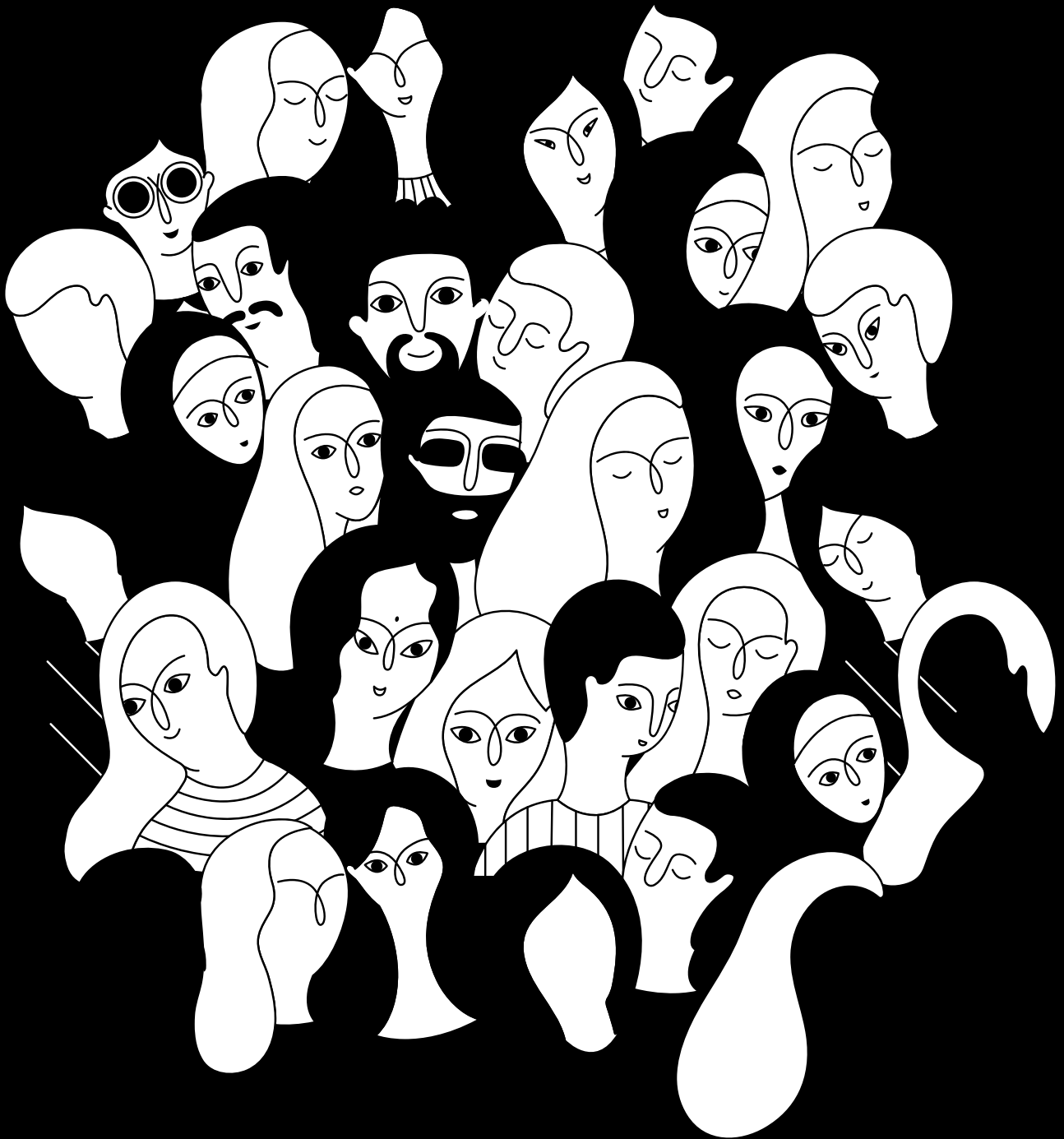


# Breaking Barriers

*Unleashed*  
**EQUITAS**

A report on social mobility

**2022**





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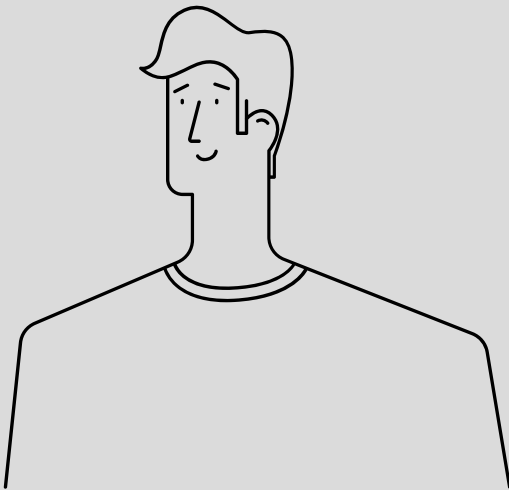
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# Message from Martin Mason

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*My hope is that together, we can create a more inclusive world, that enables people from different backgrounds to unleash their potential and be given the opportunity to live their purpose!*



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Dear Reader,

I am delighted to share with you the results of our joint research project between Unleashed International and Equitas into the importance of Social Mobility - its impact on individuals and organisations today.

This paper aims to encourage organisations to take action to remove barriers that make it hard to deliver highly effective talent strategies in an ever-changing global market. Our hope is to help employers do better in terms of innovation and sustainability and make society more inclusive.

As part of this research we surveyed business leaders, HR & Talent Management professionals and Equity, Diversity and Inclusion Professionals (EDIB) across a range of industries, predominantly in the UK, Europe, US and Canada about their organisations' approach to progressing Social Mobility strategies. This was supplemented with interviews, focus groups and networking events.

I would personally like to thank our partners, Equitas, all the participants, event speakers and my amazing team who have dedicated many hours of their lives to bring you this insightful report.

My hope is that together, we can create a more inclusive world, that enables people from different backgrounds to unleash their potential and be given the opportunity to live their purpose!

My absolute best,

**Martin Mason**  
CEO & Founder, Unleashed International

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# Introduction

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Thinking about social mobility is important as it is a way to understand how likely we are to move up (or down) the economic or social ladder and therefore, how likely economies and societies are to thrive.

Positive social mobility is critical to creating an equal and fair society, but significant barriers still exist, even in seemingly progressive territories. For example, the UK has one of the lowest rates of social mobility for its economic group and in the US, social mobility has either remained unchanged or declined since the 1970s. Recent rises in inflation, especially energy costs, are intensifying the problem of downward social mobility. In October 2022, the [Eurostat](#) reported the UK's annual inflation rate of 11.1% was higher than in some comparable economies such as France (7.1%). Food inflation continues to rise at a worrying rate, skyrocketing to 16.4% in October 2022.

Most research on social mobility looks at how a person's status changes from childhood to adulthood, which is called "intergenerational mobility." Sociologists study how people move between social classes based on the jobs they and their parents have. Economists, on the other hand, usually look at how people move by looking at how much money they or their families make.

You can measure social mobility in absolute or relative terms. It is often used in education debates to talk about efforts to close the achievement gap between children with fewer advantages and their more privileged peers, even though these are only short-term results and don't tell us where children end up as adults. Where we find low levels of social mobility, people don't all have the same opportunities in life and adults' success and happiness in life is overwhelmingly dependent on their backgrounds as children.

This is because those who are born into low-income lifestyles do not have the same access to opportunities and support (such as education, justice and healthcare) as those who are born into more privileged situations, regardless of their talent or hard work. So, people from lower socio-economic groups are less likely to get professional jobs—even if they have had access to higher education—because they have less access to the necessary networks and support. They are also less likely to understand how to navigate the system and more likely to face bias from hiring managers because of who they are, the way they look or speak. According to the UK Social Mobility Foundation ([SMF](#)), professionals from working-class backgrounds earn £6,718 less on average, with women and the majority of ethnic minorities facing a double disadvantage. Working-class Bangladeshi professionals make £10,432 less than their white colleagues in the same employment, while working-class professional women make £9,450 less than men do.



But the good news is that employers can effectively combat social inequality by supporting positive social mobility, which will also benefit their own organisation by accessing and developing different talent and fresh perspectives. Employers not only have a crucial role to play in making sure that future generations can move up in society, but they are also trusted to do so.

There are a number of practical ways that businesses can improve people's chances in life, especially at the point of entry into the workforce. Businesses can work with others to improve social mobility by investing in skills and creating clearer career paths. The cost-of-living crisis, record-breaking inflation and the war on talent is making life hard for employers and employees across the world. Investing in ways to support diverse talent in the communities we serve and removing barriers for those who need it at work is an important way to meet business objectives and promote equality, diversity, inclusion and belonging.

As the world is slowly getting back on its feet after the COVID-19 pandemic, there is a renewed focus on making opportunities available to more people. Society has thrown the gauntlet to businesses and organisations. Socio-economic inclusion is important not just because it's the right thing to do, but also because it's advantageous to businesses. Workforces with a diverse range of backgrounds are more innovative, dynamic, and prepared for the future.





