

How to be an LGBTQ+ Inclusive Employer

On 13th October, the Insurance Institute of London held a webinar on the topic of promoting LGBTQ+ inclusion within insurance firms, with the aim of helping attendees to:

- Understand why LGBTQ+ inclusion in the workplace is important
- Understand the business benefits LGBTQ+ inclusion can bring
- Learn about the increasing level of diversity and inclusion scrutiny we are seeing from UK regulators
- Discover practical steps to make organisations more LGBTQ+ inclusive
- Find out more about the work of Link and other inclusion networks and initiatives

The three speakers for the event were:



Michaela Gibson, Inclusive Culture Programme Manager, Apollo, Link steering committee member, and founder of the Insurance Families Network



Maurice Rose, Senior Manager, Insurance Risk and Regulation, PwC, and Chair of Link, the LGBTQ+ Insurance Network



Ben Johnson, Global Head of Insurance & InsurTech at Sheffield Haworth, and Link Senior Advisory Board Member

Maurice Rose: Why focus on LGBTQ+ inclusion?

Whilst there is a business case for LGBTQ+ inclusion, becoming more inclusive is fundamentally the right thing to do. We have made progress on diversity and inclusion (D&I) – particularly through the LGBTQ+ lens – yet there is still a way to go to ensure that organisations and wider society is more tolerant, more inclusive, and addresses many of the discriminatory issues that still persist.



It's fair to say that LGBTQ+ individuals have suffered a degree of discrimination both in wider society and the workplace. It is particularly notable that 50% of trans employees have experienced some level of discrimination at work.

In 2017 the UK government launched a nationwide survey around LGBTQ+ lived experience. That survey highlighted that 40% of respondents had experienced some form of physical or verbal harassment because they identified as LGBTQ+.

That said, it's important for organisations to lead the way when it comes to inclusion, particularly given the huge influence large multinationals have – including in certain jurisdictions where it might not be acceptable to be LGBTQ+. There's a role for all of us and the organisations we work for to set an example.

The business case for LGBTQ+ inclusion

LGBTQ+ diversity has often been a litmus test for wider diversity within organisations. Diversity and inclusion is rightly becoming more nuanced, with discussions around intersectionality, but historically LGBTQ+ diversity has been high on the agenda, along with gender.

We've often seen firms with D&I schemes which focus on LGBTQ+. Across the board, we've seen that these firms tend to do better as a result. It's key when it comes to the business case that numerous studies highlight the links between D&I and bottom-line profit.

At Link, we talk to executives from across the market around why D&I is important – not just the business case, but also why it's the right thing to do. It's fascinating to see senior executives from across the market respond. Their eyes light up when you talk about the financial impact that this will have on their bottom line and productivity.

It's also important to highlight the numerous studies linking firms' performance, profitability and innovation with D&I. Having more diverse teams can lead to a reduction in group think and, through that, greater degrees of innovation. This is incredibly important given where we are in the current market, particularly if you look at the Future at Lloyd's initiative and Blueprint 2, linking into the innovation that's required to digitalise, to modernise, and to move the market forward.

It's not just Lloyd's. Across the insurance market as whole, we will struggle to innovate without innovative people. That's another reason why it's hugely important that we attract diverse talent and make sure they feel included once they join the industry.

Although regulatory scrutiny of diversity is not new, the regulators do appear to be putting out more material when it comes to their areas of focus in relation to D&I. We are seeing more senior individuals from the PRA and FCA talking more openly about the importance of D&I in their speeches and announcements. On the 21st September, Sam Woods gave a speech at Mansion House that referenced D&I and its importance to the areas of focus for the PRA.

This is something that's becoming more prevalent, and will only continue to become more prevalent as the regulators focus on this in more detail over the coming months and years.

A recent research publication from PwC called PwC: Out to Succeed looks at the potential of LGBTQ+ talent via a global survey. Although the survey did not just focus on insurance, it did include responses from a number of insurers as part of that survey.



Provide access to a huge market:

The global spending power of LGBT+ consumers is estimated to be more than

\$5 trn

a year, according to LGBT Capital. An even bigger pool is what Out Leadership calls the "Ally Marketplace," those consumers who identify as allies to the LGBT+ community, which could reach 8-10 times the size of the LGBT+ market.



