EDF Energy, InterEngineering and Stonewall hosted a workshop with the aim to bring together representatives from members of the engineering community (including; EDF Energy, InterEngineering, Stonewall, Airbus, Atkins, Babcock, Hays, Amec Foster Wheeler, Jaguar Land Rover and Betchel), to discuss and collaborate on best practice in 'Linking Inclusion and Diversity (I&D) into Supply Chain'.

The workshop focussed on five key areas within this topic and this document now outlines the key findings from each of these themes. The five themes being:

1. Where to start?
2. Strategies that work
3. How to measure success
4. How to utilise networks
5. How to overcome barriers to success

Linking Inclusion and Diversity into Supply Chain

InterEngineering
Connecting, Informing and Empowering LGBT+ Engineers and Supporters

EDF ENERGY

Foreward

"I volunteered to become the Senior Leadership Team sponsor for EDF Energy's LGBT (Lesbian, Gay, Bisexual and Transgender) Supporters Network a number of years ago. For me, being inclusive,enabling people to be themselves at work and that being actively welcomed, is the sort of business I want to work in.

I welcome difference and believe it's important for businesses to have a good cross section of employees. The strongest teams I've worked in throughout my career haven't been people that are all the same. The strongest teams have a mix of experience and belief, personality and skills, and they tend to be more creative. So, difference is a power for our business - it's a power for good for our business and that's why it's important to me.

EDF Energy's LGBT Supporters Network is deliberately a 'Supporters' Network – it connects and supports all of our people on LGBT issues, whether they identify as LGBT themselves or not. It helps create the right environment where people can be themselves and perform their best; it helps support people on LGBT matters that affect them at work or home, and it provides opportunities to get involved for anyone who wants to help make our company and the communities we're part of better for everyone.

That's important for the success of EDF Energy's business and its employees but it's also important for customers, communities and beyond.

I very much hope this report helps others on the journey to LGBT+ inclusion in the engineering sector and look forward to further collaboration with InterEngineering in the future."

Mark Gorry

Chief Nuclear Officer (Region 2) and Senior Leadership

Team Sponsor, LGBT Supporters Network, EDF Energy

Acknowledgements

Thank you to all the delegates who attended and to yourc ompanies for allowing you to support this event. This report would not have been possible without the wealth of knowledge, experience and perspective you brought along. We hope that you learnt as much as we did from the event and made some valuable contacts to help you further along your diversity and inclusion journey.

EDF Energy and InterEngineering

Compiled and edited by

Rhys Kearney (Safety Case Engineer and LGBT+ Supporters Network EDF Energy), John Bradbury (Continous Improvement Manager Amcor, Vice-Chair InterEngineering), Dr Mark McBride-Wright (Managing Director, Equal Engineers; Co-founder and Chair, InterEngineering), and Andy Horne (Head of Supply Chain – Shared Goods & Services EDF Energy).

With special thanks to Jules Parkinson, Client Account Manager, Stonewall and Karen Elgy (Supply Chain EDF Energy)

Linking Inclusion and Diversity into Supply Chain

Introduction

One of the most effective ways to influence inclusion and diversity (I&D) outside your company is to embed I&D requirements into supplier agreements. This not only influences external organisations but also shows a company's commitment to I&D. It is important to note that engaging with their supply chain in this way goes beyond compliance. It has enabled EDF Energy to build better and more sustainable relationships with suppliers, to understand more about their priorities and to collaborate and support them to develop their commitment to I&D.

EDF Energy, InterEngineering and Stonewall hosted a workshop with the aim to bring together representatives from members of the engineering community (including; EDF Energy, InterEngineering, Stonewall, Airbus, Atkins, Babcock, Hays, Amec Foster Wheeler, Jaguar Land Rover and Betchel), to discuss and collaborate on best practice in 'Linking Inclusion and Diversity (I&D) into Supply Chain'.

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Where would a company start?

Theme 1 - Where to Start? Where would a company which has not adopted I&D into their supply chain practices start?

