



DIVERSITY PROJECT



BUILDING INCLUSION IN
INVESTMENTS & SAVINGS

GENDER BALANCE BY DESIGN

Leading the way towards gender balance
in the investment and savings industry.

October 2021

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FOREWORD

I undertook a simple exercise over the summer, taking the Diversity Project member firms’ gender pay gaps published over the past four years and compiling a spreadsheet to track overall progress in the industry since 2017. It was a sobering experience, as I entered each number - as high as 80% for bonuses - and calculated the modest overall progress made.

The mean salary pay gap has narrowed from an average 31.5% to 27.7% and the bonus pay gap from 56.2% to 50.1%. Progress, yes, but those gaps remain outlandishly high, especially compared with other sectors.

And yet... I know that over the same timeframe, the commitment to gender balance in the investment and savings industry has grown to the point where it is genuinely strong, particularly at CEO level. The pandemic has only reinforced that commitment; the well-documented disproportionate impact on women has focused minds and management attention. If anything, remote working has helped us to understand each other on a more human level.

So, is the gender pay gap data merely lagging all the efforts? Rather than merely assume that, the Diversity Project decided to look more closely at what firms in the industry are doing to translate their commitment into results. I’m an admirer of Professor Iris Bohnet’s book ‘What Works; Gender Equality by Design’, which explains how progress towards gender equality can best be achieved by making systematic ‘design changes’, so we asked members to tell us how they have been changing the system and processes at their firms to improve gender balance. The case studies that we have gathered cover different stages of lives and careers (for example, recruitment and promotions, dealing with maternity and the menopause), aspects of culture (such as CEO commitment and reverse mentoring), practical support (e.g. parental leave, flexible working)

and also the data that helps firms best understand how their efforts are faring.

Some of the actions have been in place for a while and already made a strong impact; others are newer. What struck me as I wrote or read the accounts was that firms have become much bolder and more innovative in their attempts to solve a long-standing problem. These are not ‘around the margins’ efforts; they really are aimed at changing a system that has clearly fallen short in attracting and developing female talent. I have been hugely encouraged by the examples shared, and confident that if more firms make design changes like these, the gender gap - and pay gaps - will narrow sharply.

This compendium is a live document; we have compiled examples but know that this is not an exhaustive list. If your firm is doing something that is having a positive effect on gender balance, please get in touch to share it by contacting us at info@diversityproject.com.

I am enormously grateful to those who have taken the time and trouble to share their case studies, and to the team of Diversity Project Ambassadors, led so ably by Caroline Bradshaw, Ilona Sediha and Shehzad Abbasi, who worked hard with the team to track down the best examples and to write them up. The accounts are truly inspiring - I hope they encourage others to follow suit.

Baroness Helena Morrissey
Chairwoman
The Diversity Project

BGF

TAKING A LEAD IN FEMTECH INVESTMENT

BGF is an equity investor with a difference – it always takes minority stakes in the businesses it backs, it has a regional network of 16 offices in the UK and Ireland, and it has invested in more than 400 companies to date, making it the most active growth investor in the world. In July 2021, BGF was the lead investor in a £58 million funding round for Elvie, a female technology (“femtech”) business that has developed products including Elvie Trainer, an award-winning app-connected Kegel trainer that helps women strengthen their pelvic floor, and Elvie Pump, the world’s first silent wearable breast pump. Femtech describes products, services, software and diagnostics that use technology to focus on women’s health issues (for example, fertility solutions, period-tracking apps, pregnancy and nursing, women’s reproductive health, the menopause). Femtech is an emerging sector attracting considerable investor interest, but it can be challenging to secure investment in femtech companies because of taboos surrounding women’s health, and an unfamiliarity, among male investors, with the problems these companies aim to solve.

Initiative

Daina Spedding, Bethany Shiers and Lucy Edwardes-Jones – a team of three investors at BGF – were excited about what Elvie was doing. After meeting Elvie’s CEO, Tania Boler, they became increasingly keen that BGF should invest in the business, ideally as the lead investor in the forthcoming funding round. There were several attractions to the business, including:

- Social impact: Elvie is a mission-led business led by a management team that is 62% female. It is committed to having a positive impact on women’s health.
- Unique products: Elvie’s highly differentiated devices are distinctive, disruptive, IP-protected, FDA-approved and app-enabled.
- R&D expertise: The team of roughly 80 include many ex-Dyson engineers who are based at its Bristol facility.
- Track record: The business has achieved rapid growth, diversifying across product areas, geographies and channels.

- Brand resonance: Elvie’s mission resonates with a very wide audience, has a loyal social media following, endorsements from trusted organisations, and enjoys very positive customer reviews.
- Passionate team: The staff at the business are talented with a deep resource of expertise and experience.

Impact

BGF’s key role in this transaction has had several significant positive impacts, both internally and externally. Elvie’s mission has captured the imagination of staff across the company and the team of Spedding, Shiers and Edwardes-Jones received many positive messages of support. The deal has generated heightened enthusiasm to build the company’s femtech portfolio. The deal has also added momentum to BGF’s ambition to back female-led businesses. BGF has already been named the UK’s most active investor in female-led scaleup, by the ScaleUp Institute. The Elvie deal helps to drive this agenda, providing role models to other female entrepreneurs and female investors.

The deal also supports a venture that BGF has launched in partnership with Coutts called the UK Enterprise Fund, which has a specific goal of supporting diversity in British entrepreneurship. Part of BGF’s investment in Elvie came from the UK Enterprise Fund, which provides private clients with access to privately held, disruptive and diverse companies that are revolutionising their industries. The publicity around the deal also helps to encourage more women to join BGF’s investment teams, aiding the



£58 MILLION

Raised by Elvie, a revolutionary femtech brand, in a funding round led by an all-female investment team from BGF

Challenges

Because of taboos surrounding women’s health, Spedding, Shiers and Edwardes-Jones say they initially encountered some awkwardness in discussing the details of the Elvie investment in a formal context. To explain to male colleagues how the products worked, it was necessary to go into more detail than would normally be necessary when discussing the products with other women.

In addition, the amount of investment required to make BGF the lead investor in the round, and also gain BGF a seat on Elvie’s board, was at the top of what BGF typically invests in any one deal. This naturally required a high level of due diligence.

However, the team of Spedding, Shiers and Edwardes-Jones were convinced that BGF would be the right cultural fit with Elvie. BGF’s Investment Committee, which includes executive chairman Stephen Welton, agreed. Following the investment, Daina Spedding joined Elvie’s board as non-executive director.

Final word

“The all-female investment team was so passionate about this opportunity, so convinced about the attractiveness of the deal and the potential for the company, that it became quite contagious. Their enthusiasm created a chain reaction and changed the dynamic around how these types of opportunity are now perceived. A diverse entrepreneurial base is important for the UK economy and can undoubtedly help to create commercial benefits in business. That recognition is certainly contributing to a positive turning point in the equity industry.”

Stephen Welton
Executive Chairman, BGF



CEO COMMITMENT, RICHARD CHARNOCK

Richard’s commitment to sustained action to improve diversity in his own business and the wider industry stems from three motivations. First and foremost, he has always been interested in the ‘human side’ of business, noting ‘you quickly learn that people are not one-dimensional’. As Richard saw the lack of representation of certain groups of people across the industry, he began to wonder why, and what could be done about it. Second, he realised early on that diverse teams – including gender balanced teams – performed better. He was interested in the data and the science behind this. Finally, he realised that the situation was not going to improve by itself, that something needed to be done – and that could start with his own efforts.

Objective

To lead by example and ensure the principles of diversity and inclusion and are embedded from the top.

The initiative

Richard realised he needed to have a proper framework around efforts if they were going to be effective. He mirrored principles behind initiatives from both a firm and industry level in his own programme, starting with purpose. His goal was to build diversity and inclusion into every aspect of what is done day-to-day within his business. This would inevitably involve multiple initiatives.

Richard realised that some members of the team simply had less understanding of the issues and introduced opportunities for diverse talent to bring their experiences to life through story-telling to improve awareness. Richard also introduced diverse interview panels for recruitment, to break the cycle of ‘same old, same old’. CVs were judged ‘blind’, with identifying information withheld so that backgrounds, gender and ethnicity of candidates were not disclosed.

To encourage everyone to ensure they made others feel valued in how they were treated and talked to every day, Richard introduced inclusivity into objectives and appraisals. He kept learning more about the issues, volunteering for reverse mentoring (see separate case study), which he found to be remarkably powerful. His mentor is a young ethnic minority woman, whose perspective helped Richard to understand white privilege which he felt had not understood before.

Hearing her perspective, and struggle over ‘I cannot be what I cannot see’, he now has a clearer sense that this applies to everyone who is in a minority group. The experience has reinforced his commitment and desire to keep making progress.

Impact

Richard notes that his own commitment to improving diversity and inclusion has coincided with increased efforts across the entire industry. As he puts it, “five years ago D&I was done off the side of the desk. Since then, the industry has moved light years forward. We might feel discouraged that we might not have reached the goals we set ourselves at the outset but we have definitely gone past the phase of making commitments and are now at the implementation and outcome stages.” He held a D&I ‘lunch and learn’ session recently and ‘90% of the company was there – it would have been just 20 people five years ago.’

Richard’s openness and commitment to the issue has also encouraged minority groups to talk to him about the issues they are facing. In particular, he has become more aware – and helpful in overcoming – the imposter syndrome, often suffered by women. Women comprise 40% of the 10-strong leadership team and Richard has discussed this issue in general with his

senior female colleagues to consider ways of saying to other women that they can comfortably operate at a senior level based on merit. Richard tries to counter any sense of some women lacking self-belief and is actively encouraging his female colleagues to overcome their concerns. abrdn would be the first to concede it still has progress to make but 25% of its fund managers are female, roughly double the industry average. Generally, Richard now tries to seek out people who are different to him, whether through their background, gender, ethnicity or other characteristics. He makes time for conversations and finds there is ‘always a gem that comes out of those’ which deepens his understanding and ability to act. The real-life stories bring tangibility to the debate and create an opportunity for continuous learning.

Obstacles

Richard says there has been nothing but support from within abrdn for his work in this area. Middle managers are often seen as a blockage to faster progress, but a specific forum aimed at this level was ‘so popular that we ended up having to turn people away’. He works for a big firm and has had conversations with peers at smaller companies who have told him they do not have the bandwidth to run special programmes. Some still do not see it as a priority which Richard sees this as a potential threat to ongoing progress, and to the industry’s ability to take control of its own destiny and stay in touch with its customers. At present, there are plenty of wealthy baby boomers, but the generation coming through will not be interested in giving their business to firms who do not embrace this issue. There are two other important commercial considerations: the ESG agenda looms large in institutional mandates, with ever increasing pressure to make it ‘real’, not tokenism. A regulatory ‘stick’ is also looming, with the Discussion Paper from the FCA, PRA and BoE suggesting a tougher approach to non-compliance. Richard sees these as opportunities to break through the remaining industry-wide barriers to greater diversity and inclusion.

Final word

“You don’t have to get people involved now, they want to be involved. The barriers aren’t in the workforce, the people, it’s in the institutional habits we’ve developed over the years... the way we recruit, for example. I’ve made it clear that things need to change and made myself personally accountable. I deliberately stop short of being an activist, however, since I see that can lose the audience along the way. People are alert to what we are trying to do.”

