

Real Estate Balance (REB) – 2020 member survey initial findings

This note provides commentary to accompany a slide deck sharing the headline results of the 2020 REB member survey as presented at a series of CEO breakfasts.

Overall, the results indicate that progress has been made since it was first run in 2016, but there is still much to do.

Survey responses

The survey was conducted in September and October 2020. Companies were asked to fill in a Company Survey and also to share an Employee Survey with their employees to complete. All responses were anonymous.

Some questions were the same in both surveys to see if responses aligned.

Responses were slightly down from 2018, however when combined with the Next Gen survey we had more responses than ever – i.e. 940 versus 846.

Company Responses By Company Type

	2020		2018	
Property Company	14	33%	23	
Investment Manager	7	16%	10	
Property Agency / Consultant	5	12%	2	
Law Firm	5	12%	5	
Financial Services / Banking	2	5%	5	
Professional Services	2	5%	4	
Construction / Engineering	1	2%	0	
Recruitment	1	2%	1	
Other	6	14%	2	
Total	43		52	

The companies which responded represent just over 36,000 employees in the workforce, so provide a good representation of the real estate industry. We also had a reasonable spread of company types.

Number of Employees split by gender (grade levels)

	Male	Female	2020 Total	Female Ratio
Board	206	89	295	30%
Senior & Leadership Level	1,991	531	2,522	21%
Middle Management Level	7,673	5,799	13,472	43%
Qualified or equivalent	5,091	4,435	9,526	47%
Graduate/Entry Level	2,807	2,449	5,256	47%
Support Staff/Other	1,757	3,354	5,111	66%
	19,525	16,657	36,182	46%

At junior levels there is reasonably good gender balance within these organisations, but numbers fall dramatically between middle management and senior levels - although they do recover somewhat at Board level.

This does raise important questions - has female representation at senior leadership level been neglected at the expense of Board representation? And is the industry doing enough to develop and retain the female talent that clearly exists at middle management level?

Respondents call for 'less talk and more action' and this is repeated over many different responses. Suggestions from respondents of what can be done to achieve greater gender balance at board and executive management levels include 'industry wide targets', 'a change in entertainment culture', 'mentoring for middle management' and to 'hold firms accountable instead of just lip service.'

We also received responses from a reasonable spread of companies, and from men and women at different levels within the organisation. Note: with the exception of female board members or male support staff where that number is a single digit.

Employees Responses by Company Type

	2020				
	Male	Female	Total		
Property Company	72	120	192	33%	
Investment Manager	76	68	144	24%	
Property Agency/Consultant	38	49	87	15%	
Law Firm	14	46	60	10%	
Financial Services / Banking	13	15	28	5%	
Professional Services	20	32	52	9%	
Construction / Engineering	0	2	2	0%	
Other	5	17	22	4%	
Blank	1	1	2	0%	
Total	239	350	589		

Employee Level at Company

	2020				
	Male	Female	Total		
Board	17	9	26	4%	
Senior & Leadership Level (report to Board/Exco)	46	42	88	15%	
Middle Management Level (report to Senior Leader)	103	144	247	42%	
Qualified or equivalent (unlikely any direct reports)	48	84	132	22%	
Graduate/Entry Level	18	21	39	7%	
Support Staff/Other	7	48	55	9%	
Blank	0	2	2	0%	
Total	239	350	589		
Next Gen survey	133	205	340		

REB's Next Gen committee also ran its own survey, for the first time, which received 340 responses. This survey was circulated to real estate industry professionals under age 35 and they were asked questions regarding attitudes and culture within their organisation.

Ethnic profile of employee responses

	Male	Female	Total		
White British	171	242	413	70%	
White European	22	28	50	8%	
White Irish	5	10	15	3%	
White other	3	20	23	4%	85%
Arab	0	1	1	0%	
Asian/British Bangladeshi	0	1	1	0%	
Asian/British Indian	10	10	20	3%	
Asian/British Pakistani	4	2	6	1%	
Asian Other	2	3	5	1%	5%
Black/British African	4	6	10	2%	
Black/British Caribbean	4	3	7	1%	3%
Chinese	1	10	11	2%	
Ethnicity not known	0	1	1	0%	
Mixed White/Asian	3	7	10	2%	
Mixed White/Black Caribbean	1	1	2	0%	
Other Ethnic group	1	1	2	0%	
Other mixed multiple Ethnic group	7	3	10	2%	
Prefer not to say	1	1	2	0%	
Blank	0	0	0	0%	6%
Total	239	350	589		

REB's 2020 survey was the first one to ask questions about ethnicity. As the slide below shows, 85% of respondents identified as white (70% white British vs 80% for England and Wales as a whole (UK Census 2011), with 5% Asian (7.5% for E&W as a whole) and 3% Black British (3.3% for E&W).

