativity and varied insight as they re-orientate themselves to rapidly changing customer needs.

The sector is also facing a labour shortage in the wake of the pandemic. The businesses that fail to prioritise diversity will find themselves unable to reach or attract the best available talent to resume trading as normal. Indeed, this could be a watershed moment, when organisations realise the true value of diversity.

This toolkit lays out a series of practical steps that companies can take to ensure their hiring processes, at both workforce and leadership team level, are encouraging D&I. It is not designed as a checklist, nor as a one-size-fits-all solution. But while actions to increase representation and promote inclusion will be determined by individual priorities and budget, every organisation can benefit from reconsidering established norms around assessment, job descriptions and the use of technology in hiring.

Perhaps most critically, hiring and recruitment activities should be reimagined to give weight to future potential rather than past experience. At an executive search level, existing imbalances mean that asking for proven experience can often result in a candidate pool that is predominantly white and male. Leaders should instead look for leadership qualities, soft skills and long-term potential.

Fundamentally, any efforts to hire with diversity in mind should be underpinned by a culture of inclusion. Without a truly inclusive culture, businesses will not be able to unlock the value of making diverse hires.

The MBS Group has been championing diversity for more than 30 years. Our hope is that this toolkit can provide leaders and hiring managers with practical guidance and tips – and play some small part in moving the dial in the sector.

Sam Seigler

Director, Hospitality, Travel and Leisure
The MBS Group

Introduction

Prioritising diversity and inclusion (D&I) is not only right morally, but a commercial imperative for businesses looking to succeed in today's commercial landscape.

For hospitality, travel and leisure (HTL) businesses, Covid-19 has likely paused or even reversed progress on D&I. But as businesses rebuild their workforces and refresh their senior teams, there is opportunity to do so with D&I at front of mind.

This publication is a toolkit for businesses looking to recruit in a way that promotes inclusion and results in diverse teams. It is not designed as a checklist, nor as a one-size-fits-all approach. Businesses are at very different stages of their D&I journey, and steps to improve on diversity will be determined by individual priorities and budget.

Most importantly, any progress on D&I should be underpinned by a culture of inclusion. Across the HTL sector and beyond, the companies with the most mature D&I strategies are actively prioritising inclusion over individual aspects of diversity and representation. After all, achieving diversity at any level does not necessarily mean a company is inclusive, and a singular focus on meeting representation targets can distract from solving deep-rooted issues that exist further down the organisation.

The diversity agenda should also be driven from the top. Board-level sponsorship, and accountability from the executive team, can mean the difference between progress and backwards steps on diversity.

The HTL sector does face a number of unique challenges, including the displacement of thousands of workers since the pandemic, the high turnover rate of staff and the prevalence of seasonal employees. Like many businesses, geography can have a significant impact on the ability to make diverse hires – companies in cities will find it easier to progress on ethnic diversity than those in regions with a predominantly white population, for example.

This toolkit provides guidance on how to recruit for D&I, looking at each aspect of the hiring process and taking into account a number of different diversity 'lenses' including gender, race and ethnicity, LGBTQ+, age, disability and neurodiversity.

At a glance: 10 steps towards more inclusive hiring

1. **Rethink what good looks like for executive hires**

   Avoid specifically requesting proven experience when recruiting the most senior leaders. Doing so can lead to a predominantly white and male candidate pool. Look for an executive search partner that prioritises D&I.

2. **Focus on future potential over past experience**

   Too much weight on past experience and long lists of 'nice-to-haves' on job advertisements can discourage women, applicants from ethnic minorities or those with less access to opportunities from applying for roles.

3. **Leverage young talent**

   Partner with local schools, colleges, universities or youth organisations to bring in and upskill diverse talent. Social media, specialist recruiters and diversity-focused job sites are all good sourcing mechanisms.

4. **Review assessment practices**

   Establish standardised, objective tests that mimic real-life tasks to capture how well candidates are suited to the job requirements and avoid human bias in interview processes.

5. **Advertise your D&I policies**

   Be upfront about flexible working and parental leave policies on job advertisements, personalise your equal opportunities statement and publish diversity data to attract a more diverse applicant pool.

6. **Make D&I integral to your employer brand**

   Consider how effectively your company values are reflected in all marketing and social media activity.

7. **Pay close attention to the use of technology in recruitment**

   Ensure sufficient checks and balances on any digital tools used for hiring, which can increase efficiency but inadvertently reinforce human biases.

8. **Consider centralising recruitment processes**

   Moving towards a centralised hiring model can mitigate unconscious or conscious bias from individual site hiring managers.

9. **Track data**

   Collect and analyse diversity data at every level of the recruitment journey, to identify the stages at which diverse candidates exit the process.

10. **Set targets and measure progress**

    In practice, this can cover everything from demanding balanced shortlists from executive search partners to matching the ethnic makeup of the local population.

Focus on: executive hiring

Diversity must be a business-wide priority, and recruitment efforts should be focused both on workforce hiring and on building a strong and diverse executive and senior team.

While the points detailed in this toolkit are relevant for both areas of hiring, this section details specific areas of focus for building your senior team.

Choose your executive search partner carefully

- Partner with an executive search firm that takes diversity seriously, and truly recognises the benefits of D&I.
- Choose a firm that has signed up to the WiHTL Code of Conduct for Executive Search companies.

Demand balanced shortlists and longlists

- Request a 50/50 gender split shortlist from executive search partners, or a list with 50% diverse candidates across all facets of diversity.

Diversity training

- Provide compulsory diversity and unconscious bias training to any team member involved in interviewing or interacting with candidates.

Examine your assessment criteria and brief your executive search partner accordingly

- Avoid specifically asking for proven experience. Because of existing imbalances in the hospitality sector, the pool of candidates with, for example, proven CEO or MD experience is often predominantly white and male.
- Similarly, asking for a certain number of years in a role can limit the number of candidates presented.
- Reconsider how many 'must have' criteria are really essential. Instead, look for leadership qualities and future potential.
- Psychometric tests can assess resilience, emotional intelligence and decision-making without relying on past experience.

Communicate your flexible working policies

- This includes in the job descriptions and letting your executive search partner know that remote or flexible working is available.

Look outside the sector

- Don't limit the candidate pool to those in the HTL sector. It is often necessary to look beyond the sector to find women or diverse candidates who have sufficient experience.

Ensure Board engagement on D&I

- D&I should be a Board-level priority. Appropriate governance and engagement from the Board is vital to build diverse and inclusive teams.
- The Board should regularly receive reports on core D&I metrics, and support the CEO to drive progress on D&I.
- Consider appointing a Board-level sponsor for D&I who can drive the agenda.
- In listed businesses, consider establishing a Board-level D&I sub-committee that is separate from the ESG committee.

Review the terms of your Nominations Committee

- Ensure that the Nomination Committee is following best practice to achieve a diverse and inclusive leadership team.

Build a pipeline of diverse leaders

- Long term, businesses should prioritise developing and sponsoring their own female and diverse leaders who can rise up into the most senior roles.
- This involves giving leaders P&L responsibility and preparing them to take up Board seats.

