



ID, Empowered by Accenture - The Human and Business Impacts of COVID

VIDEO TRANSCRIPT

Good morning, everyone, my name is Barbara Harvey. I'm a managing director in Accenture research, and I lead all of our research around workplace culture, inclusion and diversity. And I'm going to talk to you today about the impact that COVID 19 has had on the equality of our workplaces.

Let me start with a question. What was your first paid job? And I'm gonna bet that most of you are going to give an answer that is, either in the retail sector or in the hospitality.

My first paid job was in British Home Stores, where I was cutting cheese on the deli counter and tidying jumpers in clothing.

And I asked my team a couple of weeks ago what their first paid job was. And eight out of 10 of them answered something in the retail sector or in hospitality. It was pouring pints or serving food in restaurants. It was serving on the till. It was working tidying shelves like I did in a clothing store.

And in fact, if you look at the labour market, many young people - around a third of young people begin their working lives in those sectors. They're often escalator rolls, the first way they start out on their journey into work, either to go on and do something different within those industries.

The labour market isn't random, nor is it equal. And young people, men, mothers, carers, those from black or Asian communities. They have a tendency to concentrate within particular industries and indeed within particular jobs within those industries.

And with that comes a whole package of things, a whole package around their hours that they might work, the opportunities that they might have to grow in advance and even the money that they earn.

Even before Covid-19, the world of work was one steeped in pattern and inequality. Inequalities that Covid-19 and the economic crisis that it caused, have lasered in on.

The last time I met my colleagues from Accenture was March, the 12th last year. I still can't get my head around it. Unlike many of you, we moved virtually overnight from the office to working from home full-time. And as I settled into my little office here, my younger daughter, who's a musician, was frantically WhatsApping us pictures of the cancellations that were coming in one by one as the restaurants, bars and hotels that she plays music in closed their doors.

My husband was busy with his partners, putting the brewery that they run into mothballs. We serve into the pub industry, and it has remained in mothballs since about this time last year.

It's had an incredible impact on our working lives and indeed our lives. And over the next 15 minutes I'm going to explore five different ways in which our working lives have been impacted and look at how they have interacted with these old and deep inequalities, with the patterns of our workplace on our labour markets to really threaten the diversity within the workplaces that we have.

So, these are the five ways that I've pulled out, that I've seen our lives and our working lives particularly changed.

People have lost their jobs, been furloughed. Part time jobs have declined. Where we work has changed dramatically. And of course, home schooling has been a feature of much of the last year.

But let's start with unemployment. For about 1.7 million people, Covid-19 has meant losing their jobs, taking the UK's unemployment rate to the highest rate that it's been for five years. The biggest losses have been in retail, aviation, hospitality and entertainment.

One in four of all of the jobs lost over the last year has been in retail. 35,000 jobs have gone from the hospitality industry. That's extraordinary.

And then furlough. Okay, who Googled the word furlough this time last year? I did. I had not heard that word before. And Google searches for the word furlough reached their peak in the first week of April 2020 as about 29% of the UK's workforce discovered what furlough meant for real. And many of those people have not worked a single day since then.

Two and three of those working in the restaurant industry were furloughed in January of this year.

And part time work. I think for me, one of the most extraordinary figures that's come out of this pandemic has been the absolute decline of part time work. Between April and June 2020, we saw the biggest drop in part time roles that we've seen in a long time.

But it's not just that. For those that are in work. So those of us that are still working we've experienced a very different pandemic, not just from those who've been laid off or furloughed, but actually from each other, depending on what our own workplace situation is.

Last April, around half of all workers were, like me, working from home at least some of the time, and many haven't left their bedrooms or their home offices for the whole of that year. I haven't I haven't moved from this office in the last year. Many have spent long hours working on their own with a video camera and a laptop for company. Others have been working incredibly challenging situations, with flatmates and other people at home, trying to share bandwidths and kitchen space for their daily work.

But their working life has contrasted hugely with those that have had to continue to go out to work. Those working in food stores, pharmacies, those teaching key workers' children in school and the drivers and the warehouse operators that have delivered the 71% increase in online deliveries that we've seen over this last year across Europe. And they've had to adapt this alien Covid safe workplace, you know, masks, hand sanitizer, constant hand washing, working in bubbles, corridors that are one way, socially distanced desks. I mean, it's just a whole new world of working. And they've had to live with that extra threat of potentially contracting coronavirus, either on their way into work or in the workplace itself and all the added pressure and anxiety that comes from being constantly in that situation.

