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Corporate Chartered ED&I survey

Adoption and impact
of practices and policies

July 2023



Background

In 2019, having an Equality Diversity & Inclusion (EDI) policy was made an eligibility requirement for firms to apply for Corporate Chartered Status. Subsequently, the Chartered Insurance Institute (CII) committed to measure what impact these policies have and create best practice guidance.

A benchmark survey was first run in 2021, and two years on we are rerunning it to measure what has changed.

Objectives

- 1 Measure the impact EDI policies have (if any)
- 2 Produce EDI guidance to support firms
- 3 Gather best practice and effective solutions to promote EDI



Methodology

A survey was sent to the 'Responsible Members' of the 784 Chartered Firms (accurate as at April 2023), with the recommendation that it should be completed by the person with the highest understanding of EDI practices in the organisation. The survey doesn't reflect the views of employees working in Chartered Firms.

237 responses were collected during April-June 2023, accounting for a response rate of 30%.

Participants were asked to state the extent to which they agreed with a series of statements around two areas:

1. Adoption of EDI practices, specifically around strategy and leadership, data, and operations and culture.
2. The impact these practices have on business outcomes.

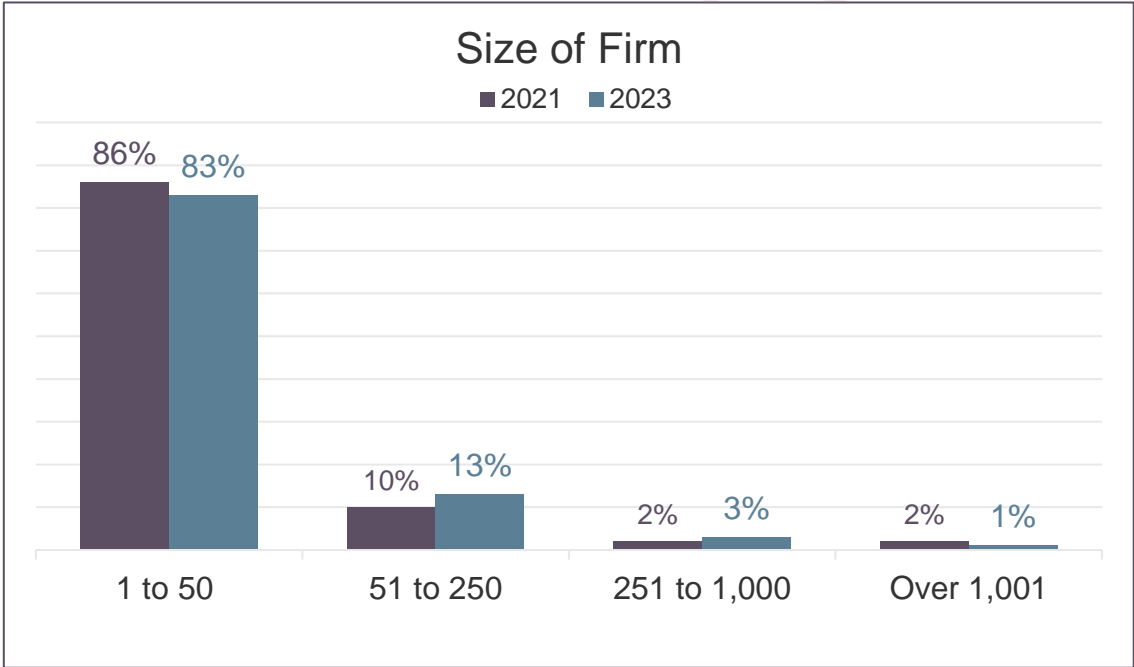
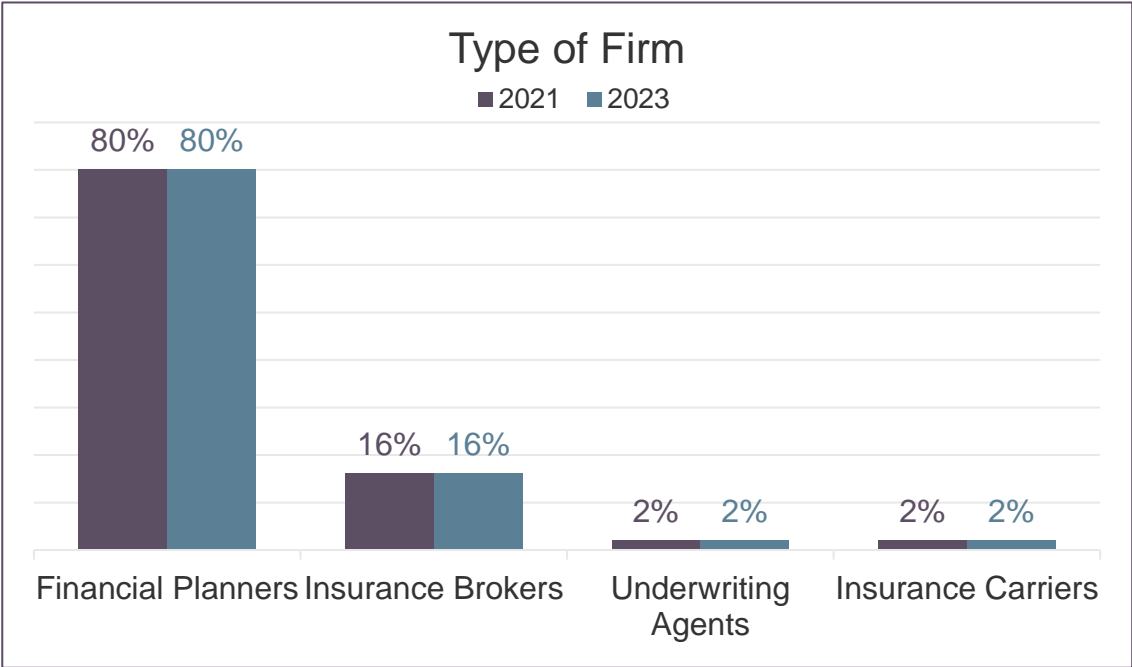
Given the diverse nature of the Corporate Chartered population, respondents were able to select 'not applicable' where a statement was irrelevant to the firm, e.g. a 2-person business would find irrelevant to state the extent to which they monitored diversity data. These responses were excluded from the analysis.



