



WEST MIDLANDS
COMBINED AUTHORITY

WMCA Board

Date	25 May 2018
Report title	Report of the Leadership Commission
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Report to be/has been considered by	WMCA Programme Board - 11 May 2018

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

Endorse and support the draft findings of the Leadership Commission report for publication in June 2018.

1. Purpose

- 1.1 The diversity and of the West Midlands is one of its biggest assets. The region has a young and incredibly diverse population. The WMCA and its partners' strategies for inclusive growth, inward investment and place marketing reflect how clearly proud we are of this. But it is equally clear that we have a leadership gap. The diversity of our population is not reflected at the top of many of the region's businesses, public sector or civil society organisations. And we know that too few people from marginalised communities feel they can aspire to leadership roles within the region.
- 1.2 This is a problem because it means that people from under-represented groups are not taking advantage of the opportunities that we want the region to provide for them. There are barriers to progress in life and work which are felt disproportionately by certain communities, groups and individuals. This is not a new issue, but it is a critical one. We will not close the productivity gap articulated in our Strategic Economic Plan without inclusive leadership and inclusive growth that enables more of our citizens to play a full part.
- 1.3 Wider evidence also suggests a strong correlation between leadership level diversity and organisational performance. A diverse board better understands its customer base, the environment it operates and allows a broader range of perspectives to the table, giving it greater agility and allowing more careful evaluation of the facts and risks at hand. Consequently, as studies also indicate, heterogeneous groups tend to outperform more homogeneous groups. The relevance of this across all sectors of our economy is obvious.
- 1.4 The Leadership Commission was established to address these issues - asking how we can improve opportunities for people from those communities and groups which are currently under-represented in the leadership of the West Midlands. The Commission is chaired by Anita Bhalla OBE, and is made up of experts from within the West Midlands and beyond.
- 1.5 The membership of the Commission is:
- Anita Bhalla OBE (Chair)
 - Anisa Haghdadi - Beatfrecks
 - Bas Javid - West Midlands Police
 - Christina Michalos - 5RB
 - David Roberts - Birmingham City University
 - Davinder Prasad - British Organisation for People of Asian Origin
 - Deborah Cadman OBE - WMCA
 - Derek Webley - Former Chair of WM Police Auth, DL, Black Led Churches
 - Dorian Chan - Wing Wah Group
 - Jackie Dunne - University of Wolverhampton
 - Jacqui Francis - AdinaMay Consulting
 - Jenny Phillimore - University of Birmingham
 - Johur Uddin - Community Connect Foundation
 - Kiran Trehan - University of Birmingham
 - Lawrence Barton - Birmingham Pride
 - Rosie Ginday - Miss Macaroon
 - Sarah-Jane Marsh - Birmingham Women's and Children's NHS Foundation Trust
 - Anna Sirmoglou - WMCA
 - Meera Sonecha - WMCA
 - Sunder Katwala - British Future
 - Suzy Verma - HSBC
 - Tim Rayner - Browne Jacobson
 - Vidar Hjordeng - ITV

- 1.6 During a ten month process the Commission has been supported by research from a number of West Midlands' universities¹, contributions from a range of experts from across the sectors, and from citizens and workers through a number of focus groups. Its mandate was to:
1. Understand the current representation of key groups in leadership positions in the WM.
 2. Identify the barriers these groups face within the region.
 3. Identify good practice in the Private and Public Sectors.
 4. Create a strategy and prioritised action plan for tackling leadership under-representation.
 5. Launch a number of early actions and initiatives aimed at addressing a number of these challenges.
 6. Recommend a mechanism for monitoring and evaluating the delivery of recommendations arising out of the commission
- 1.7 The result to date is the first comprehensive effort to audit leadership in the West Midlands across its public and private sectors. The report will outline why inclusive leadership is critical to the health of our region and local areas, and presents new data to inform our understanding about the current profile of leadership across sectors.
- 1.8 Recommendations - which are outlined below - draw attention to the actions the Commission feels are required to create the conditions for long term change in the inclusiveness of our leadership, and the extent to which we support leadership aspiration through removing the barriers to progress faced by some of our citizens and communities.

2.0 Background

- 2.1 The Commission's university partners have collaborated to produce a credible and in-depth evidence base about the makeup of our leadership across different sectors of the region's economy. This was complemented by focus groups and the expertise of commissioners and expert contributors.
- 2.2 Headlines show a mixed picture - with the West Midlands performing better than the UK on some measures but behind on others. There is a clear inclusive leadership gap and work to do for all sectors to address this. Evidence shows a number of specific groups which are statistically under-represented in leadership roles within the region, including:
- Black and minority ethnic (BME)
 - White working class boys
 - Women
 - LGBT
 - Disabled people
 - Those who are economically disadvantaged.

