

Diversity, Equity & Inclusion

2024 Report



Charlie Rawstron
Co-Founder, 3Search

Introduction from our Co-founder

At the end of 2023, we collected the sentiments from over 1,200 digital and marketing professionals as they responded to our Annual Pay & Hiring Survey. The survey focused on four topics:

- › Pay and hiring
- › Working policies
- › Diversity, equity and inclusion
- › Adoption of artificial intelligence

This report explores the data from our DE&I questions.

In 2024, the majority of businesses understand the importance of diversity, equity & inclusion and have taken action to improve their organisation in each area.

However, there is still a long way to go before meaningful impact is seen. Whilst most business leaders believe that DE&I is a clearly stated priority within their organisation, as this report will show, employees largely disagree.

In fact, with inflationary pressures and a cost of living crisis, we've noticed that DE&I has dropped down the list of priorities for a number of businesses. But, in our opinion, it certainly hasn't diminished as an area that businesses should focus time and effort on.

Our data reveals that the attraction and retention of underrepresented candidates has proven difficult.

In particular, the results from our survey have highlighted how female and Black, Asian and Mixed Ethnicity employees* feel about their current role, revealing:

- People from underrepresented backgrounds recognise they're underpaid in their current role
- People from underrepresented backgrounds feel less included in their current business
- There is a misalignment between business leaders and employees around the effectiveness of DE&I policies

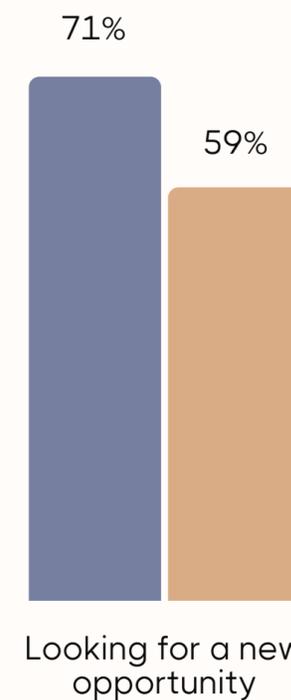
As we explore each of these themes, we have interviewed a number of professionals from a range of backgrounds to comment on the data presented.

*This report focuses on these groups of people as these were our largest and most interesting data sets.



Underrepresented groups are most likely to leave their jobs

An incredibly concerning fact for employers is that they are more likely to lose their ethnically diverse talent this year.

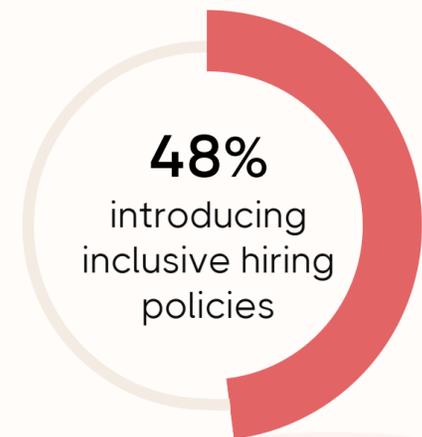


The number of Black, Asian and Mixed Ethnicity employees looking for a new opportunity is above average, with 71% job seeking in 2024. This is compared to just 59% of White British employees.

With more businesses reducing role flexibility, the same trend can be seen for female employees. Our data shows that 71% of women will be looking for a new role if they're asked to come into the office more regularly.

- Black, Asian and Mixed Ethnicity employees
- White British employees

Two-thirds of business leaders have told us that DE&I is a clearly stated priority area in their business, with 48% introducing inclusive hiring policies to attract more diverse talent into their organisation.



However, they will find this increasingly difficult if they lose the diverse talent that already work at the business. Nobody wants to work in an organisation that they feel isolated in.

“If you've already got a homogeneous team, it's hard to diversify it because diverse talent isn't attracted to that team.”

Ella McCann-Tomlin

Ella McCann-Tomlin
Founder of Ardent, DE&I consultancy

Underrepresented groups are unfairly paid

One of the biggest reasons that employees from historically marginalised (or excluded) groups are looking for a new role is the continued gender and ethnicity pay gaps.

Increased pay was the biggest motivator for a job search in 2023, with 45% of employees moving roles for a higher salary. It's incredibly important that businesses ensure everyone in the company is fairly paid in order to improve retention rates.

Gender pay gap

There is a clear gender pay gap in our survey respondents. Our data reveals that women earn 7% less than men on average.* This is in-line with the national average (source: Office for National Statistics).

*Less than 1% of respondents identified as non-binary, so unfortunately we haven't been able to include this data in our report.

● Women ● Men



Less women in senior positions

One of the biggest contributors to the gender pay gap is the seniority of female employees. 41% of men hold the title of Head of or above, compared to just 32% of women.