Where are you now? And where do you want to be? (it might not be possible to determine this part immediately)

It was agreed that the starting point for any organisation would be to understand where they are currently. So, in other words, what foundation of I&D is existing within the organisation / supply base? For instance, is there:

- Senior level buy-in and understanding of I&D
- Understanding of the business benefit of I&D
- Or is It just a tick-box exercise, whether perception or reality?

Planning the future, building on your foundation

- Building on that foundation, whatever the foundation level is, and forming a plan for transformation is the second part. The plan should have a clear approach outlined, ensure achievable goals are set (something to aim for and demonstrate success) and should detail who are your key stakeholders involved in implementing any change and in designing the plan for transformation, if required?
- A key point to remember is that communication across all levels of the organisation is important to ensure the purpose is understood and everyone knows why it is important.
- How much of the supply chain are you going to target? If 80% of your spend is with 20% of your supply base, will you have the greatest impact by focussing on fewer suppliers covering a broad spend coverage?
- Do you start with easy wins, those companies which are already demonstrating I&D actively and using those wins as case studies to role model for other companies in the supply chain, success breeding success?
- If your organisation covers more than one country, will you adopt a global approach? If so how will you manage different cultural perspectives and beliefs on I&D, do you need a country specific strategy which wraps up into a Global equivalent, tracking the same themes
- Training of staff involved in the supply chain process on the benefits and reasons for I&D
- Providing a scope of what you are aiming to do and the resources required to complete it
- Setting up a working group to work on the aims and create a shared vision of how they will achieve it with regular meetings to ensure the momentum is sustained.

If you are setting goals and objectives/targets, can you build these, or sub-sets of these into individual people's goals, or team goals?

Benchmarking

The third part is about benchmarking and collaboration to find best practice for your organisation. Each organisation will have different goals and approaches but some common lessons can be learnt from those in not only your industry, but others. Finding an organisation to learn from, what they did, what worked and what did not. If it will work for you and how to improve on the practices. Working together to improve best practice together. Organisations such as Stonewall and InterEngineering can provide you with useful guides of where to start.

Communication strategy

The final part is the most important, which is how to communicate it to your business. To ensure you plan is driven and engaged by all levels top management to shop floor to provide a pincer movement. A communication plan will enable you to ensure you reach your key stakeholders and give clear expectations of employees and management to drive the change.

Linking Inclusion and Diversity into Supply Chain

Strategies that Work:

Companies can have multiple approaches to Linking I&D into Supply Chain. Some of the common strategies are listed below:

- **Supplier Tiering** Having an effective segmentation of the Supplier base of the organisation is important. Understanding level of criticality/importance/risk, across the supply base is key. Also, from an effective segmentation of the supply base you could be more targeted in your approach to I&D
- **Tier 1 Focus** Many large procurement functions tend to have large outsource arrangements in place for their major services, such as Facilities, IT. Working with these Tier 1 relationships (linked to segmentation above), focussing on understanding their I&D Strategy, how they engage and work with Small Medium Enterprises (SMEs) and the level of visibility they have of their supply base.
- **Clear Vision & Strategy** A clear, documented vision and strategy for driving I&D within the supply base is critical. Within this it is really important to ensure the procurement/supply chain teams have full awareness of and that they understand the value, purpose. In addition, that this is shared with the Key Strategic Suppliers in a structured and informed manner.
- **Sharing Good Practice** Linked off the above, creating the facility/capability upon which suppliers, and the company, can share good practice, real life case studies / success stories on where they have driven I&D, how they did it and the results it realised.
- **Tendering** Including key, probing questions, at tender stage, for suppliers is important. This should be at the initial stage so all companies get the opportunity to display their credentials in this space. Furthermore, the reviews should be undertaken by people who are well informed/aware of I&D and can measure/score accordingly. Within this too, "weighting" of questions is an important factor, this should be considered and agreed, appropriate to the service/goods which are being procured.
- **Training** For Suppliers & Supply Chain Professionals, there should be training on I&D, ensuring awareness and heightening opportunity.
- **Learning from Public Sector** Can the policy set out in the public sector not be replicated in the private sector? If not all parts, some parts at least? Conversely, what can the public sector learn from the private sector.
- **Executive Buy In** Absolutely key that there is top level, executive support/sponsorship within the organisation on the I&D strategy/focus.

