THE LACA EMPLOYER & EMPLOYEE GUIDE


February 2022
The LACA Employer & Employee Guide

A guide to help deliver better inclusion, fairness, opportunity and value for every UK employer and employee

Helping CEOs, business leaders, employers and employees improve organisational performance by fully embracing fairness and inclusivity at work

8 tangible commitments for adoption as the cornerstone of a better workplace

1: EMPOWERMENT & CHOICE
2: DIVERSITY, EQUITY & INCLUSION
3: GROWTH & DEVELOPMENT
4: COMMITMENT & ENGAGEMENT
5: PARTICIPATION IN DECISIONS
6: WORK LIFE BALANCE
7: FAIRNESS
8: RECOGNITION & REWARD

A resource guide to help adoption and effective delivery of the plan

A step-by-step guide to innovate and improve the workplace for every employer and employee in the UK
| CONTENTS |
|---------------------------------------------|-----|
| Executive overview                         | 3   |
| A call to action                           | 4   |
| The heart of the LACA Guide                | 5   |
| The 8 commitments                          | 6   |
| In conclusion                              | 8   |
| FAQs                                       | 9   |
| Acknowledgements                           | 13  |
| Our contributors                           | 14  |
| Our ask of senior business leaders         | 15  |
| The resource guide                         | 17  |
| What's it all about?                       | 18  |
| Using the LACA resource guide              | 19  |
| A. Internal factors                        | 22  |
| B. External factors                        | 37  |
| Regulatory & legal requirements            | 48  |
| Glossary                                   | 49  |
| Sources                                    | 50  |
A CALL TO ACTION FOR UK EMPLOYERS

One question is asked consistently at the heart of every organisation – have we got our employee offering right?

Having the right employee value proposition has never been more important in our rapidly changing world. Recent events related to the pandemic have forced a structural shift on businesses almost overnight, with workplace restrictions and working from home.

This has disrupted people models, accelerated the trend towards increased use of technology, introduced different working practices and prompted widespread labour shortages.

If, as many predict, new patterns of work outlive the pandemic, then it becomes important to review support, engagement, and development models, to ensure that employers offer the same level of support for those who work from home and those who don’t. From those who work on the frontline to those who work in factories or independently in the field, our diverse workforce will require support to ensure their jobs adapt to the future and every worker is benefitting from all their employer offers.

Managing these challenges is a high priority for businesses struggling to recruit and retain the people they need.

What it means to be a good employer will and should evolve over time. We recognise that there is no “one size fits all” solution to matters such as recruitment, retention, and employee engagement, as each business is unique. Employers will make their own choices, with specific areas of focus and investment.

We believe that the ideas set out in this guide are applicable to employers of any size or industry. However, smaller employers without formal systems and resources may choose a simpler approach to implementation, taking from the guide the things they deem most appropriate to the scale of their operations.

The steps necessary to achieve yet greater fairness, inclusion and recognition of diversity will normally need to be led by CEOs and their leadership teams. They will be fundamental to addressing what the future of work looks like and responding to the question – have we got our employee offering right?

Re-examining what it means to be a good employer is core to attracting and retaining talent – and this itself relies on values of better inclusion, fairness, and opportunity for all. This is a critical foundational step in the path to better individual and collective productivity improvement and opportunity.

This guide is offered freely to employers and employees in the hope of stimulating a dialogue about what constitutes a respectful, valued, and productive workplace.

We hope that CEOs and their teams will wish to endorse the The LACA Employer & Employee Guide by using it in their organisations and championing it.
THE HEART OF THE GUIDE

The 8 commitments at the core of this guide are a refreshed, foundational set of principles which employers can use to improve employee engagement by innovating and improving their employees’ experience.

- As well as highlighting 8 core commitments, we also draw out why each is important. We give examples of measures employers can take to demonstrate tangible progress against each of the eight.

- To make implementing change as smooth and simple as possible, the accompanying resource guide includes 12 key action areas. They cover both internal and external factors relevant to implementing the 8 commitments.

- This guide is not intended to replace any existing values or vision statements, but to act as a foundation which employers can use to drive a culture of better inclusivity, fairness and opportunity across their organisations.

Why these 8 commitments.

We selected the 8 commitments following extensive research of available thought leadership and best practice. We have drawn on the expertise of our board members and our sponsors, Deloitte’s Human Capital practice. We have also received valuable help and advice from our other contributors.

The 8 commitments and resource guide have been collated through assessing a host of sources, of which a full list is also provided.

A summary of some of the legal considerations is also included, though we recommend always seeking advice from employment specialists and legal representatives. By way of example, we include a link to the Acas guidance which outlines practical tips and legal considerations on how to implement hybrid working.

https://acas.frontify.com/d/9XEi1YzDsXxS/n-a#/campaigns/hybrid-working
THE 8 COMMITMENTS

The 8 commitments can and should be applied to every employee in the UK no matter the size of your organisation. Although smaller employers may need to adapt implementation in a manner appropriate to their scale, the key challenge is to apply the underlying principles to all workers; and to do so irrespective of the location in which they perform their work activities.

1: EMPOWERMENT & CHOICE

Employees feel empowered in their roles, and given the opportunity to make contributions to the organisation’s success. They are provided with choices and opportunities to grow and to participate.

TANGIBLE OUTCOME
Employees feel empowered in their roles, and given the opportunity to make contributions to the organisation’s success. They are provided with choices and opportunities to grow and to participate.

WHY IT IS IMPORTANT
Employee empowerment and choice is predictive of key organisational outcomes like employee job satisfaction and loyalty – outcomes that in turn are linked with better customer experience and increased customer loyalty.

EXAMPLE MEASURES
As part of an annual employee survey, consider asking questions on the degree to which employees believe that they have the authority to act independently to explore, develop and suggest resolutions to issues that affect their roles.