# The World Around Us

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Social mobility has received attention in the aftermath of the pandemic, but it has been on the table for much longer. People want to live in a country where working hard pays off. No matter where you were born or what your parents did for a living, you should have the chance to do well in life. But too often, where you start in life is more important than how skilled or talented you are.

Giving people control over their own lives and letting them reach their full potential is what social mobility is all about. This isn't about being nice or lowering standards. Families, schools, colleges, universities and employers all have an important part to play in making sure our young people have the technical and soft skills they need for the workplace. It's about making sure that where there is merit, it gets noticed. It's about making sure that people can get ahead with their own skills and hard work. It's about giving everyone a chance to show off their skills and talent and making sure they aren't held back by invisible barriers.

## Social Mobility in the UK

Compared to other countries, the most disadvantaged in the U.K. are less likely to move up the income ladder, and those who are already wealthy tend to stay at the top. Covid-19 has made inequality worse, and recent rises in inflation, especially in energy costs, are adding to the problem.

People of different ages have different ideas about what it means to be socially mobile. Young people are more likely to say that having a well-paid job is important (38% vs. 23% of the older generation). Older people (41%) are more likely to think that home ownership is a way to move up in society than younger people (27%).

From one generation to the next, new barriers to social mobility are appearing, and expectations are changing to match. Getting a foot on the property ladder is harder today for younger people than it was for older generations, so it's not surprising that younger people think having a well-paid job is more important than owning a home.

In the United Kingdom, a May 2021 report on the socioeconomic background of the civil service discovered that just 18% of senior civil servants were from lower socioeconomic origins and that individuals from lower socioeconomic backgrounds had difficulty advancing within the service.

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According to research by The City of London Socio-Economic Diversity Taskforce, 64% of top leaders came from a 'professional' household. This is about double the share of the UK population (37%). Employees from a professional family are 43% more likely to be at a senior level than their working-class counterparts, 37% of respondents from the 'working' class believed their background held them back at work, compared to 18% from the professional class.

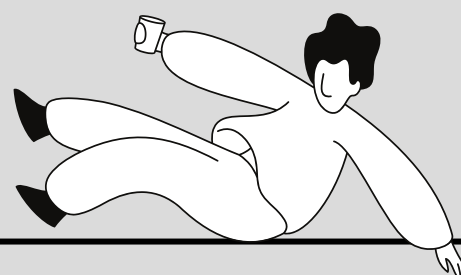
After a few years in which working patterns changed and economic inequality got worse, it's more important than ever to find out how people feel about the future of work.

In PWC's Hopes and Fears 2021 survey, half of the people who answered the survey say they were held back at work because of discrimination, and 13% say they were treated differently because of their social class.

Another survey shows that almost half of the people who work in the UK have had their accents made fun of, criticised, or singled out in a social setting. Many of the people who were mocked for the way they talked said they were worried about their future careers because of what they saw as prejudiced attitudes. And 31% of university students said they were worried that their accents could damage their career prospects in the future.

Many of today's top executives, board members, partners, and directors are products of the post-World War II baby boomer generation. Many of these successful people started from very modest backgrounds, but they overcame them to achieve their academic and professional goals. They profited from increased access to higher education, the rise of careers in the wake of World War II, and the proliferation of companies with clear career paths from entry-level to executive positions. But will it be possible for people today to experience the same ascension as the baby boomer generation?

Businesses need to be a key part of efforts to help their own employees, workers in their value chains, and people in their communities move up the social ladder. Businesses can help improve social mobility by focusing on a set of interconnected priorities: promoting a culture of equality of opportunity in hiring, active engagement in vocational and technical training programmes, giving employees comprehensive and timely reskilling and upskilling programmes, and paying fair wages that permit employees to meet their basic needs.





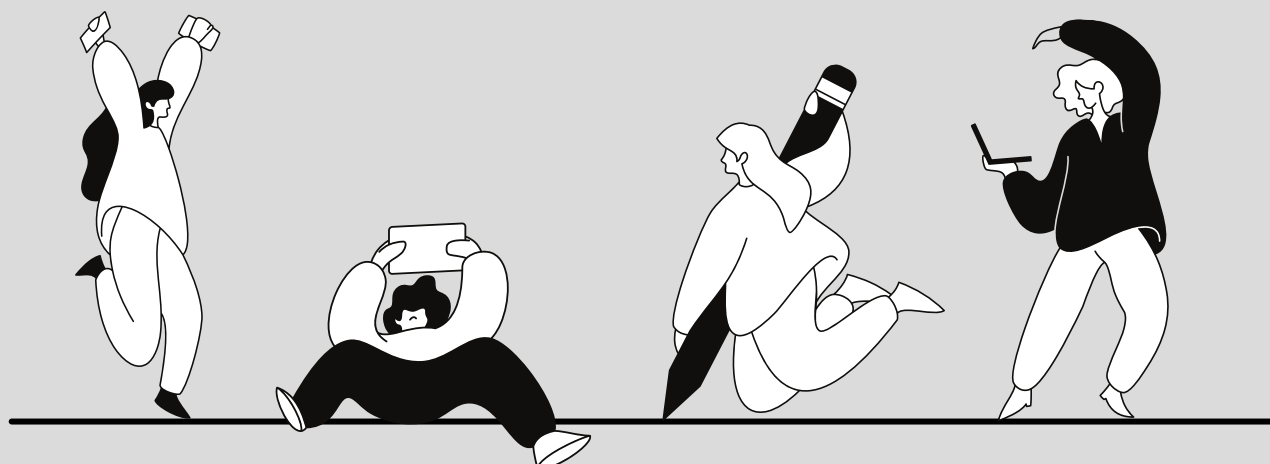
## The global picture

All of the top 10 most socially mobile countries in the world are in Europe, but the Nordic countries are at the top. Denmark is the most socially mobile country in the world. With an index score of 85.2, it is the best in this category. The World Economic Forum says that it would take two generations for a person born into a low-income family in Denmark to reach a median income. At the current rate of growth, it would take nine generations for someone in Brazil or South Africa to reach that point.

Canada is one of the few countries in the top 20 that is not in Europe. Like Denmark, it does well in most of the pillars, but it could do better in the area of lifelong learning, which includes helping the unemployed and teaching digital skills. Compared to the European Union or other OECD nations, the United States presently offers far less opportunity and mobility. For example, the likelihood of an American child growing up to be in the top 20% of earners is just 7.8% if they are born into a family with incomes in the lowest 20%. Surveyed Americans estimated the likelihood to be 11.7%.

Côte d'Ivoire is one of the countries with the least social mobility. It is at the bottom of the list, with an index score of only 34.5. As a country that has been through internal wars and rough economic changes, the poverty rate is still high at 46.3%. Even though the government has made improvements to basic social services, the country is still behind in areas like access to education and fair wages. It also has the highest rate of gender inequality in the world.

India is in 76th place on the index, even though the number of people living in absolute poverty has gone down a lot. If India wants to improve its score, it needs to make changes to all of its structures, especially in the areas of fair wages and education. When we look at the opportunity cost of low social mobility, we find that if each country increased its score by merely 10 index points, it could add 4.41% to the total growth of the global economy by 2030, which is equal to \$5.1 trillion.

