



DIVERSITY PROJECT

BUILD BACK BETTER

Providing leaders with a broad perspective on inclusion and diversity for 'New World' playbooks.



COVID-19 HAS BEEN A GAME CHANGER.

What will our industry and our companies' Covid legacy be?

**"This is a tour de force!
Really well done and such
a valuable resource on
many different levels. "**

Dame Elizabeth Corley,
Chair Impact Investing Institute.

Whilst the outlook remains unclear and businesses face many challenges, there are also real opportunities to reshape the future and for the investment industry to emerge stronger, more resilient, and modernised. Rapid change has already happened and people are expecting more, so let us seize this moment.

Inclusivity and diversity are enablers to building back better. With a strong sense that feelings of corporate inclusion have risen during the crisis, we need to leverage this momentum, as there is still a long way to go.



The pandemic has shone a stark light on social inequalities, which has been amplified by 'Black Lives Matter'; the 'S' in environmental, social, and governance (ESG). Until now, the social elements of responsible investing have not received the prominence they should; this is changing. To be able to legitimately drive societal improvements, we need to get our own house in order first.

There is every reason to do so. As we recover from this crisis, innovative strategies and operating models will be required to adapt to the 'New World'. Inclusive and diverse organisations, that can harness a full spectrum of talent to create different perspectives, will emerge more innovative and resilient than those that cannot.

The Diversity Project encourages its members and other companies in the savings and investment industry to recognise that I&D is a strategic imperative that can be "an enabler of business performance and organisational health and contribute to the wider effort to revive economies and safeguard social cohesion", McKinsey, Diversity Still Mattersⁱ.

With an I&D lens, and recognising that none of us has all the answers whilst thinking is evolving, this paper sets out a compendium of the considerations facing Diversity Project member companies, some solutions they, or othersⁱⁱ have found, as well as resourcesⁱⁱⁱ/references^{iv}.

Seizing this opportunity

- **Resilience** - leverage the benefits of I&D to iterate a range of 'outside-in' scenarios, from which to learn quickly, pivot if necessary, and move on. Done best, this requires a diverse group of people with significantly different experiences and points of view, who are free to express these and to challenge collective mental models^v of how the world works.
- **Role modelling** - the actions of leaders across the industry during lockdown have initiated positive cultural shifts, with increased inclusivity and empathy. Let's build on this advantage by embedding I&D into corporate strategies and role modelling inclusive leadership.
- **Flexible working** - is a priority for improving I&D; it also widens the talent pool, boosts employee retention, engagement and productivity; as well as providing scope to reduce estate costs.
- **Collaboration** - experience shows that working with specialist organisations^{vi} facilitates effective delivery of the various elements of I&D strategies.

PEOPLE STRATEGIES

Agility is needed to navigate the COVID-19 related state of flux, the pre-existing declining revenue and rising cost issues facing the savings and investment market, and the shifting social contract.



1. I need to reduce my costs, how best to do this?

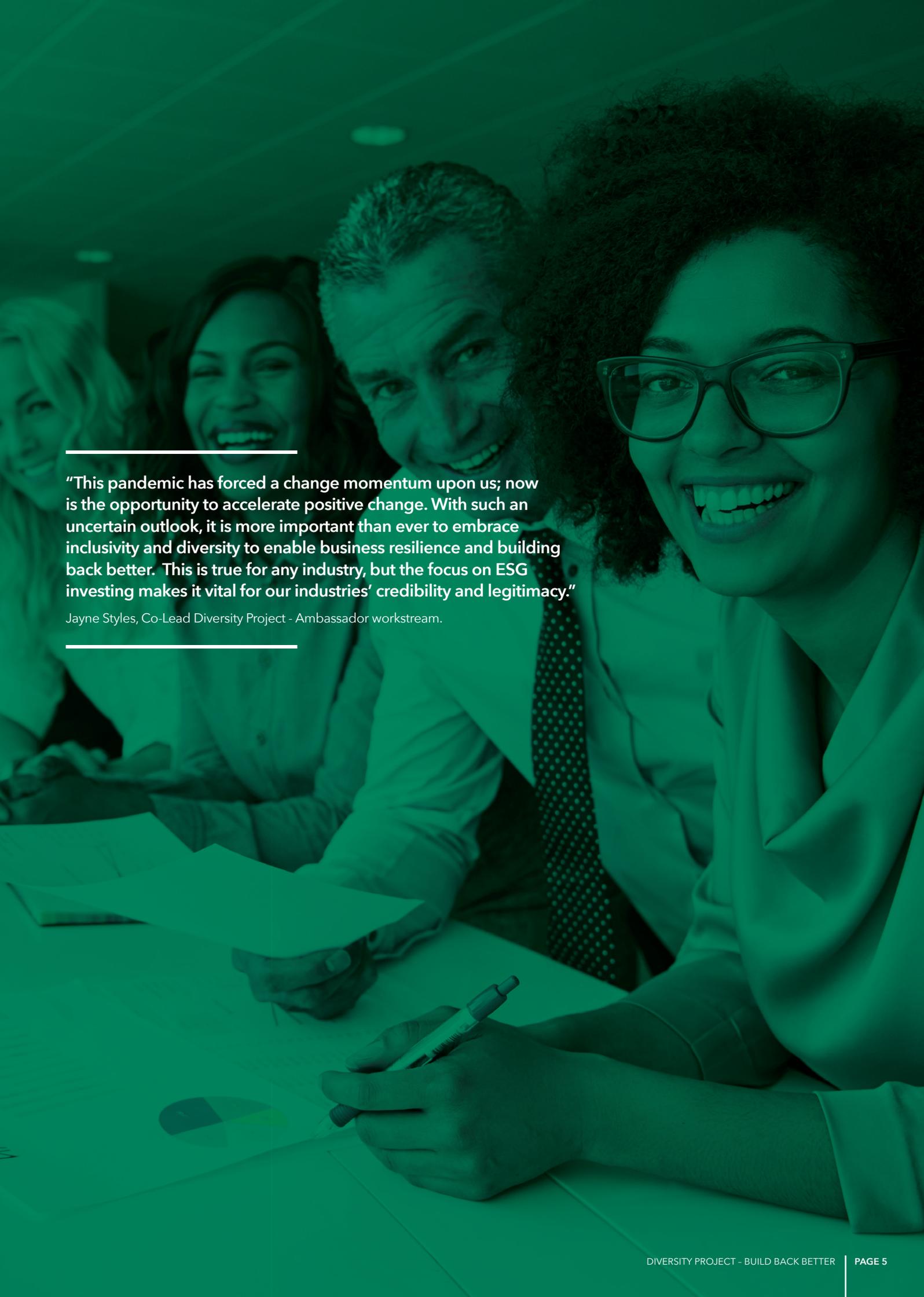
- Some people may want to reduce their working hours permanently or temporarily.
- Flexible working gives the opportunity to cut estate costs.
- Consider reducing management layers and expanding managers' spans of control.
- The crisis imposed new ways of communicating and collaborating with colleagues globally, as well as how we communicate with clients, so travel budgets offer scope for cost savings.
- Think creatively about how to reduce staff costs. Some employees may want to work part-time or seasonally, or take extended unpaid leave. Take the opportunity to improve pay equality by reducing executives' total compensation.

2. Do we need to make any changes to our people strategy to meet the challenges of the new world^{vii}? How does the crisis affect whom we class as top talent in the future?

- Rather than downsizing, there is a growing 'FOMO' feeling around the 'war for talent'; a flexible and inclusive culture helps to retain and attract diverse talent.
- Do not assume we are operating in a fixed state, even when lockdown is completely lifted, so aim for workforce flexibility and resilience by developing agile scenarios and keeping them relevant to the changing external environment.
- Flexible working and the reduced demand for business travel will boost retention and widen the potential talent pool, for example: people with disabilities, parents, carers and dual career couples.
- Effective leadership requires different characteristics than traditionally; there is less need for command-and-control, a greater need to connect and inspire.
- Think creatively about whom you promote or pivot.