Richard Charnock
CEO





MEN4CHANGE MALE ALLYSHIP PROGRAMME

Oliver Wyman, a leading global management consultancy, set-up a male allyship network called Men4Change (M4C). Formed in partnership with the company's women's network, M4C has the aim of actively engaging men and all allies across the organisation to encourage awareness, dialogue, and action to improve gender equality.



Initiatives

M4C started with five pilot offices in 2018 and has grown rapidly to over twenty offices as a result of high interest and successful early projects. Overall direction is coordinated by an eight-member global leadership team, with regional leaders and office champions developing and driving local initiatives.

The network coordinates three main types of activity:

- Internal engagement: workshops, mentoring programmes, speaker and reading series, and internal discussion forums.
- External engagement: collaborating with similar networks across Oliver Wyman's clients and partners.
- Thought leadership: contributing unique perspectives on challenges regarding allyship and gender inequality.

"Allyship workshops" are the gold standard used by Men4Change for internal engagement. Catering to between twenty and thirty attendees each time, the workshops use facilitated small-group discussions to talk through problematic or challenging scenarios encountered in the workplace. These workshops are designed to increase awareness on the importance of allyship, while offering a space to learn from others and develop the skills needed to become a more effective ally. By using a broad range of different scenarios, the workshops are also used to raise awareness of intersectionality and help participants understand and appreciate how social constructs interact to create complex systems of discrimination or disadvantage.

The workshops were developed in collaboration with Oliver Wyman's Inclusion, Diversity, and Belonging Team and Learning and Development

Team. Workshop facilitators and M4C team members from around the globe undertook internal and external training to gain understanding and experience, enabling the workshops to be rolled-out across offices worldwide (including the UK). While originally in-person, during COVID the events have been hosted virtually, with the team deploying a suite of remote collaboration tools to facilitate. This latter approach has enabled greater connections across countries and cultures, which the team intend to leverage going forward.

Obstacles

While the M4C programme has driven significant progress in the area of allyship across the firm, naturally it has encountered challenges along the way.

One of these has been engaging passive supporters within the firm, who believe in the network's message but have not historically engaged directly in I&D efforts. To begin addressing this, Oliver Wyman has started to incorporate M4C events as part of sessions that already have a captive audience - such as presentations during firm or practice group offsites and M4C panel discussions during all-staff calls. This approach is starting to pay dividends, and the network has found that once people have been engaged they are more likely to (voluntarily!) come again next time.

Key outcomes

The creation of M4C has helped to increase awareness of gender inequalities in the workplace and the importance of allyship, with a greater number of independent conversations on the topic happening at the firm. The network's intersectional approach has also enabled many to consider allyship beyond gender only, creating important conversations around other systems of discrimination and disadvantage. This has resulted in an increased level of active allyship in the firm, and another step on the firm's journey to creating a more diverse and inclusive environment.

This initiative has demonstrated to Oliver Wyman that although diverse and inclusive workplaces can be difficult to create, the promotion of gender allyship and the engagement of male colleagues has the ability to drive real change. Allyship can create a more inclusive workplace where everyone can thrive, and allies can find ways to make their privilege work for others.

Final word

"Research shows that generally less than a third of men speak with female colleagues about equality, inclusion, or diversity. There is a fear of saying the wrong thing, of being called out by some imagined 'diversity police', and so it's easier to say nothing at all. This well-meaning inertia was stopping me being an effective champion for an inclusive culture. M4C is helping to change that - both for me and for other colleagues at Oliver Wyman. Now, I ask for advice when needed and forgiveness if I say the wrong thing."

Joe Fowles
Global Co-Chair, Men4Change



ENCOURAGING NEW PARENTS TO TAKE PARENTAL LEAVE

In 2018, abrdn pledged to increase their support for working families in their gender action plan. Both quantitative and qualitative analysis were conducted, showing that mid-career interventions were crucial to the successful attraction and retention of female talent. Access to paternity leave was also identified as a key driver for boosting women's economic participation by **ASI Research Institute**. abrdn recognised that supporting working families differently would help break down barriers for women at work.



Of employees taking parental leave are men

The initiative

abrdn were delighted to launch the Parent Leave policy in the UK in 2019. We challenged ourselves to think differently about supporting colleagues needs and tested this with their gender employee network, Balance, the LGBT+ network, Lighthouse, and the Employee Forum. Our policy set a new precedent in the market and demonstrated our commitment to gender and LGBT+ inclusion. All UK colleagues welcoming a new child into their family through birth, surrogacy or adoption are entitled to 52 weeks leave with 40 weeks fully paid and additional paid leave in the case of premature birth. There's no requirement to share leave with a partner, enabling both parents to fully participate at early stages in the way that suits their family best.

Impact

Parental leave was accompanied by changes to our Smarter Working and Special Leave policies. Taken together, these three policies are making a genuine difference to inclusivity and addressing barriers to career progression across a multi-generational workforce. This has clearly heightened in importance as the firm builds back from the COVID-19 pandemic. As part of their Special Leave policy, provisions supporting carers, armed forces families, foster carers, bereaved parents as well as colleagues who want to take career breaks, are available for all UK colleagues. Since the policy went live in 2020, 302 colleagues have made use of the policy and two have benefitted from premature baby leave.

Equileap have named abrdn in their 2021 report as a "global leader of employer sponsored parental leave provisions" and "leading the way when it comes to parent leave in the UK".

Challenges

The new policy needed Board sign-off as it did involve increased cost and a potential impact on business and service. New workforce policies typically do not require Board sign off, but in this instance it was decided and approved at Board-level, signifying that leadership buy-in is crucial to success.

Final word

"We are delighted to offer parents working at abrdn what can be a life-changing opportunity. It's clear that women won't be able to progress towards truly equal career opportunities until partners can also share more of the responsibilities around family and home, and our Parent Leave policy gives the flexibility to do this. We know colleagues really value it."

Lynne Connolly
Global Head of Diversity and Inclusion

"Since the policy went live in 2020, 302 colleagues have made use of the policy and two have benefitted from premature baby leave."



EQUAL PARENTAL LEAVE POLICY

Aviva wanted to do something transformational to level the playing field for men and women, recognising that many interventions only have a marginal impact, leaving the fundamental drivers of inequality unresolved.

The company decided to completely rethink its parental leave policy, to change perceptions of a 'motherhood penalty' and help fathers feel comfortable - and financially able - to spend more time with their newborn. Before the new policy was introduced, the average length of paternity leave taken was just one month.

Objective

The objectives were both practical and cultural. If the policy was successful it would improve fairness for men at home and women at work. It would also support strong family life, helping people to feel happy at work.



4 MONTHS

The average paternity leave, up from one month before the policy launch

The initiative

In November 2017, Aviva announced it was equalising parental leave.

- Parents are entitled to equal amounts of paid and unpaid parental leave when a new child arrives.
- Six months (26 weeks) of leave is paid at full basic salary.
- Everyone is eligible, regardless of gender, sexual orientation or how they become a parent.
- Open to full and part-time employees across all levels, initially in five jurisdictions and now globally.
- No minimum length of service or earnings threshold to qualify.
- No requirement to share the parental leave between parents.
- If both parents are Aviva employees, they each have their own entitlement and can take their leave at the same time.
- Opportunity to work flexibly after returning to work.

When the policy was introduced, the company worked hard to encourage take-up, with an intensive effort around communication and education. Line managers were encouraged to understand and support the cultural aims of the policy. Role modelling was also critical; two senior men took the full six months' leave early on, which was helpful in encouraging others to do the same.

At the time, this was a 'one of a kind' policy in the investment and savings industry at the time. Some others have considered it and decided not to proceed owing to the cost. Adopting a 'where there's a will there's a way' approach, Aviva has done two specific things to offset the additional direct costs. Although initially a full bonus was paid even if a person had taken parental leave, bonuses are now pro-rata (this is in line with industry norms around leave).

In addition, the company recognised it needed to think creatively about how to back fill roles while a team member was on parental leave; it introduced a 'Tap into Talent' programme where existing staff would apply for roles lasting 3-6 months that might previously have been filled by a contractor, and teams were also encouraged to reassign duties temporarily amongst themselves rather than hire maternity/paternity cover at considerable extra cost. The Tap into Talent programme has proven popular with fathers returning to work and seeking a new challenge. The opportunity to work flexibly upon return has also helped to create a family-friendly talent ecosystem and a less silo-ed culture.

Impact

Four years on, the impact has been significant. The average length of paternity leave is now four months, a quadrupling from the starting point. Less than 10% of men take less than eight weeks.

The average paternity leave taken remains shorter than the average length of maternity leave (eight months) so there is still a gap (which was largely expected), but it has narrowed significantly. This has helped to alter attitudes around new mothers/fathers. There has been a cultural shift around the visibility of fatherhood.

The impact on morale and loyalty has also been significant. Those who take parental leave tend to stay longer and feel more loyal to the company. People are attracted to work at Aviva because of the equal parental leave policy, both because they might directly benefit but also because they perceive the culture as modern and family-friendly. Employees recognise that the company has been innovative and brave, and perceive the policy as more successful than Shared Parental Leave, where a mother has to give up some of her leave to enable the father to take his. The Aviva policy gives men their own leave, helping couples share both the precious time with their baby and the responsibilities at home during the early months.

Challenges

The data so far indicates that those taking longer parental leave are promoted more slowly. Four years is not sufficient to measure the full impact, but anecdotally both men and women who take more time out are seeing a slower rate of career progression. Women taking the full year out have a further delay in their promotions relative to men taking six months. Ultimately it is hoped that there will be little difference over the long term of a career. Inevitably, it remains easier for men to stay in touch and in particular to attend occasional key events when on leave than women, who might be breast-feeding or recovering from the birth. It is not possible to completely level the playing field. There are also 'small pockets' where people do not seem to feel able to take up the longer parental leave offer. Aviva is going through the data and seeing the exceptions, where men are still taking very short periods of leave, and looking at trends in specific departments or teams. There is some difference in the experience of Aviva the insurance company and Aviva Investors; Aviva is ahead of (AI) in terms of job flexibility and job shares being the norm. There are far fewer examples in the fund management team, for example. It is recognised that without the insurer instigating the policy, it may well not have been introduced at AI. This is an issue to consider for the investment industry, which has been slow to implement policies that might foster diversity and inclusion. This is an issue to consider for the investment industry, which has been slow to implement policies that might foster diversity and inclusion.

Final word

"The implementation of such a radical programme, one that has set a new bar for equalising parental leave, has moved Aviva 'closer to ensuring that the only criteria for success is someone's talent'. The company is delighted with the results and considers the additional costs more than offset by the positive impact on retention, engagement and productivity. It has encouraged further innovative thinking around getting work done when a team is in a state of flux, again to positive effect on both individual careers and the company's results."

Rachel Allan
Head of Learning & Talent

Lydia Emanuel
Learning and Development



DEVELOPING AN INCLUSIVE RECRUITMENT PROCESS

M&G has been working for some years to ensure its recruitment process is inclusive. One aspect has been ensuring that job postings use inclusive language, emphasise M&G's commitment to diversity and inclusion and indicate that the firm would consider flexible working for any of its open roles. As well as reviewing the language around job descriptions, M&G has also thought about the accessibility of their whole recruitment process for people from different groups, as well as where job vacancies are advertised to best attract diverse talent.