2: DIVERSITY, EQUITY & INCLUSION

Employees know that their leaders and co-workers fundamentally respect them, their backgrounds, and their opinions, no matter their role or status in the organisation.

TANGIBLE OUTCOME
Employees know that their leaders and co-workers fundamentally respect them, their backgrounds, and their opinions, no matter their role or status in the organisation.

WHY IT IS IMPORTANT
Equitable employers outperform the market by respecting the unique potential, perspectives and requirements of all employees. As a result, diverse and inclusive workplaces earn deeper trust and more commitment from their employees.

EXAMPLE MEASURES
A broad set of measures should be considered beyond just workforce composition, pay and benefits; examples will include new ideas in Retention, Recruitment, Promotion and Development - to ensure that they encourage better diversity and inclusion.

3: GROWTH & DEVELOPMENT

Employees are supported in developing their skills and career through performance and development planning, career paths, and internal and external training opportunities that span the entire organisation.

TANGIBLE OUTCOME
Employees are supported in developing their skills and career through performance and development planning, career paths, and internal and external training opportunities that span the entire organisation.

WHY IT IS IMPORTANT
Providing opportunities to learn and grow reinforces a continuous improvement culture, enhances the employee experience and acts as a key retention tool. Development also reduces the risk of failures and is a key avenue to improve customer satisfaction.

EXAMPLE MEASURES
When measuring learning and growth it is important to think beyond traditional metrics such as training spend per employee and to focus on the range of opportunities that are available and the associated employee satisfaction.

4: COMMITMENT & ENGAGEMENT

The fact that employers are clearly committed to their employees, and the communities in which they operate is reflected in HR policies and the overall business strategy. Information is shared on what it takes to be a successful employee. They know they will be taken seriously if they raise an idea or concern.

TANGIBLE OUTCOME
The fact that employers are clearly committed to their employees, and the communities in which they operate is reflected in HR policies and the overall business strategy. Information is shared on what it takes to be a successful employee. They know they will be taken seriously if they raise an idea or concern.

WHY IT IS IMPORTANT
Engaged and committed employees carry the company’s message and demonstrate the company’s values during every day actions. They act as ambassadors both inside and outside the organisation – the more engaged and the more committed they are – the greater the impact.

EXAMPLE MEASURES
Recognising and celebrating your employees who demonstrate these values, is one step towards creating a culture of engagement.
# THE 8 COMMITMENTS

<table>
<thead>
<tr>
<th>5:</th>
<th>PARTICIPATION IN DECISIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TANGIBLE OUTCOME</strong></td>
<td>Employees have the opportunity to be involved, make suggestions, think up new products or service innovations and have input on processes that affect their jobs.</td>
</tr>
<tr>
<td><strong>WHY IT IS IMPORTANT</strong></td>
<td>There is a strong link between performance and employees who feel empowered. Such companies tend to enjoy stronger staff loyalty which feeds through into the customer experience.</td>
</tr>
<tr>
<td><strong>EXAMPLE MEASURES</strong></td>
<td>From online suggestion boxes, to active forums that encourage broader involvement in important moves, there are a host of active and implementable actions that can be taken.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>6:</th>
<th>WORK LIFE BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TANGIBLE OUTCOME</strong></td>
<td>Employees are helped to balance family, life events and needs occurring outside the workplace. Stress is minimised to help them deal with life’s challenges while working.</td>
</tr>
<tr>
<td><strong>WHY IT IS IMPORTANT</strong></td>
<td>The ability to switch off and recharge creates energy and engagement for both work and life outside work. Successful organisations build loyalty and morale by having clear polices and fair practices in place when it comes to leave entitlement and flexible working.</td>
</tr>
<tr>
<td><strong>EXAMPLE MEASURES</strong></td>
<td>Employers can institute policies, procedures, and crucially, expectations that enable employees to pursue more balanced lives, including flexible working schedules and responsibly paced time and communication expectations.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>7:</th>
<th>FAIRNESS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TANGIBLE OUTCOME</strong></td>
<td>Employers treat each employee with the same regard and consideration, and make workplace guidelines clear and enforceable across the board.</td>
</tr>
<tr>
<td><strong>WHY IT IS IMPORTANT</strong></td>
<td>Fairness in the workplace contributes to employees feeling safe and engaged with the world of work. A productive environment for employees is created in which the organisation compensates them fairly and appreciates the hard work of each employee.</td>
</tr>
<tr>
<td><strong>EXAMPLE MEASURES</strong></td>
<td>There are effective measures across the employee lifecycle – from treating new recruits fairly during interviews and the whole recruitment process, through to fair pay and exit criteria.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8:</th>
<th>RECOGNITION &amp; REWARD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TANGIBLE OUTCOME</strong></td>
<td>For every employee, recognition should be regular and used to reinforce positive, desired behaviours. Reward is fair for the work performed.</td>
</tr>
<tr>
<td><strong>WHY IT IS IMPORTANT</strong></td>
<td>Rewarding and recognising employees leads to better employee engagement. Incorporating a rewards and recognition programme helps increase employee engagement, leading to many benefits for the company, like increased productivity and retention.</td>
</tr>
<tr>
<td><strong>EXAMPLE MEASURES</strong></td>
<td>Alongside retention statistics for key staff and all other types of employee, it is important to regularly review external reward benchmarks of your typical roles to ensure your organisation remains competitive in its reward for work.</td>
</tr>
</tbody>
</table>
IN CONCLUSION

The LACA Employer & Employee Guide is designed to help CEOs and their leadership teams to rise to the challenge of the “new normal” and implement policies that provide employees with better opportunities and outcomes that are fair, inclusive and balanced for all.