Act as a brand influencer:

78%

of LGBT+ people and their friends, family, and relatives would switch to brands that are known to be LGBT+ friendly according to Community Marketing & Insights. Here again, allies are an important and influential component.



Attract talent:

More than

80%

of LGBT+ and non-LGBT+ millennials (people born between 1980 and 1995) say that an employer's policies on diversity, equality, and workforce inclusion are an important factor when deciding whether to work for them, according to PwC research.



Boost share performance:

A number of companies have created portfolios to invest in LGBT+ friendly companies, showing that overall, such companies outperform the market. The Workplace Equality Index, which measures the share performance of corporations that support fairness and equality for LGBT+ employees, outperformed the S&P 500 Index return in the ten years up to 2016.

It's clear from this report that LGBTQ+ inclusion is becoming an important business differentiator and also has the ability to drive significant value within firms. Focusing on LGBTQ+ inclusion could provide access to a huge market. Firms are realising that they need to reflect the communities they serve. They're also starting to realise the financial benefits of this. Never underestimate the huge spending power of the LGBTQ+ community!

It's also clear that being LGBTQ+ inclusive can be a fantastic brand influencer. This is sometimes a difficult subject. We've all seen during Pride Month the numerous firms who change their logo to incorporate the rainbow flag. They do it to be seen to be LGBTQ+ inclusive, but it's important to ensure that firms are living and breathing what they're saying, and actually are inclusive as organisations – not just “Pride-washing”.

It's been shown when firms do this right, they can become an influential brand on the issue – not just to LGBTQ+ individuals, but also their allies, family members, and wider society.

Increasing LGBTQ+ diversity and inclusion is important for attracting top talent. When it comes to entering a career in insurance, graduates are often differentiating based on factors over and above salaries. These can include a firm's stance on the environment, ESG, and of course a firm's approach to LGBTQ+ inclusion. There's a huge talent pool out there that we cannot afford, as an industry, not to tap into.

We've already mentioned the link between D&I and financial performance. This PwC survey found that, not only can increasing LGBTQ+ inclusion have an impact on the bottom line, but can also have a significant positive impact on the share performance of listed firms.

Ben Johnson: Increased regulatory scrutiny

As mentioned by Maurice, the insurance industry is going through a sustained period of digital and business model transformation, and the business case for diversity is stronger than ever. Up until now the industry has tended to focus on increasing diversity in certain areas that are easier to measure, such as gender and ethnicity.

Then in July this year, the PRA and FCA published their joint discussion paper titled Diversity and inclusion in the financial sector – working together to drive change. Amongst other things, the paper emphasises the importance of cognitive diversity or diversity of thought across financial services.

This discussion paper defines diversity of thought as “bringing together a range of different styles of thinking, among members of a group. Factors that could lead to diverse thinking could include, but not limited, to different perspectives, abilities, knowledge, attitudes, information styles, and demographic characteristics, or any combination of these.”

According to this definition, factors such as social background, gender, ethnicity, sexuality, age and gender identity are all proxies for diversity of thought. As an industry, we're really looking for people from different backgrounds and even different industries to come into the insurance industry to help shake up what it is we're doing.

Referring to the recent Mansion House speech by Sam Woods of the PRA, "Greater diversity and inclusiveness will aid the quality of our work and because as a national institution which relies on trust and confidence it is appropriate for us broadly to reflect the public we serve."

More broadly, he also said: "There is a clear and direct linkage from a lack of diversity and inclusion in firms through to groupthink and from there through to financial disasters. I'm pleased that we've managed to advance the debate on this, and other very important aspects which the FCA is also interested in, through our recent discussion paper, and look forward to moving on to next steps once we have considered all the responses."

This tells us that the regulators are taking D&I more seriously than ever, and insurance firms will be assessed on practices and recommendations outlined in the discussion paper once these have been finalised.

The paper is the first step in an iterative process based on consultation, and heads of DEI and senior HR managers should monitor progress and further announcements or publications from the regulators to ensure that they stay up to date.

Firms will need to capture diversity data in a standardised way. This could be a challenge, as we know many organisations struggle to get employees to disclose their own personal diversity. A lot of people still don't understand why companies want to know this information.

New specific targets and accountability will be introduced at board and exco level. Regulators will also likely take senior management diversity into account when assessing the overall diversity of a firm. There is a lot to do here.

