



# DIVERSITY AND INCLUSIVITY IN TAX

How racial diversity impacts the  
tax profession, and what we can all  
do to improve our awareness

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# Our approach to diversity

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## Identify and eliminate bias

Those readers who are CIOT or ATT members will already have seen in my remarks in *Tax Adviser* in July and August how my perception of my own privilege has been challenged over the last year, and my references to Matthew Syed's writings on 'collective blindness' brought about by a lack of diversity. But what can a professional body do to increase diversity?

Again, Matthew Syed has something to say on this. In 'Rebel Ideas', he suggests that organisations should embrace processes to eliminate unconscious bias; adopt 'shadow boards' of young people; and adopt what he calls a 'giving attitude'.

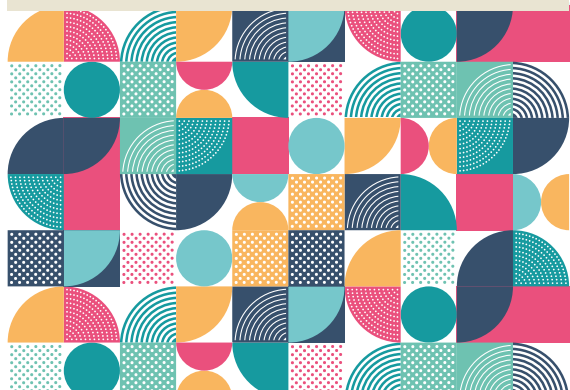
The CIOT has established a nominations committee to broaden the pool from which Council members are drawn, and to change the process by which Council members are appointed – the members of the committee will need to determine how these critical decisions can be made free of unconscious bias. Our joint CIOT and ATT Equality, Diversity and Inclusion Committee will consider how we can identify and eliminate any such bias throughout both charities.

We already have a New Tax Professionals Group; expanding its remit so that it can act as a 'Shadow Council' is certainly an idea worth looking at. We already know that the profession is in many respects more diverse at the younger than the older end, so such a body could be a bridge to greater diversity in the profession's leadership. We are looking at how volunteers and members engage with us across our activities and committees to ensure that all are given equality of opportunity to contribute. Our sense is that we can make improvements which will enrich the diversity of our membership and ultimately the consumer of tax services.

When Matthew Syed talks of a 'giving attitude', he means sharing ideas with other bodies. I am pleased that we already do this to a significant extent, through our collaborations with the Institute for Fiscal Studies, the Institute for Government, other professional bodies and academic institutions. However, we may need to consider outreach beyond bodies acting in similar fields if we are to truly fulfil our aims of educating the wider public on tax matters.

I do wonder, though, if there is a message for how the profession conducts business here. Would clients be better served if firms collaborated and shared ideas as a matter of course? The more widely an idea is shared, the more it can be tested and challenged; and debates with tax authorities can be more robust and efficient.

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## Visible and invisible diversity

Like many others, I have recently been educating myself on equality diversity and inclusion. In the difficult conversations that have been brought to the fore by recent events, there will be quite a few tax professionals who, by virtue of their visible traits, might automatically have been expected to know about certain things. Indeed, they may have been called upon to have these conversations. Such conversations are uncomfortable, from whichever side of the table you are sitting. The important thing, though, is that it is recognised that they have to happen if we are to grow in this global world that we now live in.

Part of my education has been in identifying what some experts call visible and invisible diversity. Many unconscious biases are initially triggered by first impressions, which are very often visual. Some individuals do not even have the privilege of sight.

As tax professional bodies, we recognise that our members work in results driven businesses. However, we have to appreciate that there is a human dimension behind such delivery. We need to try harder to recognise, respect and value the differences in people, and increase consciousness among ourselves where this is not always immediately apparent. Intersectionality is not just the new black, it is here to stay.

As Glyn says, we are trying to continuously improve our policies so that members, volunteers and staff feel valued both within their workplaces and in the wider society at large. We want to provide an environment where each person's identity can be celebrated and it is this rich tapestry that will help to facilitate the better delivery of our charitable objects.