Profile of respondents

The profile of respondents with regards to type of firm is the same in 2023 as it was in 2021.

For size of firm, there are slightly less responses from firms with 1 to 50 employees, and a small uplift in responses from firms with 51 to 250 employees. There is still not enough data to split out the responses of firms with more than 50 employees.



Key take-outs

Findings are consistent with 2021:

- **EDI practices most widely adopted** across firms responding centre on topics relating to culture and leadership, specifically on having ‘published family friendly policies’ and on ‘leaders being role-models’.
- **EDI practices least widely adopted** across firms responding centre on topics relating to the implementation of EDI policies, such as ‘systematically collecting EDI data and measuring its progress against targets’ and having ‘People Network Groups who are consulted to inform business decisions’.
- Since 2021 there has been a reduction in the proportion of respondents stating that having an EDI policy/strategy in place has had *no impact at all* on positive business outcomes; the **largest improvements are seen in areas such as better representation and decreased salary discrepancies**.
- In general, firms consider **EDI’s remit and scope to be related to the workforce and protected characteristics alone**. However, EDI considerations also extend to customers/clients and broader aspects than just protected characteristics, such as socioeconomic background, neurodiversity or caring responsibilities.
- There is a **positive correlation between certain EDI practices** (training that goes beyond compliance, frequent EDI communications, measuring against targets) and business outcomes such as increased productivity, innovation and improved customer outcomes. However, these practices are **at the lower end in terms of adoption**.

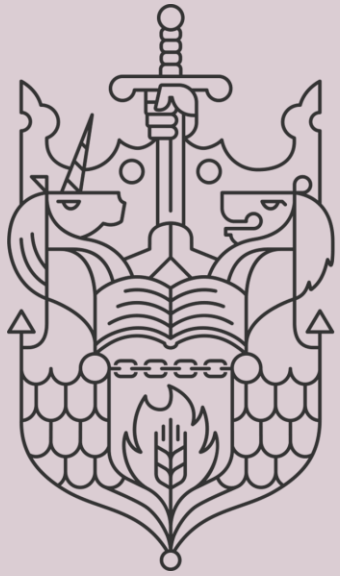


Areas firms are asking for guidance from the CII

There are a number of challenges firms are facing where the CII could help by providing a targeted toolkit of resources for firms to use. The CII could also share with firms what we are doing in the EDI space, providing an opportunity to lead by example and set the standard.