How executive search firms are approaching D&I

The role of executive search is integral to driving diversity at senior levels across the HTL sector. To better understand the impact of their role, WiHTL surveyed a selection of executive search firms operating within the sector to determine their internal approaches to diversity as well as the challenges and best practices they experience when supporting their clients to hire diverse talent at a senior level.

Just over 60% of the firms reported that approximately 50% of their appointments in the last 3 years have been filled with diverse candidates with an 85% retention rate within the first year of employment. However, the research also highlighted the ongoing need to educate and constructively challenge the thinking of some of those responsible for hiring talent at a senior level, to ensure diversity remains a key component of any search criteria.

Internal approaches to diversity

As part of the research, 88% of companies surveyed stated they had a global reach and confirmed that D&I was a key priority for their organisation with most companies stating they had an internal D&I policy. One organisation shared that diversity and inclusion was at the heart of their business and they committed 20% of their time to driving the agenda. Another firm stated they discussed diversity and inclusion both in relation to their clients and their own organisation on a weekly basis. Many of the firms recognised that there was a lot more to do internally and externally with their clients but felt there was a huge commitment and passion for the subject.

> "D&I is not new to us, it is fundamental to who we are and not just a process we follow. We have a long track record of delivering inclusive shortlists and recruiting diverse candidates."

In terms of collecting data, 100% of companies stated that they capture the D&I data of both internal appointments and client appointments. Of these, 75% of companies published details of D&I client appointment data internally, however only 15% published this data externally. In comparison, less than 50% of companies shared D&I information on their own internal appointments within their own organisations. None of the firms surveyed had voluntarily published their ethnicity pay gap with 29% stating they have a plan to publish before it becomes mandated.

When it came to promoting best practice within their own organisations, the majority of firms had reviewed their own practices to remove bias and had conducted unconscious bias training. Interestingly, one firm stated they did not believe that unconscious bias training is effective and believe that it actually serves to reinforce biases. Most firms had also implemented an internal mentoring programme to support progression of diverse candidates, however only 25% had a reverse mentoring programme. Nearly 60% of companies had set up an internal D&I steering group/council, with one firm sharing that their D&I steering council is attended by their CEO and COO. However, the number dropped to below 30% of companies that had established some form of employee resource groups or executive sponsorship programmes. One firm had gone further than establishing ERGs and had also created allies programmes with the aim to support allies of underrepresented groups or areas of inclusion like LGBTQ+, disability, ethnicity, gender and social mobility. The aim of each group is to support allies to fulfill their commitments and foster inclusive cultures. The same organisation had also organised D&I festivals and regularly published D&I newsletters to support awareness of the D&I agenda. One firm shared they did not have any ethnically diverse consultants and this was something they were actively trying to address.

A key barrier to progression of diverse talent is bias in any assessment process, 85% of companies surveyed stated they had reviewed their practices for potential bias with some ensuring that their assessment processes were adapted to suit the needs of their candidates and help attract a wider pool of talent. One firm shared they always interviewed candidates in pairs to check that bias was removed from their process. All of the firms agreed

that the key role they played in removing barriers to the placement of diverse candidates was the advice, education and sometimes constructive challenge they gave to their clients. However, it was acknowledged that the level of challenge was dependent on the strength of the relationship. But all stated they would be prepared to have 'courageous conversations' when they felt it was required.

Client progress on diversity and inclusion

Most of the executive search firms felt that many of their clients within the sector had growing expectations of search firms to provide more diverse candidates. One firm had grown its Diversity Practice to 25 partners around the world in response to the realisation that diversity had become a key priority with a growing impact on international organisations.

Just over 60% of the firms reported that approximately 50% of their appointments in the last 3 years have been filled with diverse candidates with only 15% having left the role within the first year of employment, which implies that the majority of diverse candidates had felt a sense of belonging within their new roles and organisations. As part of the survey the executive search firms were asked if there was a functional difference on the placement and retention of diverse candidates. Interestingly 50% who responded said yes and 50% said no. This would indicate that any difference could be attributed to company culture rather than a true functional difference.

The firms were also asked what proportion of their clients viewed D&I as a business priority with just over 70% of firms stating that most, not all, of their clients did view D&I as a business priority. Encouragingly the proportion of client companies that had maintained the focus over the pandemic was high at 85%. One firm stated that they felt the D&I agenda in organisations is stronger than ever along with wellbeing and mental health having come to the forefront of thinking with increased awareness during the pandemic.

Nearly half of the companies surveyed stated 75% of their clients insist on a diverse shortlist, however there is still a significant proportion of client companies where diverse shortlists were not a prerequisite to the search criteria. Nearly 30% of search firms had seen a significant increase in the expectation of clients to receive a diverse shortlist in the last 12 to 24 months with 57% seeing some increase and 14% not seeing a change in their clients' expectations.

One firm stated that the understanding of the importance and value of diversity of thought and thereby the need for inclusive leadership has increased and this has led to greater awareness and insightful dialogue on the importance of diverse shortlists. Some firms shared that gender seemed to be the main focus in placing diverse talent, particularly outside of the UK and North America. In fact, most of the search firms shared that placing a woman to a Board or senior level position was not a challenge, however one company added that this may be applicable only to the HTL sector as the placement of senior female candidates could still be a challenge in other sectors. However, most firms stated that appointing someone from an ethnic minority background at the most senior levels remains difficult, particularly identifying talent who meet the brief in terms of skills and experience. This was also applicable to first time Non-Executives, and identifying individuals who have the potential to be a NED. It was at this stage that the need to educate and advise their clients to widen or adapt their brief to broaden the search and attract diverse talent became apparent.

Challenges and opportunities

The level to which clients are open to constructive challenges regarding D&I during a search assignment is varied depending on the strength of the relationship, company ownership and openness to review desired candidate criteria. It also depends on the current level of awareness with regards to D&I and 'how far up' the agenda the subject is.

One organisation stated data and relationships are critical in both measuring progress and in the adoption from their clients of new and effective policies to promote lasting change. The same firm observed that organisations who are more diverse tend to use three key initiatives when recruiting board members or senior key leaders. These are:

1. Partnering with D&I membership organisations
2. Setting diversity targets
3. Implementing measures to reduce unconscious bias when recruiting.

Many of the search firms also stated they believe there is not a lack of diverse candidates in potential talent pipelines. However, to attract and recruit this talent, organisations need to broaden the criteria and resulting brief and be receptive to bringing talent in from outside the sector. For example, many briefs or job descriptions place a large emphasis on experience over potential.

> "Most recently in the case of a Group Finance Director search, we were asked to source an accountant with a strong technical background. This typically leads to a search focussed on ACA qualified accountants. In this case we advised our client to include qualifications such as CIMA & ACCA as this would identify candidates from a much more diverse background. A Black woman was appointed into this role as a result of this guidance."

Recent McKinsey research also states that 40% of people reported turning down a job because of a perceived lack of inclusion at an organisation. Therefore, many of the search firms shared the view that if organisations wish to retain diverse talent more effectively, there needs to be a visible commitment to building inclusive environments that are authentic and enable diverse talent to thrive. Examples from the research included the need for clients to be open minded and willing to make adjustments and accommodations to suit the needs of diverse candidates both at interview stage and when they join the company.

> "The future success of a placed candidate will depend on whether the client has successfully created a truly inclusive culture/environment in which they can belong and thrive. Without belonging, diversity is not sustainable."

