



FALSE DAWNS:

A RESPONSE
TO THREE
YEARS OF D&I
PLEDGES



Foreword

The higher echelons of British business remain one of the least diverse spaces in the world. Men and, in particular white men, prevail.

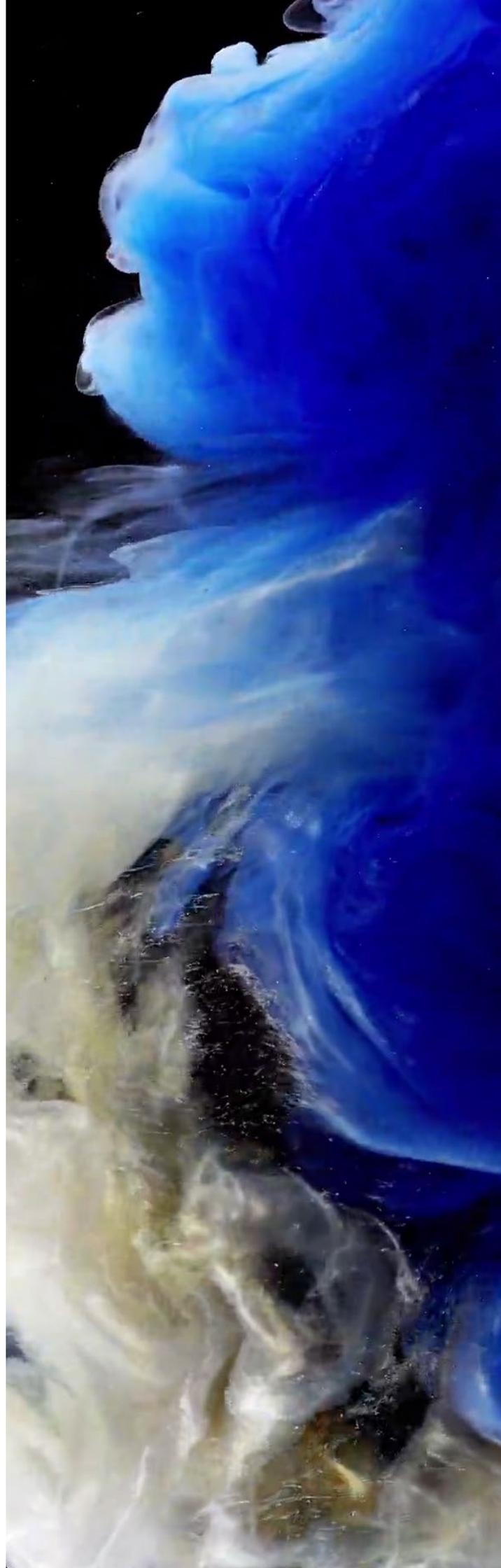
There is just one black CEO on the FTSE 100. The representation on boards in big companies remains well under the national average.

Zyna wanted to shine a light on this situation - but also go further. As well as researching the hurdles which stand in the way of career progression for minorities, we wanted to show the positive factors - the importance of diversity and what companies are missing out on.

Going even further we wanted to do more than bemoan the status quo, we wanted to provide some solutions. So we spoke to successful black business leaders and experts to begin debates, raise awareness and drive issues forward.

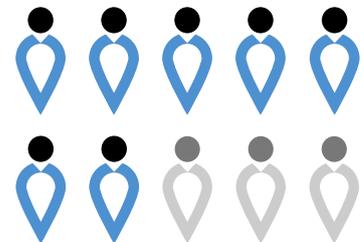
Methodology

Perspectus Global undertook an online survey of 2000 British workers in June 2023. There were also seven interviews with experts on the issue of diversity in the boardroom - two of whom wanted to remain anonymous, and five of whom were happy to be quoted.



Introduction

Our research found that 68 percent of workers from all backgrounds would like to see leadership teams which are more diverse.



There have been many studies and white papers about the lack of diversity in the higher tiers of British business. The annual Parker Review¹ sheds light on the lack of progress, despite all the fine words about the need to increase diversity.

Zyna exists to break down these barriers. We are a black-owned business dedicated to two things: first, helping corporations become more diverse and secondly helping people of colour into the positions that they deserve to be in. Our work doesn't just help under-represented minorities, it also helps corporations thrive. It's not that people of colour are better, it's that everyone deserves the same opportunities. And people in general believe this.