Objective

To achieve 40% of leadership roles to be held by women but 2025. M&G has also set targets for ethnic minority representation and many of the initiatives described below also support this goal.

Initiatives

All job specifications are reviewed by the Resourcing Team to ensure they are using consistent language and encourage a wide range of applicants to apply. Specifically, the team check that they are not asking for more than is required, such as: is a degree really necessary? are their transferable skills from other industries that would be sufficient, and what experience is really needed and what can be trained, what skills are missing from the team? rather than hiring like for like.

All job descriptions include the following wording at the top of the job description:

At M&G Diversity and Inclusion is a strategic objective. We know that an inclusive environment makes us more accessible and ensures we attract, engage, promote and retain exceptional

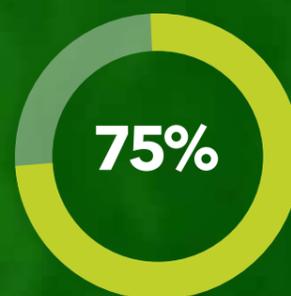
people. We welcome applications from all individuals regardless of age, gender/ gender identity, sexual orientation, ethnicity/nationally, disability, or military service and welcome those who have taken career breaks. We will consider flexible working arrangements for any of our roles.

By placing this wording at the top of the job description, M&G believes it is much more prominent and gives the right emphasis to what we are trying to achieve.

In some business areas, M&G is using a gender decoder tool to ensure that the language in the job description does not favour one gender over another. In practice, they have not found that they have a particular bias in the language they use but these tools are readily available and many are free.

M&G's Disability and Cultural Awareness Networks have both reviewed the company's recruitment process in conjunction with their Resourcing Team in order to make recommendations for improvements across the whole external process. M&G has also thought about other aspects of recruitment, including accessibility. They have found that the Disability Confident Employer scheme (and the Diversity Project recommends that all member firms become Disability Confident) to be a useful way to benchmark on recruitment practices.

Finally, M&G has made use of different job boards to advertise vacancies as a way of attracting diverse talent.



Female graduate intake in 2021, up from 43% in 2020

Key outcomes

While not suggesting the outcomes are solely down to improved recruitment processes, M&G has achieved a year-on-year improvement in the proportion of women in leadership roles, achieving 32% female representation on the Executive Committee and direct reports by mid-2021 (up from 30% at year-end). Their targeted approach to graduate recruitment has resulted in a 75% female graduate intake in 2021, up from 43% in 2020. They also have a gender balanced intake on their apprenticeship programme, with 55% of recruits being female.

How can other firms implement this approach?

- Ensure that the business (rather than HR) takes ownership for diverse hires and clear targets are set.
- Check that job adverts are not asking for more than is really required and use gender neutral language.
- Ensure accessibility to your website/ application portal and that candidates know where to go for adjustments to the process where needed.
- Emphasise your commitment to diversity and inclusion and flexible working in all job postings. Encourage hiring managers to be open-minded about how the job can be done.
- Diversify where vacancies are posted and use diverse networks to share the advert more widely.
- Challenge shortlists until they are diverse.
- Ensure diverse interview panels and provide support for hiring managers on good recruitment principles.
- Use internal networks as 'internal consultants' to review current recruitment practices and suggest changes.
- Use data points to understand where biases might be impacting the process.
- Make sure your culture is inclusive - otherwise your diverse hires will not stay.

Nordea

REQUIRING HIRING MANAGERS TO CONSIDER DIVERSITY WHEN RECRUITING

Nordea Asset Management (NAM) established a D&I forum, and one of its priority strands relates to recruitment. The firm's HR team reviewed the current recruitment process and, while gender diversity was always supposed to be an important element, in practice very few women were being hired. Reasons given included: 'the search firms only sent me male applicants', 'we couldn't find any female candidates', 'it wasn't possible on this occasion' or 'we have already identified the perfect candidate so no need to go through a full selection process'. The D&I forum recommended the governance around recruitment should be tightened with the objective of increasing the proportion of women being hired.

Objective

Increase the proportion of women being hired, by working closely with the hiring managers.

Initiatives

NAM established a D&I Committee made up of five senior individuals, including the CEO. The role of the Committee is to challenge hiring managers who are looking to recruit at a managerial level. When a hiring manager is looking to recruit, they have to complete a form which includes questions about who was considered for the role and how the preferred candidate enhances the diversity of the team for which they are being recruited. The role of the Committee is not to approve hires but to challenge the hiring manager and ensure that the agreed recruitment process has been applied.

In addition, all hiring managers must undertake diversity training which encourages them to challenge themselves about their own preferences and think about recruitment in terms of its impact on the make-up of the overall team. All job adverts are assessed for gender-biased wording.

Key outcomes

It is still early days, but the Committee has been pleasantly surprised at how the hiring managers have committed to the new process (in which they are supported by the HR team) and there is early evidence that more people are being considered for roles rather than a single individual that someone knows. It has also led to a small shift in the proportion of women at a senior level in the organisation.

The new approach is also demonstrating to the women in the organisation that NAM is serious about its longer-term goal to have at least 40% of managerial positions filled by women.

Obstacles encountered

When the new approach was outlined, there was a challenge from some senior managers within NAM who were concerned they would have to privilege women over men in any recruitment exercises. However, because the CEO was on board and a strong advocate for the process, these concerns were addressed, although there is still work to do to win hearts and minds across the whole organisation. The CEO became the first hiring manager to implement the new approach so was able to demonstrate his strong advocacy for it. In this instance, the CEO stepped aside from the Committee so that any conflicts of interest could be addressed.

There was also concern that the process would slow down the recruitment process and involve a great deal of extra work for hiring managers. However, these issues were addressed by requiring hiring managers to alert the Committee about any planned hires early on in the process, ensuring that the hiring managers are supported through the process by the HR team and also having the Committee be very nimble about getting together to discuss hiring decisions.

Lessons for other firms looking to implement this type of approach

- Such a change in approach has to be championed from the top; having the CEO involved in the Committee, and actively adhering to the new process in their own hiring processes, are both great ways to demonstrate leadership commitment.
- Ensure that the Committee is sufficiently senior so that the hiring managers have to take it seriously.
- Ensure that the Committee members see the meetings as a safe space for them to raise concerns.
- Supplement the process with training and sufficient HR support to help the hiring managers.
- Ensure that the Committee does not hold up the recruitment process.
- Continue to reinforce the messages about how this supports the firm's overall goals as well as how diversity is beneficial to team effectiveness.





RETURN TO WORK PROGRAMME 2021

We have taken action to improve the number of women in senior roles within financial services. Learning from previous experience of running a returnship programme within Investment banking, our Talent Acquisition team designed and implemented a programme specifically for the buy side of investing. It has partnered with Women Returners to build a programme, which has now run successfully for three years. We are one of seven firms from the Asset Management industry to participate in the Diversity Project cross-company programme run with Women Returners. The six talented females in this year's cohort are each on a six-month paid placement across the business with a view to providing permanent roles at the end of the placement.

Over the last three years we have hired an average of 70% into a permanent roles. From this entry point into the firm, the aim is to develop and retain more senior females in leadership roles. This creates a strong pipeline to improve female representation in the most senior positions.

Initiative

The plan was to recreate on the buy side what had already been successfully implemented on the sell side: to build and implement a programme to enable women to reintegrate into the workforce, directly into senior positions in the financial sector.

In 2019, through the relationship with the Diversity Project, the talent acquisition team wanted to understand how they could support the asset management sector more broadly to attract and improve senior females looking to return to work. Goals and objectives were set and agreed in conjunction between us and Women Returners. With support and engagement from the Aviva Investors Executive team, a pilot for the first returnship programme was approved and launched with funding for eight roles.

For their first returnship, we partnered with Women Returners who promoted the opportunities via their network. This meant that the team could tap into a far wider pool of candidates. Once they identified the best talent, the shortlisted candidates were invited to an open day. This provided the 30

candidates with an opportunity to learn about the programme, the firm, the culture and the business areas that were looking to recruit. As a result, eight women returners completed a six-month placement with us. Subsequently, four of these were offered a permanent role.

In 2021, we recognised the great impact that Women Returners had on the quality of the candidates attracted to these programmes and therefore decided to participate in the Diversity Project cross company asset management returnship programme. This has enabled the firm to build on its prior experience and further enhance the programme. It's anticipated this will be the most successful programme to date, with at least five of the six participants expected to be retained in permanent roles. Alongside the business commitment towards the programme, what made this programme stand out was the passion and commitment from several senior individuals across the firm. This included our Executive, People function and financial leadership teams which is critical to ensure funding is committed for both the placements and permanent roles. It is key

to have vocal and passionate individuals who will go above and beyond to promote women's career and development within the financial services sector. In addition, we have a dedicated HR lead who is responsible for facilitating the framework and designing the programme. This is imperative to maintain the momentum and commitment that it deserves. It is very important to ensure there is sufficient resource in the HR team to provide ongoing support to the individual returners during their placement. This is alongside buddies and mentors that are carefully selected and aligned to the most relevant business area to enhance the women's journey and experience of the programme is successful. The experience of successfully running this programme over the last three years has proven to us, and the sector, that returnship programmes are a tangible way to address the strategic imperative of developing a female pipeline for senior leadership roles. We now intend to expand the programme to other underrepresented areas of the business, in line with the pledge to achieve 30% of female fund managers by 2030.

Lessons learnt

- The ongoing support required for each returner requires the focus and attention from their line manager and HR. This requires commitment of time and means it is sensible to limit the number a team can support at any one time, this then defines the number of returners hired into a firm each year.
- Linked to the above, whilst it may seem helpful to align a returner to a team that is undergoing change or is under-resourced this can be counterproductive. Careful consideration and extensive stakeholder engagement are needed to ensure that returners are aligned to teams and Leaders who have sufficient capacity to support them.
- Evolve the interview process - the hiring approach to date for the returnship has been focused on assessing and selecting from a behaviours and cultural value add perspective. As the programme evolves to offer placements in more technical investment roles, the selection process will be expanded to include assessment of technical capability.
- Ensuring there is sufficient support for the returners is vital, and this must be ongoing throughout the programme. We do this through a network of buddies, mentors, trained line managers and a robust internal learning schedule. Each returner has monthly check-ins with the HR programme lead, this helps any concerns or challenges to be addressed so that all participants feel able to work at their best.
- One of the challenges that was new in 2020/1 was encouraging female returners to apply through a virtual application and selection process. The partnerships with Women Returners, the Diversity Project and the cross-sector programme has provided an invaluable support network to help both candidates and member firms recruit successfully in a virtual, remote environment.

