CIPD

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The case for disability workforce reporting

The CIPD has been championing better work and working lives for over 100 years. It helps organisations thrive by focusing on their people, supporting our economies and societies. It's the professional body for HR, L&D, OD and all people professionals – experts in people, work and change. With over 160,000 members globally – and a growing community using its research, insights and learning – it gives trusted advice and offers independent thought leadership. It's a leading voice in the call for good work that creates value for everyone.

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Why disability workforce reporting matters now

Disability workforce reporting has become a topic of debate for employers, academics and policy influencers, particularly during the last few years. This is partly because of the UK Government's movement on mandatory reporting in other areas of equality, diversity and inclusion (gender pay gap reporting is mandatory on an annual basis, and ethnicity pay gap reporting was made voluntary in April 2023). Current interest in disability workforce reporting follows increased campaigning activity from disability organisations and coalitions who are calling on the government to introduce mandatory disability reporting in organisations that employ over 250 employees.

Aside from the UK policy landscape, workforces are becoming more diverse, and leaders and senior managers are, therefore, increasingly interested in understanding the diversity profile of their organisation. A key way to do this is to ask your employees to share information about their personal characteristics. In law, the UK Equality Act 2010 calls these 'protected characteristics', but many employers in their diversity workforce data collections often reach beyond the characteristics given in law to include other situations, such as carers, returners to work and socioeconomic background.

BDF and the CIPD currently support a voluntary approach to disability workforce reporting and the need for meaningful action in this area that will drive genuine change.

Our findings show that we need a considerable step change on the part of most employers to meet any future mandatory requirement on them to report and publish people data on disability. Our data shows that just two-fifths (40%) of respondents say their organisation currently collects some form of workforce disability data or narrative information, and very few publish the information they collect externally. We have therefore developed joint guidance to build employer confidence and capability in collecting and reporting on disability inclusion. In the longer term, the CIPD supports a mandatory approach to disability workforce reporting. If implemented effectively, there are several potential benefits for employers in undertaking disability workforce reporting.

These include building their reputation as a fair and inclusive employer, enhancing their ability to recruit and retain valuable talent, developing greater transparency and accountability, and ensuring that disability issues have the attention and focus of senior leaders at board level.

The scope of disability workforce reporting

A number of different phrases are used for the same activity: 'disability workforce reporting', 'disability data collection', 'disability data monitoring' or, in some private sectors, diversity monitoring is referred to within 'corporate governance reporting'. In this report and accompanying guide, the term 'disability workforce reporting' is used because it is the term being used by the UK Government, and we want to encourage employers to report and collect disability workforce data.

Disability workforce reporting can include a range of different work-related experiences but, at the very least, it includes understanding the number of employees who have a disability who are working in that organisation. It typically answers the question, 'how many people with a disability do you employ in your organisation?'

Once organisations have captured accurate data, they can expand their reporting to cover the following topics:

- the type of disabilities or conditions employees have

- the prevalence of disabled employees, by type and level of role – to understand where in their organisations disabled people are employed

- promotion and re-appointments – to show the movement and progression of disabled employees in the organisation

- disability pay gap – the average difference in pay between employees who have a disability and employees who do not

- disabled employee engagement gap – the employee engagement levels of disabled employees compared with non-disabled employees.

Who already collects disability workforce data and why?

There are many reasons to collect and, often, report on disability workforce data:

- **Public sector bodies** are required to publish information about people with protected characteristics as part of their specific duties in the Public Sector Equality Duty (PSED). This may be part of, for example, a three- to four-year equality objectives cycle. Although the PSED does not stipulate how data must be reported, it must be publicly available. This is typically done in annual inclusion reports and on organisation websites. The PSED does not give a fixed question or narrative on how collecting and reporting should be undertaken. This is up to the employer to decide and define themselves.