One firm stated they had created an internal D&I Advisory Council that their clients have access to with a view to gaining insight and fresh thinking on the topic. Another firm shared that the key was to educate their clients on effective and inclusive hiring practices not only for external hires but also internal succession to ensure diverse talent can thrive at all levels and fuel a robust talent pipeline to the most senior leadership positions. Another shared that they reinforce the importance of long-term cultural change and inclusion and emphasise that without an inclusive culture, their clients won't be able to recruit and retain diverse talent.

> "[We can] educate the client to the benefits of opening up the brief to include a wider range of candidates in terms of skills, experience levels, sector and geography. We recommend that the client hires for potential rather than 'been there and done it'. We also stress that they must look for culture 'add' not culture fit, although aligned values are key."

When it came to other strategies that have proven to be successful in driving diverse appointments, search firms were evenly split on the topic of setting targets or quotas to drive more diversity. Some felt the introduction of quotas and targets would help drive the dial faster whilst others felt it would lead to tokenism and any gains would be short-lived and not sustainable. Many firms also shared that practical interventions like using blind CVs could be useful, however they reiterated again the importance of education and supporting the client to widen their thinking were more impactful actions.

Research by a tier 1 international global executive search firm suggested that a complete review of an organisation's executive search process is a key step to recruiting and retaining diverse talent.

For example, from a holistic approach, the research posits that a focus on equity rather than equality would be a significant step change. At the moment, the firm finds, many organisations and search firms are focusing on following an executive selection process based on equality that aims to create a fair outcome by treating people the same, irrespective of need or personal circumstances. By contrast, an equitable process would focus on creating fair outcomes by treating people differently in line with their needs.

More specifically, the research also highlights the need to offer senior leaders training on how to make a selection process consciously inclusive. This could include understanding the importance of a diverse interview panel as well as how to use psychometric reports as 'a great exploratory tool for both clients and candidates to engage in a deeper dialogue, build trust and relationships, and deepen comfort levels and understanding of each other' as opposed to a binary insight into strengths, weaknesses or 'cultural fit'.

Finally the research recommends 'reimagining' other steps in the selection process, such as referencing

and contract negotiation, both of which should be more personalised and take a candidate's personal circumstances into account. The guide gives the example of a female senior leader who as a mother may value workplace flexibility.

Conclusion

Overall, the results of the survey were encouraging as they demonstrated progress has been and continues to be made. However, to set some context, the Parker Review recommended that every FTSE 100 board have at least one ethnically diverse board member by 2021, and the same on the FTSE 250 by 2024. According to the aforementioned research by an international search firm, this would mean in practice there needs to be up to 50 ethnically diverse board appointments by the end of 2021 on the FTSE 100 and up to 200 ethnically diverse board appointments by 2024 for the FTSE 250. Unless rapid and lasting action is taken, it appears the target for 2021 will not be met and the target for 2024 feels somewhat out of reach.

This is particularly relevant for the HTL sector, which has been badly impacted by the pandemic and its appeal perhaps diminished to a wider selection of candidates. The search for diverse talent must therefore be wider than the 'traditional avenues' and as one executive search firm commented:

> "We need to see more "out of the box" thinking in the industry away from the "been there and done it" traditional profile that tends to be the default position in some parts of the broader HTL industry."

The importance of organisations and their senior leadership teams widening their thinking and criteria of what 'good' likes for a role cannot be underestimated. Adopting and adapting an end-to-end executive search process that focuses on the matching of values and a willingness to recruit for potential rather than experience is critical if the progress gained over the last few years is to be continued and drive meaningful change in the future.

At a glance: 10 tips for making diverse executive hires

1. When selecting an executive firm, ask them to provide information on their internal approach and performance in regards to Diversity and Inclusion
2. Review the criteria and brief for the role with the selected executive search firm to identify areas that may need to be broadened or even removed to attract a more diverse Talent Pool
3. Insist on a balanced short-list
4. Be open to transferrable skills e.g. candidates from outside of the sector or perhaps candidates that do not have a 'traditional' career path
5. Review the intended selection process to make sure it is consciously inclusive and offer senior leaders training
6. Adopt and adapt an end to end executive search process that focuses on personalising the candidate experience and enables the matching of values and strengths
7. Demonstrate a willingness to recruit for potential rather than experience.
8. Be open minded and adaptable when building an offer for a candidate to make sure it is inclusive and personlised
9. Gather candidate feedback on the entire process (whether they have been successful or not) on how inclusive they felt it had been
10. Focus on providing a personalised onboarding and induction process that sets the candidate up for success

Job descriptions

To attract the best people and avoid unknowingly discouraging candidates from applying or progressing, close attention must be paid to job descriptions. Most broadly, role descriptions should be reimagined to give weight to future potential rather than past performance.

Reward current skills and future potential over past performance

- Across all levels of hiring – from mass workforce to C-suite – job descriptions should be reviewed to ensure that more weight is given to a candidate's future potential than their past experience, which may not reflect their true ability because of existing imbalances in the sector and society.
- Soft skills such as emotional intelligence should be highlighted as well as specific requirements related directly to the role.
- If skills can be learnt in the role – such as PowerPoint – don't list them as necessary requirements.
- Consider becoming a BITC 'Ban the Box' employer, and remove the tick box from applications that asks about previous criminal convictions.

Don't ask for academic background if not strictly necessary

- Don't demand top grades or even a degree if it is not directly linked to the role. This is an important step in encouraging diversity from a social mobility perspective.
- In light of Covid-19 and the unpredictability around academic qualifications, it is even more important to assess potential rather than academic history.

Advertise your flexible working policies

- A lack of flexible working policies has historically been a barrier for entry for candidates with disabilities and/or caring responsibilities.
- Clearly advertising flexible working policies will ensure that no-one is discouraged from applying.
- Advertise flexible working opportunities as a base-level policy, not a benefit that is unlocked after a certain amount of time.
- If remote working is possible, make this clear. A lack of remote working opportunities can discourage those with disabilities from applying.

EXAMPLE:

The furthest-along businesses in HTL and elsewhere are allowing colleagues to 'reclassify' themselves as home workers or hybrid home-office workers.

Advertising flexible working – in numbers

Even though 63% of employees work flexibly, only 22% state this in the job description or advert.

Job adverts offering flexible working gain up to 30% more applicants, with women more likely to apply than had flexibility not been offered in the advertisement.

One study saw a 16.4% increase in applications when jobs were advertised as part-time, including 19.3% increase in proportion of female applications to senior roles.

Use inclusive language in job descriptions and adverts

- Too much business jargon or too many acronyms can discourage young people, those with less experience, or those from underprivileged backgrounds from applying for roles.
- Avoid gendered words – software and AI tools can help catch words linked to stereotypes that may disproportionately attract or deter men or women.
- Implied, or stated, requirement to be involved in extra-curricular activities can be off-putting to those with caring responsibilities.
- Avoid long lists of 'nice-to-haves', which has been found to discourage women from applying.

EXAMPLE:

One travel group changed a role name from 'driver manager' to 'people manager' and three times as many women applied.