Key Outcomes

- The success and retention for 2021 cohort is 83% which is a significant improvement from previous years of 50% in YR1 and 66% in YR2.
- Thanks to being part of the Diversity Project cross asset management programme and the partnership with Women Returners, the quality of candidates was far superior, and this translated in to 100% acceptance of offers.
- Our success was also a result of not advertising specific job roles and recruiting for business areas. Resulting in more CVs being considered and analysing transferrable skills more accurately. The teams could be more creative in tailoring roles to suit each successful candidate.
- The business areas that hired the most returners were Liquid Investments and Product Strategy.
- Line managers have been incredibly supportive through the programme. Each returner has work of value, tangible objectives and ongoing performance reviews.
- Supportive line managers, buddies and mentors are key to the success of this programme.



INSPIRING FEMALE UNDERGRADUATES TO ENTER THE INDUSTRY

Over the years, we have developed a framework for diversity and inclusion within the business, with female representation highlighted as one of the key success metrics. In 2019, they identified that at their last graduate recruitment round, out of several hundred applications the proportion from women was only 18%, and the wider picture in the industry is that only 1 in 10 fund managers globally are women (Citywire).

Objective

Raise awareness among female undergraduates and increase the number of entry-level applications from women by offering a more welcoming and creative introduction to the industry.

Initiative

Launched in 2019, a new competition 'Next Generation Investor' offers female undergraduates from UK universities an opportunity to invest and trade under the guidance of an award-winning investment team. The four teams selected are presented with a £25,000 budget to compete against one another. They all receive in-depth training on stock selection, portfolio construction, financial modelling and ESG integration. The notional profits, of up to £5,000, earned during the competition by each team are matched in real money by us and donated to the respective UK registered charity of their choice. The team with the best investment performance over the period win and receive an additional £5,000 donation to their chosen charity.

Impact

Half of the young women who took part in the inaugural competition have gone on to secure positions within the financial sector and feedback from the students themselves has been that this is a worthwhile, effective scheme.

Obstacles

The competition was designed to educate a greater number of young women about asset management as a career and give them hands-on experience managing a portfolio. Therefore, the main challenge was to work out at what level to pitch the information, resources and direction given to the women. As we were not looking for prior experience as part of the application process, the participants had a range of experience and knowledge levels. Striking the right balance for all was of vital importance.

Final word

"The industry-wide challenge we face is to encourage women to see the investment world as an entirely natural habitat for them. If many young women view our industry as a testosterone-fuelled, machismo environment, little wonder that as an industry we are not deluged with applications."

Rhiannon Collis
Executive Director and Head of Clients





RETURNERS PROGRAMME

We are committed to being an inclusive and diverse company whilst striving to create a culture where flexible working is encouraged so as to retain and attract the best talent by offering working patterns that suit both individual and business needs. The firm has participated in the Diversity Project Cross Company 2021 Returner Programme and has also decided to offer other returnship opportunities in areas of the business, to experienced professionals looking to return to the workplace after an extended career break. The firm's returnship initiatives have been sponsored by the senior leadership team, including the heads of departments and our CEO.

Objective

To create opportunities for experienced talent beyond investment management to come back to work.



Impact

We have found tremendous value in welcoming returners as they have been able to offer a different perspective whilst contributing to the business. Andrew Reynolds, Director, MIS & Performance Management, comments: "It is an excellent programme that allows us to access a very valuable resource pool and wide range of skills, these add diversity of thought and approach to our business." One of the returners, Sarah Jane Cawthray, Portfolio Manager, adds: "Fidelity has given me the time I needed to find my feet. As well as receiving help from my colleagues within Multi Asset, there has been good support more generally. I needed to sit the IMC exams and was given the resources and time necessary to do this."

Other returners have helped by sharing their experiences, but probably the greatest support was the individual coaching received from Women Returners. This was superb."

Since the initial experience of running a returnship programme, we have now committed additional resources to such initiatives, aiming to run regular programmes that form part of our resourcing strategy.

Tips for other organisations

- 1. Adapt and evolve your support.** Evaluate success and areas for learning. Get feedback from managers, returners, and others on what has worked.
- 2. Educate and support line managers.** As the people who are ultimately funding the headcount and investing their time, line managers are critical to the success of the return.
- 3. Understand the commitment you need to make.** Work placement and direct entry programmes require considerable investment to set up and ongoing support.

Tips for returners

- 1. Take some time to understand the company and stakeholders.** It can be difficult to move into adding value immediately, so do not set yourself unrealistic expectations.
- 2. Embrace learning and development.** There are so many new opportunities to broaden your skill sets and grow, no matter what role you take on.
- 3. Find a mentor or buddy.** Get support from an internal stakeholder 1:1 and or group coaching to support you throughout the first six months of return.

Final word

"To attract and retain the best talent we embrace a wide range of recruitment sources, and the Returners Programme is critical to our strategy. The breadth of experience and diversity of returners has been incredibly strong, and thus has had an extremely successful impact on our clients, our people and our business."

Jackie Boylan
Head of UK Platform Advisory Business & Executive Co-Sponsor for D&I Gender Strand



PARTNERING WITH OTHERS TO SUPPORT DIVERSE RECRUITMENT

Finding diverse talent is an industry-wide challenge, especially for senior roles. Janus Henderson identified that women evaluated potential career opportunities differently, often using informal networks to discover a role, therefore bypassing traditional recruitment channels. Charles Brooks, Head of Talent Acquisition, explains: "Our analysis identified that diverse talent has more loyalty to their employers and is less interested in traditional recruitment approaches. A friendly tap on the shoulder by a trusted friend increases the chances of having the desired effect."

Objective

Establish a new process for recruitment with diversity at its core, without increasing the cost of external agency fees.

Solution

We partnered closely with E2W, a specialist consultancy with a 7,000-strong community of female professionals in financial services. Why E2W? Charles comments: "They have built an industry-wide reputation for supporting women through the E2W community and helping them succeed in their careers. This gives them access to talent that we, and others, could not reach."

Internal teams are given an option to engage with E2W at the very beginning of the hiring process for a senior position. Members of E2W are encouraged to learn more about the position and the team without the pressure of a more formal recruitment process. If a member is interested, she can then be put forward for an interview and begin a conversation.

Challenges

Covid 19 has undoubtedly changed the landscape for recruitment, with virtually all hiring in 2020 and the first half of 2021 taking place online. Earlier this year, the market became incredibly competitive, with firms that had paused hiring for around 18 months now looking to ramp up and build teams quickly. The war for talent, and diverse talent in particular, has never been more acute than in the past six to nine months. The importance of us pointing to successful diverse role models in the firm, providing diverse interview panels, and modifying working patterns and arrangements have helped the firm to overcome this challenge.

Outcomes

In the three years since the partnership began, E2W has been able to put forward an average of three female candidates for every role, with four out of five progressing to interview stages and 70% hired by Janus Henderson. These numbers tell a powerful story - "They were the very best people for the firm, team and role", Charles adds.

Importantly, the culture within the firm has benefitted too, with attitudes towards diversity and inclusion now embedded more strongly. As a testament to how well the partnership has progressed to date, Mark Creed, CEO of E2W, concludes "It is not an afterthought, tick box exercise, or numbers game for them".



E2W female candidates hired in senior roles post-interview

Final word

"The success of our business and clients is based on our ability to uncover unique market insights and information. We're a people business. Having diverse, unique perspectives at the decision-making table enables us to make better investments."

Dick Weil
CEO

"The smallest intake in any one firm was of one candidate, but this did not matter as that candidate was part of the larger cross-company programme alongside candidates joining other member firms."

CASE STUDY - RECRUITMENT



PENSIONS PARTNERSHIP

HIGHLIGHTING TARGETED RECRUITMENT PROCESSES

We are one of the newly formed organisations who represent 11 local authority public pension plans, who are both customers and shareholders. Our employees are very important to us, to each other, and to how they make a difference for our clients, the public pension plans, over the long term. Investing in people is crucial to build a sustainable, resilient organisation where people wish to work.

Now three years since launch, we have grown rapidly from one employee to more than 100 colleagues. We recognise the importance of maintaining a diverse workforce as we continue to grow, and we are proud that diversity is recognised both by the Investment Association and internally by colleagues - for example 62% of the Board are women. We are also one of six firms working with the Investment Association, Cambridge University, and Invesco on a study labelled 'Developing a Holistic Understanding of Inclusion' which aims to provide crucial practical insights to investment management organisations on developing an integrated and holistic approach to managing diversity.

Recruitment

Investment suffers an image problem. Many perceive it as a male-dominated world and this perception in itself can be a barrier to some women pursuing a career in the sector. We want to help to drive efforts to combat this, and offer the support needed to boost diversity and inclusion at every level. A key way of doing that is to support younger people starting out in their careers, ensuring the right pipeline of talent by supporting the development of the next generation of investment professionals. Not only does this help develop talent across the investment industry, it also ensures we are a sustainable organisation, with diversity of thought, that can continue to succeed in our mission to make a difference.

A crucial part of the recruitment has been the annual intake of graduates, however this was paused by the Covid-19 pandemic and orders to work from home. Without

the opportunity to recruit graduate trainees in 2020, our team instead supported GAIN (Girls Are Investors) in summer 2021, a fantastic programme that seeks to open up the investment world for young women and girls, highlighting that it can be an exciting and rewarding career.

We are proud to support the initiative and its ambitions to inspire and empower women and girls. We welcomed two female interns over the summer of 2021 who were based in the research team but gained exposure to the internal and external management, alternatives, and fixed income teams. Knowing that practical and observational learning on the job is key, both were given time with key investment team colleagues, as well as the opportunity to develop and present their own research analysis papers.

Obstacles

The pandemic placed immense pressure on all organisations. We had to adapt quickly to working from home, and ultimately the call to stay at home resulted in the decision to pause graduate recruitment in 2020. As a key part of future people planning this was not the result we would have wanted, but we strongly believe that being around others and observing how more experienced colleagues work and interact with each other and external stakeholders is a crucial part of the learning process. It was important to offer graduates full in-person training. While we have since reopened the graduate recruitment to applicants for the new cohort, the GAIN programme provided the opportunity to continue supporting the younger generation and talent during what was a very challenging time.

Outcome

The GAIN programme inspires and empowers, and the two interns completed their time with us with an enthusiasm and hunger to do more, to pursue further learning and explore the opportunities available to them.

One of the interns, halfway through a degree in economics, said she had relished the chance to ask questions and learn from a wide range of people from across the organisation, and added that she had enjoyed "learning about an industry I had limited prior knowledge on prior to starting this role!"

She went on to say that she was leaving us with far greater confidence in her future graduate applications, with a clearer idea of the path she wants to take - including the asset classes she was most interested in. In addition, she is seeking to undertake professional qualifications as well.

However, perhaps the most poignant comments following the internships was that they had seen that, "working in investment is not only for certain types of people" and that "the investment industry is much friendlier than you might think".

Reaching more young people, and specifically women, to support them and expose them to a new industry, and new potential opportunities, can only work to improve diversity and inclusion across the industry.





HIGHLIGHTING FEMALE ROLE MODELS

LGT Capital Partners (LGT CP) launched its private equity secondaries platform in 1998, with a team that was diverse in experience but lacking in gender diversity. When the firm launched its first secondaries fund in 2004, the investment team was entirely male. A series of initiatives in recruitment and staff development were devised to address the issue and make the team more balanced.

Objective

To achieve a 50:50 split between male and female senior-level colleagues in the secondaries team.