We know that businesses benefit from diverse thinking: in fact, a 2022 study from The Bank of America² found that American GDP was missing out on \$70 trillion of foregone economic output over 30 years because of labour market disparities. It's simple, if companies aren't hiring the best people, regardless of colour, gender or sexuality, it's hitting their profits.

Here, we have researched to find the voice of people of colour, through a large quantitative survey. We've also spoken to some successful diverse thought leaders, asking for their opinions on the state of play in business, what companies are missing out on - and we've also given our recommendations to companies.

Bringing diversity to the top level of business may simply be seen as a fair thing to do, particularly in a culture where this is a tidal wave of racist abuse with very few penalties. But it's vitally important to keep diversity as a mainstay, for not just the sake of justice, but for the sake of our economy, culture - and all the human beings involved in our working life.

1. <https://parkerreview.co.uk>

2. <https://business.bofa.com/content/dam/flagship/bank-of-america-institute/esg/dei-high-cost-of-slow-progress-april-2022.pdf>



PART ONE:

THE SCALE OF
THE PROBLEM

The Scale of the Problem

Lack of diversity is a serious issue. In May 2020 there was a single black CEO in all the FTSE 100 companies - Arnold Donald of cruise company Carnival. After he stepped down there was a year without any at all, now, at the time of writing there is just one black CEO in all the FTSE 100 companies³: Airtel Africa's Segun Ogunsonya. While only eight CEOs are women⁴.

Beyond the FTSE 100, the figures for diversity in management or leadership roles are also disappointing. A study by Green Park⁵ found that in all sectors in the UK, people from ethnic minority backgrounds occupied 4.7 percent of senior leadership roles, despite accounting for 13 percent of the total population.

Zyna's own research backed up these findings. Minority workers told us that they felt overlooked and undervalued.

Our poll of 2,000 adults in full time employment found as many as 57 percent of British black employees believe they have been passed over for a promotion for a role they were fully qualified for.

And as many as 59 percent of those believe this decision was based on the colour of their skin. For all the targets and progress we've made, this is a shocking statistic.

Again, despite the words, pledges and targets, this is a problem that doesn't seem to be coming closer to being resolved. While almost 70 percent of British companies have embarked on various initiatives to address racism in the workplace since the death of

George Floyd in 2020, 61 percent of black employees said they've seen no concrete action.

A finance director who wished to remain anonymous told us:

"It feels like my business is constantly publicising their new push for diversity and inclusion, but the faces you see in the boardroom tell a different story. Every now and then, as a person of colour, I feel like I'm wheeled out to show my face at an event or meeting, but I still don't see more people like me joining the company. Words are not the same as actions."

The study also found that a third of black employees feel that they are not taken as seriously as white colleagues, while 33 percent believe they have been talked to in a patronising manner by senior staff.

A partner in a law firm, who did not wish to be named, explained:

"It took me years to realise it was their problem not mine, it certainly didn't help my confidence when I went for promotions. And I'm quite self-assured. It makes you wonder about the more talented people out there who will just never make it. The opportunity cost is huge."

3. <https://guardian.ng/saturday-magazine/how-airtels-ogunsonya-became-only-black-ftse-100-ceo/>

4. <https://www.raconteur.net/leadership/tse-100s-first-female-leadership-team-overdue>

5. <https://www.green-park.co.uk/insight-reports/green-park-business-leaders-index-2021-ftse-100/>



The Parker Review in 2023⁶ revealed that while progress has been made recruiting directors to boards - mainly in Non-Executive roles - “it remains clear that more progress is required for authoritative roles like Chair, CEO and CFO, as such roles remain worryingly closed”.

This is a massive issue. The reasons we need more diversity are manifold. It’s not simply a moral imperative, though we should be in no doubt that it is. Put simply, diversity is good for business.

Finance lawyer Ama Ocansey explains how she believes that a lack of diversity in the financial sector might have been behind the economic crisis of 2008:

“I have worked on complicated financial structures and wondered if everyone involved understood them. When the financial crisis occurred it became evident that not everyone did. Due to my intersection, I have often been in rooms where I was on the only one. The same people who are the majority, making the same decisions means there is little room

for dissent or challenge. How can you have a sustainable business, be innovative or creative if you surround yourself or work only with like-minded people.”

