



# BLACK TALENT CHARTER

ICAEW UPDATE 2022



# INTRODUCTION

ICAEW has long been active in providing support aligned to the issues of diversity and inclusion (hereafter 'D&I') to members and employees. In 2020, given the high-profile fallout from the killing of George Floyd and the subsequent Black Lives Matter protests, we started to focus specifically on supporting our Black members on the challenges that are unique to this demographic group.

Led by Sharron Gunn, work in this area started in July 2020 and consisted of engagement with a variety of stakeholders. The programme included round tables with members, discussions with senior leadership at member firms, research to identify best practices, and discussions with HR and colleagues from a Black ethnic background.

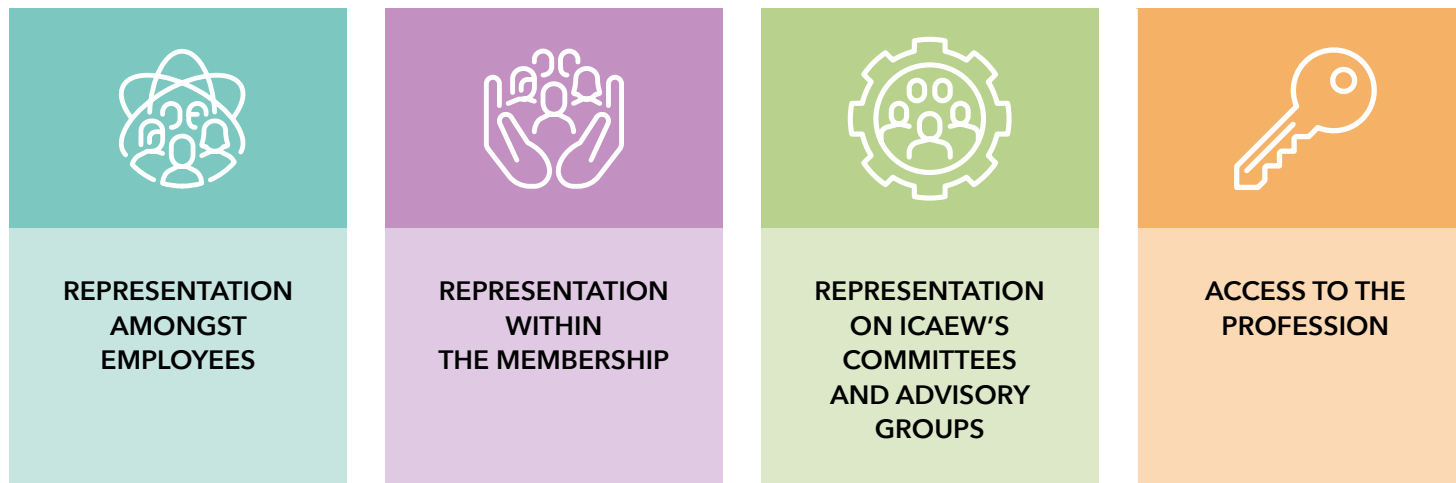
As a result of these conversations, ICAEW decided to become a founding signatory to the Charter for Black Talent in Finance and the Professions in December 2020.

The Charter was set up in 2020 to address the low levels of Black representation in Finance and the Professions by committing firms to creating and maintaining an environment where Black talent can be identified, recruited, developed, and promoted for the benefit of individuals and the organisation.

Signatories to the Charter commit to a pledge which includes the establishment of baseline data for Black representation, setting 5-year targets relating to Black representation, and developing an action plan to achieve those targets. As a professional membership body, we decided that our approach needs to be broader than just a commitment as an employer. Whilst the core commitment of the Charter relates solely to the organisation as an employer, the spirit of the Charter is to achieve change more widely across Finance and the professions.



Reflecting this approach, ICAEW's action plan considers Black representation through four lenses:



In the spirit of transparency, a key part of the Commitment is for signatories to publish on their website an annual report which details the steps taken to deliver on their commitment.

In this document, you will find progress updates on the initial targets for the years 2021 and 2022. We further outline our planned actions for 2023 to continue making progress against the targets.

We are proud to report that we have made progress in all four areas of the Charter throughout 2022, and invite you to explore each section update in more detail.



















# REPRESENTATION AMONG EMPLOYEES

The core commitment of the Charter relates to firms as employers and therefore the baseline data required relates to the workforce. Since we signed up to the Charter in 2021, our HR department has worked on improving the required baseline data, and has collaborated closely with our Employee Resource Group chairs in establishing a programme of support for colleagues of Black heritage.



