

Capstone Equality, Diversity & Inclusion

→ 2024



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\\ Workplace diversity matters.

Getting it right hasn't always been easy for businesses but it's increasingly central to their success as they look to unlock the full potential of their workforce and respond decisively to a rapidly shifting social and economic landscape.



The business case for making a success of diversity and inclusion is compelling. A recent report by McKinsey & Company found that companies in the top quartile for gender diversity were **15%** more likely to have financial returns that were above their national industry median. Companies in the top quartile for racial/ethnic diversity were **35%** more likely to have financial returns above their national industry median.

As a result, access to the diverse array of perspectives, experiences and skill sets provided by a diverse workforce is increasingly sought after and is an asset that can help enhance adaptability and resilience and drive businesses forward.

Workplace diversity also matters to employees and is key to attracting and retaining top-tier talent. In an increasingly global and competitive job market, workers are more discerning than ever about the values and culture fostered by their workplaces. **67%** of job seekers responding to a survey by Glassdoor said a diverse workforce is important when considering job offers. Organisations that are able to showcase diverse and vibrant teams are likely to have a crucial advantage in the hiring market and see a reduction in costly staff turnover.



\\ The property, construction and real estate sector has historically been associated with a relative lack of diversity, **but how true is this today?**



We polled our network to explore how workers in the sector feel about workplace diversity, and whether companies are succeeding in enhancing and safeguarding diversity. The results are intriguing.

The responses to our survey indicate that although the workforce in this sector is undeniably predominantly white and predominantly male, minority workers in the industry feel positive about their workplaces and feel able to flourish and progress. That said, our responses show that there are areas where companies are falling short, and plenty of work still remains to be done to ensure workplaces in the property, construction and real estate sector reap the rewards of fostering diversity within their workforces.

**We hope you enjoy reading
this report as much as we did.**





Sarah Davenport // Managing Director

At Capstone, we firmly believe that fostering a diverse and inclusive workplace isn't just the right thing to do – it's a key driver of business success. After all, diverse teams bring a richer tapestry of perspectives, experiences, and skills, leading to greater innovation, adaptability, and resilience.

This report sheds light on the current landscape of ED&I in property and real estate. We conducted a survey of industry professionals to gain insights into their experiences and identify areas for improvement. The findings present a mixed picture.

On the positive side, the report reveals a growing commitment to ED&I within the sector. The majority of companies have implemented an ED&I policy, and a significant portion of workers report feeling valued and respected in their roles. However, there's still considerable progress to be made. Women, LGBTQ+ workers, and ethnic minorities are all underrepresented, particularly in senior positions. These groups also reported experiencing higher levels of bias and discrimination.

This report serves as a call to action for the property and real estate sector. By actively promoting ED&I, we can create a more equitable and successful industry for everyone. This report equips hiring managers with valuable insights into the experiences of diverse talent, allowing them to build more inclusive workplaces. For candidates, it offers valuable information about the current state of ED&I in the sector, helping them identify companies committed to creating diverse and welcoming environments.

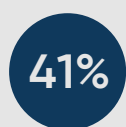
We encourage you to delve into the report and join us in the crucial conversation about fostering a more diverse and inclusive property and real estate sector.



Diversity & Inclusion



Does your organisation cultivate a culture where people of all backgrounds are welcomed, respected and valued?



Strongly agree



Agree



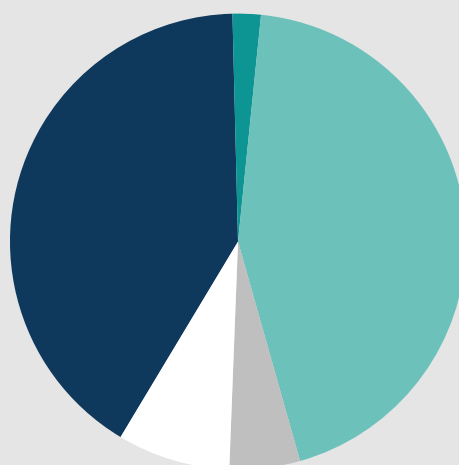
Unsure



Disagree



Strongly disagree



Does your workplace have a diversity and inclusion policy?