The Corporate Finance Institute⁷ claims that this kind of groupthink leads to:

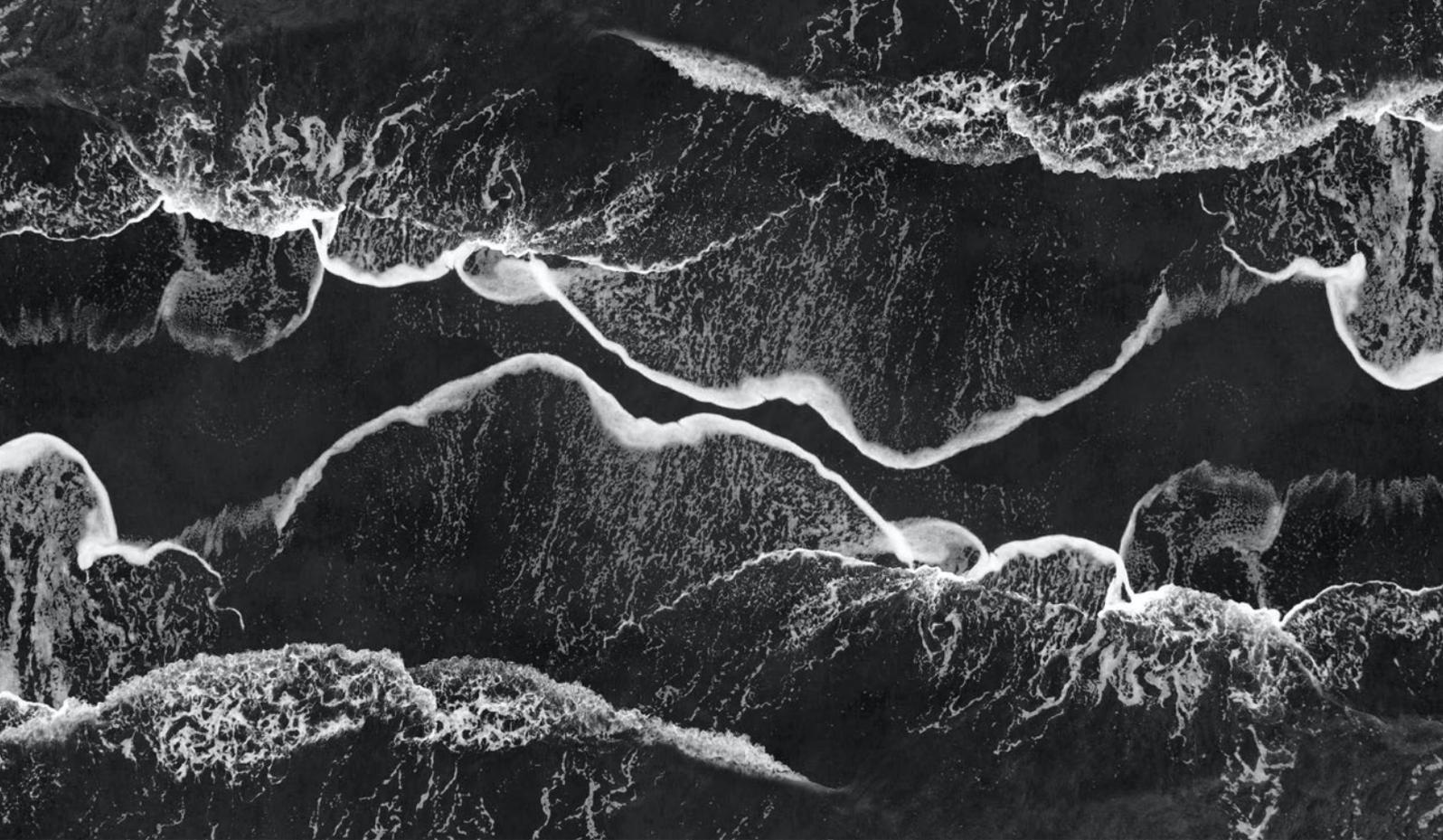
“Bad decisions due to lack of opposition, a lack of creativity, overconfidence which negatively impacts the profitability of an organisation and optimal solutions to problems being overlooked.”