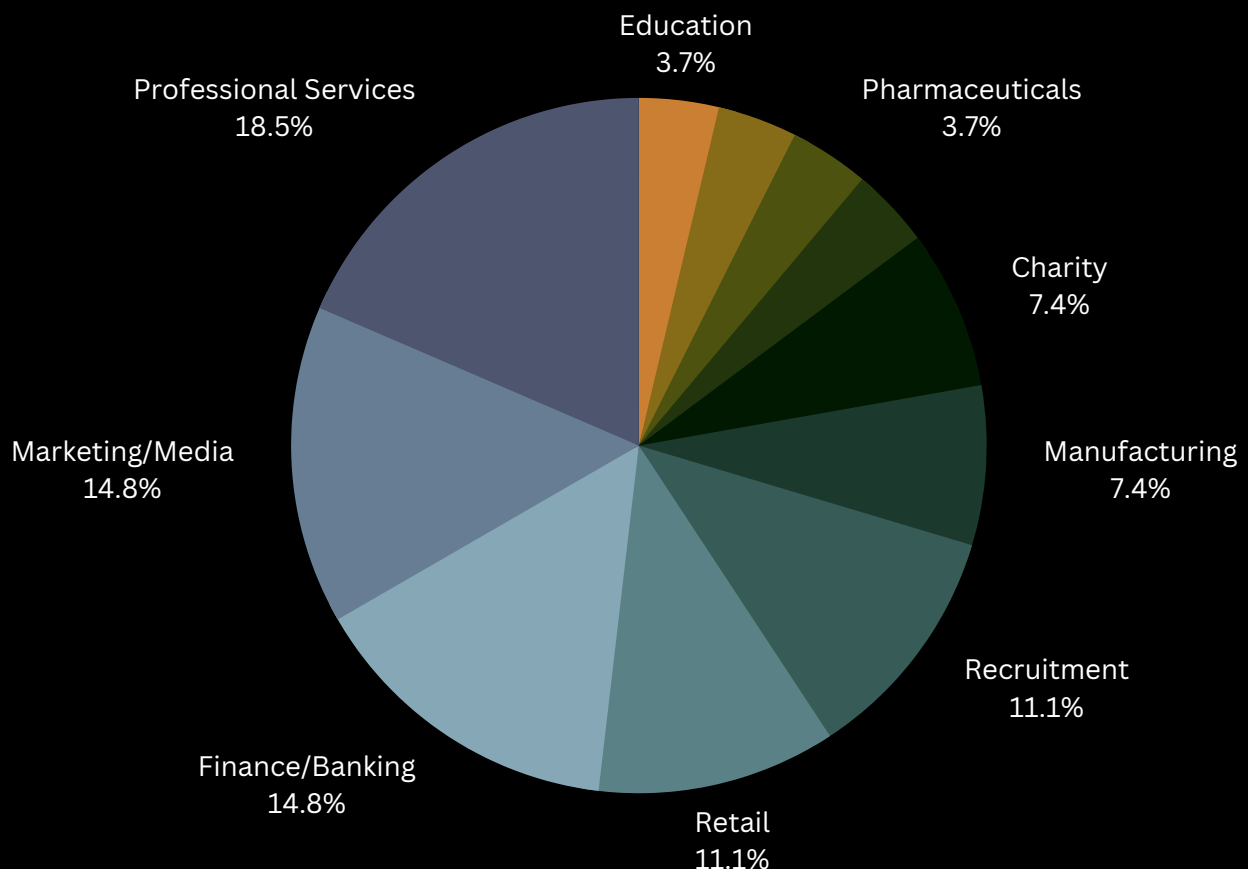
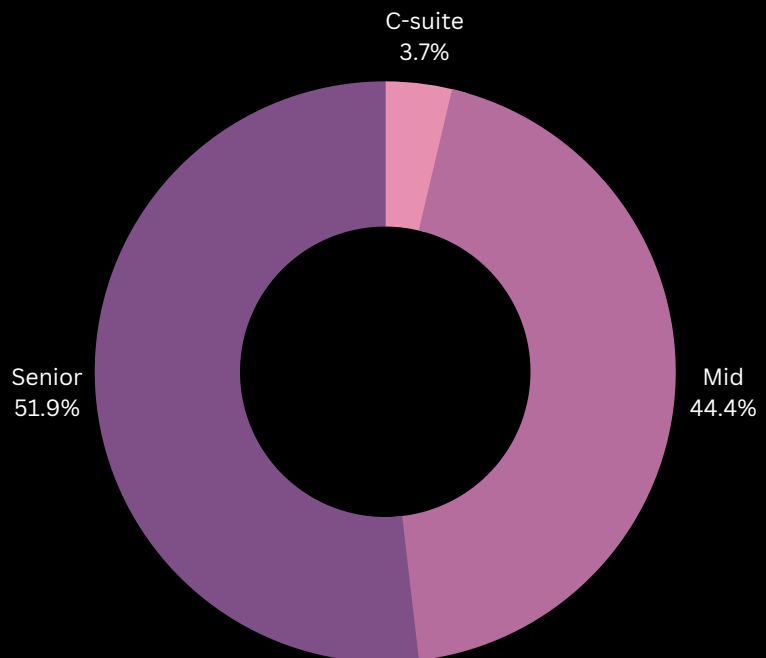




# Our Approach

We ran interviews, focus groups and we surveyed people from businesses across 11 industries at mid-level to C-suite.

The survey consisted of 28 questions focussed on peoples' perception of social mobility and what their businesses are currently doing to have a positive impact on social mobility.

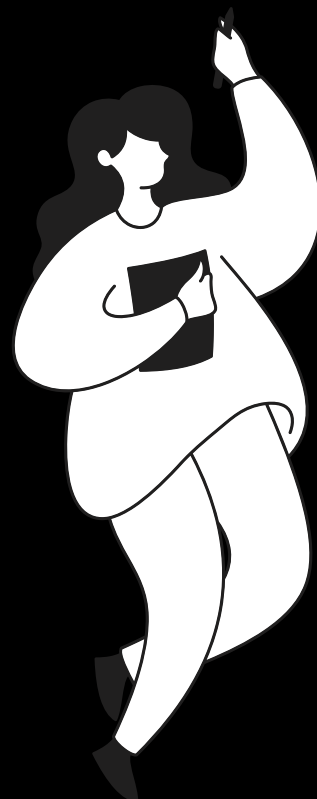




# Our Participants

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- Access for Life
- AstraZeneca Pharmaceuticals
- Axes4
- Bank of England
- Barry-Wehmiller Companies, Inc.
- Big4
- BlueBay Asset Management
- Bravo Network
- Cambridge University Press and Assessment
- Chance to Shine
- Claire's Accessories
- DigitalOx Ltd
- Disney
- Dunelm
- EllisKnight International Recruitment
- Includability
- Insights
- Isio
- KPMG
- Limitless Minds
- Mediacom
- Mermaids
- Mobilise Online
- One Banx
- Quantum Motion Tech
- Real Conversations
- Reed Talent Solutions
- Selligence
- The Body Shop
- The Samaritans
- The Fundraising Regulator
- Wates PLC
- Zeelo

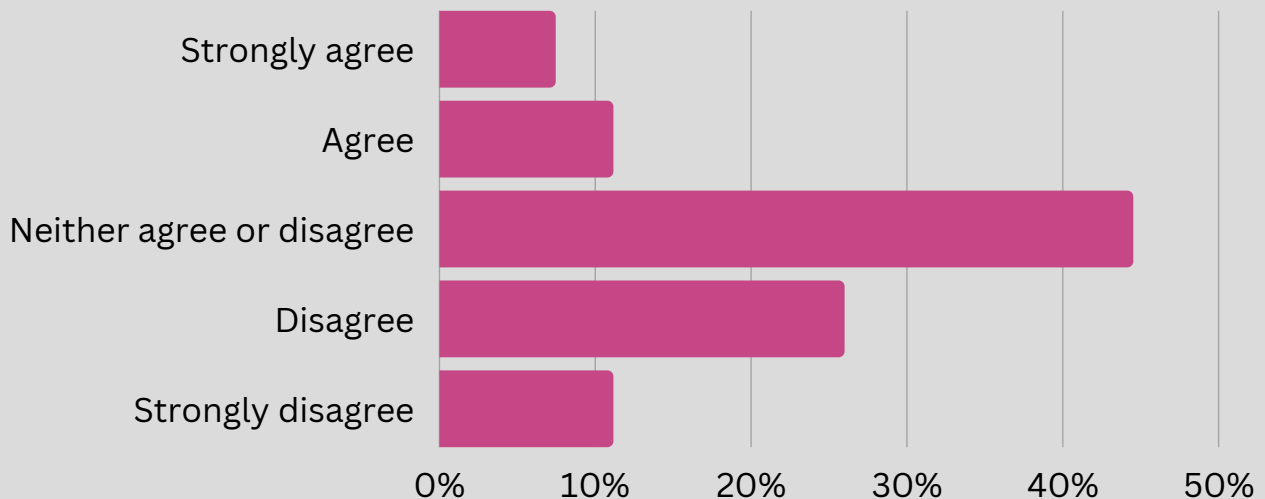




# Our Results

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## People with wealthy parents perform better at work



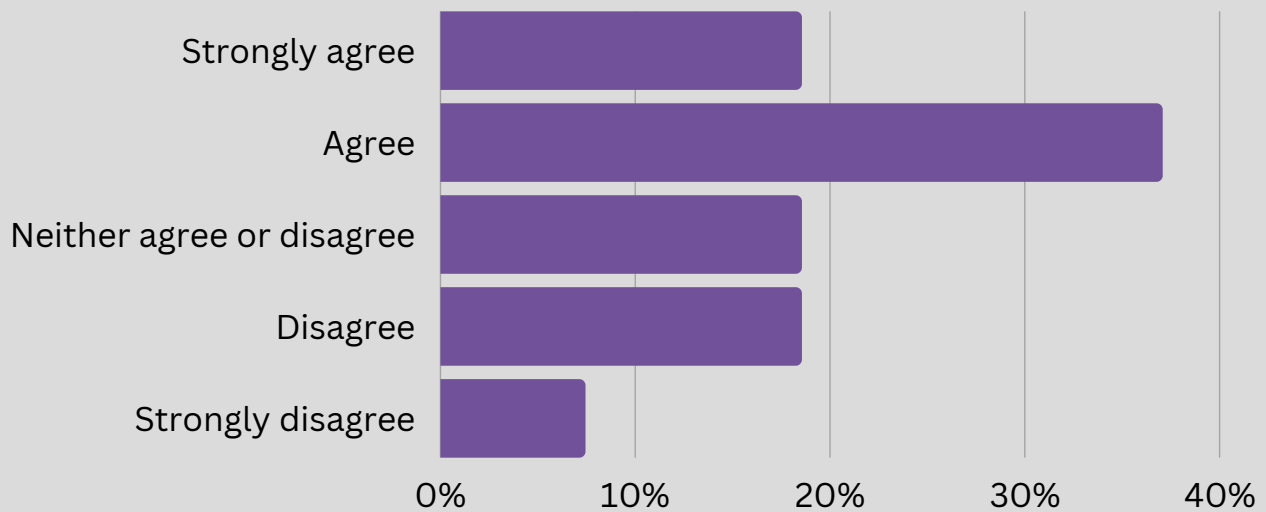
The problem with "what you can afford" or "what your parents can afford" is that there are a lot of unpaid internships in some fields. [Research](#) from the past has shown that only 37% of cultural and creative internships, 44% of media internships, 58% of financial and professional services internships, and 65% of marketing, advertising, and public relations internships are paid.

