Briefing: Workforce Integration and Inclusion in the Creative and Cultural industry

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Introduction

There are significant differences between the unemployment rates of people in London, with certain groups being markedly underrepresented in the workplace. Underrepresented groups include **BAME Londoners, women, young people, lone parents, deaf and disabled Londoners**. Many groups navigate a system of barriers including biased recruitment processes, unequal pay and prospects for progression. These barriers are not inevitable and mean many businesses overlook and exclude people from underrepresented groups, missing out on their talent and drive.

In 2021 the Greater London Authority (GLA's) Workforce Integration Network (WIN) commissioned Work Advance and the Institute of Employment Studies to explore workforce diversity in the priority growth sectors in London – that is **the green, digital, creative, hospitality and health sectors**.[1] The researchers carried out an evidence review and conducted interviews with Londoners and employers to understand the nature and causes of underrepresentation in key parts of the London labour market in order to help tackle persistent inequalities. The research is designed to share critical insights with key stakeholders within the Mayor's Academy programme.[2] This briefing provides a summary of the key themes of the research that are relevant to the creative and cultural industry. This includes:

· The workforce demographics of your industry
· The specific barriers to entry and progression within your industry for underrepresented groups.

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[1] Workforce Integration Network (WIN) Skills Academy Workforce Analysis Project; Lesley Giles, Paul Sissons, Heather Carey, Miguel Subosa and Becci Newton
[2] The **Mayor's Academy programme** will provide support to employers to ensure groups underrepresented in the labour market are supported through measures to promote workforce diversity and inclusion, including in terms of recruitment, retention and progression. In doing so the programme plans to build on the work of the **GLA's Workforce Integration Network (WIN)** by engaging directly with employers to tackle barriers and support them in building more inclusive workforces

See: **Employer insights into diversity and inclusion**, an accompanying document to this briefing which contains insights about the business practices that are making a difference to diversity and inclusion in London's priority sectors.

What are the current challenges to achieving diversity within London's Labour market?

There are a number of **deep rooted and persistent diversity challenges** that exist within the current labour market in London.

- Employment rates differ significantly by parental status, qualification and skills level, ethnicity, gender, age, disability and between local areas for example – **see Figure 1 below**

- There are significant **imbalances in education and skills** levels across the population

- Inequalities are also evident in **access to training**. Younger people, ethnic minorities and women are most likely to report a lack of resources to invest in their own development.

- There are concerns about **levels of good work**, with signs of falling job quality in the last decade as the London economy moves towards more atypical working practices.

Figure 1: Working age (16-64) Employment Rates (%) for select groups in London
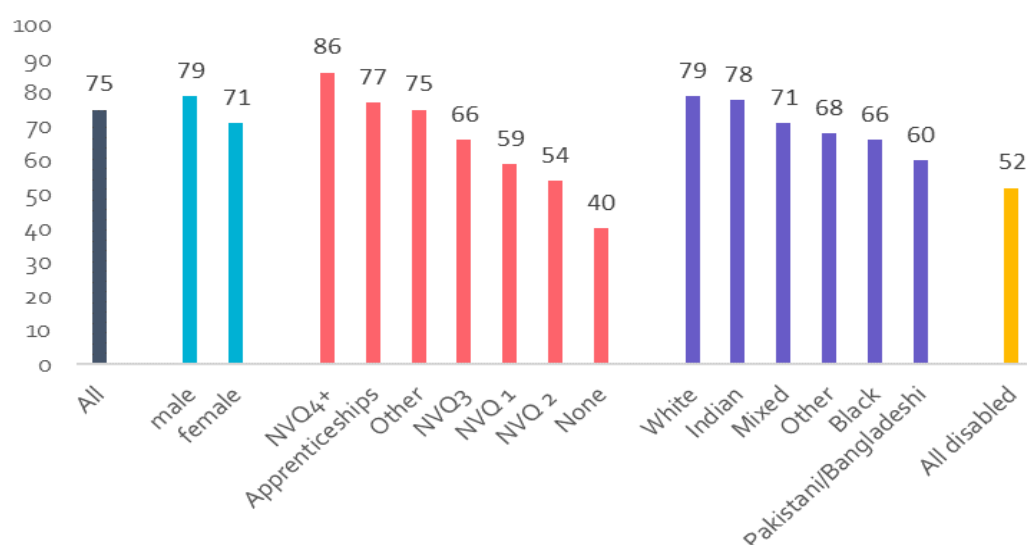
Source: GLA (2022) Local Skills Report

