

The benefits of Diversity & Inclusion – best practice examples from the built environment sector.

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## 1. The benefits of diversity & inclusion

By fostering a diverse and inclusive work environment, organisations are not only committing to becoming fairer and more ethical but are also investing in their future. A commitment to diversity and inclusion is beneficial to any organisation that wishes to thrive and compete.

In their 2023 report, McKinsey & Company highlighted the correlation between highly successful companies and companies that invest in D&I<sup>1</sup>. They found that the most diverse companies financially outperformed other less diverse companies by 39%<sup>2</sup>. This success can be attributed to the benefits of bringing together people with different backgrounds, experiences, and perspectives. Diverse teams are shown to be more creative and better able to tackle complex situations, because of the wider pool of ideas, points of view and solutions to work with. A commitment to D&I also helps to attract and retain diverse and talented staff, as well as increase staff satisfaction and commitment through fostering an inclusive workplace where everyone feels valued, able to participate and thrive. In turn, leading to a more efficient and dedicated workforce.

The importance of D&I for attracting and retaining staff was highlighted in a recent survey conducted by Deloitte and the Billie Jean King Leadership Initiative (BJKLI). BJKLI and Deloitte surveyed 1,300 full-time employees from various organizations and sectors across the US and found that 80% of respondents felt that inclusion was a key consideration when choosing an employer<sup>3</sup>. 39% stated they would leave their current organisation for a more inclusive one – 23% said they had already done so<sup>4</sup>.

#### The importance of effectively implementing D&I

Simply implementing D&I, however, is not sufficient to reap the benefits. What is necessary is focusing on measurable, targeted and impactful initiatives. According to research by McKinsey & Company, the gap between the most diverse companies and other companies is widening<sup>5</sup>. They found that some companies, despite many efforts to the contrary, are becoming less diverse.

This has been attributed to two primary factors.

<sup>&</sup>lt;sup>1</sup>Diversity matters even more: The case for holistic impact, <u>Why diversity matters even more | McKinsey</u> <u>5<sup>th</sup> December 2023</u>

<sup>&</sup>lt;sup>2</sup> Diversity matters even more: The case for holistic impact, <u>Why diversity matters even more | McKinsey</u> 5<sup>th</sup> December 2023

<sup>&</sup>lt;sup>3</sup> Diversity matters even more: The case for holistic impact, <u>Why diversity matters even more | McKinsey</u> 5<sup>th</sup> December 2023

<sup>&</sup>lt;sup>4</sup> Unleashing the power of inclusion: Attracting and engaging the evolving workforce, <u>us-about-deloitte-</u><u>unleashing-power-of-inclusion.pdf</u>,

<sup>&</sup>lt;sup>5</sup> Diversity wins: how inclusion matters, <u>How diversity, equity, and inclusion (DE&I) matter | McKinsey</u>, 19<sup>th</sup> May 2020

- Certain companies commit greatly to D&I and have ample senior leader support, however what prevents them from seeing results is not having a business-driven approach to D&I. D&I strategies that are led by employee networks or resource groups, for example, have been shown to lack the necessary drive and accountability. The benefits associated with a commitment to D&I result from having a clear, strategic approach that embeds D&I into the organisation. Having a strategy in place that is supported by senior leadership and focuses on tailoring best practice to suit the needs of an organisation is shown to be more effective.
- Misinterpreting inclusion is another reason, McKinsey found, that some companies are less effective in their D&I work. Inclusion is the process of creating an environment where everyone feels welcome, valued, and able to fully participate. In order to do this, businesses need to put in place initiatives that foster an inclusive environment according to the needs of each individual. In other words, it is the idea of creating an equitable workplace, as well as an equal one. Equity involves ensuring everyone has what they specifically need to thrive, whereas equality is about ensuring everyone has the same. The problem with equality is that one individual's needs are different to another's. For example, a disabled person may require different equipment than what is usually provided in order to be as effective and comfortable in their job as another employee. Striving for equity rather than equality will better help to foster an inclusive workplace.

Therefore, focusing on fostering an inclusive workplace culture and ensuring that D&I is driven by senior leadership in a strategic manner, is more likely to result in a diverse organisation that is fairer and thriving.

## 2. Case Studies

Knowing how to create effective D&I policies or where to begin tackling certain aspects of D&I can be challenging. Therefore, benchmarking and peer learning are a useful way to gain inspiration. Below are case studies of organisations, of varying sizes, highlighting how they have approached embedding different aspects of D&I into their business. The focus is on practical examples that are grounded in data and the specific needs of the organisation.

