

# THE TRUE VALUE OF DIVERSITY

HOW DIVERSITY AND INCLUSION DRIVES LONG-TERM BUSINESS GROWTH



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# CONTENTS



## **EXECUTIVE ANALYSIS: WHAT THIS REPORT WILL TELL YOU**

**PAGE 4**



## **CHAPTER 1: WHY DIVERSITY AND INCLUSION IS VITAL**

**PAGE 6**



## **CHAPTER 2: WHAT D&I REALLY MEANS FOR A RETAILER'S BOTTOM LINE**

**PAGE 10**



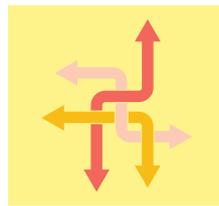
## **CHAPTER 3: WHO CAN YOU LEARN FROM?**

**PAGE 14**



## **CHAPTER 4: HOW TO STRUCTURE YOUR D&I STRATEGY**

**PAGE 20**



## **CONCLUSION: WHERE DO WE GO FROM HERE?**

**PAGE 24**

## **RETAIL WEEK CONNECT: THE TRUE VALUE OF DIVERSITY**

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# GOOGLE VIEWPOINT



**MARTIJN BERTISEN**  
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**G**oogle's mission is to organise the world's information and make it universally accessible and useful. When we say we want to build for everyone, we mean everyone. To do that well, we need a workforce that's more representative of the users we serve.

Google is committed to creating a diverse and inclusive workforce. Our employees thrive when we get this right. We aim to create a workplace that celebrates the diversity of our employees, customers and users. We endeavour to build products that work for everyone by including perspectives from backgrounds that vary by race, ethnicity, social background, religion, gender, age, disability, sexual orientation, veteran status and national origin.

It's been five years since we published our first *Diversity Annual Report* in 2014. Since then, we've used this report to show progress towards a more representative workforce, and share both what we've learned along the way and our commitments moving forward. As we reflect on the past five years, here are three things we've learned:

## **I. Systemic change is sustainable change**

Even incremental progress in hiring, progression and retention is hard won.

Only a holistic approach to these issues will produce meaningful, sustainable change. We must continue our work to expand the talent pool externally, and improve our culture internally, if we want to create equitable outcomes and inclusion for everyone.

## **2. Data powers progress**

We believe that data is an important catalyst for change and indicator of progress – that's why we track and publish our diversity metrics. In order to provide greater insight into hiring, progression and retention trends within teams, we share departmental representation data with our most senior leaders.

## **3. Leadership accountability matters**

Progress accelerated this past year, in part because Google's leaders share responsibility for a company-wide goal to foster a representative and inclusive workplace for everyone.

We work with numerous Employee Resource Groups, driven by passionate employees across our workforce, to improve both the experience of underrepresented groups at Google and our products that impact billions of people globally.



**We believe that data is an important catalyst for change and indicator of progress**



GOOGLE

UK Sales Director  
Martijn Bertisen

[thinkwithgoogle.com/intl/en-gb/](https://thinkwithgoogle.com/intl/en-gb/)

EXECUTIVE ANALYSIS:

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# WHAT THIS REPORT WILL TELL YOU

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## ■ The compelling business case for embracing D&I

## ■ The real reasons that D&I drives growth

## ■ Why retail leaders should view D&I as an ongoing activity

**W**e're sending our daughters into a workplace designed for our dads." So says Melinda Gates, co-chair of the philanthropic Bill & Melinda Gates Foundation, who has taken an active role in raising awareness of the importance – and, crucially, the commercial imperative – for businesses to increase their diversity and inclusion (D&I) programmes.

Gates warns that businesses still need to evolve to ensure they are reflective of the society in which they now operate. Her statement implies that attitudes to women in the workplace have not shifted much since the early 20th century, when men dominated, and it also suggests the entire business landscape needs resetting to meet society's increasingly diverse needs.

### What D&I really means

D&I is not just about gender equality, although during our research it was the first thing most retail executives referenced when quizzed on their strategies.

For the purpose of this report, though, D&I covers all types of diversity in the workplace including, but not restricted to, gender, ethnicity, sexuality, disability, age, nationality and religion. Inclusivity, meanwhile, is the broad headline term given to businesses' efforts in areas such as how they support career progression, foster the right company culture and treat their staff.

Retail, as a consumer-focused industry with a presence in communities across the UK – not to mention its position as the private sector's largest employer, with around 3 million people in the workforce – arguably stands to benefit hugely from focusing on D&I.

Retail Week's Be Inspired programme aims to increase awareness of crucial issues impacting the make-up of the sector, such as equal pay and women's progress in the boardroom, as well as championing D&I as a way to drive innovation and sales

growth. See page 27 for our Be Inspired mission statement.

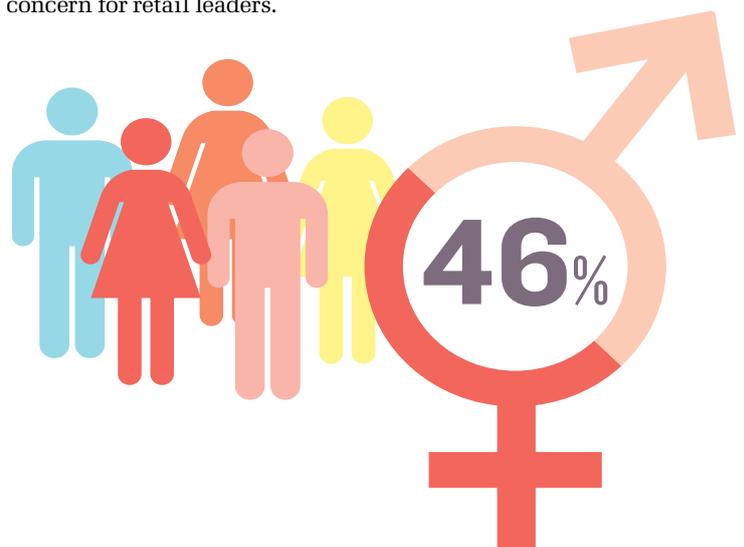
In *The True Value of Diversity*, produced in association with Google, we talk to representatives from companies that are globally recognised as diverse and inclusive places to work, and we display their case studies as examples of best practice for the wider industry.