	 <b>GOAL</b>	 <b>TARGET</b>	 <b>UPDATE 2021</b>	 <b>UPDATE 2022</b>	 <b>ACTION 2023</b>
1	<b>Increase Black representation within ICAEW's UK staff base</b>	0.5% increase per annum for next 5 years, from 6.66% to 9.16%*  *Original 2020 figures reported incorrectly	<b>Ongoing</b> - We established base data, reassessed data categories and adjusted figures. At the end of the year, 7.2% of the workforce were of Black heritage. I.e., a 0.54% increase, which is slightly ahead of target.	<b>Ongoing</b> - At the end of 2022, <b>6.7%</b> of the workforce were of Black heritage.  I.e., a 0.5% decrease from 2021 which is due to a general decrease in headcount.	Monitor retention as well as recruitment of Black staff and review advertisements for campaigns.
2	<b>Increase the number of senior Black staff within ICAEW (defined as Head level and above)</b>	Increase headcount to 3% of staff at this level over the next 5 years	<b>Ongoing</b> - While the number of Black employees at senior level remained the same by the end of 2021, we saw a decrease in overall headcount rendering the percentage of employees of Black heritage at senior level 1.98%.  10.7% of all promotions in 2021 were employees of Black heritage, aligning with longer-term succession planning.	<div style="border: 1px solid #008080; padding: 10px;"> <b>Complete</b>  <b>3.1%</b>                      of employees at senior level are of Black heritage   </div>	<b>Complete</b> - Continue to monitor.
3	<b>Establish a process to capture and monitor the number of Black candidates applying for roles at ICAEW</b>	Capture baseline data for the year	<b>Delayed</b> - due to teething issues with a new applicant tracking system, which meant that we could not track any diversity data for applicants. Expect that these issues will be resolved by June 2022.	<b>Partially complete</b> - ICAEW had 1,668 external applicants in 2022, of which <b>218</b> (13.1 %) were of Black heritage. 25 (11.5%) of all candidates of Black heritage were successful.  Issues with data collection are still present via the agency applicant route, as opposed to our recruitment module.	Investigate issues relating to data collection via agency route.







 <p>GOAL</p>	 <p>TARGET</p>	 <p>UPDATE 2021</p>	 <p>UPDATE 2022</p>	 <p>ACTION 2023</p>
<p>4</p> <p><b>Use candidate baseline data to set targets for the following three years</b></p>	<p>Targets to be set by August 2022</p>	<p><b>Delayed</b> - as dependant upon completion of Action 3, which was delayed. Expectations to meet the target by end of 2022.</p>	<p><b>Complete</b> - Established the correct baseline data.</p> <p><b>Ongoing</b> - Maintain a target of <b>13%</b> applicants from Black ethnic origin for the next three years, out of our total applications.</p>	<p>To achieve the target, we will work with our REACH Employee Resource Group (ERG) Chairs, Marketing and Talent Acquisition teams to develop and test new ways of attracting and recruiting diverse talent.</p> <p>Monitor impact quarterly.</p>
<p>5</p> <p><b>Establish a range of support initiatives to help Black talent to progress within ICAEW (e.g. offer Black Focus groups in ERG's, mentoring by senior staff)</b></p>	<p>Support initiatives to be in place by September 2021</p>	<p><b>Complete</b> - Held workshops to understand issues and established the need for a range of support initiatives to help Black talent to progress within ICAEW, which were then put into place:</p> <ol style="list-style-type: none"> <li>1. Black Focus groups within the REACH ERG.</li> <li>2. Mentoring offers to a targeted pool of Black talent.</li> <li>3. Focus groups for Black employees ahead of the bi-annual Performance Development Review (PDR) process.</li> </ol> <p>Several Black employees have put themselves forward for additional development.</p>	<p><b>Complete:</b> As a result of collaboration with the REACH ERG chairs, several employees of Black heritage have signed up for and are currently taking up mentoring, coaching, and training to develop their career at ICAEW further.</p> <p><b>Ongoing:</b> Utilising the feedback gained in pervious activities, we are investigating a talent development programme to launch in 2023.</p> 	<p>Continue with talent development programme comprising of <b>50</b> courses and workshops covering topics such as Credibility, Presence and Impact; Effective Blended Meetings in a Hybrid World; Building Your Self Confidence and Assertiveness; and Coaching Skills for Managers. These courses are available to all staff.</p> 



## REPRESENTATION WITHIN THE MEMBERSHIP








Our members are at the heart of everything we do, and why it is vital for us to provide the necessary support and a sense of belonging for our Black heritage members. Since we signed the Charter in 2020, we have progressed our data collection to get an accurate idea of the ethnic make-up of our membership. We continue to provide support via our Black Members Community (BMC).