This guide is designed to help CEOs, senior executives and HR professionals as they make crucial decisions about recruitment, training, promotions and workplace culture.

Effectively tackling what has become known as the “diversity and inclusion agenda” can be bewildering. There is a key opportunity to act now to change that, as we shape the “new normal” in the workplace. This guide is intended to help any organisation build itself the best possible team, by ensuring its processes are genuinely open, fair and designed to attract the widest array of internal and external candidates for any given post.

The guide is built around 8 foundational commitments, followed by a more detailed resource guide to assist with implementation.

*It is freely available to all who wish to use it.*

The LACA board would like to thank each and every one of the volunteer team for their dedication and tireless work. A full list of everyone involved is included with our thanks in the acknowledgements section of this document.

SPECIAL THANKS TO:

- Deloitte for sponsoring this work and LACA board member William Touche
- Will Gosling, Ollie Graves and Ellie Marshell from the Deloitte Human Capital team
- Judith McMinn our excellent project manager
- ET Solutions, in particular Silvia Daniel and Jane Vose for years of focus and commitment to this and the LACA board
- Jenny Tod and the team at Archetype and Arthur Strigini

Emer Timmons OBE & Denis Woulfe MBE, Co-Chairs LACA Board.
The most frequently asked questions about leaders as Change Agents (LACA) and the LACA Employer & Employee Guide are addressed below.

**If you have questions that aren’t answered here, please get in touch:** jane.vose@et.solutions

---

**Q1. What is LACA?**
The Leaders as Change Agents board is a volunteer business-led government-sponsored expert committee which was established in 2019. The board is Co-Chaired by Emer Timmons OBE and Denis Woulfe MBE. A full list of board members and terms of reference is available at www.leadersaschangeagents.com

**Q2. What does LACA do?**
LACA’s aim is to champion diversity and inclusion at all levels of business in the UK. We seek to engage with senior business leaders, sharing best practice and ideas which make a difference, while encouraging business leaders to step up and make meaningful and measurable differences to their organisation’s culture, policies and practices.

**Q3. Where can I find out more?**
You can find out more about the LACA board, our team and our work at www.leadersaschangeagents.com and on:

https://twitter.com/uk_laca  
https://www.linkedin.com/company/leadersaschangeagents  
https://www.facebook.com/pg/leadersaschangeagents
Q4. What is the LACA Employer & Employee Guide and why has it been created?
The LACA Guide is designed to help CEOs and their teams implement policies that provide better diversity, inclusion and opportunity that is fair and balanced for all. It has been created to help organisations, of any size or industry, adjust to the “opening up challenge” and the new competitive landscape by setting out 8 foundational commitments and a more detailed resource guide to assist implementation.

Q5. How was it created?
The LACA Guide was created by the LACA board and a team of over 30 volunteers, experts and sponsors. Many other contributing organisations provided advice and guidance during the project and have offered to work with us in the future. A full list of sponsors, volunteers and contributors can be found in the acknowledgements section of this guide. We are very grateful to all those who have volunteered their time and expertise to help produce this work. Without their support the LACA Employer & Employee Guide would not have been possible.

Q6. Who can use it?
The LACA Guide is freely available to those who wish to use it.

We believe the 8 commitments in this guide can and should be applied to every employer and employee and worker in any size of business, in any industry regardless of the nature of the work performed or where it is carried out – though the smallest organisations may need to adapt the ideas to the scale at which they operate.

Some businesses are at the vanguard of this journey and others at the beginning. We believe many have made some progress and are ready for the next step. We hope the guide will help.
FAQs

Q7. How can I use it?
At the heart of the LACA Guide are 8 foundational commitments and a more detailed supporting resource guide, which organisations can use to help implement the ideas individually or collectively as part of existing or new initiatives. The guide is designed to set out and inspire good practice and measurable outcomes as organisations adopt the measures in their pathway.

Q8. How did you select the 8 commitments?
We selected the 8 commitments following extensive research of available thought leadership and best practice. We have drawn on the expertise of our board members and our sponsors, Deloitte’s Human Capital practice. We have also received valuable help and advice from our other contributors, which are listed in the acknowledgements section of this guide.
The 8 commitments and resource guide have been collated through assessing a host of sources, of which a full list is provided on pages 50-51.

Q9. Why do you describe the work as for employers and employees when the actions seem to be directed at employers?
Whilst the responsibility to propose and implement polices and practices rests with employers, we believe that employee input and participation is key to making the change towards a more diverse, inclusive and fairer workplace.

Q10. How do you suggest we measure our progress?
Given it’s breadth, we have not included a specific measurement guide. We would note that whilst the primary responsibility for delivering and measuring progress lies with the individual business leadership and governance functions, there are also other approaches to measurement and accountability to take into account. For instance those put forward in legislation, for example gender pay gap reporting, and measures put forward by regulators. Some of these are set out in page 48.
Q11. Does the LACA Employer & Employee Guide apply to other workers and the self employed?
The LACA Guide and accompanying resource guide deliberately sets out a thematic approach to the issues which we believe apply to all workers. Obviously, there are legal and contractual differences between categories of workers, (for example, employees, workers and the self employed) who make up the workforce. We recommend taking appropriate legal advice as part of planning and implementing the ideas in specific circumstances.

Q12 Where can I get a copy & what do I do next?
The LACA Guide and accompanying resource guide is available for free on our website to all of those who want to use it.

All that we ask, is that if you and your organisation find the content valuable, please consider showing your support to the aims and inspire others by helping us as set out on page 15 of this document.

*In addition, we would like to hear success stories to inspire others – so do please write to us with your successes.*
ACKNOWLEDGEMENTS

We would like to thank each and every organisation and individual who has contributed to the creation of the LACA Employer & Employee Guide. Without them it would not have been possible. These include;

Our principal supporters.
Deloitte LLP for supporting our activities and working with us on the creation of the guide.