The companies highlighted in this paper are all signatories of the <u>CIOB Diversity &</u> <u>Inclusion Charter</u>. The D&I Charter outlines five key principles that support companies in embedding D&I practices. Companies that sign our charter commit to these principles and showcase their dedication to D&I.

# 2.1 Building partnerships & fostering diversity in construction

Construction companies who are committed to D&I often struggle to enhance the diversity of their workforce and to overcome this, tend to focus on introducing more inclusive recruitment practices. Whilst recruitment is one way to foster diversity in an organisation, building connections with the wider community can be another way to achieve this.



<u>Burmor construction</u> is a family run main contractor based in Market Deeping. In an effort to "think beyond the build" and help address some of the challenges faced by the sector, as well as bring more diversity into the company, Burmor construction is

#### Actions

Mental Health & Rehabilitation

Mental health is a major issue faced by the construction sector. People who work in construction are four times more likely to commit suicide compared to those working in other professions<sup>6</sup>. Aware of the importance of improving these statistics, Burmor construction has focused its energy on educating itself and enhancing the mental health support it offers.

To achieve this Burmor has:

- Signed up to <u>Lighthouse Construction Charity</u> and through this programme, have appointed and trained six mental health officers.
- After attending an event as part of Mental Health Week, Burmor connected with a member of staff from NHS Mental Health Trust for Cambridge and Peterborough and established an ongoing partnership.
- With the help of NHS Mental Health Trust for Cambridge and Peterborough, Burmor has created its own mental health support group and has worked to enhance its policies for supporting staff. In turn, Burmor has created a talent pipeline for people recovering from mental health and addiction issues into its organisation, offering them an opportunity to build fruitful and varied careers.

<sup>&</sup>lt;sup>6</sup>Mental health in construction: building the next storey, <u>https://www.britsafe.org/safety-</u> management/2023/mental-health-in-construction-building-the-next-storey, 8<sup>th</sup> February 2023

- Burmor has delivered presentations about careers in construction and offered <u>site visits</u> in partnership with NHS Mental Health Trust for Cambridge and Peterborough.
- Burmor has also developed and published educational material to help combat the stigma around mental health and addiction issues.

Educating children & young people about construction



Construction is often a hidden profession, in that people are often unaware of the many varied opportunities within it and children rarely grow up aspiring to work in construction. However, getting children and young people interested in construction is one way for organisations to foster more diversity.

To help build the future pipelines of young people

entering construction, and attract younger talent into its own organisation, Burmor partner with various organisations:

- Burmor partner with IntoUniversity and go to primary schools to deliver talks about the sector and its opportunities, with the aim of enlightening, inspiring and encouraging children into considering construction as a future career path.
- They have organised numerous site visits where the children were able to learn and get involved in fun and engaging activities. Watch a video of one such site visit <u>here</u>.

- By championing important causes and aiming to build a fairer society, Burmor has enhanced its reputation as an open, inclusive employer and contributed to ensuring the longevity and success of the sector.
- Working in collaboration with organisations outside of construction has increased the connections and partnerships Burmor has.
- By undertaking its outreach work, Burmor has enhanced its understanding of D&I, as well as discovered new solutions for existing challenges.
- Burmor has developed a pipeline of diverse talent into its organisation

## 2.2 Inclusion as a vehicle for retention

Attracting diverse talent into an organisation is highly important, however attraction alone is not enough to achieve lasting diversity within a business. Retaining diverse staff is equally as important, and fundamental for an organisation to experience the benefits of diversity. One way to ensure retention is through prioritising inclusion and fostering a workplace that allows people of all identities to participate, progress and thrive.



**GRAHAM** is a construction company with 16 regional offices across the UK and Ireland, that specialises in civil engineering, construction, interior fit

GRAHAM is very committed to D&I and has worked to embed D&I into all aspects of its organisation. In the past, GRAHAM was experiencing a high turnover of female colleagues and women were underrepresented within the organisation, particularly at senior level. Having noticed this trend, GRAHAM focused its attention on understanding the causes and addressing them.

#### Actions

- GRAHAM is highly data driven and was able to determine the underlying causes of this problem by closely analysing the data it collects. The data GRAHAM collects focuses on the entire employee life cycle, capturing the experience of different groups throughout their time at GRAHAM. Through this data, GRAHAM was able to determine that women did not feel included in the organisation and on this basis, developed various policies to foster an inclusive workplace for women.
- GRAHAM appointed Female Health Champions to provide confidential support for women experiencing a range of issues. They also act as liaisons with the Head of Wellbeing.
- Providing support and education around menopause, which included training for all staff and the introduction of menopause champions to offer support.
- Free sanitary products were made available in all sites and offices.
- GRAHAM offers 5 days paid time off for fertility treatment for individuals undergoing treatment and partners of people undergoing treatment.
- Access to a new parent support group
- GRAHAM provides enhanced parental leave pay for employees that have been in the company for more than 12 months. GRAHAM's *family friendly policy* entitles employees to full pay for the first 26 weeks of family leave, followed by an

additional 13 weeks leave at statutory pay and 13 week's unpaid leave. This policy also covers adoption and surrogacy.