3. Our I&D strategy has not delivered the desired results so far, what should I do differently?

- I&D is a strategic imperative that needs to be integral in all aspects of how businesses are run; it needs to be in the DNA.
- The diversity and culture sections on the following pages may provide a new perspective to help gain traction.



"This pandemic has forced a change momentum upon us; now is the opportunity to accelerate positive change. With such an uncertain outlook, it is more important than ever to embrace inclusivity and diversity to enable business resilience and building back better. This is true for any industry, but the focus on ESG investing makes it vital for our industries' credibility and legitimacy."

Jayne Styles, Co-Lead Diversity Project - Ambassador workstream.

WORKING LOCATION

The post-lockdown return to work requires careful planning, as well as adaptability.

Working remotely

Working from home (WFH) can be expected to broaden out to other remote locations, such as local hubs.

1. Many of my staff will remain working from home (WFH) for some time, how do I ensure they are correctly set up for this?

- Provide WFH safety assessments as health and safety regulations^{viii} apply to WFH.
- Set guidelines around which chairs, monitors, keyboards, and other computer equipment that the company will pay for; these items belong to the organisation.
- Provide a WFH wellness allowance for staff to buy items, such as lighting, fans, AC units, etc for their home office; this is taxable (on the P11D); these items belong to the employee.
- Publish manuals, guides and organisation charts to address potential uncertainty staff, especially recruits, may have about whom to talk to about certain issues.
- Everybody is now conscious of the challenges of being in a remote meeting, such as not being able to hear because somebody is shuffling paper. This has hopefully changed meeting etiquette, which will be beneficial to everybody, but especially to those who do not work in the main office and have often had to join meetings remotely.
- Recruits are likely to feel more anxious, shy and isolated than if they were in the office, so get them physically set up to WFH before their start date. Provide thorough induction programmes, including introductions to a wide range of colleagues across the organisation, not just their immediate team, this will help them understand the dynamics of the 'office'.

2. How do I balance the different needs of my people?

- Seek to understand everyone's WFH environment and circumstances.
- Collectively discuss how to deal with the negative effects that WFH can have, rather than leave it to each individual to resolve.
- Identify what is adding value and stop doing things that do not.
- Remembering that perfection is the enemy of the good, have an open and honest discussion amongst your team about priorities and who does what and when. Collectively work to resolve any conflicts as they arise and create a shared understanding.
- Aim to strike the right balance between the undoubted benefits of communication and collaboration, and the wastefulness and negative impacts of excess, such as Zoom fatigue.
- Be mindful of the use of people's time. Agree extended, call/meeting free lunch times.
- Practice good meeting discipline: only hold meetings if they are necessary for discussion and decisions, business updates can be by email; always circulate a clear agenda ahead of time; only invite people who really need to be there and limit the time scheduled to encourage more focused discussions.
- Help managers understand how to genuinely check-in with their team when they are working remotely.
- Consider providing carer support, such as: emergency dependent care^{ix}, virtual childcare, remote babysitters and/or collective virtual home schooling for different age groups.

3. How can I help junior members of staff who are concerned that they will not have sufficient visibility or contact time with senior managers when working remotely (and may be disappointed by the amount of time senior colleagues spend in the office post lockdown)?

- Make senior managers aware of these concerns.
- Talk through our thought processes behind decisions with junior staff, and encourage others to do the same, to help compensate for the fact that it is not as easy to learn by watching how others go about their work and respond to events.
- Encourage junior staff to proactively make connections, eg provide their perspective of business issues and/or sending relevant articles.
- Sponsorship and mentoring programmes can operate remotely, but also have set days in the office for face to face mentoring.
- Note that, post-#metoo, some men are reluctant to mentor women; have open and honest conversations about this to air and deal with concerns.



“We have been incredibly lucky in the investment industry to be able to rapidly move to remote working without missing a step in how we deliver value to our clients. Nevertheless, we should not miss an opportunity to learn from our recent experience and make a positive step change in how we work together, with more purpose, more trust, more flexibility, better inclusion, less travel. It is not going to be easy considering individual circumstances are so diverse but taking advantage of this opportunity to improve the way we operate in our industry not only can help us achieve better investment outcomes for savers but also deliver these outcomes in the world worth living in.”

Luba Nikulina, Managing Director, Head of Research, Willis Towers Watson.

4. How do I solve data security and other COVID-19 related compliance issues? What additional legal responsibilities do I have towards my staff?

- Remember GDPR responsibilities if collecting more information about employees and their circumstances.
- The Information Commissioner’s Office (ICO)* has set up a hub.
- Skillcast^{ad} has partnered with YouGov to conduct primary research into compliance issues, attitudes and risk perceptions in the UK workplace.

5. How do I measure performance when my team works remotely?

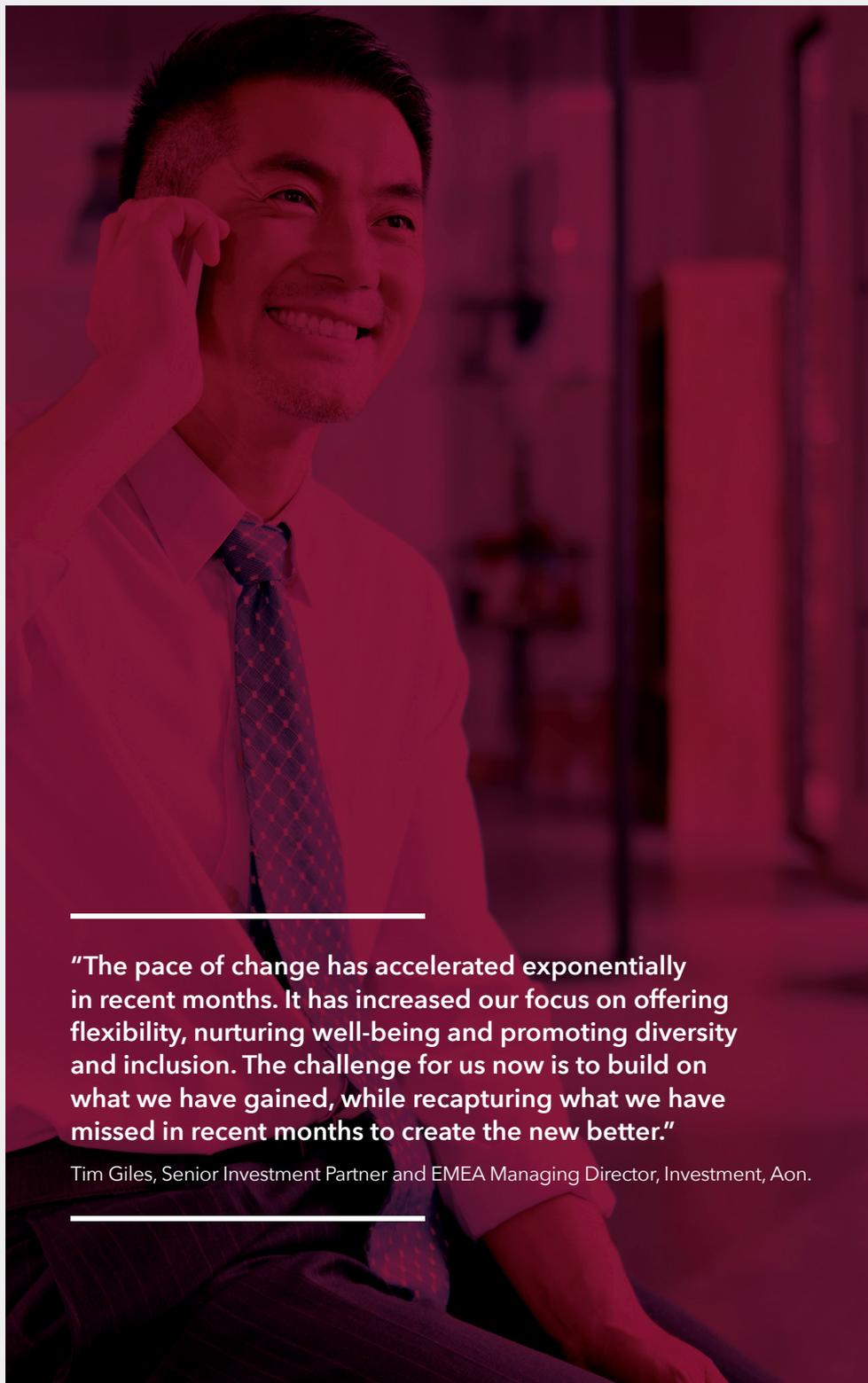
- Agree clear, specific, measurable, agreed, realistic/resourced, time-bound objectives.
- Evaluate outcomes; the quality, quantity and timeliness of what is delivered.
- Create metrics and feedback loops so that staff can gauge how they are doing.