There are also clear advantages to diversity when it comes to R&D. The Bank of America study found that diversity correlates positively with innovation. So much so that the “innovation mindset” - where ideas are shared and facilitate new products or cost-savings - is six times higher in the most diverse workplaces compared to least equal ones. Diversity is worth the effort.

6. <https://parkerreview.co.uk/wp-content/uploads/2023/03/The-Parker-Review-March-2023.pdf>
7. <https://corporatefinanceinstitute.com/resources/management/groupthink-decisions/>



PART TWO:
D&I FAILURES



D&I Failures

Many companies from the FTSE350 have signed up to the Parker Review. In fact in 2020, after the murder of George Floyd, businesses rushed to sign up to diversity pledges. Business in the Community (BiTC)⁸ began the “Race at Work Charter”, the CBI began a campaign for companies to “change the race ratio”⁹ and individual sectors also launched their own, from the British Retail Consortium to the “Talent in Tech” industry bodies. What has become of these pledges and charters?

All major firms will have a Diversity and Inclusion statement. And yet, as we’ve seen, the number of diverse leaders does not seem to have grown - if anything, representation

has got worse. 64 percent of non-white workers in the UK believe that there are fewer Black, Asian and ethnically diverse senior leaders in their organisation than when they joined their current company.

With all the talk and collective action, why are things not moving at the pace we would expect? Experts give their views on the following pages.

8. <https://www.bitc.org.uk/race-at-work-charter-signatories/>

9. <https://www.cbi.org.uk/articles/change-the-race-ratio/>

Amanda Rajkumar

Former Board Member at Adidas



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There's a lack of maturity, commitment and realism to this topic. I'm not massively surprised that you found people thought there was less diversity in leadership positions now. Just in the last year, I have witnessed many Heads of Diversity and Inclusion leaving in droves. Since the murder of George Floyd in 2020, diverse appointments were made which indicated progress, but frustratingly, many were denied the real mandate and power to take progressive action and eventually self-selected out.

Continually being in an environment that fails to make representative change doesn't create the sticky environment for them to remain. Another unseen pressure and rhetoric around that "you're only there because of your colour". I've heard that behind the scenes so many times and even about my own hire. This grinds one down. And then there's the challenge of having to shift and change the culture of the organisation.

You're often having to be the brave one in the room, the only woman or one of 'something' on the board, executive committee or management team. Always in a minority against the group think - and this gets exhausting. You're constantly saying

"Sorry, no, we have to think about this..."

You are that irritating mosquito in the room and you know it creates tension with those unwilling to engage or out of their comfort zone, but we have to have these difficult conversations.

One of the fundamental problems in many organisations is the lack of leadership training which creates a poor management of employees - and this disproportionately affects diverse employees as there is even less courage to take a chance on that person or more often not, they do not provide clear, developmental feedback to support the employee. And that gets worse the higher you rise - so it's much easier to not tell people how to improve, than to have to have the courage, debate and conversation.

As a CHRO I've heard line managers saying "I don't want to tell her that her outputs aren't consistent enough as I don't want to offend or be called out by her in some way". This means the employee fails to receive the proper feedback. It's just not good enough. We have to be better at this, because everyone suffers: the employee can't progress, clients aren't happy and managers are dismally failing on their part in creating diverse pipelines.

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Jessica Neil

CEO of Stephen Lawrence Day Foundation



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There are countless factors that shape a young person’s trajectory as they transition into and through their professional life. Beyond the universal anxieties of adapting to a new environment, young people from communities that are under-represented in corporate spaces have to navigate a perilous obstacle course of systemic biases, and have far less access to the opportunities, mentorship, and vital networks needed to support their progression. Navigating the chasm between the world as they know it, and the outdated workplace norms they are now expected to adhere to, requires an unsustainable level of emotional labour.

Whilst the individual experiences of young people from marginalised backgrounds are complex and nuanced, there is no question that there are collective challenges that must be addressed. To truly tackle representation in our boardrooms we need to overhaul our approach to nurturing early talent. The challenges faced by young people in their formative years, such as incidents of discrimination, racism and systemic bias in primary education, form a context that continues to influence their educational and professional choices for years to come.

The task is to uplift young people of all backgrounds to ensure they begin their careers from a place of confidence and self-belief. This requires a proactive approach from an early age to counteract discrimination, remove hurdles, and address inherent biases.

