# State of the Nation

**Annex Document** 



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# **Annex 1: Research Structure**

# **Approach**

<u>Data review:</u> we reviewed published public appointments data to examine the diversity of those applying for, and holding, public appointments at different dates spanning a period from before the publication of Diversity Delivers through to 2024. We also examined Scottish census data to understand simultaneous changes in the demography of Scotland.

<u>Policy review:</u> we reviewed public policy and relevant equality reports. The purpose was to establish any specific references to issues of governance and, more specifically, any stated intentions to diversify boards.

<u>Literature review:</u> we reviewed literature pertinent to governance in the UK to establish the connection between action on diversity and good governance. We also examined approaches adopted in a range of countries across the globe to identify areas of promising practice.

- ▶ **Surveys:** two online surveys were conducted, one with the general public and one with special interest groups. These were delivered online using Google Forms and disseminated using existing networks. The response rate was too low to have confidence in the findings. Results, for those interested, are available at Annex 5.
- ▶ Qualitative research: a workshop with public appointment advisers (PAAs) was held in early 2025. Fourteen online and face-to-face interviews were held in April and May 2025 with chairs and chief executives of public body boards, and some individuals representing special interest groups. These were conducted using a semi-structured discussion guide and in accordance with the Market Research Society's Code of Conduct. While interviewees are listed in the appendix to the main report, they were offered anonymity when it comes to their quotations to allow them to speak freely. In the write-up, quotations have occasionally been lightly edited for flow and to remove hesitations. The term 'interviewees' includes PAAs whose views were canvassed through an online workshop. This is to minimise the

risk that people can be identified through the points they make in this report. In total, the workshop and interviews provided an opportunity to speak with nearly 30 people with current experience of the public appointments process who brought insights from a range of perspectives. The planned validation process to test ideas for inclusion in the refreshed diversity strategy will provide an opportunity to engage with a wider audience.



# **Annex 2: The Context – Details**

# Introduction

Scotland has undergone significant cultural, political, and demographic transformations since the publication of Diversity Delivers in 2008. Understanding these changes is essential for shaping an effective diversity and inclusion strategy for public appointments. The sections below highlight key societal developments, their implications, and emerging considerations for governance and areas of relevance to consideration of diversity in public appointments. The topics are offered in no particular order.

# **Changing Scottish Society**

Key societal shifts since 2008 include increased religious diversity, rising concerns around antisemitism and Islamophobia, significant immigration changes post-Brexit, and evolving public and policy debates around sex and gender identity. These shifts have direct implications for diversity monitoring and the attraction of diverse candidates to public roles. Understanding these changes is also relevant to 'conscious scrutiny'. Board members need to be alert to these changes, as they may affect decisions, or positions, taken by public bodies about societal issues.

# The Changing World of Work

Employment patterns and workplace norms have evolved substantially, accelerated by the COVID-19 pandemic and broader shifts towards hybrid working. These changes have influenced recruitment practices, job attractiveness, and board member engagement. Benefits of hybrid working in the context of board appointments means that a broader range of people from a wider geographic base can apply for public appointments, and contribute to the work of public bodies. Hybrid working is particularly attractive to people who live in remote and rural locations, people with caring responsibilities, and people with

some disabilities and long-term conditions for whom frequent travel is challenging. The downside of hybrid working means that people who are new to governance roles may find it harder to 'learn the ropes' and therefore more effort is required to ensure relationship building and mentoring arrangements are in place.

# The changing face of EDI

Approaches to equality, diversity, and inclusion (EDI) have changed since the previous Diversity Delivers strategy, with many stakeholders increasingly concerned that some initiatives have become overly tokenistic or divisive. However, organisations remain broadly committed to EDI principles, focusing increasingly on fairness, transparency, and merit-based appointments.

# THE CONTEXT: CULTURE AND POLICY

Between 2008 and 2025, Scotland experienced significant demographic, political, and societal changes. Shifts in political leadership, migration patterns, and public discourse have transformed discussions around belief, sex versus gender identity, race, and religion. The evolving landscape reflects a Scotland that is more diverse but also one grappling with new challenges relating to EDI. Future changes to public appointments will need to take account of these challenges so that the appointments system is, and is seen to be, fair and equitable.

Structural barriers, including occupational segregation by ethnicity and sex, underemployment of disabled people, and the cultural readiness of organisations, continue to limit career progression for minoritised individuals. Further, despite a growing diversity in terms of ethnic and religious background, most of Scotland's population identifies as Christian or agnostic, and the prominent ethnicity is still White Scottish. While many professional sectors in Scotland are therefore likely to reflect only limited religious and ethnic diversity, some geographic regions and sectors are more likely to experience increased diversity of personal characteristics. Further detail about these changes is provided in the following sub sections.

# RELIGION AND BELIEF

In 2008, discussions about religion in Scottish politics and public life largely focused on sectarianism, and the historical Catholic-Protestant divide in particular. The conversation has since progressed beyond issues of sectarianism. Scotland has had Muslim leaders of two major political parties, a milestone for minority representation. The shift from a sectarian focus to broader discussions of faith-based inclusion reflects Scotland's changing demography. However, there continues to be faith-based intolerance, highlighting the need for ongoing work to promote understanding and challenge discrimination.

# ANTISEMITISM: RISING CONCERNS IN SCOTTISH SOCIETY

Over the past 15 years, attitudes towards Jewish people in Scotland have shifted considerably. In 2008, antisemitic incidents were relatively rare, with only 10 recorded cases. By 2009, this number had tripled to 30, largely influenced by international conflicts.

Concerns about antisemitism grew, with a 2016 inquiry revealing increasing unease within Scotland's Jewish community. Many Jewish people reported feeling hesitant to express their identity openly due to fears of antisemitism.

By 2024, antisemitism had escalated significantly, with reports of significant increases in incidents year on year, across Scotland and the rest of the UK<sup>1</sup>. As a result, some members of the Jewish community have expressed feelings of exclusion, with some stating that they no longer feel welcome in Scotland. This trend underscores the need for continued efforts to combat antisemitism and connects to reasons why individuals might be unwilling to share personal data about race or religion<sup>2</sup> in equality monitoring.

Similar patterns can also be found in other parts of Great Britain. According to Home Office Statistics, religious hate crimes in England and Wales increased by 25% from 2023 to 2024, resulting from an increase in both antisemitic and Islamophobic incidents, which made up 33% and 38% of all religious based hate crimes respectively.<sup>3</sup> At the time of writing, there has been an increase in anti-Jewish sentiment widely reported in the media, and we expect further increases to the figures reported for 2025.

# ISLAMOPHOBIA: ESCALATING CHALLENGES AND RESISTANCE

Islamophobia has also become an increasing concern in Scotland. A 2021 survey found that 83% of Muslims in Scotland had experienced Islamophobia directly, while 75% believed it was a widespread societal issue.

While efforts such as the mobilisation of anti-racism organisations and counter-protests to far-right rallies signal resistance to Islamophobia in Scotland, anti-Muslim sentiment persists and is an issue that can reasonably be expected to affect the inclusive nature of workplaces, including those of public bodies.

# IMMIGRATION: A CHANGING DEMOGRAPHIC LANDSCAPE

#### **Trends**

Brexit has profoundly altered Scotland's migration patterns. The end of free movement caused a decline in EU nationals migrating to Scotland, with net EU migration turning negative post-Brexit. At the same time, there has been a dramatic rise in international students from countries such as India and Nigeria. Between 2018/19 and 2021/22, the number of students from these nations increased by 375% and 489%, respectively. <sup>4</sup> These increases, whilst related to the whole of the UK, have contributed to Scotland's highest inward net migration levels in over a decade.

<sup>&</sup>lt;sup>1</sup> CST (2024). Antisemitic Incidents Report January–June 2024.

We note that in current equality monitoring the option to declare a Jewish faith is captured in Religion & Belief, however it is important to note that for the purposes of the Equality Act and from a Jewish perspective being Jewish is an issue of Race.