In summary, our evidence has shown us that the West Midlands often performs relatively well in its adoption of equality policies and practices, but it is clear that these do not have the desired impact upon the diversity of leadership. Thus we contend that new approaches are needed. Our recommendations outline new interventions aimed at making leadership in the region more inclusive, and on removing the barriers to achieving leadership roles for the specific groups and communities identified by the research.

¹ Including the University of Birmingham, Warwick University, Birmingham City University, Coventry University and Wolverhampton University

3. Key Findings

3.1 Please note that these are just a snapshot of findings and do not represent the fuller picture or density of data which will be subsequently released in collaboration with WMCA members:

- Women are better represented in leadership roles in the public sector than in the private sector, where they are significantly under-represented. There is particularly good progress in health
- Black and Ethnic minority Groups - In the West Midlands, whilst some progress has been made in relation to BAME in leadership positions they are under-represented in a senior leadership positions in Education, and the Private sector.
- The evidence highlights that that disabled employees are under-represented in professional roles in the public sector, but not the private sector in the West Midlands.

3.2 The full data pack will be available in June and will include breakdowns by sector, group and WM geography. We will engage WMCA members and partners prior to the publication of this data.

3.3 The Commission also identified areas where the evidence base is poor, and which will need addressing for the region to create credible strategies for improving inclusiveness. For example:

1. Difficulty in understanding the impact of different diversity and leadership initiatives because of a scarcity of credible evaluation and monitoring.
2. A lack of research on key areas in relation to diversity and senior leadership positions (such as for white working class boys); this is relevant for both the West Midlands and beyond.
3. An existing evidence base that focuses primarily on gender (women in leadership positions – namely FTSE 100, FTSE 250, education including higher education, NHS, and public services in general). There is a developing body of work on ethnicity and leadership, with less attention being paid to other under-represented demographics such as disability and sexuality.

4.0 Commission Recommendations

4.1 Building on the evidence base noted above, the Commission sets out a number of recommendations which are framed within five thematic areas. These are outlined in draft below. The next steps are to make these more specific based on the data, mobilise commitments from a range of organisations - from the public, private and social sectors - who will be playing leading roles in taking these forward.

5.0 INCLUSIVE LEADERSHIP TO DRIVE INCLUSIVE GROWTH

5.1 The WMCA has to lead by example. So we will do as much as possible to bring more diverse leaders into our own organisation, networks and governance. We will commit to track and report publicly on our progress. Alongside this we will commit to evaluating the impact of this commission after 12 months, and to holding a repeat West Midlands Leadership Commission every 5 years.

5.2 We are clear about the need to embed Leadership Commission outcomes within the strategic goals of the WMCA. So we will measure the inclusiveness of the region's growth on an ongoing basis through our Inclusive Growth Unit.

- 5.3 Transport is a major enabler of access to employment - and the lack of this can limit skills, training, job and leadership opportunities, which will affect the long-term leadership pipeline. We will task WMCA, TfWM and partners to propose interventions to address the barriers.
- 5.4 Our region already boasts great practice, forward thinking and future industry. So we will work with our regional partners and national experts to explore what leadership skills our future economy will require, and how we can bring best practice to bear in the region.
- 5.5 Major events in the region including the Commonwealth Games and City of Culture provide a platform to showcase this vision of inclusive leadership and to act as a catalyst for practical progress. The WMCA will play its part in helping partners to ensure these principles are embedded in the ethos and practice of major events.

6.0 WORKING WITH BUSINESS TO DEVELOP INCLUSIVE LEADERSHIP

- 6.1 What we call for is a generational change in the diversity of leadership within the region. Success will depend on ownership right at the top of organisations, aligning inclusive leadership to the core values and goals of future business.
- 6.2 We want to celebrate the best and encourage progress across the board, so we call for future inclusive leadership targets that are transparent.
- 6.3 We don't accept that diverse role models are too difficult to find. So we will create a live list of female, BME, disabled and LGBT panelists and speakers so that event organisers in business and across the sectors can more easily access a more inclusive list of speakers. We will celebrate success with a showcase publication and event, developed in partnership with the region's major media outlets.
- 6.4 We know the power that mentoring and relational support can have in building bridges into leadership. So we will promote an expansion of the Mayor's Mentors scheme, including encouraging today's CEOs and whole boards to sign up and help young people connect with today's leaders within the region.
- 6.5 The WMCA can play a leading role embedding diversity within its investment and delivery portfolio. We will expect our partners to commit to inclusive leadership. So we will embed this within our inward investment strategy, incentivize it within our supply chain through our social value policy, and we will measure the impact of these policies over a ten year period.