Considerations:

- **Attractiveness** Part of what we must realise is that having a clear and successful I&D strategy that is externally visible makes your company more attractive to people.
- **Utilise internal networks** Many companies now have internal networks – Supply Chain should be connected to these groups, raising awareness of Supply Chain and the opportunities that exist within.
- **Core Values** Your company's core values and principles should be understood by the supplier and that you are testing them on their understanding. Important at tender stage and then ongoing, if successful, when contracting with the company
- **Diverse Teams** A good reminder that diverse teams feed off one another, people are more productive when they can bring their whole selves to work. Working for a company that cares.
- **Markets** It is important to remember the local context and cultural norms of where you operate in terms of I&D, especially for global organisations, as these can vary. What's acceptable in one country may not be in another.
- **Measurement** Be clear on measurement, what are you measuring, how are you measuring it and what does success look like
- **Suppliers** Remember we can learn from them, what challenges do they have, what perspective do they have, how are they tackling and driving positive I&D?
- **Borrow with Pride** Don't reinvent the wheel, what are others doing that you can learn from?
- **Aligned to Company values – Opportunity** Not to lose sight of this point, being aligned to a company's values is important and can lead to revenue generation.
- **Behavioural Assessment of Suppliers** Some organisations are grouping suppliers together and bringing them in for an assessment, during the tender stage, to see how they operate together.

How to Measure Success?

How do I measure success to ensure the company's strategy is working?

When determining your key measures of success, it is important to understand what success looks like for your organisation and what your objectives are. A key to that is setting clear and realistic targets and ensuring that your suppliers know the value / weight the information holds to your organisation. Defining what success looks like through realistic and quantitative targets.

A one size fits all solution might not be appropriate for all companies such as SMEs. Therefore, do not be concerned at allowing the supplier to help set what the measures will be in order to allow a diverse range of approaches depending on size of the organisation, cultural implications etc.

Measurement can be categorised in two ways: tangible measurables and visual measurables. Tangible measurements can be things such as reports, awards, evidence of policies and procedures and visual measurements such as staff engagement and posters promoting inclusivity.

Some examples of tangible measurements can be:

- Awards (Employers of choice, placement on equality indexes and Supplier awards)
- Continuous engagement (Drip feeding and volume of events (toolbox talks, seminars, training sessions and Invitation to suppliers to celebrate successes)
- Evidence of good practice such as employee resource groups
- Continuously evolving I&D strategy and seeking new approaches
- Can be done through third party assessments (e.g. Glassdoor.com)
- Visible diversity on company website and not simply generic statements of inclusion and diversity policy (external visibility)
- Evidence of promotion of diverse individuals in leadership teams
- Asking for 360 feedback from suppliers

Some example of visible measurements can be:

- Demonstration outwards (for example the Rolls-Royce logo being made rainbow)
- Visibility of D&I in practice (noticeboards, open and obvious support)
- Visible leadership and influence of the next generation
- Openly diverse applicants
- The company's I&D feels like an Integrated approach and not an add-on
- Smiles around the workplace
- Engagement scores and retention

How to Utilise Networks

The Benefits and Possible solutions to use networks to drive I&D in supply chain

Pre-existing networks such as employee resource groups can provide a way to engage in discussions on supply chain practices, share good practice (Benchmarking) and build alignment between networks and companies. Building alignment and sharing of good practice can lead to new ideas and help the supplier buy into the values of their customers or clients' network. It also helps understand the reality of what is stated and the reality of the situation.