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Key stats

❖ There is wide variation in educational attainment across the working population: with **around one in eight (13%) London residents aged 25-64 having low or no qualifications**, including **one in four of those from Bangladeshi backgrounds, and more than half of all disabled Londoners.**

❖ Training measures appear to be declining compared to the past, at a time when we need to see the reverse to keep up with labour market changes. For instance, **in the last 12 months to June 2021 only 17% of working age Londoners were in receipt of job-related training in the last 13 weeks, a fall from 20% since 2004** (GLA economics 2022)[3].

❖ Precarious forms of working[4], higher turnover and low pay disproportionately affect certain groups. These above issues are compounded by wages struggling to keep pace with the rising costs of living in London, as such **the proportion of people in poverty has risen to be the highest of any UK region and significant pay gaps are evident by gender, ethnicity, disability and spatially.**

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Labour Market context

The pandemic disproportionally impacted London's labour market relative to other regions in the UK. While London's unemployment rate has consistently been above the UK rate, there has been a marked recovery since the pandemic's peak. London's unemployment rate of 4.2% in the three months to September 2022, is at the joint lowest level since the series started in 1992.

However, headline labour market measures also conceal major inequalities. Despite improvements, there are still large differences in outcomes for residents from different ethnic backgrounds; nearly one in twelve Black Londoners (8.5%) were unemployed in the period April 2021 to March 2022, nearly double the rate for their White counterparts (4.5%).

Employment rates are also below average for disabled Londoners as well as for (female) parents and for Londoners with no or low qualifications. London's youth unemployment rate was higher than in any other UK region in 2021, while the rate of labour force participation (economic activity) among Londoners aged 50 and older has declined in the last year.

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[3] GLA (2022) Local Skills Report.
[4] Precarious forms of working refer to zero-hour contracts and temporary work.
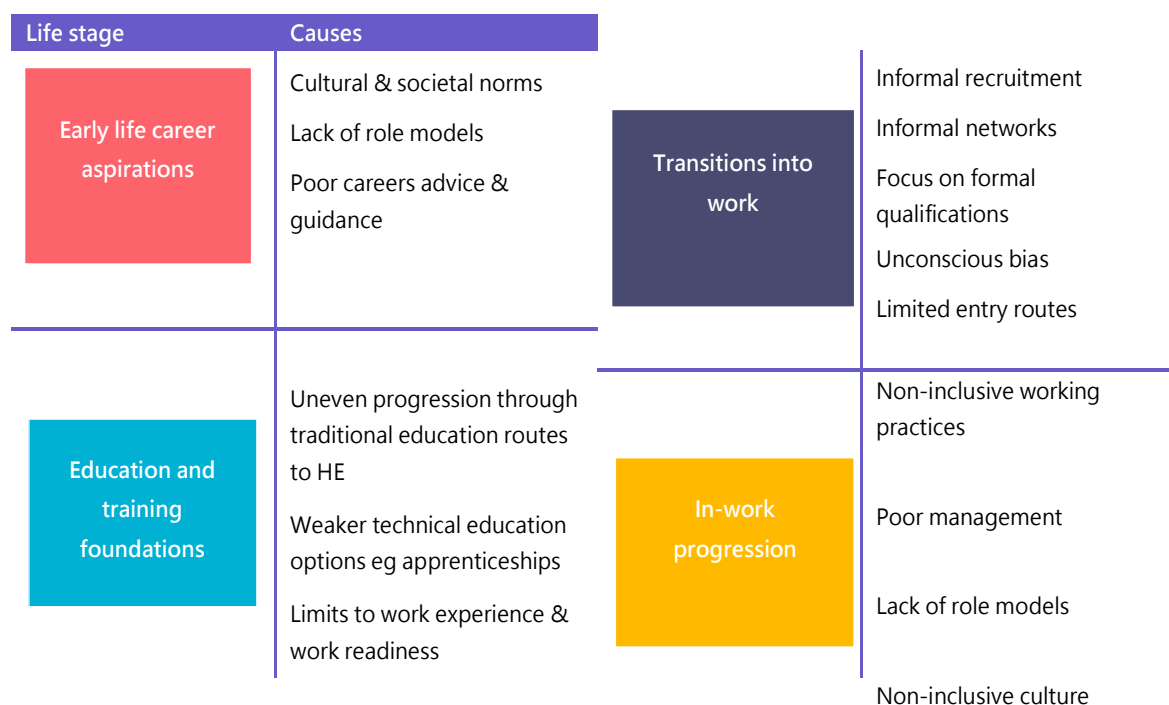
What are the common barriers inhibiting diversity in the growth sectors?

