



Fast-tracking gender balance across real estate, 2019

Exploring whether senior commitment to gender balance is being felt on the ground and what more needs to be done to accelerate progress.



While real estate has been making important strides in improving gender balance, the pace of progress doesn't always match the huge level of effort. With our survey highlighting widespread employee frustration with the pace of change, a rethink is needed. Experience shows that the surest way to accelerate progress is to treat diversity like any other urgent strategic priority and embed it into the business fundamentals at all levels of the organisation.

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Gauging sentiment on gender balance

Survey of

844 & 52

real estate employees

employers

Face to face interviews with

7

Leading CEOs

Gender balance matters

More than

80%

of employees believe that company action to address gender issues is important to their job satisfaction. It's not just women who believe addressing gender issues is important, over three-quarters of men also see it as a priority.

Positives and negatives



Employees report progress across key aspects of diversity including flexible working and management training.



Yet, they see far less change in culture, the area they see as most important in terms of moving the dial on gender balance.

Employers and employees see things differently



Employees are far more likely than employers to see balancing the demands of family and career, along with corporate culture, as the biggest barriers to women's progression within the business.

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Diversity and inclusion are keys to the sustainability and licence to operate of our business. If we don't reflect the customers and communities we serve, how can we deliver and how can we survive?

Robert Noel, Chief Executive, Landsec & President, British Property Federation (BPF)

Foreword



Kaela Fenn-Smith
Managing Director,
Real Estate Balance

Real Estate Balance was formed out of the need for more senior women in property. The seven founding women set out to engage with both men and women leaders to create a campaigning organisation working collaboratively across the sector to effect change.

Our aim is to see women in 33% of the senior positions in property by 2020, with an ultimate goal of 50%. This reflects the recommendations within the Hampton Alexander Review.

Gender balance has become business-critical and if companies are going to survive in an ever-evolving business world, they need to better understand the customers they serve and reflect the world around them. Businesses need to be fit for purpose to be sustainable, providing inclusive cultures that attract talent with diverse thinking and varying perspectives. Putting the commercial business case aside, this is also about fairness and equality, and is the right thing to do.

Over the past 25 years in property, from my earliest career experiences in Canada of working in some abrasive, male-dominated environments, right through to becoming a senior leader in the UK, I have witnessed first-hand, the biases and unacceptable behaviours that exist across the industry and the challenges many women face in bringing their true selves to work. These experiences have helped shaped my desire to change attitudes, create more inclusive working environments and drive real change across the industry. I see my position as managing director of Real Estate Balance as an opportunity to promote real progress within the sector, for both men and women. Since being in post, I've been impressed by the passion for gender equality among the industry leaders I've worked with. Their determination to drive change gives me great hope for the future.

This year we again commissioned a survey of our members to gauge the current sentiment across the industry regarding gender balance. Our partners at PwC then analysed the findings to develop this report, which evaluates how far the industry has come since our last survey in 2017, explores the drivers for, and barriers to, progress and presents a framework for accelerating change.

The report shows the gap between what leaders are promoting and think is happening within their businesses, and the lived experience of their employees. It also shows that in order to change culture and behaviours, gender balance needs to be viewed as a strategic priority driven from the top and implemented with a structured framework set out with measurable actions and accountability throughout the organisation.

The development of this year's survey and this report itself, have been led for the second time by one of the Real Estate Balance founders, Suzanne Avery, without whose leadership this undertaking would not have happened.

We would like to express our sincere thanks to Sam Monger and Charlie Yallop at Grosvenor, who completed the immense task of managing the survey of our members. The dedication shown by Grosvenor in this exercise is evidence of their commitment to driving gender balance at senior levels in our industry. Also, we would like to thank the team at PwC for carrying out valuable interviews with each of the industry leaders involved and for their incisive analysis and insight into why barriers exist and how they can be overcome. This report is a testament to their passion and expertise.

Finally, we would like to thank all of the CEOs and survey respondents for taking part. Only with your continued commitment and recognition of the importance of this issue, is progress possible.

In a career spanning three countries, two and a half decades and several industries, I've seen first-hand how gender equality, and diversity and inclusion more broadly, make businesses stronger – bringing fresh ideas into decision making, enabling organisations to better reflect and connect with their customers and creating a more vibrant and attractive environment to work in. I've spent the last 12 years focussed on real estate and have a huge passion for the sector and the people within it.

The real estate industry is becoming increasingly consumer-driven. Customer expectations are becoming ever more complex and exacting, and I believe that diversity and inclusion are now vital for current businesses to survive. Boosting diversity would enable real estate businesses to anticipate changing demands and shape market developments rather than being on the back foot, struggling to respond. By contrast, if the board and professional teams don't reflect the businesses and communities that they serve, they're going to miss out on a critical element of customer understanding, and performance will suffer as a result.

Is real estate becoming diverse and inclusive? I certainly believe we're moving in the right direction. If recruits were once largely men from a certain type of background and a select set of universities, the intake is now much broader. Yet this diversity isn't always reflected in the senior leadership or the culture within the workplace.

That's why we at PwC are so passionate about driving change within this hugely important industry and are delighted to be working so closely with Real Estate Balance.

As part of our collaboration, Real Estate Balance asked us to develop a follow-up to the report we produced in 2017, The power of real balance: How diversity can transform your real estate business¹. The findings reveal important signs of progress since 2017, but also gaps between the promise on gender equality and the reality on the ground. In the following pages, we look at why the dial isn't moving as fast as people within the industry would hope. Drawing on our work with businesses from real estate and outside, we also set out a framework for how these barriers can be overcome.

There is no silver bullet for delivering gender equality. What I've found within my own career is how important it is to have the support and sponsorship of senior leaders. Change also comes when equality is recognised as the business imperative that it is.

At PwC, we know that we also have some way to go in making diversity a reality, but believe that by being open about the issues, clear about how we're going to tackle them and ensuring senior management are directly accountable for delivering change, we can get where we want to be.

