

Can the 2001 Census help employers monitor their equal opportunities policies?

This project set out to see if the newly available 2001 Census data could help UK employers monitor equal opportunities more effectively. Currently, a low level of such monitoring is common. The researchers produced illustrations of how this can be done, using case studies from employers at the forefront of equal opportunities monitoring. The research, by Shirley Dex of the Institute of Education, University of London and Kingsley Purdam of the University of Manchester, found that:

- Many case study employers, especially those in the private sector, either did not collect necessary data or did not analyse the data they collected on their workforce and applicants.
- The 2001 UK Census data can be useful in monitoring both employee profiles and applicants' data, especially for discrimination by gender or ethnic origin. The availability of this Census data, with its extended range of questions, has created a new opportunity for employers to compare their own statistics with the pool of qualified applicants. However, problems in accessing data would need to be overcome before this could be a useful tool for employers.
- Use of Census data in monitoring is not guaranteed to show that discrimination is absent or present. It does raise questions about organisations' policies and can direct attention to the areas of their practice they need to consider in more detail.
- Despite many years of legislation outlawing gender and race discrimination, the fact that effective monitoring is not widespread suggests that action on a voluntary basis is unlikely to encourage private sector employers to monitor equal opportunities. Giving employers a statutory duty to monitor and promote equality would be an alternative approach.
- The researchers suggest that employers should collect the necessary data about their workforce and job applicants, either enforced by legislation, as in the USA, or by giving employers a statutory duty to monitor.



Background

It is now widely accepted in UK society, and embedded in its laws, that discrimination in the workplace and in recruitment to jobs is unacceptable. Despite legislation, surveys have suggested that many UK employers have not been implementing their equal opportunities policies. Voluntary action on its own is unlikely to encourage private sector employers to monitor equal opportunities in their workplaces. Hepple et al. have advocated a middle way as a promising alternative, giving employers positive duties to promote equality, and requiring them to conduct a periodic review (once every three years) and an employment equity plan (Hepple, B., Coussey, M. and Choudhury, T. (2002) *Equality: A new framework. Report of the Independent Review of the Enforcement of UK Anti-discrimination Legislation*. University of Cambridge, Centre for Public Law and the Judge Institute of Management.)

Data that would allow employers to examine robustly whether their practices might be discriminatory have not been available in the UK, unlike in the USA. The 2001 Census data, with its extended range of questions, appears to offer a new opportunity for employers to be provided with data about the available pool of qualified workers. This project set out to see if this could help employers in their monitoring of equal opportunities.

The overall picture from the case studies

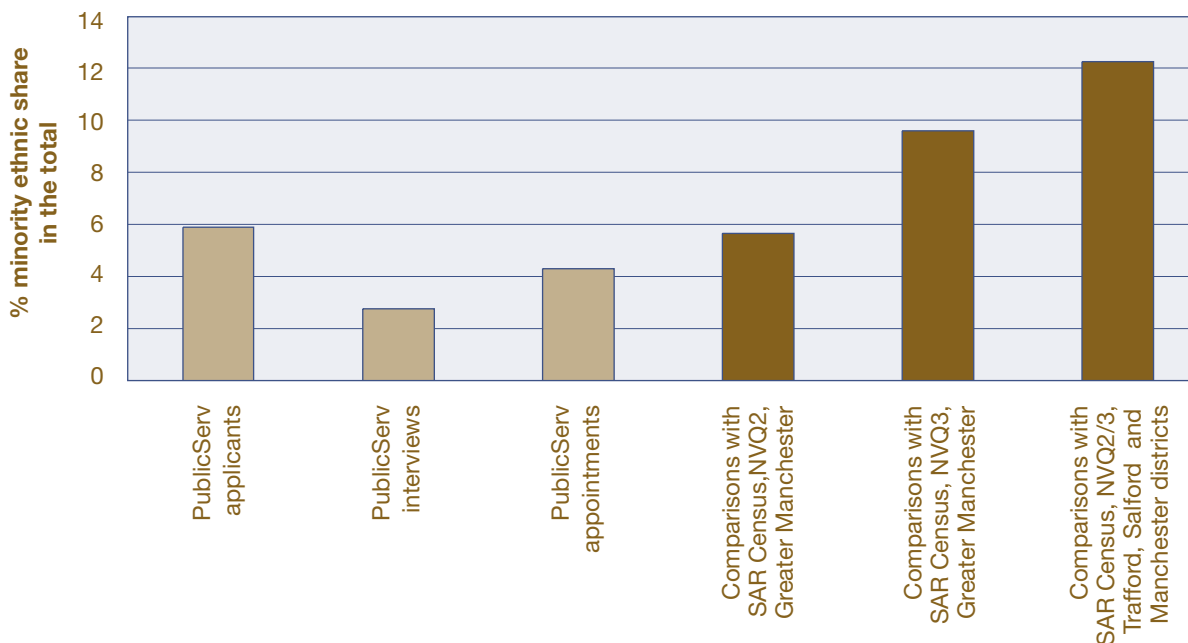
Despite being chosen as leaders in equal opportunities policies, and after 30 years of legislation, many of the nine employers fully participating in this study did not have effective workforce monitoring to even a basic level. This was either because they did not collect necessary data according to gender or ethnicity, or because they did not analyse the data they collected on their workforce and applicants. While public sector organisations were moving towards the goal of better data collection and analysis, private sector organisations were well behind.

