Diversity & Inclusion at MATCHESFASHION 2020

How we perform and where we are heading

Background

The appalling murder of George Floyd in May of this year and the global reaction which followed has caused countless individuals, institutions and businesses to pause and reflect; to ask themselves searching and uncomfortable questions about their assumptions, behaviours, and attitudes.

In early June, as the world was coming to terms with what had happened in Minneapolis and the Black Lives Matter movement gathered fresh momentum, our new CEO, Ajay Kavan, spoke to a number of Black colleagues about their experiences of the fashion industry. He was distressed by what he heard.

Ajay immediately committed MATCHESFASHION to three short-term actions:

1. To establish a Black Employees Forum and to work with its members to put in place an equality learning programme across the business;
2. To step up our efforts to achieve greater diversity among the designers we retail on our platform; and
3. To work harder to get better representation of different communities at every level of our business.

We also committed to publishing an annual breakdown of the designers we support by ethnic background and a breakdown of colleagues at different levels of seniority by ethnic background. This report includes both disclosures (pages 7 and 4 respectively). These will act as baseline measures, helping us to understand the starting point for the journey ahead as we formulate a comprehensive and thoughtful approach to improving our diversity and inclusion performance.

Reflections

George Floyd has prompted a global conversation touching all parts of society – from individuals to institutions to industry. Fashion in particular has had to confront some deeply uncomfortable truths. For a community that has championed so many progressive causes over the years, racial injustice has long been a blind spot in fashion. Countless stories have emerged from Black fashion industry workers who have been overlooked, insulted and marginalised.

Fifteen per cent of the models that walked the runway at the most recent New York fashion week were Black (broadly in line with the US population) but representation of Black people within the senior ranks of the industry does not begin to reflect wider society. The charge, then, is that the fashion industry capitalises on Black culture while preventing Black talent from wielding any real power or influence.

Perhaps more than any other industry, fashion is rooted in the ideas of exclusion and hierarchy. The clothes we wear are powerful statements of identity; they signal the groups we belong to and the ones we don't; what we value and what we reject. Fashion is probably the most intimate expression of status and social position.

The desire for self-expression is natural and universal but the global fashion industry, with its roots in the fashion houses of 19th-century Europe, continues to revolve around a central archetype: wealthy, white, and European. The result is an industry which has failed to keep pace with social change, and which remains culturally lopsided in terms of the communities it serves, the people it employs and the designers it supports.

The challenge for the fashion industry is to feel exclusive without excluding; to be discriminating without being discriminatory; to engage the elite without being elitist.

What our people say

The term 'microaggression' may be new to some, but for many Black people working in the fashion industry it's a daily occurrence. A microaggression is an incident regarded as an instance of indirect, subtle, or unintentional discrimination against members of a marginalised group.

Zhuri (not her real name) recalls one incident. 'Our team had to decide how to deal with a particularly difficult customer,' she recalls. 'Out of the blue, colleagues started suggesting I should be the one to sort her out. There was no reason for this. I am no better at dealing with difficult people than anyone else. The only explanation I could think of was the colour of my skin. I was expected to be aggressive, to be "sassy", to have a bad attitude.

'Sometimes you almost feel baited. At a previous employer I had a manager who was always trying to antagonise me, to coerce me into snapping. I recall being singled out for not wearing make-up, even though my white colleagues weren't wearing make-up either.'

Not all microaggressions are so explicit. 'When I travel to Paris and Milan, I feel I stick out,' says Jessica (not her real name). 'There are generally no verbal issues but it's the looks and expressions which make me feel out of place. My white colleagues don't notice it, but I do.'

The sense of otherness can sometimes lead to a kind of self-censoring. 'I feel a real obligation not to be accused of certain types of behaviour because I don't want to make things harder for other Black colleagues,' said Zhuri. 'When I get a new role, I try to minimise myself so as not to draw attention. Obviously, that has an impact on career progression.

'When you're a Black person you go through a kind of checklist, trying to understand why you're being treated in a particular way.' For Zhuri, this came to a head when she discovered she was being paid less than white colleagues with equivalent experience. 'I took it to HR and in the end, things were put right, but no one could really say why I was being paid less in the first place.'

The fashion industry can feel like a members' club, explains Maia (not her real name), who says it's linked to class. 'There's always more supply than demand, so only people who can be supported can stick it out. There's no accountability for this.'