Our volunteers.
We would also like to thank the following volunteer colleagues for their tireless work and commitment to the development and production of the guide:

- **LACA Board**: Emer Timmons OBE and Denis Woulfe MBE, Co-Chairs of LACA, Baroness Ruby McGregor-Smith CBE, Michael Prescott, William Touche, Dr Randall S. Peterson, Caroline Waters OBE, Emma Codd, Elysia McCaffrey and Catrina Smith
- **Deloitte Team**: Will Gosling, Oliver Graves, Ellie Marshell, Shivani Maitra and Oisin Maguire
- **LACA volunteers**: Judith McMinn, Jane Vose, Shalini Chudasama, Franziska Dueffort, Faris Ahmad, Gigi Jia, Silvia Daniel and Arthur Strigini
- **Communications agency**: [www.archetype.co](http://www.archetype.co)
OUR CONTRIBUTORS
We would also like to thank the many organisations who have contributed to this work by reviewing the guide and providing invaluable comments, help and advice:

AVIVA
BUSINESS IN THE COMMUNITY
CBI
Deloitte
Landsec
FRC
TheCityUK
London Business School
NORTON ROSE FULBRIGHT
TESCO
techUK
DAC BEACHCROFT
CITY OF LONDON
OUR ASK OF SENIOR BUSINESS LEADERS
LACA Employer & Employee Guide

Our ask is simple:

1. That you share our aspiration to deliver better inclusion, fairness, opportunity and value for every UK employer and employee and (a) that you are willing to have your company logo listed as a supporter on the Leaders as Change Agents website – and (b) we hope that you might be willing to provide a supportive quote.

2. That you review the 8 commitments set out in our Employer & Employee guide (overview attached) and use them, together with the resource guide, to benchmark your existing policies and practices.

3. That you champion the Guide within your business networks to encourage others to do the same – we are relying on the leadership of the largest employers to create a national cascade effect.
THE LACA
EMPLOYER &
EMPLOYEE GUIDE

Contact
Jane Vose, LACA Secretariat for any enquiries or any further information;

Email: jane.vose@et.solutions
THE LACA EMPLOYER & EMPLOYEE RESOURCE GUIDE


February 2022
THE RESOURCE GUIDE –
WHAT’S IT ALL ABOUT?

This resource guide is provided to help implementation of the 8 commitments with 7 Internal and 5 External factors to assist those implementing the more detailed response.

THE RESOURCE GUIDE IS PRESENTED IN THREE SECTIONS.

The first with suggestions on how to use the resource guide and then sections on the internal and external factors.
This resource guide is a starting point to accelerate change and has been designed as follows:

- There are two distinct frames of thought that are considered: **Internal** and **External** factors.

- **Internal factors** covers goals and opportunities for your current employed workforce to drive increased inclusion, fairness, opportunity and productivity.

- **External factors** addresses thoughts and considerations for non-payroll workers, future potential workers, your organisation’s role in the community and more.
Within these two frameworks, there are a total of 12 action areas, each with a set of inclusive goals and measurable actions.

- The opportunities highlight what could be considered as starting points and actions to create a clear pathway for organisations to focus on.
- The power to make changes may reside with the CEO or the wider organisation. In all cases the collective actions across these 12 areas go a long way to creating a positive and inclusive experience for employees and highlight the value that employers can attain from activating and monitoring them.
Many organisations will consider themselves to be already on the right track, while others may not. In our experience, asking the following questions when selecting or confirming the actions can help prioritise sometimes limited resources:

- What are the critical priorities for your employees?
- What are the possible solutions and how can they be measured?
- What are the core potential benefits to the employee, the employer and stakeholders?
The 8 commitments require action and supporting infrastructure to make them a reality. There is no one fits all solution, and a range of activities are required to make them part of every employee’s everyday working life.

There are 7 internal clusters of actions, each associated with the internal workings of the organisation, and all traditionally in the remit of the HR function – although obviously, successful activation requires action and support from all members of the organisation.

The external clusters of action are dealt with in the next section of this document.

<table>
<thead>
<tr>
<th>A1: Leading People</th>
</tr>
</thead>
<tbody>
<tr>
<td>A2: Diversity, Equity &amp; Inclusion</td>
</tr>
<tr>
<td>A3: Developing Talent At All Levels</td>
</tr>
<tr>
<td>A4: Developing Skills &amp; Capability</td>
</tr>
<tr>
<td>A5: Pay and Benefits</td>
</tr>
<tr>
<td>A6: Health, Safety &amp; Wellbeing</td>
</tr>
<tr>
<td>A7: Workplace Culture (Inc. Impact of Remote Working)</td>
</tr>
</tbody>
</table>

In addition, there are legal considerations that are headlined at the end of this text. We recommend speaking to employment specialists/legal representatives as part of developing your plans.
The role of leaders and managers in delivering an improved employer to employee contract.
A1. LEADING PEOPLE

GOALS

1. Work to a common purpose with shared values
A shared purpose that leadership demonstrates, and employees are invested in, that represents the organisation’s strategy and role in society today and in the future.

2. Have clear and regular communications
Transparent, ongoing and open dialogue from leadership to employees, that explains decisions and demonstrates what they are required to do.

3. Empower your employees
Investing in employees, no matter their grade or status, and exploring their ideas through a flexible culture that values their insight and contribution.

4. Embrace new ways of working
The pandemic has changed what it means to be an employee in the UK, and leaders themselves need to adapt quickly to manage staff in new ways, including an increased focus on trust, rather than control in developing new ways of working.

