REAL ESTATE BALANCE

NextGen survey findings 2023

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Introduction

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The Real Estate Balance NextGen survey is the most significant study of the under-35s and those in the first ten years of their career in real estate on issues relating to equity, diversity and inclusion (EDI) in the UK.

The research, carried out via an anonymous survey in November 2023, is now in its third edition, following previous versions in 2022 and 2020. It aims to capture quantitative data and qualitative commentary relating to three areas:

- **Barriers to entry and widening access to our industry.**
- **The prevalence of inappropriate attitudes and behaviours and how to tackle them.**
- **Developing inclusive cultures.**

Throughout this document, you will find text *highlighted in pink* which are verbatim comments provided by participants and shared with permission.

The NextGen research also complements other primary research carried out by Real Estate Balance – including its Biennial Industry EDI Survey.

As a Committee, we do not intend to draw firm conclusions – we know EDI does not lend itself well to one-size-fits-all solutions – so instead we have posed four questions at the end of this document which we believe our research shows should be being asked across UK real estate organisations.

We believe that being informed, asking difficult questions, facilitating a safe space to discuss them and acting on suggestions and experiences is the best way to progress and foster equitable, diverse and inclusive workplaces. We will be doing just that as a Committee and in our own workplaces!

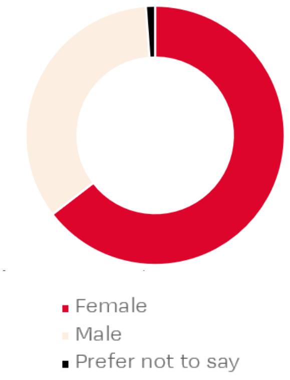
We are very thankful to everyone who took part in the NextGen research 2023.

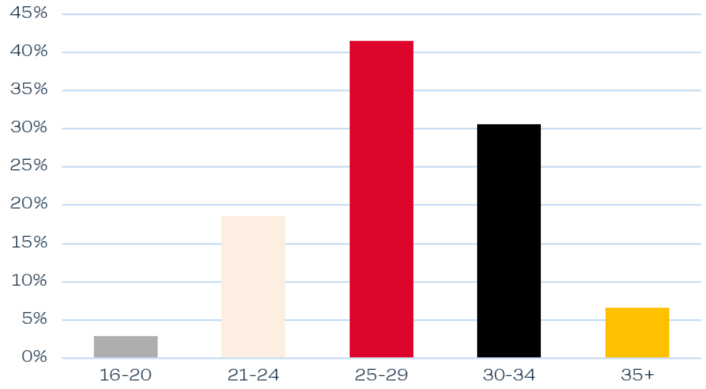
Our participants

Responses to our survey increased in 2023 compared to the previous version of the research in 2022 to 350 overall. The survey took approx. 15 minutes to complete. We asked demographic questions relating to age, tenure in the industry, sex, ethnicity, sexual orientation, the area of real estate the participant was employed and, for the first time, social mobility.

The most relevant responses relating to these are highlighted and discussed in this section below and overleaf.

Age, sex, sexual orientation and tenure





Females are overrepresented in our research at 65% of participants. This is unexpected in the context of our previous participants while still more likely to be female, representing more of a balance.

The age profile our participants was broadly to be expected, albeit with slightly fewer younger participants. The tenure in real estate of our participants does not necessarily reflect this, though, with more than half employed in the industry for three to 10 years but 37% employed for up to two years. It should be noted that our research was open to anyone in the first ten years of their real estate career, not just the under-35s, which explains why 7% of participants were aged over 35 and 10% had been employed in the industry for more than ten years.

In both our survey and the 2021 Census for England and Wales, 89% of respondents identified their sexual preference as heterosexual. A higher percentage of participants in our survey identified with an LGB+ sexual orientation (8%) than in the 2021 Census (3%), although 7.5% of respondents in the Census did not answer the question compared with just 3% of respondents in our research preferring not to disclose their sexual preference.

