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Ahead Forth Forward ▶

How is the industry performing?
Fram Search survey March 2022



Diversity & Financial Services

Key findings

DEI is key to talent strategy

65

Average score of 0-100 on the importance of DEI when looking for a new job.

p. 5

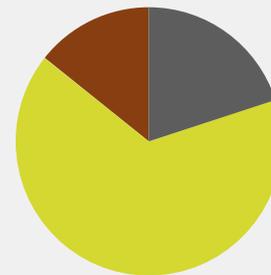
Personal experience of discrimination



39% of respondents have personally experienced discrimination..

p. 14

Quotas are divisive



66% of respondents were opposed to quotas, vs 20% in favour.

p. 7

Employers are seen to perform well

50%

50% felt their firm 'lived their values', and more than half rated their firm's DEI efforts above average or better.

p. 11

Foreword

Firstly, a huge thank you to everyone who took part in our survey. As always, we've received hugely insightful comments and results, which will help us all with the ongoing conversation around the very important topic of diversity & inclusion within financial services.

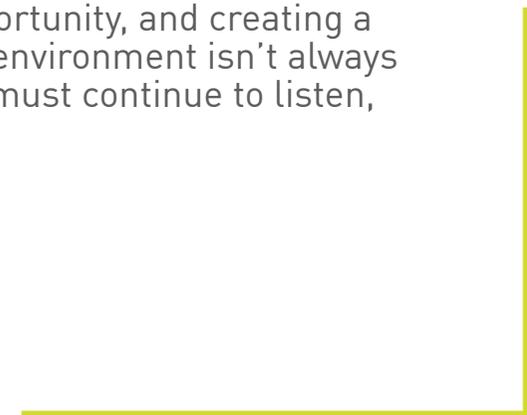
The world has changed enormously in the last 100 years. From technological advancements and improvements in healthcare, to becoming more inclusive. It wasn't until 1928 that women received the vote on an equal footing with men in the UK. Since then, we've had two female Prime Ministers, which, although clearly far short of 50% representation, is a start, and both Prime Ministers are an inspiration to those that follow them. According to the Fawcett Society, within the last decade the number of women in FTSE 100 boardrooms has jumped from 12.5% to 39%. However, as with my political comparison, women are underrepresented when it comes to being in the principal role, with only eight of the FTSE 100 Chief Executives being women. According to the Parker Review, 81 of the FTSE 100 had ethnic representation on their boards (as of March 21). Whilst there is much to celebrate and firms need to be commended for their efforts over the last few years, in some areas, some roles, at some levels, diversity initiatives haven't been anywhere near successful enough.

Firms who are investing in diversity are pulling away in terms of attracting the best talent. In years gone by, few candidates ever asked about the composition of a firm's board. Now, they rightly ask their recruitment consultant regularly. Firms who live their values, who have a strong culture and take control of it, will move ahead of the group who give this no consideration. Employers are now not just judged on their pension and benefits; they are judged on who they are and the positive impact they make to society.

When it comes to diversity it's very simple for me. It's about two things, equality of opportunity, and creating a supportive environment for all. However, the implementation and creation of the right environment isn't always easy in practice. Businesses are living things and complex ecosystems. Therefore, we must continue to listen, learn, and adapt.

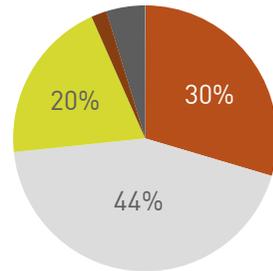


Simon Roderick
Managing Director



How important do you feel the following key benefits are to diversity?