OPPORTUNITIES / MEASURABLE OUTCOMES

Starting points:
• Set a clear standard for leadership within the organisation that leaders sign up to and is made clear for all employees – consider designing this with employees
• Engage a diverse and inclusive group of employees to regularly review leadership behaviour and suggest areas for further ongoing development

Progressive considerations:
• Create and review a leadership capabilities framework
• Create and run hybrid leadership programmes or modules to develop leaders and let them reflect on the changes to their own styles
• Create and run employee surveys to incorporate 360 feedback on leaders or managers which show supportable evidence against the 8 commitments and:
  • Communications approach and frequency
  • How leaders or managers have embraced change and are role modelling new behaviours
  • Incorporate these outcomes into leadership performance management
  • Recognise and reward leaders or managers who are demonstrating the 8 commitments
  • Progress individuals who demonstrate the 8 commitments into leadership positions
Ensuring equity, respecting diversity and activating a more inclusive employee community.
1. Publicly commit to diversity and inclusion
Whether it be via financial reports, corporate websites or in the organisational construct, all UK employers should be making tangible commitments to embracing diversity and inclusion.

2. Devise a clear plan to deliver the DE&I ambition
Diversity, equity and inclusion needs to be more than just a public stated ambition, it requires tangible action with associated measurable targets that employees understand and can demonstrate.
Advancing gender equality in the workplace more broadly and creating the type of workplace environment that does not tolerate sexual harassment and discrimination.

3. Take progressive action on the pay gap
Pay gap progress needs to be seen as important – and this should be considered across a broader dimension than just male / female to embrace broader diversity pay gaps.

Starting points:
• Apply specific focus on recruitment, promotion and exit processes to make sure they aren’t demonstrating bias or restricting diversity, equity or inclusion
• Regularly refresh employment policies to enhance diversity, equity and inclusion, specifically in:
  • Remote and flexible work
  • Annual leave and how it can be used
  • Flexibility to move from full to part time and vice-versa
  • The structure of the working week
• Complete and regularly refresh workforce demographic data to understand how representative your organisation is. This could include analytics on all protected characteristics plus socio-economic background to identify trends and areas of focus

Progressive considerations:
• Broaden the performance management appraisal process to incorporate D&I representation, not just those who are directly managing individuals on a day-to-day basis. Also consider personal factors that may have impacted employee performance, particularly due to COVID-19 related restrictions and changes to working practices
• Align rewards and incentives to diversity and inclusion targets and review the annual salary process proactively against workforce demographic data
• Create opportunity, for all groups within the organisation, to have a platform to contribute within wider employee communication
• As part of regular employer surveys, gain feedback on how the diversity and inclusion agenda is perceived within the organisation
• Consider workforce re-entry programmes
A3. TALENT LIFECYCLE

Providing all employees with both the infrastructure and the support to manage their careers effectively.
### A3. DEVELOPING TALENT AT ALL LEVELS

#### GOALS

1. **Apply fair and transparent criteria for vacancies and hiring processes**
   Consider the immediate and future requirements of the role and the company’s broader purpose and values.

2. **Onboard all new employees to the organisation**
   Think beyond the induction process, give individuals help to settle in and the tools to be successful.

3. **Constantly manage performance - not just annually**
   Set clear objectives and hold regular reviews for real time feedback and development.

4. **Plan for long-term development**
   Focus on a multi-year trajectory, not just the immediate term; recognising career lifecycles and the impact of changes in the ways of working.

#### OPPORTUNITIES / MEASURABLE OUTCOMES

**Starting points:**
- Apply broad criteria for job adverts and role profiles to attract diverse candidates – consider the evolution of the role, not just today’s need
- Give annual training to interviewers that includes future skill requirements and diversity approach
- Apply consistent criteria for setting performance objectives. Provide regular objectives reviews, and update accordingly

**Progressive considerations:**
- Invest in induction experience and give managers and other team members the time to onboard new joiners, particularly in a hybrid context
- Exclude demographic data from the application process
- Consider mentorship programmes beyond those considered high-potential talent
- Apply fair and objective performance reviews that incorporate impacts and improvements on personal productivity. Apply emphasis on team, rather than just individual performance as outputs increasingly depend on cross-functional collaboration
- Support individuals with pre and post promotion activities, and for those that are unsuccessful, offer development plans to generate the desired capabilities and behaviours
- Consider a focus on mid-career role changes, to provision new skills outside of current areas of employees focus
- Create succession plans through performance reviews with clear and transparent indications of what is needed to reach identified potential and consider the use of positive action measures to support development
- Support those identified for exit, helping to identify opportunities for the future
Creating a learning culture; one that focuses on the needs of both today and the future.
A4. DEVELOPING SKILLS AND CAPABILITY

GOALS

1. Invest in future skills and capabilities
   Identify the skills needed for the future, and support employees in developing them.

2. Foster a learning culture
   Offer learning that is available to all, every day; think beyond formal delivery channels to encourage ongoing capability development.

3. Expand your digital learning capability
   Think beyond the traditional learning management systems and employee how-to videos, capture best practice and share it in real time.

4. Go beyond what a role requires and consider what the individual needs to develop
   Thinking beyond the fundamental skills and capabilities to do the roles that employees do, and considering a more inclusive skills and capability development approach that employees can self-select from, based on their own needs.