This may be a multifaceted issue, but creating an inclusive workplace culture that supports soft landings for diverse young talent, allowing team members to not just survive, but thrive, isn’t as complicated as we have been led to believe. The solutions are simple but executing them requires sustained effort and a meaningful commitment to change. The answer lies in creating healthy workplace cultures that promote psychological safety, trust, and a complete rejection of outdated professional norms that are so heavily rooted in white supremacist, heteropatriarchy. Organisations must create the freedom and space for individuals to authentically express themselves, addressing problematic power dynamics and creating frameworks for healthy communication and kind conflict.

Stephen Lawrence Day 2024 “The Power of Learning”, will seek to empower young people through a holistic programme of interventions, equipping them with the knowledge and skills to lead the charge towards a more equitable future.

It has been 30 years since Stephen’s death, and our work in his memory, inspiring a more equitable society for young people from marginalised backgrounds, can only succeed if today’s leaders act now. We need organisations to take tangible steps within their own spheres of influence to ensure that the next 30 years will look meaningfully different from the last.

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David Villa-Clarke

BEM, MBA, APFS



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Black people don't want charity, we want equal opportunities. I'm a black man in Britain and I do not believe that I will be given the same opportunities to progress as a white counterpart with the same qualifications and experience, because of the colour of my skin. However, some people look beyond the colour of my skin and can see that I can add value to their organisation and to the bottom line. But until everyone can look beyond colour and social background, we will always have this challenge.

Education is the key to unlocking class and racial disparities. Even before entering the corporate structure, we need to ensure that everyone has the same access to quality structured education, that not only gives the knowledge, but helps with improving and individuals' social capital.

Unlocking confidence in younger, diverse people or groups from lower socio-economic backgrounds, can really help level the opportunities they get in school, university and then going forwards.

With the Aletto Foundation, working with young people, from low socio-economic backgrounds, we give younger people confidence, pride in who they are and belief in what they can do. They get lessons in how to speak in public, resilience, leadership skills and networking. By teaching these skills, you

open a window that young people can climb through to help improve their opportunities. You can teach these skills, but to a certain extent the application must come from the individual.

Of course, the issues with diversity go deeper. It is proven that diversity is good for business which makes companies more profitable. But to get more diverse faces in boardrooms involves change and driving change doesn't come quickly. There are no easy answers. You can't just use tokenism. For me, there is nothing worse than being employed for the colour of your skin, rather than because you're the best person for the job. I would hate that. And it means that you won't enjoy your job, you won't thrive in it, and you won't want to stay in it.

I am a big believer that you cannot be what you cannot see - so I encourage companies to bring their black and brown faces to the fore. Show people working at an entry level that there are positions at higher levels available to them. Create development pathways that are bought into by the board who has a responsibility to increase profits. Make more of the diverse faces that you have that it encourages others. This can drive lasting organic, systemic change which goes beyond numbers and quotas.

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Mary Fitzpatrick

Global Inclusion Leader and Storyteller



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There are many reasons why there aren't many black people in boardrooms. Lower down, companies are thrilled - they've got diversity in their graduate intake. But the more senior you get, the more you get scrutinised for who you are. I've heard people say "Oh, he's black and he's very polished" and I think "Is he polished or are you just saying he's polished because he's black and you didn't expect it?" There's a bias where black people are not expected to be polished.

Suppositions are made and they're about the qualities of people of colour and they're not good suppositions. From what I've seen, it gets worse the longer your career progresses. So, in the way that there are fewer women as you get towards the top of the tree, there are also fewer black people.

I would say that for the leaders, if they really believe that they want to have diversity at

the top, they have to take it really seriously and there are not many businesses prepared to do that. It's not just about saying, "we need more black people or we need more women". You actually have to work with your talent acquisition team with recruitment. You have to make a long term five year plan and then you have to stick to it. And it's hard because you have other priorities in business.

I think that everybody has a D&I agenda and strategy, but it's actually the detailed forensic approach to that strategy or agenda that will make the difference. You can't just say, "Oh, it's going to happen organically" because it never does. In my experience in financial services, it will default back to "I know this bloke in Nomura. He'll come over or I know a bloke in Lloyds". It needs detailed, forensic change. But it can happen.