- **Regulatory bodies** in some sectors ask organisations to report their disability workforce data. This is not a legal requirement, but it is a regulatory requirement. The revised UK Corporate Governance Code requires improved reporting on diversity, including how companies have applied their diversity policy, such as links to progress on achieving company objectives. Disability workforce reporting can help these employers meet those requirements. The question and timeframes are often set by the regulatory body (the Solicitor's Regulation Authority is another example of this). Some sectors with a regulatory disability workforce reporting requirement are also covered by the PSED, meaning some employers would report to a regulatory body and report their own figures separately as well. The NHS and higher education are examples of this approach.

- **Many private sector organisations** are asked to report by their board, which could be because they are awarded more points in the contracts they regularly bid for. Organisations in this category often use the phrasing that they are 'required' to report their disability workforce data, but it is often an internal requirement rather than a legal or regulatory requirement.

- **Organisations in any sector** that may or may not already fall into one of the above categories sometimes choose to do their own disability workforce collection and reporting for a few reasons. These typically include wanting to collect data **in more detail or with a different narrative** than they are required to do by law or sector regulation, or just because they want to **understand the diversity profile** of their organisation more.

Any employer who wants to lawfully undertake **disability-related positive action** may collect disability workforce data to evidence a current underrepresentation. For example, if an employer is considering recruitment for a specific condition, such as people with autism, they need to evidence that their workforce has an underrepresentation of people with autism. For more information on positive action, refer to the [guidance](#) from the Equality and Human Rights Commission.

Benefits and barriers to disability workforce reporting

There are a range of potential benefits for organisations publishing disability workforce information, including improving external reputation as a business or service provider by signalling a commitment to fairness, equality and human rights, and valuing diversity. This is an opportunity for an employer to show they care about the experience their employees have in their workplaces. It can also set an industry example for corporate social responsibility and help drive change on a wider stage, including across their supply chain. This approach can boost an employer's profile as an employer of choice and help them to tap into a wider pool of talent and skills at a time of skills shortages, thereby boosting an organisation's performance and productivity. It is an opportunity for an employer to publicly demonstrate the value that disability inclusion and progression can bring to an organisation.

There are also deeper issues related to the capability and confidence of organisations that make it difficult to meaningfully collect data and report on workforce disability and health issues. The effectiveness with which they will be able to do so is also dependent on whether or not they have a supportive framework in place to support and manage people with a disability and/or long-term health condition throughout an employee's lifecycle.

Key roles and responsibilities for effective reporting

Certain employee groups are critical for developing and implementing an effective disability workforce reporting framework and developing an inclusive culture where employees feel comfortable to share information about their condition.

Active senior leadership support

Disability workforce reporting should be a strategic activity as it can impact the disability inclusive 'climate' of an organisation. It therefore needs to be led by a senior leader as part of an organisation-wide project. This means that, although employees with disabilities and disability networks should be key stakeholders in the project, they should not lead it.

Employers need to develop a working environment that fosters diversity and does not tolerate bias towards people with a disability. Leaders need to speak publicly and authentically about the importance of inclusion and equality of opportunity. They also need to drive cultural change that shifts the narrative to one that values everyone, regardless of their life situation or background.

Research evidence indicates that, in general, management interventions are only likely to succeed when actively supported by senior management, both initially and on an ongoing basis. Similarly, progress on equality, diversity and inclusion (EDI) is unlikely to succeed without the influence of senior managers. This should include active and visible support for EDI and a genuine appreciation of difference. In this way, senior leadership commitment will help to foster a culture of inclusion and ensure employees throughout the organisation understand how EDI goals align with organisational objectives.

Unique position of people professionals

People professionals are uniquely placed to enable and support an organisational culture of disability inclusion. HR, working in partnership with leaders and managers, can develop proactive policies, build awareness, ensure that all stages of the employment lifecycle are fair and inclusive of people with disabilities, and promote equality of opportunity for employees.