The initiatives

- **Recruitment** - when recruiting for the secondaries team, LGT CP has sought to ensure a diverse pool of candidates. If the short-list of potential hires was heavily skewed to a particular gender, the firm will push our recruiting consultants to broaden the pool, even if this meant extending the recruitment timeline. We have also hosted events at local universities aimed at introducing female finance students to our firm, where prospective candidates can spend time with our team in a more informal, social environment. This has often attracted talented female candidates to the firm during the formal recruiting process.
- **Empowerment within the firm** - We encouraged female team members to participate in firm-wide initiatives beyond their investment role, so that they are more visible within the firm. For example, female members of the secondaries team have served on the HR Steering Committee, the ESG Committee, as well as in product and portfolio management roles. Furthermore, the firm's senior women are also highlighted in the LGT CP annual general meeting and

- various secondary-related webinars held for external clients. This firm-wide commitment and active leadership is critical to raising the visibility of our senior female leaders on the team.
- **Empowerment within the industry** - We sought to highlight the female role models on the team to the wider private equity community by encouraging them to participate in panel discussions at industry events. These have included AVCJ, Prime Brokers, AIMA, Women in Private Markets Summit and Fund Women Week to name a few. Senior female team members have also been featured in industry publication, highlighting trends in the private equity secondaries field. Through these events and public exposure, they have been able to convey their insights on the private equity secondary industry and their active role in it.
- **Mentorship** - members of the team are active in external private equity-focused mentorship programs, where they help to inspire the next generation of women leaders.

Impact

The current senior team of nine partners and principals has an enviable gender breakdown within the industry, with five women and four men. These senior women have successfully balanced family life with work in sourcing, executing and monitoring secondary transactions.

- One senior professional on the team was recognised in the industry for her professional accomplishments as one of the Young Guns of Secondaries in 2019, a global ranking of professionals aged 36 and under. On the back of her being featured in global, well-regarded publications, she acted as a role model for women wishing to enter the industry. Some female candidates even approached her for guidance on entering the private equity industry.
- One senior professional on the team was selected as mentor in Level20, a not-for-profit organisation dedicated to improving gender diversity in the European private equity industry.



Of senior members of the secondaries team are female today



Challenges

We believe that taking a proactive approach to developing strong, senior female talent has created natural female role models within the secondaries team. This has, in-turn, hugely benefited the team by:

- attracting additional female talent to the secondaries team and the wider firm.
- helping to retain female investment professionals at different stages of their lives.
- enhancing sourcing capabilities by leveraging a broader professional network.
- improving investment decision-making, as the team is able to assess opportunities and risks from multiple angles.
- engaging with clients in a more relatable way, as many institutional investors also have diverse teams.

The main obstacle for us has been maintaining a balanced pool of talented candidates over time, while recruiting in an industry that has historically been less attractive to women. This has required a certain tenacity and commitment to diversity, since recruiting pools typically lack diversity, as they tend to attract candidates who are similar to the historical composition of an organisation.

Final word

"We are incredibly proud of the diversity of the secondaries team, which is the result of a global effort over the years to foster an inclusive environment. Empowering a team with diverse nationalities, backgrounds and genders has been a significant contributor to generating consistently strong returns for our investors and growth of our assets under management."

Ivan Vercoûtère
Managing Partner and CIO

CASE STUDY - RECRUITMENT



RETURNSHIP PROGRAMMES DURING THE PANDEMIC

The Diversity Project partnered with Women Returners to launch a new pilot cross-company returnship programme within the Investment and Savings Industry in 2020. There were five participating organisations: BNY Mellon, BlackRock, Fidelity International, Schroders and Willis Towers Watson. Each employer hired between 1-5 returners on a six-month (virtual) returnship placement with the aim to make all roles permanent. The cross-company programme allowed economies of scale, as all participating firms split the cost of running the programme, hereby making the hiring of a smaller number of candidates more economical. At the same time, the programme allowed the returners to have a cohort with whom they could exchange ideas and thoughts through the process.

Objective

To allow companies with smaller hiring needs to have a chance to run returnship programmes on a smaller scale, as historically they cater for 15+ candidates.

Initiatives

The Returners' workstream of the DP alongside Women Returners canvassed firms who had not yet run a returnship programme. The teams had to pitch the idea and the concept to firms who were aware of such programmes, but who had never contemplated the idea of running one themselves, as they deemed it either too expensive or who thought that they needed a cohort of over 10 to make it viable. Once the economies of scale and the benefits became apparent, more and more firms decided to trial it.

Thanks to cost efficiencies, even firms with very limited headcount needs managed to get internal buy in. The smallest intake in any one firm was of one candidate, but this did not matter as that candidate was part of the larger cross-company programme alongside candidates joining other member firms.

Key outcomes

The Cross-Company Returner Programme 2020 was a big success:

- 82% of programme participants were offered on-going roles within their organisation.
 - 11 returners participated in the programme.
 - 91% women.
 - 36% from black, Asian or minority ethnic backgrounds.
 - Length of career breaks ranged from 2-14 years with an average of six years.
- Predominantly front-office roles at Analyst, Manager, VP and Director level.

The Programme was such a success that it is re-running in 2021, with 60% increase in employer participation. 4 out of 5 of initial employers are participating, with new employers Aviva Investors, Janus Henderson, LGIM and Abrd joining as new employers.



Of programme participants were offered on-going roles within their organisations

Challenges

The first challenge was getting a minimum number of firms on board to make the cross-company programme viable. Once the teams managed to reach critical mass and get the internal buy in, the largest challenge of all hit - Covid 19. Despite all the uncertainties and the challenges of working remotely and its viability, all firms honoured the programme and all returners started their journey working from home. The agility and flexibility that all the member firms have shown has been incredible and is testament to their commitment to the programme. Women Returners was behind all the firms for every step of the way, supporting the firms and the returners.

Final word

“This programme confirms that the breadth and depth of talent in the returner space is rich and diverse. It is exactly this diversity of thought that is pivotal to understanding and delivering on the needs of our clients so we can continue to work together to build better financial futures.”

Stephanie Marshall
Director Talent Acquisition
Fidelity International

“The smallest intake in any one firm was of one candidate, but this did not matter as that candidate was part of the larger cross-company programme alongside candidates joining other member firms.”

WELLINGTON MANAGEMENT®

REVERSE MENTORING

Over the past few years, we have been looking at diversity through a broader lens, including various pilot initiatives. Some of the goals that unite all these initiatives include fostering a greater understanding of the wider issues, forging new relationships, and helping the workforce to recognise systemic unconscious biases – all working to enhance Wellington's inclusive and collaborative culture. A small pilot was arranged in 2019 to trial a programme of reverse mentorship, before being rolled out across the EMEA business.

Objective

To increase awareness among senior male leaders (Managing Directors and Partners - the mentees) of how women can experience the workplace, by pairing them with a female volunteer from a cohort of mid-to-early career talent ('the mentors').



The initiative

Through a series of informal catch-ups over nine months, the mentor-mentee pairs shared their personal work stories, both at Wellington and elsewhere. The key premise was to foster greater understanding and inclusion between the different groups and explore any unconscious bias that came to light during their discussions.

Clear checkpoints and success metrics were developed to measure the pilot, a formal kick-off meeting with all programme participants and subsequent check-in mid-way, a library of materials to read and watch ahead of pairing meetings (such as Ted Talks and books), which were educational as well as acting as ice-breakers for the conversations; and finally resources being made available to help with logistics and meeting scheduling.

One of the main learnings was that reverse mentoring is a two-way street, and Wellington found that the mentees benefited from the valuable insights the women shared and were also able to provide support to the mentors through describing their own relevant experiences.

Impact

The value to the pairs was immediately apparent. As one mentor observed; "I was mentoring a senior leader of the firm, and so it was a rather strange dynamic to start with! But it very quickly turned into a fruitful and enjoyable working relationship. We gave each other permission to be completely honest, so the barriers came down and we shared a lot and learnt a lot between us. Some of the experiences I shared as a woman in finance shaped views and policies that have been put into action. I also got a great insight into his world, helping to demystify his role and position. It was fun, interesting and mutually beneficial. I would recommend others to give it a go!" Not only did both parties in each pairing learn from each other but Wellington was also able to make improvements to procedures more broadly due to the increased awareness that might not have resulted from other employee engagement initiatives.

Since the pilot, the firm has introduced a new global initiative called 'The Groundbreakers Academy' which is a comprehensive five month programme for under-represented talent in their early to mid-career years. It starts with a psychometric assessment and goes on to include peer and one-to-one coaching, input from external specialists on topics including personal brand, globalisation and difficult conversations, a business simulation in small groups and interactions with senior role models in the form of presentations and various other dialogues. As we return to a hybrid working in the office model, we are exploring how reverse mentoring could have the biggest impact through their Future of Work workstream.

Challenges

Creating a safe space for the younger employees to overcome their fear of speaking honestly and openly with their mentees was identified as an early challenge. Although we provided briefings for both groups which included guidance on how to build trust, it took time for some of the more junior mentors to feel comfortable speaking freely with their more senior mentees.

For future iterations of the programme, more attention will be paid to the psychological safety of being as open and candid as people feel comfortable with.

Final word

"Reverse mentoring strengthens relationships with colleagues, enables better inclusion and sharing of ideas (and challenges!), helps perpetuate our culture and promotes diversity of thought. Personally, my mentor and I built a tremendous amount of trust during our conversations, and as a result were able to have truly candid and eye-opening conversations. I would recommend being 'all-in' on reverse mentoring to any senior leader in the industry"

Stefan K. Haselwandter
Senior Managing Director,
Head of Client Group



HIT REFRESH INITIATIVE

Historically, Fidelity International (FIL) almost exclusively had portfolio managers (PMs) managing client portfolios individually. FIL determined that by moving to a more team-based fund management approach, the firm could deliver better outcomes for clients (more active idea generation, having a sparring partner, creating a team to foster challenge and debate) while driving swift and critical improvements in the diversity of the investment teams. Individual risk-taking was often seen as a blocker for many to enter and remain in the fund management business, and by sharing responsibility many investors report a more interactive and resilient career. FIL also observed that gaps in track records for people (often women) taking parental leave or career breaks could prove problematic for clients and careers. This 'track record' problem was neither in the best interest of clients (with only one fund manager per strategy the client might be left uncertain during parental leave) nor in the best interest of the fund managers (careers could diminish when leaves took place as back-up managers needed to be brought onto each strategy).

Objective

To drive better client outcomes while introducing better career options, more dynamic career vitality, and supporting critical diversity initiatives.



The initiatives

FIL introduced assistant and co-portfolio manager structures into a number of its funds. Co-portfolio managers are combined on the basis of complementary skills, knowledge and thinking styles but also where intellectual curiosity is rewarded, and individuals are willing to challenge each other. Mutual trust is a critical component on any PM team.

FIL also decided to create new roles within research and portfolio management that were built around individual skills sets and interests, rather than forcing people into previously predefined roles. Ultimately, this role flexibility means that employees can play to their strengths and preferences. For example, investment professionals can be career research analysts (with equivalent status to a portfolio manager), or they can become full-time portfolio managers, or they can have a hybrid role, combining research with portfolio management.

