

**Bridge  
Group**  
**research  
action  
equality**

**Guidance**

**Monitoring socio-  
economic  
background in the  
workforce**

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# Background

Diversity in the professions with respect to socio-economic background is receiving much attention, motivated primarily by concerns about equality and access to talent, and in response to pressure from policy-makers and the media. Considerable research underscores the challenge of access, and highlights the main contributing factors, which include educational attainment, the development of soft skills, careers guidance, university access, significant financial obstacles, access to work experience, and the recruiting practices of some employers.

Socio-economic diversity is the only diversity strand where a higher proportion of employers have a strategy to promote it, compared to the proportion of employers that measure it.<sup>1</sup> Reforms to policies and practices in this area should be informed by robust evidence and evaluated effectively. Diversity and inclusion is about people, but our understanding of the factors that affect recruitment, attrition and progression is also dependent on robust data collection and analyses.

Data collection requires precision about how socio-economic background is measured, and uniformity across employers is desirable, partly so that benchmarking between organisations is possible. This briefing draws on research undertaken over the last five years, including a recent research project that the Bridge Group undertook in partnership with the Cabinet Office.<sup>2</sup> We also draw on our many years of experience of working with employers on this topic, and having designed and delivered socio-economic workforce diversity surveys at, for example, the BBC, KPMG, and Pinsent Masons.

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<sup>1</sup> Annual Survey from the Association of Graduate Recruiters (now the Institute of Student Employers).

<sup>2</sup> Available here: <https://www.gov.uk/government/publications/socio-economic-diversity-in-the-fast-stream-the-bridge-report>. For more information, see <https://www.gov.uk/government/consultations/establishing-common-measures-of-socio-economic-background>.

# Questions relating to socio-economic diversity

**Socio-economic background (SEB) is the set of social and economic circumstances from which a person has come.** There is a significant body of research to show that SEB is closely correlated with individual and societal outcomes, including occupation, wealth, education, and health. This should be differentiated from measuring social mobility per se, and from measuring socio-economic status (SES, which is a measure of a person's current circumstances).

How we measure SEB is therefore important, but it is also challenging, not least because no single measure can comprehensively reveal an individual's SEB. The socio-economic circumstances affecting progression to, and within, the workplace come in multiple forms, including financial, cultural, geographical and educational.

There are several criteria against which any measure of SEB should be assessed. These are outlined in the table below.

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| <b>Accurate measure of disadvantage</b><br>Reflects what it purports to measure, i.e. socio-economic background, such that lower status can be reasonably assumed to have the potential to adversely affect educational progression and access or progression in the workplace.<br>Consideration should also be given to the applicability of the measure to those who were not raised in the UK. |
| <b>Comparability</b><br>Measures can be compared across employers, by an employer over time, and against eligible candidate populations (e.g. populations in higher education).   |
| <b>Likely to elicit a response</b><br>Measures are not considered so sensitive or intrusive that they lead to a low response rate, or the information may be hard to recall. Answers to the measures could easily be recalled or obtained. This is not a matter concerning individual measures, but also in aggregate.  |
| <b>Clarity of the measure</b><br>The measure is easily understandable, allowing consistent application and consistent interpretation by employees and applicants.   |
| <b>Longevity of measure</b><br>The measure (and where relevant its underpinning data) will be available and relevant in the foreseeable future.   |

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| <b>Question 1</b> | <b>Which type of school did you attend for the most time between the ages of 11 - 16?</b>   |
| <b>Notes</b>      | Across most sectors this is the measure of SEB that has been in place for the longest time. It is well-established and can be used to benchmark against UK populations and peer employers.  |
| <b>Options</b>    | <input type="checkbox"/> A state-run or state-funded school <ul style="list-style-type: none"> <li><input type="checkbox"/> Selective on academic, faith or other ground</li> <li><input type="checkbox"/> Non-selective</li> </ul> <input type="checkbox"/> Independent or fee-paying school<br><input type="checkbox"/> Attended school outside the UK<br><input type="checkbox"/> I don't know<br><input type="checkbox"/> Prefer not to say |

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| <b>Question 2</b> | <b>If you finished school after 1980, were you eligible for Free School Meals at any point during your school years?</b><br>Free School Meals are a statutory benefit available to school-aged children from families who receive other qualifying benefits and who have been through the relevant registration process. It does not include those who receive meals at school through other means (e.g. boarding school). |
| <b>Notes</b>      | Across most sectors this measure of SEB has also been in place for a long time. It is well-established and can be used to benchmark against UK populations and peer employers.   |
| <b>Options</b>    | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> Not applicable (finished school before 1980 or went to school overseas)<br><input type="checkbox"/> Don't know<br><input type="checkbox"/> Prefer not to say   |