17 words that are turning women away from your jobs

Studies show that these are the masculine-oriented words you should avoid if you want to make your job descriptions appealing to women:

- Active
- Adventurous
- Aggressive
- Ambitious/Ambition
- Analytical
- Assertive
- Autonomous
- Decisive
- Determined
- Dominant/Dominating
- Independent
- Lead
- Ninja
- Objective
- Outspoken
- Rock Star
- Superior

From '17 Words That Are Turning Women Away From Your Jobs', LinkedIn Talent Blog (2017)

Be aware of accessibility in job descriptions

- Only list requirements such as full driving license if they are critical to the role.
- Ensure job descriptions are accessible to those with sight or hearing impairments. Providing job descriptions and applications in Braille, large print or audio versions can drive inclusivity.

Case study: Ban the Box

In 2013, Business in the Community (BITC) launched one of its longest-standing and recognised campaigns, Ban the Box.

Ban the Box calls on UK employers to give ex-offenders a fair chance to compete for jobs by removing the tick box from application forms that ask about criminal convictions.

With every employer that signs up to the campaign, more people with criminal convictions can compete for jobs based on their skills and experience rather than being excluded for a past mistake.

Targeting candidates

Businesses can drive inclusion and diversity at applicant level by reviewing where they find their potential candidates. There are two main ways of approaching this: broadening the reach of your applicant pool, and specifically targeting underrepresented groups. In particular, by undertaking outreach work with schools, colleges or external charities, employers have the opportunity to attract those who would not have otherwise considered careers in HTL and take them on a development journey.

Re-think where you advertise roles

- Make the most of social media. Digital-first recruitment events open the floor up to more young people and other diverse candidates who may not have been able to travel to attend physical recruitment events.
- Research and post on diversity-focused job boards such as:
  - bmejobs.co.uk
  - diversitydashboard.co.uk
  - ethnicjobsite.co.uk
- Consider using diversity-focused recruitment firms, such as Rare Recruitment or executive search firms that have a focus and track record of hiring diverse talent. In 2018, research 69% found that Black candidates were more likely to sign up with a recruitment agency than white candidates.
- Check that any executive search firms have signed the WiHTL Code of Conduct.

EXAMPLE:

A leading hotels chain has a jobs page on Facebook on which they share vacancy adverts, as well as video and photo content of a diverse range of employees doing viral internet trends to engage young people.

Target young people

Targeting young people can unlock many different areas of diversity by providing teenagers and students from ethnic minority or socially disadvantaged backgrounds with an opportunity for growth.

- Partner with school and colleges – consider running workshops with local school-age pupils to get them interested in the HTL sector, and provide information about later employment opportunities to teenagers.
- Partner with universities and have a presence at careers fairs.
- Partner with charities focusing on young people, such as:
  - The Prince's Trust
  - The Bright Network
- Look into launching apprenticeship schemes that offer the same route to success as graduate programmes.
- Consider role-specific targeting. For example, partner with technical colleges to hire young people into digital roles.

EXAMPLE:

One restaurant chain in the US ran a University Programme to great success. Of the 123 students who entered the scheme in 2020, 52% were women and 54% were people of colour. The scheme focused specifically on historically Black universities and colleges and other minority serving institutions.

Case study: easyJet's Amy Johnston Initiative

In 2015, recognising a significant gender imbalance in its pilot community, easyJet launched its Amy Johnson Initiative to encourage more women to become pilots.

Named after the pioneering British aviator, the initiative works with training partners to offer scholarships; offers loan underwriting for cadet pilot programmes; and undertakes awareness campaigns aimed at breaking long-held gender stereotypes, which have successfully driven a rise in women applying for cadet training programmes and joining the airline.

The airline has also established a dedicated outreach programme and pilots have visited over 400 schools and colleges since 2017 to inspire more girls and young women to follow a career as an aviator.

In 2018, easyJet partnered with Girlguiding to sponsor the new Aviation Badge for Brownies to get girls interested in flight at an early age. To date, more than 18,000 girls aged seven to ten have completed their aviation badge.

Targeting and upskilling

- By targeting and upskilling specific groups, businesses can increase the diversity of thought in their organisation and improve on representation.
- Across the consumer-facing sector, there are examples of businesses working with groups including:
  - National Autistic Society
  - Ex-offender organisations
  - Ex-military or ex-services groups
- Programmes like Decoded are designed to arm people with digital tools and an understanding of data.

EXAMPLE:

As part of the government's Armed Forces Covenant, one retailer has pledged additional support to armed forces leavers in the recruitment process. The business specifically targets veterans through the Career Transition Partnership, which teaches transferrable skills, fast-tracks them through to interview stage, and offers additional leave for reservists.

For more senior roles, look outside the sector

- Don't limit the candidate pool to those in HTL. It's often necessary to look beyond the sector to find women or diverse candidates who have sufficient skills or experience.

EXAMPLE:

One professional services firm runs a programme which recruits diverse professionals with at least two years of work experience in any sector (such as legal, pharmaceuticals, or insurance) and retrains them through a 'bootcamp'-style training programme.

Avoid employee referral schemes

- When it comes to hiring or deciding on promotions, avoid referral schemes which are entrenched in bias.
- This practice often gives weight to personal networks at the expense of true diversity.
- To mitigate this, one business offers enhanced referral benefits for diverse hires as part of their employee referral scheme.

Bias in referral schemes – in numbers

An analysis of 53,000 hiring decisions found that white men are disproportionately favoured in employee referral schemes.

White women are 12% less likely to have received a referral for their current position; men of colour are 26% less likely to have received a referral; and women of colour are 35% less likely to receive a referral than white men.

Assessment

f looking to progress on diversity, it is crucial to review any interview and assessment processes. Current practices may be affected by unconscious bias, or actively exclude certain groups, such as those with disabilities.

Consider centralising the assessment process for customer-facing roles

- Centralising customer-facing hiring processes can act to mitigate unconscious or conscious bias from individual site managers or head chefs.
- Many businesses opt to centralise the bulk of the assessment process but give individual store managers the final say.

Consider accessibility of your assessment practices

- Ask if interviewees have any special requirements for their interview, for example wheelchair access, answering verbally instead of in writing or additional time.
- For neurodiverse people or those with mental or physical disabilities, working interviews or trial shifts might be more useful than standard interviews.
- Provide clear and detailed information about the format and length of any interview, and be explicit about how candidates can ask for adjustments and share information about a disability, health condition or communication difference.

EXAMPLE:

One professional services firm has a page on their main applications site hub about how to request support when applying with a disability.

Review your assessment practices

- Standardise interviews — ask all candidates the same questions and score them quantitively against experience and other skills. Scorecards can be provided with a predetermined scale.
- Consider phone screenings before in-person interviews that focus purely on skills and knowledge.
- A test based around a sample of real-life work can be the best indicator of real job performance.
- Ask interviewers to rate likeability on an objective scale, which separates it from a 'gut feeling' and encourages transparency.
- Communicate with hiring managers that while it might be easier to hire on the basis of experience, it is preferable to recruit talent with potential which can be moulded.

EXAMPLE:

One hospitality company reviewed its entire assessment process and found that a women were dropping out at an online timed assessment stage. The business took the timed element out of the online test, which redressed the balance and resulted in a 50/50 gender split of final-stage applicants.

