

# The Good Jobs Project

The purpose-driven approach to to the UK's Labour Shortage

~ Concise overview ~

The Good Jobs Project is a collaborative initiative aimed at addressing the pressing issue of labour shortages in the UK. Our goal is to promote purpose-driven recruitment strategies that prioritise the inclusion of marginalised groups and support social mobility. By intentionally targeting individuals who face barriers to employment, we aim to create a more diverse and inclusive workforce while addressing the labour gap faced by businesses. It is designed to help businesses flourish in a way that benefits the most disadvantaged groups in society.

## Key findings - Challenges

- ▶ **Relatively high awareness of the opportunity is not turning into action:** While many businesses express awareness of the benefits of diverse recruitment, there is often a gap between awareness and tangible action. >> 70% of employers felt that more than half of the marginalised groups we asked about could fit well in their organisation, yet only about 20% were taking steps to recruit from most of the groups.
- ▶ **Some groups are even more distant from good jobs than others:** Disparities exist in access to quality employment opportunities among marginalised groups. These can also be amplified for individuals facing intersecting forms of marginalisation. >> About 87% of employers said that groups such as single parents and ethnic minorities could fit well in their organisation, compared with 49% for people with criminal records.
- ▶ **Investors need more evidence:** For investors to be active influencers of business behaviour, they need greater evidence on the material impacts of these issues in their portfolios. While some research exists to date, there is not enough for the evidence to be widespread.
- ▶ **There should be further development of the standards and tools used to collect consistent and comparable data that informs investor decision-making:** Improved data collection and reporting on diversity and inclusion practices are essential for investors the ESG frameworks they use to drive positive change and hold businesses accountable.
- ▶ **Organisations have different needs; there is no one-size-fits-all solution:** No two businesses are alike. Different approaches are needed to incentivise and support business of different sizes, sectors, ownerships and more. >> 22% of micro businesses felt that grants would encourage them (10 points above avg.), 25% of small businesses felt that partnerships with specialists would encourage them (12 points above avg), and 7% of large businesses felt that more evidence would encourage them (14 points above avg.).
- ▶ **Ensuring candidates are work-ready can increase diverse recruitment:** Equipping candidates from marginalised communities with the necessary skills via training and other support programs is vital for their success in the workplace.

## Key findings - Opportunities

- ▶ **The Equality, Diversity & Inclusion (ED&I) agenda is pivotal but needs to go further than the protected characteristics of the Equality Act:** Prioritising equality, diversity, and inclusion in recruitment practices is crucial for unlocking the untapped potential of marginalised groups and bridging the labour gap. >> 79% of employers felt that diversity in the workplace, in relation to the groups in our survey, is beneficial to any organisation.
- ▶ **Inclusion needs to be a conscious and intentional effort:** Many well meaning businesses believe that they are inclusive but are exclusionary in practice. More can be done to educate them so that they can embrace intentional and purpose-driven recruitment strategies to drive meaningful change and unlock the full potential of diverse talent. >> About a quarter of respondents said they recruited from diverse groups specifically to combat misconceptions and change societal mindset, demonstrating that working along marginalised colleagues can help to break down negative preconceptions.

- ▶ **Financial incentives are crucial to de-risking the recruitment of marginalised groups:** Financial incentives and support mechanisms can encourage businesses to engage in inclusive recruitment practices, enabling businesses to make the necessary adaptations to ensure a fair and level playing field for all candidates and employees.

“Clients say they want more inclusive candidates but not at the cost of changing everything. That’s when the conversation disappears.” **Graham Drew, Founding Director, Bamboo Recruitment**

- ▶ **Businesses want to learn from other businesses:** Knowledge-sharing and collaboration among businesses are invaluable for accelerating the adoption of inclusive practices. Learning from successful case studies and sharing best practices can drive systemic change.

“It’s a good moment. There’s a push from the government and there’s a pull from the employment market. Lots of people want to appoint prison leavers but they don’t know what to do. We got together and designed a workshop to just dish out everything we know and share the learnings we’ve made over the years.” **Annie Gale, Head of RAW Talent and Apprenticeships, COOK**

- ▶ **Partnerships with intermediary organisations make a huge difference in supporting businesses to recruit from marginalised groups:** Intermediary organisations play a critical role in facilitating connections between businesses, marginalised communities and individual candidates. Partnerships and collaborations provide training, guidance, resources, and support that can lead to successful and sustainable recruitment practices.

## A REFORM AGENDA

While some businesses are already taking a proactive approach, most are not and the practices are not mainstream or equally applied to all marginalised groups. Purpose-driven recruitment presents a sustainable solution to the labour shortage in the UK while promoting inclusivity and addressing systemic barriers. By adopting the following recommendations, policymakers, investors, and support bodies can collectively create an environment where intentional and targeted recruitment of marginalised groups becomes the norm.

- ▶ **Government:** We call on the government to implement policy reforms that incentivize inclusive recruitment, support marginalised individuals, and ensure equal access to quality employment opportunities. Specifically:
  - Provide a 12 month employee National Insurance holiday to lower the financial risk for employers
  - Adopt our reform package to make the Apprenticeship Levy more accessible to marginalised groups
  - Develop a centralised knowledge bank to make it easier for business to recruit from marginalised groups
- ▶ **Investor-focused organisations:** Investors and ESG frameworks should demand better data transparency, encourage businesses to prioritise diversity and inclusion, and integrate these factors into investment decisions.
  - Influential publications to provide more empirical evidence of the impact of expanding the ED&I agenda on financial materiality
  - Investor-focused campaign groups to encourage investors & ESG aggregators to prioritise employment of marginalised groups
  - The WDI, or similar, to create a platform to provide consistent and comparable investor data
  - Investors to build the case to increase younger and marginalised voices on boards
- ▶ **Business Networks & Support Bodies:** Business networks and support bodies can play a pivotal role in facilitating knowledge-sharing, providing resources, and offering practical support to businesses as they navigate purpose-driven recruitment.
  - An ambitious initiative to improve business network coordination to make best practice common knowledge
  - Starting and expanding issue-based employer forums to maximise peer-to-peer learning, along the lines of EFFRA