Throughout the report, industry insiders discuss the challenges related to creating a diverse workforce and explain what they believe is required to ensure retail leadership teams and their colleagues better represent the customers they serve.

And as the success of most businesses hinges on growth, we also illustrate how the most diverse and inclusive retailers are achieving sales success.

As Gates says: "When women and minorities aren't able to dedicate themselves to advancing their careers, it holds our companies back." We explore studies supporting this notion.

By offering in-depth analysis of the topic, we underline a compelling business case for why retailers should do more to up their D&I efforts – and why it must be an ongoing concern for retail leaders.



Retail units that are diverse and engaged have a 46% higher increase in comparable revenue, according to research by Gallup



## CHAPTER I:

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# WHY DIVERSITY AND INCLUSION IS VITAL

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■ Diversity leads to new ideas and innovation

■ Inclusivity and feeling valued drives engagement

■ There is a direct link between diversity and business performance

**D**&I has risen up the business agenda as a consequence of increased globalisation, growing travel and changing social demographics that influence workplace attitudes.

Movements such as #MeToo – during which high-profile women and members of the general public alike were empowered to report incidents of sexual harassment – have also fast-tracked the strategies of companies that were somewhat lagging in their D&I focus.

D&I is arguably critical at a time of unprecedented change in retail. New approaches, thinking and leadership are required to thrive in the digital economy as the industry evolves from a 20th-century store-first format into a modern multichannel model.

Encouragingly, as a way to perhaps convince any business leaders out there who still harbour prejudices and behave inappropriately in the workplace, there is mounting evidence that D&I drives significant business growth prospects.

### The impact on the brain

An array of studies published in recent years suggest homogeneous workforces with boards of directors made up of individuals who largely share the same background and values are likely to fall into the business trap of ‘group-thinking’.

By contrast, groups exposed to diverse individuals – people from different backgrounds, cultures, genders and ages – think differently as a result.

This is because their brains are forced to process complicated material that is normally alien to them. As a result, people are then more likely to produce more innovative, complicated information. Retailers can thus avoid the trap of group-thinking and be more likely to create new market-leading ideas.

Ella Washington, senior workplace consultant at leadership advisory company



Gallup, says: “Psychologically speaking, diverse organisations and those that are inclusive are better for people’s wellbeing.

“When there is psychological safety in a workplace, you’re more likely to feel like you want to be there and do your best work. There certainly is a correlation between having more diversity and a more inclusive workplace and people feeling more valued and really being at their best.”

There is a known link between employee engagement and productivity, which can be a huge driver of growth.

One 2014 Gallup study found that a combination of employee engagement and gender diversity resulted in better financial performance. The study of more than 800 business units from two companies representing two different industries – retail



# When women and minorities aren't able to dedicate themselves to advancing their careers, it holds our companies back



MELINDA GATES, BILL & MELINDA GATES FOUNDATION

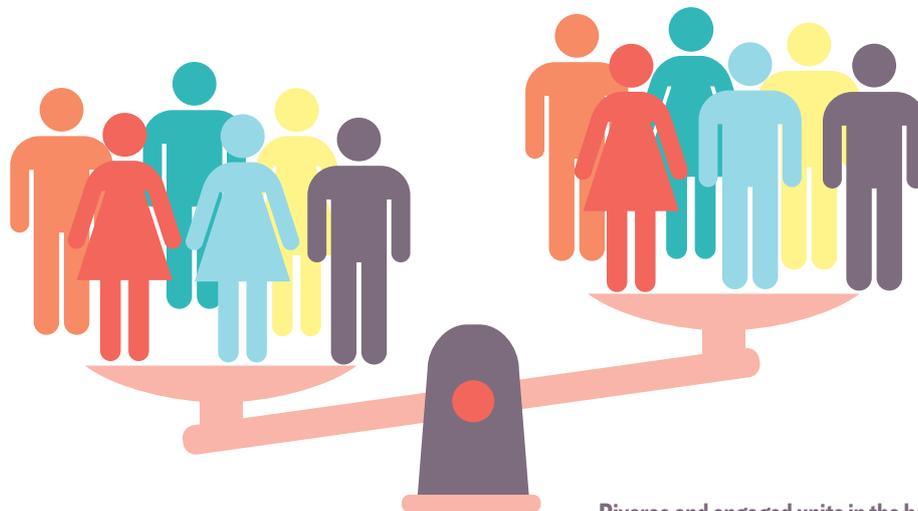
and hospitality – found that gender-diverse business units had better financial outcomes than those dominated by one gender.

Retail units that were diverse and engaged had a 46% higher increase in comparable revenue. Similarly, diverse and engaged units in the hospitality sector had a 58% higher net profit than single-gender and less engaged units.

Gallup has undertaken extensive research in this area, concluding that the three key pillars defining a diverse and inclusive workforce are that: employees are treated with respect; employees are valued for their strengths; and leaders do what is right. The advisory company's whitepaper

*Three Requirements for a Diverse and Inclusive Culture* argues that it is imperative for management to make its intentions clear when developing D&I strategy. To facilitate workplace safety and ensure a healthy mindset among employees, Gallup argues that leaders must foster an environment where specific concerns can be raised with transparency and confidence.

The whitepaper also finds that lack of respect most highly correlates with reports of discrimination and harassment, suggesting that 90% of those who say they haven't been treated with respect have experienced at least one of 35 different forms of discrimination or harassment at work.



Diverse and engaged units in the hospitality sector have a **58%** higher net profit than single-gender and less engaged units, according to research by Gallup

### Insular beings

Nicola Paul, senior D&I consultant at executive search and advisory firm Green Park, argues that people are insular and typically associate with like-minded individuals who are similar to them in age, sexuality and ethnicity. This is often replicated in the workplace when it comes to recruiting fellow board members or management teams.

Paul, a former D&I leader at John Lewis Partnership, says business leaders must spend time with people not like themselves to gain a different perspective. This is a fundamental way to open people's minds to different cultures, attitudes and ways of life. She adds that diverse decision-making teams are more likely to drive commercial innovation and unlock new ideas.

