



Socio-
Economic
Diversity
Taskforce

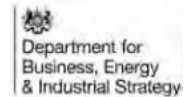
Taskforce to boost socio-economic diversity at senior levels in UK financial & professional services

MAY 2021 – NOV 2022 | #WhoGetsAhead

HM Treasury and The Department for Business, Energy & Industrial Strategy (BEIS) have commissioned the City of London Corporation (CoLC) to lead a taskforce to boost socio-economic diversity* at senior levels** in UK financial and professional services.

Sophie Hulm, Head of Skills, City of London

Commissioned by:



* Socio-economic background defined by Parental Occupation at age 14

** Senior defined as Partner, Non-Executive Board, Executive Committee and two levels down

Why is the taskforce needed?

There is a lack of socio-economic diversity at the top in UK Financial and Professional Services (FPS)

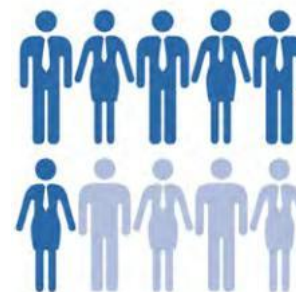
Across eight financial services organisations



89%

of senior level employees are from professional backgrounds*, compared to 47% at junior levels.

In law firms (Solicitors Regulation Authority data)



60%

of Partners are from professional backgrounds*.

This compares to:



52%

of **UK CEOs** economy wide



37%

of the **UK's working population**.



49%

Across UK Financial and Professional Services, of **employees at all levels of seniority** are from professional backgrounds*. (59% Legal, 57% Management Consulting, 45% Finance, 39% Accounting).

Greater socio-economic diversity provides an opportunity to:

Meet broader diversity and inclusion objectives

There is intersectionality between socio-economic background and other characteristics:

Across eight financial services organisations,



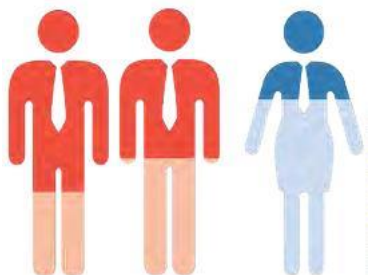
8%

of Black employees attended an independent school compared to

19%

of White employees.

Across ten law firms,



23% of **Black female employees** attended an independent school, compared to

52% **White males** and

60% of **Asian males**.

This compares to a national average of 7%.

Access a wider pool of talent



There is a risk that high performing talent will migrate to other more inclusive sectors.

There is a

£5k

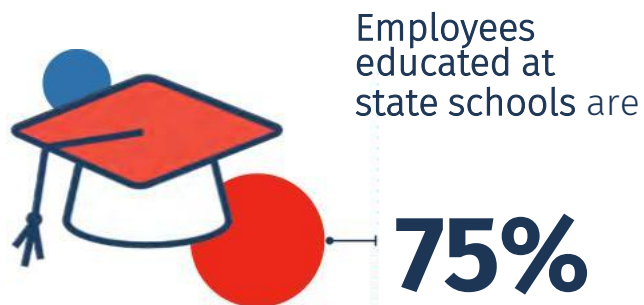
class pay gap in the tech sector versus

£17.5k

in financial services.

Greater socio-economic diversity provides an opportunity to:

Boost productivity



more likely to feature in the top decile of performers

than those educated at independent schools, when looking across seven law firms.



25% slower

than peers, with ZERO link to performance.

This rises to 32%

for employees who also identify as Black.

These employees are exhausted by efforts to conform to dominant cultures, impacting individual performance.



Across ten law firms, employees from lower socio-economic backgrounds take

18 months

longer on average to reach partnership, compared to their colleagues from high socio-economic backgrounds.

* Socio-economic background defined by Parental Occupation at age 14

Vision



There is equity of progression - where high performance is valued over 'fit and polish'



1

Co-Chair

Sandra Wallace

Partner and Joint Managing Director UK & Europe at DLA Piper. Former Interim Co-Chair Social Mobility Commission

Output: Industry consultation on how Government, regulators and sector bodies can incentivise employer action on socio-economic diversity at senior levels across UK financial and professional services.

