

Responsible Employment:

Sustainability, Worklessness
and Inequality.

In collaboration with:



SHERIDANS

Foreword



Lee Barron MP,
Corby and East
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The nature of work is changing, and with it, the responsibility borne by employers across the United Kingdom.

As we navigate a period defined by economic uncertainty, technological transformation and persistent labour market challenges, it is increasingly clear that the quality of employment matters just as much as the quantity of jobs created.

This report from the Better Hiring Institute provides a timely and important contribution to that conversation. It sets out a compelling case that responsible employment – rooted in fair access to opportunity, good work, inclusive practices and long-term workforce investment – is not simply a moral aspiration, but a practical and necessary foundation for economic growth and national resilience. In particular, the clear links drawn between responsible employment, productivity, worklessness and inequality should prompt both policymakers and business leaders to reflect on how these issues are addressed in tandem, rather than in isolation.

The UK continues to face entrenched challenges around economic inactivity, skills shortages and unequal access to opportunity. Too many people remain excluded from sustainable work due to health conditions, disability or systemic barriers within hiring practices.

At the same time, employers are under pressure to adapt to new technologies, shifting workforce expectations and rising costs. This report rightly argues that responsible employment offers a pathway through these challenges – aligning better outcomes for individuals with stronger performance for businesses and the wider economy.

I particularly welcome the report's focus on practical action. From improving hiring practices and supporting workforce wellbeing, to embedding responsible employment standards and leveraging public procurement as a driver of change, the recommendations outlined are both pragmatic and achievable. They reinforce the shared responsibility between government, employers and wider institutions to create a labour market that is more inclusive, more productive and better equipped for the future.

Importantly, this is not about placing additional burdens on business, but about recognising that good employment practice is intrinsically linked to long-term success. Organisations that invest in their people, remove barriers to opportunity and act responsibly within their communities are more likely to attract talent, drive innovation and build lasting resilience.

As policymakers, we have a role to play in setting the framework and incentives that enable responsible employment to flourish. But real progress will depend on leadership from employers themselves – embedding these principles not only in policy, but in everyday practice.

I commend the Better Hiring Institute for its leadership on this agenda and encourage all those with a stake in the future of work to engage with the findings of this report. By working together, we have an opportunity to build a labour market that works more effectively for individuals, businesses and society as a whole.

Introductions



Keith Rosser

Chair of the Better Hiring Institute
& Director of Reed Screening

Responsible employment is no longer a peripheral consideration for business – it is rapidly becoming a defining characteristic of resilient, sustainable and high-performing organisations. In a world shaped by economic uncertainty, technological disruption and shifting social expectations, the way employers engage, support and invest in their people is under greater scrutiny than ever before. Stakeholders – from employees and customers to investors and the wider public – increasingly expect organisations not only to deliver commercial success, but also to demonstrate clear social value, ethical leadership and a meaningful contribution to society.

This shift reflects a broader redefinition of what “good business” looks like. Financial performance alone is no longer sufficient to secure trust or long-term success. Organisations are now judged on how they treat their workforce, how inclusive and accessible their opportunities are, and how effectively they balance innovation with responsibility.

As such, responsible employment is moving from a “nice to have” to a strategic imperative, embedded at the heart of organisational purpose and culture.

At its core, responsible employment is about creating environments in which both people and businesses can thrive together. It includes fair and inclusive recruitment, meaningful investment in skills and progression, a strong focus on employee wellbeing and security, and a commitment to using technology in ethical and transparent ways. It also recognises the important role employers play in supporting social mobility, tackling inequality and contributing positively to the wider communities in which they operate.

This paper explores the critical connections between responsible employment, sustainability, worklessness and inequality, arguing that these are not standalone concerns but central to modern business strategy.

Evidence shows that organisations embedding responsible employment practices benefit from stronger engagement, improved retention and enhanced resilience, while those that fail to adapt risk reputational damage, skills shortages and a growing disconnect with workforce expectations.

As Chair of the Better Hiring Institute, I believe employers have both an opportunity and a responsibility to lead positive change. Responsible employment provides a clear framework for aligning commercial success with social impact and shaping a more inclusive, resilient labour market. This document aims to stimulate debate, challenge complacency and support organisations in building a fairer, healthier and more inclusive future of work.

What do we mean by a responsible employer?