Impact

The productivity and performance of the teams have improved, although it is too early to say if the improvement in performance is wholly down to the new structure. Other notable successes include:

- Improved diversity in key decision-making roles.
- Investment professionals are more likely to be in roles that suit their skill sets and preferences.
- Increased career opportunities for all investors.
- The transition to becoming a portfolio manager is made much easier as there is mutual support available.
- Attracting more female investment professionals from elsewhere in the industry.
- It has become much easier for employees to take paternity or maternity leave (or other forms of leave) and manage their work/life balance.
- Consultants have welcomed the reduction in key-person risk.

Challenges

The programme, which started in 2017, had broad support from both the C-suite and the investment teams. There was strong buy-in to the importance of attracting, retaining and promoting diversity within the organisation. However, the hybrid role of combining research and portfolio management is a tough one as it is difficult to balance the demands of each aspect of the role. That can leave those in a hybrid role feeling overly stretched and those portfolio managers, who have been used to being the client of the research team, feeling as though they now get less focused attention. This is constantly being reviewed between managers, investors and leaders and addressed to make small changes to roles when required to find the best balance.

A second issue is that some clients, in some jurisdictions, are less comfortable with the co-portfolio management role and want to better understand how decisions are made in practice. This has been resolved by having the clients meet the portfolio managers and see for themselves how they work together in practice.

Finally, client-facing sales teams have had to adapt to a different way of explaining FIL's investment process. Used to talking about specific individuals and their styles, the team has had to embrace a new way of articulating FIL's approach.

Lessons for other firms looking to implement this type of approach

- Define how a team approach will work in practice so that you can get buy-in from colleagues (including the distribution team), consultants and clients.
- Articulate the new incentive structure upfront so that everyone understands the impact of the new approach.
- Go slow and be authentic. You need to ensure that the co-portfolio managers will trust each other, bring complementary skill-sets, will be comfortable challenging each other and bring something additive to the process. This will take time. FIL has only had to change one of its co-portfolio manager combinations because it was not working which is down to taking a cautious approach.
- Do not be afraid to fail. Try out different options to see what works best for your culture and talent.

- It is important that the individuals involved drive the process rather than having it imposed upon them.
- Be prepared to be innovative in the way that you form roles - be willing to experiment.
- Listen to everyone's feedback and address concerns head-on.



REVERSE MENTORING, WITH A FOCUS ON ETHNICITY

Better representing clients and customers from an ethnicity and multicultural perspective is a priority across the investment management industry. abrdn has had a specific ethnicity action plan in place since 2018, led by an executive sponsor. This plan encompasses a wide range of actions, from capturing employee ethnicity data, making changes to recruitment processes including introducing a diverse interview panel and using diverse attraction strategies and partnerships to reach wider minority ethnic candidates. The company has also created a 'Talk about Race at work' guide to support conversations and build confidence talking about race. abrdn believes it is the conversations which matter most, helping to develop shared understanding and well-informed actions.

Objective

To accelerate D&I progress within the company through multiculturalism-focused initiatives.

The initiative

In 2020, the company established a structured reverse mentoring programme, partnering with mentors from Unity, abrdn's employee network for race and multiculturalism. The launch of the programme coincided with the aftermath of George Floyd's murder, intensifying the focus on the initiative as well as the conversations themselves. Every Executive Team member participated, plus other leaders across the global leadership group. Of the mentors, 70% were ethnic minority women.

We wanted to be sure they were conducting the reverse mentoring as effectively as possible so engaged School for CEOs to independently

facilitate the programme. It focused on four themes over a six-month period: representation, unconscious bias, privilege and access to opportunities. Participants heard from expert speakers and worked in mentor and mentee groups, as well as in their pairs. This created the opportunity to share learning across global locations, spark ideas for deeper conversations and ensure a psychologically safe environment at every stage so participants could learn about all forms of diversity.

Impact

The impact has exceeded the company's expectations. On a practical level, the reverse mentoring relationships are continuing and each leader has shared their learnings with their teams and in town halls to embed the findings into functional and regional D&I plans. There has been further follow-up through abrdn's Global Diversity Summit Series through a panel 'Race - better conversations and actions.'

One colleague remarked: "It's encouraging to think that if we all look at our behaviour, effecting change is within our power." Reverse mentoring has enabled employees at all levels to tackle some of the 'difficult to speak about' topics of white privilege, intent

and effect, the choice of language, openness to exploring 'blind sides' (for mentors as well as mentees), allowing ourselves to be vulnerable and how a large number of small things can make a difference. The experience has reminded people that inclusion is ultimately about the everyday behaviours, not just special initiatives and that it is a continual learning process to understand each other's diversity. While the programme was originally targeted at ethnicity, abrdn is now changing it into something that's open to anyone, to help build understanding of diversity in all dimensions and to create a safe way to ask difficult questions.

Challenges

We report that there were absolutely no barriers to this piece of work. Engagement was excellent and given that it was an intense and challenging year as a result of the pandemic, they were delighted that everyone including the leaders all agreed this was a worthwhile spend of their time.

Final word

"Reverse mentoring has given me a different perspective on what it's like to be a black woman in Financial Services and wider society. I've reflected on the language I have been brought up with e.g. blacklists, black sheep and now look out for unconscious bias not just on race but social mobility, gender and sexuality. I better understand intent and effect, and how my actions or words may have unintended consequences. Being reverse-mentored has really opened my eyes."

Mike Tumilty
CEO



Of the programme mentors were ethnic minority women





COACHING CIRCLES SUPPORTING WOMEN LEADERS IN SALES AND CLIENT FACING ROLES

We identified that mid to senior level women in client facing roles were looking for development opportunities and decided to build a coaching programme for these employees. This would provide participants of the scheme a sense of empowerment and confidence. The programme would allow female associates to explore and strengthen skills and mindset for navigating sales careers and engaging with senior leaders and stakeholders internally and externally - this has been identified as particularly challenging in career progression from analysing external data but also internal focus groups across the regions.

Objective

To support future female leaders in developing a strong network throughout the firm for a successful career.

Initiative

We designed the programme across three regions: North America, EMEA, and Asia Pacific. They engaged with an experienced external executive coach who knew their business and culture well. The circles were designed as a 12-month programme with participants meeting on a regular basis. There are five females from distribution areas on each programme which means this can be very tailored and focussed to those individuals.

The programme has been structured to provide concepts, key tools and support over the 12 month period. This included creating a safe and learning orientated environment allowing the participants to engage on each topic of the programme. The pilot scheme involved bi-weekly group coaching with an executive coach on specific topics.

There was a supportive peer environment within each group. In addition, the participants also had one-on-one sessions with the executive coach.

A development assessment tool was used to aid participants in identifying areas of strength and growth to maximise personal and professional impact.



Key outcomes

- Support from senior management was a key enabler to the programme.
- Identified positive changes in behaviour and recognised improvement in culture.
- Participants built a sense of trust so they could engage on challenging issues and share thoughts and advice.
- Participant feedback stated that the programme allowed them to build future support networks and has been incredibly valuable for professional development and personal growth even more so during the pandemic.

The impact from the program will be assessed over time as the programme grows. As for the next steps, a hybrid approach of nominations from the current participants and leadership are currently being explored for the next cohort. Finally, we have established a DEI learning journey offering a catalogue of development resources for employees at various levels.

Challenges

No major challenges were encountered.

The programme would allow female associates to explore and strengthen skills and mindset for navigating sales careers and engaging with senior leaders and stakeholders internally and externally...



DEVELOPING A DIVERSE TALENT PIPELINE - USING MENTORING, SPONSORSHIP AND SHADOW EXCO PROGRAMMES

The 2021 McKinsey Women in the Workplace research [report](#) states that women have found the 2020/21 period particularly challenging, with McKinsey's 2020 Women in the Workplace [report](#) suggesting that 1 in 4 of the women they surveyed are considering downshifting their careers or leaving the workforce entirely. A key point to note from this research, is the need to focus on retaining and advancing women in Financial Services. We will not be able to increase the representation of senior women purely from hiring across companies - we need to focus on retaining and growing our internal talent. We have been active participants in both the mentorship and sponsorship initiatives. It undertakes mentoring schemes across the firm and is also a founding member of the 30% Club Cross Company Mentoring Programme which began in 2013. One of its key sponsorship programmes focuses on senior Black and LATINX talent who are sponsored by the Executive Committee. We also run a series of Shadow Executive Committee programmes, which leverage diversity of thought in governance decision-making, including age, background, gender, and ethnicity and provide valuable development opportunities for participants. Following the most recent programme run in the UK, 40% of participants were promoted.



Initiatives taken

In the early years of our participation in the 30% Club Cross Company Mentoring Programme, talent was "tapped" for the opportunity, which although often leading to successful pairings, sometimes meant that those chosen didn't have the requisite bandwidth for the programme at that time.

We wanted to ensure all participants were hungry for the opportunity to participate in the programme. As a consequence, we worked on building awareness and promoted the programme by hosting panel events featuring mentoring pairs and published internal stories written by participants about the value they had obtained from the programme. We then initiated an application process for VP-level women who had been highly rated in their Performance Reviews, and whose next step would be into senior management. The application process and form is very simple and focussed - under 250 words on what the participant wants to achieve from the programme, a commitment to participate fully, manager approval and a short bio. This makes it easier to identify those who have put a lot of care and consideration

into completing the form and will probably obtain the most out of the programme. It is also easier to determine those who may have already participated in talent programmes and those who have had less access.

To help build a culture of sponsorship, we have invested in an online training programme called Sponsor Ready, co-authored by expert Sylvia Ann Hewlett. This course defines the critical importance of sponsorship in career advancement, gives practical tips for proteges who want to cultivate sponsors and best practice guidance for sponsors to help them advocate for their proteges.

Often you have sponsors who understand the importance of advocacy, visibility and how to help their proteges expand their network, but others can really benefit from having guidance on the line between mentoring and sponsorship, as mentoring can be the default position. Sponsorship programmes tend to run for nine months, and during the Pandemic this has been increased to twelve months to ensure participants are able to fully engage with the programme.

Obstacles in mentoring and sponsorship?

We need to be aware of continually tapping the same senior leaders. One way of addressing this is for seniors to mentor/sponsor the mid-level, and for the mid-level leaders to mentor/sponsor those in the earlier stage of their careers. This also gives mid-level leaders an opportunity to grow in confidence, impart the necessary advice and advocate on behalf of talent. This can also be a good way of building more inclusive middle managers and scaling a programme without overwhelming senior leaders with requests. Embedding the opportunity to provide feedback is key to ensuring the programme continues to deliver value.

The mentees/proteges need to make sure they invest time in preparing for their discussions and set clear objectives so that they get what they want out of the programme. For those being mentored/sponsored by a senior leader, consider connecting with someone who knows them well to get the inside track on how they operate and understand what makes them tick.

From a sponsorship perspective, senior leaders may instinctively revert to a mentoring mindset, so the protégé really needs to drive the conversation to ensure this remains a sponsorship discussion rather than a career guidance meeting. Useful topics for sponsorship discussions can include; assessing personal brand, leveraging networks and building visibility.

