

Data Collection Toolkit

An initiative of

Inclusion
@Lloyd's

Introduction

By 2020, it is estimated that 1.7MB of data will be created every second for every person on the planet. In business, our relationship with data is complex. There's never been more of it, but without a clear understanding of what it can tell us about the companies we work in and how to apply those insights, data on its own is only half the story.

This guide is the third in a series commissioned by Inclusion@Lloyd's. It builds on the issues addressed in the 'Improving Inclusive Behaviours' toolkit, providing practical advice on developing inclusive workplace cultures through data collection. In the following pages we will look at the why, what and how to collect and interpret patterns of aggregated data with a clear understanding of the business imperatives and how the resulting insights can help shape and evolve the wider culture.

In the UK, gender pay gap reporting, the work of the Equality & Human Rights Commission and the anticipated ethnicity pay gap reporting requirements have amplified the conversation about what data companies can and should record, what it tells us about who makes up an organisation's workforce and crucially, who might be underrepresented.

Further afield, countries including South Africa, France and Italy have very specific restrictions and cultural requirements for companies to report on diversity because of government enforced quotas. While complying with legislation creates an urgency to implement the necessary processes, there is also an underlying business case for knowing how the organisation is performing. Whether data collection is voluntary or required by law, it can help identify areas that need attention or highlight things that are working well.

In this guide we will primarily focus on the situation in the UK, but ever mindful of the global context and market for talent in which insurance operates as an industry, we recommend that if you are outside of the UK, you consult with a local legal expert about which data you can collect. . We hope that you will find this guide simple and practical in setting out the facts and key considerations around D&I data collection.

Marc McKenna-Coles.

Global Diversity & Inclusion Manager, Lloyd's.

Step one: The context for data collection

Why collect data?

Diversity data creates a detailed window into the make-up of a business. It can signal where initiatives are succeeding (retention of women in senior positions for example) or where efforts might need to be focused for better future outcomes. Monitoring the diversity of your workforce over time is crucial to understand not only who is in the organisation now, but also what groups of people and diverse perspectives you might be missing out on. Collecting data also provides a benchmark against which D&I programme effectiveness can be measured to chart the cultural development of your organisation.

While there is no specific legislative requirement to collect diversity information, many organisations are starting to do this to monitor progress across different groups in their firms.

The trend is definitely towards greater transparency with companies getting 'data ready' with the expectation of increased mandatory reporting (like the Gender Pay Gap in the UK) extending into areas such as ethnicity pay gap reporting.

When is it best to ask for data?

Collecting data at different stages in the employee 'lifecycle' can provide insight into who you are attracting into the organisation, how you are doing when it comes to developing and retaining them and whether particular groups may be leaving.

Starting with recruitment, it is possible to look at who is applying for roles, to analyse whether there is a representative spread of applicants at this initial stage.

Many organisations now include diversity monitoring questions throughout the recruitment process at all levels, from long list and short list, through to interview stage and final appointment.

One way to approach collecting data is to integrate it with your onboarding processes. Diversity information can be requested alongside other personal data such as next of kin.

Once people are in the door, consider monitoring their career progression from a diversity perspective. Capturing data at annual appraisal stage for example can highlight if there are certain groups that face barriers to progression. It can also be used to assess whether all groups have equal access to development opportunities.

Gathering data at the exit interview stage is an established part of career lifecycle monitoring. It highlights retention issues if people from specific groups are leaving the firm more frequently than others.

“In the UK, data gathering to report on the gender pay gap is creating an important annual opportunity to check in on one key measure of diversity and equality progress at the individual company, sector and national level. As awareness of the commercial and societal benefit of broader workplace diversity grows, with a particular focus on ethnicity and social mobility, the requirement for companies of a minimum size to report on progress looks set to increase, so I would advise companies to get on the front foot and establish good data collection practices now.”

Nero Ughwujabo, former Special Advisor to The (British) Prime Minister.

What data could you collect?

Below are some examples of the types of personal information that map to the legally 'protected characteristics' in the UK Equality Act 2010. While public sector organisations have generally tended to focus on collecting data on this basis, more progress has been made in the private sector with questions on background and education to give insight on social mobility and even caring responsibilities.