Appealing to new and changing customer bases



Very important

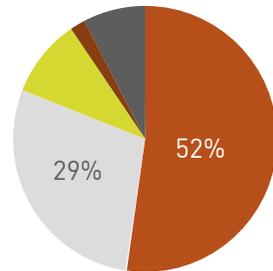
Somewhat important

Neutral

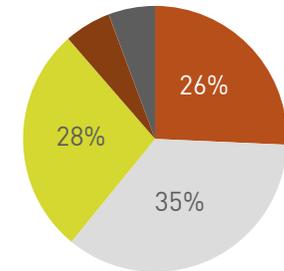
Somewhat unimportant

Unimportant

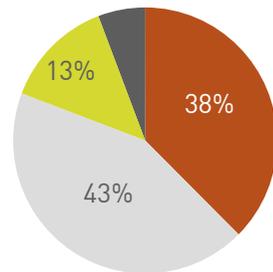
Idea flow & creativity



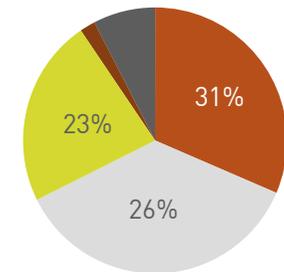
Improving customer satisfaction



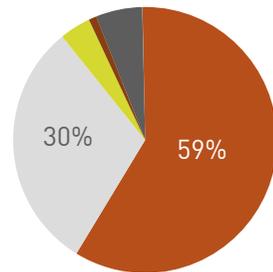
Marketing & brand reputation



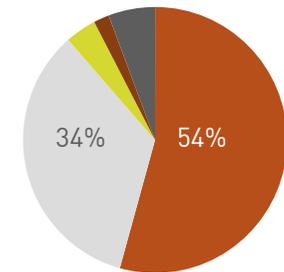
Business performance



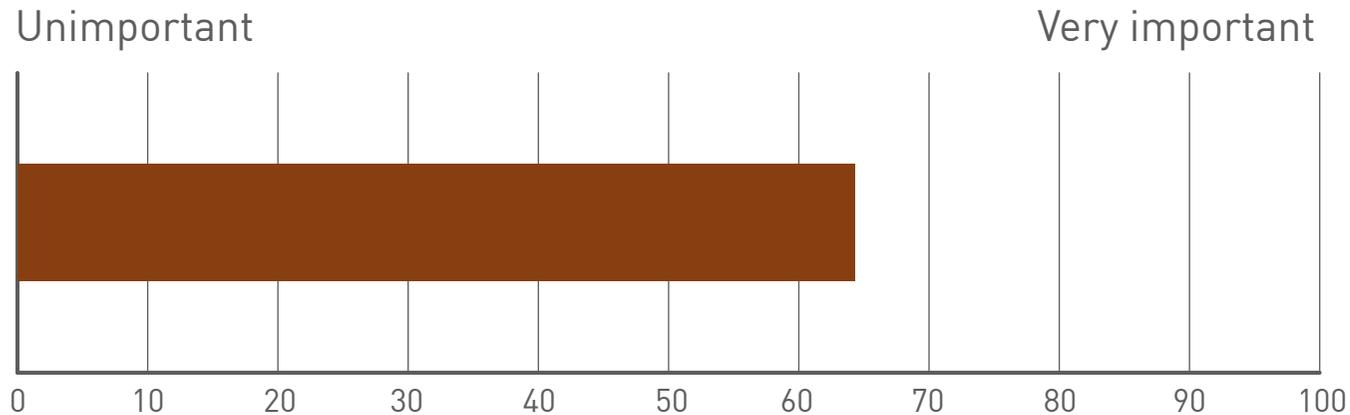
Improving business culture



Attracting new talent



How important would a potential employer's DEI strategy be if you were looking to change jobs?



As recruiters, we have seen DEI become increasingly important to candidates in recent years. Many candidates ask for details on a prospective employer's DEI strategy, board composition, or Women in Finance Charter.

Respondents with personal experience of discrimination gave an average of 72 to this question, vs 60 for those who said they had no experience of discrimination.