	 <b>GOAL</b>	 <b>TARGET</b>	 <b>UPDATE 2021</b>	 <b>UPDATE 2022</b>	 <b>ACTION 2023</b>
1	<b>Make Diversity data a required field in the 2022 membership renewal (including an option of 'prefer not to say')</b>	Put in place for Fees & Subs renewal in October 2021	<b>Complete</b> - diversity data questions were included in the Fees & Subs renewal survey in October 2021. 	<b>Complete</b> - diversity data questions remain in place for Fees & Subs renewal in November 2022	<b>Complete</b> - ensure diversity data questions remain in place for the Fees & Subs renewal in Autumn 2023.
2	<b>Establish baseline data from the membership renewal process</b>	Data collation to be complete by June 2022	<b>Pending</b> - dependent on Action 1	<b>Delayed</b> - monitoring results from survey included in Fees & Subs renewal 	Establish existing baseline in Q3 2023
3	<b>Analyse baseline data and use this to inform our member support initiatives</b>	Analysis and recommendations to be complete by September 2022	<b>Pending</b> - dependent on Action 1 and 2	<b>Delayed</b> - analysis to be completed Q3 2023	Conduct analysis and make recommendations in Q3 2023
4a	<b>Create a Black Members Community (BMC), offering networking, support and inspiration to help the development of Black talent within the profession</b>	<b>Complete:</b> Community established in 2021	<b>Complete</b> - community activity is ongoing	<b>Complete</b> - community activity is ongoing	<b>Complete</b> - community activity is ongoing 

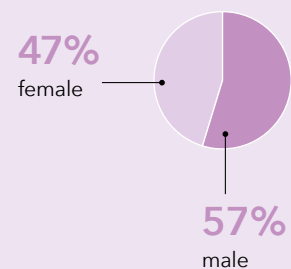


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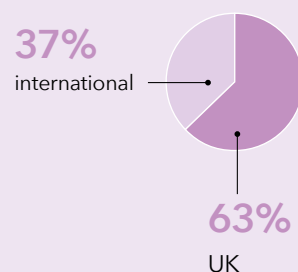
 <b>GOAL</b>	 <b>TARGET</b>	 <b>UPDATE 2021</b>	 <b>UPDATE 2022</b>	 <b>ACTION 2023</b>
<p><b>Establish future growth targets and composition of membership of BMC</b></p>	<p>Establish growth target and diversity profile of membership of BMC by September 2022</p>	<p><b>Ongoing</b> - BMC is a new community, targets adjusted to be set in 2023 once content trends are established.</p>	<p><b>BLACK HISTORY MONTH 2022</b></p> <p>material resulted in an increase of</p> <p><b>300</b> members.</p>  <p>Number of members in BMC December 2022 was a total of 2,045.</p>	<p>Include a full range of voluntary monitoring categories.</p> <p>Assess the success of all BMC activities, to set future targets by February 2023 focusing on engagement, rather than growth.</p> 

Requested additional data collection (including 'prefer not to say'), as categories only cover the following areas:

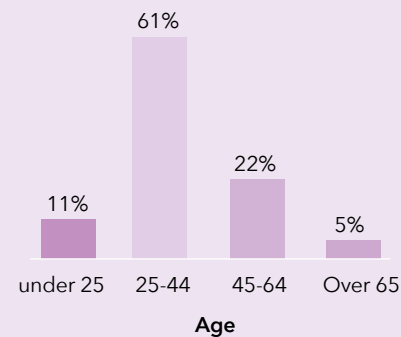
**GENDER:**



**LOCATION:**



**AGE:**












# REPRESENTATION ON ICAEW'S COMMITTEES AND ADVISORY GROUPS

Our committees and advisory groups allow our members to shape the future of ICAEW and the profession. Diverse committees and advisory groups are central to ensuring meaningful conversations about the needs of our Black heritage members are present at all levels.



	 <b>GOAL</b>	 <b>TARGET</b>	 <b>UPDATE 2021</b>	 <b>UPDATE 2022</b>	 <b>ACTION 2023</b>
1	<b>Establish baseline data for Black representation across all of ICAEWs committees and advisory groups</b>	Complete data collation by September 2021	<p><b>Ongoing</b> - initially experienced delays with sourcing an appropriate technical tool to store data. We received 281 out of 391 (71.9%) responses. We continue to encourage declaration from our active members.</p> <p><small>*2021 figure incorrect due to duplicate records</small></p>	<p><b>Ongoing</b> -</p> <p><b>64.7%</b> of the responses we received were from ethnically diverse members.</p> <p>253 out of a total of 391 declarations.</p>	Continue to encourage declaration and will continue to improve data completion by improving process. <div style="text-align: right;">  </div>
2	<b>Identify relevant groupings of different types of Board/ Committee against which specific targets can be set (e.g. Advisory Groups, Committees with no electoral process, Committees requiring elections, etc)</b>	Determine groupings by November 2021	<p><b>Ongoing</b> - Committee membership is divided into three groups - Council, Principal Committees and Other.</p> <p>For 'Council', appointments are made via election.</p> <p>For 'Principal Committee', appointments are made via a centrally managed process.</p> <p>For 'Other', appointments are made via direct recruitment.</p> <p>The different approaches affect how diversity of membership can be influenced, with the electoral process being a key factor.</p>	<p><b>Complete</b> - in early 2022, a new governance structure was agreed with Council, which confirmed that these groupings remained relevant.</p> <p>Proposed groupings now confirmed:</p> <ul style="list-style-type: none"> <li>(1) Council</li> <li>(2) Principal Committees (which includes key Governance committees),</li> <li>(3) Advisory Groups.</li> </ul> <div style="text-align: right;">  </div>	<b>Complete</b>