- Age
- Disability
- Gender reassignment
- Marriage or civil partnership
- Race
- Religion or belief
- Sex
- Sexual orientation
- Pregnancy & maternity



Summary

Diversity data make it possible to know what groups of people are in your business today and at what levels. You can also see how attractive you are as a career option for emerging talent.

Collecting aggregated data regularly over time means you will be able to spot patterns and trends to help chart the progress of different groups and spot where you might have an issue.

The general direction of travel is towards greater transparency so get on the front foot for more mandatory reporting of who is in your business and how equally they are treated.

Knowing how your business is doing on diversity is a useful bellwether for your broader cultural progression.

Step two: How to collect data

How do I start?

There are many opportunities to collect data at different times and for different reasons. Here are some examples:

- Snapshot monitoring of employees
- Employee engagement surveys
- Attaching data to confidential HR records

A one-off data monitoring or snapshot survey is an option, but it would need to be carefully communicated to get good traction and the results could be affected by external factors. It's also important to consider its usefulness as it won't be helpful in charting progression. Another option is to ask for diversity information as part of a wider employee engagement survey. This route creates an opportunity to look at the demographic trends to see if different groups are more or less engaged than others but there is a chance people would be concerned that they could easily be identified. Or you can ask people to update their own HR records directly. This route would need to be accompanied by a carefully crafted communication setting out the rationale to build trust around visibility and who would be able to access the data. On the plus side, data captured in this way can be linked to training and development in the employee lifecycle.

Whichever option you decide to adopt, the first step is to think about the information you want in order to design a data monitoring form.

It is important to ask questions in the right way as if phrased incorrectly, some people may be put off participating.

The data monitoring form

- Developing a standard approach to your data monitoring is good practice to ensure you are collecting data in a consistent way.
- The UK Census is useful to refer to for questions on ethnicity and religion, but it is not as helpful for other areas such as sexual orientation or disability for example. In these cases, refer to organisations that focus on particular groups for guidance (such as Stonewall, for example).
- Using standardised questions means that you can benchmark your data against other organisations both within and across sectors.
- It is important that you include an option for people to indicate that they do not want to answer the questions – a 'prefer not to say' option. This option should be available for each individual characteristic.
- Response rates vary among the characteristics, as people maybe more comfortable being asked questions on certain topics so do not be surprised if there are different response rates for different areas. As people build trust in how you store and use the data, you should find that the response rate increases.

LLOYD'S

Demographic Questions – Lloyd's

1. What best describes your Gender?

<input type="checkbox"/> Female	<input type="checkbox"/> Male	<input type="checkbox"/> Non-Binary
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2. Is your gender identity the same as the sex you were assigned at birth?

<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> Prefer not to say
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3. What is your Marital Status?

<input type="checkbox"/> Divorced	<input type="checkbox"/> Legally Separated	<input type="checkbox"/> Living with Partner
<input type="checkbox"/> Married / Civil Partnership	<input type="checkbox"/> Single	<input type="checkbox"/> Widowed
<input type="checkbox"/> Prefer not to say		

4. What best describes your Ethnic group?

<input type="checkbox"/> Asian/Asian British – Indian	<input type="checkbox"/> Asian/Asian British – Pakistani
<input type="checkbox"/> Asian/Asian British – Bangladeshi	<input type="checkbox"/> Asian/Asian British – Chinese
<input type="checkbox"/> Any other Asian background	<input type="checkbox"/> Black/African/Caribbean/Black British – African
<input type="checkbox"/> Black/African/Caribbean/Black British – Caribbean	<input type="checkbox"/> Any other Black/African/Caribbean background
<input type="checkbox"/> Mixed - White and Black Caribbean	<input type="checkbox"/> Mixed - White and Black African
<input type="checkbox"/> Mixed - White and Asian	<input type="checkbox"/> Any other Mixed/multiple ethnic background
<input type="checkbox"/> White - English/Welsh/Scottish/Northern Irish/British	<input type="checkbox"/> White – Irish
<input type="checkbox"/> White - Gypsy or Irish Traveller	<input type="checkbox"/> Any other White background
<input type="checkbox"/> Other ethnic group – Arab	<input type="checkbox"/> Other ethnic group
<input type="checkbox"/> Prefer not to say	<input type="checkbox"/>