WORKING LOCATION

Working in the office

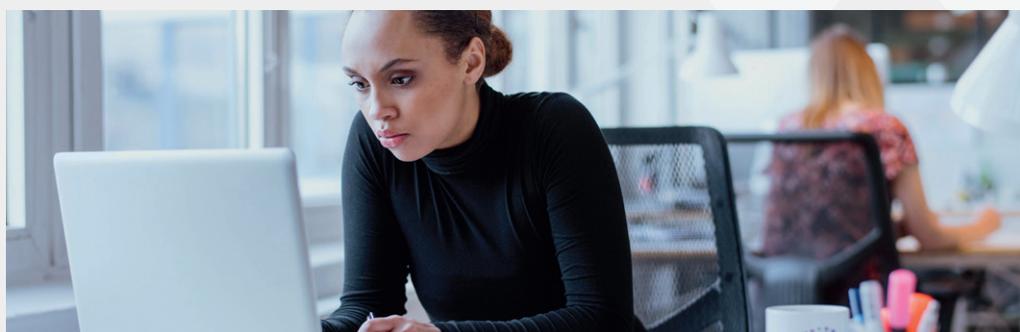
1. What do I need to put in place for the return^{xii} to working in the office (WITO)?

- COVID-19 appropriate health and safety^{xiii} protocols are needed, with related training and signage to reinforce these.
- Consider setting up a small team of 'ambassadors' to greet employees on their first day back and help them adjust to the new workspace norms and protocols. They can also provide ongoing support, community engagement for those WITO and WFH.
- Returning to the office is being phased. Many companies have voluntary WITO, at least for the rest of the year.
- Take into account individual's circumstances and risk exposures to identify different cohorts, such as those who are keen to WITO or whose jobs can be done more efficiently/effectively in the office, maybe traders or post room staff.
- As office usage will need to be managed to deal with social distancing. The use of work 'bubbles'/rotations can limit cross-contamination.
- Consider how staff will get to the office, avoiding public transport if possible. Note that WFH has already created a gap between the 'elites' and the 'masses'. Be aware of the risk of further tensions, eg better-paid staff will have more transport choices, such as driving in and paying the congestion charge (in London) and high parking costs.
- If local offices are available, consider how these can be used to limit the number of people travelling into central offices.



“The pace of change has accelerated exponentially in recent months. It has increased our focus on offering flexibility, nurturing well-being and promoting diversity and inclusion. The challenge for us now is to build on what we have gained, while recapturing what we have missed in recent months to create the new better.”

Tim Giles, Senior Investment Partner and EMEA Managing Director, Investment, Aon.



2. How can we make employees comfortable about returning to work?

- Offer antibody testing.
- Temperature testing is not currently recommended by the World Health Organisation (WHO) or the UK government, and can be seen to be intrusive.
- Ask employees to notify when they or a member of their household have symptoms/test positive and enforce government guidelines. Remember GDPR requirements for dealing with this information.
- In the office - communicate: risk assessments, decontamination processes, social distancing measures, workplace safety protocols, etc. Provide clear signage to reinforce these.
- Journey to work - consider what can be done to help staff avoid public transport.
- A team of ambassadors to assist people around the return and to provide ongoing support would be helpful.

3. What if some of my team refuse to return to the office if I need them to?

- Reconsider the level of risk and each person's circumstances.
- Reassess if they really do need to return and explore ways for them to continue to WFH.
- Take HR/legal advice to ensure insisting on WITO will not be treated as unfair or create discrimination issues.

4. What happens if there is a second-wave and we have to go into lockdown again?

- Create a playbook now that incorporates the lessons learnt, including draft communications.

5. Do we need to reconfigure our offices for the new world?^{xiv}

- The purpose of the office is under review. The general opinion is that the days of seas of desks across multiple floors, that do nothing to encourage collaboration are over.
- Whilst there is little point having people sat at desks in the office communicating with colleagues who are working remotely, respect that some people may want to be in the office, eg if they feel isolated, or there are too many distractions at home, or their accommodation is cramped.
- Few people, whose circumstances are well suited to remote working, want to work remotely 100% of the time.
- To reduce the need for staff to use public transport, some companies are considering using regional hubs. This also widens the available talent pool and could go some way to reducing regional social inequality in the UK.
- Creating a good office experience will be key as office use shifts even more towards providing social environments for: engaging, learning, mentoring, collaborating, and socialising.

WELLBEING

There is now more emphasis on the role of the corporates in wellbeing. During lockdown cognitive capabilities, productivity and sleep have gone up, but so have stress levels as the crisis has removed or compromised some of our basic human needs, such as, safety, certainty, control, and human connection, triggering negative emotions.

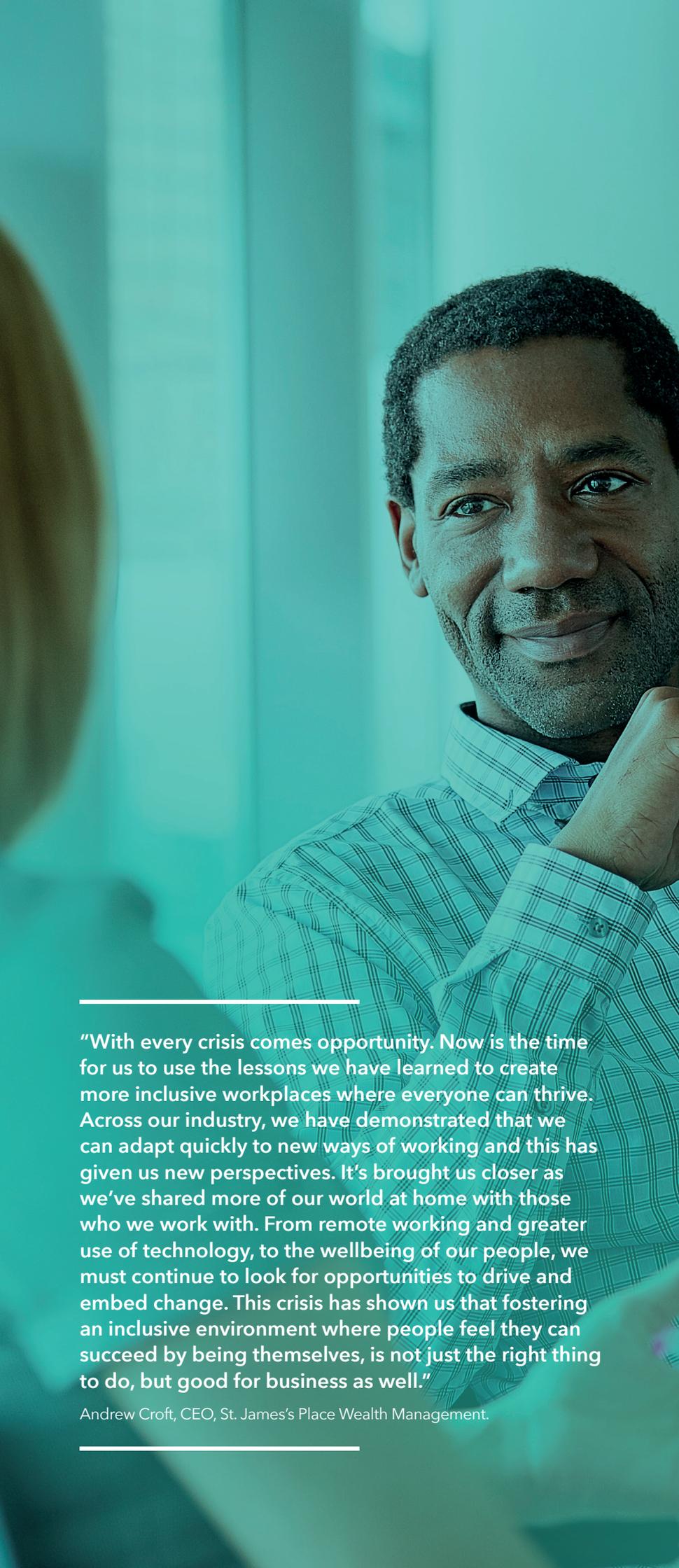
There has been a 66% rise in domestic abuse helpline calls^{xv} during the lockdown. There has also been a blurring, sometimes a collision, of the lines between work and life. Stress may not always be apparent to the person suffering from it, but it may still influence their judgment and behaviour.