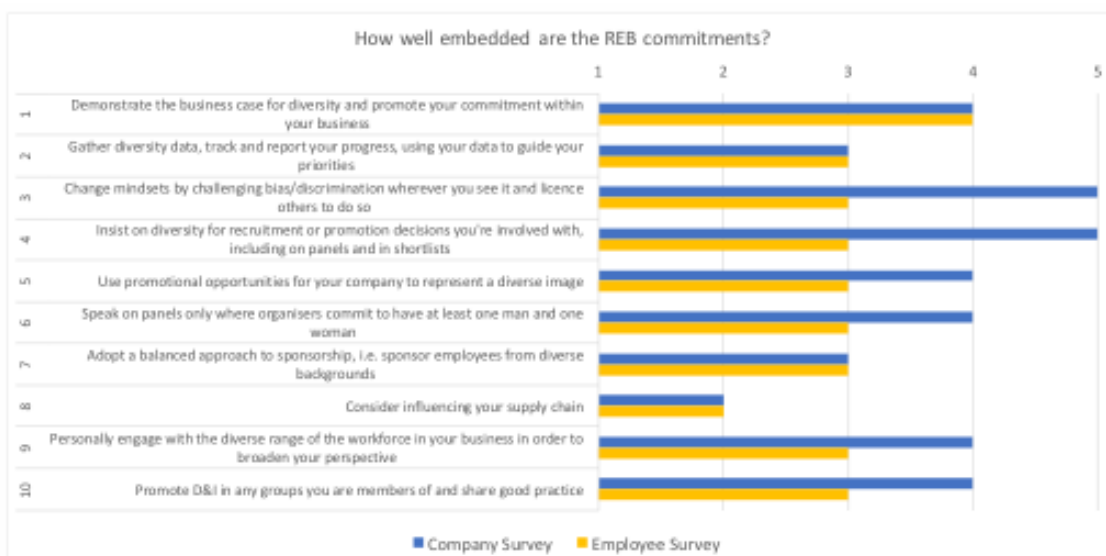
The same sentiment was apparent from comments made by various respondents with one commenting 'I feel that to change attitudes on ethnicity, fairness and gender equality, we not only need top down commitment but action rather than words, and policies drawn up and implemented, then followed up and progress tracked, so we have accountability and ultimately change.'

Views on REB's CEO Commitments

Both the Employee Survey and Company Survey asked about Board level commitment.

Survey Question - Real Estate Balance expects CEOs of member organisations to sign up to ten commitments to work towards improving gender diversity across the industry.

To what extent do your Board and Executive team demonstrate the following commitments?

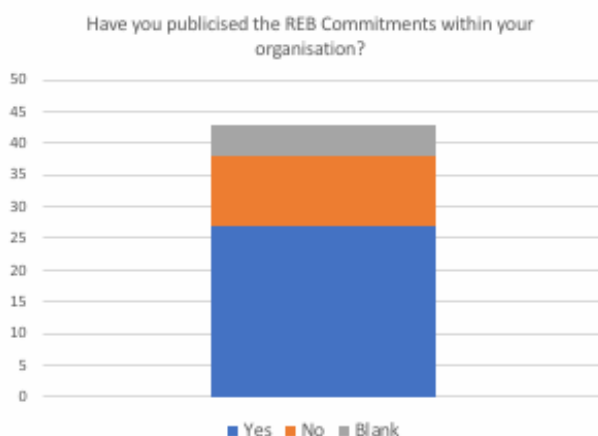


CEO Commitment 1 – ‘demonstrate the business case for diversity and promote your commitment within your business’. Both employees and companies agreed this commitment is well embedded in their organisation, which is positive.

CEO Commitments 3 & 4 – ‘changing mindsets’ and ‘insist on diversity for recruitment and promotion’. These generated the biggest divergence in views, with employees significantly less likely than companies to believe that these are embedded. These aspects of culture are therefore areas to focus on in 2021.