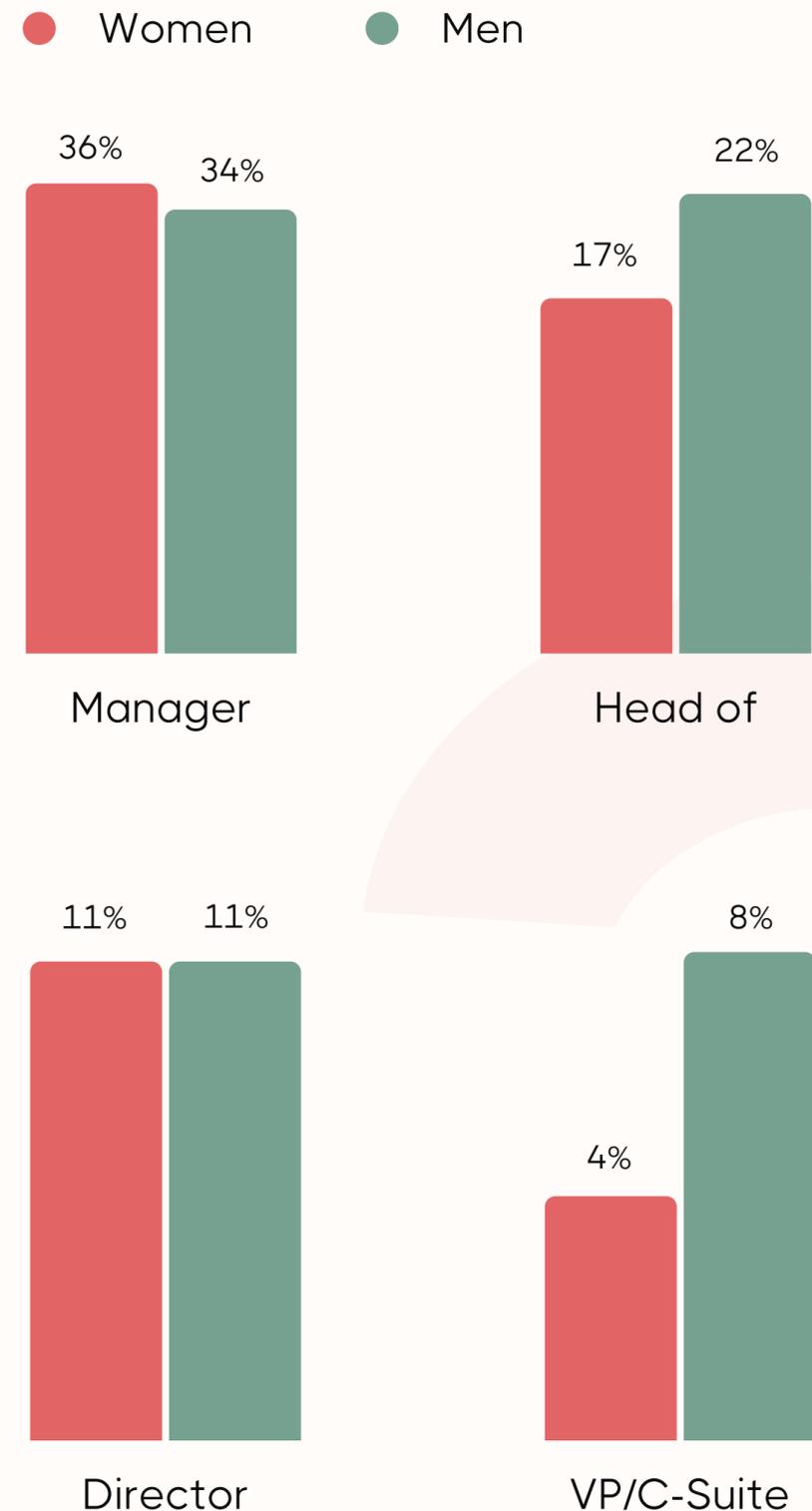
While there were equal parts male and female respondents at Director level, we saw double the number of men at VP/C-suite level and 5% more men at Head of level. Interestingly, our survey responses reveal more women at Manager level, suggesting that this is when lots of women leave the workforce.

Among other factors, women drop out of senior roles due to menopause. According to CIPD's 'Menopause in the workplace: Employee experiences in 2023' report, 17% of women have considered leaving work due to a lack of support for menopause symptoms. Plus, 27% say that menopause symptoms have had a negative impact on their career progression.



“Women are leaving the workplace because of menopause symptoms. And it feels like if we want to live in a society where men and women are truly equal, then really we have to close the gender health gap.”

Helen Normoyle, Co-founder of My Menopause Centre

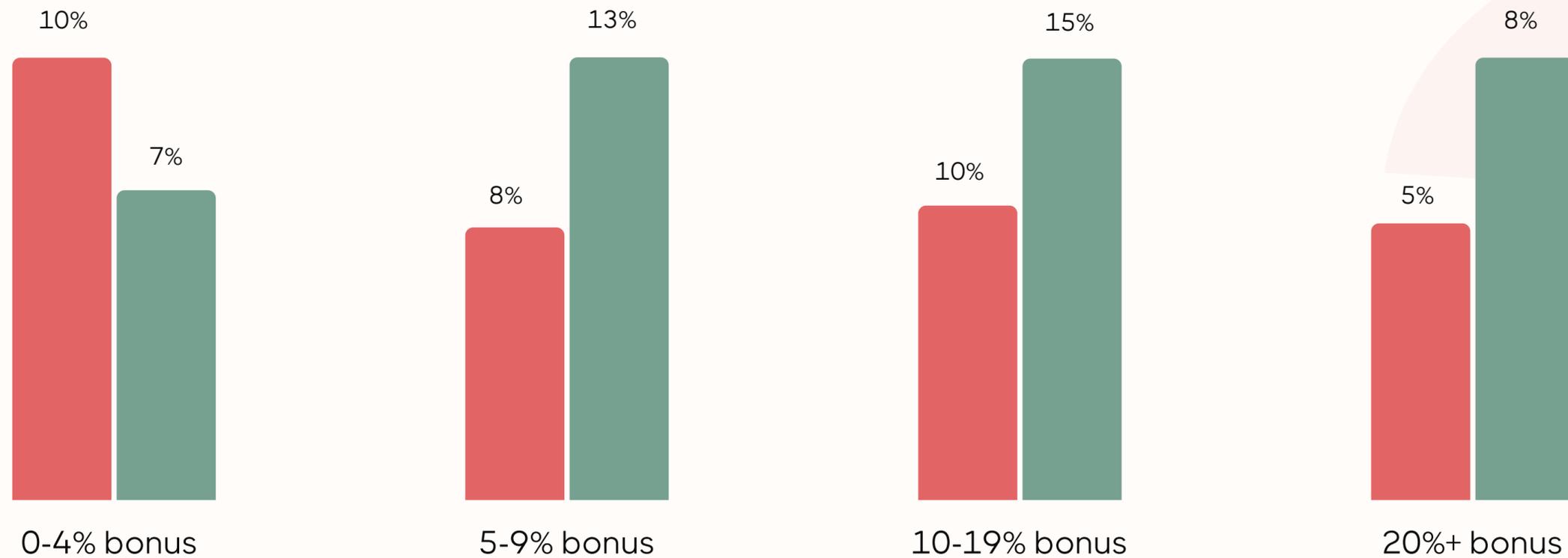


46% of men received a bonus compared to just 38% of women

The seniority of employees also impacts their likelihood to receive a bonus. As a result, our research shows that women were less likely to receive a bonus in 2023.

