

## **Summary of the Highways Agency Supplier Diversity Day** **27<sup>th</sup> April 2009**

### **BACKGROUND**

Following work and consultation with our Industry Advisory Group (IAG) it was recognised that many of our suppliers would benefit from, and welcome further explanation of the Agency's approach to diversity and the Agency's expectations of our supply base in terms of Diversity.

In order to begin to address this issue we held a Supplier Diversity Day.

The aim of the day was to communicate the Highways Agency's approach to diversity, raising awareness of current issues and understanding the issues suppliers face. We also wish to ensure our suppliers are encouraging a diverse supply chain that is promoting fairness for all and a positive corporate image and complying with all legislation.

Attendees were representatives of all current and prospective 1<sup>st</sup> tier suppliers and a good cross section of Highways Agency staff with representation from NO and MP.

*N.B The event was conducted in the context of challenging economic climate for the construction industry. It was recognised that some of the intended actions were a vision for the future and would be difficult to implement without a more stable economy.*

### **SUMMARY OF THE DAY**

Throughout the day presenters communicated their knowledge and experience of the issues the Agency and our suppliers face.

These included –

- What are our legal duties?
- How the Agency and suppliers can support a shift in culture in order to fully grasp these duties.
- What Highways Agency Procurement has done to support our duties as a public authority including actions to incorporate diversity within the selection process.
- How 3<sup>rd</sup> Sector Organisations can help our organisation and our supply chain.
- What Transport for London's approach is to supplier diversity and what we can learn from them. Including: strategic planning, training plans, communication plans and the measurement of success.

- Diversity within the Capability Assessment Toolkit, recognising the benefits of a diverse workforce and harnessing these benefits.

A table discussion was held with the questions ***“What are suppliers doing to support the Agency’s approach?” and “What more could/should be done?”***

These discussions lead to full engagement by all attendees including suppliers and the Highways Agency. This will hopefully encourage commitment in implementing the recommendations/key points.

### **KEY POINTS ARISING FROM THE DAY**

The key points arising from this facilitated discussion are as follows

Positive action/support for women graduates

- This will encourage women to apply for graduate schemes and retain them in the organisation once the scheme has been completed.

Each organisation should have an action plan, with commitment from the board, including KPIs actions and owners.

- Action plans will ensure understanding and compliance within the organisation of the issues and encourage positive action.

Consideration of the issues surrounding the culture of the organisations and remove any barriers to employment, including issues around shifts, long hours, site work and driving.

- These issues may not be attractive to employees with particular family responsibilities or disabled applicants. Possible barriers could be childcare arrangements and mobility.

Targeted mentoring to encourage diversity at senior levels.

- Companies are becoming increasingly aware of the male dominated culture at senior level within the construction industry. Mentoring and succession planning of female staff will encourage progression into senior positions. However, the benefit of mentoring should be applied to any competent member of staff that the organisation wants to encourage not just female employees

Organisations need to reflect the cultural make-up and also the needs of the local community – clarity about what is required.

- Supporting the local community by creating jobs for local people within the community will help stimulate the local economy. It will also help understand the market in which we are operating in, which can encourage change, resulting in us providing a better service.

Overall image of the industry needs revising.

- Actions that can be taken to change it are: stressing breadth of opportunity, for example the construction industry is not just about engineers but also about project management, contract management, procurement, HR etc.

Do we really know the barriers that are stopping people coming into the industry?

- We need to understand what the barriers are before we can seek to remove them; we need to research to be able to develop an action plan as mentioned above. Having an action plan will encourage positive action and enable measurement of progress against the plan.

Perceptions of non-acceptance of people, their backgrounds etc.

- Need to develop a culture that goes beyond equal opportunities – from board downwards and promotes the benefits of different backgrounds of all kinds to the organisation.

There is a scope to link diversity into the wider CSR agenda

- Driving the CSR agenda throughout the supply chain ensuring there is a systematic commitment to the considerations of cultural aspects, human rights and community relations.