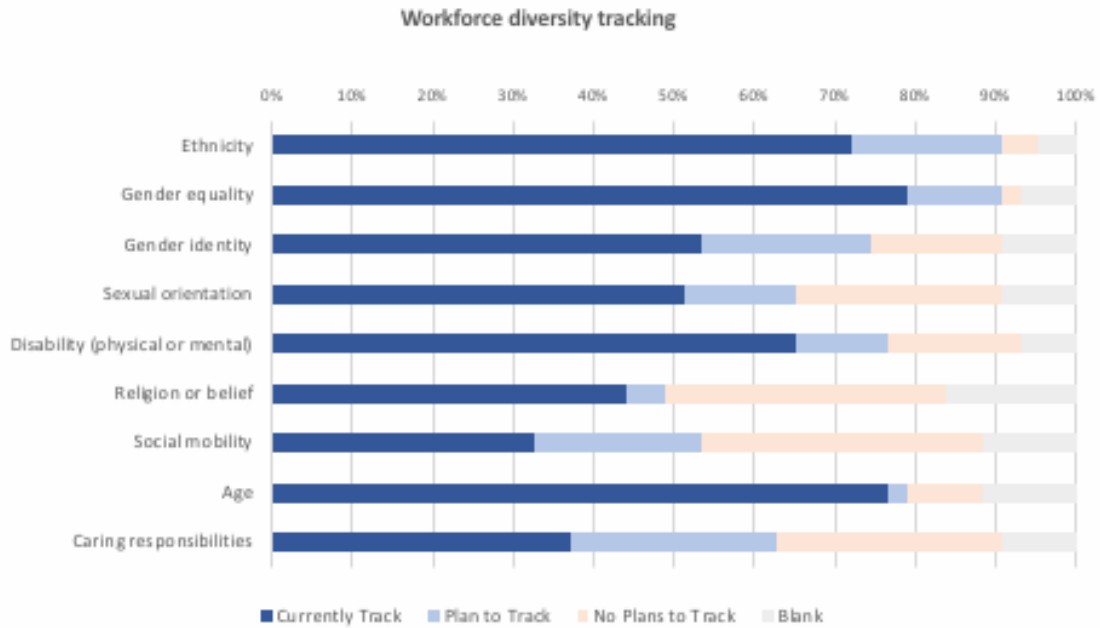
Comments from the Employee Survey highlight the importance of these CEO commitments being communicated by CEOs and embedded within their organisations. One respondent commented that ‘change needs to come from the top’ which is an echoed sentiment throughout the responses.

CEO Commitment 8 – ‘consider ‘influencing your supply chain.’ This was the commitment considered to be least well embedded by all respondents and a potential priority therefore to implement in 2021.



REB also asked in the Company Survey if the 10 CEO commitments had been publicised within their organisation. A third of respondents said no, suggesting that not only did their employees not know about the CEO commitments, but that there was also limited accountability for delivering them. This is a clear action point: CEOs need to ensure that the CEO commitments and the REB Online Toolkit are shared publicly within their companies. The REB Online Toolkit is a resource available on the REB website that contains information on best practice and ideas and suggestions to implement and drive change across organisations in relation to gender diversity.