The research highlighted several commonalities around diversity and inclusion issues across **the green, health, creative, digital and hospitality sectors** (**see figure 2 below).** However, there are also some sector specific issues relating to the different characteristics of the sectors, occupational labour markets, skills requirements and progression pathways **(see Creative section below).** To fully address these issues will require a combination of cross-cutting and sector-specific targeting.

The research established how factors build and/or evolve throughout people's lives. This aligns with the *"life-stage approach"* taken in wider research[5]. So, in essence it has found that factors start early in life; continue further into education; inhibit transitions into work; and finally undermine opportunities for in-work advancement and progression to more senior and/or experienced roles later in an individual's career.

For information on how employers are addressing issues across the life stage (**see appendix 1: Employer Insights into Diversity and Inclusion)**

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[5] Carey et al (2021) screened out: tacking class inequality in the screen industries.

Figure 2: The barriers inhibiting diversity across the growth sectors in London

Life stage	Causes		
Early life career aspirations	Cultural & societal norms Lack of role models Poor careers advice & guidance	**Transitions into work**	Informal recruitment Informal networks Focus on formal qualifications Unconscious bias Limited entry routes
Education and training foundations	Uneven progression through traditional education routes to HE Weaker technical education options eg apprenticeships Limits to work experience & work readiness	**In-work progression**	Non-inclusive working practices Poor management Lack of role models Non-inclusive culture

- **Early life:** Cultural and societal norms and personal biases from networks, friends and family and Role models were critical influencers. Restricted access to inspiring and impartial careers advice and guidance was another key limiting factor
- **Education foundations:** Opportunities in growth careers will be constrained where individuals lack the basic platform of skills and qualifications for further study and work. Uneven progression through traditional routes to higher education and weaker alternative technical education routes such as apprenticeships are a key factor for some.
- **Into work transitions:** Informal recruitment and working practices operating through closed and informal networks**,** especially amongst smaller businesses, bring a greater risk of unconscious bias and constrain the reach of work opportunities to diverse groups.
- **In-work progression**: non-inclusive working practices, poor management and a lack of supportive role models, create an organisational culture where individuals do not feel supported and can continuously develop and progress

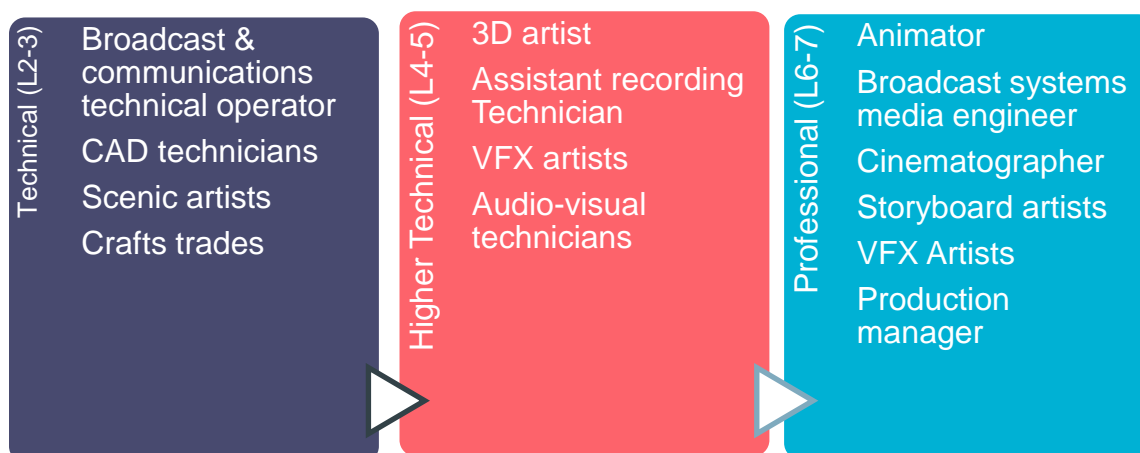## Deep Dive: Creative and Cultural sector

Key stats[6]

❖ London's Creative Industries (CIs) generated £59bn of output in 2019 and made up 12.6% of the capital's output.

