Browne Jacobson

ESG in 3D: Governance and Social

Tracking workplace social advancement

12 September 2022

Previous

FCA warns that vulnerable to scams amid cost of living crisis

Digest:

- Understanding a workforce's socioeconomic background has become increasingly important, yet very few firms measure it: less than 15% according to the FSSC's 2021 member survey.
- The Social Mobility Commission's ("SMC") toolkit provides guidelines on the questions to be asked when collecting socioeconomic background data.
- The FSSC cites an SMC report and Bridge Group report that individuals educated in state schools make up the majority of top performers at law firms but take longer to reach that level than the privately-educated.

Source/Context:

The Financial Services Skills Commission (FSSC) was established to work directly with the sector and advocate for innovative collaboration to ensure that businesses have the talent and skills it needs for the future.

2020 research by the Bridge Group found that 9 in 10 senior roles are held by people from higher socioeconomic backgrounds, compared to 1 in 3 across the UK working population.

What does this mean for the FS and other industries?

In the FSSC's view:

> "There are clear business and societal cases for [analysing workforce socioeconomic diversity] including the potential impacts on the diversity of thought, inclusivity within organisations and firms' ability to attract, retain and progress talent ...
> ... employees from a lower socioeconomic background progress 25% slower than peers without any difference in job performance. This slowing of progression rises to 32% for employees who also identify as Black."

Yet the issue is not simply about recruitment:

> "employees from a lower socioeconomic background reported [being] 'exhausted' by conforming to dominant cultures which impacted on their individual performances...".

Contact

Jeniz White

Associate

Jeniz.White@brownejacobson.com

+44 (0)330 045 2226

You may be interested in...