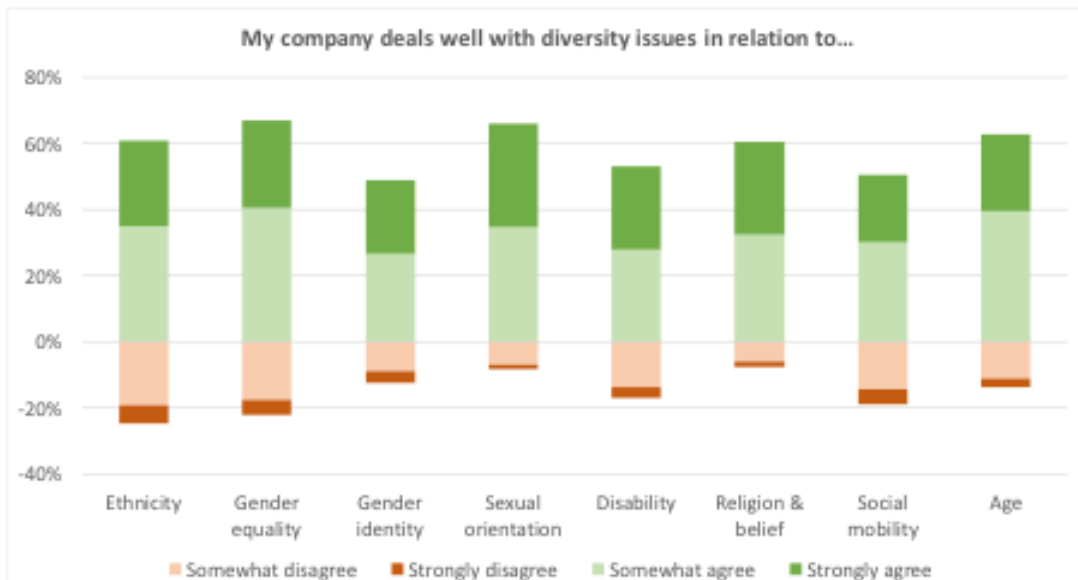
Tracking diversity data



Companies were asked which areas of diversity they tracked data on, and where they were planning to do so. Gender equality, ethnicity and age were the areas most companies were tracking. The results pose the question ‘unless we are tracking this data how do we know what to prioritise and what is working?’

How well do your people think you are doing?

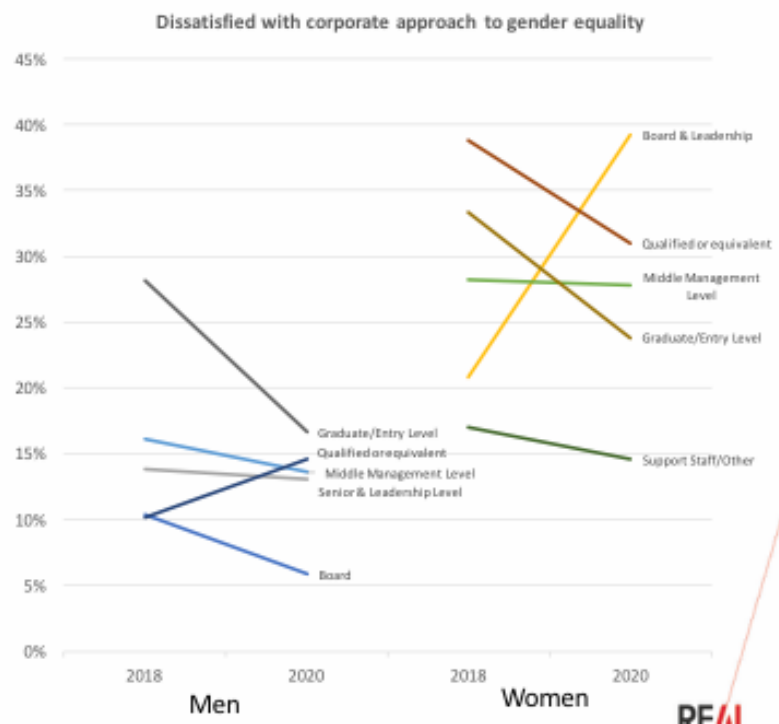
Employees were asked how they rated their employer on diversity on a number of dimensions.



There was a strong positive balance (marked in green in the chart above) to the effect that companies do deal well with all areas of diversity. However, the pink areas (disagree and strongly disagree) show there is still more work to do – particularly around ethnicity, gender equality and social mobility. It is evident that more focus is needed on those areas in order to achieve greater employee satisfaction.

One employee respondent commented that addressing social mobility issues would also drive diversity in terms of ethnicity: ‘there is going to be no ethnic diversity on boards or at higher levels in the profession until we persuade 6th formers in non-middle class schools to consider surveying as a career.’