People managers must be equipped

Managers need to be equipped with the confidence and competence to manage people with a disability or long-term health condition. Line managers do not need to be experts in their employees' conditions, but can develop an understanding of someone's condition and how it impacts them and their ability to perform their role at certain times. Training, support and fit-for-purpose policies and guidance are vital to ensure that managers have the knowledge and interpersonal skills required to implement relevant policies and support, and have sensitive and supportive conversations with individuals where appropriate. They need an appropriate understanding of how to effectively respond to an employee who tells them they have a disability, for example to ask what support they may need to be their best, and then work across the organisation to ensure effective implementation of any changes.

Inclusive workplace culture has significant role

The 'culture' of an organisation is often described as 'the way things are done here and how that makes people feel'. This means everyone can be themselves, because it is acknowledged at every level that everyone is different and does things in different ways. Culture can, therefore, have a significant role in making people feel confident to trust their employer with information about who they are (such as having a disability) and that they will not be treated negatively because of it.

As disability workforce reporting progresses, it can also further support the development of an inclusive workplace culture – it can increase transparency and encourage supportive conversations between employees, teams and managers.

Critical success factors

The following critical success factors will help to support an effective approach to disability workforce reporting:

- **A robust organisational framework of health and disability-related policies and support:** this will help to encourage a positive and open culture. Employers should understand the challenges employees have at work and make adjustments to minimise or remove those. The framework also needs to include a proactive approach to managing absence, including a disability leave policy that differentiates between sickness and disability absence.

- **Workplace adjustments:** we need to shift the negative misconception about adjustments being onerous and costly – many can be simple and low-cost, and can make an enormous difference to enabling people to perform to their full potential. Managers need to be confident and capable in discussing helpful adjustments with team members.

- **Flexibility in working practices and culture:** this is likely to help organisations recruit and retain from a broader and more diverse pool of workers and will also help employees to balance their work and their personal commitments.

- **Understanding of the multidimensional nature of disability:** any reporting practices need to take account of the multidimensional nature of disability, and the range of disability levels if there is to be real impact and lasting cultural change in organisations. This includes having an understanding of the non-static nature of many conditions, where people's conditions can fluctuate daily or weekly and may improve or worsen over time.

Develop a clear plan for disability workforce reporting

These key pointers can help guide you to implement a framework that suits your own organisation and your people. Our accompanying guidance provides more detailed advice on how to implement this approach.

Know why you are doing it and what you want to achieve

Before you start, take some time to understand why you are doing disability workforce reporting. Knowing why you are doing it will help you to plan everything else that follows. Deciding what you want to achieve is important for embedding a data-reporting lifecycle into your organisation. Knowing what you want to achieve also means understanding the limitations of your approach. For example, if you are seeking to understand how many people with a disability you employ, this in itself will not meet an objective of achieving a more inclusive workplace culture.

Decide what questions you want to ask employees

The wording of your question depends on what you are trying to achieve. It is ideal to keep the disability-related wording you use consistent across every time and place you ask employees. This keeps your narrative about disability consistent, and it also prevents different answers to different types of wording. Some employers choose to collect information on the types of disabilities and conditions people have. However, it is often the case that this information is reported for the sake of reporting and is rarely used in a way that improves things for individuals.

Choose your timing

The timing of asking questions about whether employees have a disability can be helpful or cause suspicion among employees. The latter can happen when disability-related questions are asked during periods when your organisation is downsizing and making redundancies or restructuring, for example. Equally, if the narrative around why you are asking for this information at this time is around looking at what to prioritise in the next strategic review of, for example, a disability action plan, it can make employees feel that they want their 'voice' included and want to be involved.

Develop a communication and engagement plan

A communication and engagement plan should carry the project through from before it begins until after it has ended. Communicating what you are doing and why, information about consent and looking after employees' data, as well as helping employees understand what outputs and changes they can expect to see as a result of a disability workforce reporting project, can be a key vehicle for delivering the tone and ambitions of an employer's disability-inclusive culture.

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