Home Office (2024) Official Statistics: Hate crime, England and Wales, year ending March 2024

<sup>4</sup> HESA (2023). Higher Education Student Statistics: UK, 2021/22 – Where students come from and go to study.

Overall net migration into Scotland more than doubled in just a year between June 2021 and June 2022, and it continued to increase into 2023. Net migration into Scotland was 47,666 in the year ending June 2023, compared with 13,299 two years previously. These increases combine migration of people entering the country as workers, students, asylum seekers and refugees.

#### International Students and Graduates

This steep rise in non-EU international students has changed Scotland's labour market. Many graduates choose to remain in Scotland, bolstered by the reintroduction of the Graduate Route in 2021. This allows international graduates to work in the UK for up to two years post-study. A substantial number have entered Scotland's care sector, with over half of those switching from study to skilled worker visas in the year ending June 2023, and many taking up roles as care workers.

Organisations such as ScotStudy and Black Professionals Scotland have been created both to attract international students and to support newcomers to Scotland to succeed in their careers. These organisations are quite different in focus and formation from third-sector organisations that aimed to advance equality of opportunity for minority ethnic people in Scotland.

# **Asylum Seekers**

While non-EU student migration into Scotland has been a key factor in the trends highlighted above,<sup>6</sup> asylum policy is also relevant to the changing Scottish context. This is particularly salient in Glasgow: 2023 data show that 4,520 of the 5,323 asylum seekers in Scotland receiving local authority support are based in the city. The Scottish Government has considered extending the right to work to asylum seekers in Scotland.<sup>7</sup>

# **Ethnicity Data**

Five areas have notably higher proportions of residents identifying as having a Black and Minority Ethnic (BME) background compared to Scotland's overall 7.2% average. Glasgow has the highest proportion (19%), followed by Edinburgh (15%), Aberdeen City (14%), and East Renfrewshire (13%), highlighting significant ethnic diversity within these urban centres.

Distinct ethnic communities exist in these areas. Glasgow's largest non-white ethnic group is primarily of South Asian descent, comprising both Indian and Pakistani communities. In contrast, Edinburgh's largest non-white groups are Chinese (2.9%), mixed or multiple ethnic groups (2.5%), and Indian (2.4%). East Renfrewshire has significant populations of Pakistani descent (13%).8

Those born outside of the UK represent 14.4% of Scotland's population. Lothian, particularly Edinburgh, has the highest proportion (24.3%). Compared to other areas, Glasgow has

<sup>&</sup>lt;sup>5</sup> National Records of Scotland (2025). Migration flows.

<sup>&</sup>lt;sup>6</sup> BBC (2024). Migration doubles as overseas student numbers jump.

<sup>&</sup>lt;sup>7</sup> Scottish Government (2023). Extending the Right to Work to Asylum Seekers in Scotland: evaluation, analysis, and policy options.

National Records of Scotland (2022). Census results. (Calculations. Accessed 19 February 2025.)

<sup>9</sup> National Records of Scotland (2022). Census results. (Calculations. Accessed 20 February 2025.)

a higher proportion of foreign-born residents who are Black, Asian and Minority Ethnic. This may be because of the higher proportion of asylum seeking and refugee populations in Glasgow compared to Edinburgh and other Scottish cities. The lowest proportions of people born outside of the UK are found in the Highlands and Islands region (around 3%).<sup>10</sup>

# **Implications**

These developments reflect the current realities of migration. While the decline in EU migration has reshaped traditional labour markets, the rise of non-EU migration has introduced new cultural influences, visibly transforming Scotland's cities and communities.

People born outside the UK may be unaware of opportunities to serve on public body boards.



# SEX AND GENDER: THE EVOLUTION OF POLICY AND PUBLIC DEBATE

# **Policy**

Between 2008 and 2024, the understanding and application of the terms 'sex' and 'gender' in Scotland have evolved significantly. Traditionally, 'sex' referred to biological distinctions between males and females. However, in many discussions, particularly around workplace inequalities, the term 'gender' was often used instead, such as in reference to the 'gender pay gap' rather than 'sex pay gap'. This shift was initially intended to make conversations

National Records of Scotland (2022). Census results. (Calculations. Accessed 20 February 2025.)

more accessible and to avoid IT security barriers (some systems filter out messages using the word 'sex'), but it also aligned with the growing recognition that societal roles and expectations, rather than biological sex alone, shaped outcomes for men and women.

In recent years, however, the meaning of 'gender' has expanded to encompass a wider range of identities, leading to confusion over its application. The 2022 Scottish Census allowed respondents to answer the sex question based on self-identified gender rather than sex and provide information about trans status. Official reviews have suggested that sex and gender identity questions led to confusion for some respondents.<sup>11</sup>

Concerns about data reliability and women's equality have also been raised in relation to the application of the Gender Representation on Public Boards (Scotland) Act 2018, which counted anyone who self-identified as a woman towards female representation targets. A subsequent legal challenge brought by For Women Scotland against the Scottish Ministers led to a tightening of this definition to exclude trans-identifying males without a Gender Recognition Certificate (GRC) from the definition of the word 'woman'. For Women Scotland brought a further legal challenge against the Scottish Ministers, arguing, for the purposes of the Equality Act 2010, that a GRC does not alter its holder's sex. In April 2025, the Supreme Court of the United Kingdom ruled that the words 'woman' and 'sex' in the Equality Act 2010 relate to biology, not certification. According to one person interviewed for this report, the circumstances that led up to the ruling represent a good example of the need to ensure more diversity of thought in public decision-making. Had other viewpoints been listened to,' she said, 'a better decision would have been made at the beginning that would have allowed the avoidance of several court cases.'

The Supreme Court's decision has far-reaching consequences beyond the Gender Representation on Public Boards (Scotland) Act. Board members must ensure that the strategic direction or decisions of a public body comply with the spirit and meaning of the Equality Act 2010 and other relevant legislation.

Feedback from participants in this research suggests that Scotland's policy frameworks have prioritised gender identity over biological sex, or conflated gender with sex – for example, in relation to data collection and provision of single-sex spaces. While some view these developments as positive steps toward inclusivity and recognition of diverse identities, 13 others warn of the potential erosion of sex-based rights and the practical challenges of conflating gender with sex. 14

#### DATA

# **Gender Identity**

People identifying as trans or having a trans history are more represented in university cities,

Office for National Statistics (undated). Sex and gender identity question development for Census 2011. | Scotland's Census (2025). Quality Assurance Report – Sexual orientation and trans status or history.

House of Commons Library (2025). Supreme Court judgment on the meaning of "sex" in the Equality Act 2010: For Women Scotland. | For Women Scotland v The Scottish Ministers (2025). UKSC 16.

Scottish Government (nd.), Gender recognition - LGBTQI+ - gov.scot

<sup>&</sup>lt;sup>14</sup> For Women Scotland (2025), UK Supreme Court - the judgment - For Women Scotland

potentially influenced by the demographics of student populations. Cities such as Glasgow, Edinburgh, Dundee, Aberdeen City, and Stirling report higher proportions (0.4%-0.8%) compared with 0.2%-0.4% elsewhere.<sup>15</sup>

#### **Sexual Orientation**

Regional variation emerges in sexual orientation data. Metropolitan centres, particularly Glasgow, Edinburgh, Dundee, Aberdeen City, and Stirling, report higher proportions of individuals identifying as lesbian, gay, or bisexual (LGB) than other regions.<sup>16</sup>

# DISABILITY, NEURODEVELOPMENTAL CONDITIONS AND MENTAL HEALTH

# **Disability Data**

The prevalence of disability varies significantly across regions, with Dundee City (41%), Argyll and Bute, and North Ayrshire (both around 40%) reporting the highest proportions of disabled residents. Clackmannanshire and Fife also have sizeable populations of disabled people (36%). All these percentages are higher than the Scottish figure of 24.1%. In contrast, the Highlands and Islands demonstrate lower proportions of people declaring a disability (around 15%), indicating considerable regional variation in disability prevalence, or disability declaration.<sup>17</sup>

# **Neurodevelopmental and Mental Health Conditions**

Concerns about the overdiagnosis of neurodevelopmental conditions, including autism spectrum disorder (ASD) and attention deficit hyperactivity disorder (ADHD), were raised in 2014 by one of the psychiatrists who contributed to an earlier version of the Diagnostic and Statistical Manual of Mental Disorders. Since then, concerns about overdiagnosis of neurodevelopmental and mental health conditions have increased internationally, with experts concerned that diagnoses may increasingly be capturing traits and feelings that are part of the normal range of human experience. The normalisation of mental health conditions such as anxiety disorders on social media can increase self-diagnoses of, and people's identification with, these conditions.