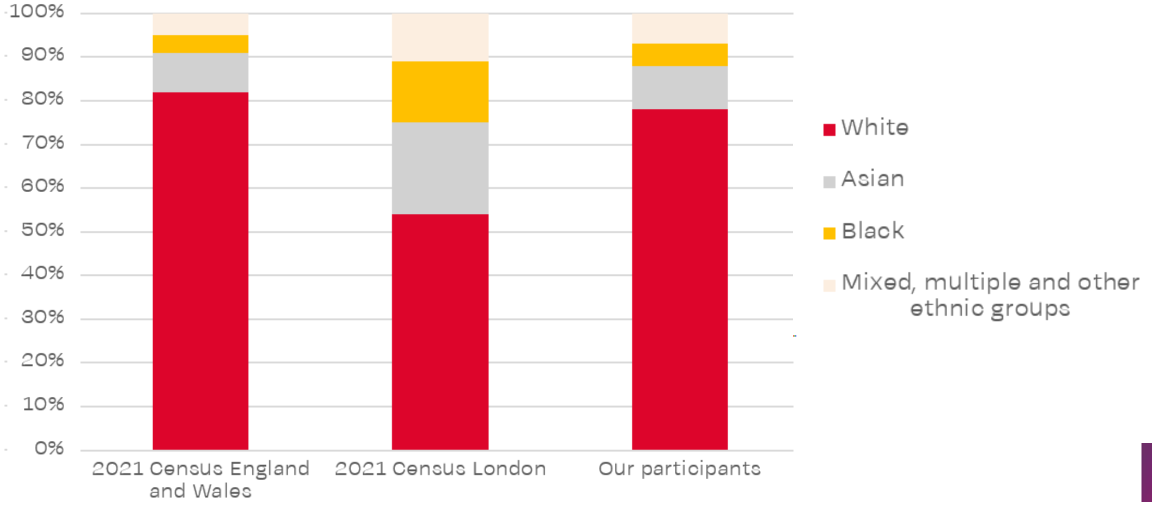
Ethnic profile and comparative ethnic profile of participants

As the table and chart below show, the ethnicities identified by our participants reflected the Census 2021 for England and Wales. 78% of participants in our research identified as white compared with 82% in the Census. 10% compared with 9% identifying as Asian. 5% compared with 4% identifying as Black. 6% identified as having a mixed or other ethnicity background compared with 5% in the Census. Our participants were less ethnically diverse than the Census 2021 for London, though, where many UK real estate organisations employ many of their people.

Ethnicities of our participants

	Number	Percentage	
White or white British / English / Welsh / Northern Irish / Scottish	263	75.0%	
White Irish	5	1.4%	
White Gypsy or Irish Traveller	0		
White Roma	0		
Any other white background	5	1.5%	78%
Asian / British Asian	17	5.0%	
Arab	0		
Asian/British Bangladeshi	1	0.3%	
Chinese	5	1.4%	
Asian/British Indian	7	2.0%	
Asian/British Pakistani	1	0.3%	
Any other Asian background	4	1.1%	10%
Black / Black British	9	2.6%	
Black/British African	7	2.0%	
Black/British Caribbean	0		
Any other Black background	1	0.3%	5%
White and Asian	7	2.0%	
White and Black African	1	0.3%	
White and Black Caribbean	5	1.4%	
Any other mixed / multiple ethnic background	7	2.0%	
Other ethnic group	2	0.6%	6%
Prefer not to say	3	0.9%	1%
Total	**350**	**100.0%**	

Census data for ethnicities in England and Wales and also specific to London



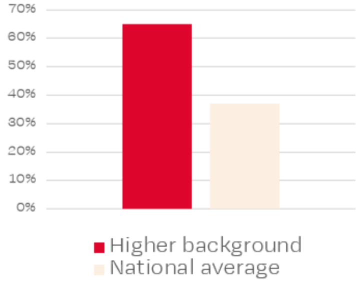
Social background indicators of participants

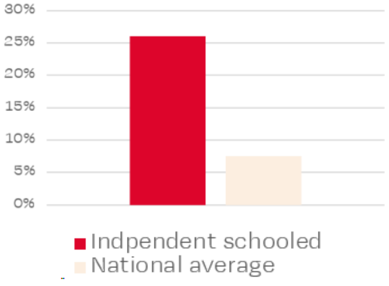
For the first time in our NextGen research, we asked participants about indicators of socioeconomic background. To determine this, guidance from the Social Mobility Foundation was utilised and we asked the following three questions:

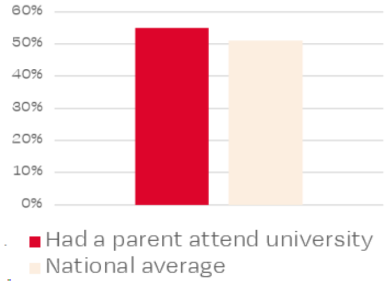
- / **What type of school did you attend between the ages of 11 and 16?**
- / **Did either of your parents attend university by the time you were 18?**
- / **Main household earner occupation at the age of around 14?**

The answers to the third question can be categorised into three areas: higher background (or professional), intermediate background, or lower background (or working class). The three questions together paint a picture of privilege.

The responses indicate a higher level of privilege in all three of the measures of social mobility, with 65% of respondents identifying a higher background (compared with the national average of 37%) and 26% attending an independent school (7.5% national average). 55% of our respondents had a parent who attended university compared with the national average of 51%.

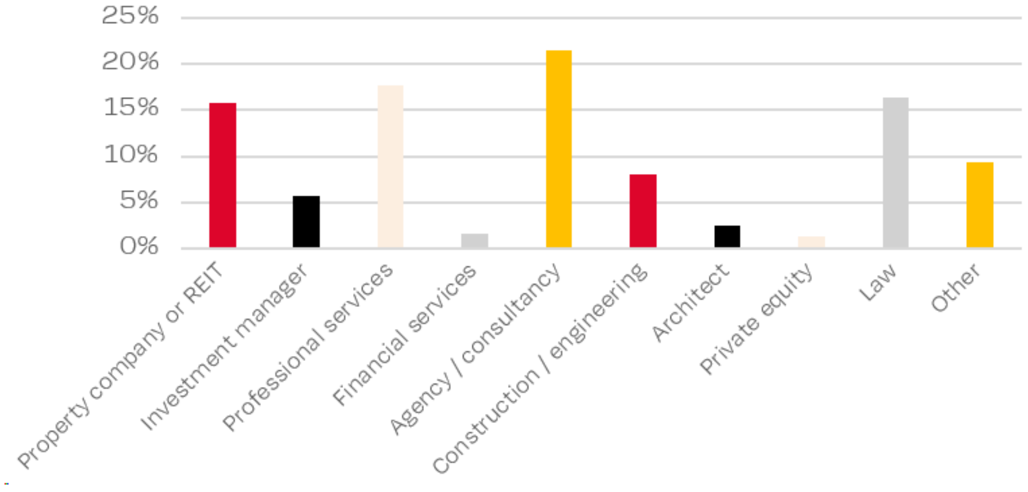






Area of real estate employed in

It was pleasing to once again achieve a mix of real estate sectors represented in our survey – a reflection, we suspect, of the number (128) and variety of the organisations which comprise the membership of Real Estate Balance.



Barriers to entry and widening access

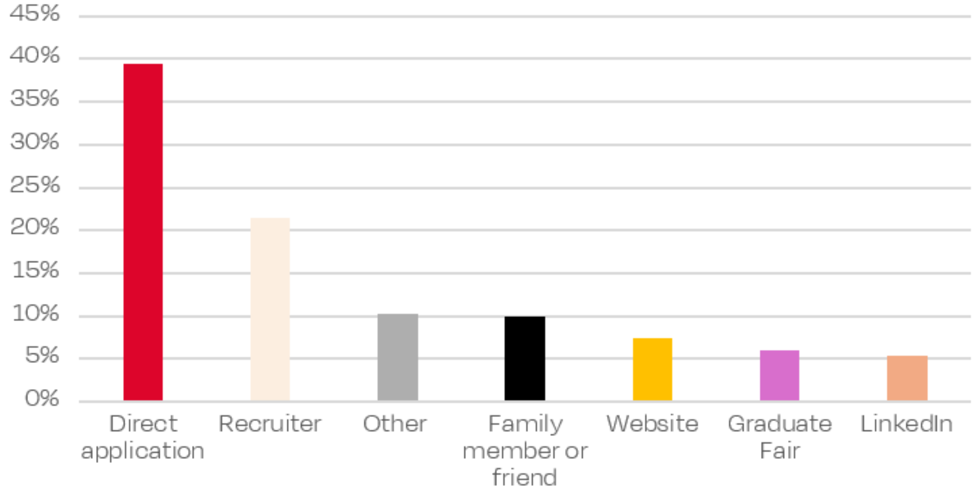
Participants first finding out about the real estate industry through a family member or friend or by chance.