Most groups are more satisfied than two years ago – apart from senior women

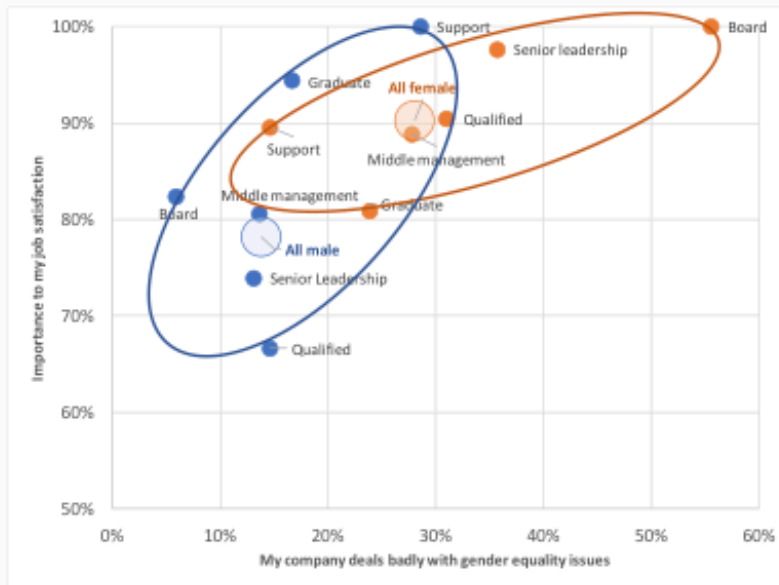


The question was also asked in the Employee Survey - How important for your job satisfaction, is it that a company is taking actions to address its diversity and inclusion issues in the following areas? The above chart shows the responses to this question plotted against the proportion of men and women who were dissatisfied with how their company dealt with gender equality.

From the responses to this question and comparing the resulting data with the responses from the 2018 survey, fewer people were dissatisfied this year than in 2018 - except women at senior leadership and Board level and men at qualified equivalent level. It is interesting to look at this adverse trend among senior women alongside the dip in female representation between middle and senior management noted above.

Part of this dissatisfaction may be explained by the responses to the question ‘are you able to discuss your career, life aspirations with your line manager openly?’ Whilst it is positive that 80% of respondents felt they were able to have open discussions with their line managers, 20% felt they were not able to. This 20% was dominated by women. Some of those 20% of respondents provided reasons for not being able to talk openly with their line managers. Female respondents mainly commented on not being able to have discussions about wanting to have children in the future because (according to one such respondent) ‘it would be a career limiting move’ and (according to another) ‘opportunities for promotion would be affected by pregnancy and flexible working’. The responses showed a high level of concern over the link between having children and as one respondent put it ‘compromising their career path/promotion opportunities.’

How you deal with gender equality is more important, and less satisfactory, to your female employees



REAL ESTATE

This chart compares the level of employee dissatisfaction with gender equality in the workplace with how important gender equality is to their job satisfaction.

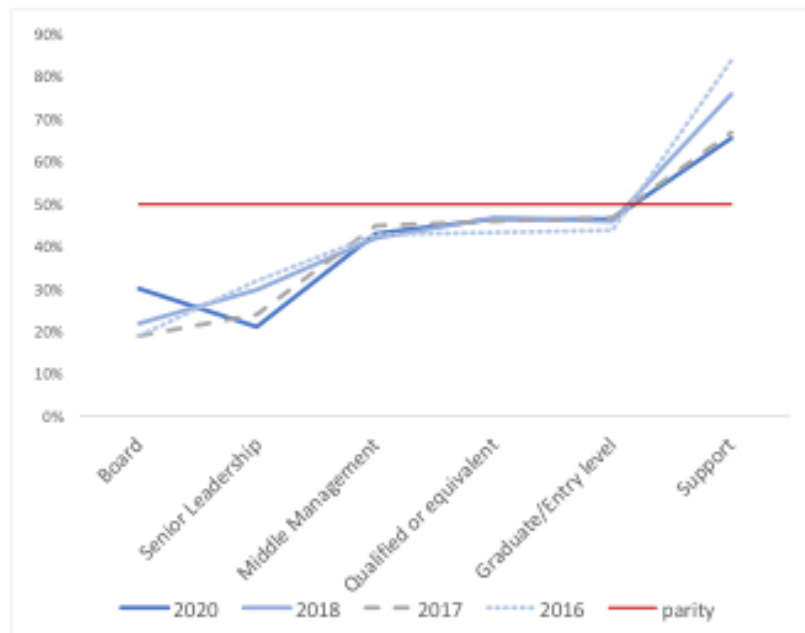
Women at senior leadership level are not only more likely to be dissatisfied with how gender diversity is dealt with than their junior colleagues – they also care more about it.

One of the responses taken from the Employee Survey summarises this disparity exactly: ‘while for some generations gender diversity is a big issue, I am relatively junior and from my end of the workforce genders feel balanced.’

More women think their employer deals badly with gender equality issues well than is the case for men. They also consistently see this as very important to their job satisfaction. Also note from the above chart the particularly big gap between senior men and senior women – suggesting a leadership challenge.