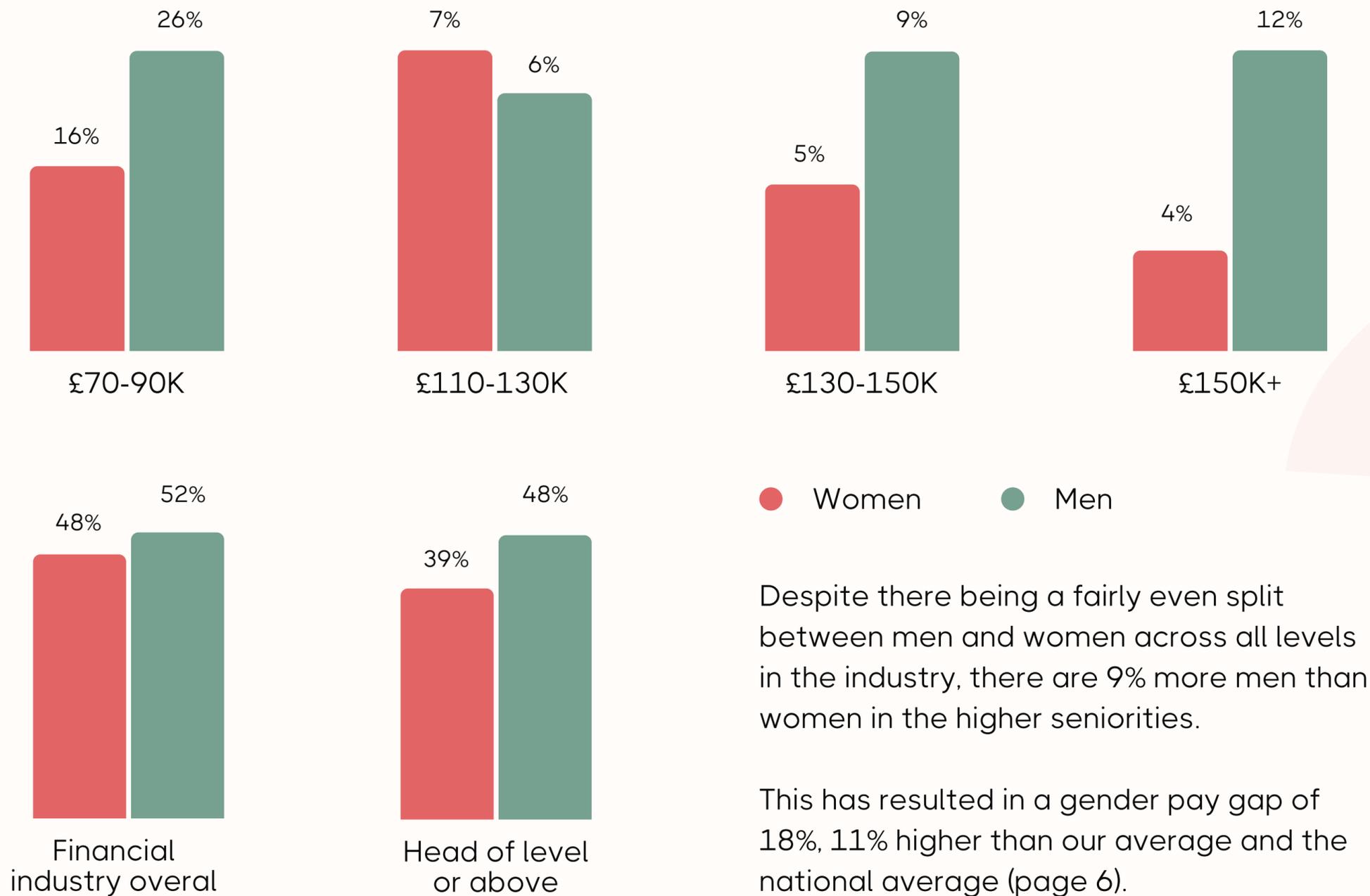
Plus, they were more likely to earn higher bonuses, with the majority of women earning the lower bonus brackets.

● Women ● Men



An example: the financial services industry

Another contributing factor was the industries that women work in. To take a closer look, we examined the survey respondents from the financial services sector.



Jaemien Serrano, Manager of financial services recruitment, shared her thoughts, “In my experience, lots of women drop out at senior level to start a family. When they rejoin the workforce, they return at a lower seniority, for instance Senior Manager.”

“For many women, it's difficult to sustain the pressures of a senior role and a young family when you're the primary caregiver.”

At our recent event, ‘How women in financial services marketing can shatter the glass ceiling’, our panellists discussed the impact that maternity and paternity leave had on women’s careers. With statutory paternity leave set at just two weeks, the mother is automatically deemed the primary caregiver.

As a result, women who are mothers often must put their home life ahead of their career, restricting their earning potential.

It's no surprise that 71% of women will be looking for a new role if they're asked to come into the office more. In fact, 18% of women would like the number of days working in office to decrease.

Their preferred working pattern is completely flexible office days, with the second most chosen option being 2 days a week.

Allowing parents in your organisation to have more flexibility in their role will help to narrow the gender pay gap in your organisation.



71%
of women job
seeking if office
days increase



Ethnicity pay gap

Our data has also revealed a significant ethnicity pay gap. According to our survey responses, the biggest pay gap lies with black employees, with just 6% of black individuals earning above £90,000. This is compared to 26% of White British and 17% of Asian employees.

● White british ● Black ● Asian ● Mixed ethnicity

£0K-£49K



£50K-£69K



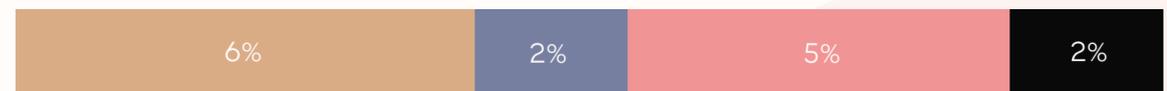
£70K-£89K



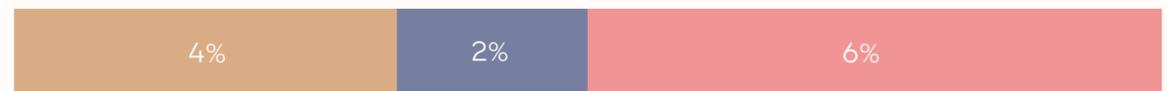
£90K-£109K



£110-£129K



£130K-£149K



£150K+



The challenge of attracting and retaining black employees

As with the gender pay disparities, ethnicity pay gaps can largely be attributed to the seniorities that different racial groups operate at.

For instance, 80% of black respondents held the Manager job title or below. In fact, in our responses, no black employee holds a senior (Director, VP, C-suite) title.