UK data show that the proportion of 16 to 64-year-olds with a disability increased by 42% between 2014 and 2024 (underlying numbers increased year-on-year, suggesting that this is a trend rather than relating to long Covid or similar).<sup>21</sup> It is possible that at least some of this

<sup>&</sup>lt;sup>15</sup> National Records of Scotland (2022). Census results. (Calculations. Accessed 20 February 2025.)

National Records of Scotland (2022). Census results. (Calculations. Accessed 20 February 2025.)

<sup>&</sup>lt;sup>17</sup> Office for National Statistics (2025). Annual Population survey 2024. (Calculations. Accessed 11 March 2025.)

<sup>&</sup>lt;sup>18</sup> Frances, A. (2014). Saving Normal. Mariner Books.

<sup>&</sup>lt;sup>19</sup> E.g. O'Sullivan, S. (2025). The Age of Diagnosis. Hodder Press.

Hasan, F., Foster, M. M., & Cho, H. (2023). Normalizing anxiety on social media increases self-diagnosis of anxiety: The mediating effect of identification (but not stigma). Journal of Health Communication, 28(9), 563-572.

<sup>&</sup>lt;sup>21</sup> UK Government (2024). The employment of disabled people 2024. Calculated from data tables (POP001: Number of disabled people).

increase is linked to the expansion of diagnostic categories.

One consequence of increasing formal diagnosis and self-identification with neurodevelopmental and mental health conditions is that more people are seeking healthcare and financial support, potentially leaving less available for those with more serious forms of these conditions. There are also differing views on the extent to which neurodevelopmental conditions, in particular, represent disability or difference; how best to balance reasonable adjustments and workplace standards; and the extent to which formal diagnoses (as opposed to self-declaration) are necessary for access to resources and/or diversity reporting.

It was pointed out in the qualitative research conducted for this report that while there is more talk of neurodevelopmental conditions than there used to be, this has not necessarily translated into less bias and more support for board members who have them.



#### **Social and Political Identities**

By the time the new strategy is launched, fresh Scottish Government elections are likely to have been held. A majority government has been in place since 2011 and, as such, the political direction has been influenced broadly from one prevailing perspective. At the time of writing, there are 61 Members of the Scottish Parliament from the Scottish National Party, 30 from the Scottish Conservative and Unionist Party, 22 from Scottish Labour and 15 others.<sup>22</sup> The consultancy More in Common has developed seven social and political identities around which it believes UK adults coalesce: Progressive Activists, Civic Pragmatists, Disengaged Battlers, Established Liberals, Loyal Nationals, Disengaged Traditionalists and Backbone Conservatives. Recent research on the Progressive Activist segment – the average age of whom is 41, and who are most concentrated in university cities such as Glasgow and Edinburgh – suggests that strong boards are needed to support executive team leaders in the face of inappropriate challenge from progressive activist staff.<sup>23</sup>

The Scottish Parliament (2025). Members of the Scottish Parliament (MSPs). Accessed 6 June 2025.

<sup>&</sup>lt;sup>23</sup> Hodgson, E. & Tryl, L. (2025). Progressive Activists. More in Common.

Some interviewees cautioned that identity politics may see a backlash in the form of populism and extremism.

# THE CHANGING WORLD OF WORK

# **Public and Private Sector Employment**

Approximately 30% of Scotland's employed population work in the public sector, although this varies considerably by council area. Dumfries and Galloway and Aberdeenshire have the lowest proportions, at about 18% and 20%, respectively. Most other areas range between 25% and 37%, with the Shetland Islands notably higher at around 60%.

Sex differences are evident, with approximately 40% of employed women in Scotland working in the public sector compared with around 20% of men. While women consistently make up the majority of public sector workers across all Scottish council areas, the extent varies. Argyll and Bute show the smallest sex difference in public sector employment. In most other regions, women represent approximately 60% to slightly over 70% of the workforce in this sector. The highest proportions are observed in Clackmannanshire and the Highlands (each about 75%), with West Dunbartonshire having the highest proportion at just over 80%.<sup>24</sup> (Note: Orkney data was insufficient for analysis.)

# **Industry Employment Patterns**

Approximately one-third of Scotland's population works within public administration, education, and health sectors. These sectors are predominantly female, with women representing around 70% of employees overall. However, a sex imbalance persists at senior levels, where men occupy more than half of management and senior official roles.

Health-related professions within the NHS contribute notably to high levels of female employment, with women comprising over 80% of both health professionals and health and social care associate professionals.

Distinct industry clusters exist across Scotland, influencing local employment patterns and sex-based representation. The energy and water services sector in Aberdeenshire employs four times as many men as women. Similarly, agriculture and fishing – prominent in the Islands, Aberdeenshire, Dumfries and Galloway, and the Borders region – also remain maledominated.

Other sectors, such as banking, finance, insurance, distribution, hospitality, and food services, tend to demonstrate more balanced participation by men and women than sectors such as energy and agriculture.<sup>25</sup>

Research by the David Hume Institute shows that while leadership positions in Scotland are becoming more diverse, there is a relative lack of leaders with a state school background. Their research also notes the need for progress to be made in racial diversity. Only 32% of leadership positions identified in the research were held by women. None were held, as far

Office for National Statistics (2025). Annual Population survey 2024. (Calculations. Accessed 19 February 2025.)

<sup>&</sup>lt;sup>25</sup> Office for National Statistics (2025). Annual Population survey 2024. (Calculations. Accessed 12 March 2025.)

as the researchers were aware, by people with a disability.<sup>26</sup>

There have been changes in the structure of employment and the way that people work. Boundaries between home and social life have been blurred since the pandemic, with implications for public board recruitment as well as how people deliver their roles. Staff are often allowed to work at least some of the time from home and, increasingly, board business is carried out in a hybrid way. This requires careful balancing – while it may be more inclusive to have an element of hybrid working for public boards, feedback from interviews suggests that current in-person engagement is so limited that board members can feel isolated, and they do not always have the opportunity to gel with each other. The impact of hybrid working and the benefits of creating the conditions to foster connection between board members requires proactive consideration in any future diversity strategy.

According to some interviewees, there is an increasing pattern of young people doing the minimum required of them at work, perhaps stemming from the impact of the pandemic and the cost-of-living crisis. On the other hand, the financial crunch for young people is encouraging some to engage in additional paid activities alongside their main jobs, which may increase the potential attractiveness of remunerated board positions.

# The Changing Face of EDI

Concerns have been raised by leaders in the UK and elsewhere that EDI has become increasingly tokenistic and based on identity categories that exclude certain groups, divide staff, sacrifice the primacy of merit in appointments and promote groupthink.<sup>27</sup> In some cases, it has led to legal challenge. This can be seen in the range of concluded cases that have found organisations to have acted unlawfully against staff with gender-critical beliefs, including Meade v Westminster City Council, Phoenix v Open University, Pitt v Cambridge City Council and Bailey v Stonewall & Garden Court Chambers. One interviewee suggested that the concept of EDI has shifted from facilitating equal participation in the public square to advancing the interests of certain groups.

'People want to know that they are appointed on the basis of merit and not on the basis of diversity.'