OPPORTUNITIES / MEASURABLE OUTCOMES

Starting points:
- Identify employee learning needs and track their improvement through development reviews
- Clearly communicate the learning that is available, and give employees the time to do it and test their new skills in real world scenarios
- Enable managers to support employees with their development journey, and recommend ways to fulfil their potential through training
- Reinforce and educate that it is everyone’s duty to create a workplace environment that does not tolerate sexual harassment and discrimination

Progressive considerations:
- Review the type of roles that employees fulfill, how these have and will continue to change, and identify what capabilities they and the organisation will benefit from
- Put digital training at the forefront of professional development, while not losing sight of developing the more human capabilities – creativity, resilience, problem solving etc.
- Empower your workforce to share feedback and exercise choice on skills development – listen to what they say works, and what doesn’t
- Show employees “how to learn” – as training shifts to more digital channels, overcome any resistance to try something new or different
- Be sensitive to the different needs of different departments or individuals within the workforce on digitisation
- Recognise the potential opportunities of offering new roles in different areas of the organisation to existing employees to advance their skills
- Foster a knowledge-sharing and collaborative workforce to cross-train employees, e.g., to internally develop training videos or discussion portals
- Providing access to broader skills development than that of the requirements of the role, considering opportunities for further career advancement
Provision of rewards and benefits that are fair and transparent from living wage to paternity policies.
A5. PAY AND BENEFITS

GOALS

1. Pay a living wage
Offer salaries that take into account the cost of living.

2. Make reward and benefits allocation fair and transparent
Educate employees on how rewards are calculated and the value associated with the work completed.

3. Close the gender and diversity pay gap
Pay parity for comparable roles irrespective of gender, race, colour, socio-economic background* or sexuality.

4. Offer rewards that reflect the needs of employees, employers and society as a whole
Reward packages that are fair and transparent.

OPPORTUNITIES / MEASURABLE OUTCOMES

Starting points:
- Review of salaries in line with the cost of living, considering regional differences
- Implement gender and diversity pay gap reviews and action plans for improvement
- Take into consideration employees personal circumstances, health appointments, childcare and life events

Progressive considerations:
- Offer transparency and clarity on how reward decisions are made for employees
- Give employees financial education and assistance programmes to educate and provide support on how they can improve their personal circumstances
- Include health and wellbeing packages in total rewards packages
- Add financial support for remote working setup
- Show flexibility in working hours, and associated contract types
- Show flexibility in annual leave allocation and fulfilment

*metrics recommended by Social Mobility Commission are a strong point of reference
Treating mental health with the same rigor as health and safety.
A6. HEALTH, SAFETY AND WELLBEING

GOALS

1. Create a safe working place for all employees
   No matter their location or type of role, gender, race, colour, socio-economic background or sexuality.

2. Show tangible action on mental health and wellbeing
   Clear commitments on what will be provided to employees and the benefits this creates.

3. Make scenario and contingency plans for future health events and the changing nature of the workplace
   Clear protocols on what the employee can expect in the event of potential future pandemics or incidents of a similar nature.

OPPORTUNITIES / MEASURABLE OUTCOMES

Starting points:
• Create and regularly review health and safety and wellbeing policies for the workplace, updating employees as regulations and requirements change
• Produce assessments for the potential risks to workers and communicate the protective actions
• Monitor and improve health, safety and wellbeing procedures regularly
• Show empathy for employees facing mental health challenges, and the provision of support options to manage its impact with compassion
• Assess the workplace culture to identify barriers preventing the full participation of all genders in formal and informal workplace practices, and then taking actions to remove those barriers

Progressive considerations:
• Provide a channel/platform to transparently discuss health & safety concerns
• Implement internal mental health campaigns and promote wellbeing at work
• Invest in employee assistance programmes, and provide healthcare insurance options within total rewards and benefits
• Make sure managers regularly check in with their teams, both collectively and individually to discuss the mental health and wellbeing agenda
• Create an atmosphere of openness on employee wellbeing to promote speaking up where there are concerns
• Provide a channel to which affected employees can turn in confidence for wellbeing issues
Managing the transition to hybrid working, while placing emphasis on those who don’t have the option to work from home.
A7. IMPACT OF REMOTE WORKING

GOALS

1. Integrate your values into everyday actions
Adopt the 8 commitments in everyday interactions, considering what is best for employees at all times.

2. Embrace organisational change
Be flexible, adapt to changing circumstances and create the conditions in which employees can embrace change.

3. Create a psychologically safe place to work
Encourage employees to be open and express their feelings and concerns on matters that affect them wherever they are based.

4. Emphasise the right to disconnect from work
While digital tools bring flexibility and freedom to employees, they can also create an absence of limits and it is crucial that employers help maintain employees’ work life balance.

5. Think beyond those who can be hybrid
Find what actions can be taken to support those individuals who are in a fixed location to do their work.

OPPORTUNITIES / MEASURABLE OUTCOMES

Starting points:
• Connect and communicate your corporate values and reinforce them daily
• Use your values as benchmarks for employee performance, and frequently recognise those who incorporate them into their daily work.
• Enable the employee voice. Whether it is getting their feedback for a new policy or giving space to voice concerns on a matter, providing a platform for them to voice their perspectives gives them more control and helps to guide company policy
• Incorporate your culture into your policies and practices and apply the same guidelines to all employees, no matter their status, grade or location of work
• Encourage leaders and managers to empower their teams to make decisions in their roles
• Communicate all decisions in a manner that can be easily understood and as transparent as possible
• Demonstrate the value of employees through ongoing recognition events, celebrations and instilling a culture of togetherness

Progressive considerations:
• Consider how to improve workplace culture in areas that may not be able to be hybrid – the changes that are anticipated in a more remote working culture may make those that are in a fixed location feel as if they are not receiving the same treatment or benefits the employer is offering.
• Implement focused channels that encourage communication at the team, function and organisation-wide level to create visibility, consistency and reach
It is not just about the internal actions that are taken with your existing employees, there is also an external dimension that needs to be considered. It can be how you engage with other businesses who provide workers or services to you, through to your work in the communities in which you operate, the employer to employee commitments require consideration to be applied also through an external lens:

- **B1: External Employer Brand**
- **B2: Corporate Citizen**
- **B3: Role In The Community**
- **B4: External Partnerships** (Inc. vendors & suppliers)
- **B5: External Workers**