1. How is WFH affecting different people?

- Women, particularly those in the 30-39^{xvi} age bracket, have been disproportionately impacted by the stresses of having to juggle multiple competing demands.
- Younger people have suffered from the loss of connection with work colleagues, especially if they are single, living alone, and lack a family support network around them; this means that they rely heavily on friends for social connections, which has also been lost.
- Disabled adults in the UK are more worried about the effects of COVID-19 than non-disabled adults; 68%^{xvii} say that COVID-19 related concerns are affecting their wellbeing, causing stress, anxiety or boredom, with 35% saying that they are spending too much time alone, compared to 20% of non-disabled adults.
- There may be new sub-groups whose requirements need to be taken into account or people whose existing requirements have been magnified.

2. How can I meet employees' growing mental health needs, and avoid them burning-out^{xviii}?

- For some people, remote working may be a stressful intrusion, especially if the culture is not inclusive, so people do not feel comfortable bringing their whole selves to work.
- Be empathetic and kind to others. Ask them how they are feeling and actively listen to what they are saying.
- Run training on emotional intelligence and how to spot signs of stress/anxiety (in a remote team) and provide FAQ/ resources to support leaders having 'engagement discussions' to determine, with sensitivity, what phase a team member may be in.
- It is now more acceptable to talk about mental health issues, so encourage ongoing dialogue within teams.
- Share experiences and strategies, such as, how we structure our days or take time out. Discuss the importance of self-care but be careful to be sensitive to situations for example where someone is living in shared accommodation or does not have outside space.
- How we schedule our days is important. Schedule blocks of time for different modes of thinking, putting the most attention-rich activities, such as prioritising, creativity and decision making early in the day when we have a fresh, alert mind^{xix}. Note also that distractions exhaust the executive brain's (prefrontal cortex's) limited resources.
- Stress can be shifted by practising resonant breathing^{xx}; that is slow, intentional breathing into the diaphragm, with one or more counts for the exhalation than the inhalation.
- Reiterate that it is output that is important, not hours worked.
- Provide ongoing welfare/wellbeing support (similar to Mental Health Awareness week).
- Arrange remote sessions on wellbeing in a WFH environment and provide online resources, such as cognitive behavioural therapy, mindfulness and meditation.
- Actively publicise our Employee Assistance Scheme.
- Actively publicise our mental health first aiders; or provide these if not already doing so.
- Establish virtual social networks. Consider setting up a buddy scheme where people are paired with someone else for support.
- Provide characteristic specific COVID-19 guidance via networks.
- Set up a virtual 'let's talk' sessions and/or (Jammer, Yammer etc) chats to encourage colleagues to share tips that are helping them deal with issues, such as home-schooling. Please also see the DP's Covid 19 response webpage, including "Ask Me Anything" recordings and Mental Health resources. <https://diversityproject.com/covid-19>
- Include wellbeing in KPIs.

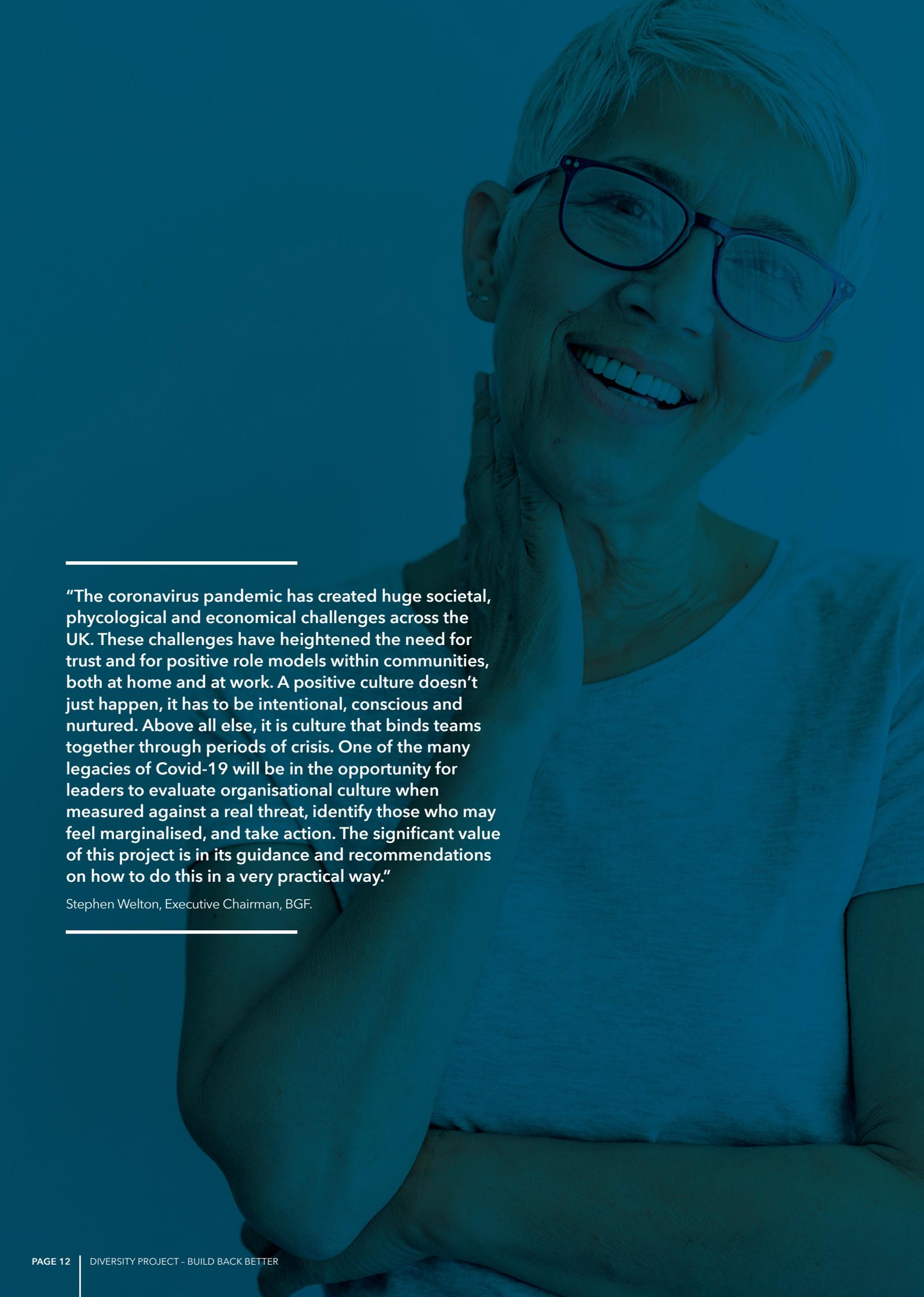


“With every crisis comes opportunity. Now is the time for us to use the lessons we have learned to create more inclusive workplaces where everyone can thrive. Across our industry, we have demonstrated that we can adapt quickly to new ways of working and this has given us new perspectives. It’s brought us closer as we’ve shared more of our world at home with those who we work with. From remote working and greater use of technology, to the wellbeing of our people, we must continue to look for opportunities to drive and embed change. This crisis has shown us that fostering an inclusive environment where people feel they can succeed by being themselves, is not just the right thing to do, but good for business as well.”