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The four profiles featured on pages 4 and 5, reflecting the experiences of tax professionals from ethnic minority backgrounds, were originally published in the August issue of *Tax Adviser*.



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## A lack of Black role models



**Sofia Thomas**  
Director,  
Sofia Thomas

As with all individuals, my experiences in work reflect all parts my identity and not just my ethnicity. As I reflect on my challenges, it's hard to pinpoint which are most relevant for this piece. At the beginning of my career in tax, I struggled with the lack of Black partners to role model my career after. It reminds me of the now well-known belief that 'if you can't see it, you can't be it'. Unfortunately, this was being reinforced with a lack of Black speakers at tax events or in technical publishing. As a junior tax professional, I'd sometimes feel like an outsider at these events when I'd realise that I was only one of a handful of attendees from an ethnic minority background.

As an industry, I think we should be holding space for underrepresented affinities, not due to the affinity they represent but as they are subject matter experts. We know that diversity brings different perspectives and experiences and, as an industry, we need to hear from these thought leaders.

Part of hearing from new voices means that individuals who have previously held positions will need to make space for others. I saw a great example of this recently in Women in Tax, where a senior committee member announced that she would be stepping down to create space for a new member to step up.

Another great example includes the ATT delivering a talk on a career in tax at What Career Live. Initiatives like these can provide role models for young people considering a career in tax that I felt was missing at the start of my career.

Although I believe the tax industry can do more to engage diverse speakers and writers, my personal experience over the years has been that the tax community is incredibly kind and welcoming. I recall turning up to one meeting with former CIOT President Ray McCann with my son in tow, as childcare fell through at the last minute, and Ray didn't bat an eyelid! This kind of experience made me feel really accepted.

For younger professionals coming into the industry, I would urge you to find a sponsor and reach out to those in the profession who can offer guidance and support. (If you can't find one, email me!) One of things I wish I had known when I had started out is how kind and supportive much of the profession is. Just because you might not be able to see yourself in them doesn't mean they aren't waiting to welcome you in.

## BAME representation in tax



**Tasneem Kadiri**  
Tax Director UK & Ireland,  
L'Oréal

Statistics have shown that a white woman is twice as likely to reach the top three positions in a FTSE 100 company compared to an ethnic minority male and 20 times more likely than an ethnic minority female. As a Tax Director from an underrepresented group, I am often asked to speak on the topic of ethnicity. Ethnic minorities are still unrepresented in senior level roles, especially at Partner and Director level. While the tax profession is progressing in the diversity debate, there is still not enough being done to address the lack of representation of Black, Asian and ethnic minority individuals at senior levels. We have a long way to go to get to a truly diverse workforce in tax.

**My advice to companies:** Business in the Community ([www.bitc.org.uk](http://www.bitc.org.uk)) recommends organisations to sign up the Race at Work Charter, which makes five calls for action:

1. Appoint an Executive Sponsor for race.
2. Capture ethnicity data and publicise progress.
3. Commit at board level to zero tolerance of harassment and bullying.
4. Make it clear that supporting equality in the workplace is the responsibility of all leaders and managers.
5. Take action that supports ethnic minority career progression.

The Charter also calls for employers to capture and publish ethnicity pay gap data. I believe it won't be long before this becomes mandatory, just as for the gender pay gap. Currently, just 15 organisations are voluntarily publishing this information. The Charter also calls for employers to take the race at work survey.

**My advice to BAME tax professionals:** Building allies will help to create more BAME awareness. A great BAME ally is someone who is willing to take the time to educate themselves on BAME experiences. Allies need to be well informed on BAME issues to make better decisions for inclusivity. Supporting equality in the workplace is the responsibility of all leaders and managers.

**Challenge stereotypes in your own communities:** There can be stereotypes within some BAME communities. For example, in the Asian community it is more typical and expected that men will be the main breadwinners. As a result, ethnic minority women may face judgements from within their communities, especially if they are working mums, which can impact their confidence levels. Such obstacles make it even harder for ethnic minority women to succeed, as not only are they grappling with the obstacles in place due to the outside world but some may also be grappling with obstacles or lack of support from their own communities. If you do face these stereotypes, try to find support from positive role models, who will help you in times of challenge or self-doubt.