But many people, like those who need to travel to work or who don't have a lot of money from their families, can't afford to work for free. So, 40% of young people who had considered applying for an internship changed their minds because they couldn't afford to work for free, and 39% of those who were offered an internship, which means they were thought to be a good fit for the job, had to turn it down as a result. Internships are a gateway into gaining the skills and experience needed for a person to land a professional job but in many sectors, internships have become exclusively for those who can afford to sustain themselves without a salary.

People with wealthy parents are more likely to have access to work experiences and higher levels of education and training. They are also more likely to face fewer bias-led barriers because they are more likely to look/sound like their employers.



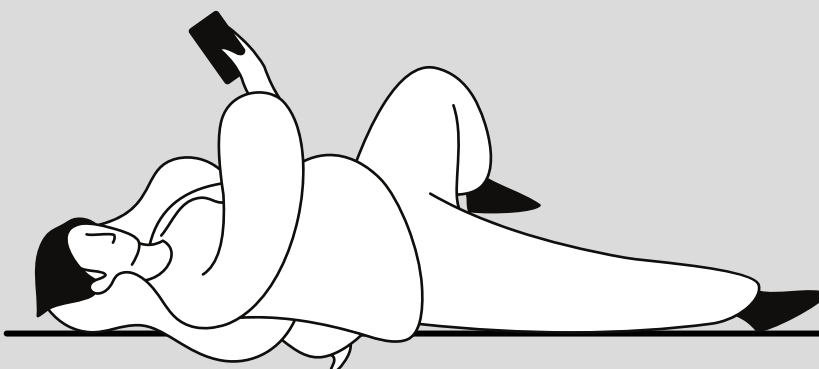
## Who you know is more important than what you know



Work experience and internships, which some organisations view as desirable to get a job, are where the "who you know" dilemma is most visible. For instance, more than a third of this year's most sought-after graduate entry-level positions will be filled by graduates who have already worked for their organisations, and half of graduate recruiters claim that candidates without prior work experience have little to no chance of receiving a job offer, with work experience frequently being scored as part of the selection process. And, rather than being advertised, most job openings in the broader sector are filled informally through word of mouth. Young people from disadvantaged backgrounds are less likely to have the necessary contacts than those from more affluent ones.

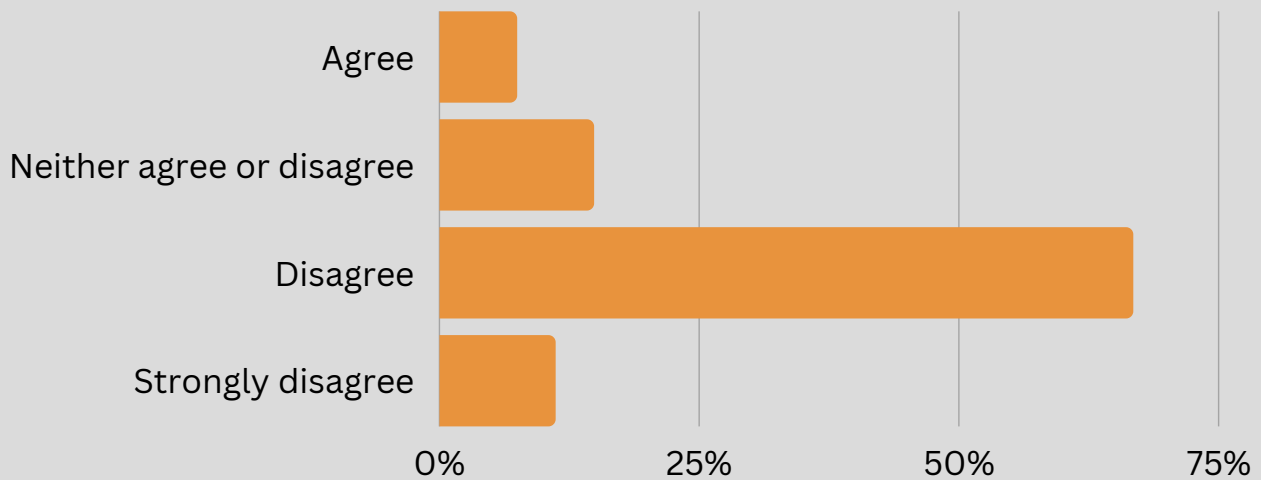
The "who you know" dilemma is also visible within internal career progressions, often the person getting a leg up for a promotion is not based on merit but based on their relationship with their managers or senior leadership - their internal brand.

Interestingly, most people in our survey agreed to this question which reflects how the "who you know" dilemma is still commonplace today.





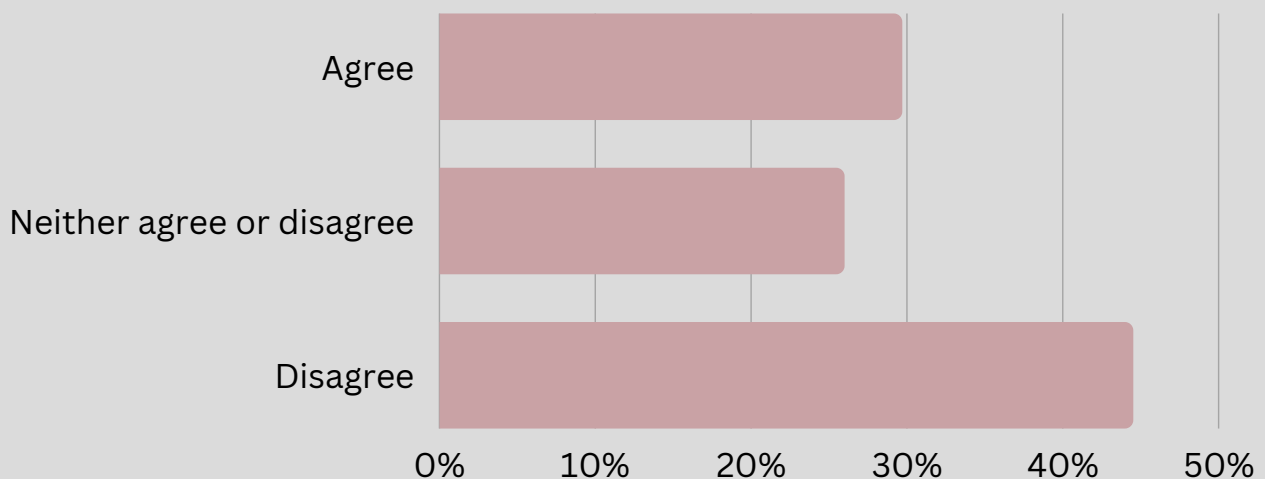
### A good education is the only way to be successful at work



Forty years ago, substantial numbers of school graduates could work their way up in a variety of fields. However, with over half of the population now attending university, nongraduate options are becoming less and less. The reality is that a lot of roles do not require graduate level qualification and yet, recruitment largely is still not focusing on skill requirements and instead talented young people are likely to have their possibilities for advancement confined and their potential lost. 55% of young people don't enter higher education and many of these end up in jobs with low wages and little opportunity for progression.

Over 60% of our respondents disagreed to this statement, which shows that people's views are not aligned to the current system.