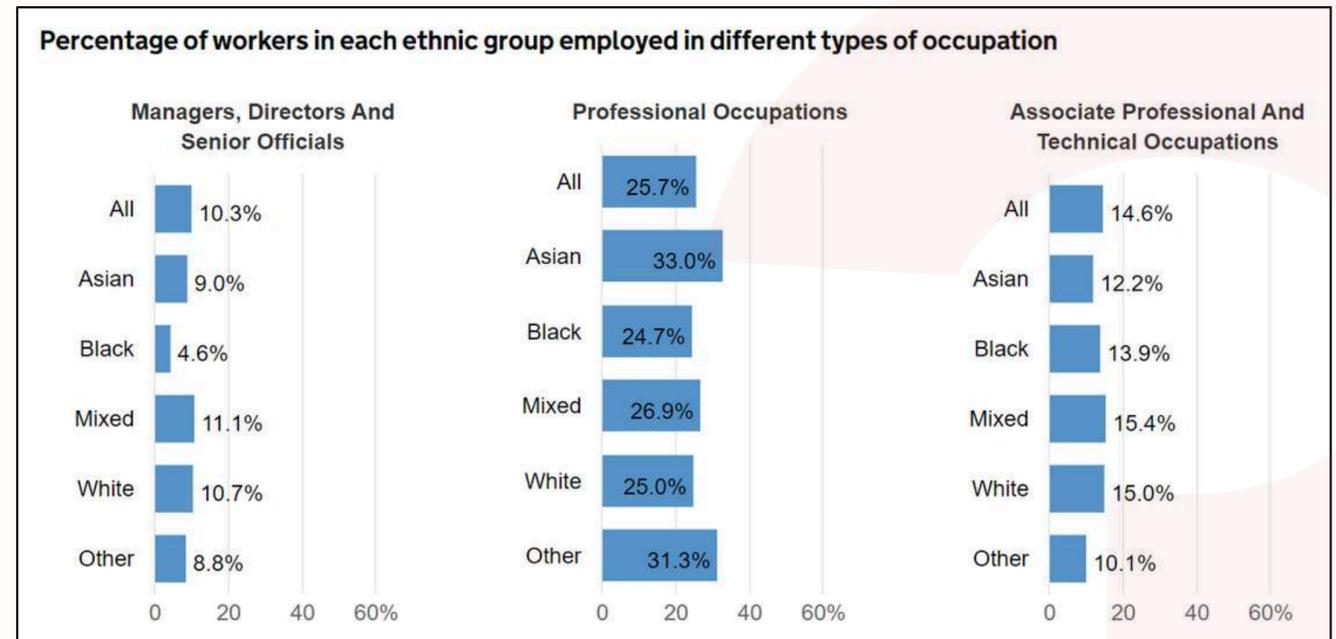
The lack of black people in senior positions has a significant impact on the ethnicity pay gap. The average respondent to our survey earns between £50,000 - £69,999, however our responses reveal that the majority of black employees earn below this level (page 11).





Businesses need to make a concerted effort to attract ethnically diverse talent to their organisation. For example, whilst there does continue to be a problem in promoting women to more senior roles (see page 7), it is far easier to bring women into an organisation as proportionally there are more senior female professionals than senior black professionals.

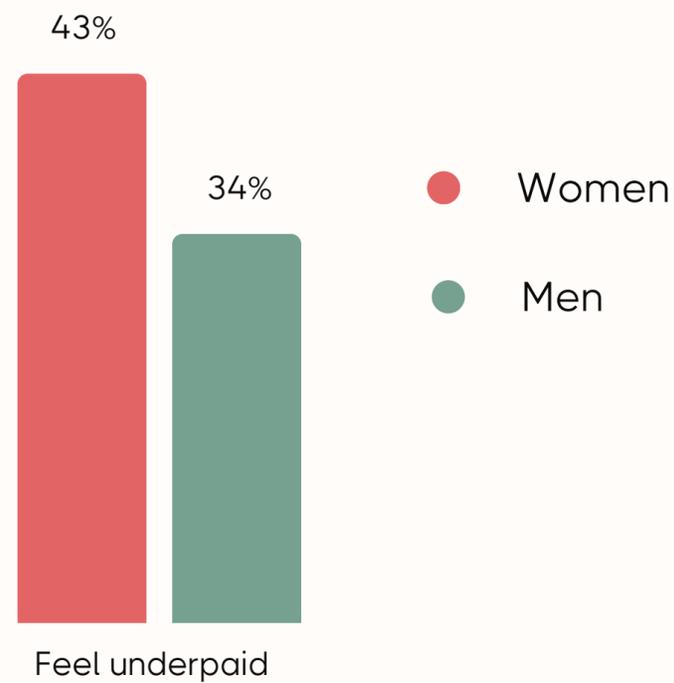
Our data is, however, reflective of society as a whole. According to the 2021 Annual Population Survey, Black people are the most under-represented group across Professional Occupations. Just 4.6% of Black people are Managers, Directors and Senior Officials.



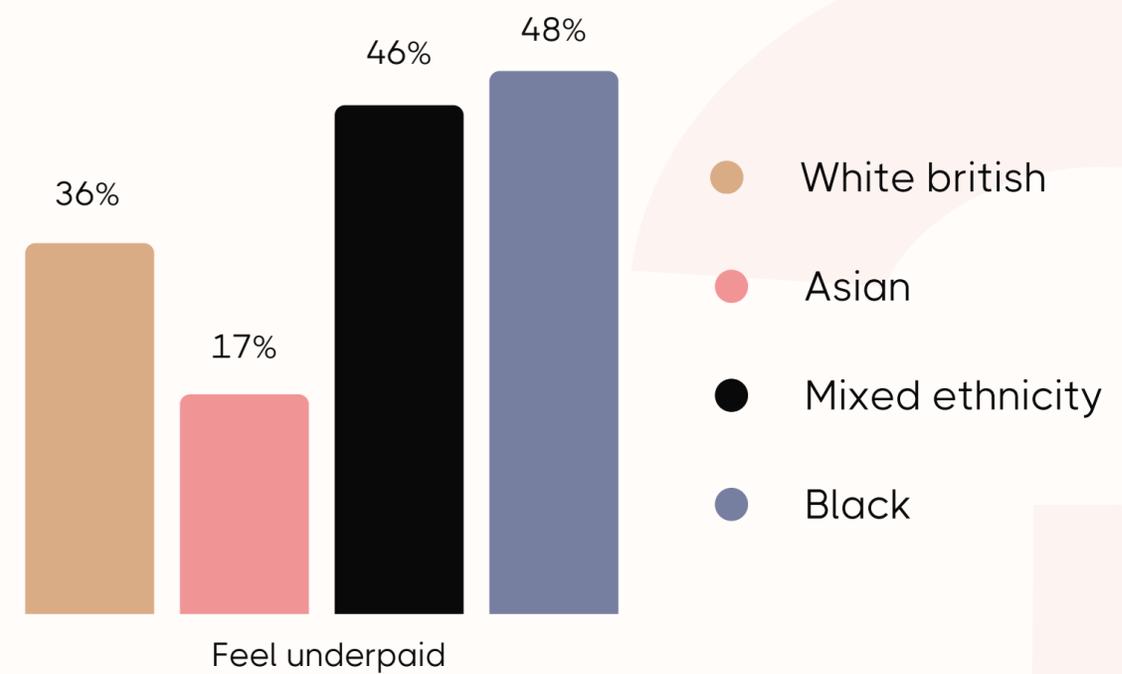
If businesses are looking to attract more black people, they need to deploy different attraction methods. We explore this in more detail on pages 21-23.