**Mentors, role models and sponsorship:** It is important that you have people that you aspire to and people who support you on your journey. Choose someone you look up to within the organisation to be your mentor. They will understand the culture and characteristics of the people you work with, helping you to see things in a different light and find solutions. Mentoring can particularly help people who are in the minority, or in more junior roles, to have greater influence and progress their careers.

**Understand the different levels of difficulties within the BAME community:** Within the FTSE 100 there are just 10 BAME leaders, with two widely represented (Hindu and Sikh), and only 1.4% of people are Black. This has to change. This is where the discussion of equality and equity comes in. Although both promote fairness, equality achieves this through treating everyone the same regardless of need, while equity achieves this through treating people differently depending on need.

## Offering opportunities to disadvantaged communities



**Ebrahim Sidat**

CEO, Signature Tax

Ebrahim runs the AMS Academy, taking talented youngsters from disadvantaged communities with limited opportunity and mentoring them into successful careers in accounting and finance.

**A**MS Academy offers school leavers an opportunity and pathway into accountancy and finance. We set it up for two reasons. The first was to address some of the issues we were experiencing recruiting the right candidate. There is too much focus on recruiting candidates that are the 'cream of the crop' in terms of academic grades. Each year, we see the largest organisations only taking candidates with the very top grades.

However, we see this as an outdated and flawed model. Exams do not recognise or value the softer skill set that is crucial for all great accountants. We believe more impetus should be placed on these softer skills early on, as they are usually forgotten and not developed until later within a career in accountancy. At AMS, we place far more emphasis on the client experience, as our client bank demands these skills from us as much as our expertise.

The second reason for setting up AMS Academy was so that we can give back and support our communities and local schools. This is extremely important to us; it is engrained in our strategy and DNA. We look to give back, to develop and help people and

causes wherever we can. We're a very diverse business and we try to support candidates with limited opportunities from disadvantaged backgrounds, mentoring them into successful careers in accounting and finance.

The Academy has been a pilot until now, where opportunities have been offered to candidates from disadvantaged backgrounds or to those that may have been knocked back from other organisations. Nine years ago, we took on Yasin, who was paying for his accounting exams himself whilst in another job. Yasin passed his exams but he lacked experience and found it very difficult to find a company to give him an opportunity. We took him on and developed his softer skill sets, helping to shape him over time into an excellent accountant. Today, he is an equity partner and lead partner of our Medical division here at AMS.

This is one of the earliest examples of how investment in a softer skill set has helped to shape and develop what we believe to be more well-rounded accountants. With what we've learnt to date, we're now in a position to build the AMS Academy, which is to be located next to our head office in Manchester. We're looking to create a facility that offers an in-house teaching programme combined with on the job training, so we can develop the right level of talent for the accountants of the future, to support our business and give our clients the support they deserve. As of next year, we hope to have developed a regimented programme delivered by a qualified trainer, where our students will receive lectures and revision sessions alongside on the job experience. We're looking at partnering with local schools to offer candidates the opportunity for a first-class experience to get into accountancy and finance.

## The challenges of relocating to the UK



**Tafadzwa Kativu**

Tax Assistant Manager,  
M+A Partners

**E**ight years working within the Zimbabwe Revenue Authority (ZIMRA) was the start of my journey within the tax profession. I qualified, worked as a tax auditor (inspector) and became a training officer in both direct and indirect taxes. I later found another relationship that would equally shape my long-term future when I fell in love with a girl who was based in the UK and relocated after our wedding in 2013.

Moving to the UK was extremely challenging. It meant leaving my family and friends and embarking on a search for employment within a professional environment that was very different from the one I had left behind in Zimbabwe. After unsuccessfully trying to find a suitable position for a few months, I enrolled for the Chartered Tax Adviser qualification. The CIOT was helpful in exempting me from ATT, on the condition that I passed the awareness paper first. I gained a pass despite the fact that I had to self-study as I could not afford to enrol on a taught course.