There is a risk that the pushback against this tokenistic, identitarian form of EDI leads organisations to abandon attempts to ensure diversity and inclusion altogether. An interviewee suggested that the private sector is already rolling back EDI initiatives due to an anti-EDI push that started in the United States, although polling by the Institute of Directors finds that the majority of business leaders (71%) do not plan to change their organisations' approaches to EDI in response to cross-Atlantic changes.<sup>28</sup> EDI has been 'politicised toxically', according to another interviewee, who added: 'There is a campaigning

<sup>26</sup> The David Hume Institute (2020). Does Team Scotland have the right players?

<sup>&</sup>lt;sup>27</sup> E.g. Fanshawe, S. & Gosling, M. (2024). Flying Flags and Ticking Boxes: What Went Wrong With EDI And How Leaders Can Fix It. Diversity by Design.

Institute of Directors (2025). IoD press release: Majority of UK businesses are not planning to alter their ED&I policies in response to Trump.

obligation to persuade the general public that it's not touchy feely being nice, or a guilt trip, but it is a matter of principle and a matter of functional improvement.'

# SCOTTISH POLITICS AND POLICY-MAKING

# The Changing Landscape

Since the launch of the Commissioner's Diversity Delivers Strategy in 2008, the landscape around equality, diversity, and governance has evolved. Influenced by political, economic, technological, social, legal, and environmental shifts, this evolution has reshaped the expectations placed on organisations and governance structures in Scotland.

Politically, the sustained governance by the SNP-led Scottish Government has embedded progressive equality policies and fair-work practices, and there has been potential divergence between Scottish and wider UK equality frameworks. Economically, recovery from the 2008 financial crisis, Brexit-driven labour market changes, the cost-of-living crisis, and the COVID-19 pandemic have all contributed to widening inequalities, reshaping workplaces and employment practices in ways that directly impact diversity and inclusion.

Technological developments, including widespread use of smartphones, online professional networking platforms, and remote video interviews, have broadened access to governance roles and improved transparency but have simultaneously created risks of digital exclusion.

Socially, movements such as #MeToo and Black Lives Matter have intensified societal demands for accountability, transparency, and meaningful representation. These movements have contributed to increased expectations for boards to engage proactively with societal issues on the one hand, and calls for them to avoid aligning themselves with certain positions on the other.

Legally, the introduction of the Equality Act 2010 marked a significant consolidation of equality protections, influencing Scottish policy through specific measures such as the Public Sector Equality Duty (PSED), the related Scottish Specific Duties, and the Gender Representation on Public Boards (Scotland) Act 2018. The recent Supreme Court judgement further clarified the legal boundaries of diversity initiatives, and highlighted tensions between Scottish political ambitions and wider judicial interpretations.

Linked to comments about technology, environmentally the COVID-19 pandemic accelerated digital transformation, significantly altering workplace practices, recruitment processes, and board governance. Since 2008 there has also been an increased focus on sustainability, renewables and environmental impact. These shifts provided both challenges and opportunities, affecting the geographical and social diversity of governance roles, changing the nature of skills required to respond to new ways of thinking and working, but also amplifying pre-existing inequalities.

At the governance level, evolving Environmental, Social, and Governance (ESG) criteria and increasing risks and opportunities related to interpretation of Equality legislation have heightened scrutiny of diversity and inclusion practices, promoting transparency, accountability, and the need for evidence-based decision-making. Increasingly, Boards should be alert to the risk and compliance impacts of action about equality and inclusion.

To capture these interwoven changes comprehensively, this report applies an enhanced

analytical framework PESTGEL that explicitly incorporates governance into the traditional PESTLE analysis. This framework provides clarity on the interconnected impacts and prepares the groundwork for Scotland's next strategic step in creating balanced, inclusive, and legally robust diversity initiatives.

# **PESTGEL: Analysis of Change since 2007**

# **Political and Policy Challenges**

Interviewees outlined several contextual challenges in the political and policy environment.



- Coalition Rule to long term SNP Scottish Government
- BREXIT in 2016
- Public Sector Reform Agenda
- Anti-DEI narrative emerging



**Political** 



- 2008 Financial Crisis and austerity affecting discretionary spend on EDI
- Post Brexit Économic Impact and changing labour market.
- COVID-19 recovery
- **Public Sector Constraints**





- Public attitudes to and awareness of issues of inclusion
- Movements such as #METOO and Black Lives Matters
- Identity politics on the rise
- Anti-woke narrative increasing



Societal



- Advent of Smartphones
- Online professional networks
- Online applications and video interviews
- Remote working
- Artificial Intelligence



**Technological** 



- Growth of ESG (Environmental, Social, Governance) criteria influencing board decisions and skill requirements.
- Increased emphasis on diversity, inclusion, and accountability in board composition and practices.
- Measurable increase in representational diversity on public body boards



Governance



- Challenges and opportunities around remote and flexible work practices.
- Shift in board focus: Sustainability





- Introduction of Equality Act 2010 and Public Sector Equality Duty and Scottish Specific Duties. Gender Representation on Public Boards (Scotland)
- Act 2018.
- Supreme Court Judgement clarifying meaning of 'sex' in the Equality Act 2010



Legal

Challenges specific to the public appointments process itself are outlined later in this report.

▶ Scottish public policy has, in some cases, diverged from the legislative frameworks that are meant to underpin it. Some interviewees highlighted a tendency of the Scottish Government to apply its own policy instead of the Equality Act using, for example, 'gender' in place of 'sex'. According to one person, 'We have lost the understanding that the Equality Act and the Public Sector Equality Duty were about equalities per se, rather than the advancement and interest of different groups.'

Linked practice has diverged from legislation to a point at which there is perceived competition and resulting tension between equality groups. This leads organisations to attempt to go beyond the law and opens them up to legal risk. NHS Fife was mentioned by some interviewees as an example what happens when organisations replace the law with what they would like the law to be, leading to legal, financial and reputational risks. For Women Scotland's case against the Scottish Ministers has concluded, but some fear that similar cases, relating to other protected characteristics, may follow.

Public organisations frequently fail to act on the third part of the general equality duty: to 'foster good relations between people who share a protected characteristic and those who do not'. When equality impact assessments are not conducted robustly, diversity and inclusion can suffer, and it becomes harder to meet local needs. One person gave the example of a Scottish Government pack for education that was rejected by a council in Stornoway, at least in part because its position on gender identity in children conflicted with local religious belief. The council chose to use a Catholic education pack instead. 'Different parts of Scotland are radically different, 'commented the interviewee.

Another interviewee said that the influence of lobbying groups has created an 'equality culture of fear' through which priority is given to recruiting someone with a given protected characteristic. Some Interviewees reported a perceived recruitment pipeline from campaigning organisations into Government, leading an interviewee to comment: 'We have got a lot of professional activists who have become activist professionals.'.

▶ There are political pressures to ensure a particular understanding of diversity gets enacted, as well as conflicting signals about diversity coming from different parts of Government and the public sector. These pressures include an implied requirement to ensure that certain groups have a given level of representation on boards. This has meant, for example, that some panels have felt pressured to recommend female applicants when they were not the best candidates. The Gender Representation on Public Boards (Scotland) Act may have given a misleading impression that female-dominated boards do not risk groupthink in the way that male-dominated boards do. Politicians and mainstream media can place disproportionate attention on some issues and groups, too, which acts as a distorting lens. According to some interviewees, this leads to genuine challenges such as the under-representation of people with disabilities on boards, for example, <sup>29</sup> not getting addressed.

This point is true as it relates to overall numbers, but the proportion of applicants declaring a disability who are successfully appointed is much higher than average. This implies that attraction, and not selection, is the issue here. The ESC Applicant survey may shed more light on this.

While Diversity Delivers had a nuanced understanding of diversity, Ministers are thought to focus on isolated protected characteristics when discussing ideal appointees, such as a woman or someone under 50. Where there are differences between Diversity Delivers and Scottish Government policy, panels tend to follow the latter.