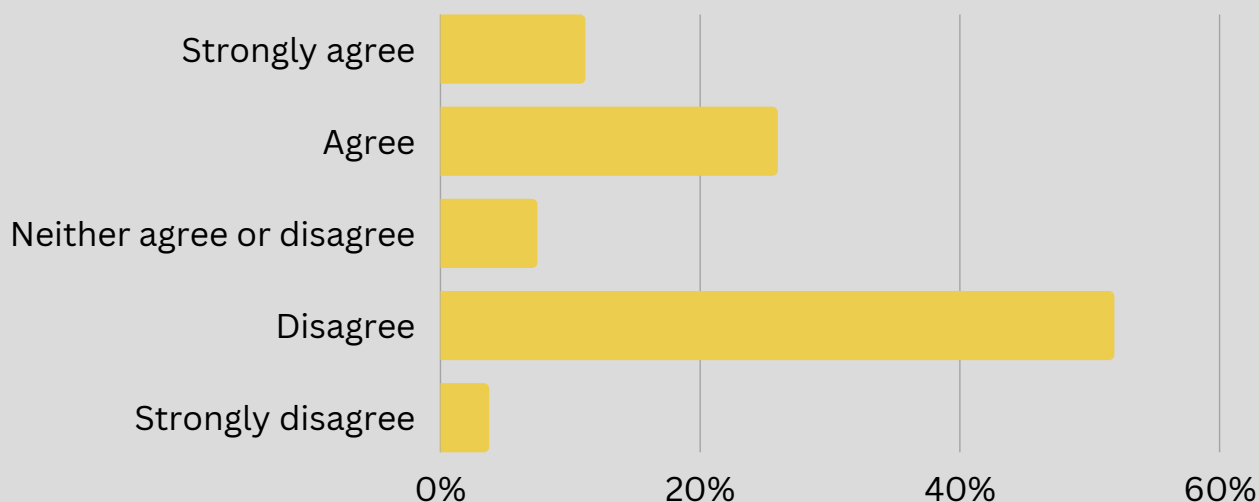
### People should look and behave in a certain way to be successful at work





Unconscious bias still plays a role when employers recruit in their own image. Unfortunately, in some cases this bias is conscious because they exclude people who they believe would not suit the organisation's desired image or be accepted by clients, based on presentational factors such as accent and clothing worn during the interview, rather than judging their ability. For instance, those from lower socioeconomic groups may not be able to afford professional-looking clothes nor are they aware on how to present themselves in the same way as their more privileged peers.

### Fitting in is the key to being successful at work

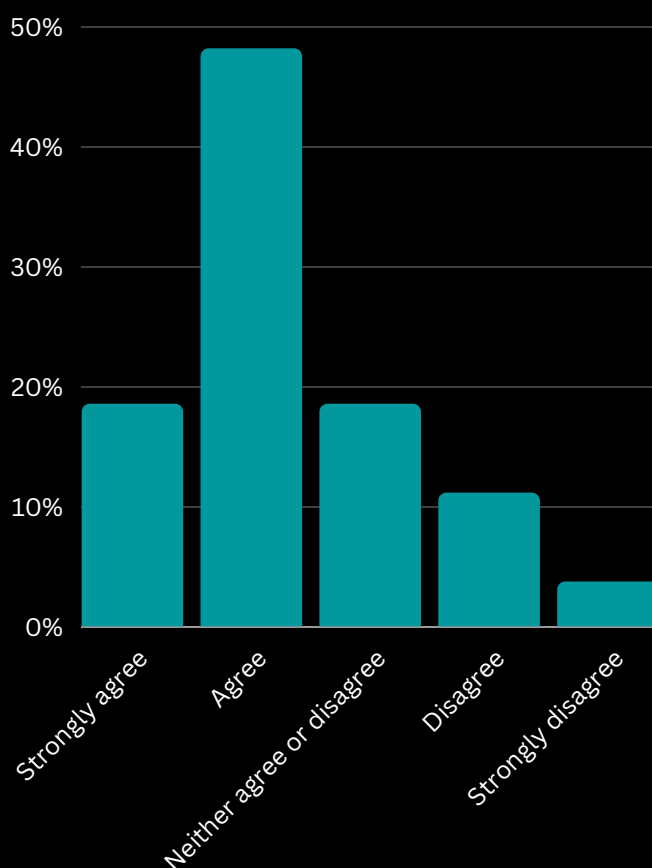


Social belonging is a basic human urge that is ingrained into our DNA. Despite this, 40% of employees report feeling alienated at work, which has resulted in weaker organisational commitment and engagement. In a nutshell, businesses are wasting their time. Businesses in the United States spend roughly \$8 billion per year on diversity and inclusion (D&I) trainings that fall short because they ignore our need to feel included.

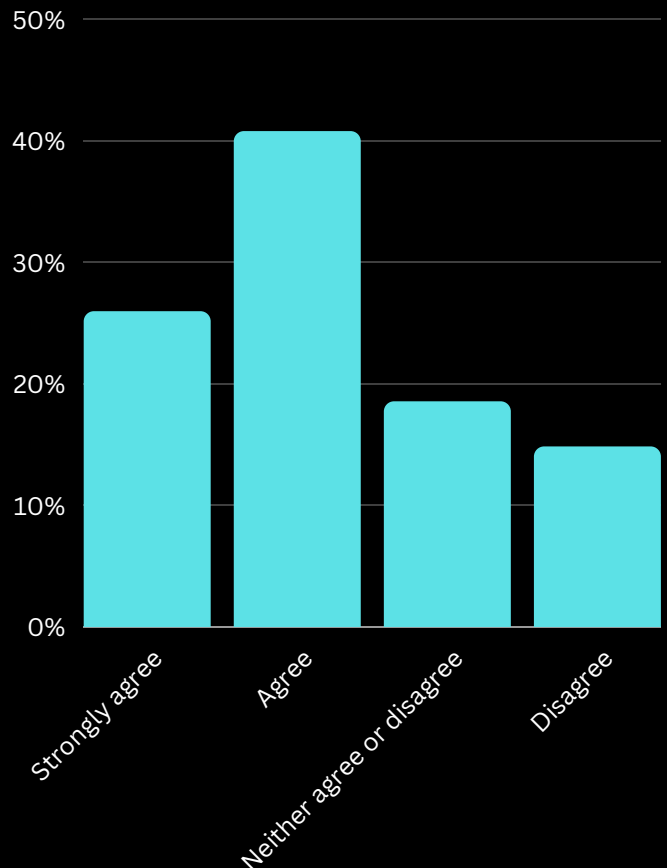
"Cultural fit" is a vague term that recruiters often use to decide who to hire. On the surface, it means whether or not a candidate appears to agree with the organisation's values and goals. Under the surface, though, it comes to mean whether or not a candidate is a close likeness to current employees, whether in looks, class, race, education, or a number of other arbitrary ways. Whether it's done on consciously or unconsciously, hiring based on cultural fit leads to a pretty homogeneous workforce and poor results in terms of diversity.



### Encouraging positive social mobility is viewed as a responsibility by my organisation



### Encouraging positive social mobility is viewed as an opportunity by my organisation



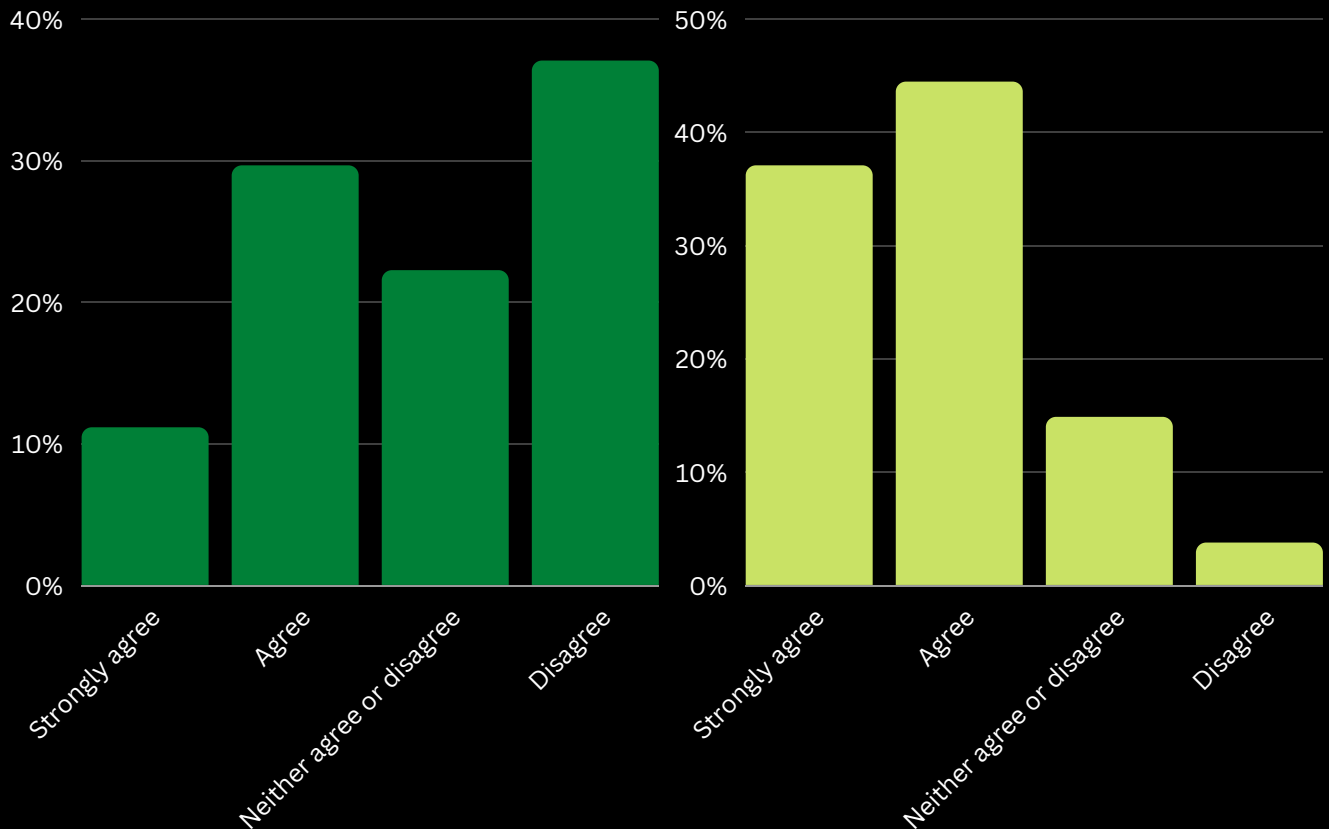
Organisations have the power to vastly improve social mobility through a multitude of ways, the problem is that social mobility is not on everyone's radar and to make longstanding effective change, this responsibility needs to be taken on collectively to make a tangible difference and deliver against a measurable social mobility commitment.