To my advantage, I had taught tax legislation for over three years and was pleasantly surprised that some of the case law (my favourite) was the same – though there are some differences, including tax treatment of concepts like rollover. I was employed in taxes in 2014 and continued to self-fund (hoping I would pass all three CTA exams in one sitting). I then realised that I would need to

pay for some revision courses (plus accommodation in London) and eventually I had to enrol on taught courses.

As a tax professional, I have never felt disadvantaged based on the colour of my skin. I work with an amazing team at M+A Partners in Norwich and am barely conscious of differences in skin colour or race as I interact with colleagues and clients. Unfortunately, this is not always the same away from work. A complete stranger once shouted a racist remark as they drove past me as I was cycling, which was a truly unpleasant experience.

However, I am mindful of cultural differences, having spent most of my life in Zimbabwe. I do wonder if I might convey a more relaxed and open persona in professional settings. I often have to choose between adapting in respect of societal values or maintaining my cultural values and norms. In Zimbabwe, making direct eye contact with someone older or more senior is a sign of disrespect and confrontation; while in the UK, direct eye contact is a sign of confidence, respect and truthfulness. I find myself making a conscious effort to look directly in people's eyes, reminding myself that this is not a confrontation but a way of engaging in receptive and honest conversation.

We all have a role to play in making this career accessible to the younger generations. It is so important to strengthen our relationship with those in education by targeting schools and colleges in predominantly minority ethnic communities, showing how individuals from a wide range of backgrounds and nationalities can find success in tax. I have recently signed up to volunteer as a member of the CIOT Corporate Taxes Subcommittee and whilst it is early days for me, I feel I can contribute to the development of tax law based on my experience of a different tax regime.

# Building a strategy for diversity

**Brenda Trenowden** examines the steps that will help you to build a diverse and representative workforce



**Name:** Brenda Trenowden CBE

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**Profile:** Brenda Trenowden CBE, former Global chair of the 30% Club, is a Partner in PwC UK within the people consulting practice.

Brenda helps clients with all aspects of workplace performance, culture and communication. Brenda has a particular focus on helping her clients to achieve better business performance by improving both the diversity and inclusiveness of their workforces.

Diversity and inclusion aren't new topics; however, in recent years, they have been creeping up the corporate agenda, and most recently have come under increased scrutiny in light of the Black Lives Matter movement. They are no longer seen as fluffy HR 'nice to haves'; they are key strategic focus areas which cannot be ignored. Regardless of size or sector, organisations have a responsibility to ensure that their workplaces are diverse and representative of the communities that they serve, and are inclusive for current and prospective employees. Recruiting from the widest possible pool of talent and then nurturing and developing that talent makes sense from both a business and perception perspective.

When it comes to diversity and inclusion, keeping pace isn't enough; you should be striving to lead the way. The following steps set out how to approach this.

## It all starts with the data

One of the key commitments of Business in the Community's Race at Work Charter is to capture ethnicity data and publicise progress. This is vital not just from a transparency perspective but also to understand your department or business. However, you can only ask employees to share this data voluntarily and must treat it as highly confidential under GDPR – so you will need a strong communications plan to encourage staff to do so. You need to understand your legal and data protection requirements and establish the right technology to collect the data, as well as being prepared to address staff concerns.

There's a comparison to be drawn with initiatives on climate and sustainability. When organisations first began to improve in these areas, they often discovered how much they *didn't* know about their performance. It was only after they committed to collecting the right data, and putting that to use, that they could identify and make progress towards meaningful sustainability goals.

The benefits of data collection apply across all other areas of diversity, be that gender equality, LGBTQ or disability status. The more you know, the more gaps you can identify and the more inclusion measures you can implement.