"There are so many benefits of organisations having a diverse make-up at all levels," Paul notes. "It's important to put yourselves in the shoes of other people. If you've generally been in the majority group, your view of the world is that everything is rosy – everything tends to work."

She adds: "The UK is more multicultural and diverse than it's ever been, and if you don't have the right mix of people in your marketing and product design teams you probably aren't going to design the right shopping and working environment for your business in the future."

David Dalrymple-Pryde, innovation strategist at retail innovation consultancy GDR Creative Intelligence, agrees that having a diverse senior team ensures decisions will be made in the best interests of a wider audience.

He spent three years at the trade body Institute of Practitioners in Advertising, where this was a common chain of thought. "We always observed that you have fewer marketing blunders when there is a diverse workforce," he explains.

"The best thing about a diverse workforce in my old industry is that it stops an ad going out as an obvious clanger. A lot of today's decision-making process is often very fast, and sense-checking isn't always possible, so having a diverse group of people is vital."

### Money talks

The theory is further supported by a 2018 report by McKinsey & Company, *Delivering Through Diversity*, which found companies in the top quartile for gender diversity on executive teams were 21% more likely to outperform on profitability and 27% more likely to have superior value creation.

We explore the commercial benefits of D&I further in chapter 2, but for retailers searching for more reasons to invest in becoming diverse and inclusive, there are proven psychological benefits, according to Gallup's Washington.

"The power of diversity is really a difference in thinking," she asserts.

"You can say you're trying to think out of the box, and you may be brilliant with a brilliant board, but as soon as you introduce somebody with a different background they automatically bring a different perspective, so you're able to be more creative, solve problems differently and better represent the demographics of your customers."

## CHAPTER 2:

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# WHAT D&I REALLY MEANS FOR A RETAILER'S BOTTOM LINE

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- Diverse companies are shown to be more profitable
- D&I must be part of a wider engagement drive
- Business leaders must be open to disruptive ideas

**M**ckinsey's *Delivering Through Diversity* report analysed 1,000 companies in more than 12 countries, and its findings should give retailers embarking on D&I programmes some commercial justification for doing so.

As explained in chapter 1, companies in the top quartile for gender diversity on their executive teams were 21% more likely to have above-average profitability than companies in the fourth quartile.

But it was not just a gender-specific study, with McKinsey also indicating that the top-quartile organisations for ethnic/cultural diversity were 33% more likely to outperform on profitability.

There is plenty of similar research to support these findings. In Stephen Frost's 2014 book, *The Inclusion Imperative: How Real Inclusion Creates Better Business and Builds Better Societies*, he notes that "discriminating against women, homosexuals and disabled people is costing \$64bn a year in the US alone". One reason for this is a lack of productivity among employees who feel excluded.

Frost, who runs the consultancy Frost Included and is former head of D&I at KPMG and the London Organising Committee of the 2012 Olympic and Paralympic Games, says that when homosexual people keep their sexuality private at work, they are 10% less productive than when they feel able to be themselves.

It is a signifier of what some organisations are perhaps missing out on in the workplace by failing to provide inclusive environments that encourage openness in the office.

### Retention and the skills gap

Washington suggests the impact of D&I on a business' overall performance can be measured in several ways, although she

notes that retailers often struggle to define these methods and only run programmes on the sideline of their main operations.

"Until it's truly connected with the business case, it will never take hold the way it should," she states, adding that retailers need to create metrics where they measure the impact of D&I on issues such as customer service levels and staff retention rates.

Indeed, the latter is an often-cited big cost for businesses. "There's a high rate of attrition in most retail spaces, so it's a big deal avoiding those capital losses because you're being an inclusive company," Washington argues.

"Most people don't take these things seriously enough or make an effort to understand why people are leaving."

Paul says it's crucial that retailers think about D&I not just as a tick-box exercise, but as part of wider employee engagement.



Companies in the top quartile for gender diversity on their executive teams are 21% more likely to have above-average profitability, according to research by McKinsey

Fostering the right culture by being open and inclusive can lead to talent progressing from a variety of backgrounds, social groups and genders – something, she argues, that is often blocked at middle-management level.

“Business leaders need to be open to disruption and, rather than seeing new ideas as conflict, they need to see it as constructive,” Paul notes. “If you’re in a company where leaders aren’t willing to listen to views or there is a rigid hierarchy, it can inhibit your ability and prevent your talent from coming to the fore.”

Anna Barsby, former chief information officer at Halfords and ex-chief technology director at Morrisons, says there is “a business imperative” for more diverse recruitment, relating to the talent shortage in retail.

There are currently not enough people with the skills to do today’s digitally influenced jobs, she said during a panel session at this year’s Retail Week Live.

### Reflect your target market

Anecdotally, it is often suggested that women make up around three-quarters of the purchasing decisions in UK households, especially when it comes to sectors such as food, homeware and furniture.

This is something that Carpetright is taking on board as it continues its evolution from flooring retailer to what chief executive Wilf Walsh describes as a “home transformation” company.

“We think 70 to 80% of our customers are female, and we need to represent that in our employee base,” he says. “We have identified that we are underrepresented in terms of our female workforce at all levels, and we’re doing something about it.”

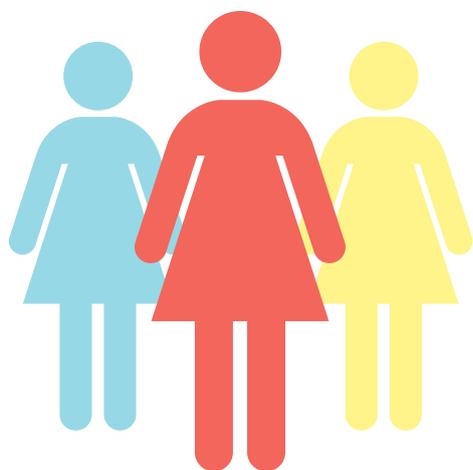
Reflecting on the sector in which Carpetright operates, Walsh says the move to increase the number of women in its workforce is a “common sense decision and a commercial one”.