I would like to thank our partners at Real Estate Balance, the team at Grosvenor for conducting the survey and all the employees, employers and CEOs who have given their time and insight to this report.



Sandra Dowling
UK Real Estate
Leader, PwC UK

¹ <https://www.pwc.co.uk/industries/real-estate/insights/power-of-real-balance.html>

Introduction

A commitment to change



There's a lot of focus on the commercial benefits of diversity and inclusion, which are increasingly evident. But there is more to it than that. Diversity and inclusion are also about fairness, giving everyone an opportunity.

Craig McWilliam,
Chief Executive,
Grosvenor

Gender balance has never been more critical to the success of real estate. How can your business accelerate progress?

Gender balance has many definitions, but what it comes down to is ensuring that everyone within your organisation – men and women – can fulfil their potential. While a key part of this is ensuring a reasonable balance of men and women within your leadership and talent pipeline, a culture that celebrates diversity and enables everyone to be themselves is just as important.

Why is gender balance so vital? There are not only moral reasons to support it, it's also increasingly clear that businesses perform better² in an environment that enables everyone to thrive.

In 2017, the joint PwC and Real Estate Balance report, *The power of real balance: How diversity can transform your real estate business*³, highlighted how gender balance can help your business to secure the pick of talent in a fiercely competitive labour market and bring valuable new perspectives into decision making. Most men as well as women want to work for inclusive organisations and recognise the business benefits.

In the subsequent two years, the spotlight on gender balance, the chance to stand out, and the risk of falling behind have been further intensified by Gender Pay Gap Reporting. The business critical nature of diversity and inclusion as a whole has also been heightened by the rise of customer-orientated 'space-as-a-service' and 'real asset' strategies⁴, and the resulting need to understand, reflect and engage with a more diverse customer base. A common refrain within the CEO interviews is the vital importance of diversity and inclusion for the commercial "sustainability" of real estate businesses.



The more diverse the team, the greater the breadth of the views, the more our business benefits. More and more clients are also rightly demanding diverse teams, and we would be short-sighted not to respond to this.

Chris Ireland,
Chief Executive Officer,
JLL, UK

Leadership pledge

There is a growing commitment to gender balance across the sector. A clear sign of this is the more than 70 industry leaders who've signed up to Real Estate Balance's CEO Commitments to Diversity⁵.

The ten personal pledges, which cover areas ranging from tackling unconscious bias to promoting greater inclusion within their supply chain, are among a number of responses to the issues highlighted in our 2017 report.

As an industry, we're also seeing a range of initiatives aimed at reaching out to young people from different backgrounds and cultures who might not have considered a career in real estate before. Examples include *Pathway to Property*⁶ and *Changing the Face of Property*⁷.

Gauging progress

Our latest survey aims to find out whether this commitment is being felt on the ground, how much progress has been made since 2017, and what more needs to be done.

Many of the findings are encouraging. Areas where the sector has made important strides include flexible working, which had been one of the big gaps in our 2017 survey. Yet in many of the areas that are most important to employees, including culture and behaviour, there is evident impatience with the slow pace of change. Moreover, employers tend to be more confident about how much has changed than employees, with the resulting disconnect heightening employee frustration.

And if the acid test of progress is how many women are moving into leadership positions and the pipeline leading up to senior management, the welcome improvements at board level aren't matched in the tiers below (see Figure 1).

2 <https://www.pwc.co.uk/industries/financial-services/insights/diversity-is-the-solution-not-a-problem-to-solve.html>

3 <https://www.pwc.co.uk/industries/real-estate/insights/power-of-real-balance.html>

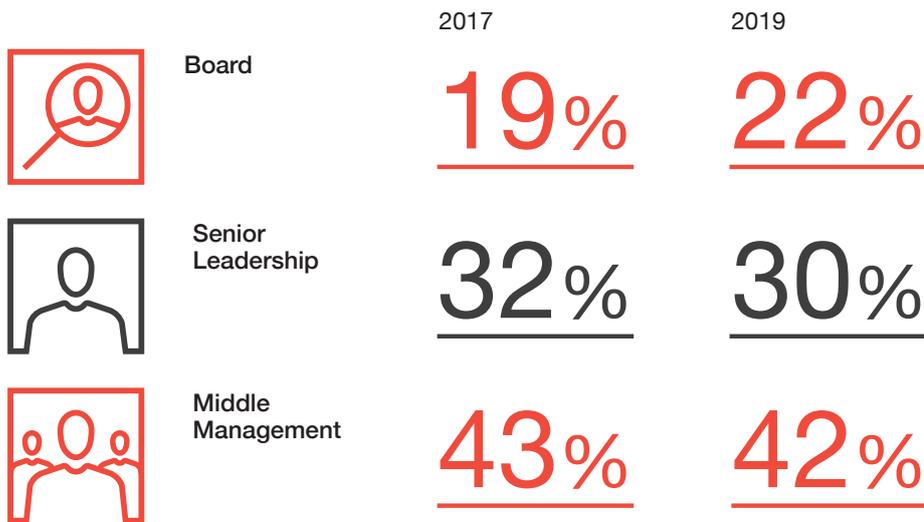
4 <https://www.pwc.com/gx/en/industries/financial-services/asset-management/emerging-trends-real-estate/europe-2019.html>

5 <https://www.realestatebalance.org/news/ceo-commitments-for-diversity-jan-2019>

6 http://rref.henley.ac.uk/rref-what-we-do/Pathway_to_Property/rref_pathways_to_property.aspx

7 <http://www.propertyneedsyou.com/about/>

Figure 1: Proportion of women at senior levels



Source: Real Estate Balance Members Survey 2017, Real Estate Balance Members Survey 2019

The slow pace of progress isn't down to lack of effort – as the survey highlights, policies and programmes are springing up across the sector. Moreover, gender balance is a journey – even sectors that see themselves as being at the forefront of diversity are still grappling with many of the issues faced by real estate. For example, you can bring in flexible working, but people need to be convinced that it won't harm their career prospects before it takes hold. And that in turn demands a shift in management mindset. Within real estate, there is the further challenge of the often limited movement within senior leadership and hence limited number of vacancies for aspiring women to take up.