One possible solution to working with your supply chain is to form a Diversity Council, set it I&D as a regular agenda item or set up a supplier conference on I&D. These approaches can build a formal way to talk on I&D in regards to supply chain. Figure 1 is a simple visual for how organisations can work together.

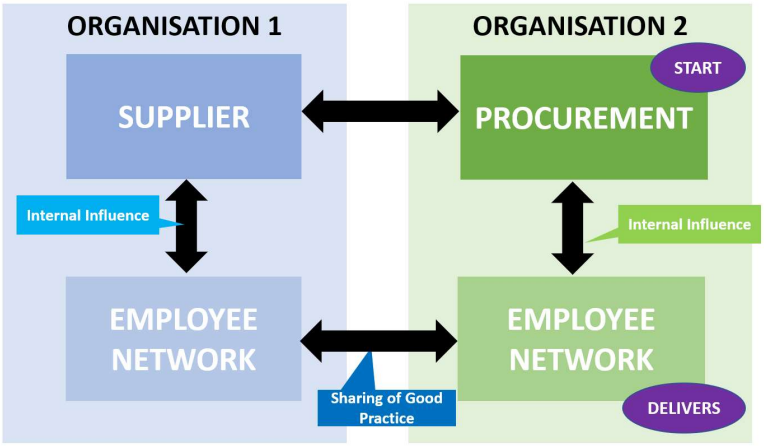

Figure 1: Schematic of Organisations working together

Some of the challenges that might be faced in this approach is a lack of knowledge and understanding. For example, do the networks know the corporate requirements or does the supply chain know enough about diversity measures and good practices. This can be overcome with cross-education of both groups to better understand each approach or having someone who understands both sides. Supply chain can upskill the networks to better understand the corporate landscape, and networks can educate the supply chain on good practice. Host an information share day or have a representative in each group to bring the perspective. This ultimately will facilitate better relationships with all parties involved and enable growth of both approaches with a diverse range of ideas through shared goals.

Overcoming Barriers to Success

As part of any change management process there are barriers which need to be overcome to ensure the end goal is reached.

Barriers to success can be both internal and external to your organisation. Some of the common internal and external barriers and approaches are explored below.

Common Internal Barriers and Potential Solutions:

- **Lack of senior leadership support and understanding** Education for the decision makers on the benefits of I&D and what a company is doing/acting who is championing this would look like.

  Return on Investment, there is evidence that inclusive /diverse workforces are highly engaged.

  Benchmarking against others in industry to show the potential loss of competitive edge.
- **Lack of understanding of why the company is incorporating I&D into supply chain** Communication about why and what the company is doing, I&D training for employees and inclusive recruitment processes.
- **Parent companies may not have same agenda** Work on the similarities such as shared agenda. Use your business case for I&D to sell its benefits such as a wider talent pool.

  Ensuring you have a communication strategy in place to work with your parent company and keep them informed.

  Note: Legislation many have impact

  Learning from Public Sector Can the policy set out in the public sector not be replicated in the private sector? If not all parts, some parts at least? Conversely, what can the public sector learn from the private sector.

Common External Barriers and Potential Solutions:

- **Getting I&D included in new projects** Ensure I&D clause in tenders
- **How to measure I&D efforts** Random sampling of I&D agendas and principles to show supporting evidence.

  Using Trend analysis /sharing performance

  Using other resources to measure and analyse such as:
  - Royal Academy of Engineering I&D resources e.g. Progression Framework
  - SME Engagement platform
  - Hicks sharing – Analysis of platforms
  - Are platforms inclusive? Can everyone access?
  - Supply chain sustainability score – free resources online
- **Different standards in I&D practice** Connecting people, leading by example and ensuring you have a communication plan to promote/ Showcasing good practices.

  Excellence awards for contractors e.g. recognition in supply chains.

  Finding common language where I&D overlaps

  Ensuring employees have a voice
- **Reputation damage – Mitigation of risks** Ensuring the business case is strong and the ethics are linked to the business case and visible both externally and internally.