 GOAL	 TARGET	 UPDATE 2021	 UPDATE 2022	 ACTION 2023
<p><b>Using baseline data, establish specific 5 year targets for Black representation within each grouping (in time for the Committee review process)</b></p>	<p>Targets to be set by January 2022</p>	<p><b>Delayed</b> - as dependent on Action 1 and Action 2.</p> <p>Further goals have been set:</p> <ul style="list-style-type: none"> <li>• benchmarking and targets for Black representation within each group in time for the start of the 2023 Committee review process, which starts in September 2022</li> <li>• benchmarking progress after the 2023 review in Q4 2023</li> </ul>	<p><b>In discussion</b> - Each committee has been tasked to enhance diversity against the baseline and will be measured against the baseline established in Action 1.</p> <div data-bbox="1346 568 2114 858" style="border: 1px solid #ccc; padding: 5px; margin-top: 10px;"> <p>Targets have not yet been set and discussions are ongoing as to whether this is the most appropriate approach to adopt at this stage. At present, trends are being monitored and each committee is tasked to improve diversity overall.</p> <p>Process changes are being made to enhance the diversity of applications received to support this. Quality of overall applications has markedly increased</p> </div>	<p>Make further process changes once we understand the impact of the 2023 changes.</p>
<p><b>Establish a mentor scheme for senior/experienced active Black members to support those with less experience</b></p>	<p>Scheme to be established in Q4 2021</p>	<p><b>Delayed</b> - due to issues with data collection in Action 1</p> 	<p><b>Pending</b> - scheme to be established pending committee recruitment Q1 2023. This campaign saw bespoke recruitment advertisement to encourage underrepresented groups. A mentoring application platform has already been sourced.</p> <p>This activity is linked to regional succession planning on active member talent identification and coaching into principal committee and advisory board applications process.</p>	<p>Continue actions to deliver towards initial goal.</p> 

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## ACCESS TO THE PROFESSION

Establishing a diverse talent pipeline and nurturing early careers talent from a Black ethnic background is fundamental to long-term change. Since signing the Charter in 2020, we have continued to build and adapt a programme of initiatives and cross-sector collaborations, in alignment with our set targets.



	 GOAL	 TARGET	 UPDATE 2021	 UPDATE 2022	 ACTION 2023
1a	<b>We have committed to the 10,000 Black Student Interns Programme in 2021 - offer internships to Black students</b>	2 Interns to start with ICAEW in Summer 2022	<b>Surpassed target</b>	<b>Complete</b> - hosted 3 interns at ICAEW in summer 2022. 	<b>Ahead of target</b> - Host 3 interns at ICAEW in summer 2023
1b	<b>Having signed up to the 10,000 Black Student Interns Programme in 2021 -promote the 10,000 Black Interns programme to ICAEW networks, so that interested firms are also aware</b>	The overall target is 500 placements to be offered by the profession overall until 2025	<b>On target</b>	<b>Ahead of target</b> - The number of placements delivered by the accountancy sector was <b>172</b> in 2022 according to the 10,000 Black Interns organisers	Continue to promote and influence employers towards overall target of <b>500</b>
2	<b>Facilitate a Black Heritage Student event for school leavers and their influencers - promoting the routes to the profession and creating greater awareness of the opportunities</b>	Event in September 2021	<b>Complete</b> - event successfully hosted in autumn 2021	<b>Complete</b>	<b>Complete</b>
3	<b>Host a joint event with Target Jobs for Black Heritage Students (undergraduates) in Career Development</b>	Delivered by April 2021	<b>Complete</b> - contributed to event in April 2021 by sponsoring and providing speakers	<b>Ahead of target</b> - contributed to a second event in October 2022 by sponsoring the event and hosting a skills session	<b>Complete</b>
4	<b>Work with a data scientist to identify trends in student performance across a wide variety of diverse groups, including Black Heritage Students, with a view to identify future interventions which might be needed</b>	Complete by end of 2021	<b>Complete</b> - insights shared with employer and tuition provider networks throughout 2022	<b>Ahead of target</b> - conducting additional analyses with regards to Black students' exam performance and conversion to membership. 	<b>Complete</b>

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Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor around 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

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\* includes parent companies. Source: ICAEW member data  
March 2023, Interbrand, Best Global Brands 2022

