The governance of EDI

In our bulletin series last year we noted that the death of George Floyd in the US had reignited the global debate about systemic racism. It is an issue that has blighted public life for too long and, as we said last year, in our efforts to tackle it no organisation – including our NHS – should be exempt from scrutiny.

It was one of several GGI bulletins on this difficult and intractable issue, which had already been thrown into stark relief across the UK and beyond by the disproportionate impact of COVID-19 on people from BAME backgrounds.

As we draw to the close of Race Equality Week, the time feels right to reflect on the progress that's been made since that bulletin was published in May 2020 and ask ourselves what can be done to accelerate improvements.

The short answer is that there has been not enough progress. Opening our webinar for non-executive directors this week, Faisal Hussain, a non-executive director at Leicestershire Partnership NHS Trust, said: "Some trusts have come through the pandemic and learnt a lot about race and health inequalities in this country.

"The pandemic has very cruelly highlighted the disparities and disproportionate impact faced by some in our communities. Have we responded quicky enough to these issues? In some cases we have but in many cases we have not and are still behind the curve."

Data

There is no shortage of information on this problem. But data alone is not enough to bring about change. These stark realities illustrate how badly that change is needed:

*   According to the Office for National Statistics, there is a 23.8 percent pay gap in London, a 12.7 percent pay gap in Yorkshire & Humberside, and a 10.3 percent pay gap in Scotland. Overall, the ethnicity pay gap is standing at £3.2bn in the UK.

- The NHS is one of the world's biggest employers – yet there is barely a handful of boards where the c-suite is representative of the population it serves.
- The UK corporate world is no better: in 2017, over 50 percent of FTSE 100 companies had no ethnic minority directors and black, Asian and minority ethnic board members made up just 8 percent of the UK's total.

Action, not words

The term BAME can be an excluding categorisation. It is certainly not nuanced enough, but we must equally not get side-tracked into discussions about words. We need to name the problem for what it is: racial inequality. The starting point is to recognise this is an issue of justice, addressing systemic inequity and creating changes which have measurable and lasting impact.

For boards, the statistics for racial inequality as regards senior leadership are shocking, but EDI is an issue that goes beyond addressing just representation on a board. That is just the start. Boards need real connection to the lived experience of the communities served and clarity on what actually needs to change in terms of opportunity.

GGI is working through how to embed EDI in governance. There is no one way of doing this. So we are supporting public sector organisations through the process of diagnosis they need to do about services, culture and people and the development with staff and service users of the transformations that are needed as a result.

Governance is partly about fairness but good governance is also about creating both ethical culture and legitimacy. Boards are bogus as organisational leaders without that continuing connection to the impact of injustice on people. Boards need to think through issues of accountability and responsibility which will change that impact for good.

The current rush to engage with EDI is to be welcomed, as long as it is not just a tick box exercise built around corrective training or addressing deficits. The focus must be on deep cultural change which staff and the public can see rebalancing power and opportunity. It is the visible outcomes not the stated intent by which boards should rightly be judged.

Ultimately, this is about changing the numbers. In a GGI blog last year, Diversity by Design partner Simon Fanshawe said: "No amount of virtue signalling will substitute for changing the number of talented black and brown people whom you promote in your organisation into senior roles. Change the numbers. That's one way of stopping the reproduction of racism."

Commitment to change

The past few months has seen some promising signs, with more people coming forward ready to start the uncomfortable conversation about equality diversity and inclusion in their own organisations.

Let's build on that momentum by making a commitment to sign up to the following statements about EDI and its governance:

- As leaders and board members we will take positive actions to ensure our workforce is diverse. Our commitment to senior leadership diversity will be visible through our future pipeline and succession planning.
- We will govern our commitment to EDI by going beyond minimum reporting requirements.

- We will challenge our employment practices against the highest anti-discriminatory standards.
- We will equip our workforce and develop our culture so we better understand and appreciate equality, diversity and inclusion.

Illuminations

- We must recognise this for what it is: an issue of justice, addressing systemic inequity and creating changes which have measurable and lasting impact.
- Engaging with EDI is to be welcomed but it must be more than a box-ticking exercise – actions speak much louder than words.
- Good governance is about creating ethical culture and legitimacy – boards

If you have any questions or comments about this briefing, please call us on 07732 681120 or email **advice@good-governance.org.uk**