KPMG Chair Bina Mehta, who comes from a working-class background and is a passionate believer that greater diversity improves business performance, says “diversity brings fresh thinking and different perspectives to decision-making, which in turn delivers better outcomes for our clients.”



**Encouraging positive social mobility is considered when making decisions in my organisation**

**My organisation makes a conscious effort to attract diverse people**

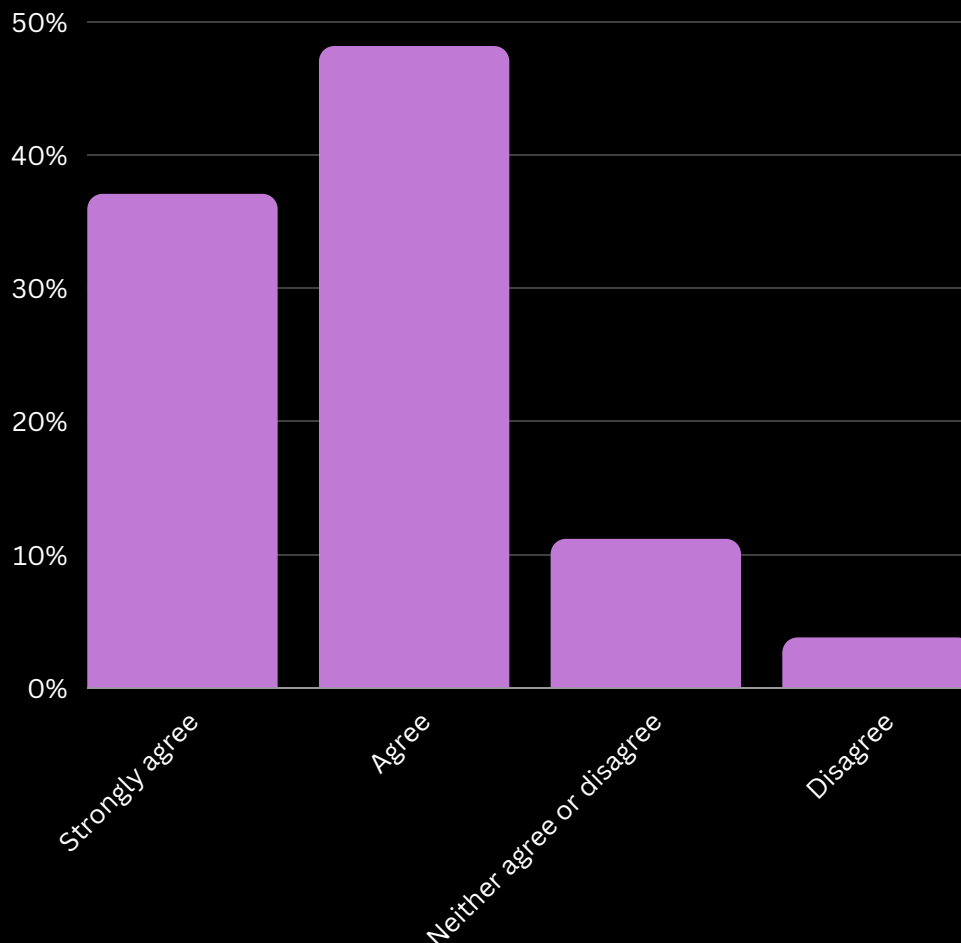


There are several benefits to having a diverse workforce. The talent, experience, ideas, and perspectives of a diverse workforce are broader. Cultivating a diverse workforce may help create a more welcoming and supportive environment for employees and boost an organisation's standing in the community. When the organisation is welcoming and kind to individuals from all walks of life, employee morale and retention could be boosted as a result. When employees feel comfortable and positive about their employer, they're also more likely to act as advocates for the organisation improving customer and candidate brand.





## My organisation has a culture that is inclusive of people from all backgrounds



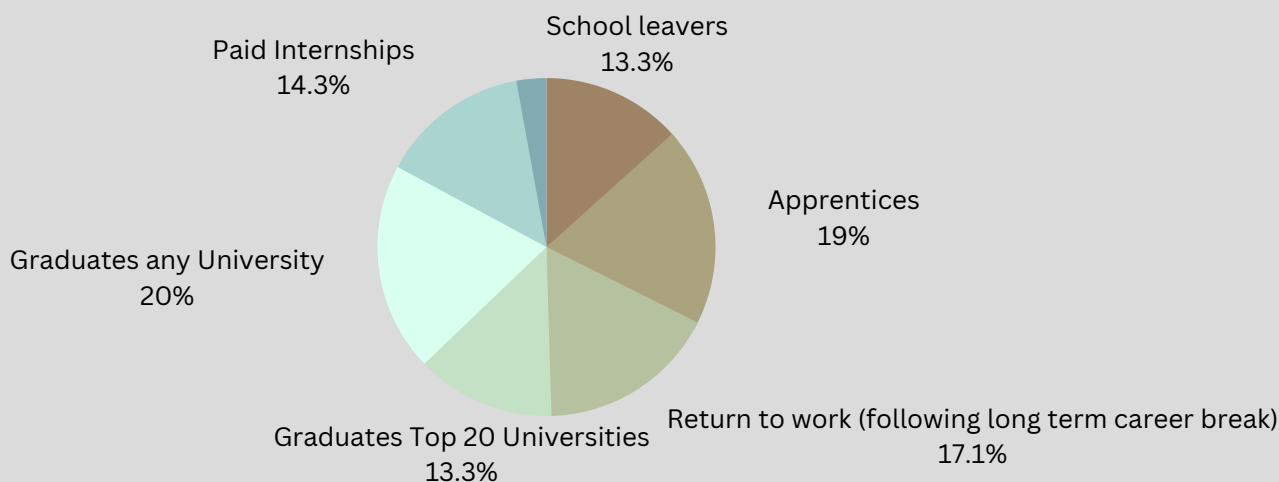
Organisations with an inclusive culture encourage all employees, regardless of their individual backgrounds or experiences, to achieve their full potential in the workplace. In order to achieve this goal, they must first appreciate difference and then put into practice policies and procedures that remove obstacles to diversity and inclusion.

In order to make their organisations more welcoming to all people, employers need to assess the current climate, recognise and reward good practices, and address concerns as they arise.

The response to this questions shows great potential but perhaps does not align with the wider data we have analysed in this report.



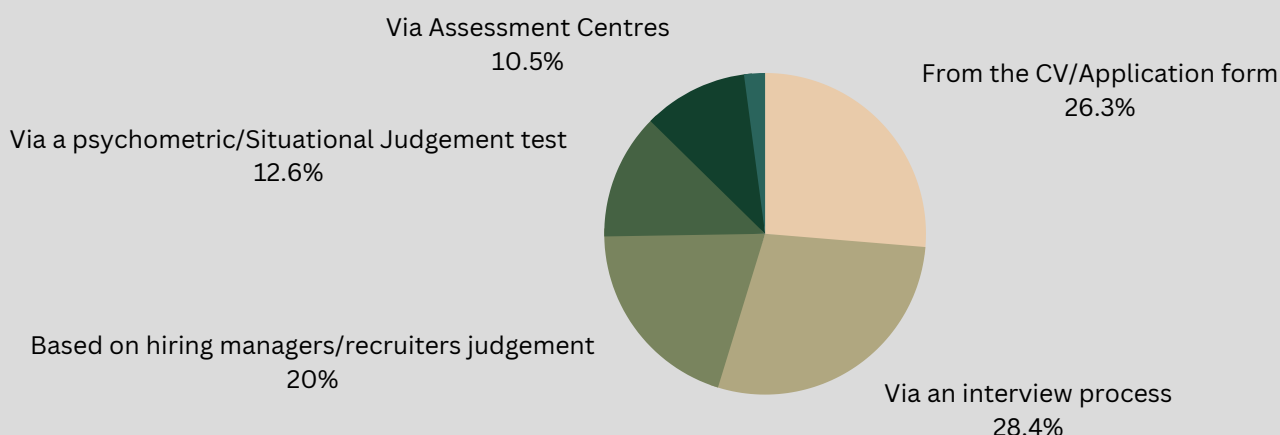
## My organisation offers the following routes into employment....