How underrepresented groups feel about their pay

Employees are more aware of their worth than ever before. So, it's no surprise that 43% of women feel underpaid in their current role, with 9% stating they feel significantly underpaid. This is compared to 34% of men.



Furthermore, 48% of black employees and 46% of mixed-ethnicity employees feel underpaid in their current positions. This is compared to just 36% of White British employees.



What can employers do?

There are a number of options open to employers wanting to improve their gender and ethnicity pay gap.

Benchmarking pay and create salary bands

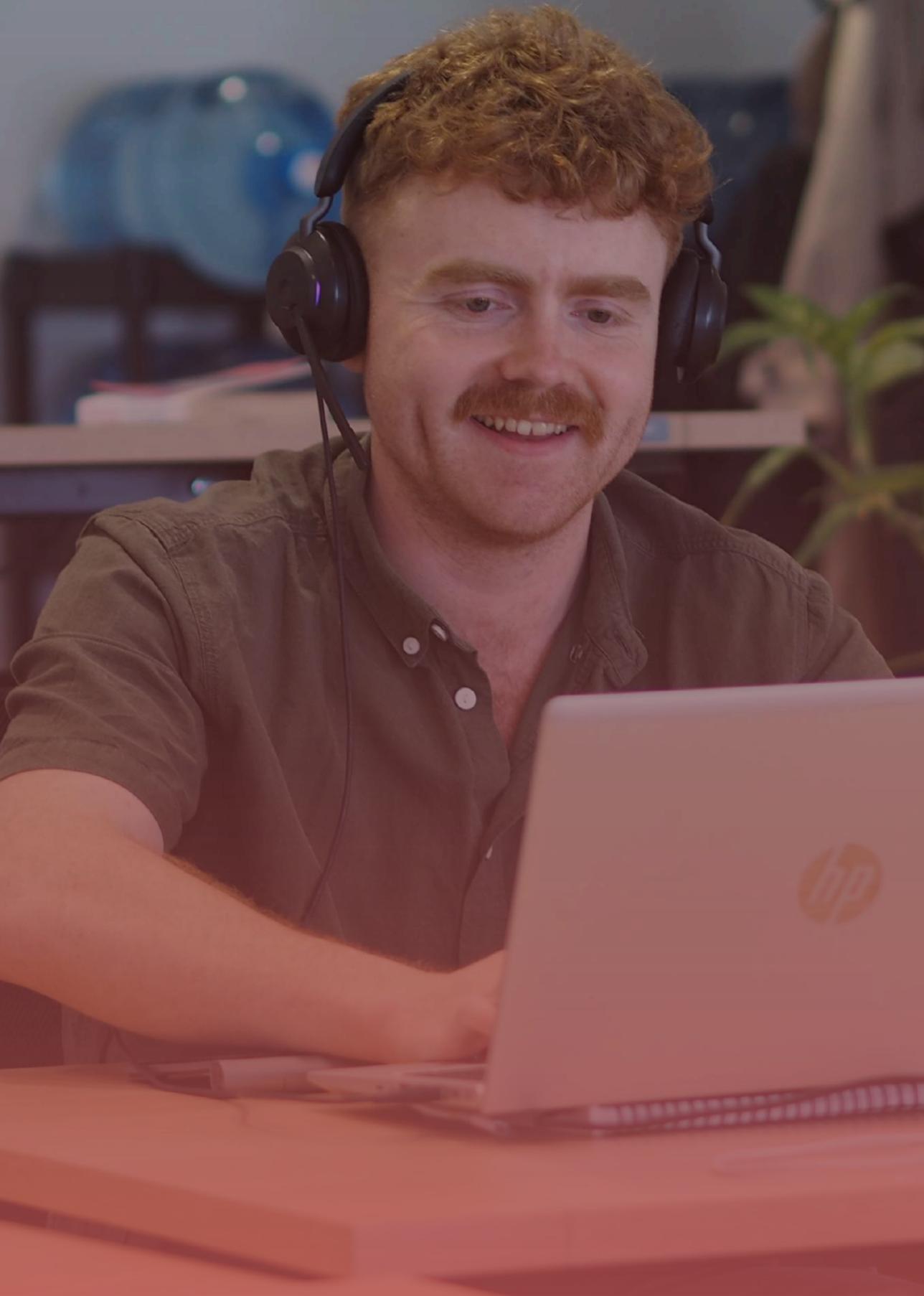
With such significant pay disparities present in our survey responses, benchmarking salaries is a good starting point for employers.

To prevent unconscious bias from impacting salaries, businesses should first reflect on their current team's salaries. By ensuring that everyone's pay is up to date with market expectations, you're more likely to retain talent and help lessen the gender pay gap overall. In addition, by creating these salary bandings, you simplify recruitment moving forwards, ensuring an equally paid workforce.

Acknowledge legacy pay structures

From a talent attraction perspective, it's important to acknowledge that previous salaries and legacy pay structures might result in employees undervaluing themselves during the recruitment process. It's important to recognise this if it occurs and offer the market rate to incoming talent.