▶ Some wider political issues may need addressing to ensure that the impact of any improvements to the public appointments system can be maximised. According to one interviewee, the public appointments process could be made more effective by ensuring wider transformational change across the public sector. Another said public bodies should be reviewed regularly to see if any of their responsibilities can be shifted to local government. 'There is a capability gap with quangos,' she said. 'You can do things straight from Government, or give it straight to local government... We need more tolerance of local variety.' She also believes that public body boards are given too much responsibility for the amount of time that they are able to dedicate to the role. More time available would allow greater scrutiny and challenge, as well as better succession planning.

'Policy-informed' evidence is another challenge. This is an issue across the public sector, which plays into the public appointments process through expected adherence to a particular worldview that may not be supported by real-world data. 'People are driven by ideologies and belief systems, ' said an interviewee. 'We are not looking at the data. 'Little policy attention is given, for example, to the needs of white, under-educated boys and young men in Glasgow's East End, while popular terms used in policy circles such as 'lived experience' are subjective and poorly defined. There is a need for policymakers to pay attention to evidence rather than the current modish equality focus and to avoid policy-informed evidence making (paying organisations to consult people whose views are those with which policymakers already agree).

Culture change is needed in some areas. The current culture in Holyrood has been described by interviewees as one that treats a critical voice as disloyal. According to one person, dissent requires people who are professionally skilled, competent and courageous, and more respect needs to be afforded to critical voices. These include the EHRC Scotland Committee, the EHRC, Holyrood magazine and Murray Blackburn Mackenzie. In other areas, culture is a barrier but one that it is unlikely to be possible to shift unless the political winds blow away from single-party domination in future. When political power is shared, it reduces the chance of ideological decision-making. According to one interviewee, 'When you get a government in place who are not keen on sharing power, it can be directive.'



# Annex 3. Diversity in Public Appointments: Where Are We Now?

# **Applicant and Appointee Profiles**

# **OVERVIEW**

The Ethical Standards Commissioner regulates 98 public bodies in Scotland.<sup>30</sup> At the time of data collection, there were 691 public appointments listed (806 in total, of which 19 appointments ended in 2023 and 96 ended in 2024), <sup>31</sup> with 63 board members holding multiple positions.

The information in the charts below is drawn from ESC data. Stated proportions were recalculated to exclude those who preferred not to disclose in order to make time-series comparisons possible. It should be noted that some changes may reflect an element of increased disclosure alongside more genuine change.

# APPLICATIONS AND APPOINTMENTS BY GROUP

#### Sex

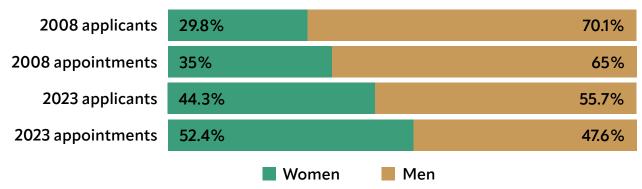
The proportion of women applying and being appointed to public boards increased

<sup>&</sup>lt;sup>30</sup> Ethical Standards Commissioner (2024). Internal document: 2024-03-12 (Tracking regulation of public body appointments)

<sup>&</sup>lt;sup>31</sup> Scottish Government (2024). <u>Full list of public appointments by public body</u> (accessed 21 November 2024).

significantly between 2008 and 2023, from 29.8% to 44.3% and 35% to 52.4%, respectively. Women are less likely than men to apply for public body roles: while they make up 51.4% of the Scottish population,<sup>32</sup> their application rate is seven percentage points fewer than this.

# Applications and Appointments by Sex: 2008 vs 2023

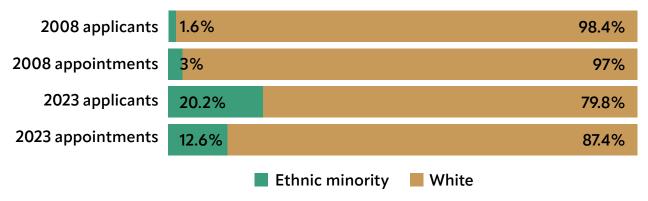


It should be noted that there is a potential for a small margin of uncertainty in the data as some applicants may be self-identifying as women.

# Ethnicity<sup>33</sup>

The proportion of minority ethnic applicants to public board positions has risen over tenfold since 2008, from 1.6% to 20.2%. The proportion of appointees has risen too, although less dramatically – from 3% in 2008 to 12.6% in 2023. Both applicants and appointments represent a higher proportion of people from minority ethnic backgrounds than the general population, the proportion of which is around 7% in Scotland.<sup>34</sup>

# Applications and Appointments by Ethnicity: 2008 vs 2023



# Disability<sup>35</sup>

While applications by people with a disability have increased by more than two percentage points since 2008, to 8.6%, applicants are still significantly under-represented compared with the general population – according to census data, 24.1% of people in Scotland have a disability.<sup>36</sup> Insight from the Lord Holmes Review suggests that people with a disability may

Registers of Scotland (2022). Census results.

<sup>&</sup>lt;sup>33</sup> 2008 appointments data for white applicants have been calculated (1 minus BME appointments) due to missing data.

Registers of Scotland (2022). Census results.

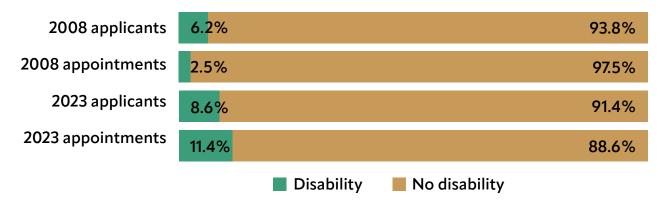
<sup>&</sup>lt;sup>35</sup> 2008 appointments data for no disability have been calculated (1 minus disability) due to missing data.

Registers of Scotland (2022). Census results. (Calculations. Accessed 3 February 2025.)

not believe that holding a public appointment is a feasible option, and that selection criteria may count against them. Furthermore, disabled applicants may not be reporting that they are disabled for reasons that include perceived stigma and prejudice.<sup>37</sup>

Once people with a disability apply for a public body role, they have more chance of success now than they had in 2008. The proportion of appointees with a disability has increased by a factor of more than four since 2008, from 2.5% to 11.4%.

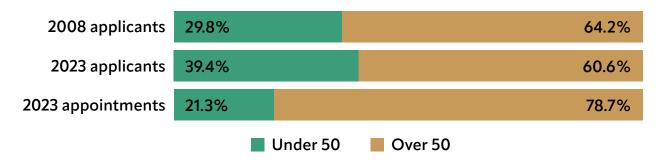
# Applications and Appointments by Disability: 2008 vs 2023



# Age<sup>38</sup>

Applications from people under 50 have increased from 35.8% in 2008 to 39.4% in 2023, but people in this age group are still under-represented compared with the general population as 58.4% of people in Scotland are under the age of 50.39 Still fewer receive appointments. Only around one in five public board positions is awarded to people under the age of 50.

# Applications and Appointments by Age: 2008 vs 2023



Please note that appointments data for age was unavailable for 2008.

#### **Sexual Orientation**

The proportion of LGB applicants has more than doubled in just a few years, from 5.4% in 2018 to 11% in 2023. This proportion broadly reflects the wider population: around 12% of over-16s in Scotland are LGB.<sup>40</sup> Appointments are not far off this figure either, at 9.8%.

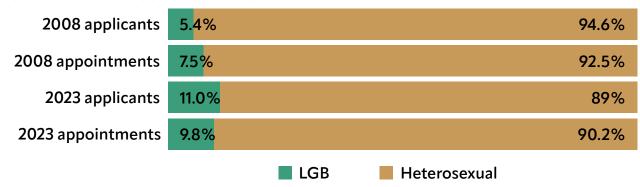
<sup>&</sup>lt;sup>37</sup> UK Government (2019). Lord Holmes Review: Opening up public appointments to disabled people.

