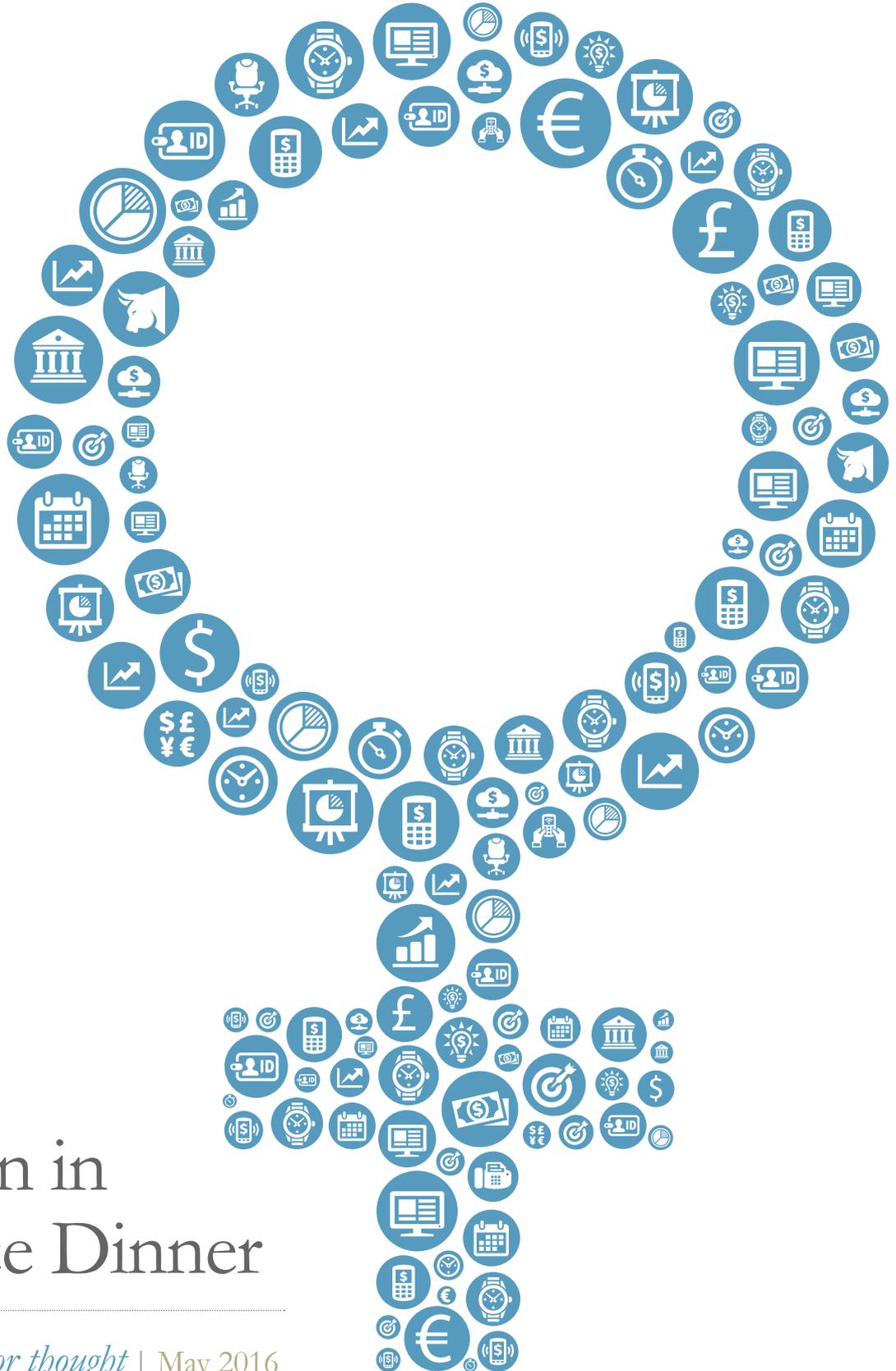


ALLEN & OVERY



Women in Finance Dinner

Further food for thought | May 2016

Women in Finance

Further food for thought

What happens when you take a mix of people with industry experience and views, sit them at a circular dining table next to peers, and serve delicious food and wine? In a word “flow” happens. Conversation, ideas, energy, collaboration, exchange all flow naturally. Certainly this was our experience at our

recent Food for Thought dinner on Women in Finance, and we’re very grateful to those who attended for contributing your thoughts, ideas and experiences so openly. This paper sets out some of the themes discussed that evening together with some further food for thought.