All employers were faced with problems of incomplete data, especially on classifying the ethnic origin of employees and on disabled people. None had complete data. Nor did they have clear strategies for dealing with the incompleteness of data on their employees and applicants.

The US companies stood out from comparable UK equivalents in several ways:

- the extensive levels of data collected;
- the level of completeness;
- the regular updating and maintenance of databases;
- analyses of the data collected;

Figure 1: Comparison of applications from minority ethnic groups with local pool of suitably qualified people



Source: SAR 2001 Individual SAR 3% Sample England, Wales or Northern Ireland. Age 20-59

Notes: 'Minority ethnic groups' covers the major 2001 Census groupings of mixed, all Asian or Asian British, Black Caribbean, Black African, Chinese and other minority ethnic groups.

Comparisons from the 2001 Census are taken from a sample of anonymised records (SAR) for minority ethnic groups.

Figures for Trafford, Salford and Manchester areas only are from published tables on ONS website for population of all ages 16-74.

- familiarity with the analysis issues;
- the human resources set aside to work on this; and
- the written justifications for all decisions.

Legal requirements exist in the USA for these 'affirmative action' procedures.

An illustration from the case studies - PublicServ

The employer case studies illustrated how the 2001 Census data could be used in monitoring organisations' equal opportunities policies. PublicServ, a public sector service provider, provided one illustration of support staff recruitment in a local area within Greater Manchester, where the ethnic identity of its job applicants could be monitored. The researchers examined the recruitment of lower to medium grade levels of support staff, equivalent to NVQ levels 2 and 3, over one year of recruitment. This covered about 500 job vacancies per year. Support staff vacancies at this level are advertised locally, using the regional and local press, and internally within the organisation. The organisation also advertises in local libraries and on their website.

During the year-long study, 1,446 applications were received for this type of support staff posts; 86 applicants were from the local minority ethnic populations, equivalent to 5.9 per cent of all applicants, as shown in Figure 1. The 2001 Census-based minority ethnic share of the local population with NVQ level 3 qualifications was 8.8 per cent and 5.7 per cent in the case of NVQ level 2, both for the Greater Manchester area. For the selection of three Greater Manchester districts that border the location of the PublicServ office and which are likely to constitute its labour force catchment area for these types of job the minority ethnic share of this local population with either level 2 or 3 NVQ qualification was 12.3 per cent.

Not surprisingly, there are smaller percentages of people from minority ethnic groups in Greater Manchester as a whole than in its more central districts. This highlights how important it is to map the geography of the recruitment area for any particular job type as closely as possible to the area for which the statistics are produced.

The employer's database usefully allows analysis throughout the recruitment process. Of the total 1,446 applications to PublicServ, 393 were given interviews. This is a rate of 27.2 per cent, compared with only 12.8 per cent (11 of 86) in the case of minority ethnic applicants who received an interview. Of those 393 candidates interviewed, 17.8 per cent were appointed; the percentage of interviewees from minority ethnic groups appointed rises to 18.2 per cent. (These figures are not shown in Figure 1.)

How should the organisation view these figures? Clearly, PublicServ is probably getting fewer applicants from minority ethnic candidates for NVQ3 level support jobs

than it might reasonably expect, given the qualified population locally. Its internal recruitment decisions about interviews for applicants suggests that minority ethnic applicants are less likely than the population as a whole to obtain an interview, but having obtained an interview, are slightly more likely than other interviewees to be appointed.

