

MBS Intelligence

Tracking progress on diversity and inclusion in UK retail

The second edition of in-depth research and analysis
from The MBS Group and BRC

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Foreword

Achieving diversity through an inclusive business is not only right morally, but a commercial imperative for retailers. More than just a 'nice to have', businesses failing to prioritise D&I will suffer, outrun by more forward-thinking competitors, whose leadership is fully representative of their customers. The evidence is clear. More diverse businesses are more successful businesses.

The BRC and The MBS Group have joined forces for the second year in a row to produce this report, shining a light on the state of diversity and inclusion in the retail industry. To achieve change, we need to celebrate progress, track where we are failing or progress is slowing, and identify what more needs to be done, and how.

A year on from the first report, retailers have been recovering from the effects of the pandemic and now face a new set of challenges: battling rising inflation, labour shortages, a cost-of-living crisis and the impact of the war in Ukraine on their supply chains.

The evidence in this report shows a story of two halves. The focus on D&I is more common and more comprehensive than last year. The number of signatories to the BRC D&I Charter, launched at the same time as the first of these reports, has almost doubled. The percentage of those with a D&I strategy in The MBS Group's research has increased to 91%.

Given the economic backdrop, this is great progress and cause for optimism about outcomes and the change the industry and society more widely need to see.

But, the evidence of progress is scant. There were some marginal shifts on ethnicity and gender at senior levels, but generally many metrics have not moved significantly, or some have gone backwards. The collection of meaningful data, particularly on more sensitive areas like ethnicity, sexuality and disability remains the exception rather than the rule.

A handful of initiatives under a D&I banner will not convince a workforce that they are part of an inclusive culture. And how well do those at the top really understand what our teams think and feel?

This is hard. But we remain optimistic that through collaboration, businesses engaging and involving their employees, focusing on the hard stuff as well as the quick wins and perseverance, change can be delivered.

After all, the will is clearly there. The desire to collaborate is clearly there. Now we must mobilise more onto the journey and work together to shift the dial. We look forward to working with you on that journey.

We would like to thank the Chairs, CEOs and HRDs who gave up their time to participate in this research; the representatives from the 70 or so companies involved in the BRC Charter, and our respective BRC and MBS teams who have contributed to the research and workshops. Without you all this research and its recommendations would not have been possible.



Helen Dickinson OBE
Chief Executive
British Retail Consortium



Elliott Goldstein
Managing Partner
The MBS Group

Executive summary: where are we now and what comes next?

This is the second year of research from The MBS Group and BRC, exploring the status of diversity and inclusion (D&I) in the UK retail industry.

Where are we now?

Focus on D&I is more common and more comprehensive than last year

- Most companies (91%) have a coordinated D&I strategy (2021: 76%)
- Most companies (74%) say D&I is owned by the CEO (2021: 50%)
- 76 companies have committed to the BRC D&I Charter, compared with more than 40 in 2021
- Strategies are more broad-reaching than last year, with many more including disability (78% in 2022 vs 50% in 2021) and social mobility (59% in 2022 vs 20% in 2021)

Despite this, there is little or no progress on gender diversity at senior levels

- The proportion of women at Board level has increased by 4.9%
- The proportion of women at executive committee level has increased by 2.2%
- The proportion of women at direct report level has decreased by 2.7%

Ethnic diversity has increased, but momentum in this area has slowed

- The proportion of ethnic minority leaders at Board level has increased by 5.1%
- The proportion of ethnic minority leaders at executive committee level has increased by 1.9%
- The proportion of ethnic minority leaders at direct report level has decreased by 4.3%
- Urgent progress is still needed: 36% (2021: 81%) of retailers have all-white Boards, and 34% (2021: 68%) of retailers have all-white executive committees
- Momentum on driving up ethnic diversity has slowed since last year, when retailers were responding to the Black Lives Matter movement

Data collection has improved but remains incomplete

- A large majority (78%) of retailers collect data on the diversity of their business, but 34% of those say it is insufficient
- 64% of Charter signatories submitted data on the diversity of their workforce
- Employee engagement surveys are more comprehensive than last year, including questions on disability, social mobility, LGBTQ+ and mental health
- Most data is focused on diversity outcomes, rather than employee engagement and inclusion

91%

Retailers with a D&I strategy

78%

Retailers collecting diversity data

47%

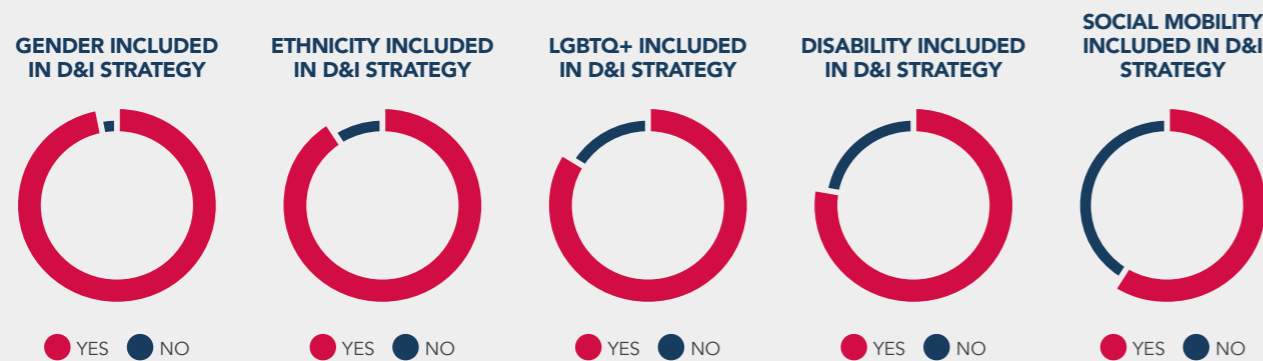
Retailers who can identify an LGBTQ+ leader at top three leadership level

15%

Retailers who can identify a Disabled leader at top three leadership level

% OF WOMEN AT TOP THREE LEADERSHIP LEVELS			
	2021	2022	
Board	32.6%	37.5%	↗
Executive Committee	32.0%	34.2%	↗
Direct Reports	37.5%	34.8%	↘

% OF ETHNIC MINORITY LEADERS AT TOP THREE LEADERSHIP LEVELS			
	2021	2022	
Board	4.5%	9.6%	↗
Executive Committee	5.8%	7.7%	↗
Direct Reports	6.0%	10.3%	↗



What comes next?

1 Customise D&I strategies

Businesses should align their long-term D&I strategies with insights from employee engagement efforts. D&I is not a 'one-size-fit-all' issue, and listening to employees will enable retailers to focus on their unique challenges and opportunities.

2 Continue to invest in data collection

Retailers should prioritise understanding their business and expanding data gathering programmes beyond gender and ethnicity to include social mobility, LGBTQ+ and disability.

3 Develop diverse talent pipelines

Focusing on increasing the number of women, people from ethnic minority backgrounds, and other diverse leaders who can step up into the most senior roles. Development programmes targeted at different groups, for example women leaders, can be highly valuable.

4 Focus on Black leaders

Across the retail industry, there is a particular lack of Black leaders. The furthest-ahead retailers are treating this area separately from other facets of ethnic diversity.

5 Set targets and measure progress

Put in place specific goals for representation of minority groups at certain levels, for example Black store managers.

Spotlight on: the engagement gap

Communicating progress and driving up engagement in D&I among employees should be a central priority for businesses. Research from The MBS Group, BRC and PwC last year found that 84% of retailers say that D&I is a priority, but less than half (49%) of retail employees agree that D&I is sufficiently high up their employers' agenda.

Key findings: what is the status of D&I in the retail industry?

This report draws on research from The MBS Group – which encompasses data captured from the industry’s leading businesses and conversations with Chairs, CEOs and HR Directors – combined with analysis of survey data provided by 32 BRC member companies.

Methodology

About MBS research

For the second year running, The MBS Group has conducted extensive research to understand the status of diversity and inclusion in the UK retail industry. Our findings are based on data from 200 of our industry’s leading businesses, with a focus on the three highest leadership levels: Board, executive committee, and direct reports into the executive committee. We measured how the industry’s leading businesses are performing on gender and ethnic diversity, analysed the maturity of policies, and explored how companies are embracing aspects of D&I including LGBTQ+, disability, age, and social mobility.

About the BRC D&I Survey

The BRC’s D&I Charter was launched in March 2021 alongside the publication of research undertaken jointly with MBS and PwC. The unique and invaluable insights from this research provided the foundations for the development of the wider initiative.

Understanding the composition of the entire workforce in terms of key protected characteristics at differing levels of seniority and the changing picture over time will be invaluable in helping the industry to assess progress and to identify key challenges to overcome in the future. A commitment to contribute data on diversity is part of the BRC D&I Charter.

This was the first time that such data, covering a wide cross section of the industry, has been collected directly from a wide range of retail companies. In total, 32 members of the 50 member signatory companies at the time responded. Together these responding companies employ almost 860,000 people, around 28% of the retail workforce in the UK. It is clearly positive that such a broad range of companies participated in the survey in the first year – the intention is to build on this in future years, with a wider range of signatories providing data as part of future surveys.

D&I in context

D&I and the retail industry

This report and its conclusions must be considered within the wider context of the UK retail industry.

