

Inclusion | socioeconomic status matters

“While many organisations now have diversity policies, even companies celebrated for their diversity and inclusion efforts often fail to consider the perspective of social class.”

Kate Ireland is chief internal audit officer at Yorkshire Building Society.

It was ten years ago, and I had just finished giving the biggest presentation of my career to a room full of investment professionals. My former boss was in the audience and, beaming, I went over to say hello. He joked that he couldn't believe I hadn't “sorted out” my accent now I was working for a bigger firm. I felt crushed, I'd hoped to make him proud.

In elite workplaces, people find themselves constantly “covering” any indication of their background to fit in. Covering means changing your appearance, behaviour, accent and attitudes to fit into the mainstream. It means avoiding any behaviours that are stereotypical of working-class people and not standing up to the casual judgment of higher class co-workers. Covering is taxing, tiring and isolating.

The value of diversity to an organisation is something that is largely accepted and understood by the corporate world: better problem-solving, innovation and fresh perspectives, which are increasingly vital in a complex, fast-paced workplace. There is also the cost of getting it wrong: the long-term

impact on business performance of not attracting talent, the significant risks associated with “groupthink” and stale team cultures, and the financial costs associated with unsuccessful recruitment.

While many organisations now have diversity policies, even those companies celebrated for their diversity and inclusion efforts often fail to consider the perspective of social class. We've learnt a good deal in recent years about how social class inequities affect access to jobs and promotion. However, as a less visible trait than gender or ethnicity, social class can be easy to overlook, and, shockingly, discrimination based on class is often still socially acceptable.

There are added complications because socioeconomic diversity intersects with so many other diversity traits. For example, in the UK there is a strong correlation between ethnicity and socioeconomic status, making it difficult to tackle one without the other. Focusing on the issues separately can lead to hiring high-socioeconomic-status women or ethnic minority individuals who are not necessarily representative of their wider group.

One of the many privileges of being a chief audit executive is leading a diverse, talented team in



//
In elite workplaces, people find themselves constantly “covering” any indication of their background to fit in.
//

View from the Top

which people grow and learn as they work. Within our team, we have taken full advantage of apprenticeship schemes supported by the Chartered IIA, which will provide our staff with professional qualifications without their needing to take a career break.

One audit manager is studying towards her Internal Audit Practitioner accreditation, which has been designed to provide knowledge, skills and behaviours for students who are new to internal audit, or who do not have the previous qualifications to enable them to study for the Certified Internal Audit accreditation. The understanding of our members she previously gained as a branch manager at YBS gives our team a far deeper level of insight than we had before.

Other members of the team have completed apprenticeships and gained Chartered Internal Auditor status. Apprenticeships provide a unique solution alongside more traditional hiring routes, helping to attract people from a wide talent pool. We know they are critical in supporting our strategies to encourage a diverse range of people to have successful careers at YBS.

Key elements for any business looking to improve the diversity of their workforce include:

- Expanding and improving the talent pipeline – especially by broadening your search from the most selective colleges and universities (academic performance is no real predictor of performance on the job). Offer apprenticeships and work placements as well.
- Reducing opportunities for selection bias – focus on the information that is truly relevant and eliminate any information that is not relevant and may introduce bias into your decision-making.
- Avoiding excessive emphasis on organisational fit – recruiting according to cultural fit is increasingly common, but if most of your



current workforce are from a certain background, this can easily result in homogeneity rather than diversity. Upskill your hiring managers to hire for talent and potential instead.

- Anchoring pay on previous salary – organisational pay practices can cause systemic inequality. This risk is so great that many places now outlaw recruiters from asking about previous salaries to avoid “low anchoring” during negotiations.
- Asking what the data tells you – are talented employees hitting a “class ceiling”?
- Knowing whether your promotion processes empower candidates to succeed – do they know what you’re looking for and how they can prove their skills? ■

Anyone wanting to read more about this topic could start with the update to the [“Socio-economic diversity and inclusion employers’ toolkit”](#) produced by the Bridge Group, in collaboration with the Social Mobility Commission and a wide range of employers, charities and membership bodies in 2021. This provides guidance for businesses keen to drive improvements in society, the economy and people’s lives, as well as to their own bottom line.

// We’ve learnt a good deal in recent years about how social class inequities affect access to jobs and promotion. //