Andrew Croft, CEO, St. James's Place Wealth Management.

3. Some of my team are exhausted but reluctant to take time off^{oxi}; what should I do?

- Empathetically discuss their reasons for not taking time off.
- Take time off ourselves to role model its importance.
- Encourage people to take short breaks, such as an afternoon every week or a full day here and there, for family time, caregiving and/or self-care. Respect that this is their time off.
- Review time-off policies for current and easing lockdown restrictions, such as 14-day quarantine.
- Consider scheduling company-wide self-care days when nobody works.
- Consider providing informal time off.
- Provide more flexibility by extending the permitted period of holiday carry-over.
- Employees can be on furlough and on holiday and should be paid full holiday pay.



“The coronavirus pandemic has created huge societal, psychological and economical challenges across the UK. These challenges have heightened the need for trust and for positive role models within communities, both at home and at work. A positive culture doesn’t just happen, it has to be intentional, conscious and nurtured. Above all else, it is culture that binds teams together through periods of crisis. One of the many legacies of Covid-19 will be in the opportunity for leaders to evaluate organisational culture when measured against a real threat, identify those who may feel marginalised, and take action. The significant value of this project is in its guidance and recommendations on how to do this in a very practical way.”

Stephen Welton, Executive Chairman, BGF.

CULTURE

I&D is an enabler, so makes good business sense, and is the right thing to do. Diverse workforces led by inclusive leaders are more innovative. An inclusive culture is a 'speak up' culture, in which there is a sense of belonging; people feel valued and can be their true selves at work.

The Financial Conduct Authority (FCA)^{xxii} is looking for a firms' culture to play a fundamental role in reducing potential harm to consumers and markets. It wants to see cultures that are purposeful and psychologically safe, where employees feel comfortable to express their opinions and are listened to when they do; these are inclusive cultures.

During lockdown, video conferencing has brought colleagues' home lives into view, giving us a broader context about them. As a result, empathy has increased and corporate cultures have become more inclusive; let us build on this.

1. Should we aim to go back to the before-COVID-19 (BC) ways of operating?

- After such a prolonged lockdown, new habits have been created, so the old ways will need to be relearnt, missing the benefits of the silver linings the crisis has brought, such as understanding colleagues' broader contexts and the use of remote working.
- Employee expectations have risen on things such as the level of autonomy and flexible working. Trying to go back to BC ways could be problematic.

2. The world is now potentially more enlightened, therefore do we need to redefine our purpose: what we want to be known as; and why are we here?

- Having a clear purpose provides a valuable compass when faced with the need to make rapid decisions, such as now.
- Some companies are reviewing their purpose and values to test if they resonate with the 'new world'.

3. What have we learnt and how have we changed as leaders during the crisis? How are we going to lead going forward? What sort of role models are we going to be?

- Reflect on these questions individually and as a group.
- There has been a lot of constructive role modelling by leaders, which has had a positive impact on corporate culture, which would be good to build on.
- Most leaders have been highly visible and provided clarity where possible, such as no furloughs or redundancies during lockdown. Some have given money to charity and/or taken salary cuts. All of which has helped to engage staff and improve the reputation of our industry in the eye of the public.
- Leaders have also shared their personal lockdown stories and shown compassion and empathy for others.

4. How has the crisis changed our beliefs and culture? What are our employees thinking about the future? Does our culture align with our 'new world' strategy?

- Ask a diverse group of colleagues personally, or run surveys, to find out their views on: the outlook, the issues/opportunities this presents, how they see our culture and what needs to be preserved or changed.
- As a result of lockdown, we now know our colleagues in a wider context than just their work personas and have better visibility of the demands on them outside of work. There is increased appreciation, empathy, and discussion around the pressures of being a working parent, not just a working mother, which is a real cultural change.
- There is increased empathy and corporate cultures are more inclusive. This will support innovation and agility, both are needed in the 'new world'.
- Traditionally held beliefs around working patterns and presenteeism have been tested. Build on this to develop genuinely flexible working, which will widen the talent pool, boost staff retention, engagement and productivity; and give scope to cut estate costs.
- Set up a diverse group of employees to reshape the future of work.
- Identify other things that could change, such as the dress code.
- Include cultural alignment in performance measurement to reinforce the desired culture.

5. I recognise that a diverse workforce and an inclusive culture are inextricably linked, what can I do to improve diversity within my company^{xxiii}?

Commit

- Once it is clear that leaders are watching, positive things start to happen. So CEO sponsorship is needed to show commitment to I&D from the top.
- Align I&D to the mission, values, and strategy; and communicate why this is important.
- Be explicit. Morgan Stanley recently added 'Committing to Diversity and Inclusion' to make explicit its previously implied commitment, through 'Do the Right Thing'.
- Make sure there is an active ExCo level sponsor for each affinity group.
- Sign up for charters that require action to be taken;^{xxiv} Armed Forces Covenant, Disability Confident, LGBT Charter of Rights, Race at Work Charter, and Women in Finance Charter.

Role model

- What we as leaders say and, and even more importantly, what we do makes a big impact on whether or not people feel included. Commit to being an inclusive leader: compassionate, kind and curious about our staff.
- Stories^{xxv} have the power to humanise, engage, influence, teach and inspire. Many leaders have told their stories during the pandemic to good effect but, as leaders, we need to listen more than speak. Now we need to capture stories from all parts of society and use this context to take action to build on the positive shifts in inclusion that have taken place during the pandemic.
- 'Nudge'^{xxvi} people into feeling the need to be inclusive through positive reinforcement.
- We can help to normalise flexible working by working flexibly ourselves and telling our story about how it works for us, and the business.
- Add a comment to our email signatures saying that we do not expect people to respond immediately to emails we send outside 9-5 and that if something is urgent they can text.
- Reflect on our inner circle, those we turn to, internally and externally, to bounce business ideas off, and change its composition if it is not sufficiently diverse.
- Take on a reverse mentee.

Strategy

- Create a highly visible, preferably well-funded, internal I&D brand.
- Mine current data, identify key issues, and set data-driven, measurable targets.
- Reinforce accountability with clear KPIs. Measure collective and individual performance.
- Set up a task-force of diverse volunteers to identify blockers to building a diverse workforce, develop action plans and promote social accountability; the desire to look fair-minded.
- Note that, ironically, when a company's culture promotes meritocracy, managers may be less likely to be objective, compared to when it does not.
- Bain & Company^{xxvii} identifies the following initiatives that matter to most demographics: flexible working for all (to remove the stigma), caregiver support, and sponsorship.
- Be aware that describing inequities as privileges for certain people, rather than disadvantages for others, can create defensiveness, as it damages self-image.