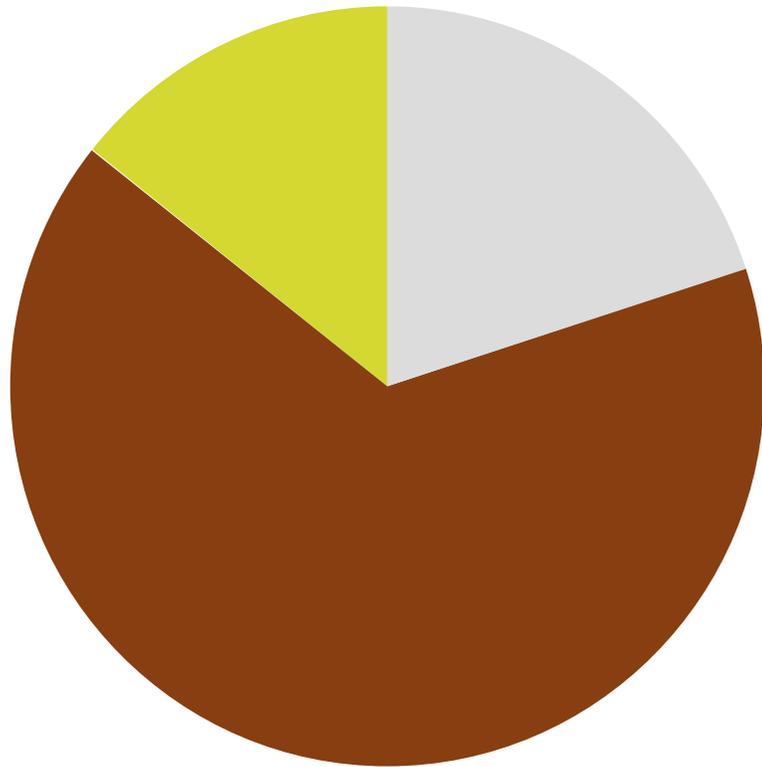
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The privileged majority has always been taking jobs for which they are unqualified. The argument that there is a conflict between diversity targets and skill sets is an excuse for organisations to ignore targets.

The way forward

” Change takes time and the pipeline of talent and experience needs to build up, while attention/focus remains on the issue.

Do you believe that quotas is the right way to improve representation?



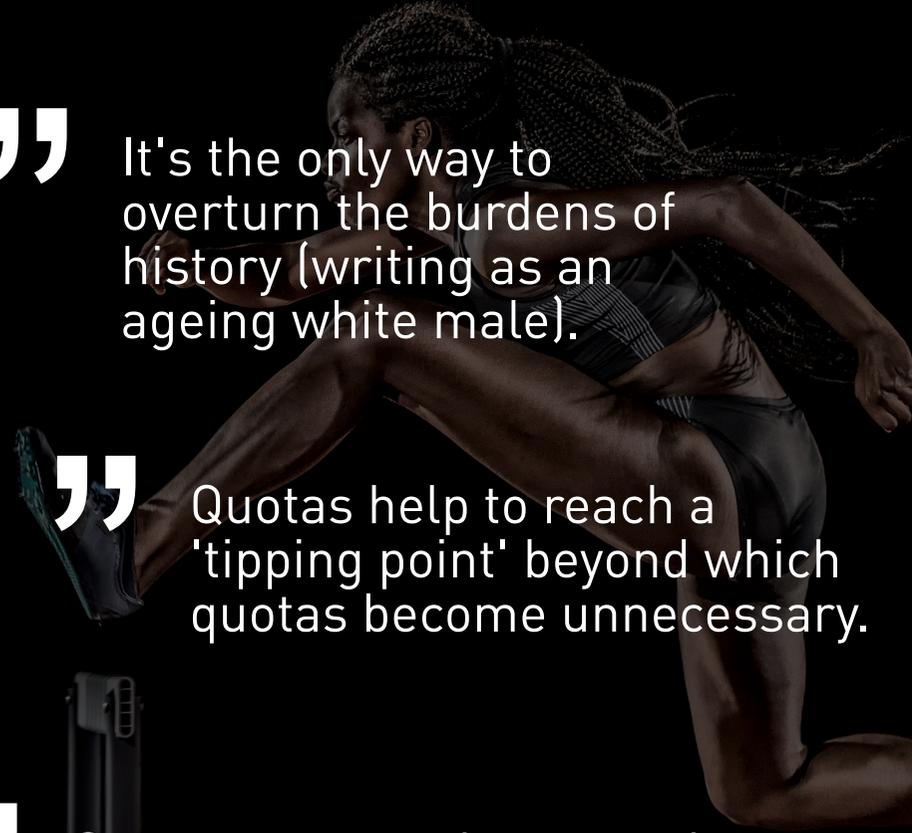
Yes - 20%
No - 66%
Other - 14%

” In the absence of quotas progress is too slow.