5. What best describes your Religion/Faith?

<input type="checkbox"/> Buddhist	<input type="checkbox"/> Christian (including Church of England, Catholic, Protestant and all other Christian denominations)
<input type="checkbox"/> Hindu	<input type="checkbox"/> Jain
<input type="checkbox"/> Jewish	<input type="checkbox"/> Muslim
<input type="checkbox"/> No Religion / Belief	<input type="checkbox"/> Other
<input type="checkbox"/> Sikh	<input type="checkbox"/> Prefer not to say

Please note that this form is for illustration purposes only and is not an actual document that is in use at Lloyd's. Please turn to the Resources section for details of where you can download a sample copy.

HR systems

- Some HR management systems enable people to update their own information directly into the system. This is potentially a quick way to encourage people to participate.
- Often an HR system will have a diversity monitoring form available as a default. Other times, you will need to request the facility from your provider and/or customise the questions that you want to ask.
- If you are planning a new HR system, don't assume that it will work for your needs. Get involved in the initial scoping conversations to let them know what you are going to need in terms of data storage and analysis.
- Another benefit of collecting data via your HR system is that it is easier to generate reports using the existing reporting functionality.

One of the most important things to remember when collecting personal data is that you need to clearly explain what the data will be used for and keep it safe once you have it. Collecting and storing this type of data is covered by the General Data Protection Regulation (EU), also known as GDPR, which regulates the way information can be collected, handled and used. It also gives people rights, such as access to the information, the right to amend information that is incorrect and compensation if things go wrong.

Summary

When you ask for personal information can be as influential as how you ask for it. One example is to piggyback on an employee engagement survey.

Don't reinvent the wheel – there are plenty of great examples of wording to draw on from expert organisations when asking for certain details that can be viewed as sensitive.

Your HR systems provider can be helpful in setting up the system to generate reports, but what you get out will only be as good as what you put in, so be clear about what you want.

Step three: Communicating

Preparing to communicate

Communication is perhaps the single most important thing to get right – the dialogue around data, why it's needed, how it will be used, who sees it and individuals' rights, should be straightforward and transparent.

Employers are allowed to gather and analyse information about employees for equality monitoring purposes as long as they obtain consent. In Europe, the new General Data Protection Regulations (GDPR) set out individuals' rights to know what data is held and their right to see it.

Make it clear to everyone that providing the information is optional and that it will only ever be used at the aggregate level and for diversity and inclusion monitoring purposes. Guarantee anonymity as people are often sharing highly sensitive data.

If information is being collected as a one-off exercise, don't ask for names or personal identification numbers of any kind. Remember, one-off exercises are not as effective as regularly collecting data as they do not allow for aggregating information over time to spot trends and patterns.

Individual data should be protected and securely stored in line with data protection rules. If the information is being stored centrally (on an HR system for example), ensure that everyone knows how their information is being stored and who will have access to it. If someone has undergone or is currently undergoing gender reassignment, you should be especially careful who can access this, information and what is done with it. (ref the Gender Recognition Act 2004)

- Ensure your senior leaders and line managers understand what you are trying to do as they play an important role in encouraging their teams to participate and can add credibility to the exercise.
- The more concrete examples you can include on how the information will be used, the more likely that more people will choose to participate.

General Data Protection Regulations (GDPR) and Consent

As with the Data Protection Act, consent has to be given freely, in specific circumstances and subjects must be informed. The GDPR means that consent has to be clear and indicated by a statement or affirmative action. Passive consent such as pre-ticked boxes will not be sufficient.

inclusiveemployers.co.uk

Rolling out your comms campaign

There are different ways to communicate why you are collecting the data to encourage people to participate. It is important to communicate before campaigns begin so that line managers are aware and can field questions. Similarly, it is good to enrol key senior people as advocates. After the campaign is over, report back on the response rate and what the data is telling you. Think about what engagement methods work best for your organisation:

- Put up posters in key areas such as the staff canteen and/or kitchen areas and colleague toilets
- Include diversity monitoring when reminding people to update other areas of personal data e.g. next of kin, change of address
- Arrange for the CEO or other senior leader/ D&I ally to send an email asking people to participate and outlining why data gathering is an important strategic issue
- Incorporate into your onboarding process, so it is completed automatically as new people join the organisation
- Consider new media messaging eg. internal social media channels (like Yammer and Workplace) as well as video.

