

Equality and Diversity Evidence Task Group

Sub group paper : the business case for equality and diversity

Background

The Region's Equality and Diversity Action Plan has an action for the Evidence Base Task Group to 'develop a full business case for equality and diversity using existing research to demonstrate the benefits (e.g. economic case for inclusion and diversity, current position re exclusion of different groups, particular issues affecting different groups and barriers to employment and access to services, opportunities and implications of changing regional demographics).'

This paper attempts to provide a focus for discussion at our meeting on 17 March, and asks the group to consider a number of issues.

Our Task

The Task Group has established a sub-group to examine this question. The research project, overseen by the Task Group and led by Northumbria University, will help to answer some of these questions, especially those around the position re: exclusion of different groups and issues affecting different groups.

The question remains, however, about how to measure the economic case for inclusion and diversity. I take this to translate into a research question along the following lines:

How might the region's economy improve, in hard statistical and monetary terms, if everybody had equality of opportunity, and this led to equality of outcome?

Or, put another way:

What would be the difference to the region's economy, if the interests of people from various diverse groups were fully accepted and taken

into account when economic decisions were being made by people in the public, private and voluntary sectors?

Issue one

The sub-group is asked to comment on these research questions: are they the questions we should be trying to answer?

Related research

If so, we need to be aware of research that has already been undertaken about the business case for equality and diversity for individual businesses. I have a copy of a report produced by The Work Foundation called 'Rising to the Challenge of Diversity : a discussion of the business case'. The report talks about the economic benefits to business in terms of their own performance, brand image, staff motivation and retention and so on.

There is clearly a link between the business case for individual businesses, and for the region's economy as a whole.

Issue two

The sub-group is asked to consider the relevance of the link between the business case for individual businesses and the business case for the whole economy.

Methodology

Developing a business case for the regional economy will require an agreed methodology. We will probably need to take advice on this, but as a starting point we could consider the following:

- what are the different minority groups in the region?
- what are the differences in skills levels, employment levels, and the kinds of employment undertaken between each group and the regional norm?
- what might be a realistic employment level for each group to get to?
- would that lead to more qualified people being employed for each occupational level?
- would that make them more productive? And if so, what would the effect on company profits be?
- what would the direct effect of that be on companies' ability to employ more people, and what would the indirect effects be on other companies' employment levels? And what would the induced effects be, on the ability of the population to spend more?
- what would that mean in terms of additional GVA, or employment levels?

Migration

An enhanced economy may attract more people to work here. We may need to consider how migration may have an effect on the economic benefits of a more equal society.

Issue three

The Group is asked to critique this approach. Is it too technical / theoretical?
Are there alternatives?

Dynamics

The approach outlined above probably assumes that some of the existing working population is replaced by more qualified people from a wider range of minority groups. Whilst that could, theoretically, map the potential for the region's economy, there may well be value in looking at potential change over a longer period, perhaps to 2016 (the outlook in time of the current Regional Economic Strategy).

Issue four

Should we be looking at this from a static or dynamic perspective?

Moving forward / Issue 5

We need to discuss how to progress this, and to advise the Equality and Diversity Board. One option might be to go out to tender for a research project around these issues.

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