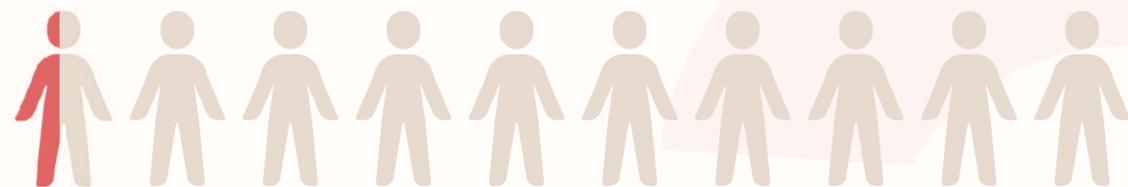
Failing to take either of these steps will only increase your gender and ethnic pay gaps, as well as continue to make diverse talent feel unwelcome in your business. With the salary guides available on our website, employers can understand how their team's salaries compare to the market average.



Complete company pay gap reporting

According to our results, just 27% of organisations conduct gender pay gap reporting. Even fewer (13%) conduct ethnicity pay gap reporting (page 19). While ethnicity pay gap reporting is completely voluntary, gender pay gap reporting is mandatory for those with 250+ heads.

However, just 4% of small to medium-sized companies voluntarily conduct gender pay gap reporting.



Without examining this information disparities cannot be identified. As a result, it's highly likely that businesses are unconsciously underpaying people from historically marginalised (or excluded) groups. Staying up to date with the average pay brackets and regularly benchmarking your team's salaries is key to maintaining employee satisfaction and the retention of your employees.



Kirsten Burt
Non-Executive Director of Cultural Vistas

What can employees do?

“The way to be paid fairly in your career is to know your worth,” says Kirsten Burt. Kirsten shared the importance of knowing your commercial outcomes as a marketer, selling the success of your campaigns.

Ensure you understand your worth by staying up to date with the market rates. Speaking to recruitment consultants, accessing salary guides and attending networking events will ensure you always stay aware of industry changes.

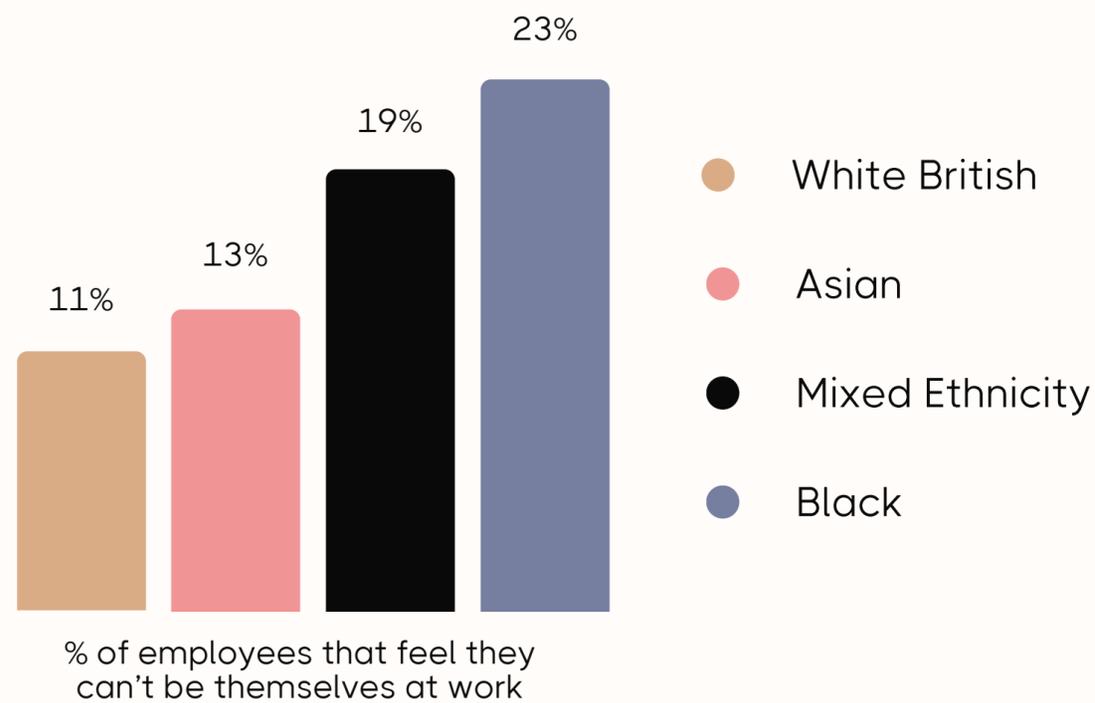
“Don't let yourself get painted into a corner as a woman just because you've got a nice setup as far as flexibility or going home for school runs. That's not a good enough reason not to ask for what you're worth.”

Kirsten Burt

Underrepresented groups are unhappy in their role

As stated previously, salary plays a big role in the happiness of employees. Many feel isolated in their current role due to unfair pay brackets. For instance, one third of women feel that performance isn't fairly evaluated in their organisation, compared to just 24% of men.

However, there is more to a business and a role than pay.



Creating an inclusive culture

One clear area of improvement for businesses is providing the culture for employees to be their authentic self at work.

In our survey we asked employees ten questions around their feelings towards their current organisation's company culture and DE&I policies. This revealed that 34% of employees intending to leave their current role don't feel that their business is creating an inclusive culture.

"I really believe in authenticity at work."

Mai Fenton shared the importance of being able to confidently be yourself in a workplace environment, revealing how crucial an inclusive culture is to improving employee retention.