” It's the only way to overturn the burdens of history (writing as an ageing white male).

” Quotas help to reach a 'tipping point' beyond which quotas become unnecessary.

” Quota systems elevate under qualified people and cause them to fail, further damaging the reputation of their group. Quotas are counterproductive.



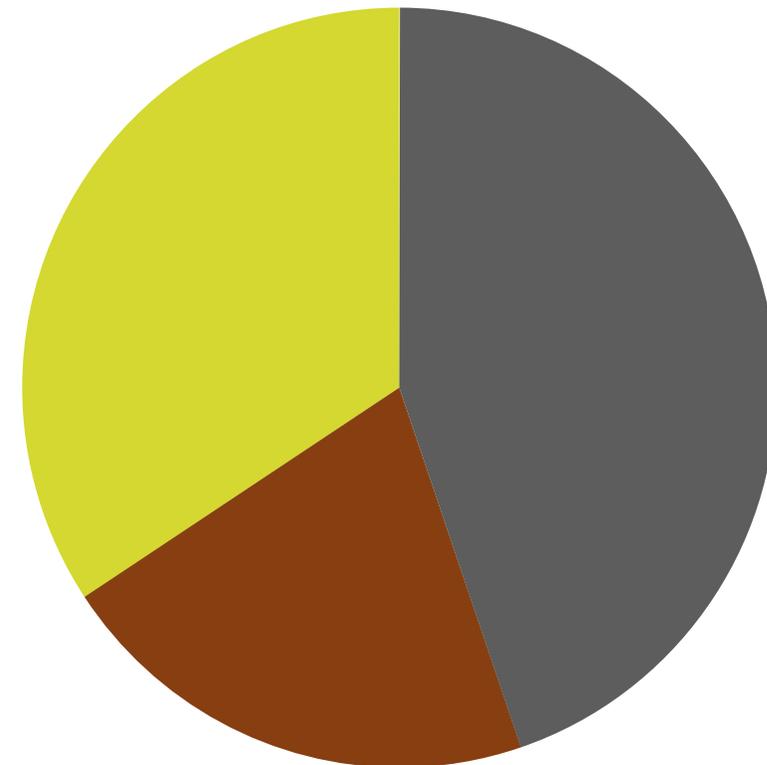
” There is a clear conflict and targets create bias and inequality and often inability to hire the best candidate.

” We should always remain careful that a target does not in itself introduce a new discrimination.

” It depends what diversity targets are - as a women, would I like to see more female candidates being put forward? Yes – but if they are underrepresented at the higher levels, do we ignore the best candidate for the 'right' candidate?

” I see few perfect fit candidates in any area, and there are plenty of quality candidates from diverse backgrounds, so accommodating difference can easily be achieved.

When it comes to recruitment, do you feel there is a conflict between diversity targets and the need to hire the best qualified individual?



- No, no conflict - 45%
- Yes, but this is necessary and will be short-lived - 21%
- Yes, this is a problem - 34%