<sup>&</sup>lt;sup>38</sup> 2008 applications and appointments data has been allocated into broad categories (under 50 and over 50) to make them comparable with 2024 data.

<sup>&</sup>lt;sup>39</sup> Scottish Government (2022). Census results.

Scottish Government (2022). Census results.

# Applications and Appointments by Sexual orientation: 2018 vs 2023

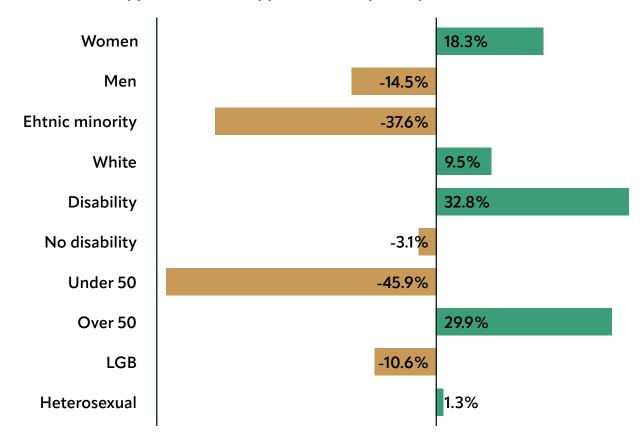


Please note that the first year of comparison for sexual orientation data is 2018, as data were unavailable for 2008.

#### **Relative Success of Applications by Group**

The figure below shows the relative chance of an application to a public body board being converted into an appointment; it compares the proportion of applicants within a given group with the proportion who are eventually appointed. Applicants with a disability, women, older applicants, white applicants, and heterosexual applicants all have a higher success rate than average, while younger applicants, ethnic minority applicants, men, LGB applicants and applicants with no disability have a lower success rate than average.

# Conversion of Applications into Appointments by Group<sup>41</sup>, 2023



These data are based on 1 year of data and reflect a period of time where the guaranteed interview scheme was applied more frequently.



# **Annex 4. International Review**

# Introduction

To inform the development of the strategy, experiences of those involved in diversifying governance boards in a selection of countries will be considered. This annex of the State of the Nation provides a snapshot of activity and frameworks across 10 countries, and explores actions that help or hinder diversity in board governance in different cultural contexts. It will inform the next phase of our investigations.

# **Australia**

# CORPORATE BOARDS

The Australian Securities Exchange (ASX) Corporate Governance Council has been instrumental in promoting more balanced sex representation on corporate boards.

Between 2009 and 2023, Australia made notable progress in diversifying corporate boards, particularly concerning sex representation.

In 2009 women held approximately 8.3% of board positions in ASX 200 companies.

This figure had increased to 36% by 2023, reflecting a significant improvement over the 14-year period.

The Australian Institute of Company Directors (AICD) has also been instrumental in promoting more balanced sex representation, setting targets and monitoring progress across corporate boards. The shift in female representation is widely attributed to their focus on this issue.

Despite advancements in respect of female representation, progress in racial and ethnic representation on Australian boards has been limited. In 2021, 7% of board seats in Australia's top 100 companies were held by individuals from ethnic and cultural minorities,

despite these groups comprising a significant portion of the population (approximately 27% of people in 2021 reported a non-European ancestry). 2024 data suggests that Australian boards remain predominantly composed of individuals of Anglo-Celtic and European descent, indicating minimal change in ethnic diversity.

Efforts to improve racial and ethnic diversity have not kept pace with those aimed at increasing the number of women on boards, suggesting a need for more targeted initiatives to address this disparity in the corporate sector.

# PUBLIC ADMINISTRATION BOARDS

In Australia, diversity and inclusion within public administration are guided by antidiscrimination laws and policies at both federal and state levels. The Fair Work Ombudsman emphasises embracing and celebrating diversity, welcoming individuals from various backgrounds to work within the public sector. Dedicated initiatives encourage applications and support for people from diverse backgrounds, aiming to create an inclusive workplace.

In the realm of public administration, the balance between male and female board representation has shifted in recent years:

Data from 2022 suggest that women represented 58.8% of new appointments to Australian Government boards, indicating a strong commitment to female representation in public sector leadership. However, comprehensive data on racial and ethnic diversity within government boards are limited. Low representation of people who are not from white European and Anglo-Celtic backgrounds and low data quality are both potential features of this.

In summary, while Australia has achieved progress in enhancing female representation on corporate and government boards between 2009 and 2023, advancements in racial and ethnic diversity have been difficult to track.

# Canada

Like other countries, the primary focus of board diversity has been sex, in terms of increasing the number of women applying for and taking up positions on public boards. We have looked at data points between 2009 and 2023.

**2009:** representation of women on Canadian public boards was relatively low, reflecting the limited focus in policies on female representation at the time. While specific public board statistics are not fully available, corporate boards, which set a similar benchmark, had approximately 15-20% female representation.

**2013:** by 2013, women's representation on public and corporate boards in Canada was estimated to be between 20% and 23%. This period marked the early stages of cross-sector diversity initiatives aimed at increasing the proportion of women in leadership roles.

<u>2023:</u> women held approximately 30% of board seats across corporate and public boards in Canada. This increase was significantly influenced by policies like the "comply or explain" guidelines, as well as diversity disclosure requirements implemented over the previous decade. The Diversity Disclosure Practices Report indicated that substantial improvements had delivered, especially in sectors with government ownership and influence.

Representation has become close to parity in some industries.

This upward trend underscores Canada's commitment to achieving an equal balance of men and women on boards. Challenges in reaching full equality remain, however, especially in sectors with historically low female representation. Canadian public boards continue to emphasise setting diversity targets and improving policies to support long-term goals relating to male and female parity.

# Germany

Germany has taken active steps to enhance diversity in public governance roles, focusing on representation in terms of both sex and ethnicity.

Germany's commitment to sex-based equality is enshrined in its Basic Law, which mandates the state to promote substantive equality between women and men. This constitutional foundation has informed various initiatives to increase female participation in public governance.

As of 2023, Germany ranks 10th out of 27 countries in the EU Gender Equality Index, reflecting ongoing efforts to close the gap between women and men.

Political parties have also implemented measures (quotas) to improve the balance of male and female representation. For instance, the Greens have achieved a 59% female representation among their members of parliament, while the Social Democratic Party (SPD) has 40% female representation. Reports suggest that these quotas have led to increased female representation in Parliament and are setting a precedent for other institutions.

In recent years, Germany has expanded its diversity initiatives to include ethnic and cultural representation in public governance. The signing of the German Diversity Charter in 2019 exemplifies this commitment, aiming to build an inclusive work environment across various dimensions of diversity, including ethnicity and nationality.

**Government initiatives:** programmes such as the Federal Programme for Women Professors encourage sex-based equality in higher education and research, indirectly influencing public governance by promoting qualified female candidates.

Despite these advancements, challenges persist. Germany's cautious approach to collecting data on race/ethnicity, for example, hampers policy makers' ability to assess and address disparities in representation.

In summary, Germany has made notable progress in diversifying public governance roles, particularly concerning female representation. The expansion of initiatives to include ethnic and cultural diversity marks a positive development but will be hard to track in the absence of robust management.

# **New Zealand**

This section provides an overview of action to increase female representation on New Zealand's public boards for the period from 2009:

**2009:** data specific to 2009 for public boards is limited, but women's representation was

below 40% on state sector boards. This period marked the beginning of initiatives focused on increasing female representation in public roles, though no specific targets were then in place (a target was later set in 2018).

**2013:** by 2013, women held approximately 41% of seats on public sector boards and committees. This represented a notable increase, driven by government efforts to encourage female representation and to support initiatives such as the Ministry for Women's Nominations Service, which aimed to elevate women to decision-making roles.