During lockdown, video conferencing has brought colleagues' home lives into view, giving us a broader context about them. As a result, empathy has increased and corporate cultures have become more inclusive; let us build on this.

Cascade

- The strength of middle management is vital. Creating management cohorts to provide sounding boards and peer feedback loops, support and challenge can be beneficial. Give a clear message that it is OK to challenge safely and that such challenges will be rewarded.
- Be transparent about what it takes to be promoted.
- Celebrate desired behaviours, such as the narrowing of pay gaps, and demonstrate zero tolerance for inappropriate behaviour by suppliers and clients, as well as employees.
- Encourage people to become I&D champions and allies^{xxviii} of groups with different characteristics to themselves. Provide training and resources eg blogs, videos, or connect them with external organisations.
- Use the new prevalence of video conferencing to build communities and, as many of the issues and solutions faced by each group are similar, hold at least some company-wide I&D meetings.
- Consider opening up champion group meetings to suppliers and clients and asking junior/middle managers to chair them, rather than the ExCo sponsor.
- Be creative about sourcing talent more broadly, different universities, upReach and Investment 2020, apprenticeships, and returnship programmes.

Data

- Build a reliable, granular database using census categories. Since providing diversity data is voluntary, reassure that all data is confidential. Some companies give a small donation to the charity of an employee's choice to encourage them to provide their data.
- Each year RemCo could challenge each manager about their pay and promotion data and give the managers the opportunity to challenge RemCo on the overall data.
- Help to build trust by proactively and transparently, communicating progress and actions, recognising shortcomings, and acknowledging that not everything will be right every time.
- Report what you have got, even if it is not perfect, explaining why it is important to have the data and the actions that are being taken as a result; this may cause a snowball effect.
- Publish other pay gap numbers, not just gender, even though you do not currently need to.

Training

- Whilst there is little evidence that unconscious bias training has a positive impact, so that people can check themselves when triggers show up, encourage everyone to understand their own biases; those automatic, unintentional, learned stereotypes that are ingrained in our beliefs, and influence our behaviour.
- Consider implementing Bystander^{xxix} training on how to identify, call out, and address overt and covert discriminatory behaviour; the latter can be so insidious that it presents itself as everyday behaviour.
- To raise awareness of inappropriate behaviour, Deloitte successfully used actors to tell employees' #metoo stories on a video that was shown to all staff.

Create possibilities

- For beliefs to change usually our experiences have to change first. For example, being surrounded by role models, or even pictures of role models who look like us can affect what we think is possible for ourselves.
- Highlight great examples within your own firm or our industry, as well as public figures. Invite your 'unsung heroes' to tell their story.

Policies and procedures

- Ensure that policies and practices support building a truly diverse workforce.
- Introduce processes to counteract bias, such as focusing on capabilities rather than experience to widen the candidate pool; anonymise applications, and using standardised tests and interviews to replace unstructured interviews.

Engage with specialists

- Collaboration with experts in their field^{xxx} can help achieve the various parts of I&D strategies more quickly and smoothly. Some suggested (but not recommended) organisations are listed in the resources section at the end of the paper.



6. What can I do to instil an inclusive culture especially when inequalities have widened during lockdown?

- Employees' feelings of inclusion are driven by tangible day-to-day experience.
- Getting to know a person changes the way we think about them^{xxxi}.
- Being listened to and sharing stories is humanising; encourage employees to ask their colleagues what it is like to work in our company and industry.
- Be aware that our staff has become more self-sufficient and independent during lockdown. Being less directive going forward rewards them for this and frees our time to focus on long-term strategy.
- To increase the breadth of the people involved in discussions and decisions, be creative about the choice of employees engaged with when developing the post-COVID-19 strategy.
- Decentralise strategy implementation. Consider using sprints, made up of people from across the end-to-end client journey.
- Embrace remote working to create diverse, virtual teams from across the business.
- Set up a revolving shadow ExCo of younger people to provide challenge and input to the main ExCo and to give the shadow members experience in being an ExCo member.
- Stop trying to 'fix' people. Compelling others 'to conform' undermines diversity of thought and feelings of inclusion.

7. How can I amplify our commitment to I&D?

- Choose suppliers that share our values and culture.
- Sensitively raise concerns with suppliers and clients if they show inappropriate behaviours.

8. How do I deal with those in my company who do not recognise society's reliance on key workers and maintain a sense of entitlement?

- Have honest, open conversations.
- Tell stories to reinforce the message around social equality.
- Encourage people to volunteer.
- Link individual's objectives to corporate values and measure performance.

"The coronavirus crisis has exacerbated societal inequalities but also shown us how to work differently. It's also highlighted the importance of diverse and creative thinking as we wrestle with complex issues. The fund management industry, previously slow to modernise, has a choice to make: to build back better, or to revert to its old ways. I'm encouraged by all the evidence that leaders want to seize this moment to make real progress, this compendium aims to help them do so."

Dame Helena Morrissey, Chair of the Diversity Project.

"I have 3 wishes for how we can build back better post COVID-19:

(1) to continue to run many of our internal and external meetings remotely - these tend to be shorter, more focused, better attended and have broader participation;

(2) to fully embrace smart working empowering all of our people to work remotely more frequently;

(3) to expand the pool of talent that we can employ to include those that cannot come into an office for health, social, economic, or religious reasons.

Companies that can adapt to offer greater flexibility to employees post this crisis will do better in attracting and retaining the best and most diverse talent."

Mitesh Sheth, CEO, Redington.

FLEXIBILITY^{XXXII}

Bain & Company have identified flexible working as a priority to improve I&D. It also widens the talent pool, boosts employee retention, engagement and productivity; as well as providing scope to reduce estate costs.

Whilst the crisis has proved that companies can operate remotely (the 'where'), being truly flexible includes 'when' work is done and 'how much' output is expected. To do this well requires people trained in job design. It is also key that flexible working becomes normalised; not seen as a 'perk' for the few. This will involve wide adoption of flexible working and a shift to collective responsibility for making it successful, rather than putting the onus on the people working flexibly.

The Diversity Project and its partner, Timewise, has published a 'Manifesto for Change - A Modern Workplace for a flexible workforce'^{xxxiii}, which highlights five key action points, plus a framework for action.

1. Historically line managers have resisted flexible working, how can I shift their views?

- Emphasise its positive effects and reinforce that it is now the norm.
- Normalise flexibility by making it the default, requests should be reasonable and requiring managers to argue why it is not possible.
- There seems to be less negativity towards flexible working now.
- Let them know that responsibility for making flexible working succeed is a shared responsibility, rather than the onus being on the members of the team working flexibly.
- Get them to talk to their teams about how it will work best individually and collectively.
- Provide job design training.
- Support line managers in supporting their staff to ensure that flexibility does genuinely reduce work-life conflict.
- Bring groups of managers together to support each other as they work through the changes needed and the challenges they may have with their teams work more flexibly.

2. Remote working has proven to be effective, how can I build this into truly flexible working? Flexible working helps when building diverse and inclusive teams; how can we normalise it?

- Remove its stigma and make it the norm by role modelling flexible working and publicising stories by people who work flexibly^{xxxiii}. (The chair is the most senior person in the organisation; they work part-time and often remotely).
- Emphasise that flexibility is for everyone.
- Encourage employees to have flexible working conversations with their managers.
- The responsibility for the success of flexible working needs to be shared, rather than being dependent on the people working flexibly.
- Be cognisant of the dangers of increased working hours, rather than the intended reduction in work-life tensions. Creative job (re)design is instrumental in delivering the desired intent.
- If teams have a stake in the design of flexible working solutions, they will have a vested interest in their success.
- Job (re)design needs to consider both the technical and the human aspects when going back to first principles to adapt roles and reconsider location, scheduling and delivery expectations. The sweet spot is where an individual's needs overlap those of the business.
- Consider seasonal working, eg financial reporting roles.
- Job design is not a widely held skill, so provide training.
- One size does not fit all. Provide a framework, but do not stifle choice; recognise that some working arrangements may be formal, some informal, and some ad-hoc.
- Do not treat smart people like children; do not micromanage.
- Mention the possibility of flexibility when advertising jobs.