However, we can as a sector move much quicker. Experience within real estate, and outside of it, shows that if gender balance is treated like any other strategic priority – a major tender, development or acquisition, for example – the organisation mobilises, barriers are cleared away and things get done. Underpinning this strategic intent are a core set of business fundamentals – clear direction, roadmap for change, tracking, transparency, intervention and incentives. In this report, we set out how your business can lay these foundations for fast-tracking gender balance.

Closing the gender pay gap

Gender Pay Gap Reporting is bringing gender inequality within real estate into sharp focus – PwC research shows that the median gender pay gap in real estate is 30%⁸, more than double the 14% for all UK companies. This reflects a sector where the balance at entry level isn't reflected in the number of women reaching the most senior and well-paid positions.

A big gap can harm your reputation, deter talent from joining your organisation and encourage key people within your workforce to look for opportunities elsewhere. And far from being a one-off exercise, the big test is the second year of disclosures (2018-19) and those thereafter, as your business comes under pressure to show what you're doing to close the gap and demonstrate progress.

The net is also widening. While Gender Pay Gap Reporting is currently required by companies with over 250 employees, a Parliamentary select committee has recommended bringing the threshold down to 50 employees⁹. Pressure is also growing to extend pay gap reporting to disabled, LGBT+ and Black, Asian and Minority Ethnic (BAME) employees, as well as spotlighting the social background of employees (e.g. privately or state-educated) as a way to help boost social mobility.

⁸ <https://www.pwc.co.uk/services/human-resource-services/gender-pay/spotlight-on-real-estate.html>

⁹ <https://www.parliament.uk/business/committees/committees-a-z/commons-select/business-energy-industrial-strategy/news-parliament-2017/gender-pay-gap-report-published-17-19/> Parliamentary select committee has recommended bringing the threshold down to 50 employees

Two years on

Progress yes, but is it enough?

Our latest survey highlights valuable progress over the past two years. Yet change isn't coming fast enough in many of the areas that would make the most difference to working lives and career prospects.

Our 2017 report highlighted a real estate sector still struggling to make headway on gender balance.

The stereotype of a predominantly white, male and privately-educated sector no longer reflects the make-up of talent coming into real estate. Yet, representation of women in senior leadership was much lower than comparable industries such as banking or asset management.

Barriers highlighted in the 2017 study ranged from a lack of role models and openings for advancement, to a reluctance to see flexible working as compatible with senior positions or being open to men as well as women. The underlying challenge was a culture in which unconscious bias was described as being "ingrained" and which was seen as being in need "of adjusting for modern day business".

The progress highlighted in the 2019 findings is therefore encouraging. This includes greater availability of flexible working programmes (see Figure 2). Organisations are also more likely to have explicit policies in place on diversity and inclusion and have action plans and management training underway.

Falling short

However, the proportion of employees who believe that their company deals extremely well with gender issues has fallen from 64% to 53%. This doesn't necessarily mean that companies have gone backwards, rather that employees' expectations are rising. Over eight out of ten employees (85%) believe that actions taken by their companies to address gender issues are important to their job satisfaction, up from 69% in 2017.

Figure 2: Steps to promote diversity and inclusion

Employee perception of what programmes or policies are in place 2017 vs 2019

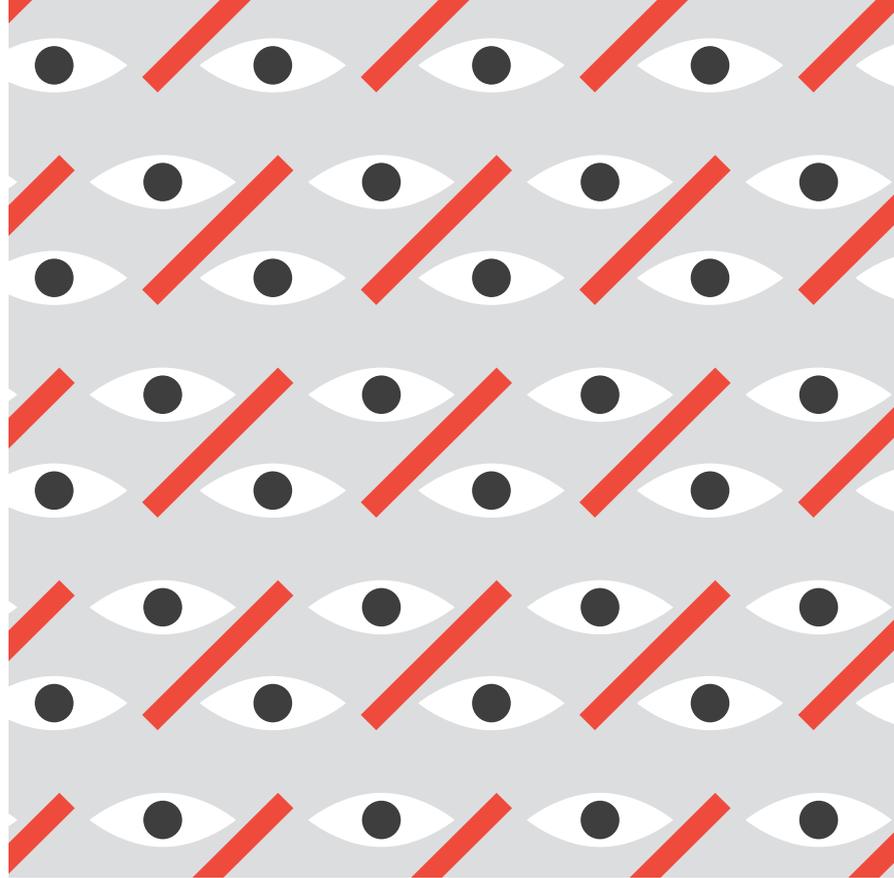


Sources: Real Estate Balance Members Survey 2019, Real Estate Balance Members Survey 2017