And then, of course, we have the frontline workers. Workers in the health service have endured almost intolerable conditions and strain. I just can't imagine what it must be like to have lived like that for the last year. And I think for them the full impact of the trauma and the exhaustion that they have been living through will not really hit on, you know, for some time to come.

And then on top of all of that, the school is closed. And I remember a time when my children were young, and my younger daughter was sick and couldn't get to school and it was one of those days when I just couldn't take a day off work. And so, what I did was I made a bed for her up in here, just over there. You can't see it, but just behind me. I made a bed for her over there and I spent the day going between, you know, bringing her drinks, reading her stories, checking she was okay and finishing the report that had a publication deadline and I'm working with the guys in the media team to get the press release finalised. And I remember sharing the story with colleagues and my boss at the time, and they were horrified, horrified that I had been multitasking like that for the what was basically a day. That's what parents have done for most of the whole of last year.

And even more than that, it's what organisations, businesses have expected them to do for the whole of last year. Just think about it, and Covid-19 has really impacted every single aspect of our working lives, whether you work or not, whether you're paid or not. Where we work, when we work, how we work. And this complex pattern has already laid the already complex and unequal labour force patterns.

So, let's look at how it's impacted different groups of people and how it has lasered in on these inequalities that have existed.

I'm going to start with young people. The impact on young people is really difficult to get your head around. You know, those who are about to enter the workplace are living through really quite extraordinary times as they end their education. Let's look at what's happened to them. Well, their education has been interrupted. They've been working often with their parents, perhaps at home. Their exams have been cancelled. Their social lives have been put a hold. Undergraduates have lived at most of the year, either at home or in some kind of a bubble, often paying rent and fees for services and accommodations that they're just not using. They have seen a significant decline in their mental health. This is our future workforce. How are we going to help them find jobs? How are we going to help them thrive and recover from the trauma? And it is trauma that they have been through this year?

The young people already in work? It's different again. As with me and my colleagues, many young people do begin work in that retail and hospitality sector. These escalator roles that help them get started in the working world or they find their foot in those industries and grow through them. A third of young people work in the sectors that have been most impacted by shutdowns. They are of all age groups, the most likely to have been made unemployed this last year.

And a young graduate friend of mine started work in one of the big airports back in January, her first job since graduating. She was so excited about it. And, what just over two months after she started work, she was furloughed along with lots of her colleagues, and she still furloughed a year later, having gone through multiple rounds of potentially losing her job completely.

And those that have been furloughed have been living with their own stress and their own trauma. Being left at home with perhaps nothing to do. No purpose, no self-esteem yet still being paid, watching colleagues back in the office, working extremely hard, watching other colleagues lose their jobs.

You know, imagine that as your first years' experience of the working world, it's no wonder that the extent to which mental health has been destroyed in our young people and I personally think that for businesses and for our nation, repairing the mental health of our young people and giving them back that sense

of stability is going to be one of the most important things that we can do.

And then low earners. Perhaps one of the extraordinary things about this is that this lasering of inequality has done exactly that. So, the lowest earners have had the most, felt the most impact of the pandemic when it comes to their pay and their work. Hospitality, leisure and retail have a higher share of lower paid workers than other industries. About one in three employees in the bottom 10th of income distribution, work on those sectors, compared with only one in 20 of people who were in the higher income distributions. And those on lower incomes also tend to be in jobs that are much less easy to do from home. And those are some of the reasons why the lower paid workers are among those most likely to be furloughed, or to be among the two million people who have moved on to universal credit over the last year during the pandemic.

Okay, people with disabilities are among the most, I think, neglected and disadvantaged groups within our workforce. Even before Covid-19, only around a half were in paid employment in 2019. And while the figures are really, really hard to get on, it looks like around one in four risk losing their jobs during the pandemic again. Hard to understand why. But it seems to be partly to do with where people with disabilities are working. More are likely to be working in shutdown jobs, more likely to be working in part time roles and less likely to be working in roles that can be done from home.

One of the really worrying sign for those with disabilities is that while overall employees have said that the company's support for them has been very good during the pandemic, they do feel supported through this crisis, that's not so strongly true for those with disabilities. They are more likely than their peers to say that they've seen a drop in that sense of being included in the workforce.

Yeah, and for ethnic minorities, the story is unbelievably complex, but without a doubt, they have seen an extraordinary impact not just on employment but actually on their own physical wellbeing. The mortality rates among African Caribbean people over the first half of 2020 was 2 to 2.5 times higher that of people from a white ethnicity. And why again, partly because of where they work. The Office of National Statistics identified 17 occupations among men in England and Wales that were more likely to show higher rates of death from Covid-19. 11 of those 17 have significantly higher

proportions of workers who come from a black or Asian ethnic background. Historic patterns of employment have put ethnic minorities in the front line, put them at risk of getting ill and indeed put them at risk of losing their lives. But among the many scary figures that I've seen around ethnic minorities during this crisis, this one also really worried me. Employees from black, Asian, and ethnic minority backgrounds furloughed back in March were among them most likely to go on to lose their jobs permanently. 22% of them fell out of work, having been furloughed, and that compares with an average across the general population of just 9%.

