

What motivates employers to prioritise Equality, Diversity and Inclusion?

A plethora of guidance encourages employers to prioritise Equality, Diversity, and Inclusion (EDI) in the workplace. Despite this, engagement with EDI remains inconsistent, and employers note a range of barriers to implementing effective EDI practices. In 2024, Youth Futures Foundation commissioned the Institute for Employment Studies to conduct a Rapid Evidence Assessment to uncover **how employers can be engaged to take action in support of EDI**.

Key insights

We need more evidence.

At Youth Futures Foundation, it is our mission to ensure that marginalised young people can secure and thrive in good work.

This research illuminates the **lack of high-quality evidence** on what works to engage employers to prioritise the **recruitment, retention, and progression of marginalised young people**.

As the What Works Centre for Youth Employment, Youth Futures Foundation will keep building the evidence base, generating robust understanding of how employers can be motivated to facilitate transformational systems change for young people.

The findings indicate promising areas for further research, by suggesting:

- What drives and enables employers to engage with EDI.
- The barriers employers face to meaningfully prioritising EDI.
- The potential impact when employers do prioritise EDI.

Equipped with these insights, we will further investigate how employers might be motivated to prioritise the recruitment and retention of marginalised young people, and how the **unique business benefits of supporting young people to thrive ultimately align with employers' motivations**.

The findings suggest...

1. For a business to meaningfully prioritise EDI, they need:

- **Leadership** at the most senior level to be **actively engaged** and committed.
- **Line managers** to be trained and equipped to support employees from marginalised backgrounds to thrive.
- Knowledge and resource to make **meaningful use of EDI data**.

2. Businesses can be motivated to prioritise EDI by...

Understanding it as a strategic resource, essential for reducing staff turnover and nurturing a future-proofed workforce and talent pipeline that can facilitate long-term profitability and growth.

In an environment where **businesses face significant and enduring economic pressures**, a **perceived conflict between EDI and commercial business imperatives** underlies various challenges.

Capacity and resource limitations are often cited as a barrier to meaningful engagement with EDI. **Instead of de-prioritising EDI to drive efficiency in these circumstances, employers can benefit from doing the opposite.**

Employers (in particular, **senior leadership as the agents of change**) must recognise the potential of EDI to transform organisational performance and facilitate commercial success. Prioritising diversity in recruitment opens up a wider pool of talent. When coupled with action to support employees from marginalised backgrounds to succeed and progress, **businesses can escape the cyclical recruitment and retention crisis**, and reach a place of stability by creating a long-term talent pipeline, making growth possible.

3. When a business successfully prioritises EDI, they can expect:

- Increased employee satisfaction, productivity, and **retention**.
- Increased innovation, leading to **improved financial performance**.

For EDI initiatives to be meaningful, businesses should set **ongoing targets** to prevent EDI efforts from waning after a 'one-time' target is achieved. Businesses must also consider their strategies for **actively supporting diverse talent to progress, or risk reinforcing systemic inequalities** by restricting those from marginalised backgrounds to the most junior and low-paid roles, with senior positions filled by those already more privileged.



How will we motivate employers to prioritise the recruitment and retention of marginalised young people?

We're partnering with employers to trial promising employment interventions, to build the evidence base on their impact and benefits for employers and for young people.

The evidence uncovered here indicates the benefits we must demonstrate to motivate employers; and the things employers must do for these interventions to be meaningful.

[Read the full report here.](#)