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| <b>Question 3</b> | <b>What is the highest level of qualification achieved by either of your parent(s) or guardian(s) by the time you were 18?</b>   |
| <b>Notes</b>      | This measure is well-established and can be used to benchmark against UK populations and peer employers. There has been a persistent wage differential between those that are educated to a higher level and those that were not <sup>3</sup> , which could limit access to higher education for non-university attendant's children.  |
| <b>Options</b>    | <input type="checkbox"/> Degree level or Degree equivalent or above (for example first or higher degrees, postgraduate diplomas, NVQ/SVQ Level 4 or 5 etc.)<br><input type="checkbox"/> Qualifications below degree level (for example an A-Level, SCE Higher, GCSE, O-Level, SCE Standard/Ordinary, NVQ/SVQ, BTEC etc.)<br><input type="checkbox"/> No qualifications<br><input type="checkbox"/> I don't know<br><input type="checkbox"/> Prefer not to say<br><input type="checkbox"/> Not applicable |

In relation to the question below, the Office for National Statistics' guidance on the derivation of NS-SEC from the four questions on parental occupation is available in the Appendix.

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| <b>Question 4a</b> | <b>Please tell us about the occupation of your main household earner when you were aged 14.<sup>4</sup> If this question does not apply to you (because, for example, you were in care at this time), you can indicate this below.</b>                                       |
| <b>Notes</b>       | NS-SEC is a measure of employment relations and conditions of occupations, published by the Office of National Statistics. These are central to showing the structure of socio-economic positions in modern societies and helping to explain variations in social behaviour, |

3 Lindley, Joanne & Machin, Stephen, 2011. "Rising Wage Inequality and Postgraduate Education", CEP Discussion papers dp1075, Centre for Economic Performance, LSE.

4 Note that the age of 14 is specified here as research highlights that parental occupation at this age is the strongest predictor of adult outcomes.

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|  | <p>progression and other social phenomena. This measure provides some sense of scale of disadvantage, and parental occupation is a strong determinant of someone's life chances.<sup>5</sup> The methodology for classifying parental occupation is well-established in the academic literature, and used in the national census, and the Labour Force Survey.</p> |
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**Please tick one box to show which best describes the sort of work your primary household earner undertook at this time.**

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|  | <ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Modern professional occupations</b> such as: teacher, nurse, physiotherapist, social worker, musician, police officer (sergeant or above), software designer.</li> <li><input type="checkbox"/> <b>Clerical and intermediate occupations</b> such as: secretary, personal assistant, clerical worker, call centre agent, nursery nurse.</li> <li><input type="checkbox"/> <b>Senior managers or administrators</b> (usually responsible for planning, organising and co-ordinating work, and for finance) such as: finance manager, chief executive.</li> <li><input type="checkbox"/> <b>Technical and craft occupations</b> such as: motor mechanic, plumber, printer, electrician, gardener, train driver.</li> <li><input type="checkbox"/> <b>Semi-routine manual and service occupations</b> such as: postal worker, machine operative, security guard, caretaker, farm worker, catering assistant, sales assistant.</li> <li><input type="checkbox"/> <b>Routine manual and service occupations</b> such as: HGV driver, cleaner, porter, packer, labourer, waiter/waitress, bar staff.</li> <li><input type="checkbox"/> <b>Middle or junior managers</b> such as: office manager, retail manager, bank manager, restaurant manager, warehouse manager.</li> <li><input type="checkbox"/> <b>Traditional professional occupations</b> such as: accountant, solicitor, medical practitioner, scientist, civil /</li> </ul> |
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<sup>5</sup> Erikson, Robert & Goldthorpe, John H., 2009. "Income and Class Mobility Between Generations in Great Britain: The Problem of Divergent Findings from the Data-sets of Birth Cohort Studies," Working Paper Series 4/2009, Stockholm University, Swedish Institute for Social Research.

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|                    | <p>mechanical engineer.</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> <b>Long term unemployed</b> (claimed Jobseeker's Allowance or earlier unemployment benefit for more than a year)</li> <li><input type="checkbox"/> <b>Retired</b></li> <li><input type="checkbox"/> This question does not apply to me</li> <li><input type="checkbox"/> I don't know</li> <li><input type="checkbox"/> I prefer not to say</li> </ul> |
| <b>Question 4b</b> | <b>At age 14, did the main household earner in your house work as an employee or were they self-employed?</b>  |
| <b>Options</b>     | <ul style="list-style-type: none"> <li><input type="checkbox"/> Employee</li> <li><input type="checkbox"/> Self-employed with employees</li> <li><input type="checkbox"/> Self-employed/freelance without employees</li> <li><input type="checkbox"/> Not working</li> <li><input type="checkbox"/> I don't know</li> <li><input type="checkbox"/> Prefer not to answer questions about parental occupation (skip remaining questions)</li> </ul>  |
| <b>Question 4c</b> | <p><i>Where 4b is employee:</i> <b>How many people worked for your main household earner's employer at this time?</b></p> <p><i>Where 4b is self-employed with employees:</i> <b>How many people did your main household earner employ at this time? Move to question 4d when you have completed this question.</b></p>  |
| <b>Options</b>     | <ul style="list-style-type: none"> <li><input type="checkbox"/> 1 to 24</li> <li><input type="checkbox"/> 25+</li> <li><input type="checkbox"/> I don't know</li> </ul>  |
| <b>Question 4d</b> | <b>Did they supervise employees?</b>   |