Organisations need to look at the bigger picture. Inclusion is more than just diversity; it's about each person's experience at work and making a good environment where everyone can have a say, share knowledge, and have their opinions valued. By offering more routes into employment, employers can widen their talent pool and the perspectives and experiences which accompany that.

Using the knowledge and perspectives of all employees can only help organisations make better decisions and better understand their customers. Both of these things are important for organisations to keep growing and coming up with new ideas in the future.

## My organisation assesses skills and potential of our people by....

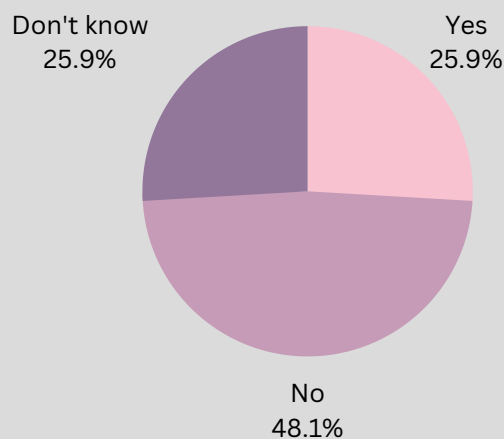




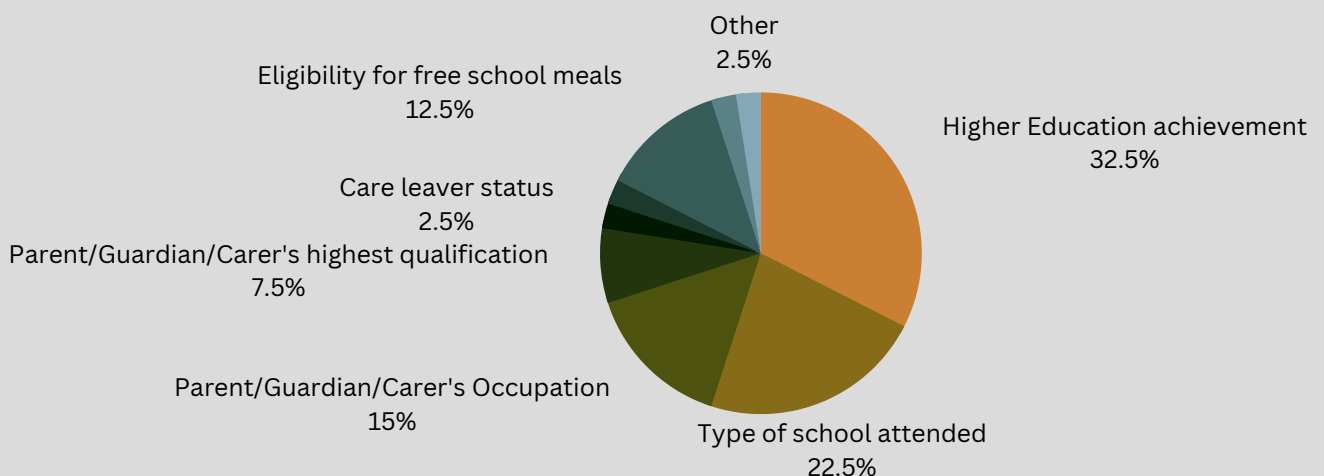
Unconscious bias can influence the hiring process when a decision is made about a candidate based only on how they present. Or, when we choose one candidate over another just because we think we could hang out with the first one outside of work. Even at the beginning of the hiring process, a candidate's name, hometown, or picture on their CV could affect how we feel about them more than we think. In short, unconscious bias affects our choice, either for or against, based on things that have nothing to do with the job.

But the bias does not end at recruitment, handling career progression internally is also ridden with many biases such as favouritism. Ensuring your talent management is void of subjectivity from start to finish is critical in fostering true inclusion and belonging.

### My organisation captures employee data on socio-economic group



### What employee data does your organisation capture on social mobility...





Employers need to gather information about the people who work for them so they can figure out how big a problem the lack of diversity is and how far they've come in fixing it. Even though it's not a protected trait under the Equality Act, more and more employers are keeping track of their employees' social and economic backgrounds.

The Social Mobility Commission recommends that employers ask three key questions to assess the socio-economic diversity of its workforce.

The first question is **“What was the occupation of your main household earner when you were aged 14?”** (with answer categories to choose from). The second question is **“Which type of school did you attend for the most time between ages 11 and 16”** (with answer categories to choose from). The third question is **“If you finished school after 1980, were you eligible for free school meals at any point during your school years?”** (again, with answer categories to choose from).

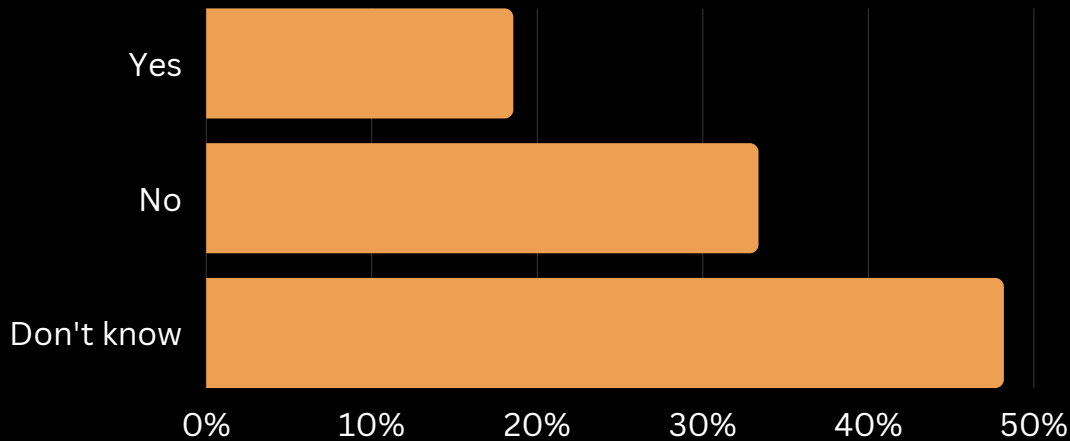
The Social Mobility Commission also suggests an optional fourth question for graduate recruits to identify whether they are the first person in their family to attend university.

Here we can see that some of our respondents are collecting a wide range of data but the most prevalent is still educational experience.





### My organisation actively recruits in areas of low social mobility



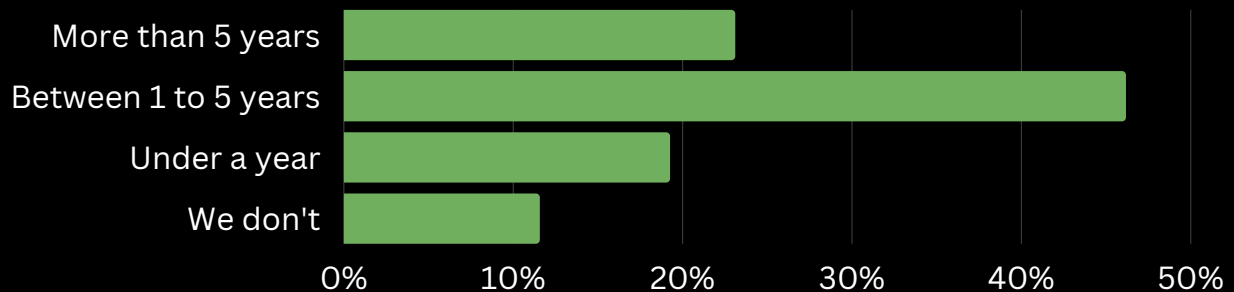
### My organisation encourages positive social mobility by ...



Customers and potential employees are interested in working for and with organisations that put more emphasis on their mission than simply making a profit. Organisations have the ability to strike a balance between their financial interests and making a beneficial influence on the world by advancing the social mobility agenda, in addition to preparing their workforces for the future. To foster socio-economic progress and combat social inequities, initiatives should be easily available and should have a primary emphasis on opportunities that make it possible to make long-term commitments to social mobility.