Closing the gender gap

Female representation – the reality



Between 2016 to 2020 women represented approx. 40 +% of the workforce in the real estate industry for graduate entry level to middle managers, but after that then the numbers drop sharply at senior levels. Worryingly, this drop-off has grown since 2018. How does the industry deal with the challenges that cause this drop in representation?

When asked what was the biggest challenge for gender equality, there was no silver bullet.

There were multiple opinions from respondents to the Employee Survey on what they feel is the biggest challenge to increasing gender balance at senior levels:

- 'Lack of opportunities once you reach middle management'
- 'More active encouragement needed to get women to feel confident to apply for senior roles'
- 'Unconscious bias'

How can we close the gender gap?



Our survey asked ‘what is the biggest challenge in achieving gender equality?’ One top response to this question was lack of women in the industry – but the data collected challenges that response (i.e. there are lots of women at middle management layers in our respondent companies). Those responding to the Employee Survey claimed the difficulty of managing family and career was the biggest challenge, more than was recognised by employers. Culture was also cited.

The comments raised the importance of flexible working, and individual responses shed light on some of the reasons why this is a key issue for some people. One of these comments was that ‘the single greatest barrier to women in senior roles is the childcare issue’. Another comment was to the effect that a solution around flexible working was needed in general. One respondent also commented that that a ‘shift in perception when it comes to childcare’ is important.

Another response addressed the need to truly value flexible working within an organisation as a solution to the gender gap: ‘in law, women and men are 50:50 at recruitment and junior stages. The drop off happens at around age 30 as women start to have children and find that their careers are not compatible with hands on childcare. The only way to redress this balance is full scale cultural change which embraces and values part-time/flexible working for all so that it is not just seen as something women do and must be tolerated.’

A few respondents raised the issue of losing clients as a result of taking maternity leave, with one commenting: ‘It is when they have children that the firm gives up on them. This year 2 senior mothers have left and not because they wanted to. There was never an issue with their performance until they had a baby. The only thing that changed was that they became pregnant, gave their clients to others when on maternity leave and then was told they did not have any of their own clients when they came back and have now been forced out.’

These comments lead to the question of whether this is a wider issue across the real estate industry.

The impact of COVID

The 2020 survey also asked questions relating to lockdown including:

How would you describe your typical working pattern before/after lockdown? What would be your ideal working pattern post-COVID?

Employee experience and future preferences

	Full-time based in office	4 dpw in office	3 dpw in office	2 dpw in office	1 dpw in office	1-2 days per month	100% outside office
Before lockdown	47%	19%	15%	9%	3%	4%	3%
During lockdown	4%	3%	5%	7%	9%	9%	63%
Post lockdown	5%	9%	25%	30%	13%	10%	7%

People’s future preferences are wanting to work 2 or 3 days in the office. There was no material variance between men’s and women’s responses.

Next gen insights

- 81.5% experienced or witnessed inappropriate attitudes in the workplace
- 78% felt line managers provided them with the tools and confidence to success

Of the inappropriate attitudes, sexism was the most prevalent discrimination (61%) followed by classism and ageism. Please see the [Property Week article](#) for more details on the Next Generation survey dated 11 December 2020.

The role of Real Estate Balance

The responses to the survey question ‘what do you feel would be the most valuable activity that Real Estate Balance can carry out to help achieve [greater gender balance]?’ covered a range of activities which are set out below:

- Workshops and roundtable discussions on key topics
- Inclusive leadership workshops for middle managers
- Speed mentoring, workshops and networking for young professionals
- Expert presentations on D&I-related topics
- Sharing Best Practice
- Reporting survey results

The following 3 potential priorities were discussed at the CEO breakfast:

1. Data and Measurement

- As part of this priority, every member needs to respond to REB surveys to ensure as much data as possible is obtained. REB is a two-way commitment and the more data REB hold, the better equipped REB are to help organisations drive change.
- REB can provide members with information suggesting how organisations can track employee data in a secure manner.

2. Action plan for cultural change (e.g. to address inappropriate behaviours)

- Members can tailor their action plans to their organisation specifically, and should use the REB resources, such as the REB Online Toolkit, to help.
- By signing up to the ten CEO commitments, members have already made some progress with a number of cultural drivers and targets.

3. Influencing the ecosystem (i.e. the supply chain and recognising we do not operate in a vacuum)

- The REB Online Toolkit has resources to help and support organisations in implementing certain standards across their supply chain, including working with suppliers who mirror these same standards.