There are many long-term factors driving progress on D&I. These include:

- The industry's growing recognition of the urgent need for action to address key workforce concerns
- The introduction of mandatory gender pay gap reporting in 2017 and targets for women on Boards set by the Hampton-Alexander Review
- The potential introduction of mandatory ethnicity pay gap reporting
- Increased scrutiny from consumers, employees, and investors of a company's D&I and ESG activity
- A greater awareness of the need for, and challenges associated with, ethnic diversity since the Black Lives Matter movement in 2020

Simultaneously, retailers are facing significant challenges which need to be addressed and overcome. These include:

- Unfavourable trading conditions because of the cost-of-living crisis and inflation
- Recovering from two years of turbulent trading patterns during Covid-19
- A highly challenging labour market resulting in workforce shortages

Against this backdrop, there is a risk that businesses will lose focus on D&I. As retailers navigate a less-than-favourable commercial landscape, companies may feel the need to deprioritise D&I to focus on trading and other structural challenges.

However, it is precisely because of our current commercial landscape that businesses should remain committed to progress on D&I. Inclusion should not be considered as another problem to solve, but rather as an opportunity to grow during this critical time for the industry.

Restating the case: why do we need D&I?

As detailed in a PwC report "Diversity is the solution, not a problem to solve"¹, there are five reasons why diverse businesses perform better. Diversity brings:

1. Better outcomes for customers
2. Better business returns
3. Greater innovation and new ideas
4. More attractiveness to employees
5. Improved reputation and brand

There is plenty of evidence for this. Research from McKinsey² has shown that executive teams featuring gender diversity are 25% more likely to outperform those that don't, and teams with ethnic diversity are 36% more likely to outperform those without it.

And in a 2022 context, diversity is part of the solution to a challenging labour market. By targeting recruitment towards diverse communities, businesses can reach new or untapped talent pools. Moreover, retailers which take steps to drive up equality and who are more inclusive will be more attractive to the best talent and achieve better outcomes.

Key findings

Progress has been made in the past year on D&I strategies and initiatives designed to promote inclusion

The conversations held with Chairs, CEOs and HRDs, plus the response to the BRC's D&I survey, revealed a more widespread enthusiasm to engage in the topic and a renewed understanding of its importance.

However, there are significant barriers to progress, including insufficient resources, a lack of data and competing priorities during a busy time for retail. The furthest-ahead businesses tend to be larger retailers, for whom D&I is embedded through targets. However, examples of best practice can be found right across the industry.

The last year has seen mixed progress on the proportion of women at the most senior levels

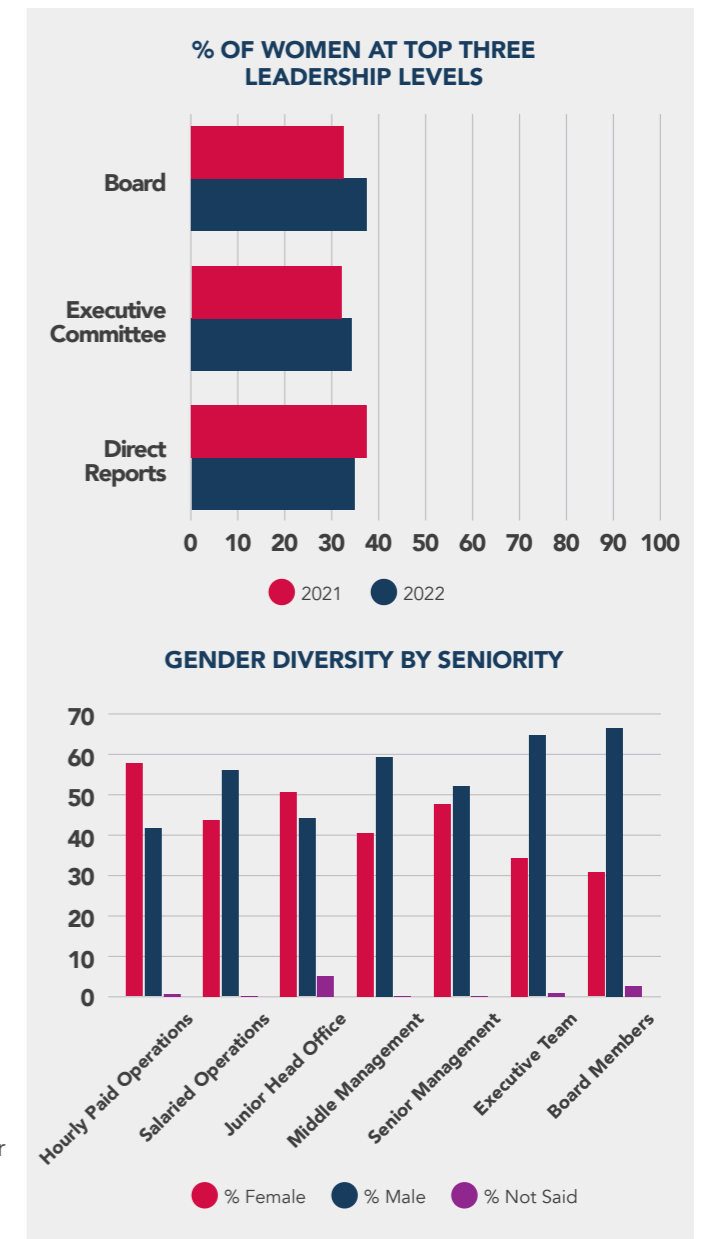
While gradual progress has been made on appointing women to the Board and executive committee, the overall proportion of women at direct reports level has dipped slightly. It is worth noting that data from the BRC survey paints a more positive picture, with 47.8% of direct reports roles being held by women in this smaller pool of companies.

There is an opportunity to develop the strong pipeline of women in the retail industry

Key to driving up gender diversity is developing internal talent. The results from the BRC's D&I survey show that there is a healthy pipeline of women at junior head office and middle and senior management level.

There has been steady progress on ethnic diversity in the industry – but urgent focus is needed in some companies

Across retail, the proportion of senior roles held by leaders from ethnic minority backgrounds has increased. We have seen the percentage of ethnic minority Board directors rise from 4.5% to 9.6%. However, this figure is being lifted by companies with small Boards and very strong ethnic minority representation. More than a third of retailers still have zero ethnic minority representation on their Board (36%) or their executive committee (34%).



¹ Diversity is the solution, not a problem to solve
The Diversity Project, PwC, June 2018

² Diversity wins: How inclusion matters,
McKinsey, May 2020

Women in Chair, CEO and CFO roles

Out of more than 200 businesses, the number of women in Chair, CEO and CFO positions can be easily listed below.¹

Women Chairs

Ann Summers	Jacqueline Gold
Arnold Clark	Philomena Clark
Central England Co-operative	Jane Avery
Fortnum & Mason	Kate Hobhouse
Games Workshop	Elaine O'Donnell
John Lewis Partnership	Sharon White
Made.com	Susanne Given
Moonpig.com	Kate Swann
Nottcuts	Bridget McIntyre
Selfridges Retail	Alannah Weston
Ted Baker	Helena Feltham
The Works Stores	Carolyn Bradley
Waitrose /JL Partnership	Sharon White
White Stuff	Debbie Hewitt

Women CEOs

Ann Summers	Vanessa Gold
Beaverbrooks The Jewellers	Anna Blackburn
Central England Co-operative	Debbie Robinson
Costa Coffee	Jill McDonald
Feelunique International	Sarah Miles
Foot Locker	Susie Kuhn
Greggs	Roisin Currie
Harvey Nichols Group	Manju Malhotra
JD Sports Fashion	Kath Smith
John Lewis Partnership	Pippa Wicks
Made.com	Nicola Thompson
Marks & Spencer	Katie Bickerstaffe (co-CEO)

New Look
Pets at Home
Richer Sounds
SPAR International
Ted Baker
The Co-operative Group
The Perfume Shop
The White Company
White Stuff

Women CFOs

Burberry
Dunelm Group
Feelunique
Furniture Village Limited
Games Workshop
Halfords Group
Hobbs Limited
John Lewis Partnership

Joules Group
Lush Retail
Monsoon Accessorize
N Brown Group
Next
Telefonica (O2)
The Entertainer
The Perfume Shop
John Lewis Partnership
Waterstones Booksellers
Well Pharmacy
Wickes
Wilko Retail