84%	80%	70%
2020	2022	2023

On the face of it, it is pleasing that the number of respondents finding out about the real estate industry and real estate roles through a family member or friend or by chance has fallen and continues to fall as we carry out our research. The influence of careers advisers in schools or while still in education has increased from 7% in 2020 to 14% in 2022 and to 17% in 2023. However, it should be noted that other sources have also increased from 7% in 2020 to 14% in 2023, which likely accounts for some of the change.

Overall, it is hard to dismiss the idea that ours is a 'secret sector' – difficult to access socially and economically. We also asked participants how they found their first real estate role.

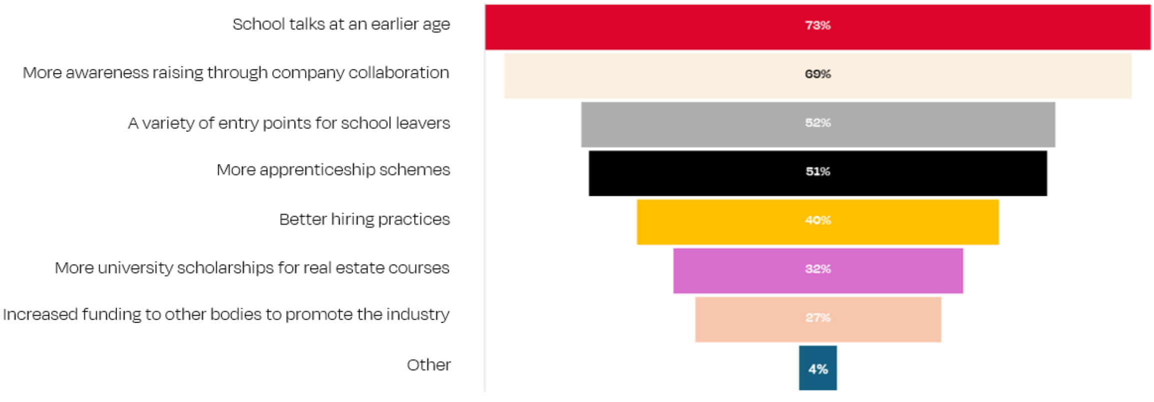
Finding a first role in real estate



The chart above highlights the continued importance of advertising roles in a variety of places, using language in job advertisements that is accessible and ungendered and all accompanied by de-biased hiring practices.

Remedying our 'secret sector'

We asked participants for their suggestions on opening up real estate careers and widening access to the industry. Respondents believed the solution lies in a combination of school talks (73%), general awareness raising by companies working collaboratively to promote careers and routes into the industry (69%), a variety of entry points for school leavers (52%) and more apprenticeship schemes (51%). This broadly mirrors our findings in 2022.



This section of the research yielded many interesting comments.

*"One of the biggest barriers is that **nobody knows what kind of careers exist within the industry** unless you're already in it. If you asked a GCSE or A Level student to name some jobs within the industry, they could probably answer 'estate agent', 'architect' or 'builder' and not much else. **You can't aspire to something if you don't know it exists**."*

*"The industry as a whole would benefit from better engagement with young people with the **aim of dispelling the persistent myths surrounding construction and improving knowledge of the professional pathways** as a whole. Construction provides endless opportunities at both ends of the scale but is **still viewed with this stigma**."*

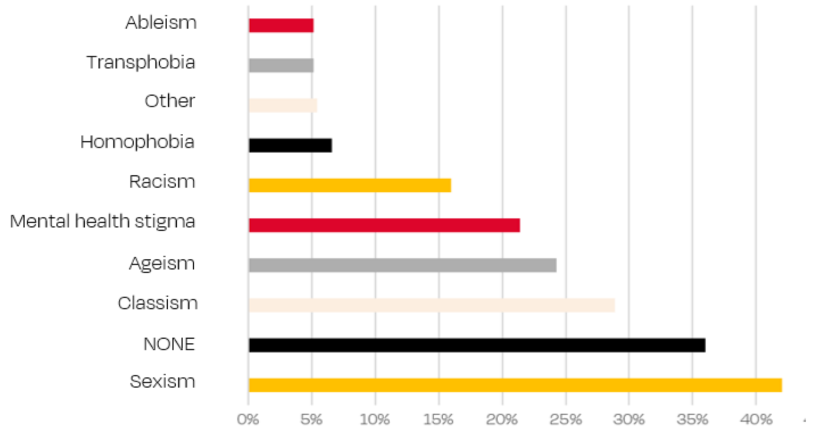
*"Target primary school-aged children – **give that 'WOW' to remember at a very early age**. Even role it into reception and early years foundation stage-aged children through role play."*