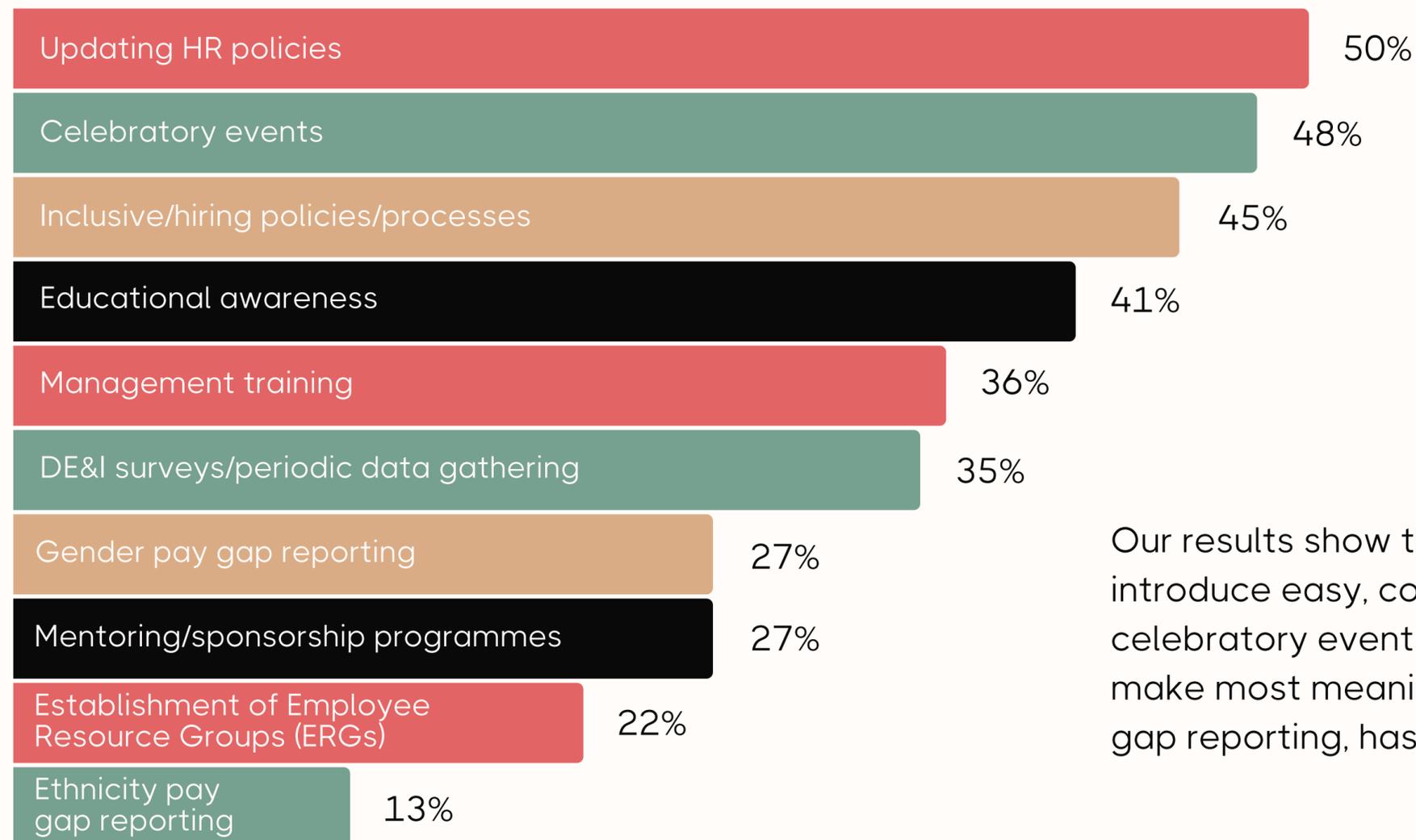
"I don't believe that you cannot be yourself and perform well. And if a company wants to hire people that can be authentic at work, it's important that there's a good alignment with company and personal values."

Mai Fenton, Chief Marketing Officer and Non-Executive Director

Diversity, equity and inclusion policies

To encourage authenticity at work, businesses need to reflect on their diversity, equity and inclusion policies. These factors play a significant role in creating a strong company culture. Yet, the response to our survey shows that there is a clear misalignment between business leaders and employees.

These are the the steps that businesses have taken as part of their DE&I strategy.



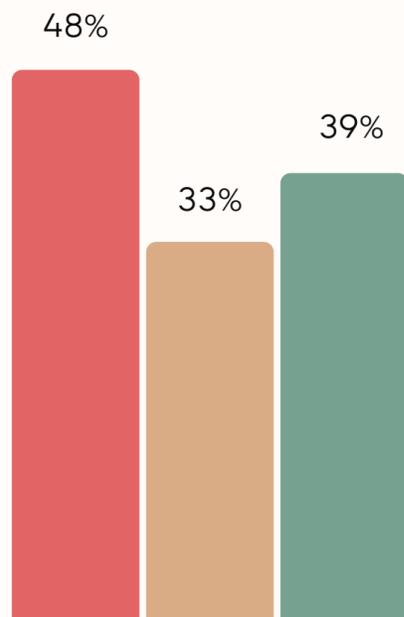
Our results show that businesses are more likely to introduce easy, cost-effective and fun policies, such as celebratory events. However, the strategies that will make most meaningful impact, such as ethnicity pay gap reporting, has the lowest number of adoption.

Misalignment between business leaders and employees

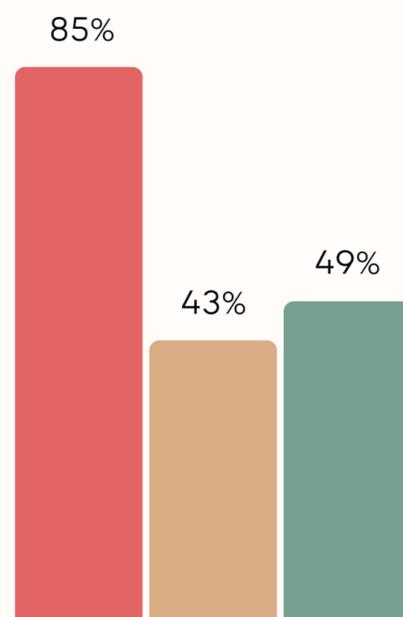
Our survey has revealed that the execution of DE&I policies seems less effective than business leaders would like.

The majority of leaders believe that their DE&I policies are having a positive impact on the organisation. Meanwhile, employees are less satisfied with their performance. The below graphs show how much each group agrees with the statements.