77%

Yes



5%

No



18%

Unsure

Larger companies are much more likely to have a diversity and inclusion policy than smaller companies. **95%** of those working for businesses with 1000 or more employees said that their company had a diversity and inclusion policy. Against this, only **45%** of those working in businesses of 50 or fewer employees thought their company had one, and **43%** weren't sure.

Many smaller companies and start-ups may not have had the time or resources required to set up diversity and inclusion policies and may not have encountered the hiring challenges requiring them to do so.



The correlation of D&I policies with company size indicates that implementing a D&I policy is part and parcel of growing a company, as their workforces become larger and more diverse. However, as we'll see, simply having a D&I policy isn't enough on its own to ensure that diversity is properly nurtured in an organisation. Actions speak louder than words, and businesses need to demonstrate that they take their D&I policies seriously by following through on what they set out and actively tackling discrimination whenever it occurs.

Diversity and Inclusion: Reshaping the Landscape of Property and Real Estate



Real Estate Advisory Team Lead,

Oli Coote, offers his perspective on the evolving diversity and inclusion landscape within the property and real estate industry. While there is genuine growth, work remains to create a truly representative workforce.



In some areas of real estate, senior positions have primarily been occupied by males, with an underrepresentation of BAME professionals, potentially limiting the options for diversifying leadership teams. Requirements relating to the length of experience, particularly for more senior positions, for example, can further restrict opportunities for candidates from underrepresented groups who may be earlier in their careers. However, a positive shift is underway.

For property and real estate companies, building a robust ED&I strategy is no longer optional. Branding efforts showcasing their commitment to diversity on social media and through targeted advertising campaigns can open doors to a broader talent pool. Internally, fostering apprenticeship schemes and development programs creates pathways for attracting and retaining diverse talent. Most importantly, cultivating a welcoming and inclusive company culture serves as a cornerstone for true progress."

Oli sees a bright future for diversity and inclusion within the industry. As younger generations who value diverse and inclusive work environments enter the workforce, companies will need to adapt to meet these expectations. Large-scale industry events can further propel this positive change by championing ED&I values and fostering collaboration across the sector.



Gender



☐ Male ☒ Female

Male or female?



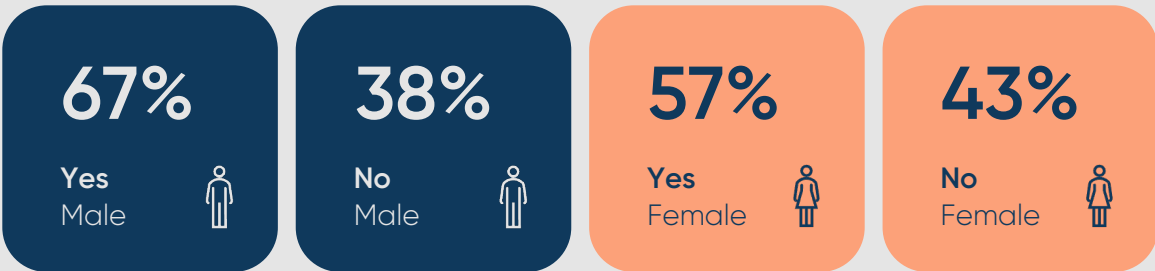
While overall, almost three-quarters of our respondents were male, there was some variation by role category. In Project/Programme Management roles and Cost/Commercial Management roles, approximately **80%** of workers were male, and in Engineering roles this proportion rose to **89%**. By contrast, **100%** of those in Administrative/Office Support roles were female.

Overall, men held **74%** of senior roles, increasing to **79%** amongst those with 10 years' experience or more. This latter group saw some considerable gender pay gaps.

