Can workforce diversity stimulate transformation towards a more sustainable future?

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The foundation industries face stark challenges that are emphasised by a persistence lack of workforce diversity: In 2020, women represented 16% and BAME workers only 7.1% of all workers (ONS, 2020).

Coinciding with the looming skills shortages incurred by an aging workforce, difficulties in recruiting and retaining gender and ethnic minorities have been compounded by the effects of COVID-19 and Brexit.

A lack of diversity only increases challenges faced in achieving decarbonisation through loss of existing skills, meeting future demand rather than achieving innovation and technological advancement (ERC, 2021; TFI+ Network, 2022).
In pursuing workforce sustainability through increased equality and diversity, we aim to understand how if transformation can be achieved through addressing skills shortages, but in accessing innovation through new management and organizational structures.

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We aim to identify underlying causes of high attrition for women and ethnic minorities, with a focus on:

• Why women and ethnic minorities leave the sectors;
• how promotion and pay impact decisions;
• and discrepancies in promotion opportunities into male-dominated roles such as technical and senior occupations, quality, materials and BIM.

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When taken together, the project provides a case study to be utilised across the foundation industries that identify factors of attrition to develop appropriate strategies and to attract and retain gender and ethnic minorities.
Study focus and methodology

The project to was rooted in case study research that combines administrative data with qualitative data collection to investigate gender and ethnic pay gaps, and more specifically, making recommendations on how the firm can be more inclusive and sustainable.

Administrative data on pay, bonuses, additional allowances and hours worked.

Exit data (short surveys with employees) collected by the company.

Primary data collection on EDI and sustainability (N=35)
Headline findings

- Perceived commitment to both ED&I and sustainability works as a motivation for employees within the firm.
- Pay and promotion are central for all employees regarding retention in the sector. Perceived disparities lead to exit from women and ethnic minority workers.
- Flexibility is of growing importance for the retention of women in the sector.
- ED&I is therefore important for the retention and recruitment. However, ED&I is also perceived as positively impacting sustainability.
Promotion opportunities

A clear challenge existed for some in the foundation industry around the clarity of promotion pathways. Perceived difficulties with promotion opportunities existed due to the project-based nature of the sector requiring horizontal movements. This has implications on retention where women and ethnic minority workers would look to relocate outside of the firm to achieve promotions perceived as unattainable within the firm.

“If I want to move to different role like say higher up, I'm not exactly sure how they work. I did try to, you know, look it up and there was some programme about it. I did have a look what the details of it are, what it would be required, but I'm finding it doesn't really fit.”

“What that makes me think about is the impact that generates. It makes me feel like, yeah, he must be much better than me. And is that true? Who knows? I don't know. But that's the impact for women, because I have to fight constantly, you know, when I know I am good enough.”
Flexibility and barriers to progression

The lack of flexible working is perceived as a hindrance to progress across the foundation industries. Participants cited where flexible working was granted; it impeded their ability to achieve promotion. This has wider implications on retention within both the firm and the wider foundation industries: employees looking elsewhere to accommodate the required flexibility.

“There's absolutely no flexibility.... I generally start between 8:00 and half eight and I generally finish between 5:00 and 6:00. And if there's a big deadline, obviously later. I can work from home one day a week, maximum.... The very senior men will be in early doors and leave late. It's sort of that's the way it seemed to be.... If I ever go into project management, that's demanding me to be on site half seven and coming home at six.... If I start family in the near future, that's not sustainable.”

“I think in future being based somewhere with a four-day week - maybe there's four days with extended working - I feel like that's something that's possible. That would be great. That'd be the main reason why I would probably leave the industry.”

“They want you to go to site. I think this may be the one of the reason that I'm not getting the career progression I expected. But there are some ways and means to do the job, because not everybody needs to go to site. So many people, they are sitting in the office doing the design or doing the paperwork right? So I think a sort of adjustment can be made”
Perceptions of sustainability

Commitment to sustainability

Future opportunities
Commitment to sustainability

“OK, I think the company is fully committed to that fully committed and we are implemented many things. Of course, you have to be realistic. You can only implement things when they are feasible, and they have been tested and you are building safety things for public. But yes, it’s 100% committed to that. No, no concerns. No, no complaints.”