- ✓ Firms would find it beneficial if there was a dedicated area for **resources and tools** they could use to help them shape their own approach to EDI, providing examples of how EDI can be encouraged within the workplace, tailored for size of firm.
- ✓ Guidance on **neurodiversity and inclusive language** would be valued by firms in helping them to raise awareness and understanding of EDI and better serve their communities. However, it is not clear which aspects of neurodiversity firms need help with, so additional research is required.
- ✓ **Training on unconscious bias** for hiring managers and senior leaders could help to reveal blind spots within firms, and could be useful in embedding EDI culture from the top down.
- ✓ Understanding **how the sectors that the CII serves performs on EDI** against other sectors, helping to provide a benchmark and a target to reach for, providing case studies of what has worked well for other organisations.





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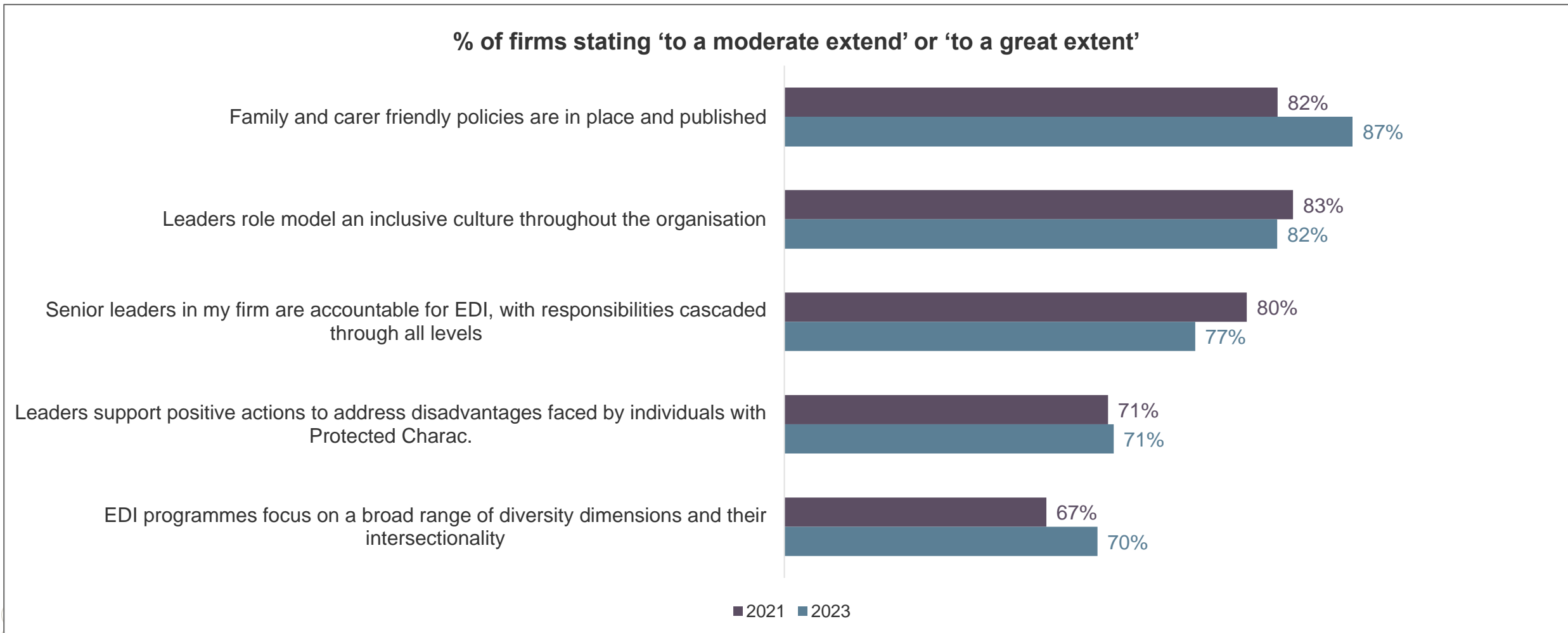
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Key statistics



Most widely adopted EDI practices

The most widely adopted EDI practices across firms responding are the same as what was found in 2021, with the largest growth seen for family friendly policies.