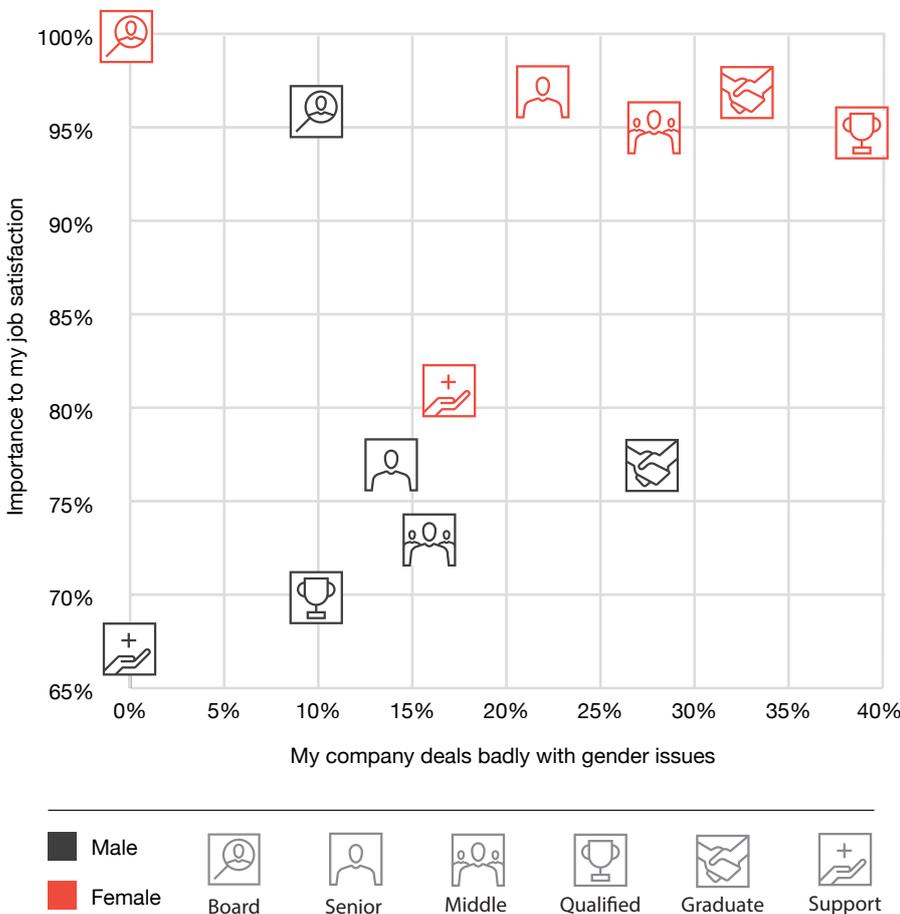
Inclusion is improving, but still has some way to go. Twenty, even ten years ago, people would have thought twice about setting up groups like Real Estate Balance or Freehold, the forum for LGBT professionals, because of the potential reaction they would have got. But now they're being embraced across the sector.

Brian Bickell, Chief Executive, Shaftesbury



Women at all levels of the organisation are much more likely than men to feel that their company doesn't deal well with gender issues (see Figure 3). Even in relation to flexible working, which is one of the areas of most discernible progress, many employees – men and women – report a lingering stigma and reluctance among line managers to embrace it.

Figure 3: Importance of gender issues to job satisfaction versus how well these issues are dealt with



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Real estate is gradually changing. But I find it frustrating that as an industry we're not moving quickly enough on diversity and inclusion. This is a missed opportunity.

Ciaran Bird, UK Managing Director, CBRE

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If flexibility becomes the norm, then perhaps more women will be interested in climbing further up the career ladder.

Real estate employee

Source: Real Estate Balance Members Survey 2019

Opening up

Concerns about how flexible working might affect promotion prospects are echoed in many women's reluctance to discuss career and life aspirations with their line manager. As one participant put it, "a woman can't disclose personal plans or aspirations as it will have an impact on her career". And underlying this are gender stereotypes and unconscious biases about what women want from their personal and professional lives, including what a participant described as the "assumption that I will have a family – despite this being the last thing I want". The need for a shift in attitudes was further underlined by a male participant, who feels that, "the culture does not support it [open dialogue]".

The impact of these biases and barriers on career prospects is evident. One woman described how her line manager favours, "those that 'shout' the loudest to advance their career. Those who quietly get on with it (predominantly women) are not as valued". This lack of understanding and support can prevent key talent from reaching their potential. Many participants also point to a continuing lack of role models and a tendency among management to promote people like themselves.

Accordingly, while women are well represented in middle management, many still find it difficult to gain the recognition, mentoring and sponsorship that would enable them to advance further. The challenge of breaking out of the middle is highlighted by the fact that employees don't see the greatest gender disparities as being at board level, but in the senior and leadership level below. Until the talent pipeline is opened up to all, there will never be real progress.

It's also important to challenge the lingering prejudices in some corners of organisations that see the advancement of women as some form of favouritism. This isn't about giving women a leg up, but rather creating a level playing field for all. And this doesn't just apply to women. While conscious of the need to improve the balance within traditionally male-dominated roles, Trish Barrigan, Managing Partner, Benson Elliot, noted that there are some roles and functions where women can often predominate such as investor relations. Therefore, it's important to think about how to create an environment that encourages more men to apply and feel part of the team.



When I started out, I found myself working in a male-dominated 'boys club'. Men were often promoted as a result of the relationships they developed in that club. They were also better able to promote themselves than their female colleagues, even if their performance didn't always reflect this. By contrast, there was a tendency among women to keep their heads down and hope their performance would be recognised through promotion. But it rarely worked out like this.

**Trish Barrigan, Managing Partner,
Benson Elliot**



However much a woman deserves the promotion, there's usually someone who says 'she only got the job because she is a woman'. This reflects an immaturity within society that I hope will eventually change.