“Big-ticket has always been about blokes lifting heavy rolls of carpet and using a forklift, and we’re trying to move this business to home transformation,” he comments. “Women in general are better at giving home transformation advice to customers because they are the homemakers, traditionally.”

As society changes, retailers will need to keep pace and shape their workforces and propositions accordingly. With growing numbers of people identifying as LGBTQ+, for example, businesses must adapt to remain relevant.

One retail business addressing such changes in society is The Phluid Project in New York City, a new gender-neutral shopping space where clothes are not categorised as being for men or women.

The space is also used as a hub for raising awareness of non-binary gender identification, and it hosts related special events and community projects.



# 70-80%

of Carpetright’s customers are female and it wants its workforce to better reflect that





## Women in general are better at giving home transformation advice to customers because they are the homemakers, traditionally



**WILF WALSH, CARPETRIGHT**

H&M and Zara are among the retailers to have launched gender-neutral clothing lines, and have been widely commended for doing so.

There seems to be growing momentum behind companies that ‘do the right thing’ in these circumstances, but to be classed in this category, boardrooms need to continue to think and act differently from before.

Digitally native vertical brands – businesses that begin online, have a relentless customer focus and control their own distribution – which include the likes of Glossier, Allbirds and Away, are celebrated in the industry for shaping their businesses based on direct communication and regular interaction with customers.

GDR Creative Intelligence’s Dalrymple-Pryde argues that achieving closeness to the customer and understanding social changes will be key goals for traditional retailers wanting to replicate their successes from previous eras.

“If people working in a shop sound like, act like and have the same interests as the people who are buying in the shop, across the board it’s been shown to be commercially the right move,” he says.

“Stores will have to keep changing the way they hire, the way they talk about staff, and the way they allow them to express themselves to keep up and ensure they reflect society.”

Research from 2017 published by Boston Consulting Group on the “total societal impact” of companies supports this concept.

“It’s not enough for companies to pursue societal issues as a side activity,” the report states conclusively.

“Instead, they must use their core business – and the scale advantages it offers – to create both positive societal impact and business benefits. The result can be a more reliable growth path, a reduced risk of negative – even cataclysmic – events and, most likely, increased longevity.”



## CHAPTER 3:

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# WHO CAN YOU LEARN FROM?

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- Globally, diverse companies attract the best talent
- International businesses such as Gap put diversity at the heart of strategy
- Retailers can spearhead diversity through those employed by suppliers, too

**T**homas Reuters lists the top 100 most diverse and inclusive organisations globally via its annual D&I Index.

In 2018, global consultancy business Accenture, which has a strong presence in the retail sector and is the headline partner of Retail Week’s Be Inspired programme, topped the list. Retailers and consumer brands in the top 10 included Diageo, Gap, Kering, Natura Cosméticos and L’Oréal.

According to Thomson Reuters, the companies high up the list are creating workforces made up of diverse teams that subsequently attract the best and brightest talent from around the world.

The media group also said that the financial industry is beginning to recognise “the societal and business benefits of investing in diverse and inclusive companies”, suggesting D&I and commercial success are becoming ever more entwined.

### Achieving the diversity dream

Barbara Harvey, managing director of Accenture Research, told delegates at Retail Week Live about the company’s mission to have a workforce comprising half men and half women by 2025.

She said positive discrimination of this kind “always has to be done incredibly carefully”, but added that there is momentum behind the initiative kickstarted by former chief executive Pierre Nanterme, who tragically died at the start of 2019.

During his tenure at Accenture, Nanterme also set a target for 25% of very senior leadership to be women by 2020 – and both goals are in sight, according to Harvey.

“Nanterme absolutely knew that in order to get the right talent into our organisation, to be viable and to be innovative in the longer term, we had to get to 50:50,” she said, adding there were no rigid clauses to this employment drive.

“If, as a leader, I went to him with a promotion list of one woman and nine men he would ask me to think again. He would say: ‘Go back and have a look at that – there must be high-potential women or ethnic minorities in your organisation.’”

Harvey added: “He challenged ruthlessly when you came back with something that didn’t look right – it was done in a very constructive, holistic way.”



Accenture is aiming for 25% of its very senior leadership to be female by 2020 – a target now in sight



## 5 MINUTES WITH GAP'S KISHA MODICA

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Kisha Modica is Gap's senior director for talent management and head of equality & belonging; her title alone shows how seriously the fashion retailer takes D&I. Gap's work in this space includes its annual confirmation of global gender pay equality and, in 2014, it became the first Fortune 500 company to validate that it pays women and men the same for the same work on average across its global operations.

### What's the commercial impact of being a D&I-driven retailer?

We believe diversity increases creativity and innovation, promotes high-quality decisions and enhances economic growth.

Our business success depends on our people, which is why it is so critical to cultivate a culture that attracts and engages talented employees, and gives them opportunities to achieve their work and life goals.

### What recent initiatives has Gap run to support its D&I agenda?

We've expanded our approach to developing a workplace that creates a deeper sense of belonging. This comes to life in a number of ways, such as investing in new programmes that support mentorship and learning.

For instance, in 2018 we launched our 'Be One. Get One' mentorship platform, which empowers employees to take active roles in both their own development and the development of others.

We're also stepping up efforts to encourage store employees to apply for roles in our headquarters. By 2020, our goal is to fill 20% of entry-level headquarters roles with employees from our stores.

### How does Gap monitor its D&I efforts?

We track and disclose data on comparable workplace information to enable us to monitor trends and the effectiveness of our strategy. We also review and track employee sentiment to obtain a comprehensive measure of inclusion and a sense of belonging.



**We are incredibly lucky to have people who are completely customer-focused, hard-working and enthusiastic**



**MARK PULLAN, WREN KITCHENS**

## **WREN KITCHENS: THE PEOPLE HAVE SPOKEN**

In March 2019, employment search engine Indeed published its list of the top 15 UK retailers to work for, as ranked by employees. Top-rated companies were determined by analysis of the millions of reviews left by visitors to individual company pages on the job search website.