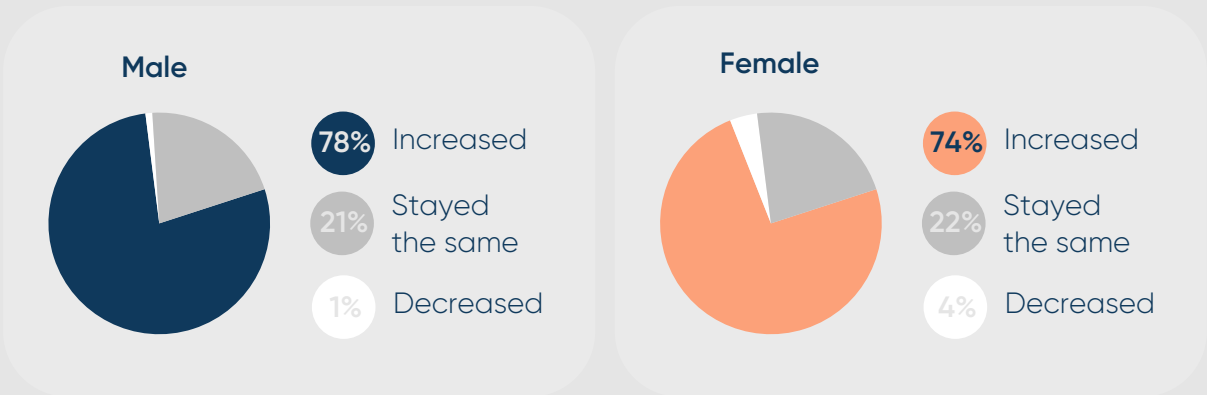
Men in senior Project/Programme Management roles with more than 10 years' experience earned, on average, twice as much as their female counterparts.

Digging deeper, we find that only **10%** of Project and Programme Management workers in Director or C-suite roles were women, indicating that women in this sector are finding it harder than men to break into the top roles. Tellingly, women in senior Project and Programme Management roles (excluding Director and C-suite roles) were most likely to cite career progression as a reason for leaving their current role, and only **36%** thought their organisation was sufficiently gender-diverse.

Are you happy with your salary?



How has your salary changed?



Both men and women were less likely to say they were satisfied with their salary at the beginning of their careers than later on.

For both men and women, a similar number (slightly less than half) of those with up to 5 years' experience were happy with their salaries but after 10 years, while 65% of men were happy with their salaries, only 55% of women were.

Women were less likely than men to say that their salary had increased in the last 12 months and more likely to say that it had decreased. The disparity was greater in larger companies: a third of women working in companies of 1000 employees or more said their salary had either stayed the same or decreased in the last year, against only 22% of men. By contrast, in companies with 50 or fewer employees, while a greater proportion of women said their salaries had stayed the same, none said that their salaries had decreased.



"Attitudes towards females, in particular in administrative roles, has not always been equal."



56% of women in companies of 1,000 employees or more said that there were opportunities to progress versus **62% of men**, and a quarter of women said that they weren't sure whether there were opportunities to progress or not.

This finding may indicate that the pathways for progression are less clear for women than for men.

As we've seen, there are fewer women in the most senior roles. As well as indicating an imbalance amongst decision makers at companies, this also means that women looking to progress have fewer role models who can both provide assurance that progression is possible and support women looking to progress.

Have you asked for a pay rise?



Although overall, women were as likely to have asked for a pay rise as men and were as likely to have been successful, this was not the case for those working in large companies of 1,000 or more employees. Here, although the percentage of those who had asked for a pay rise was about the same for both genders, men who asked for a pay rise were over **10%** more likely to get one than women.

According to our data, in companies of 1,000 employees or more, women who had unsuccessfully asked for a pay rise were nearly twice as likely to report feeling unhappy in their role as men. When asked if they had ever been the victim of bias or prejudice in the workplace, all the women in this group said yes.

