INCLUSIVE LEADERSHIP CASE STUDY: THE FINANCIAL SERVICES COMPENSATION SCHEME (FSCS)

The Financial Services Compensation Scheme (FSCS) was created in 2001, and protects all regulated financial products in the UK. Since their launch, they have come to the aid of 6.5m customers and paid out £26bn in compensation.

*They are signatories to various charters which aim to increase the representation of under-represented groups at all levels of the workplace. Their work in the last few years has resulted in them climbing 36 places in 3 years to 4th in the '**Inclusive Top 50 Employers**' 2021/22 list. David Blackburn is the Chief People Officer, and has been at the FSCS for 9 years. In his role, David is responsible for the end to end employee lifecycle at the FSCS - from candidate attraction to onboarding, through to learning and development.*

Culture

FSCS champions an inclusive environment where everyone can succeed in achieving their personal and professional goals, balance their home and working lives, and feel that they truly belong. They are an organisation which goes further than protected characteristics, to ensure that support is tailored to colleagues' different lived experiences. Moreover, the FSCS view an inclusive and diverse working culture as not just critical to EDI, but also for the performance of the business.

Senior leaders at the FSCS regularly encourage open conversation and discussion, by sharing their own lived experiences internally and externally. Employees are encouraged to speak to their managers to discuss any support they require – the objective is to provide a workplace culture where people can be as open as possible "and not feel alone". They want everyone to be able to be themselves at work.

The FSCS believe that managers are the key actor in ensuring an inclusive workplace, but they need to be empowered by senior leaders.

Data

The collection and publication of workforce data is seen as vital for the FSCS to understand the barriers in their organisation, and they collect data on all the protected characteristics. For data collection to be meaningful and not just a box-ticking exercise, employees need to feel comfortable about providing their data and their real views. As part of its effort to build a high-trust culture, the FSCS undertook a three-month targeted campaign to reach out to those who ticked 'Prefer not to say' during data collection . The campaign focused on explaining to staff the need for higher response rates so the organisation could be aware of the full extent of barriers in the workplace for their employees. The campaign was led vocally by senior leaders. By clearly communicating the reasons and vision for the data collection, the FSCS saw a 24% increase in employees completing all sections of their personal profiles: ethnicity, religion and belief, disability, and sexual orientation.

Another factor which has contributed to the increase in respondents is that the organisation started to ask more personal questions in their staff surveys to try and better understand lived experiences e.g. from "I support the FSCS's approach to diversity and inclusion" to "I feel that the FSCS is a caring and inclusive employer" and "I feel like I truly belong".

> "You do not change the diversity of your organisation by just writing down the words 'I want to have a more diverse organisation' – you have to set targets, you have to think about the recruitment pipeline, and the barriers to progression in your organisation"
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> **David Blackburn, Chief People Officer at the Financial Services Compensation Scheme (FSCS)**

Representation and Progression

The FSCS proactively engage and partner with organisations who specialise in recruiting from under-represented groups, to ensure that they get a diverse pipeline of candidates for available roles. When they utilised this approach to diversify their tech roles which were predominantly male dominated, the FSCS saw female representation in their technology team increase by 12%.

While recruitment of under-represented groups to the FSCS is very important, the FSCS acknowledges the bigger challenge is to ensure that these employees progress successfully within the organisation. To do this, they have several programmes such as the Black Talent Sponsorship Programme and their Rise Female Leadership Programme.

Their policies have led to several positive outcomes. In 2018, the FSCS set a target to increase representation in every under-represented group in the organisation - and they have achieved that. In the last 2 years, the main focus at the FSCS has been on gender and race representation, and in the next 2 years they want to increase their representation and inclusion work around disability and LGBTQ+.

They have a 50% gender split across their management roles, 75% of their executive team are female, and 60% of their board is female. Moreover, about a third of the organisation are over 50 - and the organisational age ranges from from 18 to 75.