“I chose to work here because what they do is something that fits within my vision. It’s about environmental management and what I can help with, what I can add my footprint to. It’s that I know I am helping the sector but protecting the environment at the same time”.

Commitment on sustainability seems to have positive effects on satisfaction and can even be the rationale for joining and staying within the firm.
Future opportunities

Flexibility related to ED&I policy can positively impact sustainability when considering working hours and commuting-related emissions.

“All these incentives that at the local level that can help us not just only in my car now I'm three to four days working from home. I'm using electricity. I'm using gas. OK, I would like to use solar panel. Can I have a sort of incentive from my company? From my perspective, there are the margins where there should be much more improvement.”

“To reduce the carbon footprint the company can say flexible hours should be given right? So, what will happen? It will reduce the carbon for footprint from people coming from London or from Birmingham, or all sort of things to Oxford, traveling 1 1/2 hours commuting three days a week.”
Linking ED&I with sustainability

Diversity enables sustainability

The role of inclusion
Diversity enables sustainability

Equality, Diversity and Inclusion is seen as intertwined with sustainability: you cannot achieve sustainability without a diverse workforce and a truly inclusive culture.

“If you bring more open minded [people] and bring more ethnicity into things, it will open different ideas. You will open to everyone; you will bring different ideas from everywhere. New approach, new ideas, innovative things. If you give the equal opportunity for everyone, it will improve the sustainability as well.”

“I mean one of the good things at the moment on equality is there's a lot more to talk about menopause and things like that, and a lot more allowances made for what you go through. There's a lot more support available and in that situation, businesses have to be more sustainable to managing what they need. The skills that they need because we are going to have a shortage of experienced people. I think because less people going into it, I think that by looking after it's older employees that equality, they can make their businesses more agile and sustainable by looking at that generational experience”
ED&I policy influencing sustainability

Considering both ED&I and sustainability policy, each has the potential to influence the outcome of the other. Sustainability policies looking at new ways of working opens avenues to underrepresented demographics, whilst ED&I policies may assist in improving pro-environmental behaviours.

“We bring lots of deliveries in all the big wagons and lorries and coming in and goes they lots of emission from you know, so those kind of stuff we need to think about. That’s why I said is we need can do lots of prefab outside and bring as a unit so there's less work on site here, especially in London. London is a fully, you know, packed with people and it’s so polluted and so we need to protect London. That means we need to try to do things outside London and bring it in”

“If you could just focus on the flexible hours right...maybe suppose three, two days a week, it should be OK if they if the company adopt this policy. If you're working more than one hour from the workplace place of working, so this could benefit both ways.”
The role of diversity and inclusion in sustainability

A critical role to go beyond diversity and into ensuring a true inclusive culture is needed to realise any benefits. New resources, skills and experiences can be utilised to identify new avenues for sustainability when people are empowered to challenge norms and contribute to innovations.

“Diversity...Yes, if you take people from different when I say background is experience different skills then they can all and work together to improve the sustainability... The diversity in the different background, different knowledge put together for a common goal, yes.”

“And I think that they inclusion can also help you to like, think, to take some other ideas from other countries to here. I think if you come and you see my house, you’ll say “I think you’re doing this wrong. You’re doing this wrong. You're doing this wrong”. But, if the only person that is giving an opinion is people that live in this house, they're not going to see every problem.”
"From an innovation perspective, it cannot happen [without enhanced EDI]. Innovation is almost impossible if you haven't different people around the table with different backgrounds, with different ideas and with different ways of thinking. Innovation will not be what it can be until we have diversity and inclusion. If we do have more people, more women and design in this world to make sure that this is not a world that is made for men, designed by men for men. But if we include women, if we include different backgrounds, different ethnicities, we are designing a world, we are designing the future in the way that we all have and voice and it's good for everyone."
Conclusions and recommendations

- There is a clear and urgent need for more EDI capacity and leadership to drive positive change in EDI, flexible working and pay equity.
- Supporting workers to have greater options in terms of flexible working is beneficial in terms of fostering a culture of inclusion and career sustainability, retention of women and persons with protected characteristics.
- Integrate EDI and sustainability training and have longer dedicated sessions to establish deeper synergy between the two.