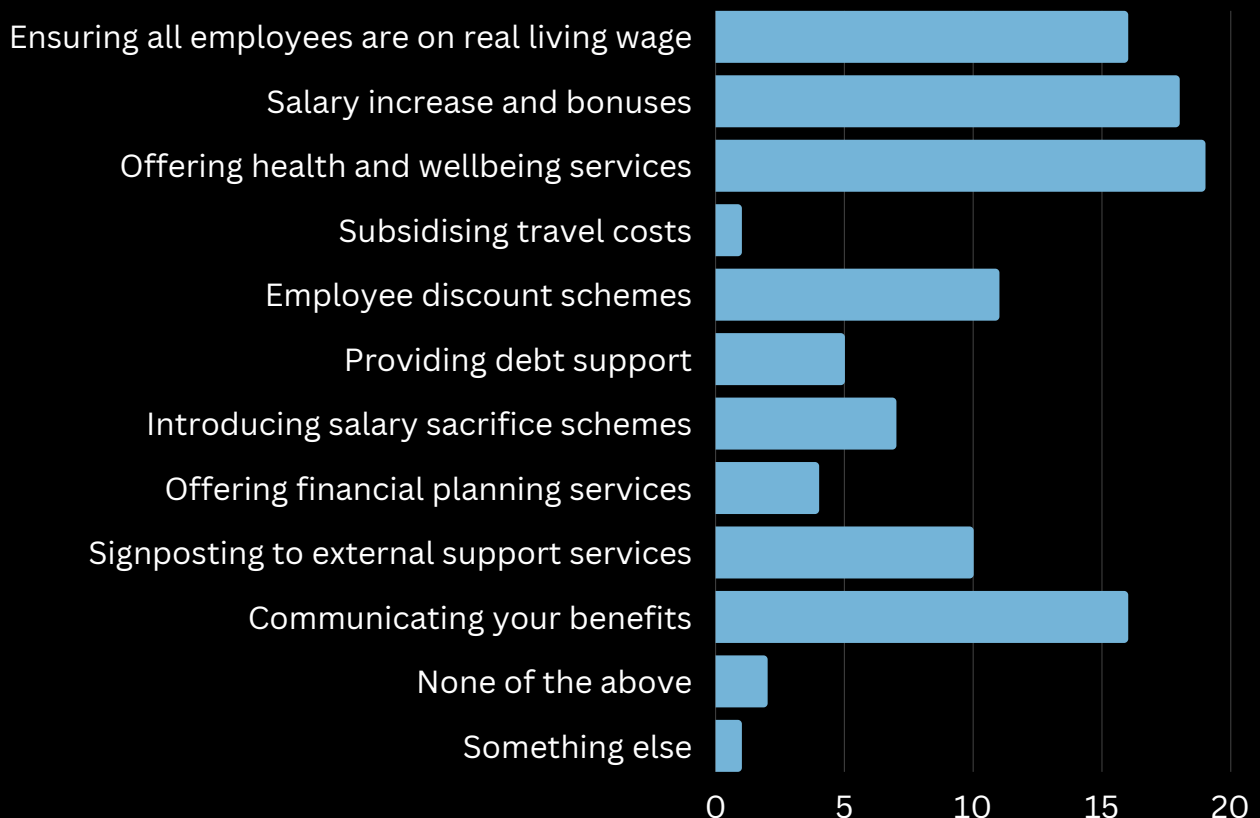


### My organisation has been encouraging positive social mobility for....



Social mobility as a concept is nothing new. Social mobility was one of the important themes of social history during its beginnings in the 1960s and the 1970s. When countries are compared, it's easy to see how occupational mobility is linked to spatial and educational mobility. In the former French colonies, these kinds of mobility depend a lot on where someone comes from and seem to be necessary to get a job. In the countries that used to be British colonies, the ties between origin, migration, education, and job success seem to be much weaker. History shows that these different structures are the result of policies and investments made by former colonial powers in different ways.

### My organisation is supporting our employees through the cost of living crisis by....





There is a growing trend among employers to support their employees in dealing with the rising cost of living. Some organisations are going so far as to provide a one-time bonus or other forms of assistance, which can range from increased employee discounts to free food.

Jonathan Watts-Lay, the director of Wealth at Work, a financial wellbeing and retirement specialist, says that if you are struggling with your finances, speak to your employer to find out what help they have available. “Even if they don’t offer anything at the moment, sharing the challenges you are facing may encourage them to put support in place.”





# Our Findings

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When we look at what people told us about their perceptions or attitudes towards social mobility, we find a view of a society in motion. While most respondents did not feel like the wealth of our parents or access to education are the most important factor for success at work (a significant shift from just 20 years ago), the belief that who you know is still more important than what you know shows us that the principles of equal access are not being felt in reality. In fact, people still feel like they are being assessed by their brand or networks, not on their aptitude or performance. Does this mean that bias led decisions about recruitment and development are still the norm? And if so, are barriers truly being removed?

We also find that people are split on how we should all behave in a certain way at work but that 'fitting in' was not valued by the majority of our respondents. These questions encourage us to think about the principles of inclusion and belonging – do our behaviours as an organisation actually make everyone feel included or are we still expecting people to 'code-switch' or 'act' at work to be viewed as successful. It led us to ask, what is 'professional' behaviour? Who sets that principle? How can we build effective, truly inclusive cultures of equity where everyone's needs are respected and met?

When we look at what organisations' approach to social mobility, we also see a mixed picture. In positive news, the majority of our employers are talking about social mobility and see it as an opportunity. But we are led to ask whether this is truly embedded in our practice when we see that only a minority consider social mobility when making decisions. Most employers are working on attracting diverse talent and there was a strong belief that the organisations we surveyed have inclusive cultures. But if critical business decisions are not being viewed through the lens of active inclusion, then does everyone truly feel like they belong? Are we walking the talk? And if who you know is still more important than what you know, are our cultures inclusive?

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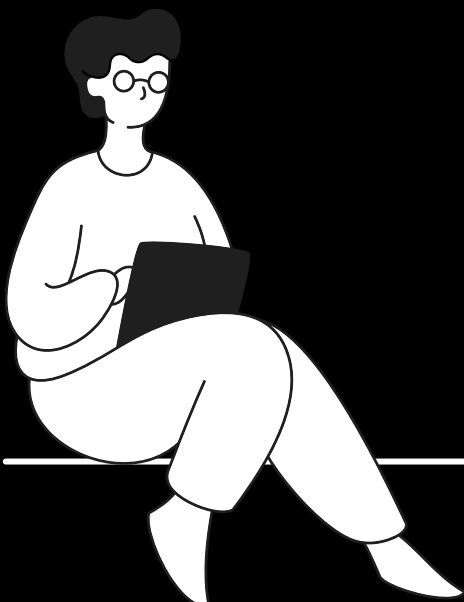


This mixed picture continues when we look at the practical steps employers are taking to promote social mobility. There are a wide range of tools being used but we're still seeing a lot of focus on graduate programmes and more traditional selection processes which favour the most advantaged in our society by testing how they present, either on paper or in person. Lots of people told us their recruitment processes are inclusive but if only a quarter of respondents are capturing data on socio-economic status, only that number could be assessed through this lens. It's also interesting to see that while we don't value education as the most important factor for success at work, it's still the primary way our employers are assessing social-economic status.

One of our most powerful findings was that less than 20% of respondents are known to be actively recruiting in areas of low social mobility. This made us consider whether recruitment practises are truly inclusive and whether cultures can be truly diverse and inclusive. It's also an important data point when we consider how challenging attracting new talent is globally. Are there communities where amazing talent is simply not being accessed?

There is a lot of positive news too. Where employers are focussed on social mobility and on supporting people through the cost of living crisis, there are a wide range of tactics being deployed and significant investment from employers being made in their people.

Of course these findings and questions need to be viewed in context – both of who responded (people in the Unleashed network) and of the macro picture. We are all subject to the existing external trends that maintain the barriers that exist to social mobility. But it's our strong belief that together, we can start to break the barriers and create more equal, fair and successful society in the communities we serve and globally.





# Next Steps

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We really hope that you enjoyed our report and are keen to work with us to break some more barriers.

We will be holding one of our ACE Networking Events to discuss these findings and how we can work together to progress more positive social mobility in 2023 – so please, **watch this space** and check your inbox for an invitation.

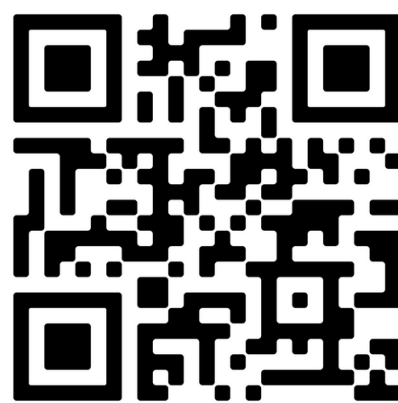
In the meantime, we invite all of our readers to discuss social mobility with their organisation, sharing our findings with colleagues, friends and peers so that we can bring even more people into the conversation about how we break barriers that limit people's ability to unleash their potential.

Thank you

Martin and the Unleashed Team



# EQUITAS



To find out more about how Unleashed can support you to promote social mobility, use the QR code to visit our [website](#)