❖ London's CIs accounted for over half of the UK total output in the sector.

❖ Output of the UK CIs fell similarly to the rest of the economy in 2020 and has recovered more strongly since. Early evidence is that the picture for London is similar.

❖ In 2021 there were 795,000 jobs in the CIs in London accounting for 15% of all jobs in the capital. Since 2019, the number of jobs in London rose by 15% nearly double the growth rate for the rest of UK CI (9%)

❖ The CIs is a high skilled sector: 85% of job holders hold a qualification at higher education level or above.

What are the career opportunities in the Creative and Cultural industry in London's Labour market?

The creative roles in highest demand in London have covered three broad career pathways, relevant to **film & TV; visual effects; games; and animation**, as follows:

- **Development & production**: These cover creative roles involved in areas such as developing a film, raising the money, and detailed planning activities including casting and sourcing locations.
- **Craft & technical**: A further area involves the technical production side in areas such as creating the product (film, tv programme, game, animation) from costumes, set construction to art/design work and filming
- **Post-production**: A further area relates to the final post-production phase and distributing the final products to the audience. Roles cover areas such as i.e., final editing and quality assurance; Sales & distribution including ensuring products reach the widest audience.

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[6] ONS Annual Population Survey, job holder characteristics 2021; Department of Digital Culture, Media and Sport (DCMS): GVA for 2019

*Figure 1: opportunity pathway in the screen industry*

Technical (L2-3)	Higher Technical (L4-5)	Professional (L6-7)
Broadcast & communications technical operator CAD technicians Scenic artists Crafts trades	3D artist Assistant recording Technician VFX artists Audio-visual technicians	Animator Broadcast systems media engineer Cinematographer Storyboard artists VFX Artists Production manager

Source: based on the IFATE occupational maps and the SOC framework

How diverse is the creative and cultural industry in London?

While London is a net contributor to the diversity of the national creative workforce, underrepresentation of certain groups in creative careers remains high compared to the London population. The sector has a clear deficit on diversity and inclusion. **Women, people from lower social classes, and disabled people** are all under-represented generally across the creative industries workforce including screen, relative to the London workforce as a whole.

A majority of the creative workforce is also white and middle class. Although some screen careers (e.g., gaming) show stronger **representation of ethnic minorities this is constrained to career entry roles and hence there is underrepresentation of different ethnic groups in more senior and management positions**, highlighting progression challenges. There is also **gender imbalance particularly in roles related to IT and technical skills**.

Figure 2: A snapshot of diversity by creative sector[7]
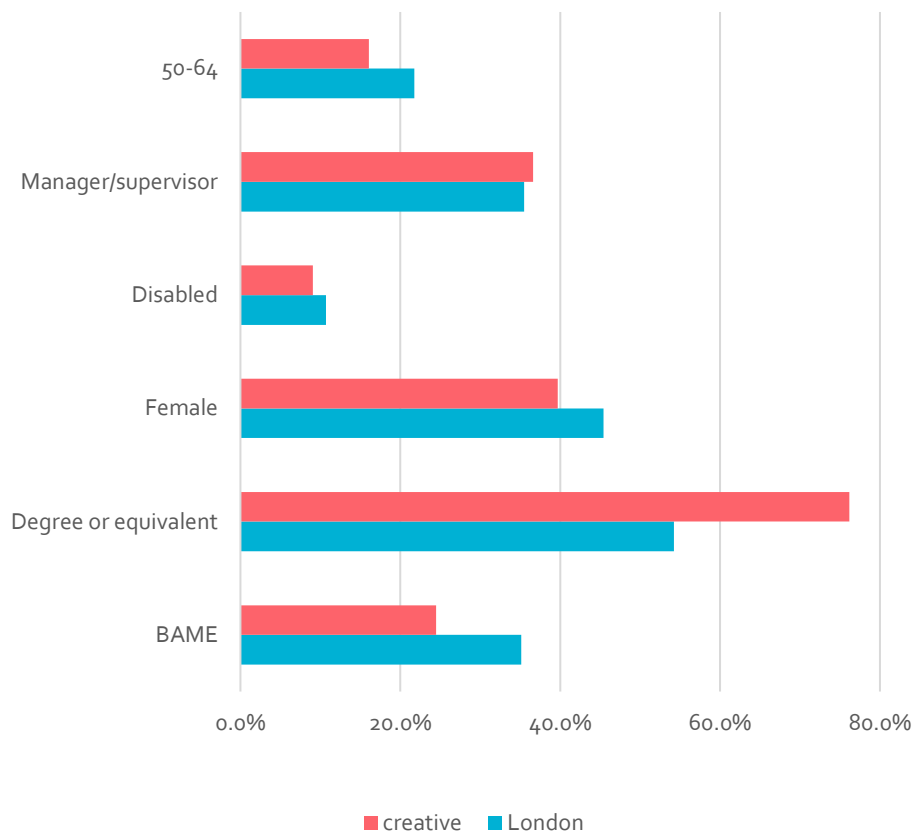
Source: GLA analysis 2021