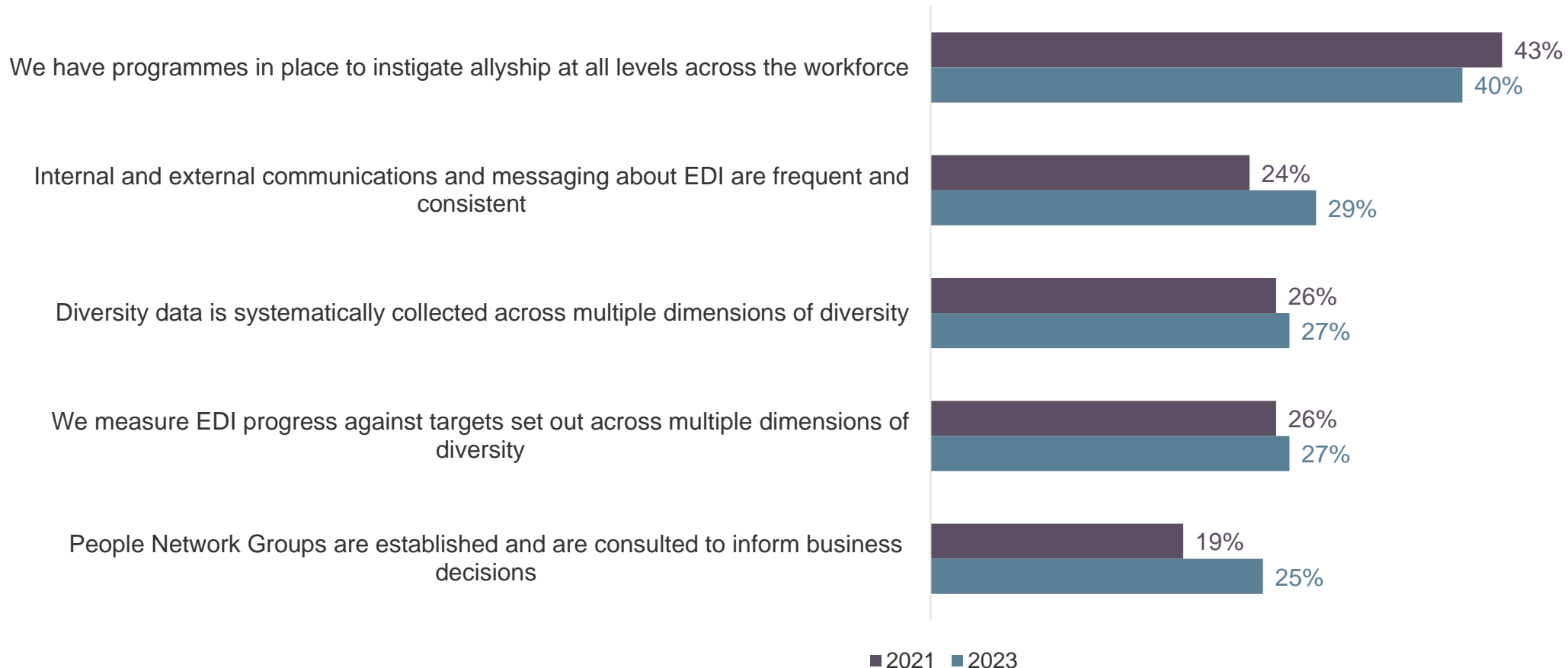
*The chart excludes n/a and don't know, which would account for when the statement was irrelevant to, for example, a two person business

Base: Total answering respondents, 2021 N= 248-322, 2023 N = 201- 237

Least widely adopted EDI practices

The least widely adopted EDI practices across firms responding tend to be in relation to data and operations or culture, similar to what was found in 2021, although scores have increased for most practices this time around.