7.0 A STEP CHANGE IN RECRUITMENT AND HR

- 7.1 We recognise the need for effective HR practice that continually works on the barriers to progression for groups under-represented in leadership. So we will work with employers to share the evidence of effective practice, and to strengthen networks which can bring under-represented groups into leadership roles.
- 7.2 We need to fill the gap between often good recruitment policy, and everyday practice that is yet to catch up. We recognise the need to shift mindsets on the value of diverse leadership. We will work across sectors to develop regional Inclusive Leadership initiatives to support future leaders within the business and public sectors.

- 7.3 We need to ensure the bar is raised on HR and recruitment policy. Where there is evidence that interventions have made a difference, as with the NHS practice in the region of ensuring representative interview panels, we will disseminate that learning so it can be adapted in other sectors.
- 7.4 Potential leadership candidates in the focus groups often spoke about the lack of useful advice on progression. This generates skepticism about whether commitments to inclusive leadership are genuine. Employers need to address this perception, and to change practices where necessary, if they are to convince potential candidates that they do have a fair chance to take up leadership roles.

8.0 COMBATTING THE EVALUATION AND LEARNING DEFICIT

- 8.1 We know that the lack of robust evaluation of leadership interventions means we don't always know what works. So we will collaborate with our Universities, funding and research partners to establish an Inclusive Leadership institute which evaluates the impact of leadership initiatives and facilitate networks to co-design effective future interventions.
- 8.2 The evidence highlights the value and power of peer-to-peer networks, where leaders can learn from each other. So we will work with our partners to design peer mentoring initiatives to strengthen these networks, building initially on the University of Birmingham's 21st Century leadership breakfast sessions.
- 8.3 We will share with national government the Commission's analysis of the key gaps in how national and regional data is currently recorded and gathered on key dimensions. Addressing these gaps would enable more robust strategies in our region. This would also be a platform for mutual learning across regions on how to encourage inclusive leadership.
- 8.4 Our commission highlighted clear areas where a lack of research into particular cohorts undermines our ability to develop good leadership interventions. So we will work with regional universities to facilitate further research into the least studied groups.

9.0 A ROUTEMAP FOR THE NEXT GENERATION

- 9.1 It is critical that we do more to raise levels of aspiration for young people in our marginalised communities. We will look to create a Youth Combined Authority - working in partnership with relevant youth organisations to bring young people from all parts of our region together to build future political leadership capability and help us see the world through their eyes.
- 9.2 Our deliberative research told us that fragmented access to information hinders potential. So we will look to create an opportunities portal which puts leadership opportunities in the region into a single, accessible platform.
- 9.3 Evidence tells us that many organisations in particular sectors struggle to diversify their leadership and workforce. So we will offer to work with those struggling the most, including our political parties, to create a leadership pipeline with support from relevant organisations.

10.0 Wider WMCA Implications

- 10.1 Much of the research and evidence base underpinning the Commission's work is relevant to the wider West Midlands geography. We would hope our partners and non-constituent authorities will partner with us to adopt the Commission's recommendations.

11.0 Next Steps

- 11.1 The Commission will launch its full report in June as part of a phased launch that will involve the publication of key research findings, sector specific recommendations and support mechanisms. Commissioners (and the Universities supporting the work) are currently considering their ongoing role and we would like to involve the WMCA's members and stakeholders in this discussion.
- 11.2 We are also generating a number of commitments from public, private and social sector partners which will be a powerful mechanism for taking the work of the Commission forward. The Commission will work closely with the WMCA's Inclusive Growth Unit to develop its forward agenda.
- 11.3 The Commission welcomes input on how it can work with WMCA members and partners to advance the inclusive leadership agenda in a way that is as constructive and supportive as possible, and which recognises and adds value to the many initiatives already in play across the region.

12.0 Financial implications

- 12.1 Work will take place in the next few weeks to identify any costs associated with each of the recommendations outlined in the report along with appropriate funding source.

13.0 Legal implications

- 13.1 There are no direct legal implications arising out of this report.

14.0 Equalities implications

- 14.1 Recommendations within this report are likely to have a positive impact on increasing representation in leadership positions in the West Midlands and are likely to result in the adoption of inclusive practices. This will, in turn, have a positive impact on all protected characteristics. Individual initiatives will need to be impact assessed at design stage.