Dos and Don'ts of reducing bias in your hiring processes

Do:

Experiment with the wording of job listings by removing adjectives closely associated with a particular gender.

Ask candidates to take a work sample test — it's useful in comparing applicants and it's an effective predictor of future job performance.

Control for your personal feelings about a particular candidate by giving likability a numerical score.

Don't:

Engage in unstructured interviews. Instead, standardise the interviews process by asking candidates the same set of defined questions.

Allow surface demographic characteristics to play into your resume review. Use a software program that blinds that information and ensures a level playing field.

Neglect to set diversity goals. Be sure to track how well you're doing on them.

From '7 Practical Ways to Reduce Bias in Your Hiring Process', Harvard Business Review (2017)

Ensure diversity on interview panels

- Having a diverse hiring panel will encourage those from diverse backgrounds at interview stage, and work to mitigate bias.

EXAMPLE:

A pub company is rolling out training for its pub management teams covering how to construct a diverse interview panel and how to select a successful candidate fairly.

Talking point: the end of culture fit?

The term 'culture fit' links back to 1970s studies arguing that people are happiest when they work with people when surrounded by similar interests and personalities. But – depending on your definition – hiring processes underpinned by culture fit can be detrimental to diversity of thought. There are two schools of thought, best demonstrated by two articles, one from Forbes and the other from Harvard Business Review.

In The End of Culture Fit: Structuring for success at Facebook, Lars Schmidt argues for Forbes that culture fit *'has become the embodiment of unconscious bias. Most interviewers are more likely to hire people like themselves and discount those who are different. This type of thinking hinders diversity and leads to homogenous cultures.'*

By contrast, in Hiring for Culture Fit Doesn't Have to Undermine Diversity, Joeri Hofmans and Timothy A. Judge write for Harvard Business Review that *'meta-analyses have found that people whose values are more aligned to those of their organization are more committed to the organization, more satisfied with their job, and less inclined to leave […] An assessment of culture fit should focus on how well the person's values align with the organization's, rather than how well their personal characteristics, such as gender, ethnicity, age, and sexual orientation, align with the current workforce.'*

Adopting a stricter definition of culture fit can reap its benefits while still bringing in diverse perspectives, experiences, and skills. However, policies should be put in place to avoid hiring managers making appointment based on who they like, and which candidates are similar to them. Facebook, for example, prohibited the term "culture fit" when providing feedback on what interviewers liked or disliked about a candidate, requiring interviewers to provide specific feedback that supported their position.

Blind CVs

Increasingly, companies are working to remove unconscious bias in the recruitment process by redacting certain information on a candidate's application. These 'blind' CVs can either be generated using by specific software, or manually redacted by someone other than the hiring manager. While using blind CVs can advance ethnic and gender diversity and social mobility, there are some significant risks which must be considered.

What is a blind CV?

- A blind CV conceals the personal identity of the candidate.
- Its usage in the recruitment process reduces the prevalence of unconscious bias.
- A typical blind CV might redact name, gender, ethnicity, educational institution and any contents that can reveal the candidate identity.

Ways to achieve blind CVs

- Software options are available to redact information.
- Someone who isn't an assessor can redact information.
- Algorithms are available which can identify skills, attributes and experiences and isolate them for human assessment.
- For businesses choosing to centralise the hiring processes, or for head office roles, this can be achieved through application processes using a software rather than the traditional CV format.

EXAMPLES:

Blind CVs are most commonly found in professional services firms. Two major firms have removed academic qualifications and work experience criteria for entry-level hires, and another utilises an entirely 'blind' automated recruitment process which removes the need for human screening.

Blind CVs – in numbers

A seminal study from the American Economic Review found that 'white-sounding' names are 50% more likely to receive an interview.

A 2009 study from the Department for Work and Pensions tracking job applications during the financial crash found that 'white-sounding' names were 29% more likely to receive an interview than those without 'white-sounding' names with the same qualifications.

In 2017, BBC's Inside Out London did a trial study applying to over 100 jobs with two CVs. The resumés were identical apart from the name of the candidate – one applicant was called Adam, and the other Mohamed. While Adam was offered 12 interviews, Mohamed was only offered 4.

Risks with blind CVs

- Some argue that omitting information about education is unfair on those from underprivileged or unrepresented backgrounds who may have worked hard to get there.
- Redacting information may not entirely conceal identity. A study from UCL and Personnel Today found that language is a key indicator of gender identity. For example, 90% of top 10 words in men's CVs are powerful proper nouns, compared to only 68% in women's.

Issue to watch

In light of the unpredictability around A-Level results during the Covid-19 pandemic – which has hit disadvantaged students the hardest – it is vital that employers accelerate action on blind and contextualised recruitment.

Centralised vs regional-level hiring

When it comes to recruitment, one of the biggest questions for HTL businesses is whether to centralise the process. Having in place a core team responsible for hiring can increase efficiency and eliminate bias, but means missing out on the many benefits of site-based recruitment. If businesses choose to take a regional approach, close engagement and monitoring at a central level is critical.

Benefits of centralised hiring

- Centralised hiring mitigates the significant risk of unconscious or conscious bias in regional and site-by-site hiring, promoting diversity of thought and improving representation.
- With centralised hiring in place, the organisation has control over a candidate's recruitment experience, from targeting to onboarding and can ensure the employer brand remains inclusive.
- A team of dedicated human resources professionals may be better placed to recruit in the fairest way, and is more easily governed by the rest of the orgnanisation.

Drawbacks of centralised recruiting

- Centralised systems may not account for the nuances of individual sites – management at the grassroots level may be best placed to determine their own specific recruitment needs.
- In hospitality specifically, word of mouth is one of the best recruitment strategies you can employ, and it is most effective when conducted at the local level.
- Peer-to-peer recruiting can be a useful tool in regional sites to encourage the overall diversity of organisations.
- Centralised recruiting is more costly, as it requires an additional recruitment team to be set up.

Talking point: diverse or homogenous?

Conversations with HR leaders in HTL have revealed an issue in recruitment about what 'counts' as diversity. On an individual site basis, restaurants and bars are often staff by homogenous teams, who all come from the same ethnic or cultural background. This is especially true where businesses opt for peer-to-peer recruitment options, and in geographies with high proportions of a particular ethnicity or nationality.

While this adds to the diversity of the overall workforce, it is not diverse on a single-site level and won't promote inclusion.

Pros:

- Adds to the overall diversity of a workforce
- Increases the chances of promotion of diverse workers
- Demonstrates inclusivity externally
- Can reflect the (hyper-local) population

Cons:

- Isn't diverse on a single-site level
- Won't unlock any of the benefits of a diverse teams like creative thinking and challenge
- May discourage those who don't come from that group from applying or progressing in the business
- Could detract customers if they feel they're not reflected by the employee base
- Group mentality risks losing multiple members of staff if one member of the group decides to leave

Less visibly, peer-to-peer recruitment can also result in the entire team being made up of people with the same personality type, which is not conducive to an inclusive environment.

Driving inclusivity at regional level

If recruitment is done on a site-by-site or regional basis, companies need to stay close to local hiring managers to make sure they recruit fairly.