It's, therefore, no surprise to see that women in larger companies who were unsuccessful in asking for a pay rise were twice as likely as their male counterparts to be considering leaving their role within the next year. For women who feel that they are the victims of institutional bias, leaving their role altogether may seem to offer them the best chance of securing their desired salary.

"I was the only female in the room. The client wrote down all the men's names but not mine and assumed I would take the minutes, but I'm the PM, not the assistant."

Gender in the Property and Real Estate Industry: Challenges and Opportunities



The property and real estate industry is seeing a growing focus on diversity and inclusion (ED&I), and recruitment firms like Capstone Recruitment play a key role in bridging the gender gap.

Annabel Drew, a consultant at Capstone, highlights some key challenges and opportunities in this area.



"Companies need to move beyond simply expressing a desire for a diverse workforce. They must cultivate a welcoming environment where women feel they belong from the beginning. This can involve fostering internal networks specifically for women, ensuring inclusive workplace environments that go beyond avoiding stereotypes, and actively addressing any instances of bias. Open communication is key to achieving this."

Another persistent challenge in the construction industry is the prevalence of salary discrepancies among employees at the same levels. While companies establish salary ranges for various purposes, there's a pressing need for increased transparency regarding these ranges. Such transparency is essential to ensure that candidates of all genders feel equally valued. Enhancing this transparency benefits both candidates and employers, fostering fair compensation practices across genders and promoting a more equitable workplace

The good news is that there's a growing desire for change within the industry. Businesses are increasingly open to conversations about ED&I and are seeking guidance on how to improve"

One strategy that Annabel emphasises is championing voices. "Highlighting successful women and non-binary individuals within the company, regardless of seniority, fosters better representation and engagement with potential candidates. Companies can further showcase their commitment to diversity by creating internal networks and events specifically targeted at these demographics. These initiatives demonstrate a genuine effort to build a culture of inclusion, which can be highly successful in attracting a wider talent pool."

By implementing these strategies and fostering open communication, the property and real estate industry can move towards a more equitable and successful future where women and non-binary individuals can thrive.



Sexuality



○ Straight ● LGBTQ+

What is your sexual orientation?



96%

Straight



3%

Gay or lesbian



1%

Bisexual

Have you ever experienced bias or prejudice in the workplace against you?

35%

Yes
Straight

65%

No
Straight

63%

Yes
LGBTQ+

37%

No
LGBTQ+

Although LGBTQ+ workers were as likely to report feeling happy in their roles as their straight colleagues, they were also nearly twice as likely to have experienced bias or discrimination at work. When asked to elaborate, several respondents cited homophobic behaviour and attitudes in the workplace. Although there were suggestions from our respondents that attitudes towards LGBTQ+ workers have improved in recent years, there is evidently still some way to go.

Indeed, while three-quarters of our LGBTQ+ respondents said their organisation had a D&I policy, only a quarter thought that the leadership team in their organisation would always take strict action against intolerance or discrimination. This is a concerning finding, since it may indicate that businesses are implementing D&I policies without following through on what these policies are supposed to mean.

These findings underline the reality that D&I policies are little more than window-dressing unless they are backed up and enforced by assertive and effective action.