Since the awful events of May this year, Zhuri says there has been a shift in the right direction. 'People are willing to learn,' she says. 'Colleagues are starting to realise the consequences of what they say and do, but people need to educate themselves rather than rely on Black colleagues.'

'I've seen quite a bit of tokenism,' says Maia. 'It's not about using more Black models or even employing a diversity officer. What we need is structural change, by which I mean a real commitment to inclusion, using all members of the team to their advantage; having people with experiences of different parts of the world, understanding different cultural needs.'

Towards a Diversity & Inclusion strategy

During July and August MATCHESFASHION conducted an inclusion survey among all employees. The purpose of the survey, which was anonymous, was to understand if colleagues at our various locations across London and in Hong Kong feel equally valued and included, and if not, where the issues lie and how they can be addressed.

We found that white, non-disabled men were most likely to feel included, while colleagues from Black, Asian and minority ethnic backgrounds felt less included, especially women of colour and Black women.

Three clear priorities emerged, each suggesting areas for action:

1. Improve representation across the organisation

Key actions
- Review end-to-end recruitment process, ensuring our methods are bias-free and inclusive
- Establish new entry pathways into MATCHESFASHION and into the fashion industry more generally

2. Helping people grow and progress their careers at MATCHESFASHION

Key actions
- Review and improve our current performance management and development approaches, with the emphasis on transparency and clarity

3. Demonstrating a meaningful, sustained commitment to Diversity & Inclusion

Key actions
- Design and roll out Annual D&I focused learning calendar
- Develop and set regular reporting and targets for diversity and Inclusion

We have resisted the temptation to rush out a new Diversity & Inclusion policy. We want to consult widely, reflect properly and develop a thoughtful and comprehensive roadmap. It is clear we have much work to do. We are determined to rise to the challenge, for the good of our people, our customers, our business and society at large.

Colleagues and ethnicity

In July and August, we conducted an ethnicity survey among our colleagues in order to build a picture of representation at different levels of seniority within the business. Using standard ethnicity categories, colleagues were asked to state which they identified with, and their level.

The completion rate was 65 per cent across the organisation, which is typical for surveys of this nature, although we would certainly like to achieve greater participation in the future. Of those colleagues who completed the survey, 40 per cent described themselves as white, 5 per cent Black, 11 per cent Asian, 4 per cent mixed/multiple ethnic groups, and 1 per cent Middle Eastern. The remainder preferred not to say or did not participate in the survey.
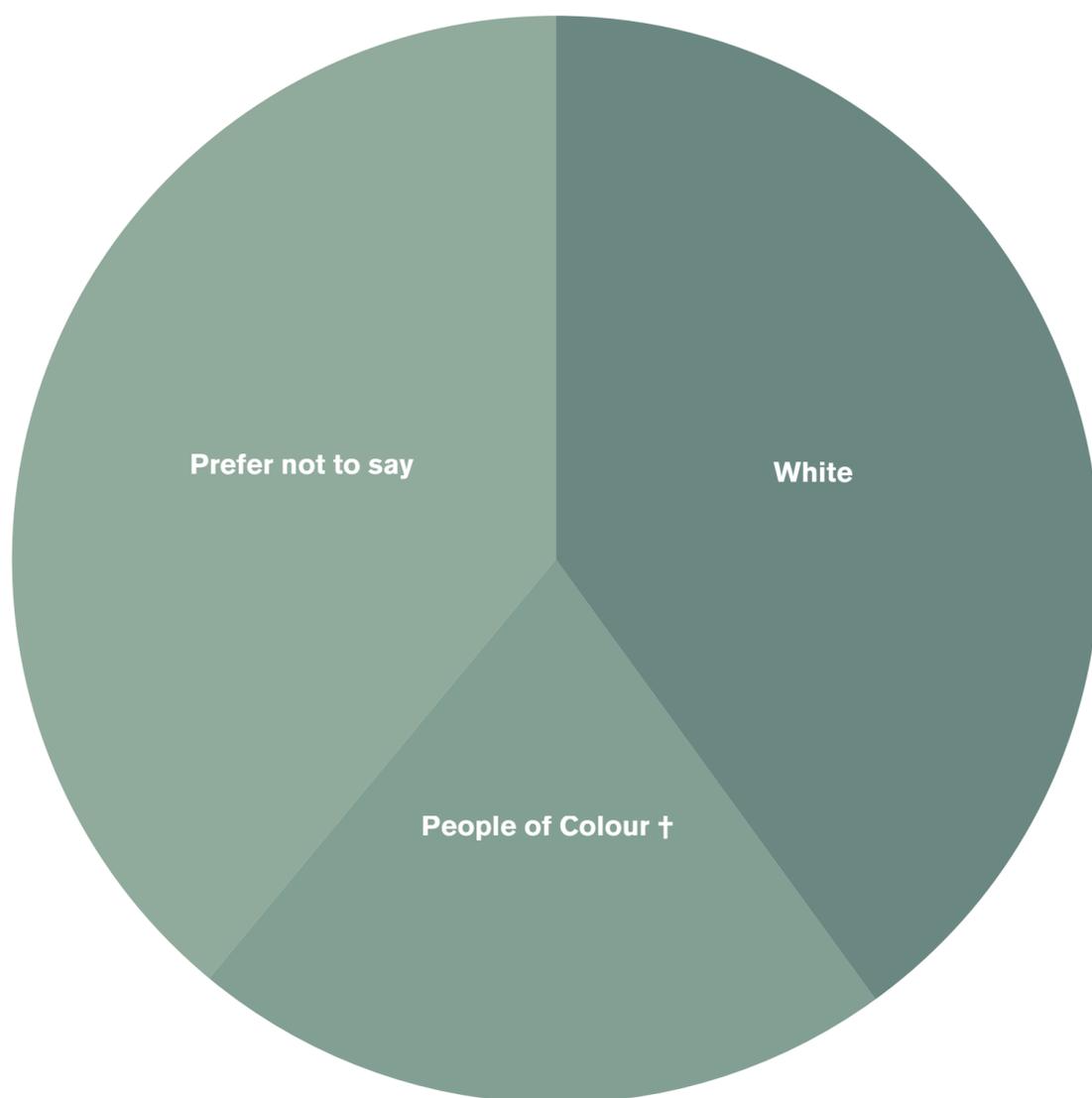
MATCHESFASHION Total Population:		Employee survey closed 7 August 2020
White	**40%**	Total employees: 734
People of Colour †	**21%**	471 people participated
Prefer not to say/did not disclose	**39%**	263 did not respond