Dan Labbad, CEO, Lendlease Europe

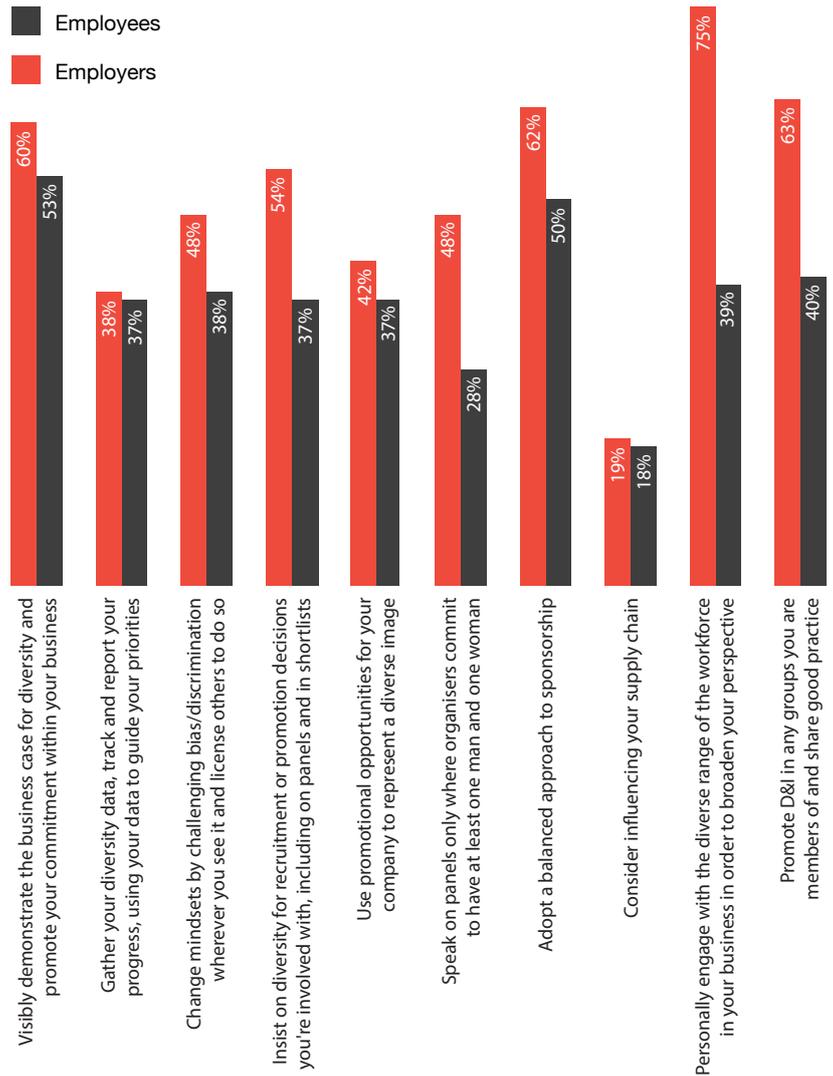
Embedding commitments

Change begins with the tone from the top. How is leadership responding? Following our 2017 report, a number of CEOs came together to devise ways to bring their influence to bear in support of diversity within their organisations, their supply chains and the industry as a whole. Many of the CEOs we spoke to revealed how their personal experiences had shaped their commitment to diversity, whether because of a lack of role models they could relate to, or the difficulties of fitting into a sector where so many people came from similarly privileged backgrounds.

Figure 4 lists the resulting commitments for Real Estate Balance CEOs. These cover areas ranging from challenging bias to tracking and reporting on progress, along with how well employees believe that these priorities have been embedded within their organisations.

These personal pledges underline CEOs' awareness of the need for change, and their direct roles in making this happen. However, the gap between how far employers and employees believe these commitments are embedded highlights the challenges of translating high level intentions into reality on the ground. Clearly, the commitments have only been in place for two years – some have signed up even more recently – so embedding may be at an early stage. Nonetheless, embedding the fundamentals of diversity and inclusion needs to work from the bottom-up as well as top-down (eg, training and tracking the performance of line managers).

Figure 4: How embedded are the Real Estate Balance CEO commitments – employers versus employees?



Source: Real Estate Balance Members Survey 2019



I want to be the mentor and the role model that were not available to me when I started my career.

Trish Barrigan, Managing Partner, Benson Elliot

What's holding up progress?

Good intentions and isolated initiatives can only go so far in moving the dial.

Employee and employer disconnect

One of the keys to progress is agreement on the issues that need to be tackled and how. It's therefore troubling that employers and employees differ on what's been most successful and the priorities ahead.

Employees are far more likely than employers to see balancing the demands of family and career, along with corporate culture, as the biggest barriers to women's progression within the business.

There are also disconnects between what employers and employees believe has been successful in improving gender balance (see Figure 5).