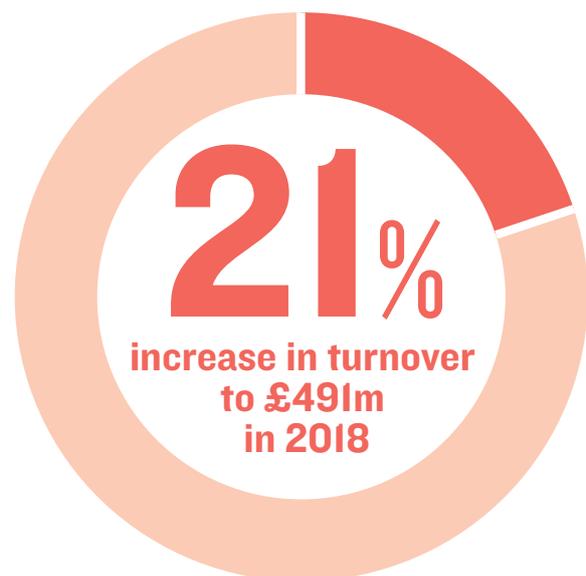
The new leader in 2019 was Wren Kitchens, a company that manufactures its own kitchen units, with Lush Cosmetics, bed retailer Dreams, shoe brand Clarks and high street mainstay Marks & Spencer completing the top five.

Wren, which employs more than 4,000 people and reported a 21% increase in turnover to £491m and a 66% jump in EBITDA to £62m in 2018, is seemingly running a happy workforce and achieving commercial success concurrently.

Mark Pullan, Wren's managing director, says: "We are incredibly lucky to have

people who are completely customer-focused, hard-working and enthusiastic.

"The award is a tribute to the team and the culture they have created. The business is continuing to expand and we are always looking for passionate, ambitious and committed individuals who want to build a rewarding career with us."



# DIVERSITY ACROSS BORDERS

**R**esearch from IMD, an independent business school, advises organisations expanding abroad to hire locally and “embed foreign expertise in the company’s management structure early on”. It also recommends teaching new recruits in new territories a common culture – in line with that of an organisation’s home territory.

IMD says expanding the company’s culture so that homegrown and foreign-hired execs have the same commitment to core values and management principles can then hold the newly enlarged company together and facilitate their “employee loyalty and dependability”.

The group’s research shows that when a company does half its business internationally, its performance can be optimised when it hires roughly a quarter of its execs from the countries in which it plans to operate.

Recruiting locally when expanding abroad naturally makes a company more diverse, but there are still other D&I issues to consider in terms of the make-up of an organisation’s global workforce.

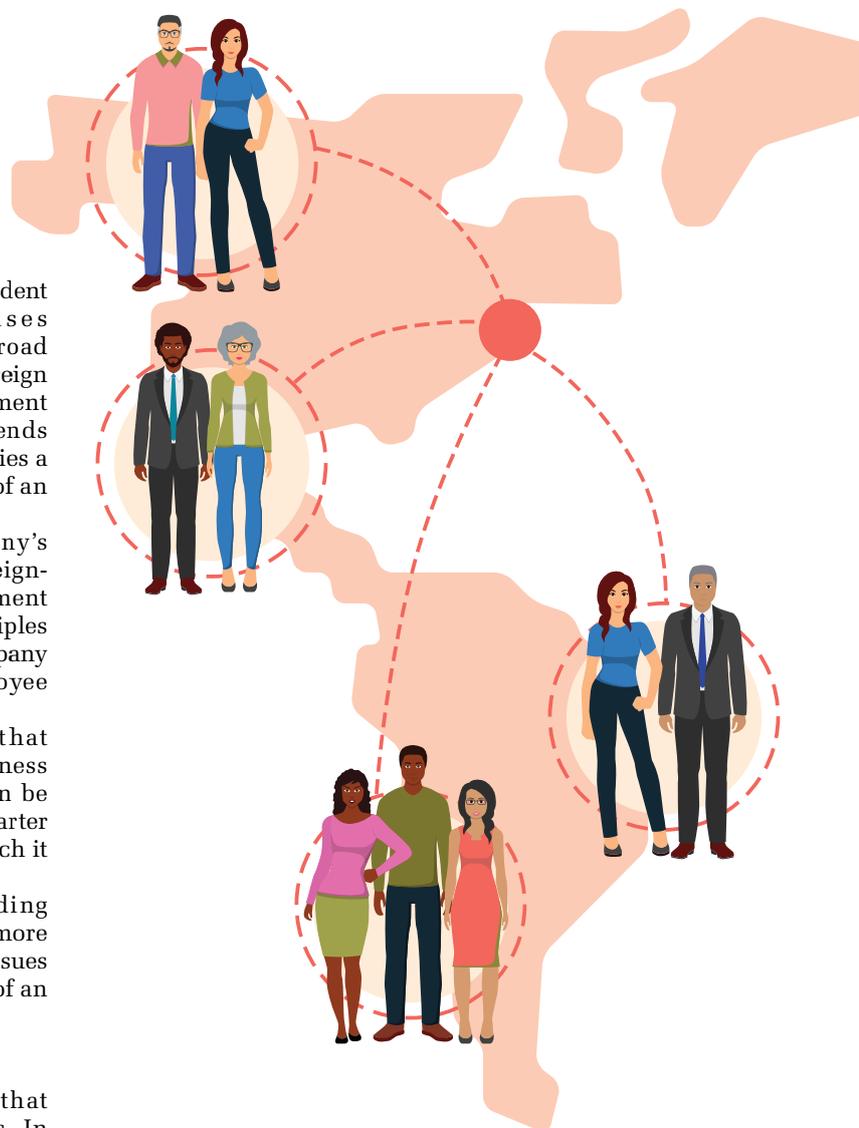
## How Gap is doing its part

Gap is an example of a company that thinks in detail about such things. In 2017, the retailer was the first and only apparel company to sign up to a new set of global standards protecting against discrimination, led by United Nations.

Gap’s Kisha Modica says the standards hold businesses accountable for their actions when it comes to LGBTQ+ rights and creating a truly inclusive workplace.