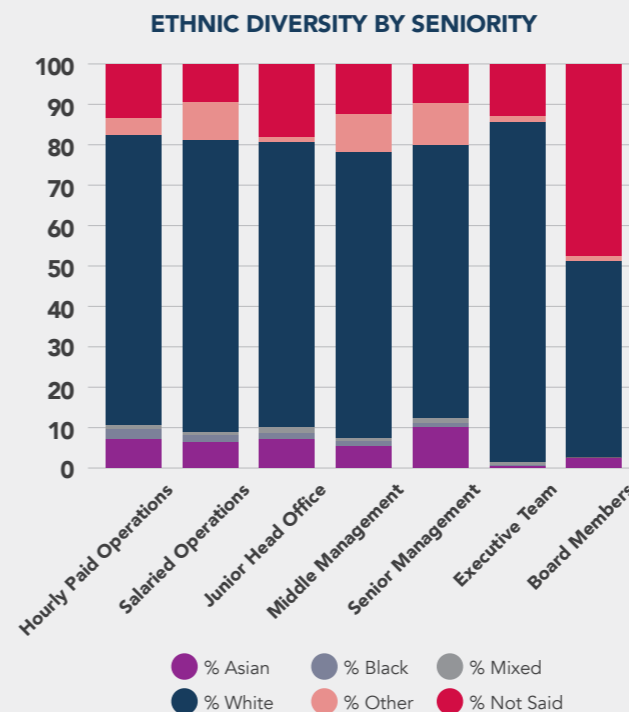
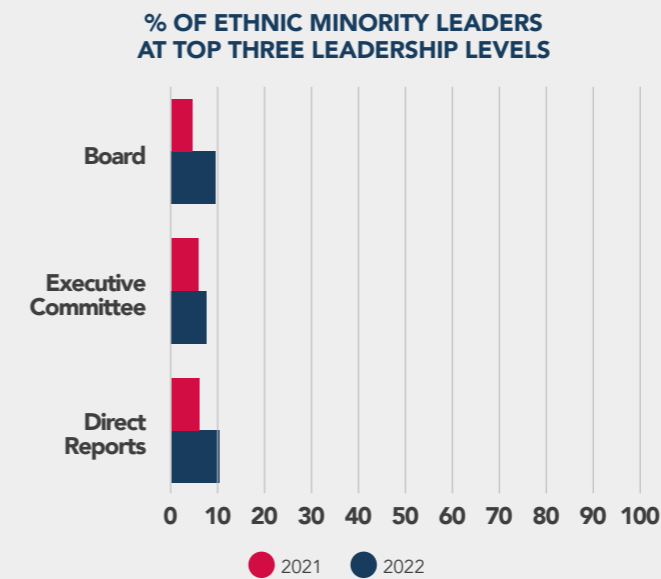
Helen Connolly
Lyssa McGowen
Julie Abraham
Louise Hoste
Rachel Osborne
Shirine Khoury-Haq
Gill Smith
Mary Homer
Jo Jenkins

Julie Brown
Karen Witts
Rebecca Scott
Claire Shiels
Rachel Tongue
Jo Hartley
Vesna Dinic
Berangere Michel
Caroline York
Kim Coles
Claire Wain
Rachel Izzard
Amanda James
Patricia Cobian
Claire Buckingham
Claire Dines
Berangere Michel
Emma Hillyard
Katie Jacob
Julie Ann Wirth
Karen Mackay

¹ This index is correct as of 11th July 2022

There is evidence of a strengthening pipeline of middle- and senior-managers from wider ethnic backgrounds

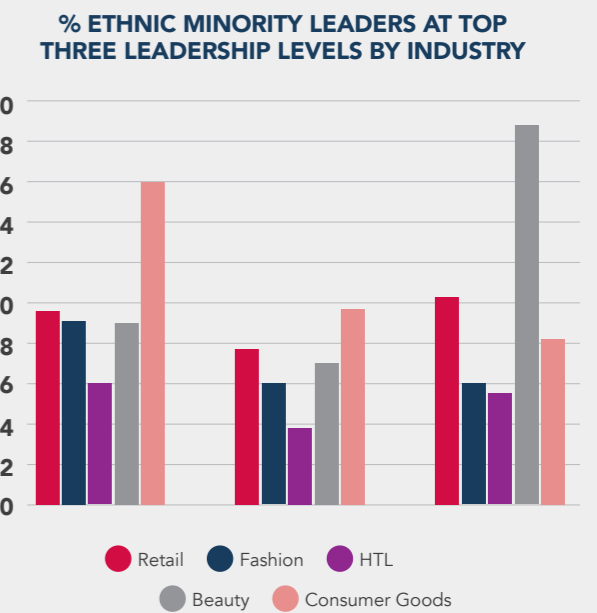
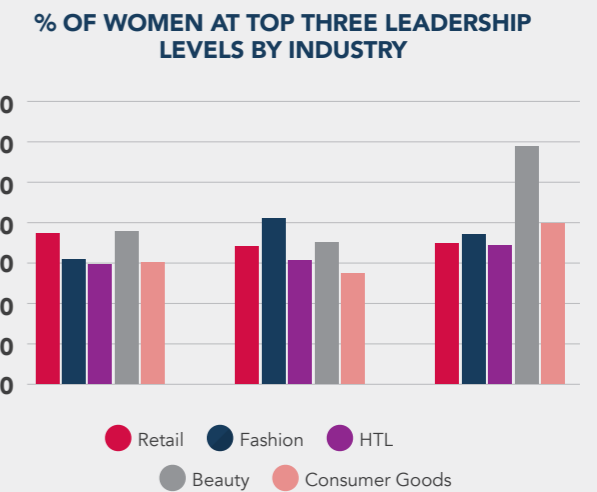
Data from the BRC survey found that around 10% of junior head office employees; 15% of middle managers, and 25% of senior managers are from ethnic minority backgrounds.



How does the retail industry compare?

The retail industry is home to some of the most comprehensive and advanced D&I strategies in the consumer-facing sectors.

However, comparing leadership diversity in retail to the fashion, hospitality, travel and leisure (HTL), beauty and consumer goods industries shows a mixed picture.



D&I strategies: how are retailers moving the dial?

Almost all (91%) of retailers have, or are implementing, some form of D&I strategy. Since last year, strategies have become more comprehensive.

Gender

Gender is almost consistently included in D&I strategies. Notably, one business, whose Board is 50% women, has removed gender as a focus of its D&I strategy (although this retailer admits that it needs to better support women into tech and middle management roles.)

The biggest blocker is developing the pipeline of women who hold workforce and middle management positions. As confirmed by the BRC survey and MBS research, the number of women drops off dramatically at the most senior levels.

“In making a recent Board appointment, we explicitly looked for a diverse woman to comply with the Parker Review and Hampton-Alexander Review”

HRD, specialist retailer

Moreover, there is still a significant amount of work to be done to make it more accessible for women to return to work after parental leave.

Ethnicity

Most D&I strategies (91%) include initiatives to improve on ethnic diversity. This remains broadly unchanged from last year. Substantial representation across the wider retail workforce is not reflected in executive and Board level representation.

Since our research in 2021, momentum on ethnic diversity has slowed – although this speaks more to the sudden surge in conversations around ethnic diversity following the Black Lives Matter movement in 2020.

Across the sector, retailers are mitigating against unconscious bias on ethnic diversity with blind CVs. The most successful efforts use software to undertake blind hiring, with those doing so manually reporting difficulty and ultimate failure.

“Right now, we’re in the middle of a project to target recruitment at different ethnic minority communities.”

CEO, UK grocer

The greatest challenge retailers face is understanding the nuances of different areas of ethnic diversity. For example, in many businesses, there is strong Asian representation but very few Black leaders. Gold-standard retailers are treating each area separately and implementing targets. Geography is another barrier, especially for companies based in predominantly white areas.

LGBTQ+

LGBTQ+ is the third-most included area in D&I strategies, with 84% of business focusing on it. Initiatives are focused mainly on employee engagement and supporting colleagues from the LGBTQ+ community. Just fewer than half (47%) of retailers told us that they could identify a senior leader who was LGBTQ+.

Since last year, the biggest development is the focus on the trans and non-binary community. The most forward-looking retailers are introducing pronouns on email signatures and name badges, as well as education campaigns for why they're needed. One retailer told us that they have had a very positive response to this. However, other retailers reported challenges in dealing with groups who have differing views on transgender rights. One retailer reported colleagues being "very vocal" on this issue.

“We've put together a comprehensive toolkit for managers who have team members who are transitioning, or who want to present themselves differently. We've also brought in speakers and generally opened up the conversation around gender and gender identity.”

HRD, specialist retailer

Disability

A majority of businesses include disability in their D&I strategies, but the Disabled community remains underrepresented and underserved. Only 15% reported to have a Disabled leader at executive committee or direct report level, leading to a serious lack of visible Disabled role models in the industry.

“Probably the most common complaint that bubbles up to me as a CEO is around hidden disabilities.”

CEO, UK specialist retailer

Since last year, more companies have introduced strategies focused on disability. Today, 78% of strategies include disability, compared to 50% last year.

The first step businesses can take is creating an environment in which colleagues feel comfortable disclosing their disability. Gold-standard companies are fostering inclusion and encouraging openness by highlighting Disabled senior leaders and allowing them to share their experiences with the wider team. Most, however, reported that the response rate to survey questions around disability is very low. As a result, retailers generally don't have accurate data on disability.

The most developed segment of disability is neurodiversity, with many reporting that conditions like ADHD and autism were being discussed more frequently. Lots of businesses told us that this is driven by parents of children with neurodiverse conditions.

“We've just run a pilot in one of our centres, where we brought some young adults with learning difficulties. They're doing amazingly, and it's created a real renewed energy about valuing people with difference and what they bring. This is definitely something we're going to look to try and widen out across our estate.”

HRD, specialist retailer

From a strategies perspective, the furthest-ahead are prioritising disability through education and targeted recruitment. Underdeveloped policies tend to combine disability with mental health and wellbeing.

Social mobility

Progress on social mobility is closely linked to progress on other areas of diversity, particularly ethnic minority representation.

In the retail sector, there is a historic precedent that it is possible to enter the industry on the shop floor and rise through the ranks to become CEO. This is no longer the case, and the sector must work to debunk this myth and renew its focus on social mobility.