ROLE MODELS

- More senior women need to be visible in terms of how they work flexibly/manage other demands on their time – there is a feeling that women hide away and avoid drawing too much attention to flexible working for fear that it will be held against them.
- At the same time, there needs to be recognition that what works for one woman won’t necessarily work for another – it’s a very personal thing.
- Redefine what is critical to make it in business and communicate that message – it should be about doing your job well, not about being able to work 20 hours a day whilst looking glamorous at all times (particularly when this isn’t a requirement for men!).
- Role models should be exactly that – examples of senior women (and men) who have strengths that should be aspired to, and who are prepared to be honest about their weaknesses and the challenges they have encountered.

“I thought it was an excellent session and lots of interesting take-aways (especially the idea of reverse mentoring which I’m going to speak to our Diversity and Inclusion team about).”

“It was great to hear everyone’s ideas and challenges and it’s really powerful that so many people are passionate about making a difference to the agenda.”

MATERNITY LEAVE AND RETURNING TO WORK AFTER PERIODS OF ABSENCE

- Create and promote female-only return to work programmes for those who have had a significant amount of time off – and respond to feedback. While several firms already do this, the key to success and to getting a strong take-up is to make the programme as accommodating as possible for women who will undoubtedly be juggling childcare, possibly with very young children whom they may not have left with others before.
- Offering concessions as part of return to work programmes, such as payment of childcare costs and allowing the women to work flexibly to enable them to do drop-offs/pick-ups, illustrate the firm’s recognition of how hard returning to work can be, and set the right tone for the firm’s approach to flexibility and gender progression. The ultimate aim is to offer each woman a permanent role at the end of the programme, thus increasing the pool of female talent for future progression.
- Put in place maternity coaching for line managers and not just for employees who are going on/returning from maternity leave – this will really help managers to understand the challenges that their employees will be facing, including the emotional impact of leaving/returning to work.

“Thanks for hosting and also for sharing your personal stories. It was really interesting to hear what other industries are doing and how we can learn from them.”

- Offer and encourage paternity coaching for new fathers even if they are not planning on taking paternity or shared parental leave. One of the aims of these sessions will be to help those fathers whose partners also work to think about how childcare can be balanced between them to help the mother upon her return to work.
- Consider the financial support available during the return to work phase, such as allowing a mother to work three days a week on full pay during the first month of her return from maternity leave. Again, this demonstrates a commitment to increase the number of women who come back to work, and shows that the firm has genuine concern around the challenges that mothers will face upon returning.

MENTORING V SPONSORSHIP

- Offer and promote internal sponsorship schemes. It was widely agreed that sponsorship is more valuable than mentoring – sponsorship involves a senior internal person who is prepared to promote and act as a spokesperson for the beneficiary in order to help their progression, whereas a mentor tends to be someone who takes a more pastoral approach, acting as a sounding board and coach for the individual.
- Consider the scope for reverse mentoring whereby more junior women mentor more senior men – this has been used by some clients in the social media/technology space with considerable success in allowing each to view work and life from the other’s perspective, and once the relationship has been established, diversity (and other) issues can be introduced.