Outcomes

Lucinda Wakefield, our head of Diversity, Equity and Inclusion for EMEA is open that whilst they have made good progress, there is still work to do to ensure development programmes are accessible to all. When asked if they have any final recommendations to consider when delivering development programmes, they listed:

- Listen to the feedback - during and after the programme to keep learning, evolving and adapting.
- Link the programme to the participant's talent profile or development plan.
- Monitor the impact of the programme.
- Check whether the programmes are really accessible to all women. One of the challenges is that although you can review the list of women employees, there is no lens to assess whether there is intersectional representation across other attributes including ethnicity,

sexual orientation and disability as diversity data is only used on an aggregate level. One tactic we have used successfully to get beyond this is to promote talent development opportunities through its employee business resource groups.

- Provide plenty of guidance and resources. We have published an internal sponsorship playbook which includes case studies and stories about effective sponsorship.

MENOPAUSE AWARENESS AND ASSISTANCE FOR WOMEN GOING THROUGH MENOPAUSE

Monique works at a UK wealth manager. She started to suffer from various physical and mental ailments, including painful joints and 'brain fog' - but had no idea these could be linked to the menopause. The symptoms worsened to the point where she received hospital treatment for the pains in her joints and was concerned that she was suffering from dementia. At the same time, Monique changed roles within the company and found the transition much harder than she had envisaged. She became anxious, experienced feelings of self-doubt / failure and her physical symptoms continued to worsen. Up until this point, Monique had always felt 'on top of everything' and in good physical health, but now she 'just felt lost'. Depression took hold, with Monique's thoughts becoming increasingly dark. One Monday morning, she drove to the train station, parked her car and just could not move; she called her husband who told her to stay where she was. A subsequent call from her sister while she was still in the car was the start of a turnaround. Her sister, a nurse who had been through the menopause, told her she needed to get help, and that she might well be suffering extreme adverse effects of the menopause. Today Monique is healthy and delivering strongly both at home and work - she "feels back on top." She identifies lessons learned from this challenging period of her life that are relevant to both women experiencing the menopause and employers.

Transparency is essential

Monique reflects that "we live in a world where things are supposed to be perfect, where we hide what we are going through" - but in this case, Monique talked clearly with her manager and found that he became a genuine source of support.

Monique says that the reaction of her manager and broader team was "amazing" with frequent check in calls to see how she is doing, but no pressure whatsoever from a work perspective. Once she was happy for her manager to tell others what she was going through, she got calls from other parts of the business to offer support and reassurance - she came away with the feeling "you know they have your back."

Menopause can be a very unpredictable and varied experience - there are over 30 recognised symptoms - meaning there is no cookie-cutter way to support women through this period of their life. Monique being clear about what she needed enabled her employer to support in ways that she had not expected.

Today Monique is clear that with help, the symptoms can be managed and women can feel energised and ready for the next stage in their life and career.

Employers need to consider menopause like any other life-event

Once Monique spoke to her manager, she was asked if she would trial a new employee benefit, speaking with a menopause specialist. This helped Monique understand what was happening to her, that her physical and mental symptoms could be treated and that she had a positive future.

The company also recognised that awareness across the team would enable them to better support those going through the menopause. As a result, they have arranged talks on the menopause and encouraged Monique to write a blog and take part in webinars. Monique has also trained as a mental health first aider and finds that having told her story, she is often approached by women at the firm going through something similar and also by men concerned about their wives.

The issue is now factored into the company's HR policies and D&I work generally, with awareness being the main goal given the potentially wide-ranging impacts (so for example, women are not disadvantaged around appraisals simply because they are suffering menopausal or perimenopausal symptoms).

The company is now factoring in menopause as it reviews its private health care medical insurance arrangements; they have become aware that their current provider does not cover treatment for menopausal symptoms. The impact on Monique's own health from treatment and changes to her lifestyle (such as taking up pilates and becoming very careful about her diet) has been dramatic. The turnaround has demonstrated to both her and the company that addressing this issue is in everyone's interest.





ENSURE SUCCESSION OR TALENT MANAGEMENT PROCESSES CONSIDER DIVERSITY

Objectives and Background Information

The comprehensive global report, *When Women Thrive, Businesses Thrive*, published by Mercer in 2014 was the catalyst for change at Mercer. A further report in 2020, *Let's Get Real about Equality*, Global research WWT | Mercer 2020, examines the achievements made to date and the ground yet to cover.

The proactive stance that Mercer takes to gender equality stems from this ground-breaking report. Since then, Mercer has been active in the market promoting that teams with women do better. Gender equality is 'Business as Usual' for Mercer and the company is now working on elevating other aspects of diversity in the same way. Mercer already has a gender balanced population with a 50/50 split male and female. The next clear goal is having 50% of its staff being women at the most senior levels by 2028. Recruitment is targeted to be 50:50 but the issues arise at senior level when, in common with other firms in the same industry, the statistics are closer to 70:30. The initiatives and policies that have been put in place are designed to address this imbalance in a practical but proactive way.

Initiatives and actions taken

- Offer balanced and equitable family policies, as part of the employee value proposition, in order to compete for the best talent.
- 'Fish outside of the normal pools' in recruitment to find diverse talent. The financial services industry suffers from a lack of women, so Mercer is looking outside of its own industry to find 'future skills' for the business.
- Focus on retention with a particular focus on supporting women through those years when they may be growing their family.
- Create a work environment and culture that supports and enables women to stay in the business and have a senior career.
- Use data to ensure that promotions are equally distributed amongst male and female employees whilst recognising top talent of all genders.
- Challenge any inequality highlighted by DEI monthly data back to the business units.
- Challenge any unconscious bias, to roll this up to every level and ensure equity amongst staff.
- Incorporate DEI targets in the goals of senior leaders ensuring accountability of the leadership.

Obstacles encountered

The initial goal of gender equality at senior levels by 2025, was impractical and not achievable without severely disrupting the workforce and disadvantaging men in the business.

The company continues to always think about the best person for a role as it brings in diverse talent at all levels. It is believed that 45% of senior employees of Mercer will be female by 2025

Key outcomes

Mercer undertakes regular staff surveys, including several 'pulse' surveys each year. In a recent pulse survey 82% of the workforce answered positively to the question 'Can you bring your whole self to work'.

The focus on inclusivity has impacted the company positively. Mercer acknowledges that it is not perfect but its practical and tactical approach, using data, is bearing results. The intention is to change behaviours through understanding and education. The ultimate goal is inclusivity, and the principle is that inclusivity will be achieved through enabling a diverse group of individuals to thrive in the organisation.

Mercer has a long-term aspiration of no longer needing Diversity, Equity and Inclusion (DEI) policies or for it to be an issue in the organisation because everyone has the same opportunity to thrive and achieve their career ambitions.

Final Word

"At Mercer, we are committed to accelerating the advancement of women at work, both inside and outside our firm. We know that when women thrive, businesses and societies thrive. We are proud to be delivering on our mission to ensure our colleagues reach their own full potential - through bringing their whole selves to work, providing career development opportunities, having diverse successful role models to look up to, and being rewarded fairly and equally."

Donna Biggs
UK HR Leader, Mercer Limited





CLOSING THE GENDER PAY GAP

In 2016, more than two-thirds of Redington's employees were men, a by-product of the scarcity of women within the finance industry, particularly in senior roles. This resulted in a 22.8% gender pay gap in 2017. Redington recognised that as well as recruiting women, they also needed to develop their own female talent, contributing to the evolution of a more diverse talent pool for the whole industry. The company made two strategic decisions to address this: first, it agreed to make concurrent interventions, from entry level to Board level (which at that point was 100% male). It noted that other companies tended to focus on hiring/promoting women to their boards and executive teams, with the expectation that wider progress would flow from there. Redington consciously decided to tackle the top, middle and bottom of the career ladder, recognising that although increasing the number of females at junior levels would initially have a negative impact on the gender pay gap, it would help the company progress over the longer term. Second, the management and people teams acknowledged there was no silver bullet and that they had to try several initiatives to discover which ones had the most significant impact.

Objective

Launch a series of initiatives across all career levels to develop the female talent pipeline and reduce the pay gap.

Initiatives

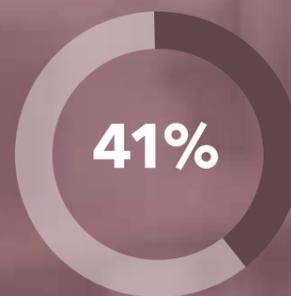
Redington made three specific interventions:

- We consciously sourced more female talent at all levels. Female apprentices, graduates and returners were all actively encouraged to apply to join the firm. The efforts were extensive: the firm's leadership team became involved with Speakers for Schools, it joined the upReach Investment Springboard (a Diversity Project collaboration to encourage more socio-economically diverse talent to apply to the industry), held insight days for female undergraduates, ran courses on building and presenting a CV, and worked with The Return Hub to attract returners. As more women came in, they in turn became a more diverse group of hiring managers able to attract female candidates through the interview process.

- The company moved to a less traditional performance management system. Annual or semi-annual reviews were replaced with a continuous assessment where everyone was asked to call out any examples of possible bias. Each quarter, leaders were asked to rate team members' performance to reduce the risk of strong performance around year-end overly influencing ratings. A new promotions committee was established to review the evidence submitted for promotion recommendations, with a remit to ensure that the process was inclusive and reflected bottom-up as well as top-down feedback.
- The rest of the business was encouraged to hold the senior management team to account for the results of these efforts specifically as well as for the culture of the firm more generally. All staff were encouraged to

provide challenges, and the leadership team responded to all feedback to ensure continuous improvement.

As these initiatives became more 'business as usual' (2019), the company set up a D&I Committee and a Redington Women's Group to help prevent any sense of 'resting on laurels'. Often, such committees and networking groups are established at the start of such efforts - and can end up being confused for real work to change things. A 'second wave' of efforts has included improving the shared parental leave offering by enabling secondary caregivers (usually fathers) to receive two months' full pay. Take-up of this benefit has been strong and one senior investment consultant who has taken advantage of it, and who also works part-time, has spoken openly to the business about his decision and the benefits he has seen as a result.



Of roles are currently held by women at Redington, up from 32% in 2016



Impact

In a dramatic improvement, Redington's gender pay gap (mean salary) shifted to 0.2% in 2018 (illustrating that, on average, men are paid just 0.2% more than women per hour). Redington acknowledges that as a fairly small firm (around 250 employees), a few key hires can make a significant difference (note, the mean gender pay gap rose to 2.2% in 2019 and 4.9% in 2020, reflecting the inherent volatility of data at a small firm). Redington is working towards having a more balanced gender profile across the different levels of seniority in the business - this year (2021), 59% of roles are held by men, a significant drop from 68% five years ago.

Obstacles

The firm has been asked by its female employees not to engage in positive discrimination to 'engineer' progress.

There is a general acknowledgement that the company is trying to create a level playing field rather than creating an unfair advantage for women - interestingly, men have often been 'the ones thinking that more should be done', appreciating the business benefits and getting involved in promoting initiatives.

Final word

"At Redington, we strongly believe that a more diverse team working together within an inclusive environment results in better outcomes for our business and our clients. We recognise this is a long-term challenge for both us and the industry."

Mitesh Sheth
CEO

*Mean salary pay gap: the difference between the average hourly fixed pay of men and women within an organisation.