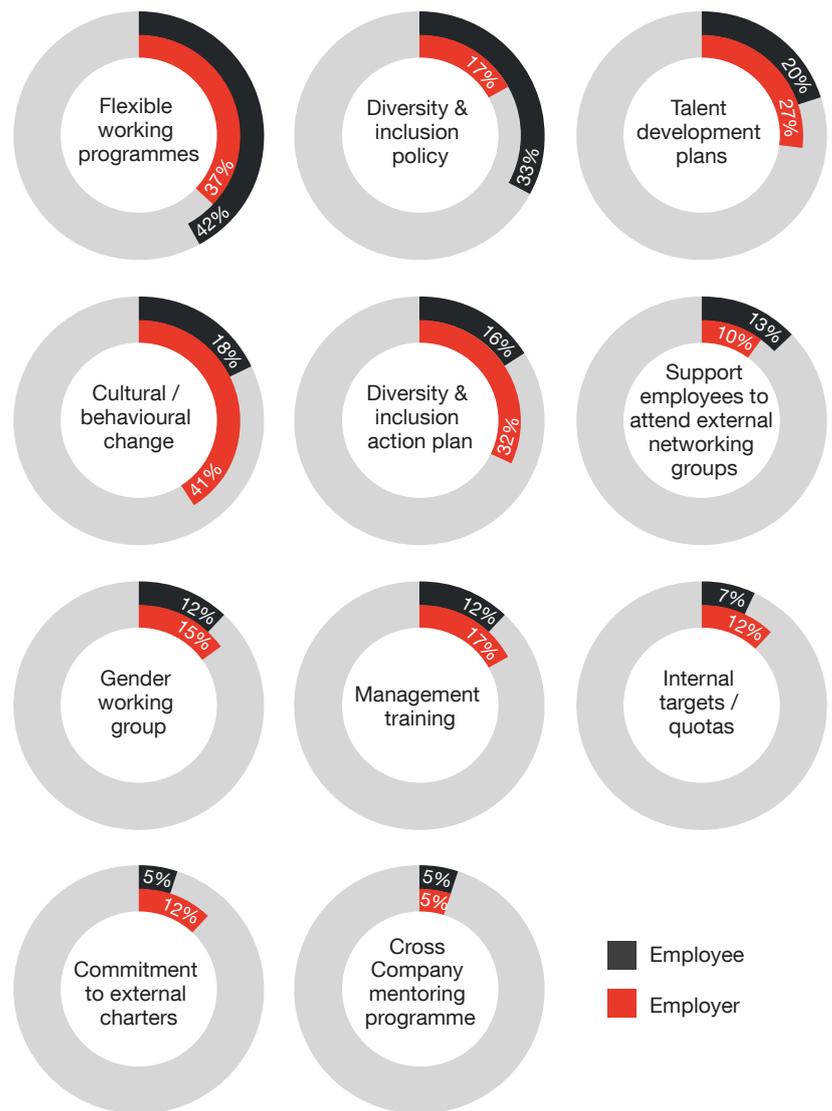
The most striking gulf highlighted in Figure 5 relates to cultural and behavioural change, the area employees believe would make the most difference (see Figure 6). While entrenched attitudes can't be shifted overnight, board-level commitment (a close second on the list of employees' priorities) is the key starting point and accelerator for cultural and behavioural change.



Many leaders see diversity as a politically correct necessity rather than a business imperative like finance. To move forward, I would hope that more leaders recognise the essential importance of diversity to the fundamental sustainability of their business and put their weight and reputation behind it.

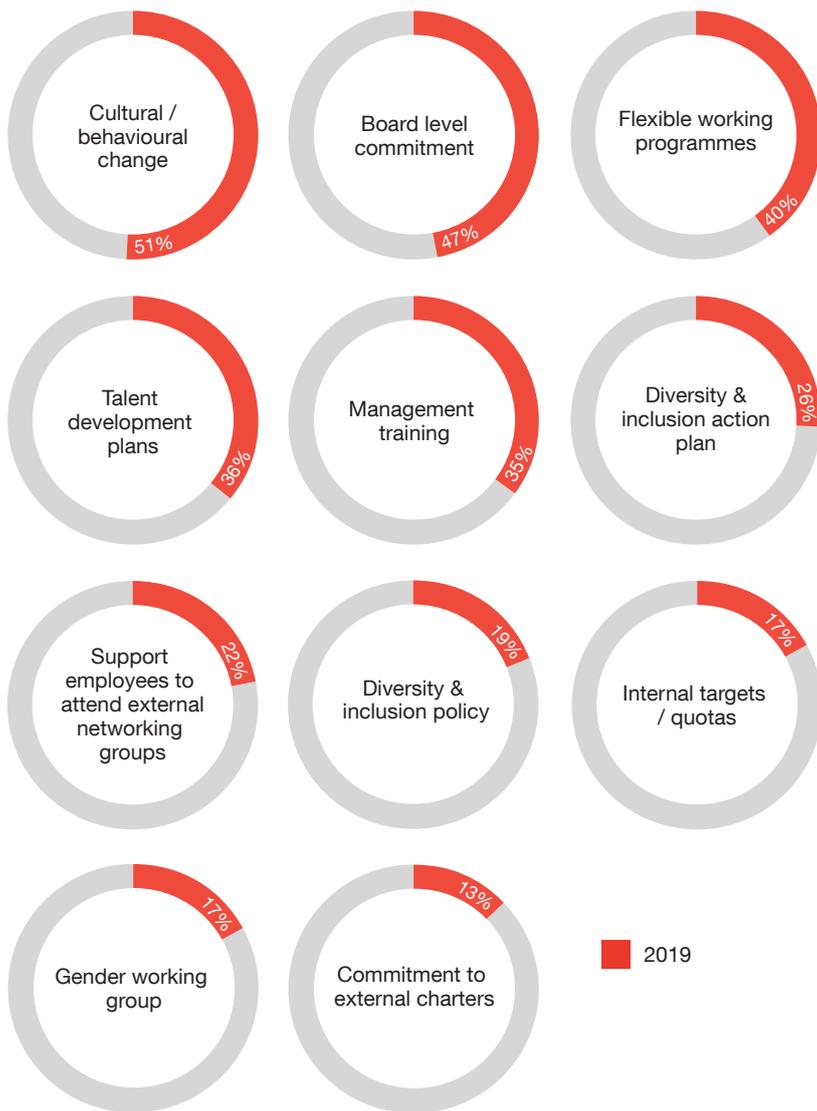
Dan Labbad, CEO, Lendlease Europe

Figure 5: Successful steps: Which of these commitments or programmes have been most successful in improving gender balance?



Source: Real Estate Balance Members Survey 2019

Figure 6: What employees believe would make a difference: Which, if any, of the following would you like to see introduced to help achieve increased gender balance at the senior levels within your company?