A responsible employer is an organisation that:

- Recruits fairly and inclusively
- Provides good work, fair pay and job security
- Supports employee health and wellbeing
- Invests in skills, development and progression
- Uses technology and AI ethically
- Supports access to work for under-represented groups
- Acts responsibly across its supply chain
- Contributes positively to its community and the wider economy



What do we mean by a responsible employer?

There is an expected level of responsibility placed on individuals in society, however for some reason, this expectation is not always applied so readily when it comes to businesses – looking after the environment and its employees is seen as something nice to do and sold as a competitive advantage, as opposed to being just the bare minimum requirement of operating a business.

In parallel, the UK faces a long-running workforce productivity crisis that threatens economic growth, living standards, and business competitiveness.

This document sets out the case discussed by the Modernising Employment APPG that responsible employment practices – those that prioritise Good Work, employee wellbeing, strong governance, skills, and long-term value creation – are not a cost or distraction, but a core solution to this productivity challenge.

As Teresa Boughey stated, “Responsible employment is one of the most powerful levers we have for building productive, inclusive, resilient and future-ready organisations.” At a time when the UK faces a workforce productivity crisis that threatens economic growth, living standards and business competitiveness, this document sets out the case for responsible employment as a catalyst for long-term value creation and sustainable economic success.

The business benefits of being a responsible employer are evident. Responsible employment improves productivity by raising employee engagement, reducing absence and turnover, accelerating skills development, improving innovation and technology adoption, and strengthening organisational resilience.

Organisations that embed social responsibility and ESG principles consistently outperform peers on productivity, profitability, and long-term financial performance.

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Teresa Boughey

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What do we mean by a responsible employer?

Responsible employment improves productivity by raising employee engagement, reducing absence and turnover, accelerating skills development, improving innovation and technology adoption.



Evidence shared at the Modernising Employment APPG session highlighted areas where business practices in the UK may still not be responsible or sustainable, such as:

- Disabled people are 3 times more likely to be economically inactive than non-disabled people
- 65% of people from ethnic minority backgrounds say they have experienced discrimination when applying for a new job
- 20.8% of working-age people in the UK are currently economically inactive

What does it take to be a responsible and sustainable employer?

During the session, Teresa Boughey highlighted that frameworks like the United Nations Sustainable Development Goals (“UN SDGs”) can be helpful – not as a reporting exercise, but as a shared language for what good looks like.

Decent work, gender equality, reduced inequalities, climate action and sustainable economic growth are not abstract concepts.

These principles show up in everyday employment decisions. How people are treated, paid, developed and valued at work either advances these outcomes or undermines them.

Here are some examples of how frameworks like the UN SDGs can guide employers on the path of being responsible and sustainable:

Goal 3: Good Health & Well-being

Ensuring your employees have access to the right tools to support their well-being, and are afforded a work-life balance, are fundamental to being a responsible employer.

This also helps to avoid employee burnout and stress, which is a leading cause of long-term economic sickness and drives an unsustainable business.

What does it take to be a responsible and sustainable employer?

Goal 8: Decent Work & Economic Growth

When organisations prioritise employee fair pay, safe working conditions, and inclusive workplace cultures, along with good hiring practices, they contribute to stronger, more productive workforces and reduce inequalities in the labour market.

Good hiring practices – such as transparent recruitment, unbiased selection processes, and equal access to opportunities – reduce inequalities and strengthening labour market participation, which in turn supports long term economic resilience. In essence, treating people well is not just good practice; it's a core component of building a thriving, sustainable economy.

Goal 12: Responsible Consumption & Production

Large businesses in the UK are already required by law to demonstrate how they are working toward a sustainable, net zero future. By incorporating a responsibility for the environment into their strategy – such as maintaining a clean/healthy environment or minimising overconsumption in operations - this will ensure that the business is supporting the long-term sustainability of the planet, as well as potentially benefitting from efficiency improvements and cost reductions.

Jungle HR Ltd has produced [‘A Leader’s Guide to Becoming a Responsible Employer’](#) which expands on the understanding around the UN’s sustainable development goals, and provides a Sustainable Impact template for employers to use.

How do responsible employment practices address the UK's worklessness crisis?

By enacting responsible employment practices such as those listed above, UK employers should be able to drive change.

The APPG discussed how the UK recently reached a record 2.8million working-age people who were economically inactive due to long-term sickness, with the most common cause being mental health challenges.

Additionally, disabled people face a disproportionate likelihood of being economically inactive, in part because the UK employment landscape is not equipped to support people with disabilities into good, sustainable work.

If all UK employers could operate responsible employment practices, this would potentially address some of the barriers to sustainable work that are otherwise driving people into economic inactivity.