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| <b>Options</b> | <input type="checkbox"/> Yes<br><input type="checkbox"/> No<br><input type="checkbox"/> I don't know |
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## Driving up Response Rates

High response rates to diversity monitoring questions are important, because they: provide more accurate monitoring of the recruitment and retention of staff; indicate the impact of policies and practices on different groups; and provide a greater depth of understanding of inequality, and areas for action. The Equality Challenge Unit<sup>6</sup> outline several factors which can influence an individual's decision to disclose equality information, which are corroborated in our own work, including:

- > understanding the relevance of the information to the organisation and their experiences at work;
- > the culture of the institution – whether it is open and inclusive or if there are concerns about possible discrimination;
- > availability of information on the uses and confidentiality of their details;
- > opportunities to disclose information on an ongoing basis; and
- > whether they relate to the options available in monitoring questions.

Applicants and staff are more likely to engage with a diversity monitoring exercise if they see it as an integrated part of an organisation's strategy for promoting inclusivity and increasing accessibility. A proactive approach to making diversity commitments visible internally and externally, and celebrating achievements, will help to ensure that respondents feel positive about monitoring, and confident that it will be of benefit. Planning a monitoring exercise to coincide with other diversity activity, for example a 'diversity month', or to help inform the launch of a strategy, may help build an atmosphere for disclosure.

Visible senior management involvement can have a positive impact. Share examples of how diversity monitoring information has informed initiatives, and helped to remove barriers for staff and other stakeholders.

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<sup>6</sup> See <http://www.ecu.ac.uk>.



Some respondents may be concerned that information could disadvantage them, or encourage discrimination or harassment. It is important to explain why the data are being collected, how the data will be used, and who will have access. It is critical that any exercise to collect information communicates:

- > whether individuals will be identifiable from the data;
- > whether the information will be stored separately from personal details (i.e. in applications, and / or in the HR system);
- > who will have access to the information;
- > whether disclosure will lead to further contact from the organisation (for example sharing information about support services or events related to a protected characteristic), this is generally discouraged; and
- > the systems and safeguards being used to safely store and analyse the data in line with the Data Protection Act 2018.

Additional questions that demonstrate commitment to understanding the issues affecting particular groups might help to persuade staff of the benefits of disclosure. For example, 'How well does [our organisation] enable you to meet your religious obligations while at work?' or 'We want our workplace to be inclusive and welcoming of all staff – is there more we could do to improve your experience?', can go a long way in reinforcing this commitment.

# Appendix: Deriving the NS-SEC

The National Statistics Socio-Economic Classification (NS-SEC) is a multi-layered classification scheme. In its most detailed form it has 17 different groups, but can be collapsed down to five- and three-category versions. The self-coded method uses the information from the four questions presented previously to approximate an individual's position in the NS-SEC scheme.

The questions on employment status, employer size and supervisory status are used to derive an individual's overall employment position. This derived position variable is then combined with the question on occupation to identify which of the following five NS-SEC classes the individual belongs to:

- > Higher managerial, administrative and professional occupations
- > Intermediate occupations
- > Small employers and own account workers
- > Lower supervisory and technical occupations
- > Semi-routine and routine occupations

An NS-SEC position can then be calculated for each of the respondent's highest earning parent, guardian or carer. If information is missing for one of more of the questions for then no NS-SEC position is calculated.

It is also possible to use the reduced three-class NS-SEC scheme:

- > Higher managerial, administrative and professional occupations
- > Intermediate occupations ("Intermediate occupations" and "Small employers and own account workers")
- > Routine and manual occupations ("Lower supervisory and technical occupations" and "Semi-routine and routine occupations")

The ONS advise caution when interpreting the three- class and that it should not be directly interpreted as a hierarchy like the older schemes of Social Grade and Social Class. The meaning of the "intermediate occupation" class is not the same as in older classification schemes because it includes the self- employed. Similarly, "routine and manual occupations" class should not be considered to replicate the older distinction between "manual" and "non-manual" work, as "changes in the nature and structure of both industry and occupations have rendered this distinction outmoded and misleading."