Source: Real Estate Balance Members Survey 2019

Looking at diversity the wrong way

So why is there this disconnect and lack of real impetus where it matters most? Our survey suggests that diversity and inclusion are still seen as HR issues or even just nice-to-haves, rather than business critical priorities. Gender balance is also often promoted through a series of piecemeal initiatives, many of which are launched in response to the latest buzz, rather than reflecting the particular issues in need of addressing within the business.

A clear sign that diversity and inclusion aren't treated like other strategic priorities is the lack of data and analytics used to set policies and programmes, measure progress and target interventions. It's certainly surprising that while there would be data and analytics covering areas such as development costs and return on investment, there is still very little of these data and analytics being generated or used to drive decisions on diversity and inclusion. There is a similar picture on targets. Without them, it's difficult to mobilise the organisation and set priorities for intervention if progress is slow.

In the absence of strategic impetus and the organisational mobilisation and data that would help to drive this, it can be difficult to move the dial in areas such as senior leadership representation or creating a genuinely inclusive environment. Key questions such as why high-potential women might feel undervalued, be failing to move up the organisation, or are leaving, are likely to go unanswered.

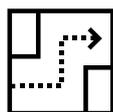
A framework for accelerating change



We believe that diversity and inclusion can give us an edge – winning more business and creating a better environment for our people. So, we want to be ahead of the game. We recently became the first property adviser to secure National Equality Standard accreditation, for example. The next stage is how we leverage these fundamentals by focusing on what investment is making the most difference and where we need to do better.

**Ciaran Bird, UK
Managing Director,
CBRE**

The experience of companies making the most progress highlights the importance of ensuring that diversity and inclusion get the same direction and accountability that would be applied to any other strategic priority. In practice, this comes down to seven key pillars for accelerating change.



1. Alignment with business strategy

Align the strategy for promoting diversity and inclusion with business priorities and articulate how steps to improve gender balance can help your organisation to meet key business objectives, such as attracting hard-to-secure talent, or engaging with customers and policymakers.

You're bound to come up against entrenched attitudes – cultural change takes time. But when gender balance is recognised as a strategic imperative, people at all levels of your organisation will know that they need to get behind change and play their part in moving the business forward.



2. Clear direction, ownership and tone from the top

Executive teams set the tone for the organisation and ensure diversity and inclusion are recognised as business priorities. This requires more than just statements of intent. It's important to ensure that someone within the leadership team is given the job of making it happen, and held to account. This can be supported by building diversity and inclusion metrics into individual performance objectives and incentives as part of an organisation-wide accountability framework.



3. Turn objectives into an action plan for delivery

Translate the headline objective of improving gender balance into an action plan that sets out measurable goals and how they will be achieved in practice.

If you've identified unconscious bias as a barrier to advancement, for example, the resulting action plan might include steps such as reviewing job descriptions to ensure the language is inclusive, removing the applicant name and gender before screening, and providing training for interviewers.



CEO sponsorship is critical. If you want to change processes, behaviour and outcomes, the CEO can do that.

Craig McWilliam, Chief Executive, Grosvenor



Inclusion is a critical part of the experience we want to create and the behaviour we expect. We want all our people to live this every day – if you're not tied up to our purpose, why are you here?

Robert Noel, Chief Executive, Landsec

Plans in action: Broadening recruitment and selection

“Nobody from the school in Essex I went to knew anything about real estate. That’s why I want kids from every school to know about this amazing industry,” says Ciaran Bird of CBRE. “What we do is incredibly important for people in our society and we can make a huge difference to people’s lives. Promoting these opportunities would change attitudes and help to attract a more diverse intake,” says Robert Noel of Landsec.

It’s little wonder then that the leaders we spoke to including Ciaran and Robert are so passionate about promoting the industry and creating openings for people who might not have considered a career within it. For example, people from CBRE visit more than 50 schools a year to help promote careers in the real estate. Six years ago, CBRE also set up an apprentice scheme, with the first six apprentices qualifying last year.

In 2011, Landsec identified UK-wide shortage of scaffolders. In response, the company launched its community employment strategy to train school leavers, homeless people and people in prison in building trades and help them get into work. The original target of 1,200 people trained and into work by 2020 was met last year.

To encourage more women to come up for selection, Chris Ireland of JLL describes how his company uses a gender decoder tool in its recruitment adverts to remove any language that may inadvertently put women off applying. JLL has also been working with preferred recruitment agencies to get more women onto shortlists.

In creating a more level playing field for selection, Craig McWilliam of Grosvenor points to the need for new criteria to gauge merit and potential. “Standard selection criteria aren’t as reliable as we’ve assumed. We need to keep challenging assumptions, such as whether a role needs to be full-time, or can be managed on a more flexible basis.” he says.

In selecting people for the leadership pipeline, all the CEOs highlight the importance of tackling unconscious bias. Brian Bickell of Shaftesbury also spoke about moving beyond shortlists of known candidates to broader and more objective, data-led selection. “Taking this approach has challenged our preconceptions about candidates’ attributes we thought we should be focusing on. And we are now seeing the benefits of fresh thinking coming from different perspectives in evolving our strategy and ways of working,” says Brian.



Measurement shines a light on us as leaders. Setting diversity and inclusion objectives and measuring progress on these have helped to make us directly accountable for driving change. This includes 360 degree appraisals of our behaviours and putting the diversity and inclusion lens across all aspects of our strategy.

Chris Ireland,
Chief Executive Officer,
JLL, UK



4. What gets measured gets done

To support the action plan, there should be appropriate data, analytics and tracking to gauge progress, target intervention and drive accountability – what gets measured gets done.

Potential data sources include employee workforce surveys, tracking the career paths of high-potential individuals, and exit surveys to gauge why key talent is leaving. The resulting analysis can help you to forecast how your employee population will change over time and provide a baseline for any targets. It can also help you to identify the ‘cold spots’ in your organisation – where female representation is not progressing – and to test which changes will have the biggest impact on gender balance.