Encouragingly, this seems to be happening. More than half (59%) of retailers include social mobility in their D&I strategy – compared to 20% last year – and one retailer has even changed the name of its policy to 'social mobility, inclusion and belonging'.

Social mobility is being driven primarily through partnerships with charities, schools and colleges. Many retailers have linked up with organisations like The Princes Trust or the government's Kickstart Scheme.

Apprenticeship schemes are also common, with one retailer telling us it has an apprenticeship scheme in almost every part of its support centre. Our research also detected a new focus on people who have grown up in care. A handful of retailers told us that they were partnering with charities like Drive Forward to support young people who have been in care into work.

Beyond recruitment, the furthest-ahead retailers are considering how they can support and develop colleagues from underprivileged backgrounds. One business told us it pays for driving lessons for those who are looking to become an area manager but can't afford to learn to drive.

“If that person is on a succession plan and the only thing stopping them is that financial challenge, how can we then support that?”

HRD, UK specialist retailer

There is a real opportunity to drive up representation at senior and middle management level by identifying shop floor staff – who are typically more diverse from a social mobility and ethnicity perspective – and supporting them into management and head office positions.

As discussed on page 25, the biggest challenge for retailers is accurately defining, measuring and analysing social mobility. Many businesses were unsure of the correct definition.



Age

Retail includes people of all ages. Perhaps because of this, the proportion of retailers which include age in their strategies is relatively low: 29%, compared with 23% in 2021.

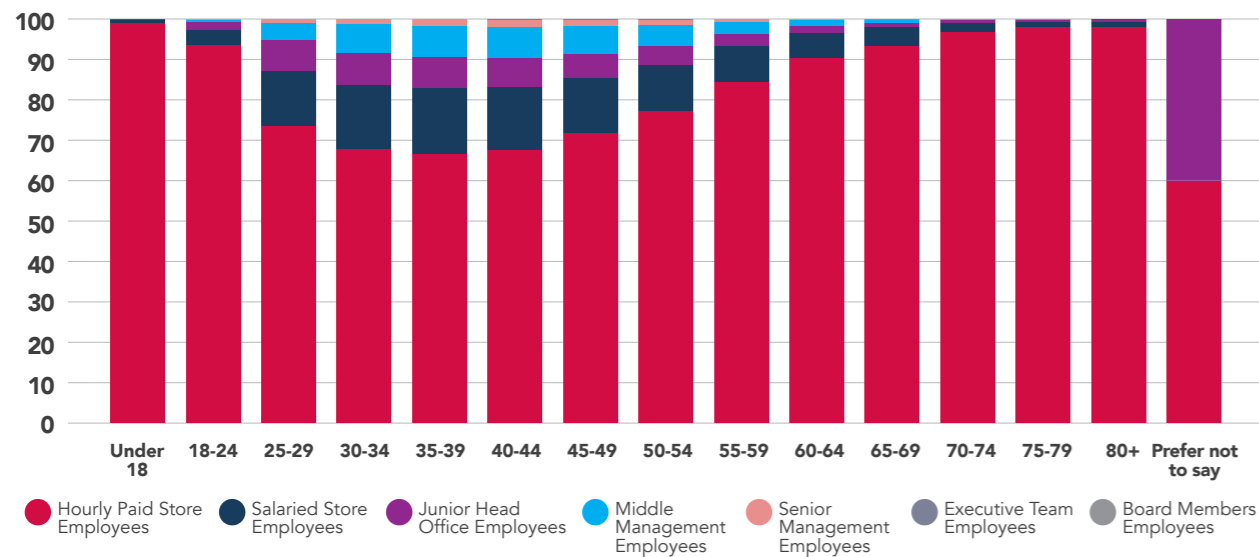
Data from the BRC survey paints a positive picture: retail distributions by age demonstrate clearly the extent to which the industry offers meaningful opportunities for a very broad age range of colleagues. The role of retail as a "gateway" employer is clear in

the very significant representation of young people in the retail workforce.

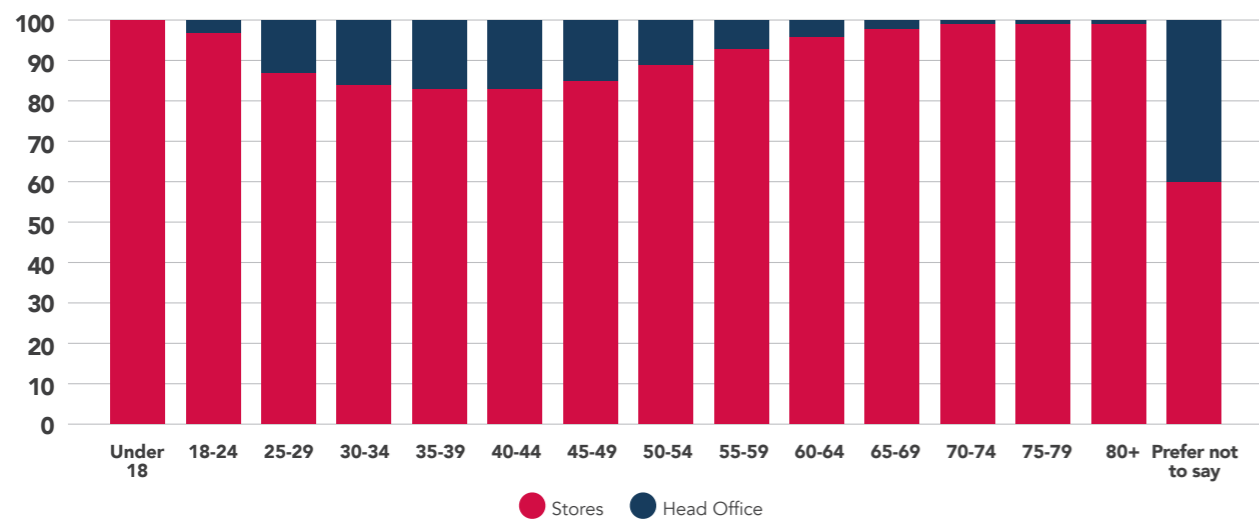
At the same time, the opportunities which exist in head office and at senior levels is also clearly demonstrated. There is no evidence that colleague age inhibits progression.

However, we know that a large proportion of the older workforce has dropped off since Covid-19. Businesses should focus on communicating open roles to older people and supporting their older colleagues.

AGE DISTRIBUTION BY SENIORITY (%)



AGE DISTRIBUTION BY ROLE TYPE (%)



Beyond the numbers: themes from conversations with industry leaders

The MBS Group held in-depth conversations with Chairs, CEOs and HRDs to measure the extent to which D&I is being prioritised in retail, and how businesses are moving the dial.

1 Attitudes towards D&I have advanced significantly in the past twelve months

Compared to in 2021, today there is a greater appetite to discuss D&I and a better understanding of the opportunities and challenges it presents – as reflected in MBS’ conversations with Chairs, CEOs and HRDs and the strong participation by member companies to the BRC’s survey. Our research has found that D&I initiatives are also more common and more comprehensive than they were a year ago. However, there is still a long way to go, and the impact of the new and/or bolstered strategies will not be felt fully for some time.

“We are more diverse than we were last year because we’re intentionally going after it.”

HRD, UK Grocer

Encouragingly, D&I strategies have broadened since last year. More retailers have developed strategies to improve ethnicity, LGBTQ+, disability, social mobility and age inclusion than last year. In particular, the proportion of D&I strategies which include social mobility has jumped from 20% in 2021 to 59% in 2022.

WHAT DOES YOUR D&I STRATEGY INCLUDE?		
	2021	2022
Gender	100%	97%
Ethnicity	90%	91%
LGBTQ+	68%	84%
Disability	50%	78%
Social mobility	20%	59%
Age	23%	29%
Parents and carers	13%	30%
Mental health	13%	45%

Strategies are also more joined-up than last year, and more likely to be led from the top. Three-quarters (74%) of businesses said that the CEO is the most senior sponsor of D&I, compared to 50% last year. Around 7% of respondents said a non-executive director (NED) was the most senior sponsor. Encouragingly, only 4% said that the HRD is the most senior sponsor, compared to 38% last year – demonstrating that D&I is considered a business priority rather than an ‘HR issue’.

Examples of actions taken in the past year include:

- Making diversity-focused hires
- Establishing employee D&I networks
- Launching colleague engagement surveys
- Improving or kickstarting data collection efforts
- Undertaking external audits and reviews of entire business
- Engaging employees in D&I through events and more consistent communication

“We’re just getting mobilised this year: we changed our policies, introduced leadership education, began reverse mentoring and now we have five employee networks. We’ll see what the impact is, but it’s been creating a lot of ripples in the business.”

CEO, UK specialist retailer

“One of my colleagues said to me earlier this year that he’s never had these sorts of conversations about diversity in the workplace before.”

CEO, specialist retailer

2 But there is still a long way to go

Despite some significant steps forward, there is still a long way to go until the industry truly reflects the communities it serves. Retailers not adequately prioritising diversity will miss out on the rewards of a diverse team, and soon find that the best talent does not want to be associated with a non-diverse business.

Women are still underrepresented at the most senior levels. Despite progress on last year, the proportion of women at the top three most senior levels is still far from reflecting the 50/50 split which exists in society. This is particularly stark considering the high proportion of women in more junior positions in the retail industry, as outlined in the findings to the BRC’s D&I survey.