**2023:** New Zealand achieved over 50% representation of women on public boards, reaching 53.9% by 2023. This milestone reflects the success of the Government's 2018 target to reach parity between men and women by 2021. It also highlights the country's commitment to inclusive governance. There are ongoing efforts to diversify further, with ambitions including the increased representation of Māori and Pacific communities in governance roles.

These gains demonstrate New Zealand's robust approach to achieving and maintaining sex-based representation on public boards, underscoring the benefits of policies and programmes that actively support female leadership in public governance settings.

# **Scandinavia**

Improving levels of female representation on the governance boards of public bodies in Norway, Sweden and Finland have been informed by various legislative measures and policy initiatives aimed at promoting diversity. As Scotland often looks to Scandinavia for insights about this area, we provide a brief comparative analysis focusing on the years 2009, 2013, and 2023, along with relevant legislative frameworks in each country.

# **NORWAY**

Norway has pioneered quotas linked to the representation of men and women on boards. In December 2003, its Parliament passed a regulation requiring at least 40% representation of each sex on company boards, applicable to public limited companies (state-owned companies). This law was fully implemented by 2008, and by 2009, compliance was achieved, with women's representation on boards of state-owned companies reaching the mandated quota.

In 2023, the Norwegian Government proposed extending the 40% representation requirement to medium-sized and large companies, reflecting an ongoing commitment to sex-based representation in corporate governance. We have not examined evidence about the impact on governance arrangements.

# **SWEDEN**

Sweden has emphasised sex equality through recommendations rather than mandatory quotas. The Swedish Corporate Governance Code includes recommendations for parity between the sexes on boards. The Government's indication of potential legislative action has been a particular catalyst to increase women's representation. By 2013, this approach had led to a notable increase in female board members.

As of 2023, Sweden continues to promote more equal sex-based representation through non-binding guidelines and corporate governance codes, maintaining a high level of female representation on boards without enforcing mandatory quotas. This non-binding approach echoes Sweden's approach to action of equality more generally: for example, while public pay gap reporting is not mandatory, mechanisms are in place to ensure effective governance of actions to address pay gaps. (See P21 of Leading Kind's review of global approaches to equality for further information).

#### **FINLAND**

Finland implemented a quota system in 1995, mandating a minimum of 40% representation of both sexes in municipal executive bodies. This legislation led to a significant increase in women's participation in local governance structures.

In 2004, Finland extended sex-based quotas to state-owned companies, requiring similar representation levels. For private companies, the Corporate Governance Code of 2003 included recommendations to promote a greater balance on boards. By 2013, these measures had resulted in improved female representation, particularly in state-owned enterprises. By 2023, Finland's commitment to sex-based equality remained evident, with ongoing efforts to promote balanced representation in both public and private sectors.

# COMPARATIVE OVERVIEW OF NORWAY, SWEDEN & FINLAND

In summary, all three Scandinavian countries have made significant strides in promoting more equal representation of both sexes on governance boards through a combination of legislative measures, policy initiatives, and recommendations. Norway and Finland have implemented mandatory quotas in certain sectors, while Sweden has relied on non-binding guidelines and the prospect of legislation to encourage diversity. In our view, much of Sweden's success is cultural and reflects what we at Leading Kind have coined as 'conscious scrutiny'. It suggests that in Scotland there is room for both a focus on diversification of boards as well as improved diversity/inclusion-focussed approaches to governance.



# **South Africa**

This section provides a comparative overview of female representation on public boards in South Africa for the periods 2009, 2013, and 2023.

**2009:** women held a relatively low proportion of board positions in public entities, with the Businesswomen's Association of South Africa indicating only around 15-20% female representation on boards across sectors, including state-owned enterprises. Efforts towards greater female representation were limited, but they began to gain momentum with policies like the Broad-Based Black Economic Empowerment (BBBEE) Act.

**2013:** female representation on South African boards grew to between 20% and 22%. This period saw the introduction of the Women Empowerment and Gender Equality Bill, which set the foundation for increasing gender diversity on boards. Additionally, the Johannesburg Stock Exchange (JSE) required listed companies to disclose sex-based representation targets in order to achieve more balanced governance structures.

**2023:** by 2023, women's representation on boards in both public and corporate sectors was between 30% and 35%. This increase reflects continued support from regulatory frameworks, such as the King IV Code on Corporate Governance, which encouraged diversity in governance on corporate boards. In the King IV Code of Corporate Governance Diversity is described as the varied perspectives and approaches offered by members of different identity groups. For the purposes of King IV, it includes diversity in terms of fields of knowledge, skills, and experience as well as age, culture, race and sex.

South African government initiatives and the JSE's updated policies requiring disclosure of sex-based targets further bolstered these numbers. The Public Sector Women in Leadership Network also played a significant role in supporting women's advancement in leadership, although there are the Minister leading this network has noted enduring barriers and frustrations.

South Africa's progress in female representation, especially on public boards, suggests some effectiveness of a multi-faceted approach involving legal, corporate governance, and public-sector programmes to support women in leadership roles. These initiatives continue to contribute to greater parity in board representation.

# **United Kingdom**

The representation of women in UK public appointments has seen a significant positive trend between 2009 and 2023:

**2009:** women held 32.6% of public appointments across UK public bodies. This level of representation was higher than it used to be, but it highlighted a need for further work to support female representation in board governance.

**2013:** women's representation in public appointments rose to 37.1%, showing an increase of about 4.5 percentage points since 2009. This growth reflected the influence of initiatives designed to encourage more women to apply for public roles.

**2023**: more recently, women have achieved near parity in public appointments, holding 49% of these roles according to the latest data.

This progress illustrates a marked shift toward gender equality in public appointments over

the past decade, aligning with broader public and governmental commitment to inclusive representation .

Scottish efforts toward parity in public appointments between men and women have been informed by the Gender Representation on Public Boards (Scotland) Act 2018, which aimed to achieve 50% female representation in non-executive roles on public boards by 2022. Current data suggest that, as of late 2022, approximately 74% of Scottish public boards had met this target, up from between 32% and 37% in prior years. This shift aligns with broader UK trends.

# **USA**

In the United States, efforts to enhance diversity on the boards of public administrations and corporate organisations have involved a combination of legislative actions, policy initiatives, and organisational commitments.

# PUBLIC ADMINISTRATION BOARDS

The federal Government previously implemented a range of initiatives to promote diversity, equity, inclusion, and accessibility (commonly referred to in USA as DEIA) within its agencies. However, the current Administration in the US is rolling back focus on DEIA through funding cuts and structural reforms.

# CORPORATE BOARDS

To date, in the corporate sector, several measures have been undertaken to improve board diversity:

- Nasdaq's board diversity rule: in August 2021, the Securities and Exchange Commission (SEC) approved Nasdaq's proposal requiring listed companies to disclose board-level demographic data annually and to have, or explain why they do not have, a certain number of 'diverse' directors. However, recent legal challenges are affecting enforcement of this reporting requirement.
- **State legislation:** some U.S. states have enacted laws to promote board diversity. For example, California implemented legislation mandating minimum levels of female representation on corporate boards, though such laws have faced legal challenges and varying levels of enforcement.
- **Voluntary initiatives:** many corporations have voluntarily adopted DEIA policies, suggesting that they perceive a value in having diverse perspectives in governance. Organisations such as the Executive Leadership Council and Catalyst provide resources and support to companies aiming to enhance board diversity, and more generally across corporate America there is a large and growing DEIA industry.

# CURRENT POLITICAL CONTEXT

It's important to note that the landscape of DEIA initiatives is subject to change due to

political and legal factors. Recent executive orders issued under the new Republican administration and related legal challenges have influenced the implementation and continuation of DEIA programmes in both public and private sectors. Recent executive orders, for example, have aimed to dismantle DEIA programs across the U.S., leading some major corporations to scale back these efforts. Further political and societal shifts are causing organisations to re-evaluate approaches to DEIA, with a shift from activist stances to business imperatives.