Maurice Rose: 6 practical steps to creating an LGBTQ+ inclusive workplace

What can organisations do to create more LGBTQ+ inclusive workplaces? Here are my tips:

- 1.** Review your policies, processes and benefits to ensure they are fully inclusive of your LGBTQ+ employees
- 2.** Set up and promote an employee resource group to support LGBTQ+ individuals and allies (where you have enough LGBTQ+ employees to make this viable)
- 3.** Have an executive sponsor for your LGBTQ+ resource group
- 4.** Share the business case for LGBTQ+ inclusion and get buy-in at every level of the business
- 5.** Ensure your senior leaders visibly support LGBTQ+ inclusion across the year, ie not just during Pride month
- 6.** Support LGBTQ+ causes, whether that be charities or initiatives outside of the insurance industry, as this shows a genuine commitment

Ben Johnson: My top 10 tips for promoting LGBTQ+ workplace inclusion

I've put together my top 10 recommendations, based on my work in recruitment and on some of the work I've done with clients. Some of these may echo what Maurice has already suggested, but I wanted to summarise what I see as all the most important points in one list, so here they are:

- 1.** Make sure your workplace policies are LGBTQ+ inclusive. Consult with LGBTQ+ employees and seek external advice on this if necessary. Make your policies comprehensive and transparent. Review and update them regularly. Make them public where possible – this will not only help increase inclusion, but also make you more attractive to LGBTQ+ talent and others who value diversity.
- 2.** Provide LGBTQ+ awareness and inclusiveness training. Many find it unprofessional or uncomfortable to talk about sexual orientation or identity. It is up to organisations to educate employees about how to communicate, use welcoming terminology, and respect boundaries.
- 3.** Set up an Employee Resource Group for LGBTQ+ individuals and allies (where possible, and where you have enough employees). This offers them a safe place to talk, raise issues, and suggest positive changes. These groups tend to have small memberships, and so joining them up externally through a body such as Link is incredibly helpful, as this will enable

the group to tap into more knowledge, experience, and support. Senior sponsorship and support are essential for this group to feel empowered, respected, and impactful.

4. Conduct LGBTQ+ employee surveys regularly. Don't just survey your LGBTQ+ employees – survey everyone at your organisation. Ask them where your diversity, equity, and inclusion efforts are succeeding and where you have room to improve. Ask for suggestions for improvement and make sure your survey is 100% anonymous.

5. Develop a plan for supporting transgender employees – even if you don't currently have any. If you have a policy – and make it public – you are more likely to attract transgender talent, as well as others who prioritise diversity (including customers). Formalise a process for how to handle an employee's transition, name change and pronouns, and how you will communicate that to your organization while also respecting the privacy of a transitioning employee. This is difficult to get right. Seek experienced, professional advice if you lack the knowledge in-house, and remember to review this plan regularly.

6. Support LGBTQ+ charities and causes. It's imperative to avoid what I call Pink washing – and what Maurice described as Pride washing. Don't just display the rainbow flag during Pride Month. Supporting LGBTQ+ charities or initiatives throughout the year proves you care and are prepared to put your money where your mouth is.

7. Make your LGBTQ+ commitment public. When trying to recruit LGBTQ+ talent, ensure you make this clear. Highlight LGBTQ+ employees and their achievements at your organisation (with their permission). Highlight the benefits you've seen from greater diversity. LGBTQ+ candidates – and those who value diversity – will pick up on genuine commitment and be more likely to want to work for you. Increasingly, this will also help you attract those clients or customers who value diversity.

8. If you have a mission statement, make sure it includes your commitment to diversity. Publicise all your efforts to increase inclusion and support the LGBTQ+ community as part of that. Make this information easily accessible on your website.

9. Use neutral, non-excluding language in job postings and job specs. This isn't just about pronouns; it's about how you describe a role. Wording in job postings has a huge impact on the kind of candidates you attract or put off so it's important to get this right. Are you accidentally writing job postings that LGBTQ+ people don't want to apply for? Get experienced, professional advice on how to do this if you don't have the knowledge in house.

10. Be proactive in your search for LGBTQ+ talent. Work with agencies and consultancies who genuinely understand the significance of diversity, but remember to ask them what their internal policies, training and diversity looks like. You can also consider leveraging any Employee Resource Groups to help build a network of more diverse talent based on employees you already have.