- Ensure every local hiring manager has completed unconscious bias training. Software can be good for this.
- Provide guidelines on how to write job descriptions, and tools for conducting interviews with D&I in mind.
- Leverage connections with local community networks for underrepresented groups to target a wider pool of candidates.
- Give regional managers agency to drive the D&I agenda themselves – including collecting data, thinking about where to advertise roles and which areas of diversity are best to focus on for their site.
- Businesses like The Clear Company can provide unconscious bias training programmes.
- Providing a checklist can be a simple tool when hiring to make sure that bias isn't dictating decisions.

EXAMPLE:

One hospitality business presents general managers with aptitude test scores before names for site-level hires. Another restaurant firm has a scheme for managers and recruiters on how to integrate inclusivity into what they do.

EXAMPLE:

One HTL business focuses on 'conscious inclusion' rather than unconscious bias, so that colleagues can take a more holistic approach to embracing individuals' unique backgrounds. All 4,500 colleagues are being put through a related training programme.

Talking point: the gap between head office and regional sites

Local managers often don't see diversity as an opportunity, or even as a problem to fix. Getting hiring managers to recognise D&I as a priority is a crucial step in driving diversity on an individual site basis.

In smaller businesses, this is less of a challenge – but for growing organisations it can be difficult to motivate a growing number of regional managers and ensure that company policies and values are reflected in each and every site.

Employer brand

All consumers are potential employees, and now more than ever, customers are tapped into a company's values. From advertising campaigns to product offerings, there are many small steps businesses can take to ensure that commitment to D&I is being displayed externally. This is a great opportunity to engage with your existing staff and work collaboratively to translate internal values externally. Leverage your internal networks and colleague resource groups to see where more can be done.

Publicise your company values as a business priority

- Make sure that company values are reflected in all customer-facing communications, including:
  - Marketing materials and adverts
  - Social media activity
- The furthest-ahead businesses know that engaging with culturally-relevant issues and news stories, particularly those around diversity, can go a long way to present company values and prove that they are practicing what they preach.

EXAMPLE:

Supermarkets are leading the way in this area. In the summer of 2020, for example, we saw a number of supermarkets making statements publicly denouncing racism, and in December 2020, major grocers broke protocol to run their adverts back-to-back during two primetime slots on Channel 4, with the hashtag #StandAgainstRacism.

Consider the inclusivity of your marketing strategies

- Examine the diversity of actors in promotional materials.
- Ensure engagement in a range of religious holidays.
- On a single-site level, make sure promotional activities reflect the local colleague and customer population.

EXAMPLE:

One HTL business told us that actively promoting its South African heritage has led to a highly diverse workforce – especially from an ethnicity perspective.

Make sure every element of your business is accessible to those with disabilities

- Make sure company communication is accessible – for example adding alt text to images and closed captions to any videos.
- Rethink design and layout of your restaurants/ hotel/sites to make its accessible for people with a range of disabilities. This includes clear signage, room layout, and accessibility for those who use wheelchairs.
- QR codes on menus make it easier for those with visual impairments.
- Be sure to share your disabled access online.
- Ensure appropriate changing/toilet facilities.

EXAMPLE:

Retailers have realised the opportunity here and are not only leading the way on ensuring accessibility, but integrating their progress into adverts and promotional materials.

Consider the needs of neurodiverse customers

- Some disabilities are difficult to spot and there are steps you can take to promote inclusion.

The Hidden Disabilities Sunflower Scheme

The scheme was launched at Gatwick Airport in 2016, and has since spread to all UK airports and rail providers. Passengers with hidden disabilities who need extra support can wear a lanyard to signify this.

Visibility of D&I policies to external candidates

Increasingly, candidates are making decisions on where to work based on a company's values and stance on D&I. According to PwC research, 86% of female and 74% of male millennials factor D&I policies into their employment decisions. Communicating your D&I policy openly on your main website or careers page is a straightforward way to let potential applicants know that this is a key business priority.

Review the inclusivity of career-specific communications

- Ensure all career-specific comms is accessible. This can include:
  - Adding alt text to images posted online
  - Adding closed captions to any videos
  - Providing information packs in large font or Braille
- Ensure that any application information appears inclusive to external candidates – for example, reviewing who features in the photos used.

EXAMPLE:

One travel company reassessed its corporate advertising strategy and made its marketing imagery more inclusive, which led to a 28% increase in the number of women hired.

Consider the visibility of current policies

- D&I policies should be clearly marked on the company website and be included in any job descriptions.
- Personalise your equal employment opportunities statement.
- If you have the data, consider publishing your own diversity statistics with commentary about what you're doing to improve and any targets.

EXAMPLE:

Some large hospitality companies have made their gender and ethnic diversity targets publicly available, to ensure accountability and demonstrate that diversity is a priority.

Advertise flexible working policies as a priority

- A lack of flexible working policies has historically acted as a barrier for entry for candidates with disabilities or caring responsibilities.
- Ensure you communicate maternity, paternity and flexible working policies in the job description or on the careers part of your website.
- Advertise flexible working opportunities as a base-level policy, not a benefit that is unlocked after a certain amount of time.
- If remote working is possible, make this clear. A lack of remote working opportunities can discourage those with disabilities from applying.

EXAMPLE:

One bar group explains its D&I policies on its website, including exact enhanced maternity and paternity pay.

Case study: The Government Equalities Office and Zurich Insurance

The Government Equalities Office conducted a study to normalise part-time work, by opening all new positions at Zurich Insurance to part-time work by default. The intervention resulted in more diversity and a greater sense of belonging amongst employees. Key results were:

- A significant increase of 16.4% in the overall proportion of female applicants, as well as the proportion of applicants who did not say they were male (+3 percentage points).
- A significant increase of 19.3% in the proportion of female applicants to senior roles.
- A significant increase of 8% in the number of part-time employees reporting that they feel they 'belong' at Zurich.

Look into external accreditation options

- Gaining external accreditation is a clear signal to potential applicants that an organisaiton takes D&I seriously and is following best practice.
- Stonewall Diversity Champions are businesses which can use the LGBTQ+-focused charity's logo and which are listed on their networking site.
- The Social Mobility Foundation publishes a Top 75 Employers Index annually.
- The Times Top 50 Employers for Women is also published annually by Business in the Community.

Focus on the experience of diverse employees – particularly relevant for disability

- Videos of disabled employees describing their experience can go a long way to encourage applications from disabled candidates.

Salary, remuneration and incentivisation

Remuneration policies can be a significant barrier to, or enabler of, D&I. Reviewing salary, commission and bonus structures can go a long way to moving the dial within organisations.

When hiring, don't ask for previous remuneration details

- This will avoid entrenching existing pay disparities as women and ethnic minority employees are systemically paid less. This is commonplace in the US, where various cities and states have enacted legislation against asking for present and past remuneration.

Review salary structures and avoid commission-based pay

- Some commission-based structures may prohibit those with caring responsibilities from applying or earning a liveable wage.
- This is especially true of businesses that generate the most sales on the weekends, as this is the time that those with caring responsibilities may have childcare commitments.

EXAMPLE:

Several retailers are moving away from low base strategies that reward 'stay until the last customer leaves' mentalities in favour of a higher, basic minimum salary that offers flexibility.