Meanwhile, in 2018 Gap formalised its Supplier Inclusion Program to diversify the company’s supply chain by hiring businesses operated by minorities, women, veterans and the LGBTQ+ community.

“We believe in equality for all, and we’re guided by the belief that business can and should be a force for good,” Modica explains. “We’re not perfect, but we’re committed to doing our part.”



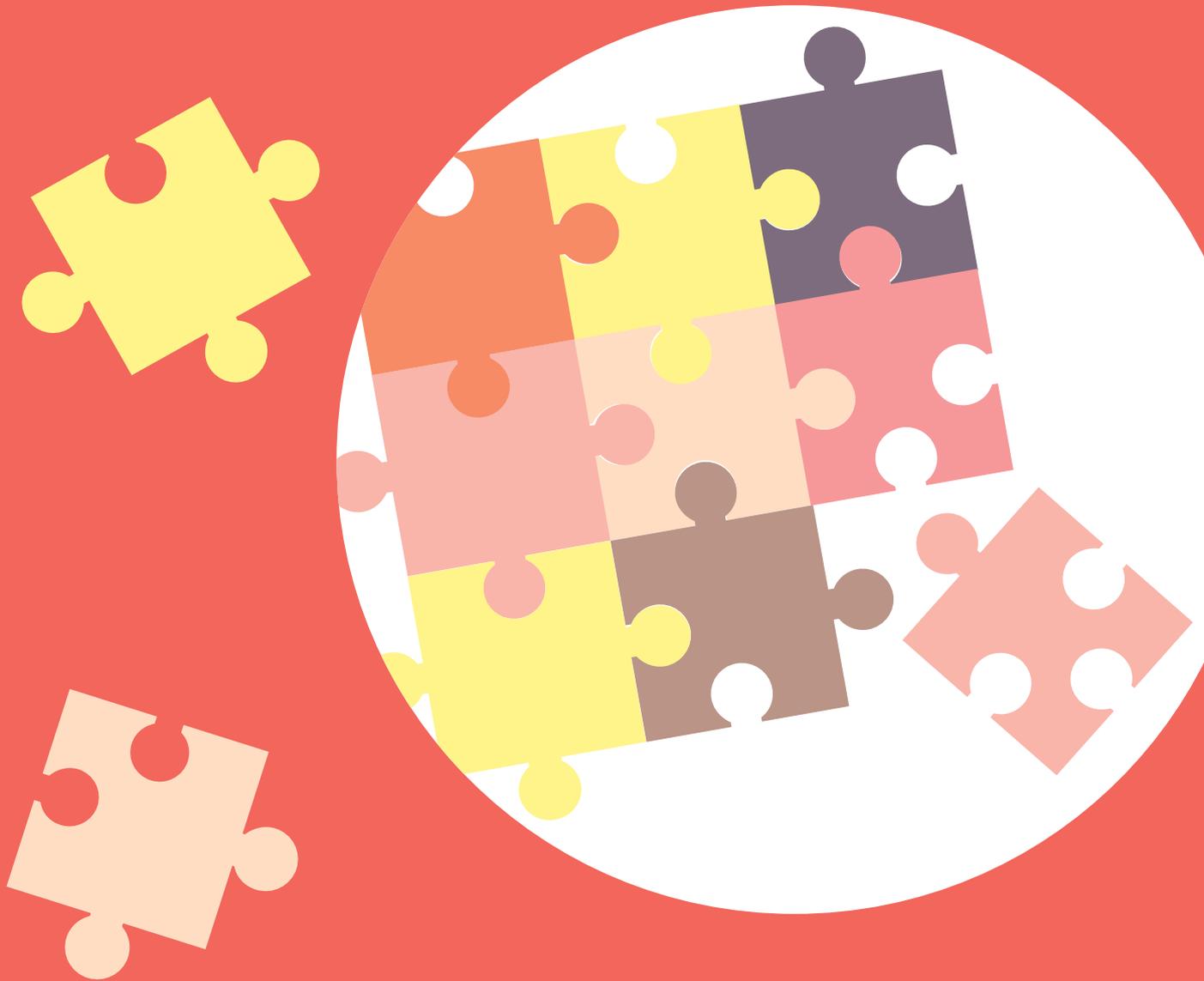


## CHAPTER 4:

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# HOW TO STRUCTURE YOUR D&I STRATEGY

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- **D&I is a central but long-term strategic objective**
- **Mechanisms must be in place to avoid unconscious bias**
- **Diversity needs to extend to all employees, including men**

**A**dvice on improving D&I within retail comes from all angles and, as Gallup's Washington argues, it is crucial for policies of this nature to be embedded in operations, rather than treated as a sideline project.

Green Park's Paul adds that businesses with the best intentions can face challenges because they have an overwhelming desire "to skip to being great at this stuff, when actually it takes long-term nurturing".

### **Raise awareness and address bias**

"What tends to happen is that people get geared up for it, and they are excited and know it's something they want to focus on, but the next step is that people's knowledge and confidence is lacking," Paul says.

People need to get "comfortable with the uncomfortable" and face up to their unconscious bias, she says, adding that it's not uncommon for her to field questions such as: "Can I use the word black?" in reference to people's ethnicity. Similar confusions arise around people's sexuality, so Paul believes companies definitely need to invest in awareness programmes.

"If people in the workforce don't feel confident, then they don't want to approach people from different backgrounds because they are scared of saying the wrong thing."

Ugo Ojike, a managing director at Accenture, has highlighted the need for companies to be "colour brave" as opposed to "colour blind".

"Being colour brave is about having courageous conversations about race," she says. Ojike says businesses need to get past the smokescreen of saying "We don't see colour" and recognise the colours in an organisation – and those not represented.

Unconscious bias can also be removed by only selecting job candidates based on their skills and experience, and purposefully keeping gender and ethnicity secret until final-round meetings – so-called 'blind recruitment'.