Michaela Gibson: Attendee polls

Poll #1: Do you have an internal LGBTQ+ resource group – or access to an external group?

- Yes – 50%
- No – 50%

Poll #2: Do you have a board or exec level sponsor for LGBTQ+ inclusion in your organisation?

- Yes – 47%
- No – 53%

The people at the top have access to budget, money and influence, and they are the gate keepers in terms of promotion and hiring. If you have any influence in your organisation, I would urge you to get the support of senior leaders and see if you can get a nominated exec sponsor for LGBTQ+ inclusion.

Maurice: Introducing Link, the LGBTQ+ Network for Insurance

Link has been around for just over eight years now. Link's mission is to make the insurance industry the employer of choice for the LGBTQ+ community.

We look to do this by raising awareness through education and also creating a safe space for LGBTQ+ individuals and allies to come together and to network. That's one of the great things about the insurance industry – it's very personable. We want to make sure we make the most of that.

We've run events on different aspects of the LGBTQ+ spectrum, ranging from trans inclusion to HIV awareness and what it means to come out. We cover a broad spectrum and have started to focus more on intersectionality, looking at how the different facets of D&I intersect and the more complex conversations associated with that.

We have a charitable focus, supporting LGBTQ+ charities with annual fundraising efforts. We also work with firms across the insurance industry to help and support them, for example by helping firms set up their own Employee Resource Groups, speaking to boards and execs about the importance of D&I from an LGBTQ+ lens, and acting as a sounding board for firms to help them develop their approach to D&I, and LGBTQ+ inclusion.

Firms can collaborate with us for running LGBTQ+ themed events, and we're a great outlet for firms to showcase what they're doing to further their LGBTQ+ inclusion agenda. Where it is impractical for organisations to set up their own Employee Resource Groups, many now look to use us to act as a de facto external resource group, which brings many benefits for firms, for Link, and for the wider community.

Corporate sponsorship of Link

In response to this growing trend, we've created more formal partnerships and sponsorship arrangements with firms. For an annual fee of £1,000, corporate sponsors can leverage the following benefits:

- Personalised advice and support for your LGBTQ+ inclusion journey
- The chance to advertise your jobs to Link's 1,800+ membership base
- Access to the Link Inclusion Framework and benchmarking assessment
- Dedicated support and guidance for your internal LGBTQ+ network and network leads
- For small organisations, Link can act as your internal LGBTQ+ network
- We can help you organise internal LGBTQ+ themed events
- The opportunity to co-brand on Link events and initiatives

For anyone interested in discussion Link corporate sponsorship – or other forms of support or guidance – please reach out to use at:

enquiries@lgbtinsurancenetwork.co.uk

Or visit: <https://www.lgbtinsurancenetwork.co.uk/contact/>

Ben Johnson: The Link Pride T-shirt competition, 2021

As Maurice explained, one of Link's key activities is to raise money to support LGBTQ+ charities.

Right at the beginning of 2021, we on the Link steering committee came up with an initiative with three main aims:

- To further connect the LGBTQ+ community across the insurance industry and help LGBTQ+ groups to make their voices heard by coordinating their efforts
- To promote more awareness of, and support for, Link's work
- To raise money both for LGBTQ+ charities and to support Link's growth

Importantly, we wanted the initiative to be fun and creative to make it as compelling and interactive as possible, which we hoped would drive engagement. So we devised a competition for insurance firms to design a t-shirt that promoted Pride, the LGBTQ+ community, and the importance of inclusion. The aim was to celebrate the creativity within the industry, with the winners having their organisation's t-shirt printed and worn on the Link Pride Float at London Pride in September.

Sadly, London Pride ended up not going ahead in September, which was a shame – albeit somewhat understandable. Nevertheless, in every other respect the campaign went very well.

We launched the campaign in February 2021. We managed to enlist 17 of the best companies in the industry to take part – not just insurers, but also Lloyd’s and support firms. They paid to take part as sponsors, which is how we generated the charitable donations. These organizations encouraged their teams from across different regions and countries to get involved so that it became an integrated global campaign, with their own staff voting on or coming up with a unique design.



The competition raised over £20,000 for LGBTQ+ causes, including the LGBTQ+ youth homelessness charity Arthur Kennedy Trust (<https://www.akt.org.uk/>), London Friend, and the LGBT Foundation.