Our research unearthed stories of the everyday sexism that still exists in the industry. For example, one HRD received an invitation to an event within their group that included instructions to wear a tie.

In some businesses, ethnic diversity requires urgent progress. There are still too many companies without any ethnic diversity on their Boards and executive committees.

Across the industry, there is a lack of Black leaders. Retailers struggle to attract Black employees, and companies are failing to distinguish between ethnic diversity more generally and Black leadership as an area of focus. Findings from the BRC survey demonstrate this in more detail: Black people make up 2.4% of shop floor colleagues (around a third lower than the 3.3% of the UK population), but this figure dips to less than 1% at senior manager level and above.

Disability is also not being adequately prioritised. Despite more than three-quarters of strategies covering disability, conversations with senior leaders revealed that the topic is not receiving the attention it requires. Many retailers reported that they were waiting for the ‘right time’ to focus on disability, or that it impacts fewer colleagues than other areas. Encouragingly, proportion of companies with at least one Disabled senior leader has increased from 7% in 2021 to 15% in 2022. Looking forward, Disabled leaders should continue to share their experiences to encourage more junior colleagues to disclose their disability.

3 Data collection efforts have developed, but more work is needed

Gathering and analysing data is critical, and a lack of data is often cited as the biggest barrier to progress. This year, our research found that there is a greater understanding of the need for data, and that retailers are prioritising gathering information on their employees.

Data collection programmes are more comprehensive. In the past year, retailers have doubled down on data collection, through investing in their HR systems and/or rolling out voluntary engagement surveys. Today, a significant majority – 78% – of retailers said they collect data on the diversity of their business. Moreover, in 2021, most companies reported that their data was limited to gender and ethnicity. This year, companies are beginning to gather information on areas such as disability, sexual orientation, caring responsibilities, mental health and long-term illness.

But there are still significant challenges with data collection, and many retailers are at the beginning of their journey. Businesses are coming up against barriers, including navigating laws and regulations on holding ethnicity data on employees, the cost of upgrading HR systems, and coping with a disengaged workforce that is hesitant to provide personal information. Indeed, more than a third of businesses reported that the data they did have was insufficient.

These challenges are reflected in the data collected from Charter signatory companies. Among BRC signatory companies, data beyond gender and ethnicity appears much less complete; in particular, the available sample on employees’ sexual orientation and disability prevented meaningful analysis. It is clear that gathering and accessing accurate information is a key challenge for many companies. While 32 companies responded to the survey, many more were not yet able to engage with it. There were 50 signatories to the Charter at the time the survey was circulated, ie 18 companies who did not, or were not able to, provide data. For those that were able to make a submission, frequently the data did not provide a complete picture, with significant areas in which data is either not robust or not yet available.

Spotlight on: measuring social mobility

“We certainly don’t have any formal form of measurement, or any formal appraisal of the social mobility piece.”

CEO, UK grocer

Many retailers reported difficulty in accurately measuring and sensitively discussing social mobility. Businesses most advanced in these areas are asking the following questions in engagement surveys:

What type of school did you go to?

Were you eligible for free school meals?

What job did your parents do when you were 14?

What level of education did you get to?

Success on data collection starts with education. Employees are under no obligation to disclose diversity data and, in some cases, there may be a reluctance to provide it, especially where the employer’s reasons for the request are unclear or not communicated at all. Research from the CIPD in March 2021 found that 62% of respondents wanted to know why their employer requested information about their ethnic background, while 72% wanted to know how that data would be used. The most forward-thinking companies are prefacing any data collection with engagement initiatives, to explain the importance of data and how information will be used.

“Last June we did our gender pay analysis. As soon as the snapshot was taken, we crunched our numbers and took them into the executive. We pointed out that if tech and the financial services part of our business had more women, then we would positively impact our gender pay gap massively.”

HRD, online retailer

“There was one area of our engagement survey where we saw a dip in positivity of responses – and that was around our trans and non-binary colleagues. We could see there that the levels of engagement and the ability to be yourself at work dropped off a bit. We wanted to focus on this area anyway, but this gave us a really nice jumping off platform to have more conversation around trans and non-binary experiences.”

HRD, health and beauty retailer

“We didn’t start with the data, but with education around inclusion. Then we introduced the data gathering and engagement surveys. We now have a 68% response rate for engagement surveys.”

HRD, UK grocer

“In August this year we’re undertaking a data review. We want to be able to measure the demographics of our colleagues, so we’re getting that written into what our HR system can do. Our campaign will be ‘opt in’. An important thing for me is to be really clear on why we’re collecting data.”

HRD, specialist retailer

“We’re starting to focus on customer insight. We want to gather information on customer demographics as well as employee. That way, we can broaden our product range in relation to location and customer mix.”

CEO, specialist retailer

4 The best businesses are leading from the top and rolling out innovative initiatives

This year our research unearthed many examples of businesses leading from the top and embedding D&I into the heart of long-term strategy. While this is more common today than last year, it is still more frequently found in larger, public companies. There are a number of ways retailers are achieving this:

Ensuring D&I is a Board agenda item

- Around 7% of retailers told us that the most senior sponsor for D&I in their business is a non-executive director
- Another told us its Responsible Business Committee is jointly chaired by a NED and its CEO
- In another, the non-executive sponsor is the chair of remuneration committee, ensuring that D&I and gender pay gap reporting are consistently discussed

Ensuring D&I is an executive committee agenda item

- The best businesses are discussing D&I at every, or most, executive committee meetings
- One business told us that its CEO and HRD talk about D&I at least once a week
- Another said its HRD spends 20% of her time on D&I
- One retailer told us that D&I is a standing item on every single executive committee meeting

Linking leadership team bonuses to D&I targets

- The best businesses are making leaders accountable for progress on D&I
- In one global business, the top 300 leaders’ bonuses are linked to ESG, of which D&I is a part. Around 25% of their bonus structure is linked to ESG
- Another CEO told us that their bonus structure was linked to D&I targets for the overall business

Establishing specific targets

- The best businesses are putting highly specific targets in place. For example, one business told us it had targets for Black store and area managers
- The FTSE Women Leaders Review (formerly the Hampton-Alexander Review) is driving lasting change on gender diversity. One business told us that it specifically sought to hire a woman to its Board to meet the 33% target set out in the review
- Setting targets for ethnic minority representation can be complicated by differing levels of diversity across the country. For example, should the target be the same for a London-based HQ as a distribution centre in a predominantly white part of the UK? To mitigate this, one business is setting targets for improvement, rather than for representation

Developing internal talent pipelines

- Many companies are looking at how to drive-up diversity by developing existing talent
- One grocer is focusing on developing and promoting its shop floor colleagues, who tend to be more diverse
- Another has launched a 12-week tech bootcamp for retail colleagues to move into software engineering roles, with a particular focus on women and diverse candidates

Targeted recruitment

- To bring in more diversity, our research found that retailers are targeting the following groups:
 - Parents returning from parental leave
 - Ex-offenders
 - Former military personnel
 - School leavers from minority ethnic groups
 - School leavers from low socioeconomic groups
- To do this, retailers are:
 - Using demographic-specific job boards
 - Forging partnerships with external organisations
 - Linking up with schools and colleges

Communicating consistently

- Across the industry, our research found an increase in efforts to communicate the importance of D&I to employees
- One business has weekly D&I engagement sessions with the entire company, featuring speakers who represent different areas of diversity
- Lots have established a calendar of events throughout the year, and others have weekly or monthly D&I newsletters

Employee networks

- These are a consistent feature of D&I in the retail industry
- The most effective groups each have a senior sponsor, and help shape company policy by providing a forum to share lived experience

Reverse mentoring

- Many businesses have established reverse mentoring programmes in the past year, with the aim to educate senior colleagues about the lived experience of others in the business, and provide career support for more junior colleagues
- One retailer reported that the top 50 leaders across its organisation will have a reverse mentor by the end of this year

Embracing remote, flexible and part-time work

- Many businesses are finding that providing remote, flexible, and part-time work opportunities allows them to hire more diverse candidates
- Over half (52%) of businesses say that at least one person in the top two leadership levels works part-time

“Work is what you do, not where you work; that’s our mentality.”

CEO, specialist retailer

6 Different businesses face different challenges

There are still some significant blockers to progress on D&I. Our research found that challenges vary depending on the following factors:

Size

- Smaller businesses consistently reported a lack of budget and headspace to dedicate to D&I
- Many small and medium-sized businesses said that focusing on D&I alongside Covid-19 recovery, supply chain issues and the war in Ukraine was deeply challenging

“We’re never going to have a D&I team – we’d just attach it to people’s jobs. We simply don’t have the bandwidth.”