For more information on the different types of barriers individuals face when looking for employment, you can view the range of discussions and outputs from the Modernising Employment APPG via the [Better Hiring Institute's Resource Hub](#)

What is already being done?

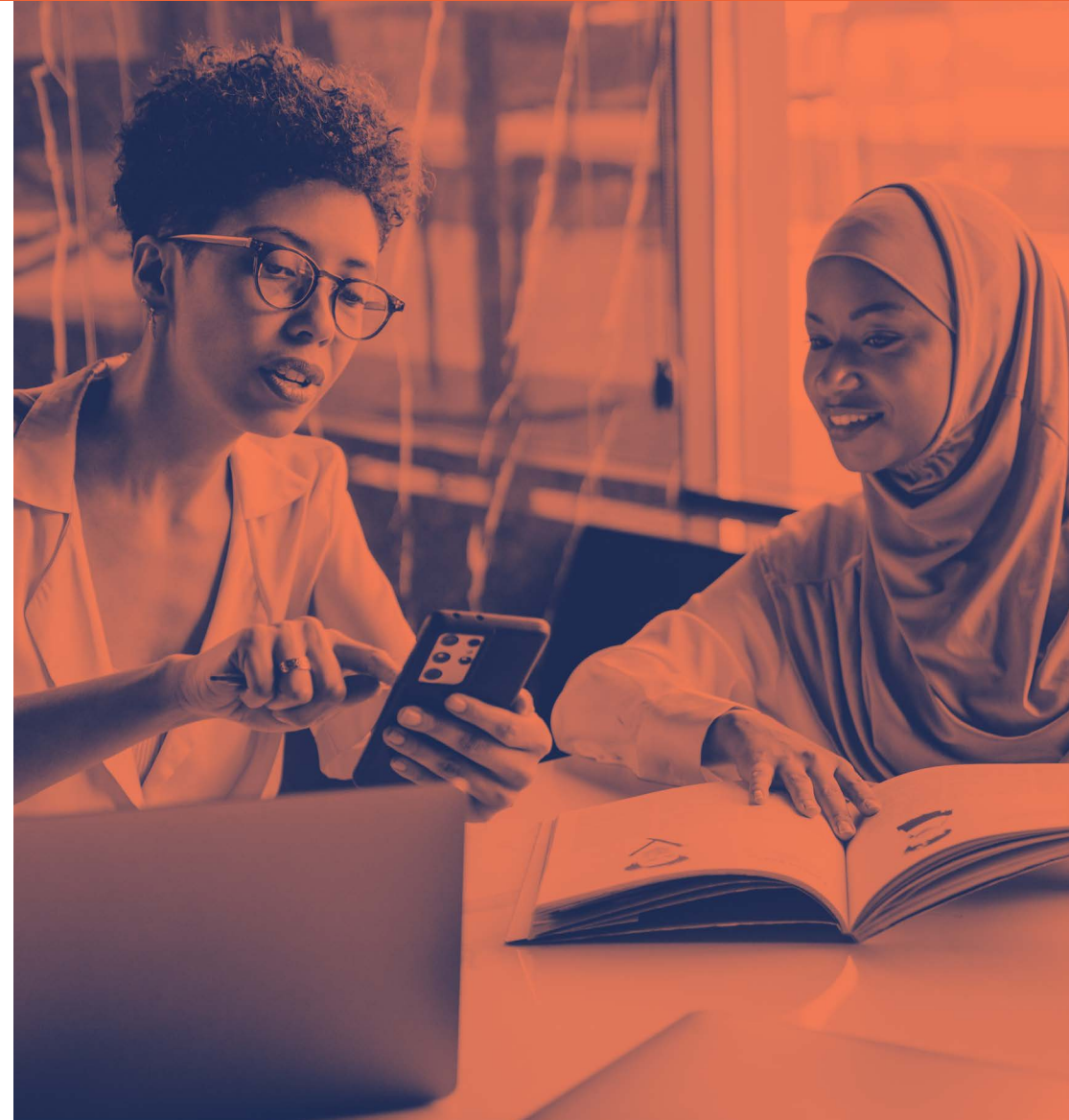
Many employers are already doing positive work in this space, some which is highlighted in this section.

In the UK, employers already have a plethora of accreditations and standards to align with on their journey to being a responsible employer.

Of particular interest to this audience will be Disability Confident, Race at Work Charter, Mindful Employer, Armed Forces Covenant, Living Wage Employer and British Association for Supported Employment, to name a few.