- GRAHAM publishes an annual <u>gender pay gap report</u>, to report their progress in this area in a transparent way and convey their commitment to narrowing the gender pay gap.
- Founded Ignite, a women's leadership development programme.
- Included diversity focused questions at exit interviews to gain a broader understanding of employee experience e.g. are you leaving due to a lack of fairness because of your identity, or a lack of progression opportunities.
- GRAHAM also created a network for women called WICE (women in civil engineering) to hear women's points of view and concerns. This is because GRAHAM aims to have a 'bottom up' approach to D&I listening to employees' experience and expectations and using these to inform their initiatives.

- By listening to the concerns of the women in its organisation and making the most of diversity data GRAHAM has successfully retained more women, reducing female turnover by 25%.
- The Ignite women's leadership programme has been very successful and a second cohort of women will be starting the programme this year. There was considerable interest, and a waitlist was created. This programme enables GRAHAM to build a leadership pipeline that is diverse.
- In GRAHAM's latest engagement survey there were higher engagement rates for women, with an average 85% positivity rating.
- GRAHAM has also seen a 7% increase in women applicants, 6% increase in women employees and 17% more women in leadership positions.

# 2.3 Tailoring best practice to suit the organisation

Following best practice is a great way for organisations to adopt tried and tested standards and remain at the forefront of D&I. However, all organisations have different operating environments, and it is important for best practice to be tailored to suit the organisation.

Training is an important part of embedding D&I into an organisation and fostering a more inclusive workplace. However, to be truly beneficial, D&I training should be relevant and accessible to staff. Not all organisations are able to outsource training by hiring trainers or buying training courses. Nevertheless, organisations can still provide D&I training to staff. An effective way of implementing D&I into a smaller organisation that has fewer resources, is by making the most of existing systems.



Dobuild has successfully rolled out training across their offices and construction sites, by making the most of existing processes. Dobuild is an excellent example of how D&I is not only for large companies, but can be achieved by smaller organisations also, by

adapting best practice to suit their operational environment.

#### Actions

- Dobuild had limited resources but were keen for all staff to participate in training.
- Therefore, they decided to deliver training in two ways:
- 3. As part of their organisational meeting. The meetings vary from in person to virtual and occur once a week. Office staff, management and site staff all participate in these sessions.
- 4. On site, in person, where project managers are responsible for delivering training to their teams. These sessions focus on D&I from a site focused perspective.
- All training is delivered in an informal way, and is discussion based, exploring various aspects of D&I.
- Dobuild also partner with other organisations who speak at their weekly meetings. For example, they partnered with MacMillian to discuss cancer and

openness and prevention supporting their incredible efforts to provide vital medical, emotional and financial support to everyone affected by cancer.

- Overall Dobuild reports that staff are working better, are highly motivated and engaged, which has resulted in a 40% growth for the company.
- Dobuild have also fostered a diverse workplace and membership 34% of their members are women and 35% of their members are from ethnic minority backgrounds.

# 2.4 A creative solution to engage staff in D&I

Building an inclusive workplace is an essential part of D&I, however this cannot happen without staff engagement. It can be challenging at times to gain employee buy-in, particularly on a busy construction site where there are many other priorities. A way to overcome this is to change the way in which D&I is spoken of by finding new and creative ways to highlight the value of D&I and its role in fostering an inclusive workplace where everyone is respected and valued.



Kier is a leading provider of Infrastructure Services, Construction and Property developments.

In 2022, Kier undertook an inclusion survey of its workforce, led by external consultants, and the results highlighted that the company is continuing to improve, with positive responses increasing across the board since the previous survey. It did also find that there were some areas in which more work could be done to support its culture, of wanting everyone to feel they belong, can contribute and thrive. This included identifying some non-inclusive behaviours that had been discovered on construction sites, including increasing awareness of how to raise a D&I complaint, language being used and more education on neurodiversity.

#### Actions

To address these matters, Kier took action in a number of ways. The Group launched <u>expect respect, a campaign</u> that consists of five respect basics, which is focused on behaviours, that everyone in the company, and all who work with or for them, are aware of and follow.