In addition, there are legal considerations that are Headlined at the end of this document. We recommend speaking to Employment Specialists/legal representatives for specific clarification on your specific requirements.
Each organisation’s employer brand is how they differentiate themselves towards potential employees, enabling them to recruit, retain and engage the right people.
**B1. EXTERNAL EMPLOYER BRAND**

### GOALS

1. **Define a clear employee value proposition (EVP) that resonates both internally and externally**
   - A clear set of values understood by your current workforce and relevant for future employees
   - Actively consider how the organisation is positioned externally, especially for diverse groups in society
   - A one size fits all approach to the EVP may restrict the attractiveness of your organisation to certain groups of society

2. **Regularly measure recruitment and retention statistics, with emphasis on diversity & inclusivity metrics**
   Measure and target improvements in recruitment and retention.

### OPPORTUNITIES / MEASURABLE OUTCOMES

- Use a clear ‘employee value proposition’ to describe what your organisation stands for and offers as an employer and sets the expectations, beliefs and obligations of the employment relationship
- Personalise the EVP to address the needs of a diverse workforce, ensuring the voices and representation of different groups are considered within the organisation
- Regularly review key employer metrics, like retention rate, application rate, source of hire, employee satisfaction and employee engagement
- Use surveys to gain a fuller picture of your EVP and how your employees view it - e.g. why people joined your company and why they stay
- Consider creating candidate personas for open roles to assist in defining the characteristics required, so that the role resonates specifically through a diversity and inclusion lens
- Use a broad range of recruitment channels to appeal to a wider range of candidates
- Connect with potential candidates and spread brand awareness, potentially creating a talent community of skilled people who have shown interest in you as a prospective employer
B2. CORPORATE CITIZEN

The social responsibility of businesses and the extent to which they meet legal, ethical, and economic responsibilities, as established by shareholders.
1. Create corporate responsibility and behavioural guidelines
Reputations are not only based on an organisation’s delivery of its products and services, but how it values its relationships with current and future employees, customers, suppliers and the wider community. Clear statements of intent on social responsibility should be considered and applied in every organisation.

2. Implement socially responsible practices
Corporate citizenship is growing increasingly important as employees (current and potential) and institutional investors begin to seek out companies that have active corporate and social responsibility programmes.

**GOALS**

**OPPORTUNITIES / MEASURABLE OUTCOMES**

- To operate in a socially responsible way, an organisation needs a responsible and sustainable business programme to support and bring its values to life. This may be formal or informal depending on the size of the organisation, but it should include a regularly reviewed code of ethics.
- Support the embedding of the responsible and sustainable business programme, through ongoing activities and communications with employees, using insights and experiences shared by staff, customers and stakeholders alike.
- Articulate what your socially responsible principles mean day-to-day and support employees in embracing them, as well as working with individuals to recognise ethical dilemmas and how to deal with them.
- Empower employees to exercise situational judgement to make the best possible decisions by drawing on their knowledge of the responsible and sustainable business initiatives.
- Consider providing individuals with ‘ethical tests’ to help them make decisions and navigate ethical values and principles.
- Apply social responsibility to performance management decisions, and where individuals have both performed in line and out of line with expectations.
Business has a vital role to play in sustaining communities. Creating meaningful employment is one of the most significant ways that business contributes to the livelihoods of individuals and communities, and is for many the only sustainable route out of poverty.
1. Develop and start community investment programmes which also reflect your commitment to race equality, diversity and inclusion
Investing in your employees’ communities enables cultural boundaries to be lifted and opens doors that were previously closed.

2. Ensure that community investment initiatives have a positive impact on the employee population of today and the future
Community investment programmes can enable current employees to use and develop skills and capabilities for the greater good. In turn, these skills benefit the community as a whole, and can act as a positive reinforcement of the employer value proposition, broadening your appeal to future employees.

GOALS

• Identify and commit to delivering long-term community impact
• Identify the social issues that are relevant to your business and your area of expertise and create a business case for action
• Partner with communities and allow stakeholders to guide how best to use resources and expertise. Involve stakeholders in developing the strategy and the importance of including targets within that strategy
• Allocate owner(s) within the organisation to lead community investment activities and give them the time and commitment they need to make it a success
• Set targets for community investment, and work in collaboration with stakeholders in the community to achieve them
• Ensure employees have a clear understanding of what the business is aiming to achieve in the community, the key issues to focus on, and how they can get involved
• Create a culture that promotes community investment, whether it be through formal organisation led activity, or by the individuals themselves in their own passions. Reward achievements and promote participation
• Calculate community investment inputs over time and ensure there is always the ability to articulate the rationale for significant changes to the levels of investment

OPPORTUNITIES / MEASURABLE OUTCOMES
Businesses endeavour to have trusted and reliable supplier relationships, many of which have been tested recently.
1. **Work with partners who share your values**
   The recent challenges have led to an increased focus on real partnerships between organisations. Consideration should be applied to ensure that all vendors and suppliers are treated fairly, and that they act in line with your goals, culture and values.

2. **Treat employees within key partnerships with respect**
   The work and activities driven by third party vendors, in many cases, will form a key aspect of your ongoing business activities. Even though they are not formally employed by your organisation, encourage external partners to ensure that these individuals are treated fairly, and to a standard that is in keeping with your broader values.