The challenge that employers will face, especially smaller employers will be the number of options available, and the time and resources required to research and implement each of these standards.

The Modernising Employment APPG session discussed this, and subsequently recommends that the Better Hiring Institute uses its Better Hiring Charter to develop an overarching set of standards that will enable businesses to ensure they are on the right path to being a responsible, sustainable employer.



What is already being done?



The APPG for Women and Enterprise have published their findings and recommendations on the Future of Female Entrepreneurship – Strategies for Scaling Up.

This report makes recommendations including that all government-backed business funding programmes should include sustainability disclosure requirements, and the introduction of economic incentives for responsible businesses that adopt ESG-aligned practices.

The UK government has recently outlined a pathway in its Keep Britain Working paper to help address the economic inactivity crisis. Responsible employers are key to delivering this. It includes responsible practices from the beginning (the recruitment and onboarding stage) through to exit and re-employment.

For more information on the government's proposals, see [Keep Britain Working: Final report – GOV.UK](#).

The UK government has also made it clearer to businesses what is expected of them as a responsible employer with the recently passed Employment Rights Act 2025.

Uplifted rights for employees are outlined in this Act including some rights becoming 'day one rights' and the establishment of a Fair Work Agency.

Examples of businesses being responsible employers

Big Give have recently launched the PhilCo movement ('philanthropy company') which is a community of businesses that are at least 10% owned by a charitable foundation.



"When it comes to worklessness and inequality, the key is meeting people where they are"

Alex Walker – Tandem Bank



This structure incorporates philanthropy and doing good into their overall business.

See more here: [PhilCo.org.uk](https://philco.org.uk)

During the session, Alex Walker, of Tandem Bank, said "when it comes to worklessness and inequality, the key is meeting people where they are".

Examples of initiatives that Tandem Bank offer to ensure they are a responsible and sustainable employer include:

- Virtual interviews for candidates (saves emissions and often more convenient and less cost prohibitive for the candidate),
- Providing employees with (paid) volunteering days,
- Planting a tree for every new starter, and through use of a corporate travel booking platform called Train Hugging,
- Actively participating in local community projects such as school careers fairs, and
- Placing a strategic focus on internal mobility and promotion from within.

Examples of businesses being responsible employers

KERB Group “treat purpose as something structural” states Kye Lovelace.

“When employees see that sustainability and equity still hold weight under pressure, trust increases. And trust is what keeps people engaged, committed, and aligned with where the business is going”.

Here are some examples of what KERB do to be a responsible employer:

- Partner with social enterprises to deliver structured work experience,
- Offer access to work programmes especially to those who have been long-term unemployed, with a commitment to good sustainable work, and
- Ensuring consultation with employees on key decisions, focused not just on numbers but values also.



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“When employees see that sustainability and equity still hold weight under pressure, trust increases. And trust is what keeps people engaged, committed, and aligned”

Kye Lovelace - KERB Group

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Conclusion

“Responsible employment is no longer a nice-to-have” as Teresa stated. It is an engine of productivity, resilience, growth and public trust.

**If we want a stronger economy,
we need strong employers.**

**If we want fairer outcomes,
we need inclusive workplaces.**

**And if we want a sustainable future,
we need businesses that take responsibility
for the full impact of their employment
decisions on their employees, their
customers, the products and services,
and the communities they serve.**



Recommendations

The recommendations from this paper are split across several areas and stakeholders:

Strengthening National Policy and Strategy

Responsible Employer Standards – owner: Better Hiring Institute

For the Better Hiring Institute to expand the scope of the Better Hiring Charter to include Responsible Employer Standards, providing employers with a clear and practical framework for demonstrating responsible employment practices across their organisations.

These standards would extend beyond hiring processes to include fair employment conditions, inclusive progression, ethical use of technology and AI, workforce wellbeing, and responsible employment practices within organisations and across supply chains, reflecting the responsibilities organisations hold both as employers and as participants in wider economic systems.

Responsible Employment and Government Growth Funding – owner: UK government

For the UK Government to incorporate responsible employment criteria within business growth funds and investment programmes, ensuring that public funding supports organisations demonstrating responsible employment practices alongside financial performance.

Responsible Employment within the National Hiring Strategy – owner: Better Hiring Institute

For the National Hiring Strategy to explicitly position responsible employment as a driver of national productivity, workforce participation and long-term economic resilience.