It wasn't just about saying this matters, Kier wanted to engrain into its culture its zerotolerance approach to inappropriate behaviours. To support with engagement, Kier also created an interactive and engaging board game. Kier's board game offers a unique and creative vehicle through which to help make inclusion a core and natural part of the workplace.



How the boardgame works:

- It is a tabletop game that is scenario based.
- It is played in groups and each group move a token across the board and land on a scenario.
- When they land on a scenario, they discus in their group how they would approach the situation described.
- The scenarios are site-focused and use examples of situations that are likely to occur on site.
- The boardgame is not intended as training but is a way to spark conversation and foster engagement.
- The game has been rolled out across Kier's onsite staff, supply chain, has been played by office staff and T-level apprentices.
- Thirty copies of the game are currently in circulation around Kier sites, and to date it has been used to train 650 people in the Transportation division alone.

- The boardgame has fostered lots of engagement with D&I.
- One player said: "The board game offered a refreshing departure from our typical engagement methods. Its interactive nature, I believe, played a key role in catalysing a significant shift in understanding what D&I truly entails. Thank you".

• There has been more openness, respect and inclusion throughout the organisation which has been reflected in the results of their 2022 engagement survey.

In response to the following questions in the engagement survey staff said:

- My workplace embeds a culture where everyone can expect respect 81% agree
- I feel that Kier is making progress in creating a more inclusive approach 76% agree
- I feel my manager encourages a varied view point 81% agree

# 2.5 Collecting D&I data

Collecting diversity data is a great foundation for building a D&I strategy. Diversity data allows an organisation to develop a targeted strategy that is relevant to its operating environment. However, collecting diversity data does come with challenges, particularly as it relates to engaging all staff. Nevertheless, if an organisation has the resources to do so, collecting diversity data is very valuable and can reveal a range of useful information if analysed creatively.

# Balfour Beatty VINCI - SYSTIA

BBVS was commissioned by HS2 to develop Old Oak Common station in North London and is a joint venture of Balfour Beatty, Vinci and Systra.

Since its conception, BBVS has always prioritised D&I and established a progressive programme that is evidence based. BBVS were also the winners of CIOB's Equality, Diversity and Inclusion Company Award in 2024. BBVS believes that the collection and analysis of D&I data enables it to understand the impact of its work and better target areas of need.

## Actions

In order to collect a rigorous and informative set of data, BBVS has a clear process for data collection.

- Employees are asked to fill in their diversity data during their induction onto the construction site to ensure higher participation rates
- Employees self-report their data via BBVS' site access control system. This includes personal data such as age, race, gender etc.
- Data is also collected on the following areas: workforce demographics, the recruitment process, leavers, ED&I training completed and supplier diversity.
   BBVS has plans to expand the data collected to cover the entire employee life cycle.
- Data is also broken down by employee grade in order to get a sense of whether there are any trends or specific issues at a specific grade that can be adapted.
- BBVS also encourages its supply chain partners to follow in its example so that a more detailed and holistic data analysis can be conducted
- Employee engagement surveys are also used to gain qualitative data, which is collected through BBVS' parent companies.
- BBVS' data is reported annually through HS2's EDI report

Gathering diversity data can often be a challenge for organisations, particularly as it relates to gaining staff participation. BBVS has also faced challenges in its process to gather diversity data, such as:

- Staff reluctance to disclose their personal information
- Software that is not completely suited to collecting this data
- Attempting to collect data from a large and diverse supply chain

BBVS has aimed to overcome these challenges by working collaboratively with its supply chain partners to understand better the challenges they face and try to support them. Working with its supply chain partners enables BBVS to facilitate analysing meaningful data to shape and inform its project. More importantly, through this exercise, BBVS support the supply chain in engaging their staff in discussions about the importance of this data collection and the impact it could have. BBVS has also designed its own D&I monitoring form and embedded it into its site access system to overcome the challenge of not entirely suitable software.

- Through the collection and analysis of data, BBVS has developed a shared narrative and has been more focussed and targeted in its initiatives.
- Able to track and report on the progress of its D&I work and see how a commitment to D&I is enhancing the organisation.
- BBVS' Employee Engagement scores and the outcomes of the RESPECT programme diagnostic suggest that staff are feeling valued and can raise any concerns.
- In BBVS' latest RESPECT survey, on 527 responses, 91% of respondents felt they could be themselves at work. 76% of women and 86% of men felt they were able to speak up and challenge biased and inappropriate behaviours

# 3. References

## Why diversity matters even more | McKinsey

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