What!

And then women. Women in general and, working mothers in particular, have kind of been, I think, at the eye of the tornado that Covid has sent spinning through our workplaces this year. This crisis is very different from the previous crisis, say, of 2008, 2009. Back then, around three quarters of the people who lost their job in the U.S. For men, it's played out very differently. When it comes to Covid-19 women are more likely to be in shutdown sectors, to be laid off, to be furloughed. Women are more likely to have held part time roles and to lose their jobs when they declined. Women are more likely to work in the informal sector in cleaning, for example, where there's no financial security and no stability. 20% of all jobs held by women are in the healthcare sector, taking them to the front line. And they have borne the brunt of the home schooling that we have had to do this year.

All five of those factors have lasered in on women and among women it is mother's and ethnic minorities that have been most affected. Mothers are 1.5 times more likely than fathers to have lost their job or left their jobs since the start of lockdown, and they're also more likely to have been furloughed than fathers. And around a third of working mothers say that they've lost work or lost hours, having to take care of children because of the closure of childcare facilities this year.

On the Net effect of this on gender equality is really extraordinary. Last year I had the privilege of working with the Women's 20 the W20 and as part of our work, we looked at the World Economic Forum's estimates for when the gender gap would close. And the extraordinary thing is that Covid-19 has the ability to set back that timeline by 50 years. 50 years, setback in the past to gender equality.

Yeah, So how can businesses respond?

You know, through the pandemic, I think businesses have done the most remarkable things. They have shown extraordinary resilience and innovation. They pivoted from office to home, working virtually overnight. They shifted production from luxury clothing to making medical gowns, from vacuum cleaner parts to parts for ventilators. They've dealt with Christmas supermarket volumes day after day after day, switched from stores online.

Now we need to direct this energy this agility this force for good that we have seen so powerfully this year into thinking about how we rebuild businesses and how we build back our industries in a much, much fairer way. And I can see four ways in which we can do this. Inclusive decision making, inclusive workplaces, inclusive talent sourcing and then how we use digital, inclusive decision making.

You cannot make good decisions about people unless your decision-making body represents them fully and without a doubt, it does not do that. Right now, most companies are led by very, very single homogeneous groups.

We have to get more diversity into our leadership teams in order to have more thinking, and that takes time.

So, what do you do? In the meantime, you need to be able to make sure that you have ways of including these missing voices in your decision making, using reverse mentors, listening groups, making sure the quiet people in the room doing surveys. You have to find ways of getting these missing voices into the decision making that we're going to need to be making as we bring people back into work.

And much of my research over the last five years has looked at inclusivity in the workplace and over and over again, our research shows the power of positive, inclusive cultures in enabling underrepresented groups. Indeed, enabling all of us to thrive at work.

But if you're really going to drive culture change, if you're really going to make a difference in the workplace, you have to click down one step further.

Still, it's not just about making culture change on a general basis. You have to understand what each individual groups needs are and laser in on what needs to be done to help them thrive.

What a working mother needs is very different from what a black African Caribbean individual needs. It's different again from what someone from a lower socioeconomic background needs coming into a workplace. You really

have to think micro culture. You really have to think individual and talent sourcing. We have got to challenge the way we define roles and source talent and look for the in-built bias that might be doing something that you don't need to have their or indeed, maybe don't even mean to have their if the algorithms you use for recruiting have something in it which screens out individuals who have been out of the workplace for a year. You might actually prevent those working mothers who left the workplace a year ago from getting back into work.

A requirement for a degree could mean that you're screening out that young person that dropped out of university this year because they weren't able to fund themselves or because they deferred.

Those are the things that we really need to do to improve our talent, sourcing and last but not least, we need to create an inclusive digital world, whether it's digital literacy or access to the Internet, or being equipped with the skills to do new work. We have to use digital and technology to the best of our advantage, and I want to leave you with a positive thought.

The power of us making a difference.

Here's what we can do just for women. If we pull together and if we act on the things that are disadvantaging women right now, not only can we pull back the 50 years that we may lose, we could gain 50 years. We actually hold 100 years of gender equality in our hands, and that's just women. Think what we can do if we're really creative and we fire that energy at making the world of work and more diverse and fair place.

Thank you.