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PART THREE:
SOLUTIONS

Solutions

The economies of Britain and Europe are missing out on trillions of pounds thanks to the barriers put up that prevent talent finding its way to the top. The innovation, creativity and possibilities that have been stifled because of a lack of support for diverse leaders is heartbreaking. This must stop now.

But how do companies drive change?

We asked all our experts, including top business leaders, to give us their best ideas for organisations that want to do the right thing by their employees and their profit line.



1. Measure More

An initial audit of your staff is essential. That's the start, and then you need targets. You need to be constantly aware of your data in order to get a handle on the situation.

"While numbers don't tell you everything, and you should go deeper, they do give you a way to work out a starting point. I don't like to congratulate firms for having the targets because I do think it's the first step"

- Mary Fitzpatrick



2. Be more transparent

Targets have been set. Some have been reached. Some have been missed. This might be difficult at first to publicise but it cannot help but lead to a much needed cultural shift.

"It takes a lot of effort and you have to jump through a lot of hoops and nobody wants to do it because it is uncomfortable. But you cannot show the trend and the direction you want to move in, without being open."

- Amanda Rajkumar



3. Give D&I initiatives and teams real teeth

Most people from marginalised backgrounds we spoke to believed that there were many pledges and initiatives made - but they all said that they lacked real-world application.

"I would have D&I KPIS linked to remuneration in the same way they are with profitability. I'm sure you would see real progress then. If companies want to make a difference, they can."

- Jessica Neil



4. Listen more

Setting up groups and organisations for minorities is a good idea, but too often they're then ignored - or worse, treated like nuisances.

"Sometimes they're viewed like resistance movements in organisations. These are your team members! They're telling you very tangibly what they need, so find a budget for it and make it happen."

- Jessica Neil



5. Create a place where your staff can flourish

There are advantages to making a welcoming, caring and flexible environment. Younger workers will expect it. You will increase productivity. But it needs to be consistent and thoughtful.

"It's about the culture of your business and whether you welcome inclusion. It's whether anybody who is different from the norm will feel that when they walk in the door they will be valued and cherished."

- Mary Fitzpatrick



6. Commit to change

It is not going to be comfortable or easy and some determination will be needed to see it through. Acknowledge that there will be difficult moments and proceed nonetheless to reap the rewards.

“Don’t leave diversity and hiring to the last five minutes of a board meeting. If you want to encourage more black and brown faces into your boardroom, make it the first item on the agenda, not the last couple of minutes before any other business”

- David Villa-Clarke



7. Get hiring right

It’s not enough to simply have a list of applicants who are white and middle class. Every role should have diverse options. Firms need to take risks. And they also need to think about the firms they’re using as recruiters.

“In 2020, I was featured in a Guardian article¹⁰ investigating the lack of diversity in the world’s leading executive headhunters, known as the SHREK firms: Spencer Stuart, Heidrick & Struggles, Russell Reynolds, Egon Zehnder and Korn Ferry. Since then, can the same firms now point to themselves practising what they preach?”

Diversity and inclusion has taken many guises since 2020. One particular area often overlooked is the lack of Diversity across supply chains and we wonder why nothing has changed at the board and executive level across our leading FTSE100 corporations. Yet in Westminster the current government is the most representative front bench in our time. How many companies really can boast of a truly diverse search supply chain - one that can demonstrate engagement across all areas and not just tick the box?”

- Marcus Whyte

10. <https://www.theguardian.com/money/2020/aug/17/headhunting-firms-charged-with-diversifying-uk-boardrooms-still-mainly-white>



CONCLUSION

Marcus Whyte

Founder and CEO of Zyna



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At face value it appears that the argument for more diversity has been won. Since 2020, corporations have decided that they want more diversity and inclusion. They have made pledges, put together teams and set targets.

And yet, the frustrating fact is that progress is moving at a glacial pace. Even if we accept boardrooms are not going to become diverse overnight, the statistics are disheartening. There needs to be more progress.

Most D&I efforts post 2020 lost steam because companies failed to change the culture before trying to introduce diverse talent. Diversity is a product of a healthy culture that accepts differences and doesn't otherize individuals. Until companies commit to fundamentally changing their culture, diversity efforts will be performative and quota based at best.