A little over half of our colleagues are at entry level grades. Seven per cent of entry level colleagues are Black, 12 per cent are Asian, and 4 per cent are from mixed/multiple ethnic groups. A further 2 per cent are from other ethnic groups. Twenty-nine per cent of colleagues in this group are white. The remainder preferred not to say or did not participate in the survey. This group had the highest proportion of colleagues who did not participate and naturally this affects the meaningfulness of the data.

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Completion rates were higher at other levels – ranging from 72 per cent for mid-level grades to 80 per cent for the leadership and executive teams. Almost one in two colleagues at mid-level grades are white, 2 per cent are Black, 11 per cent are Asian and 4 per cent are from mixed/multiple ethnic groups.

There are no Black colleagues in the leadership and executive teams, nor any from mixed/multiple ethnic groups. Five per cent of colleagues in the leadership team and 10 per cent in the executive team are Asian.
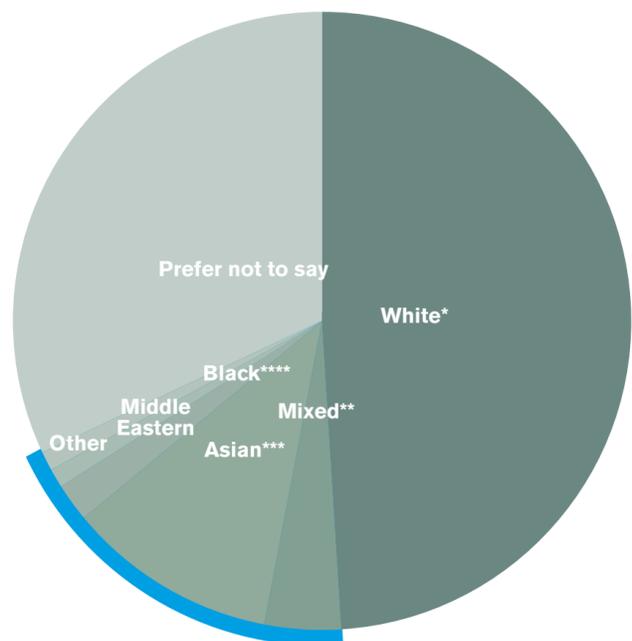
It is worth reiterating that these data points relate to the 65 per cent of colleagues who completed the survey.
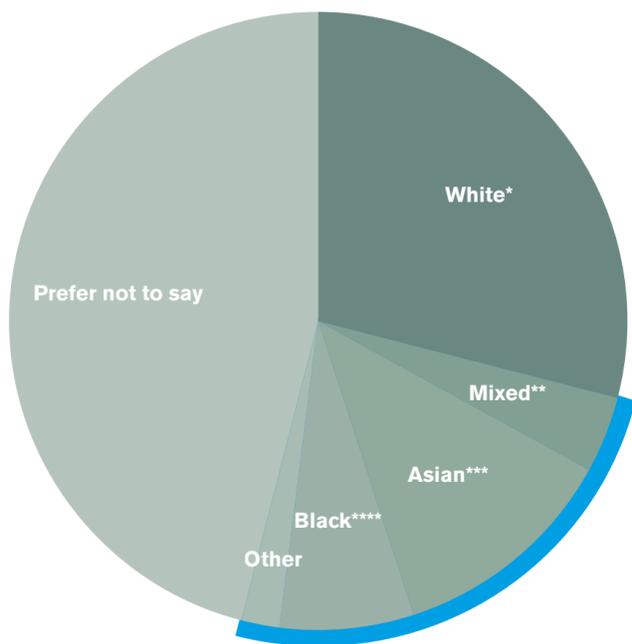
ENTRY LEVEL
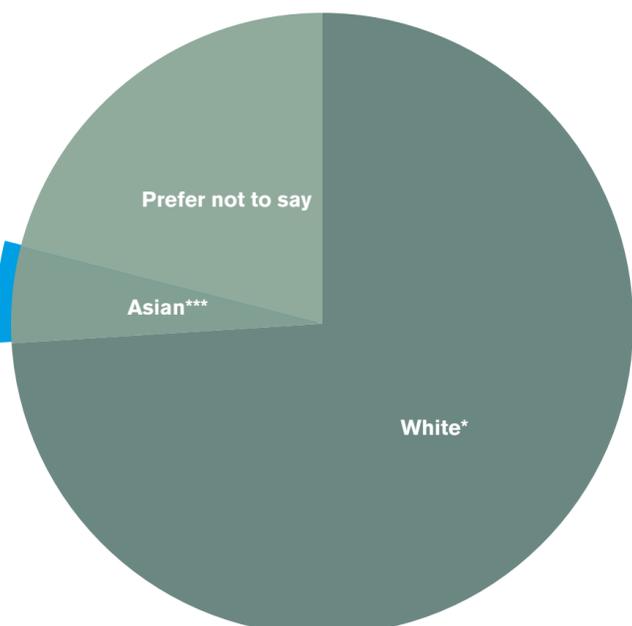**Percentage of total employee population: 55%**

●	White*	29%
●	People of Colour	25%
●	Mixed/multiple ethnic groups**	4%
●	Asian/Asian British***	12%
●	Black****	7%
○	Middle Eastern (including Arab)	0%
●	Other ethnic group	2%
●	Prefer not to say/did not disclose	46%

MID LEVEL
Percentage of total employee population: 38%

●	White*	49%
●	People of Colour	19%
●	Mixed/multiple ethnic groups**	4%
●	Asian/Asian British***	11%
●	Black****	2%
●	Middle Eastern (including Arab)	1%
●	Other ethnic group	1%
●	Prefer not to say/did not disclose	32%

LEADERSHIP
Percentage of total employee population: 6%

●	White*	74%
●	People of Colour	5%
○	Mixed/multiple ethnic groups**	0%
●	Asian/Asian British***	5%
○	Black****	0%
○	Middle Eastern (including Arab)	0%
○	Other ethnic group	0%
●	Prefer not to say/did not disclose	21%
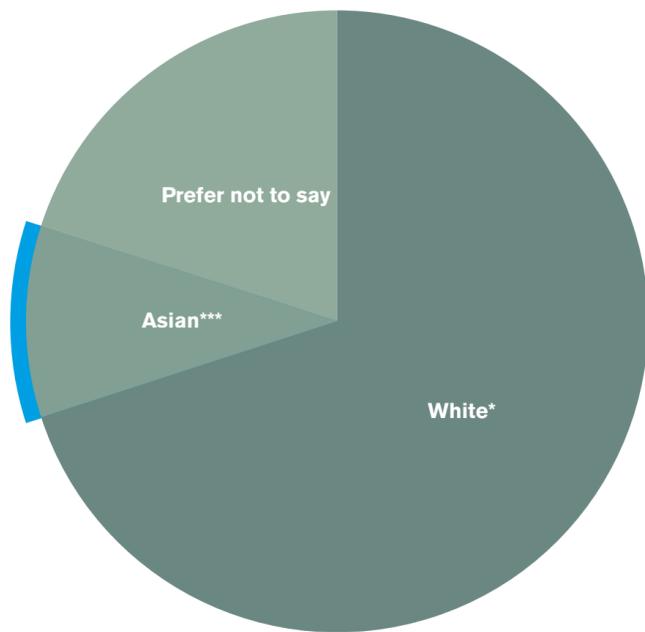
EXEC