The employer's collection and analysis of such data allows assessment and modification of their recruitment practices. The data suggest that PublicServ should continue to review its recruitment advertising, its image within the minority ethnic population, and its internal decision-making about offering interviews to applicants. This should ensure there is no bias against minority ethnic candidates in all of its departments.

Recommendations

The researchers make the following recommendations.

General approaches

- **Data collection.** There is a need to upgrade data collected by organisations relevant to monitoring equal opportunities. Without this step, progress on monitoring cannot be made. One option is for the Government to require all organisations to collect and record data on the gender, ethnic origin and disability status of their employees and applicants for jobs, as a minimum. Data recorded about applicants should include their ethnic identity, using Census categories, their gender and age and whether they are shortlisted and appointed.
- **Missing data.** Currently the onus is on employers to obtain complete information with little they can do if individuals refuse to provide it. Government could assist this by issuing guidelines on how best to handle missing data on employees' and applicants' ethnic origin or disability status. Policy could go further by making it a requirement of entry to the workforce of any public or private organisation that the individual provide such data about themselves.
- **Access to census data for employers needs to be made easier.** In principle it would be possible to follow the example of the USA in this respect where data is easily accessible. Employers would benefit from a statistics service where they could ring up for the data they want, possibly through the Office of National Statistics or a contracted body. Similarly, easier access to a form of SAR (sample of anonymised records) data and associated software would be helpful if it guided employers to find the statistics closest to their own workforce profile or job specification criteria, as is available in the USA. Packages like CASOC, which match a written text occupation to the closest occupation code, are already available. This could be incorporated into such software. Alternatively, Regional Development Agencies might be able to provide all the statistics.

- **Good affordable software** would undoubtedly help employers carry out ethnic origin monitoring. Such software would both provide relevant Census data and enable comparisons of the workforce and applicants; it is easily available in the USA.
- **Local area statistics.** The trend to provide fewer and fewer local area statistics, because of the risks of disclosure about individuals, inhibits the use of micro data such as that contained in the SAR data for the purpose of employers' monitoring. The use of census data in the USA has got round these problems by aggregating data to certain levels in the software that is available to employers. It would be possible to adopt a similar approach in the UK.
- Produce regular profiles of the workforce, comparing these with Census data on the populations of the appropriate pool of workers to see where under-representation may be occurring.
- Analyse statistics on applicants and the workforce (directors responsible for personnel, human resources and equal opportunities, as well as by union or employee representatives). Where there appears to be under-representation, the organisation should consider whether it has done all it can to widen its recruitment already.
- Share information with other best practice employers about innovations in recruitment appropriate for particular groups.
- Draw up an action plan wherever under-representation is found for any particular group, to be approved by the business unit manager and/or executive group.
- Review statistics and discuss their implications, together with action plans and other follow-up that ensues, at the most senior level of management.
- Conduct a formal follow-up on the results of the action plan no more than one year later.

Best practice for employers

The researchers suggest the following steps for employers wanting to achieve best practice in ethnic monitoring:

- Provide an Equal Opportunities Form for all applicants for jobs (both web-based and more traditional channels).
- Computerise information collected from forms on applicants' ethnic origin. Each applicant's record needs to be updated, indicating whether or not they were shortlisted, whether or not they were interviewed, whether they were offered a job, and whether they accepted it.
- Produce annual printouts of the applicants shortlisted and of the interviewees' characteristics, by type of job, from the database. These statistics could be compared with Census data where it is available, along the lines shown in the example illustrated here. This would help to identify where under-representation may be occurring.
- Include important ethnic origin characteristics on databases of employees. Making the provision of this information mandatory at the point of entry to the organisation could produce a complete record for each individual for gender and ethnic identity.

About the project

At the start of this study, the team studied the procedures and census data used in US organisations (four organisations in depth) to monitor equal opportunities and carry out affirmative action under their framework of legal requirements. This study also conducted in-depth interviews with the human resource director or personnel officer who was responsible for equal opportunities, or the specialist equal opportunities director, of nine UK-based employers. This was done over the autumn of 2001 into 2002 with five public and four private sector organisations. One further UK-based employer was recruited later in the project. All organisations were enthusiastic about the research and keen to participate further. In addition, discussions were held, and help for the project given, from representatives of the Commission for Race Equality and Equal Opportunities Commission. Union representatives in each organisation were also informed about the research.

For further information

The full report, **Equal opportunities and recruitment: How Census data can help employers to assess their practice** by Shirley Dex and Kingsley Purdam, is published by the Joseph Rowntree Foundation (ISBN 1 85935 399 1, price £15.95).

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