Delivery Partner: **Deloitte.**



2

Co-Chair

Rt. Hon. Lord Mayor Alderman Vincent Keaveny

The Lord Mayor of the City of London
Partner at DLA Piper.

Output: A membership body for financial services employers (akin to Access Accountancy or PRIME but focused on progression).

A safe space to share best practice and benchmark against sector peers.

Delivery Partner: connectr



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Co-Chair

Andy Haldane

CEO at Royal Society of Arts, Manufactures and Commerce.
Permanent Secretary to Levelling Up Taskforce.

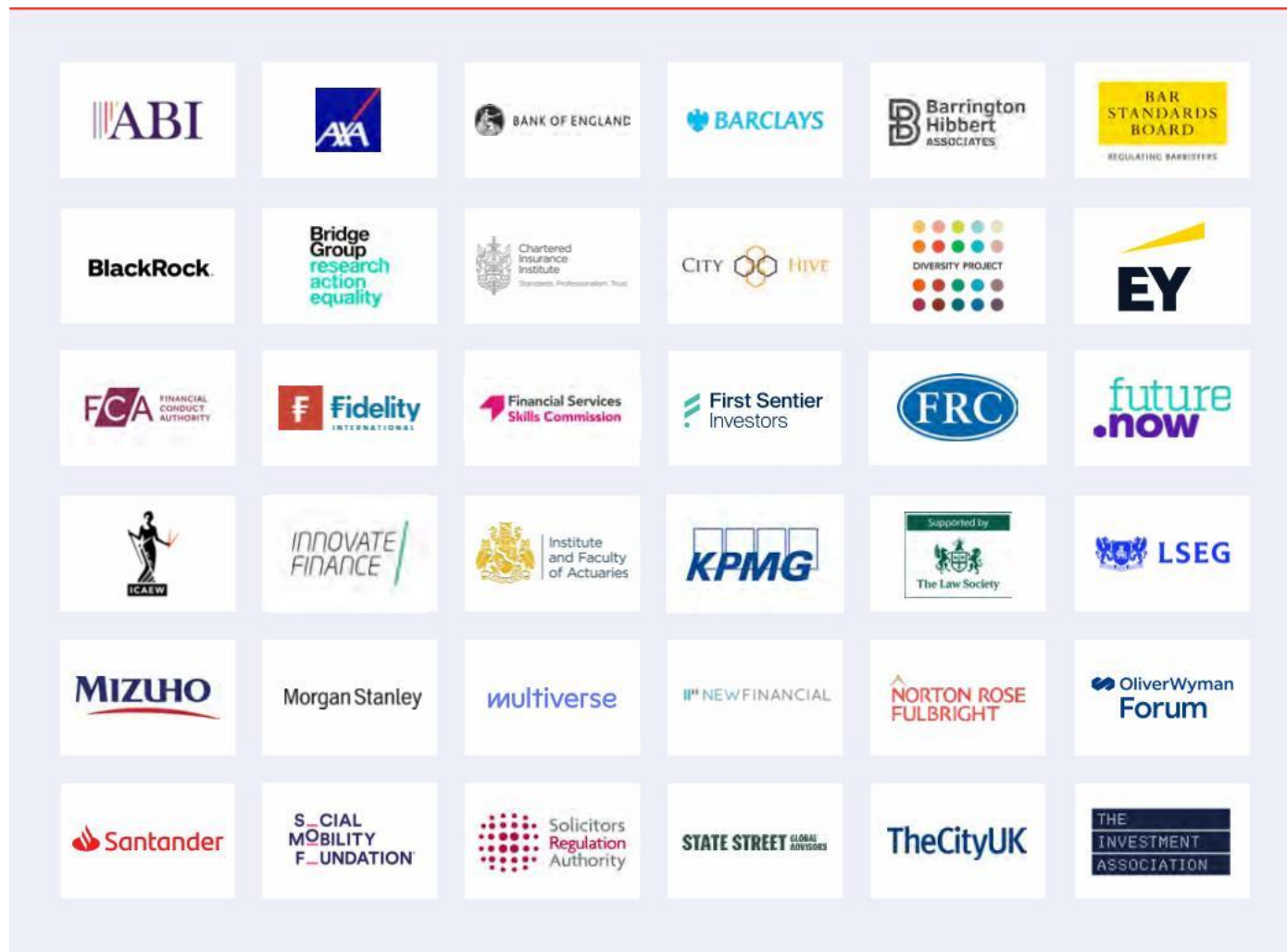
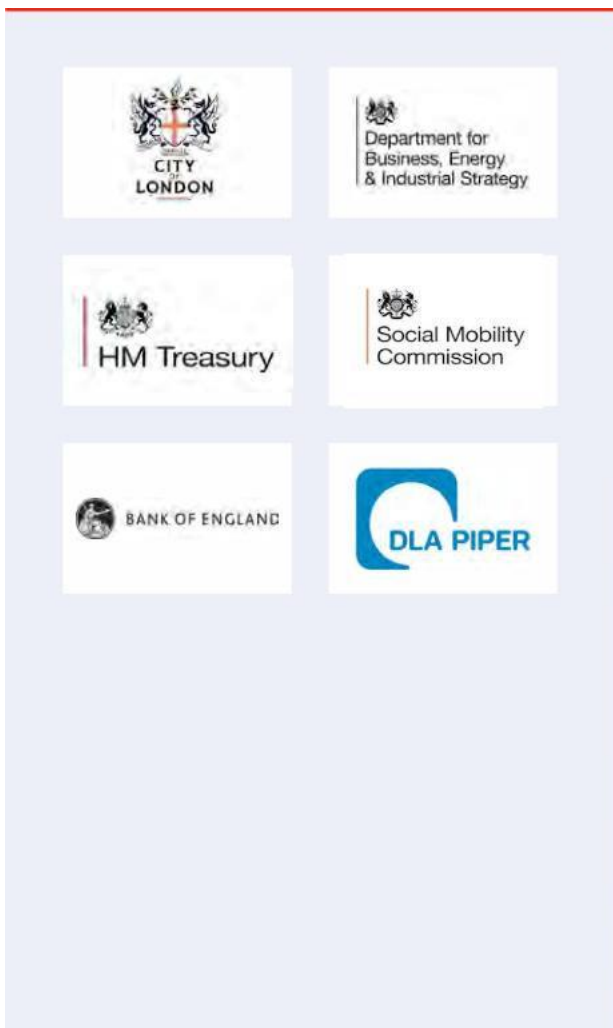
Output: Report on the productivity impacts of increasing socio-economic diversity at senior levels across UK financial and professional services.