"It's hard to recognise your own bias, so you have to have mechanisms in place

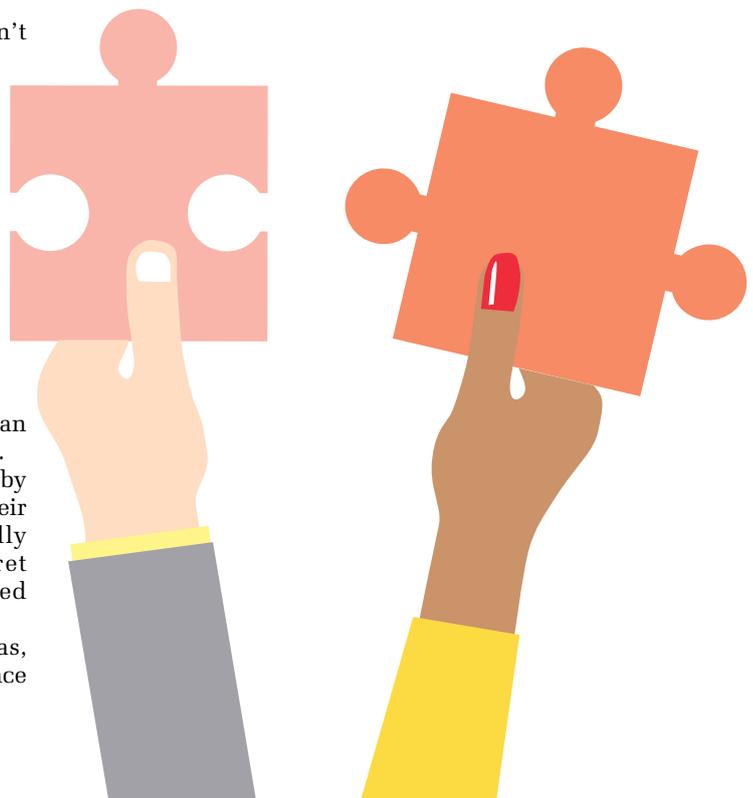
to really identify where the bias occurs," says Washington.

Organisations including convenience store group Spar and DIY chain B&Q, meanwhile, have youth boards to ensure younger voices have an opportunity to be heard within businesses – bringing fresh perspectives and helping to foster a reverse mentoring approach.

### **Monitor initiatives carefully**

Accenture's Harvey says schemes put in place to aid diversity often have the opposite effect. Citing 2018 Accenture research, she says this is the case for seemingly positive initiatives such as maternity leave and the opening up of job applications for all staff.

"There's something magic that happens when you stop thinking about [parental leave] as an issue for women and start thinking about it as an issue for how we bring up children in the world," she says, adding that all parties stand to benefit.



By making parental leave a shared issue through bringing men into the equation, it not only promotes equal parenting but helps erode possible bias against women taking, or returning from, maternity leave.

Opening up jobs to everyone – instead of an old-fashioned ‘tap on the shoulder’ – is also negatively associated with women’s advances, according to Harvey.

“My personal theory is that women perhaps don’t have the confidence at times to put themselves forward. What it did was enable more men to go for the jobs. You must track the impact of the policies you have.”

In 2017, UK legislation was introduced dictating that companies employing 250

or more people must regularly report their gender pay gap, and this one move means that businesses – including many retailers – increasingly must justify the decisions they make.

This has also made D&I a more pressing issue for businesses as there has been a legal requirement to address inequality over pay, opening up wider discussions about equality and inclusivity. Ethnicity pay gap reporting obligations are also expected to be a legal requirement as of next year for businesses of a similar size.

Below, we’ve picked out a few examples of what retailers are doing to progress the D&I agenda.

## THEO PAPHITIS RETAIL GROUP

Theo Paphitis, owner of Theo Paphitis Retail Group, which includes Boux Avenue, London Graphic Centre, Robert Dyas and Ryman, wrote for Retail Week in April to underline his commitment to gender diversity and inclusion in the workplace.

Among the statistics he discussed were that Ryman has reported an exact 50:50 split of male and female employees in the upper quartile of salaries. Some 62% of all store management roles at Ryman are also held by women, and he added that 63% of promotions in the last year were of female colleagues.

“I was delighted to hear that one of our colleagues, empowered by the content at a [Retail Week Be Inspired programme] workshop, had the confidence to apply for a promotion and is now in a management role. This is what it’s all about – recognition, development, progression and equality – and that women are as entitled to leadership roles as men, on an equal footing.”



of all store management roles at Ryman are held by women



of promotions at Ryman in the last year were of female colleagues

## CARPETRIGHT

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Carpentright chief executive Wilf Walsh says one of the practical measures the retailer has introduced to attract more women is to advertise all non-store manager positions on a part-time basis, in a bid to encourage more women and the mothers among them back into work.

The retailer also reduced its gender pay gap this year from a median gap of 6.5% last year to 3.6% this year, and Walsh believes there is a direct correlation between women's pay and the state of the high street, which continues to battle against reduced footfall and low consumer sentiment in some towns.

"If you're paying women less money than men, it's no wonder the high street is in distress, because they are the main consumers on the high street," he asserts.



