

Recruitment Strategies for Financial Institutions to Meet Gender Diversity Targets

Collecting The Gender Dividend



E2W

Why do we need new strategies to meet gender diversity targets?

Diversity and inclusion: combined and apart, these words are increasingly featuring in business parlance and rightly so. Organisations understand that a more diverse workforce yields well documented benefits – the gender dividend.

Many financial institutions are making public pledges to improve gender diversity in their firms. Through initiatives like the HM Treasury Women in Finance Charter firms have committed to publishing targets and progress.

For the first time, a firm's commitment towards improved gender diversity can be publicly scrutinised, and progress monitored. Under the Government's Gender Pay Gap reporting, all firms employing more than 250 people are required to make public certain gender statistics on an annual basis.

To meet their diversity targets, firms have at their disposal two main approaches: retain, develop and promote women within the organisation already; and recruit more women at all levels. In this document, we're focussing on the latter and whilst many have made progress in this area through the implementation of industry best practices such as returner schemes, gender neutral job descriptions, demanding recruiters provide 50/50 candidate short lists, etc., all the available evidence shows that insufficient progress has been made.

To meet commitments, like 50/50 by 2020 many firms will need to ensure that they recruit more women than men across the board. However, the best performers are struggling to exceed 40% women in their new recruits and in certain divisions, technology and front office for example, the gender diversity dial remains stubbornly still.

Here are eight things that you could or perhaps should be doing to speed-up the pace and ensure that your targets are met.

Gender Recruitment Strategies

"I want to do more, but don't know how to."

1. Set Targets and Measures

A firm should be able to calculate the gender balance requirements of new hires in order to meet the corporate targets.

Once the target is set you can set KPI's or measures for the various parts of the recruitment process – talent attraction, long list, short list, interviews, offers, acceptances etc. These will provide strong pointers to where the opportunities to improve lie.

"Gender is a priority but we don't have personal targets or measures, just aspirations."

"We have tried implementing tactical solutions – like demanding 50/50 short lists – but they never really worked in isolation."

"I felt as though I had been invited to participate in the process to enable someone to tick some boxes."

2. Identify 'Diversity Priority Roles'

Diversity priority roles are those roles that are in a team or department where there is a diversity challenge and where management are on board with the concept of gender recruitment.

Identify those business areas and hiring teams where addressing the gender balance is required and achievable, and address them first. This could be because of the type of work performed, the work patterns or even the mind-set of the hiring manager.

"I am passionate about diversity – Recruitment just don't supply any female candidates."

3. Allocate budget to diversity recruitment

Generally, we pay more for a rare and valued resource. Very few firms recognise that we should perceive senior women in this light.

Qualified female candidates are, in all but a few areas, scarcer than the equivalent male candidate. Due to the way women approach seeking new career opportunities, they cost more to put forward than a male candidate - even for gender specialist firms like E2W, with all the significant advantages of a substantial network of senior and capable women in the industry.

One of the biggest inhibitors to moving the dials is that the recruitment teams / RPO's are rewarded and measured on (low) cost and (short) time to hire; by putting a cost of hire KPI on their recruitment teams, RPO providers and search/selection companies, many firms are actively discouraging them from going the extra mile and finding the more elusive candidates. As a result, gender targets are low priority or aspirational.

Use the budget creatively and innovatively to work with specialist gender focused recruitment partners to ensure that female candidates are identified and recruited for 'roles'.

4. Provide longer timeframes

As we have said, women that fit senior roles are scarcer and because of the way women approach new career opportunities, the time to find them and encourage / prepare them to apply, even with E2W's significant advantages, is longer.

Give your specialist gender focused recruitment partners more time by releasing 'diversity priority roles' to them before they are released to other generic recruitment partners / direct recruitment teams.

"The company has gender targets and makes gender commitments - it is important to them. I am measured on time and cost of hire - that is what is important to me. It takes longer and costs more to find female candidates so what am I going to do?"

"I am aware that I go about a career change in a different way from my male peers. I want to be tapped on the shoulder and be asked to apply; before I apply I want to be sure I can do the job - I will not 'wing it'."

5. Have an open mind and an open role

Supply and demand for scarce resource is not always aligned. For particular industry experience or skills, you may need to strike while the iron is hot.

Be willing to see and accommodate women with specialist experience or skills by accepting speculative approaches for defined roles or having open roles.

Thanks to their skill set, in terms of collecting the gender dividend, these women will most likely have the biggest impact.

"Females are rare in my niche. I am so keen to reap the rewards of better gender balance that I would happily make room for the right women."

6. Women Continuers* & Returners

To meet industry aspirations and firm wide gender targets, women returners and continuers will need to become normalised, just part of the recruitment process, not some special, high profile (and all too often low impact) annual project.