Delivery Partner: pwc

Organisations involved in the taskforce

*Strategy Steering Group:
Sets overarching vision and strategy*

*Taskforce members plus regulators as observers:
Approves strategy for their workstream*



Organisations involved in the taskforce

Advisory Board:

Champions, advisors and critical friends - across all three workstreams



Our Taskforce (36 members) and Advisory Board (56 members) comprise of: 23% BAME, 42% Female, 41% from non-professional backgrounds (by parental occupation at age 14)

Organisations involved in the taskforce

*Working group members:
Practitioner insight/guidance*



You can join our movement through a number of ways :

INFORM

Respond to the industry consultation – **complete our poll during the discussion**

Share workforce data on socio-economic diversity to help us build the business case

Distribute our 5 minute anonymous survey to employees through this form: <https://forms.office.com/r/D4KDY83TED>. Receive aggregate data reports (over 100 responses)

INFLUENCE

Encourage senior level staff to **share lived experiences** through our ‘My Progress Story’ campaign.

Hargreaves and Lansdown
https://www.linkedin.com/posts/hargreaves-lansdown_whogetsahead-activity-6868579437785448448-e6Jj

Speak publicly about the need for greater socio-economic diversity and **share our Podcasts**

https://www.youtube.com/playlist?list=PLGdBdVXJ54pLCXbB65dGWA_rEnyyCqW6O

IMPROVE

Financial Services firms to **join the membership body** – launching in May

Be a Founding Partner, by providing funding, secondees, pro bono for set up.

Sign up to our newsletter <https://forms.office.com/r/SM40U6ARhU>