## Identify your biggest issues and challenges

Inclusion initiatives are more likely to succeed if there are clear targets set out at the start. To do this successfully, your actions must be identified based on the reality and situation of your organisation. As such, the first step should be to understand how your ethnic minorities are progressing within your organisation. To do this, you need to look at two types of diagnostics:

- **Quantitative diagnostics:** Interrogate your employee data (once ideally 80% of your employees have self-identified) and look for hot and cold spots across the key milestones/ moments that matter in the experience of ethnic minorities.
- **Qualitative conversations:** Talk to your people. It's important to understand the culture of your organisation and the lived experience of ethnic minorities in your workplace and identify where changes are required or would have the biggest impact. This needs to be a firm-wide effort, so be sure to investigate how experiences and culture differ between teams and functions. Don't shy away from what will often be difficult conversations.

## Focus on the actions that will have the biggest impact

Once you've identified your issues and challenges, and had those conversations with the workforce, it's time to develop an action plan.





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At an organisational level, diversity pay reporting is a crucial first step. At PwC, we have a longstanding commitment to transparent reporting of our ethnicity and gender pay gaps which goes beyond the regulatory requirements.

Beyond that commitment we have a five-point action plan to improve firmwide diversity and which includes:

- **inclusive leadership programmes** to help leaders at all levels create a culture where difference is embraced and equip them with the skills and knowledge to drive inclusion in their business;
- **senior level accountability** for delivering on publicly disclosed targets for both gender and ethnicity, aligning our accountability framework to both performance management and reward;
- taking steps to ensure we're providing **fair access** to the best work opportunities;
- **recruitment processes that are open and attractive to all**, for both student and experienced hires. We've invested in new tools to reduce unintended bias and are using data to monitor our progress; and
- **progression coaches** to provide career sponsorship and advice to high potential female and ethnic minority directors.

Whilst it's great if initiatives such as these are implemented at a firm-wide level, they can be just as impactful when delivered in a more bespoke way by individual departments or functions. Regardless of the size of the team, if there

are vocal and visible diversity advocates who are actively championing minority group inclusion and progression, you will see positive results.

### Set the tone from the top

We have learnt from experience that in order for change to succeed, setting the right tone from the top is crucial. You need diversity champions throughout the organisation – so your most senior leaders have a responsibility to role model this behaviour, and empower the functional leadership below them in order for this culture of inclusion to trickle down through the organisation. But be prepared that conversations on race and ethnicity will be new and uncomfortable for many leaders.

As a result, equipping your leadership team to positively lead and facilitate these conversations is vital. Once you understand the key issues in your organisation, you should identify the tools and support that your leaders need to ensure your actions succeed, so that employees feel your leadership is genuinely committed to creating true equality and inclusion in the workplace.

Look at your diversity strategy holistically. Think about your customers, your suppliers and your communities, as well as your staff.

Making diversity a priority is obviously the right thing to do from a moral standpoint but it's also good for business. Look at your supply chain: do they share your values and beliefs when it comes to diversity? When meeting the needs of a wide and diverse customer base, it's fundamental that you can demonstrate your commitment to diversity and inclusion across every part of your operating model. And doing so requires a company-wide commitment to inclusion – HR alone can't drive this shift. It takes a more strategic way of thinking, with support from the C-suite down.

Ethical and moral concerns are playing a greater part in customer decision making than ever before. Firms that have promoted inclusion have reported not only positive impact from a brand perspective but also purchasing intent from customers.

Be transparent, report and hold yourself to account. Identify the moments that matter. Listening to your staff and identifying the inclusion hotspots in the employee journey will help you to understand where and when inclusion is most at stake. Once you've established where you are, dedicating time and resources to invest in the right initiatives is essential. But don't expect to get it right the first time. Creating a diverse and inclusive workplace isn't a tick box exercise, and isn't something that can be done overnight. These things take time.

Ensure that you are continually reviewing your activities, tracking your progress and learning from your mistakes – and, most importantly, listening to your people. This may have the bonus side effect of driving commercial success but it is, at its heart, a people strategy. Without your people, your organisation is nothing. So listen to what they have to say, act on it and evolve. You'll see better staff retention, better productivity and a better workplace overall.



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