There is a need to be more focused on retention of staff

- Policies and procedures are required to encourage people to stay. Emphasis on training and development and financial and non-financial awards.

Procurers in other government departments ask for different things in different forms– a common approach would be useful

- This will ensure consistency and buy-in from suppliers.

More awareness of top quality 3<sup>rd</sup> sector organisations, encourage their use within the supply chain.

- The encouragement of 3<sup>rd</sup> sector organisations to work within the supply chain will show commitment to employing disabled people

Drawing on international offices of parent companies to bring diverse staff into the UK.

- Different countries have different cultural norms, values and assumptions which influence how they do business and manage people. It is important to understand these to ensure we have procedures and policies in place to make reasonable adaptations for these cultural differences if beneficial, should staff from other countries be recruited into the organisation

## **RECOMMENDATIONS**

### **For the Supply Chain**

- On the diversity issues and matters arising there needs to be clear leadership with transparent accountability for delivering on equality and diversity plans.
- Awareness training and development for staff should be offered in order to help them increase awareness of what diversity is and understand the potential for problems arising from culturally aspired assumptions.
- All buildings and sites should have access for disabled people. For example doorways and corridors; access to other floors within buildings, WC facilities etc. Locating furniture in places where it is not going to be an obstruction, and highlighting it by using colour contrast; Existing buildings should be adapted wherever possible. Outside, consideration of the needs of disabled people would include parking spaces that are close to entrances and that are wide enough to allow wheelchair access.
- We need to ensure that all information in regards to tendering opportunities is easily obtainable for 3<sup>rd</sup> Sector organisations. This includes ensuring that they are aware of the OJEU process and know where to seek out these opportunities.
  - Other awareness methods could include 'meet our suppliers events or mentoring schemes to help assist.
- A work-life balance reflects the increasing diversity of an organisation. If we attempt to create flexible working patterns this will enable employees to balance such demands of home and work life. Work-life balance programmes may be appropriate (in addition to education and training in time management, delegation, stress management so on) Other initiatives could include:
  - Flexible contracts
  - Flexi-time systems
  - Part-time working and job sharing
- By 2020 we need to better reflect the society we serve, our workforces need to be more representative at all levels, for example: women in top management posts; people from minority ethnic backgrounds and disabled people, and better reflect the surrounding community (If, for example, our office is in Horsham and we are delivering a service in East Ham, our employees at Horsham will reflect the population of Horsham, not East Ham....)

- We need to focus on retention of staff - Policies and procedures can help to encourage people to stay within organisations and emphasis on:
  - Training and development,
  - Mentoring,
  - Financial awards
  - Non-financial awards
- Succession planning and mentoring of staff will help encourage progression into senior positions.

### **For the Highway Agency**

- Publicise to the Supply Chain what we are doing in terms of Diversity – What, Why, How, and illustrate measureable benefits.
  - We will publish a 6 monthly report on our key achievements. This will be issued to the supply chain.
- Encourage fresh thinking/innovation and new ideas. By ensuring processes are questioned and challenged in terms of decisions made for Supplier selection. Especially when choosing key personnel on schemes.
- Carry out further impact assessments on relevant policies, projects and strategies and minimise any adverse impact and maximise opportunities to promote diversity.
- Continual development of the Agency's Action Plans and monitoring progress in achieving these actions. (For further information to the Agency's Action Plans please refer to the HA's Website - <http://www.highways.gov.uk/aboutus/17696.aspx>)
- Promote the use of 3<sup>rd</sup> Sector Organisations such as supported factories in the HA supply chain, or factories located in areas of deprivation.
- Hold a follow up supplier diversity day to discuss progress and new suggestions.
- Create a mutual understanding of the supplier's employee make-up, Such as flexible working patterns and part-time working of staff. - Succession planning, resource requirements and structure understanding to be established from the outset.