Working with employee resource and network groups

If your organisation has employee resource or network groups, they can help in a number of ways when it comes to designing and communicating data collection. They are also a valuable resource to support on subsequent strategy and action planning.

Some firms hold specific sessions with network groups to provide an opportunity for people to ask questions about the data gathering exercise. Others involve their network groups in road-testing the questionnaire and designing the communication plan. Network groups can also help you communicate the results of the data gathering exercise back to everyone and help the organisation shape relevant actions to address any issues.

Advice from Inclusion@Lloyd's Partner Network Groups

- Question phrasing and language is crucial; clunky attempts may be off-putting for certain people, so check your choice of words with the Networks if you are uncertain
- Reassuring people that their data will remain confidential is key (within the LGBT+ community for example, some people may not be out, or may be selectively out in the workplace)
- Enrol senior leaders and divisional heads as role models for data sharing and encouraging their teams to do the same
- Share the data you collect with your Networks as this will help them shape their strategies for the benefit of the organisation
- Use data to dispel myths and attract people from different groups into the organisation.

Summary

Plan your communications carefully and consult the experts about how to frame certain questions to get the best engagement.

Enrol your leaders and D&I advocates to help make the case for providing data and reinforcing that it will be used with integrity to benefit everyone in the organisation.

Work with your network groups as internal consultants – they are a great source of advice and an effective feedback loop for the business.

Successful Communication Case Study

The Land Registry's Declaration Campaign

Land Registry (LR) has successfully implemented internal diversity monitoring to ensure workforce profile, talent management, discipline, grievance and attendance processes can be audited across diversity strands.

Over four years, LR undertook a programme to increase declaration of sexual orientation and religion, where the declaration rate had been lower than for others. The campaign has seen an increase across both areas, from 21% in 2012 to 75%.

Communication campaigns

LR has run three campaigns aimed at increasing declaration rates.

Phase 1: personal emails to all employees from the HR Director asking them to update their personal records; emails to union members; articles on the internal website; and FAQs on the Diversity Intranet. Local diversity champions highlighted the importance of updating personal information via poster campaigns. The Head of Diversity reported monthly on the percentage of employees who had updated; and quarterly to the LR Executive Board.

Phase 2: the Head of Diversity emailed employees who had not yet updated their personal information, alongside other communications, with an immediate increase of 15%.

Phase 3: a video provided a guide for employees on adding diversity information on the HR Portal and reassuring them about confidentiality. Crucially, it outlined the business benefits of obtaining workforce data.

Key tips

Senior buy-in

The biggest driver of success was buy-in from the top. CEO support was essential: he led by example, disclosing his information and expecting his senior leaders to do the same. HR had 100% declaration, strengthening the message on confidentiality.

Communication

LR used a variety of ways to communicate the purpose for obtaining diversity data and gave examples of how it had been used in the past. A team of 'champions' was highly effective, reinforcing official comms with face-to-face contact.

Step four: Reporting and measuring

Analysing and measuring the data

Analysing and measuring progress is the most important outcome of gathering data. Success hangs on how well you communicate why you are collecting data and what you are going to do with it. Sharing what you found out with the workforce and how you are going to use it is essential to build trust for future exercises.

The real value in collecting diversity data is in how you use it to inform your business strategy. Once the data has been collected, the next stage is to analyse it to identify any trends, gaps or issues.

Things to look out for include:

- whether there are differences in representation at different levels, e.g. there are fewer women or ethnic minorities in the senior leadership team
- whether there are differences in application rates from people from different communities
- whether there are some questions that have a lower response rate or a higher 'prefer not to say' rate than others, as this may indicate that people need more reassurance about how the information will be used

Goals and actions

- It is important to report internally on the results of the data gathering exercise. This might include reporting to senior leaders on the results so they can endorse any actions that have been planned.
- If the data can be cut by division, sharing the information with divisional heads encourages them to understand any issues in their specific area and to develop customised actions.
- Organisations report back to staff as part of a transparent culture to explain what the results have shown and also to say thank you for sharing their data. This approach will also encourage people to participate in future data gathering exercises as they will know how their data has been used.
- Data insights can help set organisational goals. For example, if you found people are sharing information about dyslexia, it might inform decisions regarding the purchasing of specific tech solutions. If you find that a high proportion of staff are carers, you might investigate family care options such as the provision of emergency childcare and/or elder care provision.
- You can use data to start further discussions, for example, if you found that your LGBT population were getting lower than average grades on certain development programmes, you could investigate why there was perhaps a lack of engagement or some other reason.