5. Take the stigma out of flexible working for men and women

Policies aren’t enough. It’s important to tackle the attitudes that make many employees reluctant to take up opportunities to work flexibly. A key part of this is challenging the assumption that ‘flexibility’ simply means reduced hours by seeking to promote ‘agile’ ways of working, which may be part-time or full-time, and are flexible about where and when work is carried out.

It’s also important to challenge the assumption that flexible working is solely an option for mothers – staff at all levels of an organisation can and should be part of a broader shift towards more agile working arrangements. Promoting senior role models, men and women, who work flexibly can provide a useful way of confronting stereotypes.

Ultimately, flexible working should be genuinely flexible, rather than so rigid it doesn’t reflect personal circumstances and aspirations. Dialogue is therefore critical to finding out what best suits individual employees.

Normalising flexibility: Litmus test for real inclusion

“A huge number of women are still choosing to leave the industry, especially when they come to have children,” says Trish Barrigan of Benson Elliot. She believes that flexibility is one of the keys to reversing this, but it should apply to all employees not just mothers. “We’re looking at all roles to see how we can make them flexible – few if any roles require you to be in the office 9-6, Monday to Friday,” she says.

Other leaders who are looking to make all roles flexible include Craig McWilliam of Grosvenor. His company introduced equal paternity leave with an industry-leading 26-week shared parental leave policy. And it set core hours outside which no meetings are booked as part of what he describes as “normalising flexibility”. Craig also stresses the importance of thinking about how the company might inadvertently exclude people and how to avoid this. Examples include being very clear about flexibility and other aspects of inclusion within the recruitment and talent management process.

As our survey underlines, there is some resistance to change within management and resulting reluctance among employees to take up flexible options. Trish Barrigan highlights men’s particular wariness about taking up flexible working options because of concerns about how this would be perceived and impact on their careers. To overcome the misgivings among management and staff, she believes that it helps to have a trial and see whether goals are met. “If people see that flexibility can work in practice, that changes perceptions,” she says.

“

My company gender pay gap report was ten pages long and full of fluff to hide the true situation.

Real estate employee

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Like it or not, candidates and employees will form an opinion and make decisions as a result of Gender Pay Gap Reporting. They will want to see companies tackling the issues spotlighted by the reports.

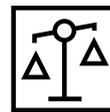
Craig McWilliam,
Chief Executive,
Grosvenor



6. Tell it how it is

Rather than simply publicising initiatives or promoting stand-out strengths, reporting should focus on plans for addressing key issues and communicating progress over time. It's also important to explain the reasons behind the numbers in your gender pay gap reporting, including possible distortions.

Your business may be wary of drawing attention to shortcomings. Yet even if you're behind the curve on diversity and inclusion now, there are opportunities to get on the front foot by acknowledging that there are barriers that need to be cleared away and setting out plans for accelerating progress. Such openness and resolve can make a favourable public impression.



7. Find common ground

The problem of bias and exclusion are clearly not confined to women. It's important to identify and tackle barriers that are holding up progress for all groups who are under-represented in senior management or may feel excluded from the prevailing workplace culture. For example, the CEOs we interviewed highlighted the active steps they're taking to boost recruitment from BAME communities and broaden the social background within their organisations.

Bringing people together and finding common ground can reinforce a strategic approach by enabling your business to focus on underlying issues (eg, broadening the choice of social events to make it easier for both people with childcare responsibilities, or who don't drink alcohol, to attend).

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All groups who face discrimination should stand together. Many of the issues they face have common roots and common solutions. Progress on one is progress for all. With its focus on men as well as women, Real Estate Balance is an important part of this.

Brian Bickell, Chief Executive, Shaftesbury

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Some small organisations may not have the numbers to create internal networks within their businesses. However, if they can reach out to larger organisations and their networks through social media, team members can see how the larger organisations deal with the issues they face.

Trish Barrigan, Managing Partner, Benson Elliot

Conclusion

Are you on track to deliver?

Attitudes towards diversity and inclusion within real estate are changing. But our survey highlights frustration over the continuing barriers to gender balance. This underlines the importance of bringing diversity and inclusion into the heart of strategic planning and execution.

We believe that there are a number of key questions that your organisation should consider as it seeks to translate good intentions into real progress:

- 1. Is gender balance really on our 'top table' and treated as a business priority?**
- 2. Do we have a clear strategy and action plan with robust objectives and measures in place?**
- 3. How accountable are we for progress against gender balance goals?**
- 4. How transparent and open are we with our people about where we are on the gender balance 'journey'?**

The intensifying spotlight on pay and prospects for women makes addressing these issues an urgent priority. Talented professionals will vote with their feet and leave if they are relegated to the bottom of the agenda.

If you can give gender balance the impetus it deserves, this is an opportunity to transform your performance and prospects in a fast-changing real estate market – a magnet for talent, a driver of innovation, and an organisation that customers want to do business with.



We shouldn't just settle for tick box diversity and inclusion. We should be constantly challenging ourselves. We should learn from best practice in other industries and look at how we can all work together to improve the real estate industry.

Ciaran Bird, UK Managing Director, CBRE

About this survey

The survey was conducted in September and October of 2018 by a team from the Grosvenor Group. Responses were received from 52 companies (of which 49 are REB members) and 844 employees, more than double the response rate from 2016. Our thanks to the Grosvenor Group for conducting the survey and all the participants who kindly gave their time and insights.

Company responses by company type

Type of company	Number	Percentage
Property Company	23	44%
Investment Manager	10	19%
Financial Services/Banking	5	10%
Law Firm	5	10%
Professional Services	4	8%
Property Agency/Consultant	2	4%
Recruitment	1	2%
Other	2	4%
Total	52	100%

Employee responses by grade and gender

	Male	Female	Not declared	Total
Board	29	5	1	35
Senior & Leadership Level	94	72	1	167
Middle Management Level	143	164	5	312
Qualified or equivalent	70	117	3	190
Graduate /Entry Level	33	40	1	74
Support Staff/Other	9	56	1	66
Total	378	454	12	844

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