If there is a genuine will, and we believe there is, companies must take action. They must do the hard work no matter how uncomfortable it makes them.

Albert Einstein said: "Insanity is doing the same thing over and over and expecting different results". That's what is happening in British business at the present day.

What I would like to ask business owners, leaders and decision makers is: "Going beyond words and pledges, what active changes have you made in the last three years?" And given the statistics we present here: "is there more I could do?"

The good news is: We're here to help.

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APPENDIX

About our Experts



David Villa-Clarke

David Villa-Clarke BEM, MBA, APFS is the founder and director of DVC Wealth Management Ltd. Where he manages client's money and ensures that they are fully protected for whatever curve balls life may throw at them. He advises on Investments, Pensions, Inheritance Tax and Protection planning for personal clients and SME's.

David is a Chartered Financial Planner, who completed his MBA at Cass Business School in 2014. Featured in the Times newspaper as a top-rated adviser by Vouched for, David takes great satisfaction in helping clients to reach their financial goals.

David is also the CEO of the Aleto Foundation, a social mobility charity, which works with young people between the ages of 18–25 on developing their leadership skills.

He is also the current President and Founder of Project Volunteer, a charity that works with over 500 orphans in Botswana.

His passion lies in mentoring individuals, companies, or NGOs to achieve their full potential, whether that be personal or financial.

David was recognised for his services to charity with the British Empire Medal in the Queen's 2017 New Year's Honours list.

He currently supports three main charities:

Project Volunteer, <http://www.project-volunteer.org/>

The Aleto Foundation, <https://www.aletofoundation.org.uk>

Cardboard Citizens. <https://cardboardcitizens.org.uk/>

Watch David's TEDx talk here:

<https://www.youtube.com/watch?v=ATJ2HGiwo40>



Ama Ocansey

BNP Paribas: Director, UK Head of Diversity & Inclusion

Ama provides thought leadership and is responsible for the development and execution of BNP Paribas, diversity, equity, inclusion and belonging strategy. Ama is also a qualified Solicitor of England & Wales and began her career at the international law firm Linklaters LLP, where she practised in their London and Tokyo offices.

Ama focuses on emerging capital markets and cross-border transactions. Ama is a Non- Executive Director and currently sits on the board of two finance subsidiaries. Ama is a multi-award winning D&I professional and was named “Head of Diversity of the Year” at the European Diversity Awards, “Diversity Lead of the Year” at the Women in Finance Award and one of the Most Influential Leaders in EMEA. Outside of work, Ama is keynote speaker and also mentors junior City lawyers and upcoming executives.



Mary Fitzpatrick

Mary is an experienced global Inclusion leader who has delivered cross platform strategies for companies that include Channel 4, BBC, GE, NatWest Markets and Rolls-Royce.



Jessica Neil

Jess Neil, CEO of The Stephen Lawrence Day Foundation, is a proud intersectional feminist and anti-racist leader, with a passion for empowering socially ambitious organisations to align their actions with their core purpose. Drawing upon her rich experience of leadership across sectors, Jess works alongside her team at the Foundation to drive change, advocate for social justice, and inspire a more equitable society for young people in Stephen’s memory.



Amanda Rajkumar

Amanda Rajkumar has been the Executive Board Member for Human Resources, People & Culture at Adidas since January 2021. In her role, she is responsible for executing the People Strategy and for ensuring a positive employee experience for adidas employees. In this capacity, Amanda also serves as the Labor Director (Arbeitsdirektor). In September 2022, Amanda was awarded the Female Allstar Board of 2022 by Handelsblatt and Bain & Co.

Amanda joined adidas from BNP Paribas, where she held various global HR leadership roles based in Europe and the US. Most recently, she was the Chief Human Resources Officer for the Americas region, including Latin America and with responsibility for the Intermediary Holding Company of BNP Paribas in the Americas overseeing the retail and wholesale divisions.

Prior to this, Amanda held various senior HR leadership and managerial positions at JPMorgan Chase. Amanda began her professional career as a research psychologist before joining the London-based recruitment consultancy JM Management.

Amanda holds a Bachelor of Science degree in Psychology from Goldsmiths College, London University, UK.

Amanda is an avid musician and has a particular passion for singing and has established numerous employee choirs over the course of her career.

Embracing the power
of diverse thinking.

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