Percentage of total employee population: 1%

●	White*	70%
●	People of Colour	10%
○	Mixed/multiple ethnic groups**	0%
●	Asian/Asian British***	10%
○	Black****	0%
○	Middle Eastern (including Arab)	0%
○	Other ethnic group	0%
●	Prefer not to say/did not disclose	20%

It's clear from this analysis that there is a distinct absence of diversity at senior levels within the organisation. It could be argued that we didn't need a survey to tell us that, but the exercise does give us a baseline from which to work and set goals for improvement.

Why are Black people absent from the senior ranks of MATCHESFASHION? Why are most leadership and executive roles occupied by white people? Are there structural biases in the way we recruit people and develop their careers? If so, what are the causes and what are the remedies? These are the central questions we will be addressing as we evolve our Diversity & Inclusion roadmap.

Designers and ethnicity

In addition to conducting a survey to understand the ethnic composition of our workforce, a similar exercise has been undertaken with the designers that we retail. This has been a more complex exercise for two reasons. First, the designers and brands we deal with are located all over the world, so the ethnic categories that are suitable for a predominantly UK-based audience (ie our colleagues) are not suitable for a global design community. We have addressed this by using standard global categorisations.

Second, while some of the collections we sell are the work of small owner-managed businesses, others are from large fashion houses where more than one individual may have been part of the creative process. For that reason, we have asked the person who has overall creative control for each of the collections we retail to complete the survey.

The completion rate for this survey was 69 per cent. As with the colleague survey, we hope to see improvements in subsequent surveys, but with responses from 492 designers we believe this is a good level of participation.