Table 1: Creative sector compared to London as a whole[8]

Getting in – under-represented groups	Getting on - groups underrepresented at managerial level
Ethnicity: Asian, Black Gender: women Age: 16-24 NS-SEC: lower socio-economic groups Qualification level: below degree Country of birth: foreign born (GLA, 2021b & c)	Ethnicity: Black Gender: women Age: 50+ NS-SEC: lower socio-economic groups Qualification level: below degree Country birth: foreign born (GLA, 2021b & c)

Subsector: Gaming (IT and software)

The UK's games industry contributed £2.87bn in GVA with London as the largest hub (£1.4bn GVA). London has a diversity of businesses (from micro to multinationals) (GLA, 2020a).

Table 2: Screen sector compared to London as a whole

Getting in – under-represented groups	Getting on - groups underrepresented at managerial level
Disabled people Age – older workers (40+) NS-SEC – lower socio-economic groups. Film has one of the lowest proportions; just 5 per cent of workers are from a working-class background. Ethnicity – Asian, Black Education-below degree-level educated Nationality – non-British national (except in Gaming which is highly international) (GLA, 2020a)	Ethnicity – all Black, Asian and ethnic minority groups Foreign-born workers (GLA, 2021b).

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[88] Data from the Annual Population Survey 3 years pooled dataset covering January 2017-December 2019 to look at the characteristics of workers in particular industry sectors in London; Each sector of interest in London was compared against London overall, using as the benchmark 'Londoners aged 16+ who are in employment.

Table 3: Gaming (IT and software) compared to London as a whole.

Getting in – under-represented groups	Getting on - groups underrepresented at managerial level
Ethnicity: Black Gender: women Disabled Londoners Age: 16-24 & 50-64 NS-SEC: lower socio-economic groups Qualification level: below degree Nationality: British National (GLA, 2021b)	Ethnicity: Black Gender: women Age: 50+ NS-SEC: lower socio-economic groups Qualification level: below degree Nationality: British National (GLA, 2021b & c)

In addition to the initial insight above, further intersectional analysis[9] was undertaken by looking within ethnic groups- specifically Black and Asian Londoners- to determine any disparities in how these groups specifically experience the labour market.

In the Creative sector both Asian and Black Londoners are underrepresented. The following intersectional groups emerge as most disproportionately underrepresented:

· **Asian, self-employed**
· **Asian, aged 50-64**
· **Black, aged 50-64**
· **Asian, below degree-level qualification**
· **Black, below degree-level qualification**
· **Female Asian**
· **Female Black**

For more information, please see priority groups briefing **here.**

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[9] WIN takes an **intersectional approach** to diversity and inclusion by examining how ethnicity interacts with other factors such as age, gender, education and class in shaping people's experiences with work.