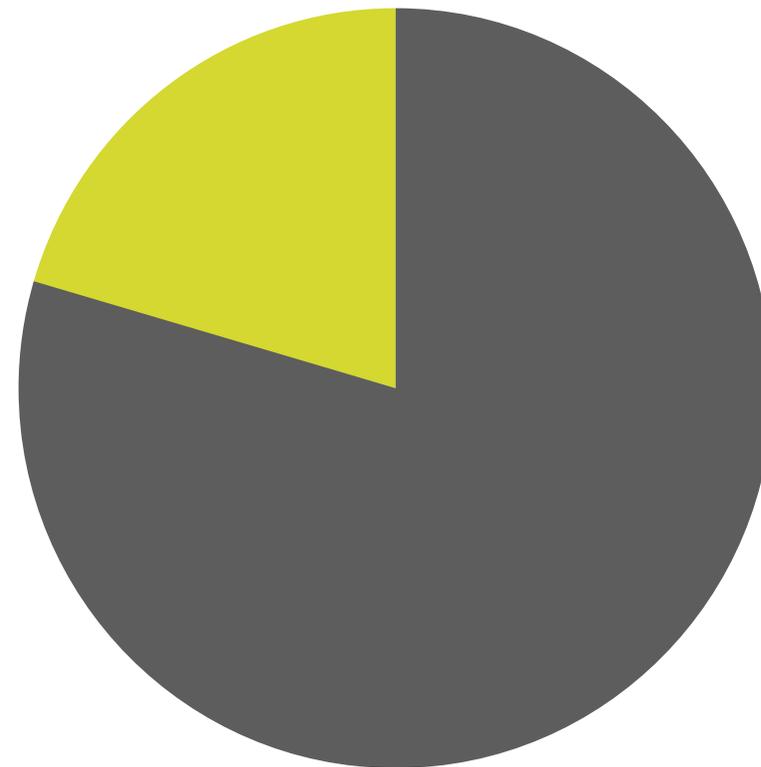
” We need to focus on diversity of experience and thought, not tokenism.

” We're tackling priorities, but many firms are still unnecessarily rigid to working in a way which doesn't suit some.

” The legal framework should be revisited with more protected characteristics.

” Socio-demographic is the weakest area currently.

Diversity includes everything from gender, religious beliefs, sexuality, socio-demographic background and much more. Is the current focus on diversity sufficiently broad?



