

Insights

MEASURING AND PROMOTING INCLUSION IN THE FINANCIAL SERVICES SECTOR – NEW REPORT AND ACTIONS

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Following their survey of over 3000 individuals across 13 financial services sector employers, the Financial Services Culture Board (FSCB) and the Financial Services Skills Commission (FSSC) have published a report setting out four actions financial services firms can take to help improve inclusion.

In the current market, the skills challenge faced by employers in the financial services sector means that ensuring individuals feel included at work is key to employee retention as well as wider business success and societal benefits. Inclusion is an important partner to diversity in considerations for any employer. The FCA, PRA and Bank of England have also set out a clear direction of travel on diversity and inclusion in the sector, and a readiness to play an active role in fostering both. This is recognised in a report recently published by the FSCB (previously the Banking Standards Board) and FSSC.

As outlined in the report, while diversity is about acknowledging and benefiting from a range of perspectives and backgrounds (and is easier to measure based on diversity data), inclusion is about creating a sense of belonging and being valued, without needing to conform. However, whilst many employers are now taking active steps to monitor the diversity of their workforce (treading carefully regarding data protection considerations), inclusion is harder to quantify and is less frequently reviewed.

In 2021, the FSCB and FSSC piloted a common approach to measure perceptions of inclusion in the sector. Over 3000 responses were received from 13 organisations. The results of the pilot survey have now been published. The findings indicate that, overall, a majority of employees are positive about managers' efforts to promote inclusion. However a crucial part of measuring inclusion is to understand that views are not uniform, and can point to areas where firms can improve and develop their inclusion activity. In particular, the survey showed that employees with some protected characteristics felt less positive about their experience of inclusion in the workplace, and had concerns about being stereotyped, speaking up about issues, and the perceived fairness of processes.

Based on the findings, the report proposes four actions organisations can take to help improve inclusion in the workplace:

1. **Understand and measure inclusion** - not just diversity - within firms. Firms should aim to measure both diversity and inclusion in the workplace, in a way that allows different views across employees to be gathered and assessed. A detailed firm wide view is necessary to uncover the variations in employment sentiment and experience.
2. **Develop and demonstrate a culture of listening and learning.** Firms should visibly demonstrate that employee feedback is being listened to, and that giving feedback is recognised and valued.
3. **Maintain and demonstrate fair and transparent processes and systems.** As the workplace evolves, firms should keep internal processes and systems under review from a fairness perspective.
4. **Demonstrate strong leadership on inclusion.** Ambitions around inclusion need to be reflected at all levels within the firm with clear leadership and managers ensuring individuals are being recognised when they promote inclusion.

Many of these actions are steps which are already familiar to firms as they seek to embed a psychologically safe working environment across their organisation.

The full report can be found [here](#)

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Catherine Turner

London

catherine.turner@bclplaw.com

[+44 \(0\) 20 3400 4943](tel:+442034004943)



Katherine Pope

London

katherine.pope@bclplaw.com

[+44 \(0\) 20 3400 3533](tel:+442034003533)

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