Michaela Gibson: The LGBTQ+ inclusion journey at Apollo

I joined Apollo in March this year as Inclusive Culture Programme Manager. I was the first person in that type of role. My role is to look at how we can make a more inclusive workplace at Apollo.

Our guiding principle is “Inclusion by Design”, a phrase you may hear more and more in the future.

In practice, this means taking a step back, looking at the whole of your workplace and workforce – and how you operate in the marketplace – and creating an environment, policies, procedures, sponsorships, partnerships, with the overall aim of inclusion for everyone.

Apollo is a small but growing company of about 170 people. It doesn’t have the critical mass to have Employee Resource Groups (ERGs). Having been on the steering committee of Link and founded the Insurance Families Network I knew how important ERGs are – especially for smaller companies.

As a result, I proposed that Apollo sponsor six of the Inclusion@Lloyd's partner networks. This cost £5,500 to sponsor them all, but that included:

- Link
- The Gender Inclusion Network
- The Insurance Families Network
- The Insurance Cultural Awareness Network
- iDAWN – the Insurance Disability, Ability and Wellness Network
- NGIN – the Next Generation Insurance Network

These networks help us a lot with access to crucial resources and support. Following on from these sponsorships, we have also:

- **Set up a group of internal Apollo Inclusion Champions**

These champions have a network that they partner with. We've found this a very effective way to help everyone in Apollo get access to all the information, the resources, the events that the separate partner networks are offering, and bring it all together in one place.

- **Establish equal parental leave**

When I started, the company offered six months' maternity leave, but the paternity leave was not the same. The HR Director and I decided that equal parental leave would be more inclusive, so that the father/second carer has a role, whether that's in same-sex parenting, surrogacy, adoption, single parenthood, or mixed sex parenting. As a result, Apollo now offers the same six months' paid leave for all new parents, regardless of sex or gender. A number of insurers already offer this, but to my mind this is one of the most important changes needed in those firms that don't yet have it. If you do offer this, make sure it's on your website and in your recruitment literature, so it is transparent and clear.

- **Additional paid leave**

We felt that it was important to think through and offer any additional kinds of paid leave employees might need to help them cope with problems in their private lives that might otherwise cause them financial hardship.

We now offer up to 10 days paid leave per person per year that covers:

- Caring leave
- Pregnancy loss and miscarriage for both partners, covering biological parenthood or surrogacy
- Fertility treatment
- Menopause and andropause leave
- Bereavement leave
- Gender affirmation leave

We also have a line in our employee handbook that says if an employee needs additional paid leave not already covered, to speak to HR.

- **Updating and expanding diversity data collection**

More recently, we sent out our 2021 Apollo Diversity Data Survey, within which we have updated and expanded the question set. For example, we now have 18 options that match the Office for National Statistics' recommended set for ethnicity – more than three times the number we offered previously. On LGBTQ+ inclusion, we expanded the question set covering sexual orientation and gender.

These are the steps we've taken so far, and which I would recommend to all insurance firms to try. We still have more work to do, but hopefully these practical examples have given you some inspiration and some ideas for what to try yourself.

Further Reading

If the links below are not live, please paste them into your web browser.

- PwC & Out Leadership Report: **“Out to Succeed: Realising the full potential of LGBT+ talent”**: <https://bit.ly/3Bt5XeL>
- Inclusion@Lloyd's & Global Butterflies: **A guide to trans and non-binary inclusion**: <https://bit.ly/3nFeEh8>
- CIPD report: **Inclusion at work: Perspectives on LGBT+ working lives**: <https://bit.ly/3vZB0ha>
- **Diversity and Inclusion: How Will the Regulators' Discussion Paper Change the Game in Insurance?** by Ben Johnson: <https://bit.ly/3wcB3Gx>
- **Diversity and Inclusion Discussion Paper: Top Takeaways for Insurance Firms** by Ben Johnson: <https://bit.ly/3vVXuQ0>

Link is the LGBTQ+ Insurance Network. Find out more about their work at: <https://www.lgbtinsurancenetwork.co.uk/about-link/>

If you'd like to discuss how to improve the diverse hiring practices, please contact Ben Johnson at b.johnson@sheffieldhaworth.com, or visit the Sheffield Haworth website at: <https://www.sheffieldhaworth.com/industry-practices/financial-services/insurance/>