■ Yes - 79%

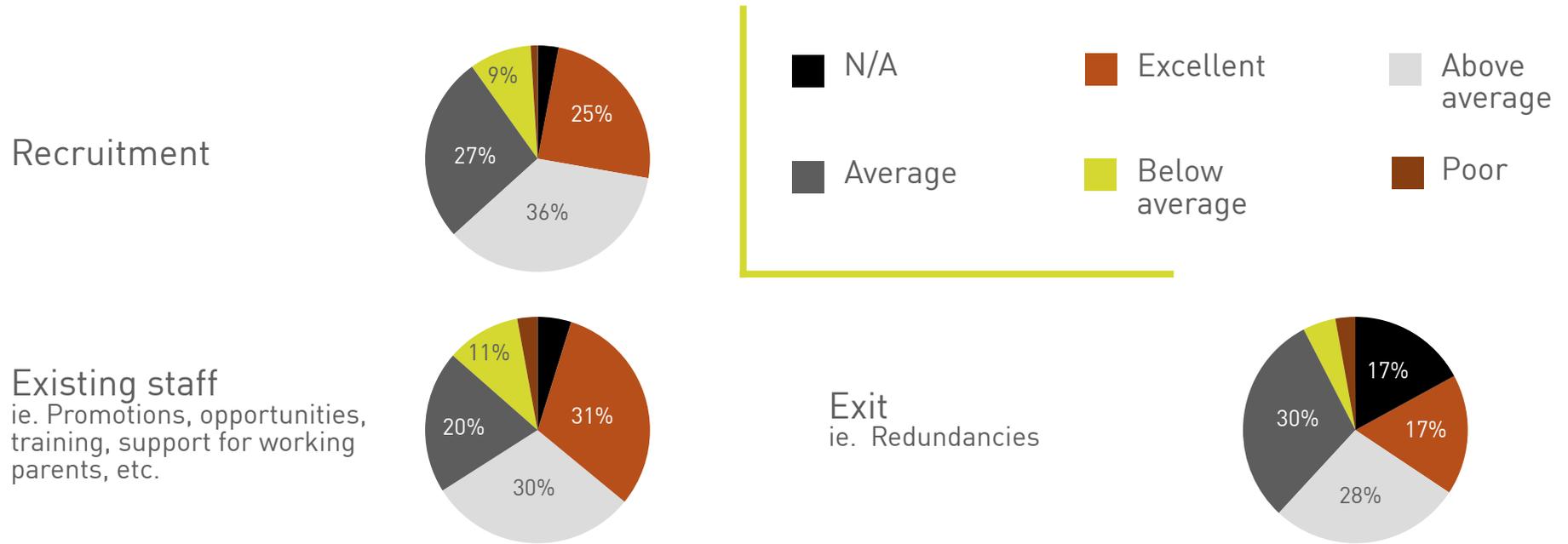
■ No - 21%

On company performance

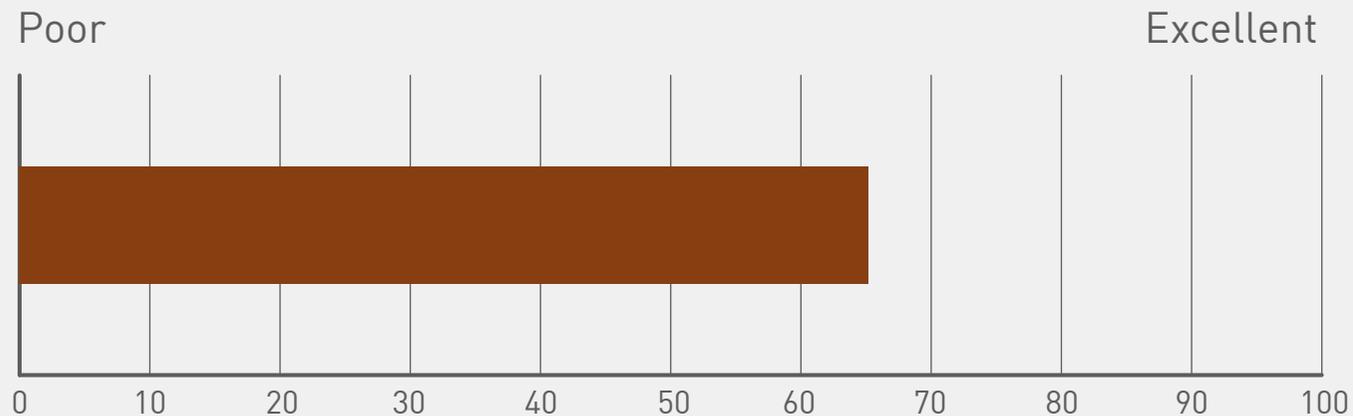
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Not all that long ago you wouldn't have been able have the discussion taking place today. Regular training of managers and insights sessions add a lot of value to the debate and culture.

How well do you feel your firm's DEI strategy performs in each of these areas?

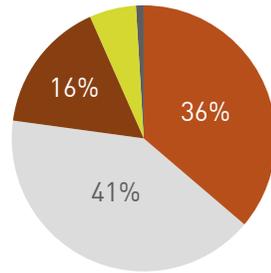


How would you rate your firm's overall diversity strategy?

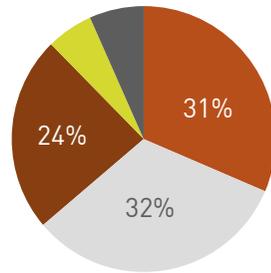


How would you rate the following statements?

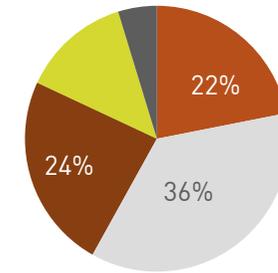
My firm values diversity



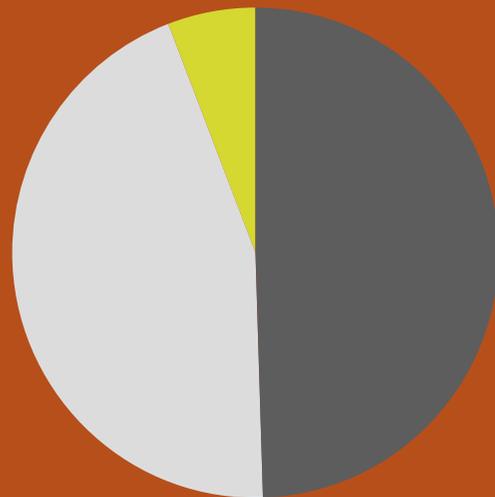
The leadership understands that diversity is critical to our future success



My firm invests time and energy into building diverse teams



Do you feel that your firm's diversity statements are actually implemented?