GENDER PARITY AT LEADERSHIP LEVEL

Hymans Robertson noticed the profile of their partnership was non-diverse. Having spent decades portraying the firm as a destination for career progression, they could not square that vision with the reality of their leadership demographic. It became clear that this was an unsustainable position and had to be addressed, namely playing the part in levelling out inequalities in the sector; being an attractive career option for the best talent, and delivering the best advice and service to Hymans' existing and potential clients. To get started, they spoke to women from a range of seniority levels across the business, asking them to share their experiences of working for the firm and more generally, and using reverse mentoring as a tool to unearth unintended biases and career barriers for women. Additional research was commissioned in the market to understand what women were looking for when considering a move to a new employer.

Objective

Achieve gender parity across all levels at the firm, including the pay gap. A more specific target was to achieve 30% of the partnership to be women by 2020, up from 17%.

The initiative

It starts from the top. Sponsorship comes from the Senior Partner, and responsibility sits with the Management Board to implement the strategy, with one accountable executive, the Staff Partner, sitting on the management board. That said, each partner in the firm has a personal objective to positively advance Hymans' D&I goals, and each business unit is required to demonstrate a D&I plan within their overall annual business plan.

Transparency and regular reporting are embedded in the strategy. Each month, the Management Board reports on the progress of D&I initiatives. There is also a suite of data available to business unit leadership groups. The oversight board reviews progress on a quarterly basis. Pay and bonus assessments are annual, including as assessment of gender gaps, to ensure an equitable approach is applied. This is reported to the Management Board and Oversight Board.

Several initiatives were incorporated into Hymans' "playbook" of activities, including:

- Diversity dialogues - listening and learning from the experiences of others in sessions that are open to everyone in the firm.
- Reciprocal mentoring - removing unintended barriers to women's career progression and learning together. Introducing sponsorship and advocacy for individuals.
- Enhanced maternity, paternity and shared parental leave policies to enable shared parenting responsibilities with more equitable implications for career progression.
- Launch of a D&I network, involving a steering group and various D&I network groups - including ones focussed on gender and another on working parents. Each group advises and gives feedback to both the steering group and the senior leadership of the firm.

- Unconscious bias training.
- Review of how promotions and candidates are assessed.
- Review of part-time and flexible working frameworks.
- A new framework that requires all governance bodies at the firm to be gender diverse (and wider diversity where possible), and where that isn't the case to have a plan to achieve at least 50:50 within a reasonable timeframe.

"Arguably, one of our most successful initiatives has been mentoring with the specific goal of sponsorship or advocacy for candidates as they apply for senior roles. Women tended to shout less about their achievements. The scheme has had a very positive impact in breaking through that particular barrier."

Sally Haran
HR Director



Percentage of female partners at Hymans as of mid 2021, up from 17% in 2017



Outcomes

Hymans targeted 30% of the partnership to be women by 2020 and achieved this by 2019. Therefore, a more ambitious target of 40% of women as partners was set for the next few years. As of mid 2021, Hymans were at 36%. Partner appointments have averaged at 50% women for the past three years, helping to close in on the current target of 40% women partners. These results have also helped to reduce the gender pay gap significantly over the past four years:

- Hymans' mean 2021 gender pay gap is 18.8% (16.8% median), compared to 22.7% (20.1%) in 2017, and is now below the average for UK private sector employers.
- Mean and median bonus rates have also dropped considerably over the same period (mean - 49.1% to 35.5% and median - 44.5% to 22.5%).

Culturally, D&I is now embedded into the firm's decision-making and composition of groups, including its leadership, client and business. Crucially, by ensuring it is a business initiative with partner-level ownership, D&I has moved away from being owned by HR. Finally, to monitor the progress at a company-wide level, a new monthly staff engagement survey called Pulse was launched. The current D&I score of 8.1/10 is rated as 'good' and the comments received inform future planning.

Challenges

Recruitment has been a lot more challenging, with a lack of a diverse pool of candidates to select from in the market. Despite the best efforts to find the talent that is there to overcome this, the candidate pool has remained stubbornly non-diverse. To counter this, Hymans is building up its network in the market and revisiting requirements for specific roles to ensure as wide a candidate pool as possible.

Wider perceptions around which roles are typically held by women, such as PAs, have been difficult to overcome. Hymans is now considering how they might rebadge these roles, so they become more accessible and desirable to male colleagues. Successes in challenging these stereotypes have included new front of house roles that now include more men.

Final word

"Progress has not come from one single initiative, rather a combination of many. Key has been keeping up momentum and a continued push. Shifting ownership for improving diversity away from a few individuals to sitting across the entire business has been important - diversity is now a key component of everyday conversations and how we do business."

Shireen Anisuddin
Managing Partner



USING DATA TO ADJUST RECRUITMENT, REMUNERATION AND PARENTAL LEAVE POLICIES

PensionBee’s mission is to create better retirement outcomes for everyone by making pensions simple. It is underpinned by three pillars: financial freedom, good health, and social inclusion. Romi Savova, the company’s Founder and CEO, and her leadership team believe that to achieve this, commitment to inclusion and accountability must be embedded in the company’s culture and processes. Since 2018, PensionBee has championed data-led initiatives to identify, analyse and correct inequalities within its business, including publishing gender pay gap figures and volunteering workforce diversity information and, more recently, as part of ShareAction’s Workforce Disclosure Initiative.

Objective

To drive diversity and inclusion within the company and the wider investments industry through evidence-based reporting and policy creation.

Solution

The leadership team worked on a framework of regular workforce surveys, financial analysis, and employee-led discussions to set achievable targets, create better corporate policies, and measure progress over time. Clare Reilly, Chief Engagement Officer, explains: “We proactively publish the results of our diversity survey. We’ve been reporting publicly on female representation since 2018. Metrics like the ‘Women in Finance’ charter around gender parity are very important. We’re not going to see industry progress without this data.”

Evidence-based policies have since been implemented across the company. For example, their gender-neutral parental leave policy was created by observing behavioural patterns and discussing the needs among the wider team, with much more in-built flexibility

achieved as a result. Clare adds, “The rigidity of traditional policies is probably more likely to make women not return or struggle more when they do return. We’ve observed that some choose to come back (from parental leave) earlier and use the days more flexibly later.”

Data has been instrumental in setting a clear path towards a 0% pay gap target. In recruitment, it has led to not asking about applicants’ prior salary, as well as removing degree and experience requirements for many entry-level roles. For internal promotions, a transparent remuneration policy was developed, with seven clear pay levels corresponding to each management level, for everyone including the senior leadership team. Each sub-level also has its own salary. “Everyone knows how much everyone is being paid, and the bonus range too”, Clare comments.



Median hourly gender pay gap in 2020. 0% bonus gap was achieved.

Key outcomes

By reviewing application and progression data, PensionBee set a target for a 50/50 split in internal applications from female and male employees through a blind and anonymous process, with 88% of junior management now coming from internal promotions. By removing experience requirements, more women have been hired for software development roles to achieve greater balance in typically male-dominated teams, with training and development opportunities offered to facilitate the transition.

The median hourly pay gap reported in 2020 was 4%, effectively reaching their equal pay targets (allowing for a variance of +/- 5%).

Finally, their most recent diversity survey showed that 92% of PensionBee employees would recommend working there to a friend. Moreover, “nine in ten felt they could succeed as themselves at PensionBee, and this has led to happier employees and a more positive experience for our customers”, Clare concludes.

Challenges

2020 was an exceptional year, testing the flexibility of PensionBee’s workplace policies and challenging how the staff collectively understood diversity and inclusion. To live the values of compassion and transparency, the leadership team initiated weekly company-wide calls, using this period of remote working to understand each other better and discuss difficult topics such as workplace discrimination, unconscious bias, and race.

“We have been proactively publish the results of our diversity survey. We’ve been reporting publicly on female representation since 2018. Metrics like the ‘Women in Finance’ charter around gender parity are very important. We’re not going to see industry progress without this data.”

Final Word

“Make no mistake: it is on us, and not the government, to create workplaces where everyone can thrive and to build the kind of world our customers expect to live in.”

Romi Savova
Founder & CEO

About PensionBee

PensionBee is an online pension provider, founded in 2014 to help people from all backgrounds to take better control over their retirement savings through pension consolidation and access to simple financial planning tools. Read about their parental leave policy [here](#). More about diversity and gender pay gap figures can be found [here](#).



DATA; MONITORING OF PROGRESSION RATES

Objectives and Background Information

The comprehensive global report, [When Women Thrive, Businesses Thrive](#), published by Mercer in 2014 was the catalyst for change at Mercer. A further report in 2020, [Let's Get Real about Equality, Global research WWT | Mercer 2020](#), examines the achievements made to date and the ground yet to cover.

The regulations requiring big employers to publish data on their gender pay gaps came into effect on 6th April 2017, with the first reports being due in April 2018. Mercer had already put in place strong Diversity, Equity and Inclusion (DEI) policies but the public declaration requirements helped to focus minds on the data. Gender is self-identified by staff members at recruitment although it is not mandatory. The majority of staff members identify as male or female enabling the compilation of reasonably robust statistics for gender metrics. The company follows similar procedures for other aspects of diversity; however the collection of this data is relatively recent and therefore the data is less complete generating more 'unknowns' and thus making analysis less robust. Despite that, Mercer does give equal important to other aspects of diversity including race, sexual orientation, disability etc.

Initiatives and actions taken

If you look back 5-10 years, monitoring and comparison was always part of the year end salary and performance review process, however primarily focused on the level or role of the employee and their salary, not their gender. There has been a steady progression and today Mercer monitors gender as part of its in depth monthly DEI reporting. As well as pay, the monitoring includes:

- How many females vs males have been hired?
- How are annual performance ratings distributed between genders?
- Are promotions equally distributed between male and female members of staff?
- Are pay rises, including 'off cycle' payments, equally shared between male and female members of staff?

- Salary per staff member compared to years of experience as well as role and performance.
- Staff turnover by gender and level.

Statistics are provided by each team, business unit and company and reported up to Global Board level. Any imbalances are challenged back to the business unit and a clear understanding is needed to explain the data provided. Changes will be made, including to salary, if there is perceived to be inequality. The aim of Mercer is to actively challenge any unconscious bias, to roll this up to every level and to ensure equity amongst its staff.

The monthly monitoring leads to Mercer having a wealth of data on which to base its policies.

Key outcomes

- DEI statistics are shared with employees.
- All senior leaders have DEI targets as part of their SMART goals meaning that DEI is an integral part of the Mercer strategy.
- Whilst goals are a blunt instrument they allow measurement, ensuring that leaders have accountability to the business and to their people.
- There is an expectation amongst employees that the company will continue to proactively work to ensure gender parity, treating all its people fairly.

Final Word

"At Mercer, we are committed to accelerating the advancement of women at work, both inside and outside our firm. We know that when women thrive, businesses and societies thrive. We are proud to be delivering on our mission to ensure our colleagues reach their own full potential - through bringing their whole selves to work, providing career development opportunities, having diverse successful role models to look up to, and being rewarded fairly and equally."

Donna Biggs
UK HR Leader, Mercer Limited



Do you have a great case study you would like to showcase to demonstrate how your company is improving gender balance?

Please get in touch at info@diversityproject.com

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