**GOALS**

**OPPORTUNITIES / MEASURABLE OUTCOMES**

- Create and manage a vendor/supplier assessment and selection process that includes organisational and employee standards and obligations once under contract
- Ensure vendors/suppliers can provide evidence of the investment in their own employees, training and development procedures, qualification records, essential personnel background and abilities, and recruitment methods
- Determine if you and your potential partner share values and working philosophies before you enter a contract
- Onboard individuals from the third party into your organisation, sharing guidelines and expectations and gain clear commitments to uphold these requirements
- Manage the vendor/suppliers against key employee KPIs with successes celebrated and issues managed appropriately
With the proliferation of different forms of employment, including remote work, freelancing, contractors, and crowdsourced contributors, employers are increasingly starting to think of employees in much broader terms.
1. **Reward payroll and non-payroll workers alike**
   Whether an individual is formally employed by the organisation, through a third party or directly, all individuals who contribute to the organisation should be treated and rewarded fairly.

2. **Ensure cultural inclusion**
   Whether it be through an onboarding lens, or ongoing learning and communications, individuals who are not on the payroll should have specific support to ensure they are culturally included. Diversity and inclusion efforts fall short of their fullest potential when organisations neglect to extend the principles of fairness to all classifications of workers.

**GOALS**

- **Reward payroll and non-payroll workers alike**
- **Ensure cultural inclusion**

**OPPORTUNITIES / MEASURABLE OUTCOMES**

- Have a clear understanding of the number of non-payroll workers within your organisation, the different sources of this talent, how they are managed and by whom
- Review and update external worker policies, in line with organisational values, and payroll employee guidelines to ensure they are effective, fair and equitable
- Create a workforce plan that incorporates both payroll and non-payroll workers, to identify future recruitment needs and bridge the gap between HR and the procurement functions too (if present). Manage this plan on an ongoing basis
- Onboard external workers effectively, providing the time, policies, tools and approaches that are required for them to be successful – provide a similar level of support that would be experienced by those on the payroll
- Include external workers as much as possible in corporate communications, learning opportunities etc, enabling them to assimilate into the organisational culture
- Create and manage an external employee performance management approach to ensure that development is ongoing and that the individual can demonstrate their full potential
- Offboard temporary workers in a fair and transparent manner, working with them to minimise the impact of this change
REGULATORY AND LEGAL REQUIREMENTS

The following are a number of the key components of UK employment law which relate to the main aspects covered in this document. This should be treated only as an indicator and up to date legal advice should always be sought. We have used the generic term of staff, but some requirements may apply only to employees whereas others cover workers and contractors.

Before any implementation, there should be complete compliance with employment law, together with clear processes and policies that reflect the requirements of local employment law. There should also be ongoing reviews and transparent updates to all members of staff.

Additionally, it is apparent that there should be emphasis applied to employment law education for leaders, managers and staff members alike. All staff members should be educated on both what they are entitled to, and how to behave in accordance with the fundamentals of employment law.

RECRUITMENT
• Do not allow prejudice (conscious or unconscious) to affect your decisions
• A contract exists as soon as a candidate accepts your offer of a job
• You must provide a written statement of terms and conditions
• You cannot change the terms of the contract unilaterally

HOURS, LEAVE AND PAY
• You must comply with statutory requirements on working hours and leave
• Staff have the right to a minimum wage
• You must operate PAYE for tax and National Insurance (NI) contributions where relevant
• You must give every member of staff a wage slip

EMPLOYEE RIGHTS
• You must not undermine the relationship of ‘trust and confidence’ with your staff
• You must provide a secure, safe and healthy working environment
• Staff have the right to belong (or not to belong) to a trade union
• Staff are entitled to a reasonable degree of privacy
• Staff are entitled to blow the whistle on their employer’s wrongdoings
• All employees with more than one month’s service are entitled to a notice period
• Most staff members are entitled to keep their jobs even if the business changes hands

DISCRIMINATION
• You must not discriminate unlawfully
• You must avoid indirect discrimination
• You should not victimise staff involved in a discrimination claim
• Make ‘reasonable adjustments’ to enable people with disabilities to work for you
• You can no longer compulsorily retire staff members on the basis of age
• You are legally responsible for discrimination by your staff
GLOSSARY

- **LACA** – *Leaders as Change Agents*

- **KPI** – *key performance indicator*

- **Affinity groups** - *group formed around a shared interest or common goal*

- **Employee value proposition (EVP)** - *set of associations and offerings provided by an organisation in return for the skills, capabilities and experiences an employee brings*
SOURCES


• Gallup: https://www.gallup.com/workplace/283985/working-remotely-effective-gallup-research-says-yes.aspx


• Mental Health Foundation: https://www.mentalhealth.org.uk/statistics/mental-health-statistics-mental-health-work

• Office for National Statistics (ONS): https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/incomeandwealth/bulletins/householdincomeinequalityfinancial/financialyearending2020provisional#:~:text=In%20financial%20year%20ending%20(FYE),income%20than%20the%20poorest%2040%25
SOURCES (cont’d)


- Homeworking by region of work in the UK, January to December 2020

- Ever work from home: London, 47.7; Scotland, 26.9;


STANDARDS

The following UK and international standards provide further information on good practice and can support assessment on how well an organisation is performing against different aspects of the LACA commitments:

- BS EN ISO 26000:2020 Guidance on social responsibility
- BS ISO 30400:2016 Human resource management – Vocabulary
- BS ISO 30405:2016 Human resource management — Guidelines on recruitment
- BS ISO 30414:2018 Human resource management — Guidelines for internal and external human capital reporting
- BS ISO 30415:2021 Human resource management — Diversity and inclusion
- BS ISO 45001:2018 Occupational health and safety management systems. Requirements with guidance for use
- PAS 3000:2015 Smart working – Code of practice
- PD 76006:2017 Guide to learning and development (to be replaced by BS ISO 30422 Human resource management – Learning and development)
THE LACA EMPLOYER & EMPLOYEE GUIDE


Contact
Jane Vose, LACA Secretariat for any enquiries or any further information;

Email: jane.vose@et.solutions