- Data can only tell you who you've got, but if you survey through different channels and cross reference, you can start to look at the experiences for different groups and even debunk myths, for example that the organisation doesn't attract certain groups of people.
- The more advanced organisations publish the data on their websites and/or incorporate it into their branding and recruitment materials.
- Legally, UK organisations with over 250 people must publish their Gender Pay Gap information externally.

Summary

Use the insights from your data gathering to inform your business strategy.

Report back to people internally on what you found and what you are going to do as a result. Feeding back to the business means people are much more likely to participate in future.

Think about your other stakeholders and the possible benefits of communicating your D&I data insights with them also.

Step five: Informing future actions and goals

From data analysis to action

Once you have analysed the data, the next step is to use it to inform action. You could use the data you collect in several ways, for example to:

- Compare it with national demographic statistics
- Compare it with industry standard data and see how representative you are of your sector
- Compare it with regional representational data to see how far your workforce reflects the local community
- See whether your organisation has met its diversity and inclusion objectives
- These comparisons will help you to plan and review your D&I strategy and action plan. For example, the data you collect could be used to help you plan ways to engage with more potential members from under-represented groups.

Setting targets

Targets are achievable, time-based goals that help to maintain focus and demonstrate the organisation's commitment. Basing targets on analysis and baseline data provides a solid foundation for achieving them. Not all organisations are supportive of targets, but they are useful when it comes to measuring progress and effort.

Once you have decided that targets are a useful tool for your organisation, the next step is to consider the business areas you want to measure and the identifiable groups you want to set targets against e.g. increasing the number of women in senior positions or attracting more people from under-represented groups to apply for roles.

Another factor to consider is the data point you use to set your target. Some organisations consider the demographic composition of their client and user base. Others use the demographic composition of the workforce. A common data point is the demographic composition of the country or region in which a firm operates.

To set realistic, achievable targets you need to take a long-term approach and be pragmatic about possible growth, contraction, promotions, and restructuring. It can be difficult to achieve a shift in the numbers over a relatively short timeframe, especially if turnover of staff is low in your organisation.

KPMG Setting and Sharing Diversity Targets

In 2014, KPMG published diversity target zones for achievement by 2018 which were picked up and reported by The Guardian (among others). They focused on: Gender; Ethnicity; Disability and Sexual Orientation. Each year since, KPMG reports progress against these targets in its Annual Report. In 2018 it launched a new campaign called Fairer Futures new inclusion, diversity and social equality targets for 2022.

Gender – Female

Partner	Director	Senior Manager
25%	39%	49%

Ethnicity – BAME

Partner	Director	Senior Manager
11%	15%	22%

Sexual Orientation – LGB

Overall

3%

Disability

Overall

6.7%

Developing Actions

Targets are just one barometer of how inclusive your organisation is – they are not an end in themselves. Be sure to communicate your overall aims rather than focus on one or two data points as this can miss the point.

Other ways of moving to action include:

- Equipping line managers to lead diverse teams
- Ensuring that organisational branding material features people from diverse backgrounds
- Providing opportunities for people to speak up about their experience of working at the organisation
- Introducing D&I-related objectives into performance appraisal processes
- Appointing a senior leader as the accountable executive for building a diverse and inclusive culture

Once internal targets have been set for action and progression, monitoring exercises should be conducted on a regular basis in order to track progress over time.

You may also consider assigning responsibility for progress to relevant roles and include this when setting personal objectives for the year.

Summary

Don't look at your data in a vacuum – compare it with other meaningful sources.

Be realistic about setting targets. Change doesn't happen overnight. Be prepared to take the long view and report against progress.

Don't get hung up on the data when goal setting, diversity is nothing without an inclusive culture that can unlock its benefits so take this into consideration when developing actions.