The responsibility for the success of flexible working needs to be shared, rather than being dependent on the people working flexibly.

3. How do we deal with the likely increase in requests for flexible working?

- It may be more difficult to refuse a request if people have been successfully working flexibly during lockdown. Be aware of discrimination risks.

4. It has been easier for established (bonded) teams to work remotely if flexible working becomes the norm how do we maintain this bond in the long-term, especially when the membership of the team changes?

- Continue to be authentic and visible. Ask team members how they are feeling and stay in touch with their life outside work situation.
- Discuss together, what they and you have learned and the challenges faced individually and collectively, actively seeking different perspectives and opinions to reach decisions on how to work through these.
- Take extra care onboarding new members to the team to help them get a good feeling for 'how things are done' and understanding of whom to go to with which questions/ideas.
- Encourage the use of chat rooms, such as Jabber or Yammer etc, for in-the-moment, ad hoc contact - respecting any contact-free periods that have been collectively agreed.

5. To maximise the benefits of flexible working and inclusive dialogue, how can we create sufficient contact time when we have different work patterns?

- Have sensitive conversations to establish everybody's availability boundaries. Agree and communicate work schedules, accepting that these may be fluid.
- Be sensitive to each person's circumstances when considering the best time/location for each type of meeting.
- Aim to create some core times during the week for team meetings.



AUTHOR

Jayne Styles

*Co-Lead of the Diversity Project
Ambassador workstream*

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We are looking for case studies to demonstrate good examples supporting the content discussed in this paper. Do you have some you'd like to share, or do you have any other questions? Please contact:

info@diversityproject.com

- i McKinsey, diversity still matters**
<https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-still-matters>
- ii PwC, leading out of lockdown: five key priorities for post-crisis asset and wealth management**
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Chartered Management Institute
<https://www.managers.org.uk/~media/Files/resources/better-managers-manual-2020-covid19.pdf>
<https://www.managers.org.uk/coronavirus>
The Investment Management Association, COVID-19
<https://www.theia.org/covid-19>
- iii Diversity Project, COVID-19 response**
<https://diversityproject.com/covid-19>
Diversity Project, support for working families & carers
<https://diversityproject.com/working-families-carers-and-covid-19-pandemic>
Diversity Project and Timewise, Manifesto for Change - A Modern Workplace for a flexible workforce
Career Collective, Inclusive Leadership Open Playbook
<https://www.careercollective.co/post/inclusive-leadership-maturity-curve>
- iv HBR, leading and working through a pandemic**
<https://hbr.org/insight-center/coronavirus?ab=articlewidget-insightcenter-coronavirus>
ACAS, advice for employers and employees
<https://www.acas.org.uk/coronavirus>
Chartered Institute for Personnel and Development (CIPD), COVID advice for UK employers
<https://www.cipd.co.uk/knowledge/fundamentals/emp-law/health-safety/coronavirus-factsheet>
- v HBR, Emerging from the Crisis**
<https://hbr.org/2020/07/emerging-from-the-crisis#learning-from-the-future>
- vi Investment20/20**
<https://www.investment2020.org.uk/>
The Black British Business Awards
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Timewise
<https://timewise.co.uk/>
upReach
<https://upreach.org.uk/>
- vii Deloitte, workforce strategies for a post-COVID-19 recovery**
<https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/human-capital/deloitte-uk-workforcestategies-for-post-covid-recovery-workbook.pdf>
- viii Health and Safety Executive**
<https://www.hse.gov.uk/>
- ix My Family Care**
<https://www.myfamilycare.co.uk/>
- x ICO, data protection and coronavirus information hub**
<https://ico.org.uk/global/data-protection-and-coronavirus-information-hub/>
- xi Skillcast, compliance insights from primary research by YouGov**
<https://www.skillcast.com/compliance-insights>
- xii Chartered Management Institute**
<https://www.managers.org.uk/insights/news/2020/may/return-to-work-the-toughest-managementchallenge-of-our-age>
JLL, COVID-19 resources for real estate, may need to sign up
<https://www.jll.co.uk/en/coronavirus-resources>
- xiii Law Society, framework for return to work**
<https://www.lawsociety.org.uk/support-services/coronavirus/covid-19-framework-for-return-to-office/>
World Health Organization, tips for health and safety at the workplace in the context of COVID - 19
<https://www.who.int/emergencies/diseases/novel-coronavirus-2019/question-and-answers-hub/q-a-detail/q-a-tips-for-health-and-safety-at-the-workplace-in-the-context-of-covid-19>
- xiv JLL, How COVID-19 is driving new workplaces and workforces**
<https://www.jll.co.uk/en/trends-and-insights/workplace/how-coronavirus-is-driving-new-workplaces-andworkforces>

- xv Refuge**
<https://www.refuge.org.uk/>
- xvi King's College London, Global Institute for Women's Leadership, Flexibility, Engagement and Diversity**
- xvii Disability Rights UK, Nearly two-thirds of disabled adults say COVID-19-related concerns affecting their wellbeing**
<https://www.disabilityrightsuk.org/news/2020/april/nearly-two-thirds-disabled-adults-say-covid-19-related-concerns-affecting-their-well>
- xviii Diversity Project, Mental Health COVID-19 Response**
<https://diversityproject.com/mental-health-covid-19>
- xix Your Brain at Work, David Rock**
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- xx HBR. A simple way to combat chronic stress**
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- xxii FCA, Driving purposeful cultures**
<https://www.fca.org.uk/publication/discussion/dp20-1.pdf>
Diversity Project, SMART working Manifesto webinar
https://youtu.be/JM1KQW_WTEQ
- xxiii Bain & Company, Take Action, Gain Traction: Inclusion and Diversity in the UK Workplace**
<https://www.bain.com/insights/take-action-gain-traction-inclusion-and-diversity-in-the-uk-workplace/>
- xxiv Armed Forces Covenant**
<https://www.armedforcescovenant.gov.uk/>
Disability Confident
<https://disabilityconfident.campaign.gov.uk/>
Race at Work Charter
<https://www.bitc.org.uk/race/>
Women in Finance Charter
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/519620/women_in_finance_charter.pdf
LGBT Charter of Rights
<https://www.lgbtyouth.org.uk/media/1511/lgbt-charter-brochure.pdf>
- xxv HBR, the science behind the art of storytelling**
<https://www.harvardbusiness.org/the-science-behind-the-art-of-storytelling/>
- xxvi Deloitte, Inclusion nudges guidebook**
<https://www2.deloitte.com/au/en/pages/human-capital/articles/inclusion-nudges-guidebook.html>
- xxvii Bain & Company, Five actions to improve inclusion and diversity in the workplace**
<https://www.bain.com/insights/inclusion-diversity-uk-infographic/>
- xxviii Allies actively promote and aspire to advance the culture of inclusion through intentional, positive and conscious efforts that benefit people as a whole.**
- xxix HBR, to combat harassment, more companies should consider bystander training**
<https://hbr.org/2018/10/to-combat-harassment-more-companies-should-try-bystander-training>
- xxx Investment 2020**
<https://www.investment2020.org.uk/>
The Black British Business Awards
<https://www.thebbbawards.com/home>
upReach
<https://upreach.org.uk/>
- xxxi Your Brain at Work, David Rock**
<https://neuroleadership.com/your-brain-at-work/>
 Paraphrased - it is animal instinct for the human brain to automatically classify people we don't know as threats until proven otherwise. Further, a different set of brain circuits are used for thinking about foes, than for thinking about friends. In the latter case, we process our interactions using a similar part of the brain to that which we use for thinking about our own experiences. It is relatively easy to change someone from 'foe' to friend by taking time to get to know them.
- xxxii Diversity Project, smart working**
<https://diversityproject.com/covid-19>
<https://timewise.co.uk/wp-content/uploads/2020/05/Timewise-People-Manager-guide-2020.pdf>
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<https://diversityproject.com/resource/smart-working-manifesto-change-investment-and-saving-industry>