Hiring managers should be required to explain why a role is not suitable for a woman returner. If up-to date knowledge is required, then training should be provided. She may be the best person for the job – with the training.

Consider the possibility of utilising women returners and continuers* when undertaking high volume recruitment exercises for major projects. Firms regularly offshore lower skilled projects or import labour to undertake a range of project work that could equally have been delivered by women returners and women continuers*.

Undertaking project work is a fantastic way of helping women return to the industry or continue their career.

* Women continuers are women who are taking a break from a full-time career but looking for innovative ways to keep that career going by undertaking project based work. Many will want to return to full time careers.

"I want the opportunity to keep my career going over the next few years and still be with my children. Undertaking the odd project, regardless of what it is as long as it's relevant to the Financial Services sector, will enable me to do that. I can then return to my career when the children are a little older."

"I've had a few years out the industry. I just need the opportunity to get back in. I am happy to catch-up, my C.V. is dismissed in the recruitment process."

"We hired four women in our return to work initiative last year. But that hardly moves the dial."

7. Craft a positive recruitment experience for women

For Diversity Priority Roles ensure that you define an end to end candidate experience that is designed to attract candidates and then give them an experience that mirrors your commitment to diversity.

Considerations should include

- The job description/advertisement: ensure gender neutral but also promote departmental culture, working (flexible) practices.
- The interview process: ensure the process and stages are defined, transparent and timelined. The process should include a female on hiring panels, introduction to women's networks, demonstration of commitment to diversity and culture, delivery of feedback, 360° feedback.

By doing this you will ensure that your female candidates feel duly considered in the process and you will reinforce the impression that you are a great place to work.

If you fail to take these steps, you are at risk of losing your female candidates and therefore not achieving your diversity targets.

8. Select your recruitment partners carefully

Sourcing and supporting female talent through the recruitment process is a specific skill. Your partners will need access to a pool of relevant and capable female talent. They will also need to know how to support female candidates through the process.

Ensure your partners can provide credible explanations on how they achieve these two things.

"Most firms I have interviewed with have poor recruitment practices, ranging from all male interviewers, to a refusal to acknowledge the possibility of flexible working, to illegal questions about a woman candidate's plans for marriage and family."

"I have not really given much thought to the candidate experience from a female perspective – we have a lot of gender and diversity initiatives in the firm, but people only find out about them once they have joined."

"E2W really knew and understood how to support me as a female candidate"

Final Thoughts, Mark Freed CEO E2W

Gender and other forms of diversity, as well as developing an inclusive culture, are no longer 'nice to haves' - they are business imperatives. Transparency afforded by initiatives like Gender Pay Gap reporting will allow the world to compare a firm's commitment to its actual performance.

To claim the gender dividend, leading firms, with their internal houses in order thanks to D&I initiatives, are now looking at how they can compete for, identify and attract female talent from external sources. Recruitment is becoming the top priority for many firms.

If you and your recruitment partners are working hard 'doing the same old thing, in the same old way' to find high quality female candidates, you and they will probably fail to move the dial very much – giving you the same old results.

Think differently and seriously and implement a gender recruitment strategy.

Garth Ritchie, Deutsche Bank Chief Executive Officer for the UK and Head of the Global Market business division, said at the time of signing the Women in Finance Charter: *"We strongly support the case for gender diversity. Our leaders at all levels are expected to foster an inclusive and respectful environment, where all employees can be themselves and succeed based on merit."*

"Each business develops a customised approach to driving increased ownership and accountability for the progression of women into senior roles, while also staying true to the firm's meritocratic principles," says **Robert Rooney, CEO of Morgan Stanley International, Head of EMEA.**

"Diversity of thought is critical to success in modern business. At Schroders we are going a step beyond simply saying that it is important." **Peter Harrison, Group Chief Executive, Schroders.**

About E2W

We are the go-to place for women in financial services, and have been representing their interests since 2002.

E2W has links to over 8,000 women working in mid and senior positions in Financial Services. We provide support to members of our community through our membership, offering coaching and career advice – aiming to help women achieve their career aspirations, whatever they may be. We hold business focused events designed to help members collaborate and network. Many of our members have benefitted from priority access to career opportunities.

We are the go-to place for financial institutions to collect the gender dividend. Recognising the business and social case for improved gender diversity within their firms, financial institutions come to E2W to help them recruit more women. Our most successful clients are implementing gender recruitment strategies.

If you would like further information or need help in collecting the gender dividend then please contact E2W.

Tel: +44 (0) 1732 897722

Email: diversity.recruitment@e2w.co



E2W Limited

Suite 1, 40 Churchill Square Kings Hill Kent ME18 5JW

www.e2w.co