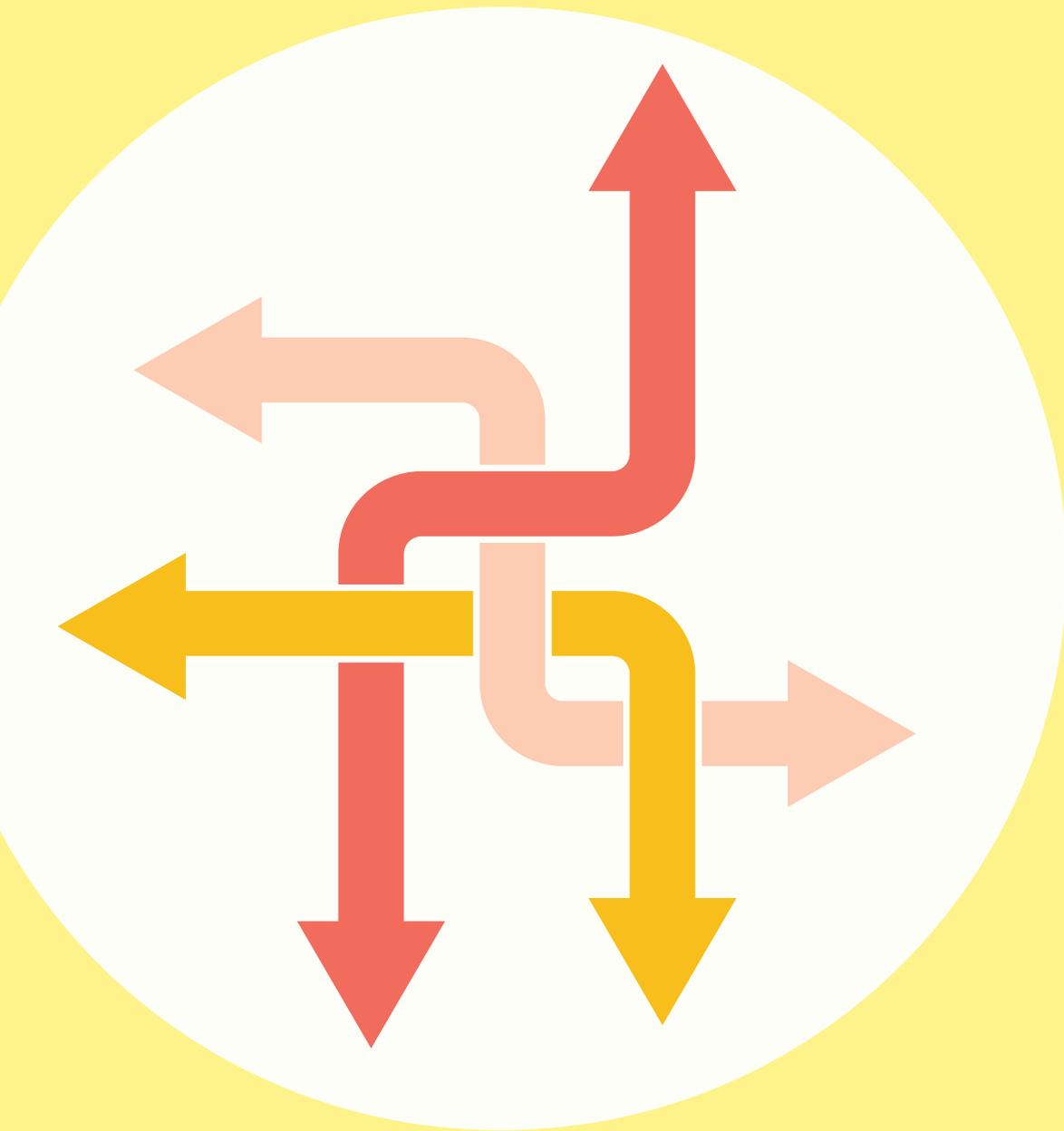
## CO-OP

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"We define inclusion as how we create a true sense of belonging, where everyone feels valued and can be their best self at work," says Rachael Bickerstaff, diversity and inclusion partner at the Co-op. With 60,000 employees, the retailer faced a challenge, but it has risen to it via a dedicated team of 100 business unit leads and inclusion pioneers.

In 2018, the grocer set out its 2020 priorities: leadership, colleague lifecycle and inclusive culture. This year, it is focused on a more inclusive culture for female, BAME and young colleagues. To achieve this, it launched a new behavioural framework, redesigned its interview toolkits to ensure consistent hiring across the business and created an inclusive careers website, implementing new content-driven channels to attract more diverse applicants. It has also created a better gender balance in applications (50:50).

The Co-op has also built external recognition by securing places in the The Times Top 50 Employers for Women 2018 and the Social Mobility Employer Index, while LGBT charity Stonewall has commended its work.



**CONCLUSION:**

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**WHERE DO WE GO  
FROM HERE?**

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## It's all for the taking in retail – I don't think there's a standout employer at the moment



NICOLA PAUL, GREEN PARK

Everywhere one looks in the retail industry, there is a company or a leadership team looking at ways to make their organisations more diverse and inclusive.

This report shines a light on some of the dedicated programmes and tactics supporting this agenda.

But while some walk the walk, others are only talking the talk. In UK retail there are some hugely encouraging initiatives – such as Retail Week's Be Inspired programme – but there remains much work to do for the sector as a whole.

As Green Park's Paul says, the industry – like the wider business world – has a journey to go on before it can talk about companies that are diverse and inclusive by design, and which operate with D&I at their core.

"It's all for the taking in retail – I don't think there's a standout employer at the moment," she argues.



## FIVE STEPS

# THE JOURNEY TO TRUE DIVERSITY AND INCLUSION

### 1 EMBRACE RADICAL IDEAS

Significant change will only occur in the workforce if more businesses stop doing what they've always done and embrace new ways of recruiting and working.

### 2 RECOGNISE THAT PEOPLE HAVE UNCONSCIOUS BIAS

Unconscious bias exists, but if you recognise this in the workplace and implement measures to reduce its impact, your workforce will become more diverse.

### 3 TAKE CONTROL, ESTABLISH TARGETS

Carpetright's Wilf Walsh says that being made to follow official D&I quotas means you've failed as a business to embrace diversity – set your own ambitious targets and work towards them.

### 4 LISTEN TO YOUR WORKFORCE

If you want to be inclusive, shape your business around how your people like to work, and consider reverse mentoring from your younger and less senior colleagues.

### 5 LISTEN TO YOUR CUSTOMERS

UK society is a cultural melting pot; if you're truly going to serve your target market, then your workforce needs to represent it – both in what it does and how it looks.





Be Inspired is Retail Week's global programme spanning content, workshops, mentoring and an annual conference to help women fulfil their career aspirations.

Established in 2016, today Be Inspired has more than 100 ambassadors and diversity champions working to inspire women at all levels across the sector to develop their retail and leadership skills.

Join us on June 19 for the **Be Inspired conference** where we bring together men and women from the world of retail to inspire through the lessons of others, open eyes to career opportunities and foster a culture of career confidence.

Find out more and secure your spot at [beinspired.retail-week.com](http://beinspired.retail-week.com)

To register for Be Inspired events, please email [lucy.mills@ascential.com](mailto:lucy.mills@ascential.com)

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