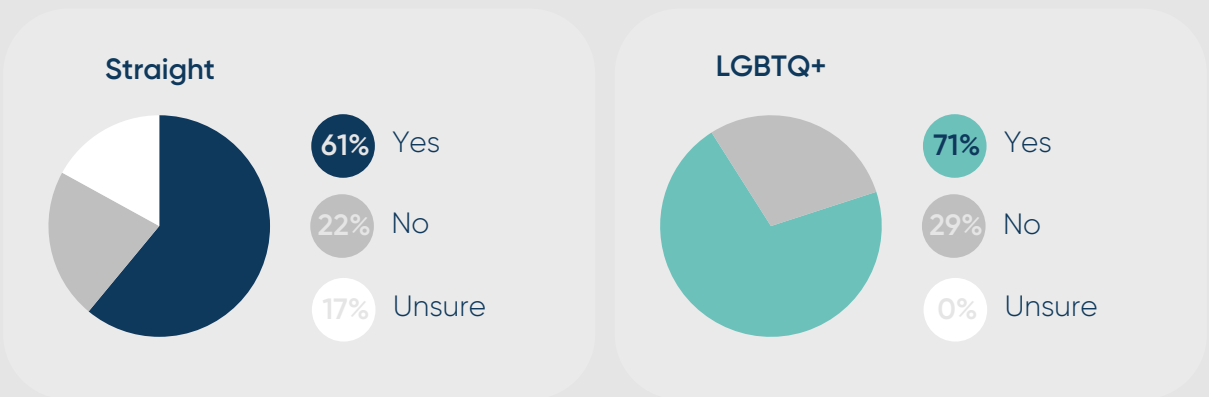
“Although the attitude of co-workers in the construction industry towards LGBTQ+ has generally improved over the past 5-7 years there is still some way to go.”



How happy are you in your current role?



Are there opportunities to progress in your current role?



While overall, **86%** of LGBTQ+ workers report feeling happy in their roles, the percentage rose to **100%** for those working in companies of 1000 employees or more. These workers all reported feeling valued and included in their roles, and two-thirds anticipated staying at least another year in their role, with most of the remaining third planning on staying on for another 3-5 years.

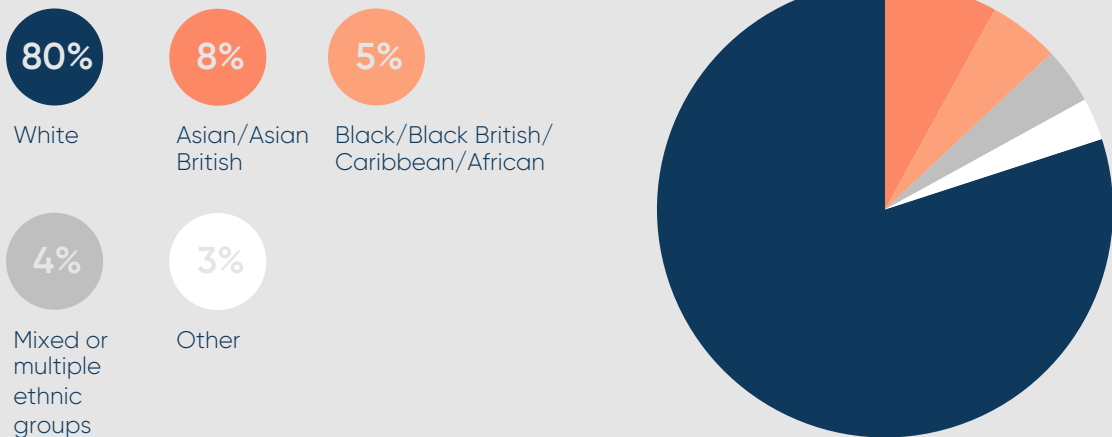
Evidently, while LGBTQ+ workers at large companies remain unconvinced that their senior managers would always take action against discrimination, they are generally happy and contented in their workplaces. It's especially encouraging to see that LGBTQ+ workers are more likely than average to feel that there are opportunities to progress in their current role. Indeed, **73%** of the LGBTQ+ workers who answered our survey are currently in senior roles, **4%** higher than the overall average.

Ethnicity



○ White ● Non-white

What is your ethnic background?