In summary, while significant strides have been made to improve representation on the boards of public administrations and corporate organisations in the U.S., ongoing political and legal developments make the future of these initiatives unclear.

# **Next Steps:**

Qualitative research is now underway to explore the conditions that have supported, or hindered, progress in these countries. It will be used to identify insights that might inform future approaches to enhance governance and diversity on the boards of Scotland's public bodies.



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# **Annex 5. Survey Findings**

There were too few survey responses to include in the main analysis.

# **PUBLIC SURVEY**

There were 25 responses to the public survey.

Before receiving this survey, had you heard about public appointments to boards of public bodies?

No 17 Yes 8

Would you be interested in joining the board of a public body?

No 14

No – I don't think I'd be suitable 2

No – another reason 2

I don't know 7

Do you know where to find out about public appointment vacancies?

No 20

Yes 5

# Where would be the best place to let you know about public appointment vacancies?

LinkedIn 15

Online job board 7

Professional network 1

Community group 0

Other (email) 1

Indeed was the most frequently mentioned job board, community group or professional network among survey respondents.

#### Have you ever applied for a public appointment?



For those who had never applied for a public appointment, the most frequently cited reason was that they did not know that appointments were open to members of the public.

19 of the 25 would be willing to take part in further research to help the Ethical Standards Commissioner improve opportunities for people to apply and be appointed to boards of public bodies.

# What is your sex? Female 18 Male 7 I prefer not to say 0

Do you consider yourself to be trans, or have a trans history?

No 25
Yes 0
I prefer not to say 0

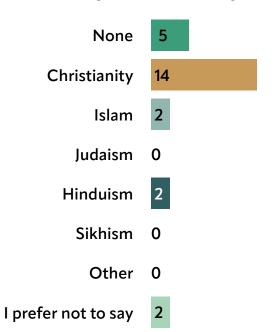
# What is your ethnic group?

A. Scottish	6	
A. Other British	4	
A. Irish	1	
A. Polish	0	
A. Gypsy/Traveller	1	
A. Roma	0	
A. Showman/Showwoman	0	
A. Other white ethic group	1	
B. Mixed or multiple ethnic groups	0	
C. Pakistani, Scottish Pakistani or British Pakistani	0	
C. Indian, Scottish Indian or British Indian	2	
C. Bangladeshi, Scottish Bangladeshi or British Bangladeshi	0	
C. Chinese, Scottish Chinese or British Chinese	0	
C. Other Asian, Scottish Asian or British Asian ethnic group	1	
D. African, Scottish African or British African	8	
E. Caribbean or Black	0	
F. Arab, Scottish Arab or British Arab	0	
F. Other ethnic group (for example, Sikh, Jewish)	0	
I prefer not to say	1	

# Which of the following best describes your sexual orientation?



# Which religion do you belong to?



# Do you have a limiting long-term physical or mental health problem?

Yes	3
No	22
I prefer not to say	0

# How old are you?

35 or under

11

36-45

8

45-49

50-55

56-65

66–74 1

75+ 0

I prefer not to say 0

# How would you describe your employment status?

I am in paid employment

11

I am self-employed

9

I am unemployed/job-seeking

4

I am not in or seeking paid employment

1

# Are you resident or do you work in Scotland?

Yes

21

No

4

# SPECIAL INTEREST GROUP SURVEY

There were three responses to the special interest group survey. One was business-focused; another represented people or networks; and the third was a non-profit business-to-business organisation.

How familiar are you with the process of appointing people to boards of public bodies?



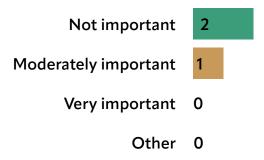
Has your organisation been involved in any work connected to diversity and the public appointments process, such as mentoring schemes or awareness raising?

Yes 2
No 1
I don't know 0

One of these organisations had run a public sector 'directors' circle' in which non-executive directors and chairs can network and discuss issues. They also raise awareness about board diversity, and run workshops for aspiring non-executive directors.

Both organisations that answered yes believe their work had a long-lasting impact on board diversity. One response stated: 'We have helped many women and candidates from diverse backgrounds into public Board roles. Many of these were made aware of opportunities in Public Sector Boards for the first time in our workshops and directly supported through our one to one CV and Interview mentoring programmes.'

How important is it that public body boards are made up of people with a broad range of experience and talent?



# Is it more important to ensure diversity of characteristics (physical attributes) or diversity of experience and thought when recruiting to public body boards?

Diversity of bodies

Diversity of experience and thought

It is equally important to ensure both 0

It is not important to ensure either 0

I don't know 0

# To what extent do you think that people from under-represented communities face barriers to securing and sustaining positions on public body boards?

Very much

2

To some extent

1

Not at all 0

I don't know 0

# If you answered 'Very much' or 'To some extent', what do you think these barriers are? Please choose as many as apply.

They don't know about the positions

2

Lack of confidence that they can fulfil a public body role

2

They don't know how to apply for the positions

1

The application process is too onerous

1

Time commitments (e.g. employment or caring responsibilities) get in the way

1

The pay is insufficient

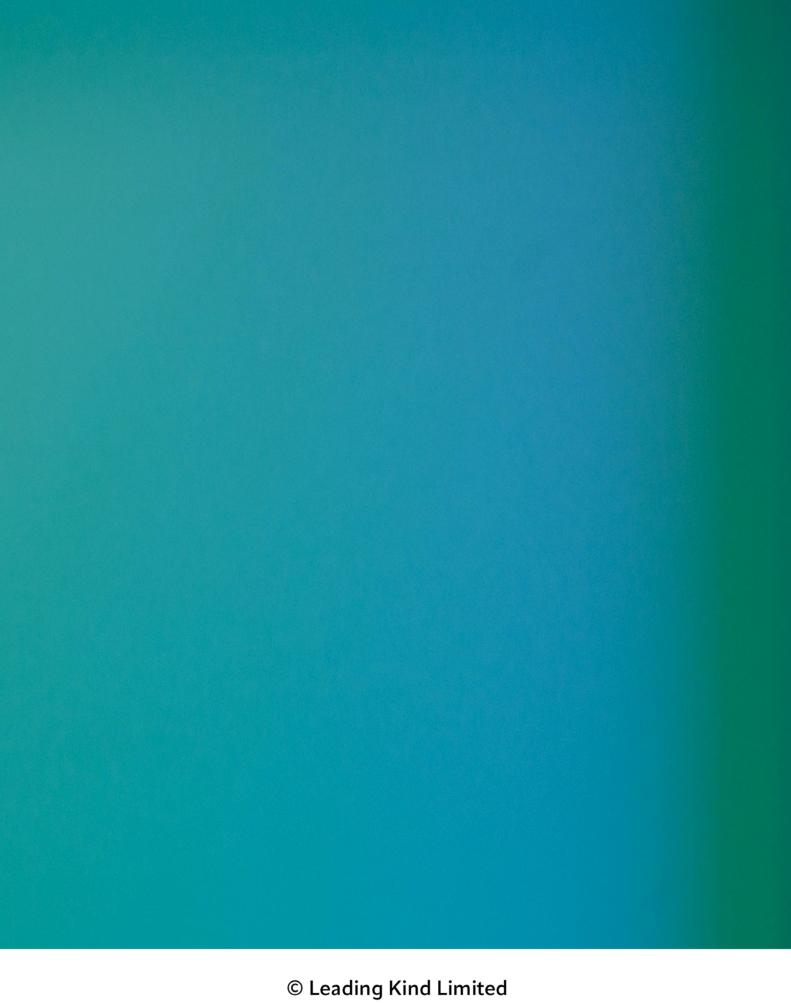
2

They do not receive sufficient support post-appointment to remain in post

1

One person answered a question asking: 'If you could make one change to make it easier for people from under-represented communities to secure and sustain positions on public body boards, what would it be?' The answer was: 'Training in being an effective Board member and support once in post.'

Two of the three respondents said they would be interested in taking part in further research.



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