Fifty-eight per cent of the designers who responded to our survey are white; 15 per cent are mixed heritage, while 2 per cent are Black. Nine per cent are Asian and 5 per cent are Hispanic. The full breakdown can be seen below.
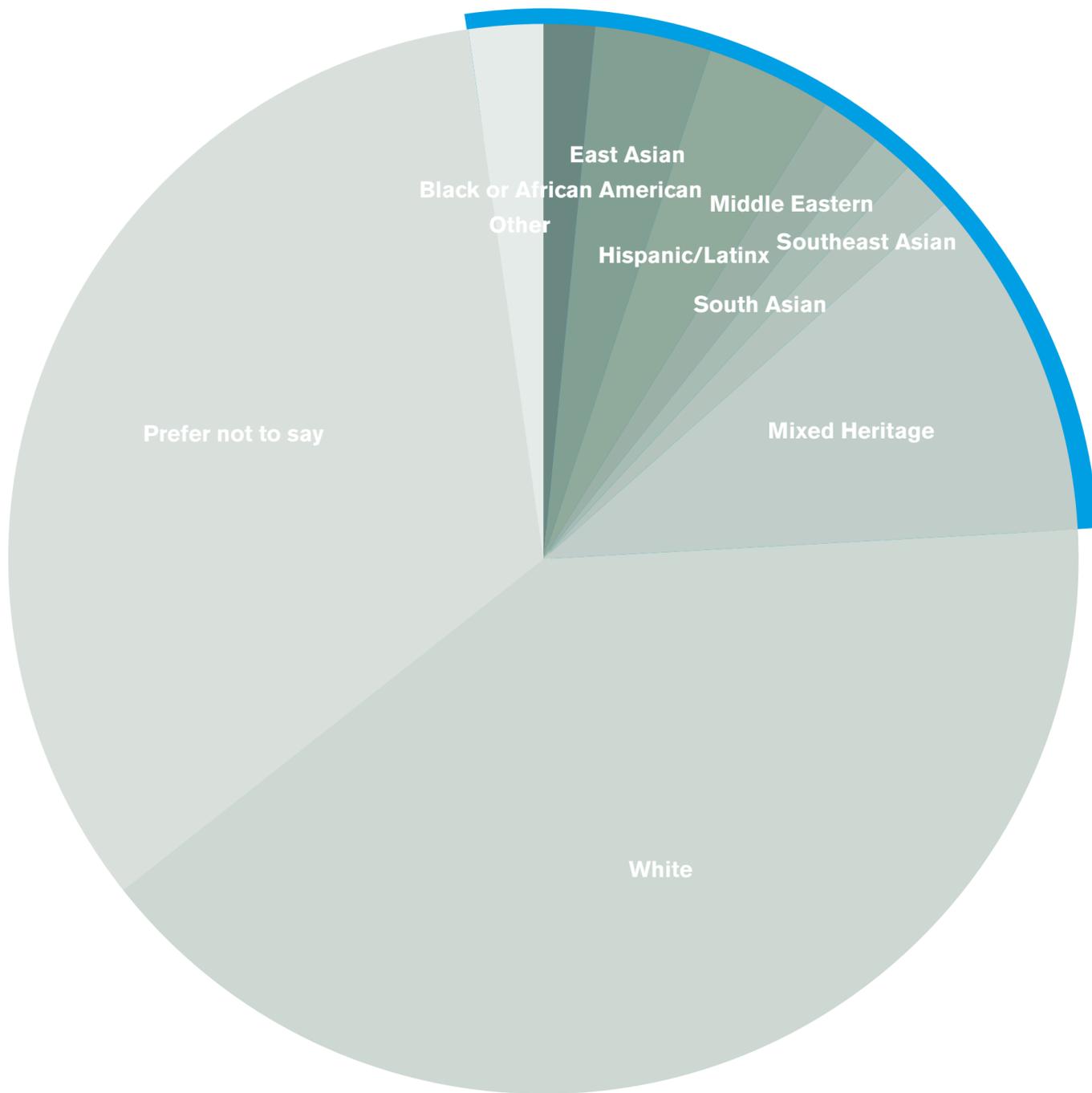
● People of Colour	27%	● Southeast Asian (including Burmese, Cambodian, Filipino, Hmong, Indonesian, Laotian, Malaysian, Mien, Singaporean, Thai, and Vietnamese)	2%
● Black or African American	2%		
● East Asian (including Chinese, Japanese, Korean, and Mongolian)	3%	● Mixed Heritage	11%
● Hispanic/Latinx	4%	● White (to include English, Welsh, Scottish, Northern Irish, British, Irish, Gypsy or Irish Traveller or any other White background	40%
● Middle Eastern	2%		
○ Native American/Alaskan Native	0%		
○ Pacific Islander	0%	● Prefer not to say/did not disclose	33%
● South Asian (including Bangladeshi, Bhutanese, Indian, Nepali, Pakistani, and Sri Lankan)	1%	● Other (please specify)	2%

Total:	
White	**40%**
People of Colour	**27%**
Prefer not to say/did not disclose	**33%**

Designers survey closed 24 August 2020

Total designers: 715

492 designers participated

223 did not respond

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It's clear that our design community does not reflect the global population. We are, of course, not alone. Bias has been institutionalised across the fashion industry over many decades. But this can't be an excuse for inaction. The fashion industry's leading players must face up to their shortcomings, set goals for improvement, and commit to meaningful and lasting change.

For our part, we will ramp up our efforts to review brands from Black and minority ethnic communities, with a short-term target of adding at least five new brands by the end of August 2021. In addition, we will continue to invest in our Innovators Programme, which supports promising young design talent, with a particular focus on under-represented groups.

This short report acts as no more than a pathfinder for MATCHESFASHION as we seek to become more conscious as a colleague community, more accountable as a management team, and ultimately, a better business.

† We've used the grouping People of Colour (POC) as it is a global and commonly understood term. Given the international nature of our business and footprint, this made most sense when comparing data and holding ourselves to account. At MATCHESFASHION, we believe in people first, which is why we prefer the term People of Colour, as we lead with the person, not by their characteristics. We recognise there is no universal approach to words and language, and that such groupings infer that being white is the norm and everything else is 'other'. However, to create action and measure progress, this worked best in helping us form appropriate data sets.

*White (to include English, Welsh, Scottish, Northern Irish, British, Irish, Gypsy or Irish Traveller or any other White background)
**Mixed/Multiple Ethnic Groups (to include White and Black Caribbean, White and Black African, White and Asian or any other Mixed/Multiple Ethnic Backgrounds)
***Asian/Asian British (to include Bengali, Chinese, Indian, Pakistani or any other relevant background)
**** Black/African/Caribbean/Black British (to include African, Caribbean or any other relevant background)

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