*Partnering more effectively with **university/general careers services** to **highlight how many different roles/areas of work there are** within the industry."*

Inappropriate attitudes and behaviours

The survey collected data relating to participants witnessing and experiencing inappropriate attitudes and/or behaviours, how often they were dealt with and whether this was done well or otherwise.

Type of inappropriate attitudes and/or behaviours witnessed or experienced in the past 12 months



The percentage of respondents who had not witnessed or experienced any of the listed inappropriate attitudes and/or behaviours remained the same as in 2022 at 36%. This suggests the reduction of inappropriate attitudes and behaviours from our 2020 to 2022 survey results was not an anomaly due to reduced contact during the pandemic, but hopefully a more permanent trend.

The percentage of people witnessing or experiencing each type of behaviour remained the same or reduced compared to our 2022 results, with the exceptions of classism (up to 29% from 23%), ageism (up to 24% from 21%) and ableism (up to 5% from 2%). Sexism remains high at a concerning 42%.

*"**Classism is the most obvious**. Managers will complain and make snide remarks about people with 'Londoner' accents and **flaunt their wealthy backgrounds in front of other colleagues** who simply cannot partake."*

A more thorough analysis of the data reveals further concerning results:

52%

Female respondents experiencing or witnessing sexism

37%

Ethnic minority respondents experiencing or witnessing racism

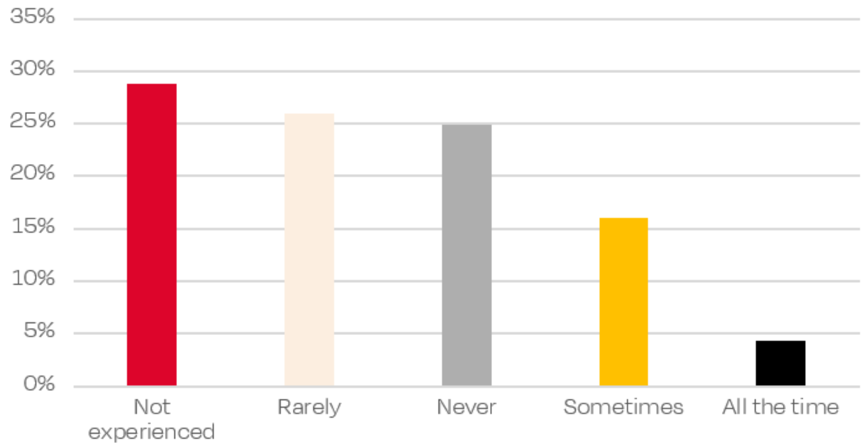
47%

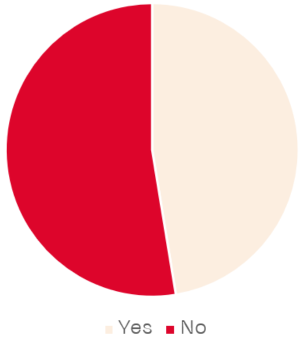
Lower background respondents experiencing or witnessing classism

Frequency of inappropriate attitudes and/or behaviours and how they were dealt with

The overall frequency of inappropriate attitudes and/or behaviours appears to have reduced since our previous survey in 2022. Then, 59% of respondents reported witnessing or experiencing them rarely or never with the figure in our 2023 research increasing to 69%.

Our findings were less promising when it came to when these attitudes and/or behaviours were witnessed or experienced, how often were the 'called out' or dealt with, as the below chart demonstrates.