Link leaders' pay to D&I objectives

- Provide financial incentives for senior leaders who drive inclusion and diversity in their teams, either through meeting targets on hiring diverse candidates or engaging in activities designed to promote inclusion.
- Consider offering enhanced referral benefits for diverse hires as part of an employee referral scheme.

EXAMPLE:

One travel business has set each MD a unique personal objective around D&I which is linked to performance bonuses. Another business outside of the HTL sector is linking executive bonuses to achieving 50:50 gender split. Retailers are leading the way here: Sainsbury's was among the first to introduce this in the UK.

Case study: McDonald's ties executive pay to diversity goals

McDonald's recently announced that it will tie executive pay to diversity goals and aim to hit gender parity in management by the end of 2030.

The company aims to increase the percentage of women in the roles of senior director and above from 37% to 45% globally by the end of 2025. It also wants to increase the percentage of historically underrepresented groups in those positions from 29% to 35% by the end of 2025.

As part of this effort, job performance is to be measured against diversity goals, values and inclusive culture, which will determine 15% of incentive pay.

Consider student schemes

- The cost of going to university is a significant barrier to entry in many professional settings.
- Consider sponsoring high-potential students through their studies and into your workplace.

Talent pipelines and succession planning

Thinking long-term, businesses should focus on building a strong pipeline of diverse talent which can rise through the ranks into middle-management and eventually senior leadership roles.

Prioritise data collection

- Track diversity data from initial outreach to hiring. Finding out when different candidates leave the process can reveal biases and stages at which inclusion must be prioritised.
- Track data from hiring to promotions to assess how long it takes different groups to progress through the ranks.

EXAMPLE:

One retailer regularly selects 100 random and anonymous employees and tracks their career history for the past five years to see who has been promoted, received salary increases, returned to work after taking leave or left the business.

Demonstrate potential for progression for diverse candidates

- Targeted development programmes can create confidence in the employer and increase productivity and engagement.
- Focus on role-modelling and ensure the visibility of diverse senior leaders. If necessary, specifically hire diverse leaders who can act as role models.

The importance of role models – in numbers

A 2018 Business in the Community survey found that a third (31%) of Black employees want a sponsor in their organisation, as opposed to 12% of white employees. The survey also found that Black employees were most likely to feel the need to leave their organisation to progress.

EXAMPLE:

One cinema chain has a programme for high-potential women, and another HTL business has a 'grow to general manager' scheme. A travel company has rolled out dual programmes to equip women with the skills to progress. As a result, 28% of women were promoted into their first management position, and 40% were promoted into mid to senior roles.

Consider launching apprenticeship schemes

- Apprenticeship schemes can be an excellent source of diversity, from an age, race and social mobility perspective.
- Think about recruiting from within apprenticeship cohorts for different roles, such as digital, and upskilling them instead of hiring externally.

EXAMPLE:

One pub group has a successful apprenticeship programme which can include functional training and professional leisure retail management diplomas and BA degrees. Another HTL company tracks social mobility in their apprenticeship programme by cross-referencing applicants' postcodes with socially deprived local areas. They target young people with limited access to resources, or those who grew up in less affluent ethnic minority communities.

Case study: Stonegate's Albert's Theory of Progression scheme

Stonegate's flagship development programme, Albert's Theory of Progression (ATOP), was launched by the L&D team in 2017 to engage colleagues and help them along the routes to success within hospitality.

ATOP has multiple levels with 600 unique possible progression journeys on offer, meaning that everyone from school leavers to aspiring general managers can benefit from workshops and training exercises. To guarantee a diverse cohort at the bottom of the funnel, Stonegate holds assessment centres nationwide for its apprenticeship scheme, which equips colleagues with a Level 3 certificate. Additional levels, developed in partnership with Remit Training, train existing senior chefs and kitchen managers to gain a bachelor's-level qualification, while another operational strand focuses on commercial skills and management.

Use of AI, automation and talent management systems

Technology can be an invaluable tool for recruiting more efficiently and mitigating the risks of human bias. However, close attention must be paid to digital systems that can reinforce damaging stereotypes and halt progress on D&I.

Leverage technology in hiring processes

- AI and other software can spot 'gendered' words and generate neutral job descriptions.
- Digital talent management systems can be used to enhance collection and use of data in recruitment processes.
- Centralised digital assessment tools can test for an applicant's skills and aptitudes without a CV.

EXAMPLE:

One professional services firm uses gamified assessment to test applicants' problem-solving skills to entertain them, make the application process stand out and put less weight on their academic credentials. A large majority (90%) of applicants agreed that they prefer this method of assessment to the original questions format.

Programmatic job advertising

- Using automated tools to advertise vacancies can ensure that adverts get in front of diverse candidates. This currently represents about 25% of job advertising.
- These tools allow companies to specify the target demographic, so employers can reach exactly who they want to meet targets or fill quotas.

Digital auditing and assessment of processes

- Software can assess where processes can be cut down to minimise human biases.
- External agencies such as The Clear Company can run end-to-end audits of businesses' cultures in order to pinpoint sticking points where bias is creeping in.

Talking point: bias in AI

Businesses must be wary of the ethical implications of relying on artificial intelligence and safeguard against those risks.

Without sufficient understanding and monitoring, AI can rely on biased training data to produce results that reinforce stereotypes and discriminate against certain groups.

To safeguard against bias, businesses should regularly review decisions made by AI manually to ensure that it is encouraging, rather than blocking, the progression of diverse candidates.

Setting targets

Targets are a clear way to measure D&I at every stage of the recruitment process. By setting clear targets, and even announcing them publicly, companies can create accountability and measure progress.

Set targets for senior leadership or specific functions

- Consider setting specific targets at shortlist and longlist for gender and ethnic diversity.
- Request a 50/50 gender-split shortlist from executive search partners.
- Specifically prioritise hiring women into male-dominated functions, and vice versa.
- Consider the ethnic makeup of the local population and integrate this into targets.

EXAMPLE:

One professional services firm found that establishing gender diversity recruitment targets was the single most effective diversity practice in achieving results. This firm advocates for embedding them into long-term strategy.

Case study: US businesses leading the way

McDonald's is targeting 35% of US senior management to be from underrepresented groups by 2025, and 50% women by 2030. Starbucks has committed to 30% of all corporate roles being held by people of colour by 2025, and at least 40% of its retail and manufacturing workforce.

Set targets for customer diversity

- To work towards a more inclusive brand, some businesses are tracking metrics on customer diversity to identify the gaps in clientele.

EXAMPLE:

One restaurant company measures guests' perceptions and reactions to the brand when they come in to understand how they can communicate their D&I story more effectively.

Views from the industry: creating an inclusive culture at Nando's

At Nando's, it's the people that make the PERi-PERi. Inspired by its Southern African heritage and its purpose of changing lives, Nando's is committed to creating an inclusive and respectful culture for all; one where every individual is valued, respected, and can flourish.

Having agreed clear outcomes and measures of success for its Everyone is Welcome agenda, Nando's is striving to create an environment where people are valued for being themselves and for the makeup of the business to be reflective of the teams within the restaurants. A key lever to supporting the delivery of this has been a review of the current talent acquisition and management processes (attraction, spotting, sponsorship, and assessment). Nando's has also committed to diversity shortlists (50% gender and 28% Black and ethnic minorities) for all open positions and within talent pipelines.