What are the key barriers to entry and progression in the creative industry? [10][11]

The CI is a majority **high skilled and high paid sector**. However, there is a significant use of unpaid roles and pockets of lower paid work. The types of skills needed are often technical and knowledge specific. However, the review highlighted the growing need for a broader range of skills, including management, communication, leadership, and project management. **The sector is 'closed' in that access to networks leading to work and development opportunities is gained once you are 'in'. Entry points are often through unpaid internships and 'volunteering'.** Furthermore, the project-based, freelance nature of work in screen industries, particularly in areas of production, can mean a high share of workers are taken on without the use of any formal recruitment practices. **This can work to constrain diversity and inclusion as only those who can afford to take part in unpaid work can use this route.**

In high skilled growth sectors such as screen, there is a **heavy reliance on universities and degree-educated talent**. This is despite attempts to reform technical education pathways and work-based training routes more closely connected to the workplace. Yet, higher education is seen as a significant barrier to some diverse groups, such as those from lower socio-economic backgrounds and disadvantaged communities, especially with financial constraints and a lack of family support (e.g., informal networks). Such high skilled requirements therefore presented a significant barrier to entry in these sectors.

Further evidence from the Policy Evidence Centre (PEC) points to a multitude of factors which lead towards underrepresentation in the sector.

Education and skills	Nepotism
Awareness and role models	Sponsorship and representation
Early career opportunities (eg internships)	Networks
Financial security and ability to take risks (eg freelance work, unpaid internships/ work experience)	Recruitment practices and cultural matching
Geographic mobility	Cultural capital and workplace culture

Please see Creative sector source report for further information on barriers and initiatives to tackle underrepresentation.

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[10] Please see **creative sector source report** for further background info on barriers.
[11] Further case studies available at **Workforce Integration Network (WIN) Skills Academy Workforce Analysis Project (pages 38-66)**

Research Insights

Formal qualifications

"For a long time, and it's changing now, the screen industries, particularly game, special effects, and animation, were almost exclusively degree educated. Obviously, that's a barrier for social mobility, which is then linked to ethnicity. But obviously, we're all collectively trying to change that, and create apprenticeships, and all those things to break down those barriers."

Screen Employer

"I had 10 people say to me in the last six months, I can't get work because I don't have this one software skill and it's really expensive to train with it. So I'm like, well, if 10 people tell me, there must at least be 100 who are getting turned down time and time again, because they don't know Silver Mouse. And I looked at the BBC who offer it and it's expensive. So again, how does this impact diversity and social equity?"

Screen Employer

Case study: Unpaid internships

Anna completed her postgraduate studies in Scotland, shortly after migrating to the UK from Germany. Following this, she moved to London in search of employment in creative media. Quite quickly Anna noticed that employers offering entry level positions expected a number of years of industry exposure and work experience. For example, on**e *entry-level position Anna applied for required five years of experience.*** As a result, she began to look for internships and temporary employment opportunities that required less experience.

Prior to gaining a permanent employment offer within the creative media industry, Anna completed three internships, one of which was unpaid whilst the others were low paid. She mentioned there was limited remuneration for entry-level roles, despite the high cost of living in London.

Despite the financial insecurity of these early employment experiences, Anna believes that, without these, she would not have secured her permanent employment offer. During these internships, Anna was able to meet other professionals and begin expanding her networks. Through these connections, Anna became exposed to an increasing number of employment opportunities that otherwise would not have been accessible. After applying to a number of highly competitive positions, Anna secured her permanent position.

Anna, visual effects producer for film and TV - individual

Organisational culture and 'fit'

"There's also things, I mean, I've noticed it. A couple of conversations that I've had with people that kind of go along the lines of "What's your favourite champagne?" And I'm like, "I don't know," or "I just like champagne." I don't know, but there's that. I mean, that's an extreme example. But those kind of conversations about where

you're going on holiday. Or if you're sitting in the canteen and you know, what are you watching? You know, just kind of references about what you're drinking or where you're going, or those kind of things. If you are coming from a background where you have no money, it's really... So I think that there's a whole cultural kind of very middle class cultural expectation in the industry that you're going to be able to have conversations about things that money buy."

Screen Employer

Further information

This briefing was produced utilising information from the research conducted by Work advance and Institute of Employment Studies. The briefing highlights areas where you can seek further information. For further information please see the following:

- Workforce Integration and Inclusion in London's growth sectors; analysis project for the Workforce Integration Network and Skills academy's team; *Lesley Giles, Paul Sissons, Heather Carey, Miguel Subosa and Becci Newton*
- Source evidence report, Underrepresentation in Creative Careers, *Institute of Employment Studies*

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