When we asked the respondents who had seen inappropriate attitudes and/or behaviours 'called out' or dealt with whether this was done well and appropriately, the majority (53%) said no. A slight majority (51%) of respondents also said they had seen an active improvement in addressing inappropriate attitudes and/or behaviours in the past 12 months.

This section of the research also included many interesting comments.

"The Women's Network annual conference laid **strong foundations for change without alienating men**. It invited constructive collaboration."

*"My law firm offers leadership training programmes for female associates (60% of the associates) and **nothing for the male associates**."*

*"In my experience, inappropriate attitudes and behaviours have only been **exhibited by clients or potential buyers** (not colleagues). This makes it a delicate matter to handle in the moment."*

Addressing inappropriate attitudes and/or behaviours – what has been seen and what our respondents would like to see.

We wanted to learn about best practices when it comes to addressing inappropriate attitudes and/or behaviours. We asked our respondents what they had seen and also what they would like to see introduced.

	Have seen and works well	Would like to see introduced
Strong messaging from senior leadership	57%	61%
Examples being set by colleagues	63%	57%
Leader incentivisation linked to EDI targets	14%	25%
Compulsory training on EDI issues	27%	30%
Enhanced training and support for managers	30%	44%
Increased emotional intelligence / awareness from managers	42%	56%
Clearer reporting mechanisms	18%	36%
Anonymous reporting	9%	33%
Third-party involvement and guidance	9%	17%
Reverse mentoring	21%	27%
Other	5%	3%

In terms of what respondents had seen work well in tackling inappropriate attitudes and behaviours, the most successful were: examples being set by team members and colleagues (63%), strong messaging from senior leadership (57%) and increased emotional intelligence and awareness from managers (42%).

Interestingly, what respondents want to see aligns with experiences of what had worked well: examples being set by team members and colleagues (57%), strong messaging from senior leadership (61%) and increased emotional intelligence and awareness from managers (56%).

Further comments on witnessing or experiencing inappropriate attitudes and/or behaviours and how to tackle them.

*"I think **there is power in numbers**, and the more people that are aware of what is acceptable and what is not, **the more people can be allies and stand up** for someone/something."*

*"I would like to see more people, myself included, **have the confidence and ability to call out comments** made by others (particularly clients)."*

*"Instead of stigmatising and chastising team members for making language/ behaviour errors, we should **embrace these instances as opportunities** to educate and promote positive communication/behavioural practices. By addressing the impact of inappropriate language on the workplace environment, we can **foster a more inclusive and respectful atmosphere**. Stifling such discussions by an atmosphere of 'fear of saying the wrong thing' and forcing these issues underground only **leads to resentment, division and a hinderance to growth**."*

*"Often it is everyday sexism/classism that I see which are hard to measure/address. Often the issue (in my opinion) comes from **a monotony in terms of the backgrounds** of individuals and the lack of diversity **creating a culture of acceptability** in teams."*

*"We have **put values in place** and a quarterly scheme that rewards those who represent and live our values (small monetary prize). We have also **tied the values into our annual appraisal** which ties into the discretionary bonus."*

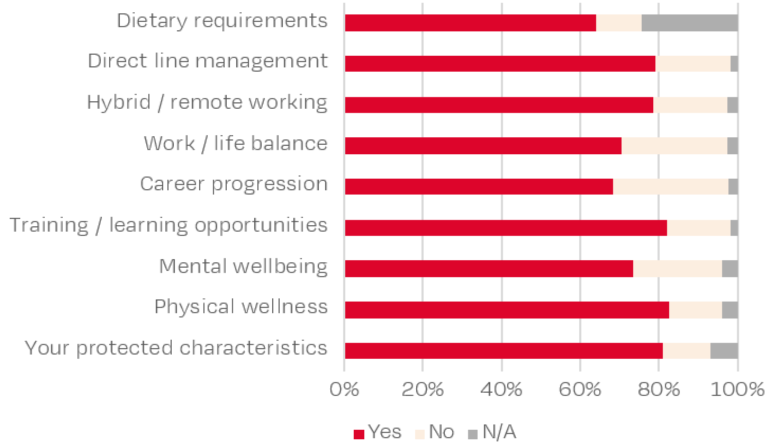
*"Clear **EDI strategy** which is fed through the company, **open and honest discussion at all levels** of the organisation, **safe and approachable platforms** for talking/challenging, **clear engagement** from all."*

*"To me, the most important criterion is **senior leadership setting an example**. Without this, the behaviour perpetuates itself across generations. Junior members look up to the leadership and **will follow their lead**."*

The culture

We asked respondents whether they felt supported across a number of dimensions relating to the workplace, and also what they would like to see introduced or enhanced to further inclusive cultures.