CEO, UK specialist retailer

Company ownership

- Many private equity-backed businesses reported that their owners are not engaged in D&I
- Typically, private equity firms look for a certain ‘type’ of leader which makes it more difficult to bring in diversity. Anecdotally we know that the PE community is becoming increasingly aware of this
- In contrast, public businesses subject to more regulation and scrutiny tend to be the furthest ahead

Area of the market

- Some businesses face the challenge of attracting candidates into traditionally homogenous segments of the market
- For example, one drinks retailer expressed difficulty attracting ethnic minority colleagues into its business
- Notably, a car specialist told us that while the automotive industry has historically been male-dominated, the emergence of tech-based engineering solutions has helped close the gender gap

Geography

- Businesses based outside of large cities, or in traditionally un-diverse areas, find it difficult to attract ethnically diverse talent
- Retailers that are part of an international group, or have international subsidiaries, reported difficulties in balancing different cultural values and priorities

Functional priorities

- Our research detected a consistent pattern in responses around functional challenges to D&I
- Identifying female talent for IT roles was frequently flagged as a problem
 - One retailer said only 8% of the CVs it had for a recent IT role were from women
 - Another said that their head of IT was a woman, and this had helped them to recruit more women into the function
- Employing women into logistics roles is also difficult
 - One retailer told us that it had started using photos of women in its job advertisements for lorry drivers to counter this

Rate of progress

- Businesses earlier on in their D&I journey told us that doing things for the first time brings significant challenges, due to lack of costs, expertise and understanding of how to communicate D&I employees
- Those who are further ahead reported new challenges, such as navigating differences in opinion on issues like transgender rights and receiving backlash from certain groups (such as white men) who feel overlooked by the D&I agenda



Boards of the Future: why D&I must be on the Board agenda

We contend that every non-executive Board should not only be diverse – featuring a variety of lived experiences – but should also encourage diversity in the rest of the business. This is critical in the retail industry, where decisions made around the top table can make a lasting impact on our wider society.

There are five reasons why retail Boards should be built with diversity in mind. First, diversity brings different perspectives to the table, allowing the Board to consider a broader range of lived experiences when guiding and challenging the executive team.

Second, Board diversity helps draw in and motivate the best talent. To attract the best people into a company, and to encourage existing women and diverse employees to progress, businesses need diverse role models in the most senior positions.

Third, Boards are coming under an increasing amount of scrutiny from employees and consumers alike. For retailers looking to attract more customers, especially from the millennial and Gen Z demographic, Board-level diversity should be high on the list of priorities.

Fourth, establishing diversity is an integral part of the ESG agenda. Across the retail industry and beyond, NEDs and institutional investors are recognising that a company's long-term prosperity is not only linked to commercial performance, but also to what it delivers for its stakeholders. D&I is an integral part of this.

Fifth, a more diverse Board is more open to change. The way the retail industry operates has evolved over the years, and will continue to do so as technology develops and consumer habits shift. Retailers looking to move with the times and remain nimble should focus on diversity as a key priority.

As well as establishing a diverse Board, Chairs should ensure that company-wide D&I is being owned by the Board of directors. Across the retail industry, the companies that are most advanced on D&I are those in which progress is driven by the Board.

As such, Chairs should consider a candidate's engagement in the topic of D&I when making Board appointments. The most effective NEDs will recognise the commercial imperative for D&I, be able to discuss it coherently and apply appropriate pressure on the executive to progress. The best NEDs will also integrate diversity and inclusion into their directorship style. In listed businesses, Chairs should consider setting up a diversity sub-committee that is separate from the ESG committee.

The MBS Group's five principles for the Boards of the Future

The Board of the future fosters diverse thinking

The Board of the future truly grasps digital, data and technology

The Board of the future is grounded by veteran industry experience

The Board of the future understands a company's place in the big picture

The Board of the future recognises its directors as individual role models

Update on the BRC Charter: where we're at and the year ahead

The Charter set out six clear commitments, focusing on oversight, recruitment, progression, reporting, inclusivity and responsibility. They are designed to help retailers challenge their culture and biases holistically and embed D&I into every aspect of their business.

BRC D&I CHARTER

1. Our CEO will be accountable for diversity and inclusion in our business and will appoint an Executive with ownership for D&I
2. We will ensure there is no bias in the recruitment process and will undertake a transparent process of audit
3. We will take positive action that supports open career opportunity and progression and will undertake a transparent process of audit
4. We commit to contributing data on our diversity in the workplace which will feed in to the BRC Better Jobs dashboard
5. We commit to create a respectful, inclusive work environment where every employee has the opportunity to make a meaningful contribution to the company's vision and values
6. We believe supporting equity in the workplace is the responsibility of all line managers

Since launch in March 2021, the first year of operation has seen strong momentum, as companies across the industry have joined the Charter. From an initial base of around 45 companies, support has grown rapidly. By 24 June 2022, 76 had joined as signatories. Additional companies are actively engaging with the BRC to assess how they become involved. This demonstrates the strength of the industry's commitment to tackle the vitally important challenges in this area.

Enabling retailers to both access expertise on key issues and the most effective potential solutions has been integral to the success of the Charter in the first year. The BRC has partnered with RPC, an international law firm with deep expertise in relation to both retail and equality, to support leading the discussion on issues such as recruitment, progression and inclusivity.

Across the the last 12 months, signatories to the Charter have benefitted from roundtables and workshops covering all aspects of the Charter commitments. The focus has been to develop a clear, shared understanding of the challenges in each area, the key considerations to tackle those challenges and the different approaches that offer effective solutions. These are a unique facility for signatories offering industry specific support to deliver meaningful change.

THE YEAR AHEAD – 2022/23

The second year will see us continue to build momentum. We will focus on:

- Continuing to build participation – from the current 76 signatories we will be looking to maintain a strong pipeline of new participants.
- Developing successful partnerships, building on the deep insights of MBS in relation to senior level diversity and inclusion and the expertise and understanding of RPC to deliver valuable support.
- A strong forward programme of monthly workshops, providing a safe space for retailers to share and build momentum. Upcoming events will look at:
 - Harnessing the Benefits of Neurodiversity at Work
 - Supporting Mental Health and Wellbeing
 - Quotas, Targets, Pay Gap Reporting and Beyond
 - Over the Horizon
- Developing our understanding of the underlying data – overcoming the challenges in gathering and reporting meaningful insights.
- Providing tailored support for CEOs and others through our BRC Learning offer.

Signatories to the BRC D&I Charter



Industry insights: sharing best practice

Kickstarting progress at Card Factory

card
factory



Jo Wainwright

Head of People Development

What stage is Card Factory at in its D&I journey?

We formulated our five year DE&I strategy last summer, so we're still fairly early days but the appetite for involvement across all levels in our business gives us confidence we are making real progress

How did you go about building a strategy from scratch?

We started the conversation by holding a 'Let's talk about DE&I' event, which was attended by around fifty colleagues, to define what diversity and inclusion meant to us and together we created a set of principles to guide our collective understanding. For example, we committed to the belief that 'Diversity is fact. Inclusion is a choice'. A few months later we held a much larger event, with around 170 colleagues,

including support centre staff, warehouse colleagues and customer facing colleagues from our stores. In that virtual event we facilitated group conversations to ask: what will inclusion at Card Factory look like in a years' time? What will it look like in five years' time? What does being more inclusive at work mean to you?

Based on the themes that came out of that event, we formed our strategy into five pillars. I also identified leaders from across the business to become executive sponsors.

What are your five pillars?

Our five pillars are:

- Community and connection
- Leadership – self-leadership as well as how we lead others
- Wellbeing
- Customer – including product
- Brand – internal and external

I'd assumed we'd end up building a strategy around different 'areas' of diversity, such as ethnicity or LGBTQ+. But the research and consultation has allowed us to bring inclusion to life in everything we do, rather than just have it as a side project or add on.

Are there any initiatives that have been a particular success?

We know we're being successful because we are having conversations about inclusion and bringing it into our everyday.

Subconscious Bias workshops that include Reflective Practice as a skill and commitment to self-leadership have proved very popular and feedback has been great.

As part of our Community pillar, we've been holding 'Let's Talk About' sessions, on topics such as mental health, LGBTQ+, neurodiversity and menopause. These are the topics which were raised during our DE&I events.

It's been wonderful to see the connections and communities that have become more visible since having these conversations. I hope that they continue to grow to keep us challenged, informed and aware of how to be a more inclusive place to work.

I'm also really proud of what we did during Pride month in June. As part of our customer pillar, we worked with colleagues in our design team who are part of the LGBTQ+ community to create a range of cards celebrating LGBTQ+ Pride. Building on a smaller range launched in 2021, this broader collection was developed to both celebrate Pride and champion LGBTQ+ creatives. As part of our Community and Connection pillar, we hosted a Fireside Chat with one of our Executive leaders, who is in the LGBTQ+ community. He agreed to tell his story and share his experiences throughout his career. That's just a couple of examples, but I'm really pleased that our focus for Pride reached our colleagues and customers.

Why is having an executive sponsor important to you?

We have a number of senior leaders involved to sponsor each pillar of our strategy, and commit to championing DE&I. Steve Lilley, our Executive Retail Director, is the overall sponsor for DE&I. It's important to us that the conversations are happening at the right level, and that they're strategic.

What have the main challenges been with building a strategy from the ground up?

I'd say it's been how to genuinely involve and connect with everyone in our business. We have over 9,500 colleagues across multiple locations, so bringing them all on the journey can be challenging. We thought carefully about how we could involve people from across Card Factory in building our strategy. This doesn't work if it's only me or the People Team owning it – so we'll continue with the consultation; we have to get colleagues involved to make it happen.

What advice would you give to businesses wanting to start their D&I journey?

It's ok to start with blank piece of paper, and ask good questions. If you create the right environment, people will have something to say. For example, we started by asking people to tell us about a time they felt excluded – because everybody has a story of exclusion. Even if people don't know how to articulate inclusion, everyone can remember a time when they felt excluded. For some people that's an experience of racism, for example, and for others it's about not getting to speak in a meeting.