"An assessment of our data through all stages of the employee lifecycle was the first step in truly understanding where to start – identifying the barriers in our systems and then asking ourselves why," commented Claire Smith, Head of Learning and Inclusion. "A small team from the people team was formed and tasked with removing the biases from our processes and systems. It's still early days on our people practices journey but we are testing and learning what is working, what is not working and the impact that is having in driving our success measures. We are also thinking about how we can scale potential solutions and the infrastructure needed," Claire added.

> "An assessment of our data through all stages of the employees lifecycle was the first step."

Key activities that have been tested so far:

Talent Acquisition

- Diversifying the candidate pipeline through programmatic advertising and focused job boards.
- Reducing the biases in processes through blind CVs, diverse panels, and standardised interviews.
- Upskilling and education of the Talent Acquisition team.

Talent Management

- Visibility of all management vacancies.
- Shifting from a 'sponsorship by your line manager' to a 'self-sponsorship' system by enabling Nandocas (colleagues) to give a view on their own potential for a 12-week internal programme that takes hourly-paid team members into management roles.
- Blinding all sponsorship forms.
- Training for Patraos (General Managers) and MDs in trial region focusing on understanding their own biases when it comes to spotting talent.
- Ran an internal campaign to encourage Nandocas to 'self-sponsor' by sharing success stories from other Nandocas who had progressed to management positions through the programme. Making it as easy as possible for people to know what was being done and why.

Impact

"Whilst still early days, we have started to see some successes. We have experienced an uplift of 7% at offer stage for new people joining the Nando's family from a Black and ethnic minority background. Not only have we seen an increase in the number of applications to our internal talent programme but more diversity of applicants and 'hidden talent' – people who may have not considered the programme. An example would be a Nandoca who works with us part-time whilst studying. The assumption was made that because the Nandoca was studying, they would not want to progress, so we had never spoken to them about their potential. They applied unexpectedly, did a fantastic job and are now in the process of becoming an Assistant Manager," said Alison Crook, People Partner.

Learnings

Nando's is starting to understand what works and what needs further review and development, so it can start to take the programme to the next phase. Key learnings include:

- Make management opportunities and the application process more visible. Hidden talent will emerge; however that needs to continuously be promoted internally to enable all people to see themselves in management roles.
- Technology is required to support and make processes easier and less labour intensive. This enables your people experts to focus on high-quality conversations with your hiring and promoting managers, and challenging assumptions and biases.
- Inclusive hiring and promotion practices need to run concurrently with other activities as part of the D&I agenda. "Whilst running these trials we were also holding a six-week inclusive leadership programme for our top 100 leaders and had developed a 30-minute online inclusion learning programme for every Nandoca. This gave greater momentum," said Claire Smith. This was further reinforced by Nicky Seymour, Talent Acquisition Manager: "The appetite from our Senior Leaders was fantastic and really spurred on from the Inclusive Leadership programme that they attended which overlapped these trials."

Views from the industry: attracting, retaining and developing talent at McDonald's

In recruiting for their Head Office roles, McDonald's work hard to attract, retain and develop the very best talent and strive to find future leaders and functional experts who live their values and role model their desired leadership behaviours, and at the same time enable a diverse and inclusive environment.

By supporting their managers in the end-to-end recruitment process - from defining the requirements of the role and writing engaging job specs to kickstarting the onboarding process - McDonald's ensures that both the manager and the candidate's expectations are met from day one.

A key strength of McDonald's is an understanding of candidates: they are their customers and the differentiation comes from the personal approach provided and the passion they have as a team to engage with people at all levels and from all backgrounds. With more than 70% of hires being sourced directly, McDonald's can provide a consumer-level experience, influence managers to build diverse teams and provide an exceptional candidate journey.

One challenge McDonald's faced in driving inclusion was a legacy of using recruitment agencies for all vacancies and whilst McDonald's accept there is certainly a place for agencies in their recruitment strategy, they found this blanket approach to be costly, sometimes impersonal for candidates, often not providing a diverse enough pool of candidates and missing the mark in terms of 'cultural add'.

To address this, McDonald's moved to a direct hiring model and built a small but effective in-house team to source candidates. Using insights from candidate surveys, McDonald's was able to evolve its processes and support materials to make them more inclusive and effective in attracting top talent from diverse backgrounds.

An increase in direct hiring allowed McDonald's to really target desired candidates, influence the mindsets of hiring managers and ultimately lead to an increased number of diverse candidates being hired. For example, McDonald's gender ratio of hires remains fairly balanced and consistent whilst the number of hires from an ethnic minority background has risen significantly in 2020. McDonald's acknowledge there remains an opportunity to increase ethnicity and female leaders at a senior level, however it is encouraging to see such a diverse talent pipeline being built for the future.

Year	% Female hires	% Ethnically Diverse hires
2018	53%	24%
2019	61%	32%
2020	55%	45%

McDonald's approach to achieving excellence has been about listening; listening to candidates, listening to managers, and listening to the business.

Through embedding its company culture, working in collaboration with all departments, and taking a holistic view of what it wants to achieve, McDonald's has evolved its D&I strategy. The strategy now revolves around everyone playing a part in representing the diverse communities McDonald's operates within, accelerating cultures of inclusion and belonging and dismantling barriers to opportunity.

Practical best practice examples from McDonald's include:

- Reviewed all recruitment materials to ensure they are inclusive and aligned with McDonald's values. For example they use a tools such as Textio to write engaging job descriptions and remove biased language.
- Implemented structured interview questions that dig deep into McDonald's desired leadership behaviours and are scored to prevent subjectivity and 'group think'.
- Reviewed where roles were advertised, ensuring a presence on job boards like Black Young Professionals.
- Provided 'Beyond Bias training' to all people involved in the hiring process and worked to ensure that all interview panels have diverse representation.
- Gave candidates a realistic flavour of what it is like to work for McDonald's through its LinkedIn Life page, Candidate Pack and Job Descriptions.

With an internal pool of over 130,000 employees, McDonald's also focuses on ensuring it provides great opportunities for the talent within its business. For example, it has a strong record of providing opportunities for internal progression from its restaurants to corporate offices and advertising roles internally across the organisation, ensuring restaurant colleagues are also aware of any opportunity. McDonald's also offers secondments across many business areas to support the personal development of employees. It has also made a long-term commitment to offering internships and placements within its corporate functions exclusively to individuals employed in its restaurants, to enable McDonald's to retain and develop great talent within the business.

About Us

About WiHTL

WiHTL is the most impactful collaboration community of leaders across the hospitality, travel and leisure sector and is devoted to increasing women's and ethnic minorities' representation at all levels and in particular in leadership positions across the HTL sector. We believe that through collaboration we can amplify the impact of individual diversity initiatives, together we can have a bigger, louder voice for the good of the industry. Our mission is to positively impact 5 million women and ethnic minorities globally by 2025.

For more information, please visit
www.wihtl.com/home

About The MBS Group

For more than 30 years, The MBS Group has been a leading sector-specialist executive search firm advising all consumer-facing industries, with a particular focus in the hospitality, travel and leisure industry. Clients consider us to be the partner of choice when searching for critical leadership roles that make a difference. We work at board level and on executive positions across all functions of strategic importance.

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