Overall, we were pleased by the level of positive responses on participants feeling supported in their working environment. The areas which organisations may need to consider placing greater focus on are career progression (where 29% of respondents reported a lack of support), work/life balance (where 27% of respondents reported a lack of support) and mental wellbeing (where 23% of respondents reported a lack of support).



Our respondents shared a number of suggestions and best practice tips for creating an inclusive working culture, as outlined below and overleaf.

Supporting diverse talent

*"Put your **money where your mouth is** – if you have a **diverse happy workforce**, you are doing something right."*

*"Encouraging team members from all backgrounds and walks of life to contribute to the company culture through **flat structured team meetings**."*

*"**Career accelerator programmes** for ethnic minorities when they join the company to ensure they **progress at the same rate** as white peers."*

*"**Promoting sponsorship** to ensure people from a diverse background reach senior leadership roles."*

*"**Paid internships** with real career potential."*

Physical wellness and mental wellbeing

*"Encouraging physical wellbeing is one of the most important factors in creating **a healthy and happy workforce**. Companies that encourage their employees to **take breaks throughout the workday to exercise**, whether it's going for a walk, going to the gym, or participating in a sport, creates a positive and productive work environment."*

*"**Mental wellbeing taken seriously**, as in construction it is often overlooked. I often still feel a taboo to talk about whether I'm struggling or not."*

*"**Mental health coaching** sessions should be mandatory."*

Hybrid and remote working

*"Give people the freedom to create their own **home/office balance**. There should be no issues with this if they are **still achieving targets**."*

*"Encouragement for **senior managers and more experienced employees** to attend the office more regularly **to aid the learning of younger employees**."*

*"More support on how to **navigate communicating remotely** when new to the corporate world."*

EDI data transparency

*"**Sharing of data between firms** so each can hold each other accountable (in an inclusive, positive way)."*

*"**Publishing it on homepages** - including maternity and paternity policies!"*

*"Measure and disclose **data on social mobility**."*

Leadership commitment to EDI

*"Walk the talk - **showing up at events** and mingling with different teams."*

*"**Be vocal about their commitments** and also **set examples of expected standards of behaviour** and hold those that don't meet these expectations accountable."*

*"**Transparency** on what leadership is doing to commit to diversity and inclusion - what are the **short-, medium- and long-term goals**, and what is the company doing to achieve these?"*

*"To voice a clear recognition that **a culture shift is needed** to make this a dynamic and forward-thinking industry and **everyone has a role in that**."*

Over to you...

The Real Estate Balance NextGen Committee want our research to be part of an ongoing conversation. To help facilitate this, we are posing four questions which we encourage everyone to discuss in your own workplaces.

1. CREATING CULTURE IN THE 'NEW NORMAL'

Our survey results show that respondents value hybrid working, but that it comes with challenges, including around building connections and the availability of learning opportunities. **How can inclusive and cohesive cultures therefore be promoted in the 'new normal' hybrid working environment?**

2. EMPOWERING PEOPLE TO SPEAK UP

Our survey results revealed that only half of inappropriate attitudes and/or behaviours experienced or witnessed in the workplace were dealt with at all and, of those dealt with, only half were dealt with well. **How can individuals at all levels within an organisation feel empowered and safe to raise concerns and contribute ideas to achieve cultural change?**

3. CHANGE BEYOND YOUR OWN ORGANISATION

A number of respondents felt supported within their own organisations but highlighted the challenge of addressing inappropriate attitudes and behaviours from outside, for example from clients or stakeholders. **How can we achieve accountability for inclusive behaviour across our supply chains?**

4. ENCOURAGING ALLYSHIP AND COLLECTIVE RESPONSIBILTY

Many of our survey respondents talked of the need for allyship and collective responsibility in finding solutions. **How can we encourage and support people to feel comfortable being part of equity, diversity and inclusivity conversations which don't personally impact them?**

The Real Estate Balance NextGen Committee

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