It's relative and everyone can then be part of the solution to what does inclusion look like?

Leading from the top at Dunelm



Amanda Cox
Stores and People Director

Dunelm runs Board education programmes on the topic of diversity and inclusion, for both their non-executive and executive directors. What is the format of these sessions?

We've been running these sessions for about eighteen months now. They're hour-long virtual sessions, each focused on a particular area of diversity. Each one includes a guest speaker from a diverse community, who talks openly about their lived experience for about 20 minutes. We then have a group discussion, with a 'no questions off limits' approach.

The sessions have been designed alongside Unleashed, who are our D&I consultancy and who have introduced us to some amazing people.

It's important to us that these are standalone programmes, not part of the Board meetings. You need the right headspace and to be able to dedicate attention to the matter at hand rather than thinking about other items on the Board agenda.

Where did the idea for these sessions come from?

I think we all recognised that it's difficult to make meaningful change in a business on D&I unless you're educated. And D&I is a complex topic. Most people will have an element of lived experience – whether it's because of their ethnicity or social background – but will only be experiencing it from one angle.

We wanted to create a safe space for consultation, for the Board to ask open question and to learn about every facet of D&I. We all wanted to get to a greater level of understanding than we have now.

You often see schemes like this designed for executives, but rarely for the non-executive community. Why was it important to provide D&I training for NEDs?

I think there are two reasons.

Firstly, there's a deep connection between what happens on the Board and what happens in the business. If we want to drive diversity in Dunelm, it has to be grasped by the Board. It works in the same way as sustainability, for which we have group training sessions for the Board and our executives. The whole point of the ESG agenda is learning and growing together.

For change to happen, NEDs need to be able to have frank and educated discussions about diversity. They have an important role to play, and they need to be equal champions for D&I.

Secondly, it's beneficial for the non-executives themselves. They sit in roles beyond Dunelm, and they can apply their learnings to their other responsibilities.

Can you choose one session that has been the most impactful?

No! Part of the beauty of the programme is that each session means something different to everyone.

We've had fantastic speakers from all different walks of life and with a different story to tell. Something we're hearing a lot about in the press at the moment is the topic of personal pronouns, and it was great to hear from a person who was transitioning themselves, and hear first-hand their experience.

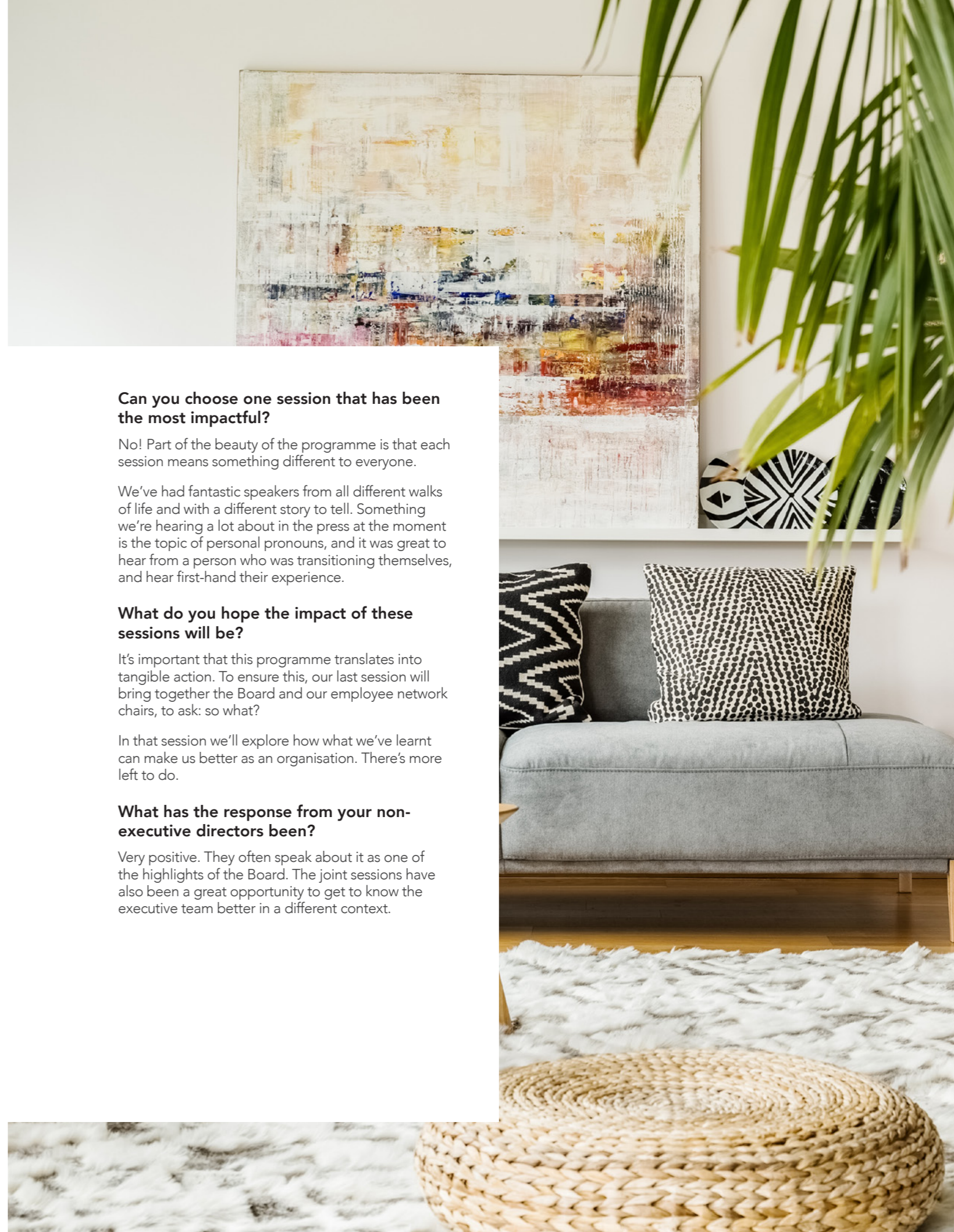
What do you hope the impact of these sessions will be?

It's important that this programme translates into tangible action. To ensure this, our last session will bring together the Board and our employee network chairs, to ask: so what?

In that session we'll explore how what we've learnt can make us better as an organisation. There's more left to do.

What has the response from your non-executive directors been?

Very positive. They often speak about it as one of the highlights of the Board. The joint sessions have also been a great opportunity to get to know the executive team better in a different context.



Driving colleague engagement at Pets at Home

pets at home



Louise Stonier

Chief People and Culture Officer

Keeping colleagues educated, interested and engaged in D&I is critical to sustaining progress. Can you speak a bit about this?

One of our ambitions at Pets at Home is to lead inclusively, collaborating with each other to provide training and education that inspires and supports our colleagues to be more inclusive towards each other, and our customers and clients.

As laid out in our diversity and inclusion strategy, we are committed to explaining what we are doing and why, to our colleagues, our customers and our clients. We also encourage our colleagues to get involved and share their own experiences.

How is this achieved practically at Pets at Home?

One of the big things we've done this year is encourage our colleagues to deepen their understanding and appreciation of diversity and inclusion by listening to the experiences of others. We have run a number of Inspiring Stories sessions, where we invite an internal or external speaker to come and share their experiences. The sessions are led either by our network groups or by our Group D&I lead.

We encourage all our colleagues to learn more about diversity and inclusion and we have recently formalised this in our new inclusion commitments, which set out what we as a Group commit to do to support inclusion, what we expect from our managers, and what we are asking our colleagues to commit to.

Some of our colleague commitments include trying to understand other peoples' points of view and taking opportunities to become educated and informed about different cultures, customs, and barriers, and we are also asking our managers to commit to encouraging colleagues to learn more about diversity and inclusion.

In one the sessions, we invited Lucy Edwards to speak to colleagues. Lucy has been blind since the age of 17, and she spoke on her story. She's an ambassador for Pantene at the moment, and has a wonderful hashtag: 'blind not broken'.

It's been fantastic to have such a broad range of topics covered in these sessions. We've had people speaking about their experience of the menopause, mental health issues, imposter syndrome, growing up with a mixed race heritage, autism and ADHD. It is a fantastic way of giving our colleagues the opportunity to gain a different perspective and become more engaged with inclusion after hearing these real human stories.

How are these sessions received by the Pets at Home team?

Each session has a couple of hundred attendees. The most has been 300. They also get recorded, so people can watch them afterwards or in their own time if they wish.

Giving people a platform to speak about their own experiences has created a real sense of community and greater understanding. It's a brilliant foundation from which our colleagues can now build, by embedding actions into their everyday roles that



support inclusion, and this will be a focus for us in the coming year.

What, if any, are the challenges associated with colleague engagement around D&I?

A big challenge in retail is getting the message out to stores and giving store colleagues the opportunity to watch and participate in activities, such as our Inspiring Stories sessions, and ultimately to translate that deeper understanding into inclusive actions. At Pets at Home, we're currently looking at what equipment we've got at each site, and finding a way to stream the sessions into colleague breakrooms, so they can watch the sessions during the working day.

We are also incorporating inclusion content into our store training programmes, to make it really relevant to the work our colleagues do every day.

Network groups also play a central role in motivating colleagues around D&I. What does this look like at Pets at Home?