RESOURCES

Data

Type of organisation	Organisation	Subject	Link
Charity	Business in the Community	Capturing Ethnicity Data	https://www.bitc.org.uk/capturingethnicity-data/

Diversity & inclusion

Type of organisation	Organisation	Subject	Link
Consultant	McKinsey	Diversity still matters	https://www.mckinsey.com/featuredinsights/diversity-and-inclusion/diversitystill-matters
Academic	HBR	Why diversity programmes fail	https://hbr.org/2016/07/why-diversity-programs-fail
Academic	HBR	Designing a bias-free organisation	https://hbr.org/2016/07/designing-a-bias-free-organization
Research institution	Neuroleadership	Your Brain at Work	https://neuroleadership.com/your-brain-at-work/

Families and carers

Type of organisation	Organisation	Subject	Link
Professional association	Diversity Project	Support for working families and carers	https://diversityproject.com/working-families-carers-and-covid-19-pandemic

Flexibility

Type of organisation	Organisation	Subject	Link
Corporate	BHP	Flexible working a game changer	https://www.bhp.com/community/community-news/2019/05/flexible-working-a-game-changer/
Academic	King's College, London, Global, Institute for Women's Leadership	Flexibility, Engagement and Diversity: can we have all three?	
Consultancy	Timewise	From crisis to opportunity: redesigning the workplace	https://timewise.co.uk/wp-content/uploads/2020/05/Timewise-People-Manager-guide-2020.pdf

General

Type of organisation	Organisation	Subject	Link
Government	Advisory, Conciliation and Arbitration Service (ACAS)	Advice for employers and employees	https://www.acas.org.uk/coronavirus
Professional association	Chartered Institute for Personnel and Development	COVID advice for UK employers	https://www.cipd.co.uk/knowledge/fundamentals/emp-law/health-safety/coronavirus-factsheet

General

Type of organisation	Organisation	Subject	Link
Professional	(CIPD) Chartered Management Institute	Better managers manual 2020 COVID-19	https://www.managers.org.uk/~media/Files/resources/better-managers-manual-2020-covid19.pdf
Professional	Chartered Management Institute	Coronavirus	https://www.managers.org.uk/coronavirus
Professional association	Diversity Project	COVID-19 response	https://diversityproject.com/covid-19
Academic	Harvard Business Review (HBR)	Coronavirus	https://hbr.org/insight-center/coronavirus?ab=articlewidget-insight-center-coronavirus

Health and safety

Type of organisation	Organisation	Subject	Link
Government agency	Health and Safety Executive		https://www.hse.gov.uk/

Inclusive leadership

Type of organisation	Organisation	Subject	Link
Consultancy	Career Collective	Inclusive Leadership Open Playbook	
Professional Services	Deloitte	The six signature traits of inclusive leadership	https://www2.deloitte.com/us/en/insights/topics/talent/six-signature-traits-of-inclusive-leadership.html
Professional Services	Deloitte	Inclusion nudges guidebook	https://www2.deloitte.com/au/en/pages/human-capital/articles/inclusion-nudges-guidebook.html
Academic	HBR	The science behind the art of storytelling	https://www.harvardbusiness.org/the-science-behind-the-art-of-storytelling/

Legal and compliance

Type of organisation	Organisation	Subject	Link
Government	Information Commissioner's Office	Data protection and coronavirus information hub	https://ico.org.uk/global/data-protection-and-coronavirus-information-hub/
Training company	Skillcast (YouGov)	Compliance insights	https://www.skillcast.com/compliance-insights

People strategies

Type of organisation	Organisation	Subject	Link
Professional services	Deloitte	Workforce strategies for a post-COVID-19 recovery	https://www2.deloitte.com/content/dam/Deloitte/uk/Documents/human-capital/deloitte-uk-workforce-strategies-for-post-covid-recovery-workbook.pdf
Professional services	Jones Lang LaSalle (JLL)	How COVID-19 is driving new workplaces and workforces	https://www.jll.co.uk/en/trends-and-insights/workplace/how-coronavirus-is-driving-new-workplaces-and-workforces

Return to work

Type of organisation	Organisation	Subject	Link
Professional services	Bain & Company	Take Action, Gain Traction: Inclusion and Diversity in the UK Workplace	https://www.bain.com/insights/take-actiongain-traction-inclusion-and-diversity-in-the-uk-workplace/
Professional services	Bain & Company	Five actions to improve inclusion and diversity in the workplace	https://www.bain.com/insights/inclusion-diversity-uk-infographic/
Professional	Chartered Management Institute	Return to work, the toughest management challenge of our age	https://www.managers.org.uk/insights/news/2020/may/return-to-work-the-toughest-management-challenge-of-our-age
Academic	HBR	To combat harassment, more companies should consider bystander training	https://hbr.org/2018/10/to-combat-harassment-more-companies-should-try-bystander-training
Professional association	Law Society	Framework for return to work	https://www.lawsociety.org.uk/support-services/coronavirus/covid-19-framework-for-return-to-office/
Corporation	JLL	COVID-19 resources for real estate	https://www.jll.co.uk/en/coronavirus-resources

Wellbeing

Type of organisation	Organisation	Subject	Link
Charity	Disability Rights UK	Nearly two-thirds of disabled adults say COVID-19-related concerns affecting their well-being	https://www.disabilityrightsuk.org/news/2020/april/nearly-two-thirds-disabled-adults-say-covid-19-related-concerns-affecting-their-well
Professional association	Diversity Project	Mental Health COVID-19 Response	https://diversityproject.com/mental-health-covid-19
Academic	HBR	Managers, encourage your team to take time off	https://hbr.org/2020/06/managers-encourage-your-team-to-take-time-off

Wellbeing

Type of organisation	Organisation	Subject	Link
Academic	HBR	A simple way to combat chronic stress	https://hbr.org/2016/04/steps-to-take-if-youre-suffering-from-chronic-stress

Charters

Type of organisation	Organisation	Subject	Link
Disability	Disability Confident		https://disabilityconfident.campaign.gov.uk/
Ethnicity	Race at Work Charter		https://www.bitc.org.uk/race/
Gender	Women in Finance Charter		https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/519620/women_in_finance_charter.pdf
LGBT+	LGBT Charter of Rights		https://www.lgbtyouth.org.uk/media/1511/lgbt-charter-brochure.pdf
Veterans	Armed Forces Covenant		https://www.armedforcescovenant.gov.uk/

Specialist organisations

Type of organisation	Organisation	Subject	Link
Disability	Disability Rights UK		https://disabilityconfident.campaign.gov.uk/two-thirds-disabled-adults-say-covid-19-related-concerns-affecting-their-well
Ethnicity	The Black British Business Awards		https://www.thebbawards.com/home
Gender	Global Institute for Women's Leadership		https://www.kcl.ac.uk/giwl/who/who-we-are
LGBT+	LGBT Great		https://www.lgbtgreat.com/
Veterans	City Veterans Network		https://www.cityvetnet.uk/
Veterans	The Officers Association		https://www.officersassociation.org.uk/
Veterans	Ministry of Defence		https://www.army.mod.uk/people/live-well/armed-forces-covenant/
Early career	Investment20/20		https://www.investment2020.org.uk/
Flexible working Returners	Timewise		https://timewise.co.uk/
Social mobility, Working families and carers	upReach		https://upreach.org.uk/

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