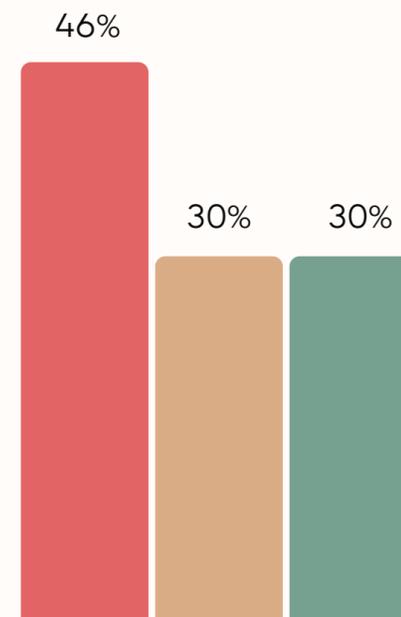
● Business leaders ● Line managers ● Employees



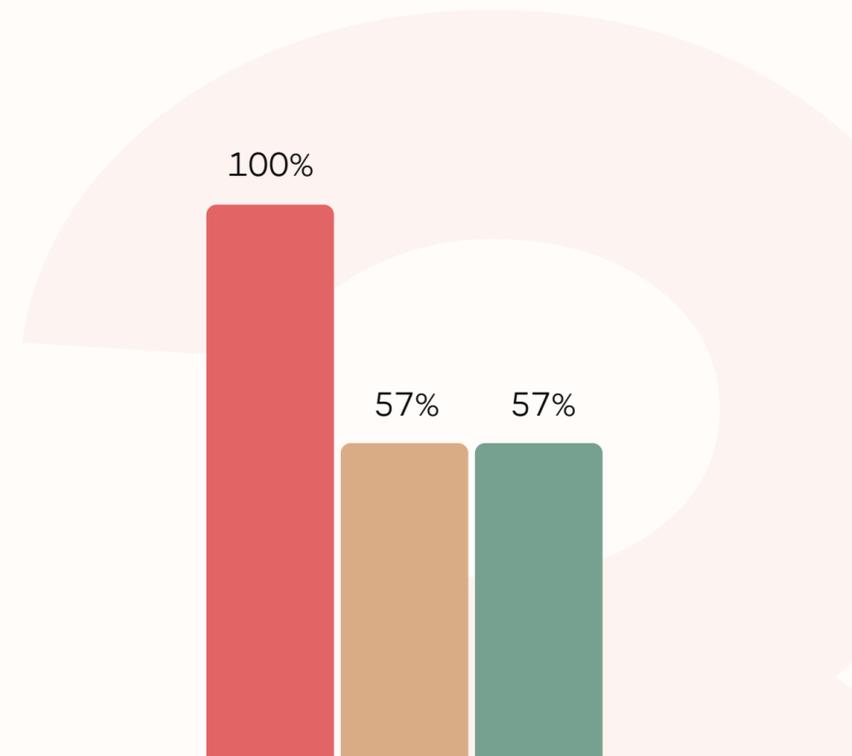
Our organisation is performing well against its stated DE&I goals.



DE&I is a regularly communicated topic within our organisation.



The leaders in my organisation display inclusive behaviours.



People from all backgrounds have equal opportunity to succeed at my organisation.

How can companies become more aligned on DE&I policies?

We spoke to the Founder of Ardent, a diversity, equity and inclusion consultancy, Ella McCann-Tomlin, for her thoughts on where this misalignment originates from and how companies can become more aligned moving forwards.

Ella is a creative, agile leader with a decade of experience leading highly successful teams in the fast-paced world of tech. Her varied and unusual career path has taken her from commercial leadership to DEI and talent development. She has led large multi-functional departments and ridden the wave of hyper expansion from founding team member through to acquisition at one of the UK's fastest growing companies.

Ella's mission is to create more equitable organisations that centre empathy and human connection, and that focus on collective empowerment. She is also a passionate advocate for racial equity and queer liberation.



Ardent

Ella McCann-Tomlin
Founder of Ardent, DE&I consultancy

Where does the perception gap originate from?

Ella shared that the perception gap seen in our survey responses is a common issue that she has encountered countless times in her consultancy. **"I'm not surprised by that gap,"** Ella notes, "I've very rarely worked with a client who doesn't have some kind of perception gap between what the CEO tells me or what the leadership team tells me and what we find out in the data gathering."

In her opinion, it's a natural occurrence. The strategic, high-level thinking of leadership often overlooks the granular, day-to-day experiences that shape an employee's experience of a business and perceptions of its DE&I initiatives.

Ardent



The crucial role of communication

To help manage this gap, Ella highlights communication as a crucial, yet often mishandled, component of effective DE&I strategy.

In her experience, companies that feel as if they're communicating enough are probably doing too little. **"You need to overcommunicate. You need to pre-empt,"** says Ella. A proactive approach to communication - anticipating questions and concerns before they arise - emphasises the importance of creating an environment where employees feel not only informed but also heard and valued.

Creating a two-way conversation

Effective communication strategies must involve more than just disseminating information; **it's about creating channels for dialogue that encourage feedback and engagement at all levels.**

Organisations often fall into the trap of believing they are communicating effectively when they are merely announcing policies or initiatives without fostering a real exchange of ideas.

Of course, there is a time and a place for broadcasting information, but they should almost always be followed by the opportunity for questions and conversation.

It's also important to recognise that not everyone feels safe communicating in the same way, and therefore open up multiple channels of communication. People often don't feel safe to ask questions, especially when junior employees are expected to question more senior members of the business. This is a clear barrier for people from historically marginalised (or excluded) groups who, according to our survey results, primarily occupy more junior positions.

Ardent

Inclusive hiring: intent vs. impact

We also spoke to Ella about the topic of inclusive hiring. While 45% of businesses claim to have inclusive hiring policies, our survey respondents continue to portray a lack of diversity in the digital and marketing workforce.

Ella shared that while many businesses have the intention to hire diversely, many fail to move beyond symbolic efforts to truly diversify their workforce.

There is a need for an outcome-focused approach. Companies need to be curious as to why their policies are failing, in the same way they would troubleshoot a failing product. Ella says, **“I don't think people are curious enough about the outcomes of their policies,”** which is having a negative impact on their goals.

There is a need for a long-term commitment to DE&I, cautioning against using the slow pace of change as an excuse for inaction. Companies need to recognise that societal change and corporate initiatives are related and will take time. If companies apply the same level of curiosity and rigour to their DE&I efforts, as they do any core business strategy, they will see more impact and meaningful change.

Creative approaches to DE&I

Looking to the future, Ella advocates for bold and creative strategies to enhance DE&I. Moving beyond conventional methods like LinkedIn networking, she suggests **engaging with diverse communities directly** such as visiting schools and universities or participating in non-traditional industry events.

This approach, she believes, can transform DE&I from a burdensome task into an exciting opportunity for innovation and societal impact that engages every level of your business.

Contact us

This report highlights the importance of strong talent strategies in 2024.

For more support with your attraction and retention strategies, get in touch!



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