We've currently got four Inclusion networks:

- Gender Inclusion
- Race & Ethnicity Inclusion
- Disability Inclusion
- LGBTQ+ Inclusion

The voice of these groups is powerful and influential. They've really helped inform the agenda throughout the entire organisation.

What advice would you give to leaders looking to engage their colleagues in the topic of D&I?

It's so important to make inclusion relevant to the roles that colleagues perform. For example, our store colleagues support inclusive actions when they understand how diverse teams and inclusive attitudes can help us provide the best service to customers, which they are already really passionate about.

Can you give a bit more detail about the challenges of bringing colleagues along on the D&I journey?

It can be easy for colleagues to think that diversity and inclusion is something that senior leaders can or should fix, and/or that it's something that doesn't apply to them, especially if the colleague is not in a minority group and personally feels included. Setting out clear expectations of, and responsibilities for everyone is really important. We have done this through our inclusion commitments and by embedding diversity and inclusion into our refreshed values.

We also try hard not to alienate anyone. We want everyone to feel included, so we celebrate the contributions and uniqueness of all our colleagues.

Grassroots movements must be supported by leadership from the top. What does this look like at Pets at Home?

Each of our colleague networks has an Executive Sponsor and we have a CEO-led diversity and inclusion leadership forum which has strategic oversight of our progress on diversity and inclusion.

Making an impact through charity partners at Ted Baker

TED BAKER
LONDON



Peter Collyer
Chief People Officer



Hannah Davis
Head of People Partnering



Cat Lee
Ethics and Sustainability Lead

Why is working with external charities so important to Ted Baker's social mobility strategy?

At the moment, partnering with charities is one of the most impactful things retailers can do to drive up equality in our society. We have an opportunity to support organisations in a really meaningful way, not just financially but through mentoring, volunteering, fundraising and advocating for them.

How did you choose which charities to partner with?

We have been through a huge amount of change as a business over the past three years, and with the recent launch of our new values, it seemed fitting that we reviewed who we supported externally to ensure we were not only taking into consideration recent global events but also reflecting our values, which are Authentic, Kind, Curious, Courageous, Inclusive.

We thought about what we've been through in society over the last few years, from Black Lives Matter to the global pandemic. We can't underestimate the

toll that this time has had on our society, and on us as individuals from a mental health and wellbeing perspective.

We created a charity steering group of ten key stakeholders from our internal and external communication teams, our people team, and our ethics team. We all nominated charities that were close to us personally, and reflected the needs of our society and community. We ended up with twenty different potential partners, and then we put it to a vote between the wider stakeholder teams, including two of our executive directors.

Which charities did you decide to partner with?

It was evident that the five with the highest votes all shared the same underlying cause, which was social mobility. We noticed all of them reflected powerful causes which have been heightened over the past two years in our society, which we felt they truly reflected the values of Ted Baker and its employees.

Our top five most voted for UK charities were:

- **Albert Kennedy Trust**, an LGBTQ+ charity working with young people aged 16 - 25 who are facing or experiencing homelessness or living in a hostile environment
- **Blueprint for All**, formerly the Stephen Lawrence Charitable Trust, which works with young people and communities to create an inclusive society in which everyone, regardless of their race, ethnicity or background, can thrive
- **HuMEN**, which is committed to improving men's mental health through campaigning and providing anonymous, preventative, and non-clinical spaces for men to talk, listen and connect
- **End Youth Homelessness**, a collection of homelessness charities which have come together to ensure a positive future for young people who are homeless
- **Smart Works**, which provides career coaching and dressing services for women looking to enter or re-enter the world of work

We're helping these charities in different ways, but it's really important that we provide meaningful support, using the talent and resources within Ted to support through workshops, mentoring, interview training and clothing for job interviews. For example, with Smart Works we'll be donating clothing to their sample sales and dressing service, plus providing mentors. For Blueprint for All, this year we are providing access to our Ted's Diploma programme, which they will host on their own online site for young people to access.

You're also doing some excellent work with your Ted Diploma. Can you tell us a bit about that?

The Ted Diploma is a standalone programme which was launched in April. It is designed to empower students and educate them about the world of work.

This is how it works. Five volunteers from across our business have been filmed talking about their role, the GCSEs they took to get to where they are today, the challenges they face and what their day-to-day looks like. Students from local schools watch this video, and then are given a task to complete. At the end of the programme they receive a diploma – a certificate – which counts towards their work experience Gatsby Targets.

It's still early days, but we've had some excellent feedback from the students and the local schools. While we're not in the position yet to offer them employment, we're looking to launch in Derbyshire, where our distribution centre is.

Are there any other initiatives you can share with us?

We're also very proud of our female leadership mentoring programme, which specifically looks at developing our female employees within our head office. We've got twenty of our senior leadership team mentoring twenty more junior team members. That's only just started but already we've received great feedback, and we are looking to roll this out further later in the year.

This work truly gets to the heart of our values here at Ted and creates a real sense of belonging, engagement and pride – all of which are important to our team members, in creating a great place to work.

Focusing on disability inclusion at wilko



Dahlia Basrawi Deenoo
Head of Talent & Team Member Experience



Kate Price
Group HR Director



Melanie Tankard
Senior Culture & Engagement Business Partner

Why is focusing on disability inclusion important at wilko?

Being inclusive to everyone is important, and we recognise that all too often people with disabilities are overlooked. We want to play our part in helping disabled people enter and stay in employment. Not only is it the right thing to do morally, but it's the right thing to do from a talent perspective: we need to be able to attract the best people, so it makes sense to be as broad as possible with our hiring.

What steps are you taking to be inclusive to the disabled community?

Since October 2020, we've been a Disability Confident Committed Employer. It's a government-led scheme which measures how inclusive we are of the disabled community, providing checks every two years that we're living and breathing our values of inclusion.

This accreditation guarantees a few things.

Firstly, that we commit to an inclusive and accessible end-to-end recruitment process, from the way we communicate our vacancies to the way we onboard people. If people need reasonable adjustments, we'll do whatever we can to help. We also offer interviews to

disabled people who meet the minimum criteria for a job. We know how important it is to look at the whole person, not just their current skills, but their potential too. A disabled person will bring with them lived experiences and a unique contribution to the wilko family culture.

Secondly, that we'll support our existing team members, and that we'll do everything reasonably practical to ensure they're at their best while they're employed by us.

What are the main challenges that you've come up against in your journey towards disability inclusion?

With any area of diversity and inclusion, leaders are often scared of talking openly due to a fear of 'getting it wrong'. It's never their intention to offend someone.

As a business we've worked hard to develop our leaders so they're comfortable having conversations outside of their own lived experiences. We have monthly meetings in which D&I is discussed, and we have representation at this meeting so that every perspective is shared. We've recently launched our very first piece of D&I learning for the whole business,



which explains what we stand for in the D&I space, and more importantly what we won't accept. It covers having open and honest conversations around topics like disability and sexual orientation.

At wilko we believe a lot can be learnt through listening to others and learning from their experiences.

What impact has becoming accredited had on the wider business?

It's really on the agenda. It has the senior support that it needs, and it holds every leader in our business to account. The accreditation means that it's at the forefront of everyone's thinking and decision making.

For example, we held an online leadership event with 750 leaders, and we asked if anyone needed reasonable adjustments due to a disability. And because we asked, people felt comfortable to say, "I don't want my camera on", or that they needed larger font to read the text comfortably. I don't think we'd have thought to ask these questions prior to working towards the accreditation. The accreditation is the push we all need.

Models of working have shifted dramatically in the past two years, which has made working more accessible for some members of the disabled community. Have you felt this at wilko?

Definitely. One of the enablers of disability inclusion is the agile working that's come through Covid. We've been great at maintaining flexible models of working and allowing people to work from wherever they're most comfortable. This can benefit those with physical disabilities and those with neurodiverse conditions. Today, we're formally communicating our flexible

working policy in job adverts. People no longer need to be within a 20-mile radius of our head office to be a part of the wilko family.

What would you say to companies that want to focus on disability inclusion but don't know where to start?

My advice would be to start! It can seem overwhelming but doing nothing is not an option. The smallest changes are sometimes the ones that make the biggest difference.

And what else is top of your D&I agenda at wilko?

We launched our new team member promise and five supporting D&I commitments earlier this year. One of these is to really prioritise our 'being actively anti-racist' agenda, tackling the root causes of prejudice and educating all of our 15,000 team members on what it takes to be a great ally. A tangible example of a new activity is the launch of our Reverse Mentoring Programme for all our directors and senior leaders. They've all been matched with a team member from an ethnically diverse background. It's early days but we hope that these relationships will be challenging, rewarding, and build the inclusion muscle that every great people leader needs. It's the learnings from this that we'll use to keep building a culture at wilko where everyone is free to be at their best and free to belong.

About us

About the British Retail Consortium

The BRC's purpose is to make a positive difference to the retail industry and the customers it serves, today and in the future. Retail is an exciting, dynamic and diverse industry which is going through a period of profound change. The BRC is committed to ensuring the industry thrives through this period of transformation. We tell the story of retail, work with our members to drive positive change and use our expertise and influence to create an economic and policy environment that enables retail businesses to thrive and consumers to benefit. Our membership comprises over 5,000 businesses delivering £180bn of retail sales and employing over one and half million employees. For more information, visit: www.brc.org.uk

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 on the retail sector. 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. For more information, visit www.thembgroup.co.uk

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