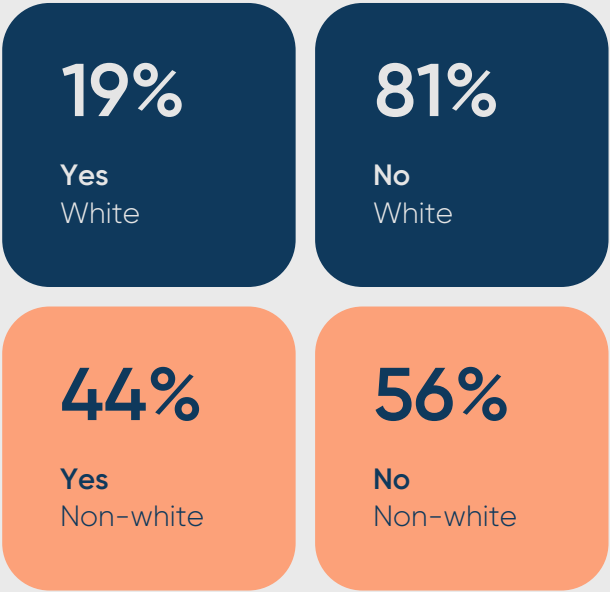
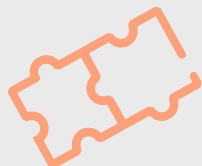
Four-fifths of our respondents were white. For those in senior roles, the percentage was slightly higher, at **84%**. For those in Director or C-suite roles the percentage of those who are white is larger still and stands at **93%**. This is a disheartening finding, since it indicates that non-white workers are finding it harder to progress to the very highest roles.

Overall, **63%** of white workers felt there were opportunities to progress, versus **56%** of their non-white peers. However, **65%** of non-white workers at companies of 1000 or more employees felt that they had opportunities to progress, indicating that larger companies may provide clearer pathways for progression for non-white professionals.

"Minorities have to work hard facing prejudices and don't get fair pay unless we ask."



Have you experienced bias in the hiring process?



Non-white workers were also around four times more likely than their white peers to have experienced bias in the hiring process.

When asked to elaborate, many of our non-white respondents explicitly said that racism had prevented them from getting roles in the past.

In addition to this, nearly two-thirds of non-white workers said that they had experienced discrimination in the workplace. When asked to elaborate, respondents cited institutional racism and a lack of fair pay as factors. Indeed, while overall **64%** of white respondents said they were happy with their salary, only **51%** of their non-white colleagues did.

Are you happy in your role?



86% Yes
White

76% Yes
Non-white



14% No
White

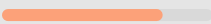
24% No
Non-white

Do you feel valued and included?



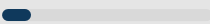
85%

Yes
White



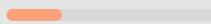
76%

Yes
Non-white



15%

No
White



24%

No
Non-white

Non-white workers were significantly less likely than their white colleagues to feel happy in their role, or to feel valued and included, with almost a quarter of our non-white respondents saying that they don't feel valued and included.

Salary is likely to be factor here: only **15%** said they were happy with their salary, and nearly **41%** said their salary had either decreased or stayed the same. Progression is likely another factor. Only a fifth of the non-white workers who didn't feel valued or included in their role agreed that employees from diverse backgrounds are encouraged to apply for senior roles.

More than half of non-white workers who didn't feel valued or included were planning to leave within the next year, citing higher salary and career progression as key reasons for looking elsewhere.

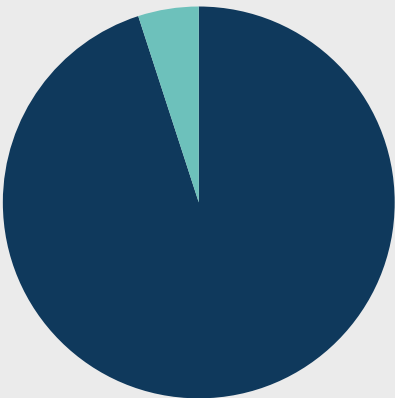


Disability



○ Disabled ● Non-disabled

Do you consider yourself to have a disability?



5%

Yes

95%

No

What kind of disability?

Physical

38%

Mental

19%

Neurodiverse

38%

\\ Since some respondents selected more than one answer, percentages add up to more than 100%.

Other

13%

78% of our disabled respondents thought that their workplace met the needs of disabled respondents, indicating that employers are by and large doing a good job of integrating their disabled employees into the workplace.