% of firms stating 'to a moderate extent' or 'to a great extent'

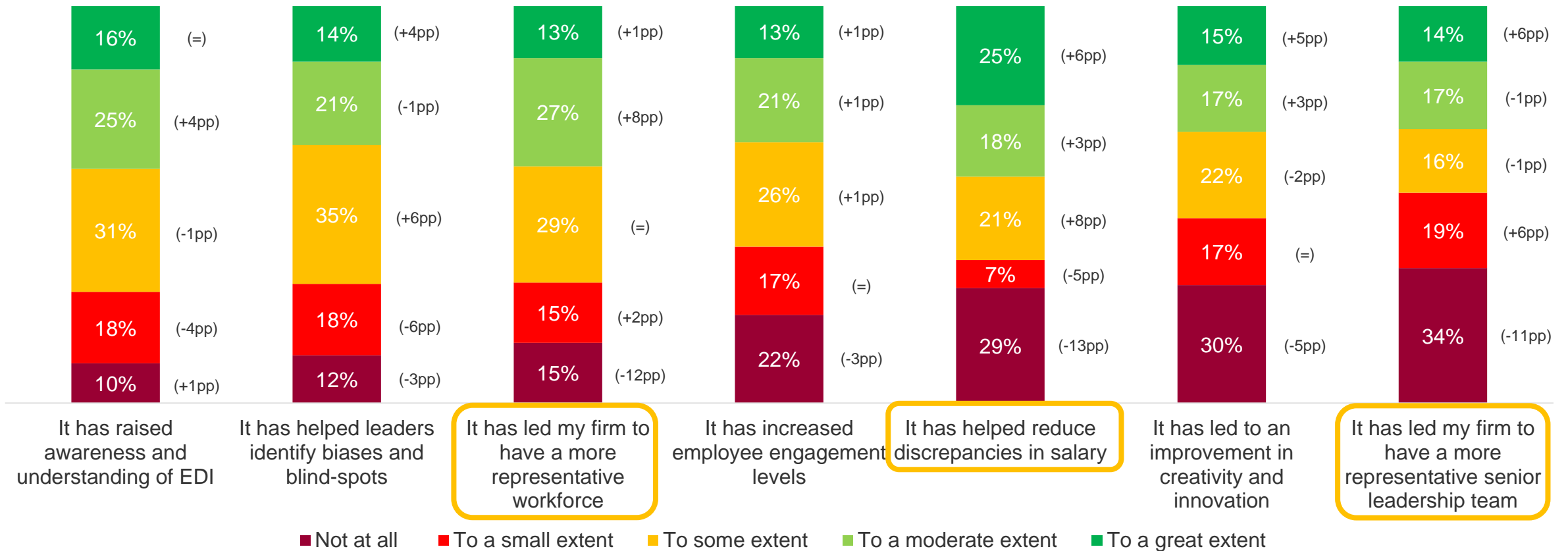


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To what extent have EDI policies impacted business outcomes?

Since 2021 we see a reduction in nearly all 'not at all' ratings when understanding the extent to which having an EDI policy/strategy in place has impacted business outcomes in a positive way. Most notably, the largest improvements since 2021 appear to impact areas of representation and salary discrepancies.



To what extent have EDI policies impacted business outcomes?

Although correlation does not necessarily indicate a causal link, there are strong positive relationships between EDI practices adopted to a great extent by certain firms and self-reported positive outcomes.

What firms are doing	What outcomes they are seeing
Measuring against targets across multiple dimensions	<ul style="list-style-type: none"> • Increase in employee engagement levels • Helped leaders identify biases and blind-spots
Diversity data systematically collected across multiple dimensions	<ul style="list-style-type: none"> • Increase in employee engagement levels • Helped leaders identify biases and blind-spots
Proactively attracting talent from a diverse pool of underrepresented groups	<ul style="list-style-type: none"> • Leading to an improvement in creativity and innovation • Increase in employee engagement levels
EDI training beyond compliance	<ul style="list-style-type: none"> • Leading to an improvement in creativity and innovation • Increase in employee engagement levels • Helped leaders identify biases and blind-spots • Raising awareness and understanding of EDI
Established People Network Groups that are consulted to inform business decisions	<ul style="list-style-type: none"> • Leading to an improvement in creativity and innovation
Programmes in place to instigate allyship at all levels across the workforce	<ul style="list-style-type: none"> • Leading to an improvement in creativity and innovation • Increase in employee engagement levels • Raising awareness and understanding of EDI
Internal and external frequent and consistent comms and messaging around EDI	<ul style="list-style-type: none"> • Having a more representative senior leadership team • Leading to an improvement in creativity and innovation • Increase in employee engagement levels • Helped leaders identify biases and blind-spots • Raising awareness and understanding of EDI