Improving hiring outcomes requires not only effective recruitment processes but also high-quality employment practices that support retention, progression and workforce wellbeing.

Recommendations

Strengthening Employer Practice

Practical Responsible Employer Actions – owner: Employers

For employers to implement practical responsible employment initiatives that improve accessibility, opportunity and workforce participation, including:

- virtual or flexible interview processes to improve accessibility
- providing paid volunteering days for employees
- participation in community initiatives such as school careers programmes
- a strategic focus on internal mobility and promotion from within
- partnerships with social enterprises to provide structured work experience
- access-to-work initiatives supporting individuals returning after long-term unemployment
- meaningful consultation with employees on key organisational decisions.

Good Hiring Practices – owner: Employers

For employers to ensure that hiring and employment practices are fair, transparent and inclusive, including:

- equitable pay and reward practices
- responsible and fair payment practices for sickness and other leave types
- inclusive recruitment and employment policies
- ethical and transparent use of technology and AI in hiring
- training and development for managers responsible for recruitment and people leadership.

Employer Commitment – owner: Employers

For employers to demonstrate their commitment to responsible employment by signing the Better Hiring Charter and embedding responsible employment practices across their organisations.

Supporting Economic Participation – owner: Employers

For employers to strengthen workplace health and inclusion policies to support reductions in economic inactivity, including fair sickness absence policies, reasonable adjustments and proactive support for individuals with disabilities and long-term health conditions.

Recommendations



Leveraging the Wider Economic System

Responsible Procurement – owner: Public Sector procurers

For contracting authorities and public bodies to utilise the provisions within the Procurement Act 2023 to recognise responsible employment practices as part of supplier evaluation and contract delivery.

Public procurement represents a significant lever for shaping labour standards across supply chains. As every organisation sits within someone else's supply chain, employment practices in one organisation influence expectations and standards across the wider economy.

Responsible Leadership Capability – owner: Professional Bodies and Academia

For professional bodies such as the Institute of Directors, CMI and universities to include responsible employment and workforce governance within leadership development programmes, ensuring that directors and senior leaders are equipped to oversee these matters effectively.

Responsible Investment – owner: Investors and Financial Institutions

For investors and financial institutions to incorporate workforce and responsible employment metrics alongside financial indicators when evaluating long-term business resilience, productivity and sustainable growth.

About Us



[The Better Hiring Institute \(BHI\)](#) is a not-for-profit social enterprise driving the development of a modern, agile UK labour market, accelerating economic recovery.

Working closely with all the major UK industries, The BHI is driving standardisation, best practice, and digital innovation to reduce hiring times, enable portability, and improve safeguarding. Cross industry themes include digital standardised referencing, open banking, digital right to work checks, education credentialing, and digital identity.

The BHI is already working with many of the UK's largest, household names making UK hiring the fastest globally.



[Reed Screening](#) are the leading specialists in pre-employment vetting and are at the forefront of influencing regulation and industry change.

Reed Screening are the only UK, onshore screening company who are open 24/7, they are family owned and give 20% to charity. Their business never sleeps so if you ever need them, they're available.

Their vision is to 'pioneer the future of hiring' by collaborating with government bodies and industry leaders to bring about change.

SHERIDANS

[Sheridans](#) is a leading UK law firm specialising in advising clients across the media, entertainment, technology, and creative industries. Known for its deep sector expertise, the firm supports a diverse client base including global brands, production companies, talent, digital platforms, and investors.

Sheridans provides a full range of legal services, from corporate and commercial advice to dispute resolution, intellectual property, and financing. With a reputation for combining legal excellence with commercial insight, the firm helps clients navigate complex, fast-evolving industries and unlock new opportunities in the creative economy.

About Us



[Enterprise Mobility](#) is a forward-thinking organisation dedicated to transforming how businesses enable work on the move. We provide secure, scalable mobile solutions that empower teams to stay connected, productive, and agile– anytime, anywhere.

By combining innovative technology, user-centric design, and robust data security, we help organisations modernise operations, enhance collaboration, and unlock new efficiencies in a rapidly evolving digital landscape.



[Jungle HR Ltd](#), founded by Teresa Boughey, is an inclusive consultancy specialising in equity, diversity, and inclusion (EDI). The organisation partners with businesses to build fairer, more inclusive workplaces through evidence-based strategies, training, and leadership development.

Combining lived experience with data-driven insights, Jungle Consultancy supports organisations in driving meaningful cultural change, improving employee engagement, and achieving sustainable, inclusive growth.