However, for many of those with disabilities, the office remains a fundamentally challenging environment and it was notable that a third of the disabled respondents spending three or more days per week in the office reported feeling unhappy in their roles, while all of those who spent two days or fewer in-office felt happy in their roles.

Have you ever
experienced bias
or prejudice in the
workplace?



64%

Yes
Disabled

37%

No
Non-disabled

36%

Yes
Disabled

63%

No
Non-disabled

A majority of disabled employees reported having experienced bias in the workplace, with one respondent saying that they had been excluded from training exercises and company get togethers. Additionally, nearly a fifth of workers with disabilities said the leadership team in their organisation would never take action against intolerance or discrimination, while more than a quarter said they weren't sure.

Nevertheless, **82%** of our disabled respondents felt that their organisation fostered a culture where people of all backgrounds were welcomed, respected and valued, and **69%** of respondents with disabilities thought that they had opportunities to progress in their current roles, **9%** more than for those without disabilities.

Have you experienced bias or prejudice during the hiring process?



These findings present a mixed picture, and indicate that while workplaces are getting many things right when it comes to ensuring disabled workers are able to flourish in the workplace, those with disabilities still often grapple with significant bias and a lack of adequate support from leadership teams.

\\ Education and training can make a big difference here.

When respondents with disabilities were asked what could be done to improve diversity and inclusion in their organisations, the most popular response was increased training and learning opportunities.

The second most popular response was less bias in hiring processes: more than a third of our respondents with disabilities reported having experienced bias in the hiring process. The hiring process can often be a minefield for disabled candidates, many of whom often find that a lack of adjustment taking account of their disabilities stacks the deck against them from the start.

Here again, education and training can be beneficial, since much of the bias in the hiring process arises from a lack of awareness on the part of hiring managers of the particular challenges that disabled candidates might be facing, and a lack of understanding of what can be done to ensure that disabled candidates have as much access to the hiring process as their peers.



Positive change

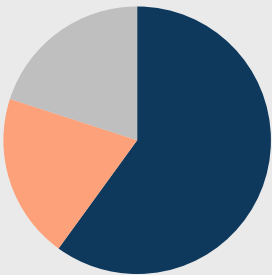


What could be done to improve diversity and inclusion in your organisation?



Has your organisation ever provided training programs promoting diversity and inclusion?

Yes \\ 60%
No \\ 20%
Unsure \\ 20%



When asked what could be done to improve diversity and inclusion in their organisation, more than half said training and learning opportunities. This was twice as popular as the next most popular response, the introduction of clearer policies and processes.

Women and ethnic minorities were particularly likely to say that that less bias in the hiring process would be beneficial, indicating that this is an area where these groups feel particularly disadvantaged. Meanwhile a quarter of LGBTQ+ respondents thought that the introduction of a D&I policy would improve diversity and inclusion, and none of our disabled respondents thought clearer policies and processes would improve diversity and inclusion.

The introduction of D&I processes was given the lowest priority by our respondents, likely reflecting the fact that a D&I document needs to be backed up by firm action to be effective.

\\ **The diversity of responses to this question indicates both the complexity attendant on improving diversity, and the range of approaches businesses can take to doing so.** Notwithstanding their differences, a majority in all groups agreed that training and learning opportunities would be beneficial, and 60% said that their organisation had already provided training programs.

Training can be effective in a variety of ways. By increasing awareness of different cultures and perspective it can increase respect for individuals' differences. It can improve communication and awareness of the challenges particular groups might face and can ensure that all employees have equal access to the knowledge and skills they need to progress. It can also help tackle bias in the recruitment process.

At Capstone we believe that strong workplace diversity is essential to teams' success, and we ensure that we always find the strongest candidates, regardless of their gender, race or sexuality. If you're looking for advice on how to build a strong and diverse team, get in touch to discuss your hiring needs.