5 golden rules

- 1.** Be clear from a strategic perspective as to why you are collecting diversity monitoring data and what you want to do with the information linking it to improving the inclusive culture of the workplace to benefit everyone
- 2.** Work with HR and legal partners to comply with your local laws. Remember ethnicity is different depending on where you are in the world and LGBT is viewed differently by certain cultures
- 3.** Communicate effectively to staff and make it really engaging. Share the reasons why you want the information and stress that privacy will be protected
- 4.** Analyse the data and use it to inform your strategic action plan
- 5.** Set targets and develop actions against which you can monitor progress

Appendix: Resources and wider reading

Increasingly we are seeing more organisations choose to report their D&I data collection externally – an area in which the public sector traditionally led the way. Here are some examples of external reporting from both the public and private sectors:

Google:
www.diversity.google/annual-report/

IBM:
www.ibm.com/employment/inclusion/index.html

GLA:
www.london.gov.uk/about-us/jobs-and-working-city-hall/diversity-and-our-values

Ofcom:
www.ofcom.org.uk/about-ofcom/what-is-ofcom/corporate-responsibility/diversity-and-equality

NHS England:
www.england.nhs.uk/about/equality/

The Solicitors Regulation Authority:
www.sra.org.uk/solicitors/guidance/ethics-guidance/guidance-on-the-sra-s-approach-to-equality-diversity-and-inclusion/

The Financial Conduct Authority:
www.fca.org.uk/publication/corporate/annual-report-2018-19-diversity.pdf

Race in the Workplace, The McGregor Smith review, commissioned by the UK Government:
www.assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/594336/race-in-workplace-mcgregor-smith-review.pdf

Business in the community (resources for Age, Gender, Race and Wellbeing):
www.workplace.bitc.org.uk

Open for Business - the business coalition for LGBT inclusion:
www.open-for-business.org/reports

Women in the Workplace 2018 report LeanIn.Org and McKinsey & Co:
www.womenintheworkplace.com

Mind:
www.mind.org.uk

Business Disability Forum:
www.businessdisabilityforum.org.uk

Stonewall
www.stonewall.org.uk

Lloyd's Demographic Questions from page 5 are available to download [here](#). Please note it is for guidance only as no hard copy form exists, this is an online exercise only.

Wider Reading and Additional Resources

PwC Taking the right approach to ethnicity pay gap reporting, March 2019:
www.pwc.co.uk/human-resource-services/assets/pdfs/ethnicity-pay-gap-report.pdf

UK Government Consultation on Ethnicity Pay Reporting, Jan 2019:
www.data.parliament.uk/DepositedPapers/Files/DEP2018-1028/MASTER_BEIS_Consultation_on_Ethnicity_Pay_Reporting.pdf

Inclusion@Lloyd's

Inclusion@Lloyd's is a governing body, comprised of a group of senior executives representing the companies and membership organisations within Lloyd's and the wider insurance market. It provides the governance and strategy to ensure diversity and inclusion best practice is the norm that every insurance firm strives for.

A core pillar of the work that Inclusion@Lloyd's delivers is the development of tools and resources to support managers and individuals looking to create a more diverse and inclusive culture both in their organisations and in the broader insurance sector.

For more information and to access additional reports and resources, please visit the website:

www.inclusionatlloyds.com

In 2015, Inclusion@Lloyd's launched the annual Dive In Festival for Diversity and Inclusion in Insurance. Its mission is to create engaging moments of shared insight and experience that inspire behaviour change at the individual and institutional level to support the creation of inclusive cultures that are good for business and best for people. Over the last five years, Dive In has grown into a global, award winning annual initiative that takes place in more than 60 cities, attracting more than 10,000 people.

www.diveinfestival.com

Established in 2018 by the CEOs of Lloyd's and Zurich, The Inclusive Behaviours Pledge was created to send a clear signal on undesirable behaviour. The pledge invites CEOs from across insurance to demonstrate their commitment to a workplace culture with zero tolerance of abuse, bullying and harassment by becoming signatories.

www.inclusiveinsurancepledge.co.uk

An initiative of

The logo for Inclusion@Lloyd's, featuring the text "Inclusion@Lloyd's" in white, bold, sans-serif font, enclosed within a white circular border.

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