- Yes, we live our values - 50%
- Somewhat - 45%
- Not at all - 5%

”

I have rated my firm poorly - it's not that I think it's a terrible place to work even for different genders/races/cultures, but not a lot of thought is given to diversity.

Personal experience

” My white, straight, male junior was paid more than me at a large financial services firm.

” As a woman and a South African, discrimination is a challenge that I have faced and continue to face whether it is outright or microaggressions.

Do you have personal experience of discrimination in the workplace?



■ Yes - 39%

■ No - 61%

Respondents who answered 'yes' to this question were somewhat more critical of their employers' DEI efforts, and only 26.8% felt their firm's diversity statements were fully implemented, vs 64.5% of respondents who answered 'no'.

This group was also more likely to be in favour of quotas, with 29.27% in favour, vs 14% amongst those who answered 'no'.

However, there was little difference in respondents' views on the benefits of diversity, or on whether they felt there is a conflict between diversity targets and the need to hire the best qualified individual.

” On a D&I workshop told I was white and to be quiet. Just turned my Zoom off.

” Unconscious bias exists, cliques in C-suite do not realise they are a clique.

” Parental responsibility frowned upon.

The comments

We asked our respondents for their general comments, and a few themes emerged.

Whilst the respondents were clearly broadly supportive of DEI, the issue of quotas and targets is nevertheless divisive, which was reflected in the comments.

It is also clear that there is a growing understanding of what diversity means and what firms can do to promote DEI.

Several respondents also highlighted lack of focus on socio-economic diversity.

”

DEI has been around for many years, quotas were in place 30+years ago, for instance in local government, but quotas were dropped when firms believed they had done all they could to attract diverse candidates. It is only now that employers realise they can do a lot more to embed, breath and deliver DEI. Over time the initiative will improve as the "old guard" retire, but until then we will still face discrimination in and out of the workplace.

”

I think DEI has improved considerably since I started work in 1984, however is still a long way to go and especially in the socio-demographic background.

”

Unconscious bias is as powerful as ever.

”

Our company is in the process of transition and is now taking action on D&I. Therefore although many comments are negative or neutral, this should change. Pressure needs to be maintained, but targets are dangerous.

”

Too much focus on race and gender. The UK is not the US, and whilst there are improvements that could be made, we're not broken at this point. Next to no focus on social class, which in the UK is a far bigger hurdle to overcome.

”

DEI and affirmative action are ruining companies and academic institutions, and hurting minorities in the process by diminishing their achievements. In the name of diversity, institutions are limiting themselves to a single, narrow political ideology, and making that ideology a requirement of the job. People are terrified of speaking common sense.

”

Diversity and inclusion are necessary processes to overcome the current consequences of historic unfairness. They may be seen as unfair now, but that is only a short-term perspective; the fairness that they are driving is a longer-term, and a necessary, action. I say this as an aging white male.

”

I have left two jobs due to lack of diversity and active discrimination and have taken a pay cut to work somewhere where diversity is viewed to be of the utmost importance.

About Fram Search

Established in 2010, Fram Search is a specialist boutique financial services recruitment consultancy. We focus on permanent and interim recruitment in the UK & Internationally, with most of work being experienced hires through to the marzipan layer.

Our senior recruiters are very experienced in executive search, and our wider team of consultants highly trained and able to support clients with contingent recruitment.

We are very proud of the longstanding relationships we have built with both clients and candidates. We strive to offer best advice to both parties, and maintain the highest levels of confidentiality in keeping with any professional business.

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