INCREASING TALENT POOLS/ENCOURAGING FEMALE PROGRESSION

- Ensure that job adverts (both external and internal) are drafted in gender-neutral language i.e. avoiding words which may be off-putting to women.
- Ensure that recruiters have committed diversity agendas to promote talent pools that are sufficiently diverse.
- Increase the referral fees payable to any employee who recommends a female potential recruit who is subsequently successful in getting a role.
- Roll out effective and engaging unconscious bias training to the key decision-makers across the business to ensure a level playing field in which women are considered fairly for prospective senior roles.
- Analyse exit data and ask both men and women why they made the decision to leave the firm, then act on that data where a theme emerges indicating gender-specific challenges.



LINKING DIVERSITY TO FINANCIAL REWARD

- Consider linking elements of senior executive pay to the promotion of diversity, ensuring that progress can be measured meaningfully.
- As recommended in the Women in Finance Charter, have diversity targets for senior managers and link their financial reward to meeting those targets to send a very strong message of gender diversity being led from the top.
- Those who do already link executive pay to diversity targets indicated that this was quickly embedded within management culture, and has made a difference in terms of the level of ownership that senior executives take on with respect to improving diversity in their own business areas. The key is for this to become the ‘norm’.
- There was concern around the room about the use of targets, with some feeling that it is the only way to measure success and ensure management understand what they need to achieve, and others feeling that targets can lead to women’s achievements being undervalued as they may be perceived to be in their roles to ‘make up the numbers’ rather than to add value.
- Consider awarding key talent bonuses to women only, and then requiring them to repay the bonus if they leave within, say, two years.

MAKING THE CHARTER A REALITY

- Examples of success demonstrate that the push for gender equality/diversity must come from the top.
- Find ways to engage men at all levels in the process.
- Language is important – this is about equality, not women.

PR

- If your gender diversity statistics are challenging, be honest and transparent about this. Explain the context while acknowledging that there is work to be done – set out the steps that are being taken to achieve more equality, what policies/working practices you are putting in place, how you plan to measure success and the timelines for doing this. Not only will this go a long way to demonstrating that your organisation is ready to change, it also encourages change from within by forcing people to think about tangible ways to drive improvements.
- This will also be very important in terms of gender pay reporting in due course, where it is sensible to undertake an audit now (on a privileged basis) so that you are able to take steps to address any imbalance or consider what your PR message should be before having to publish your report.
- You will not be alone with a gender unbalanced workforce – it is likely that similar firms will share similar issues. Where possible (and appropriate), remember to position yourself as part of a wider industry that has a challenge to overcome – this is not uniquely your problem.

To keep the dialogue open and to assess progress, we will be running a follow-up session in the autumn which we hope you will be able to join. In the meantime, we very much look forward to working with you to make a real difference.

NEXT STEPS

- As with gender diversity, what works for one firm won't necessarily work for another, and the key is to keep trying until you find the right approach for your firm.
- It is clear from the many reports that have been undertaken that diversity improves the bottom line – this isn't just about doing the right thing for women, it's about doing the right thing for everyone to maximise the success of your business.
- Firms who do not tackle gender diversity now will find they are left behind in the race for key talent in the medium to long term.
- In the short term, and particularly with the introduction of gender pay reporting, the spotlight will be truly shone on those firms who are not taking a proactive approach to improving gender diversity, leaving them to face not only internal employee relations issues, but also costly and time-consuming litigation and public scrutiny.
- For senior women in finance, there is a real opportunity to work together within their own organisations and across the industry to drive forward the cultural change that is so clearly needed.

For those firms who wish to become signatories to HM Treasury's Women in Finance Charter in 2016, online submissions must be made by **24 June**. The link is: <http://uk.virginmoney.com/virgin/women-in-finance/>

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Hyperlink to the report: <http://uk.virginmoney.com/virgin/assets/pdf/Virgin-Money-Empowering-Productivity-Report.pdf>

“Thank you for a great evening last night... There is a lot of talk about diversity and (almost) everyone says the right things. However, as the great Yorkshire saying goes, fine words butter no parsnips. Statistics can look very impressive, but unless you know the underlying detail (and only an insider is likely to be in a position to do that), they can be used to paint a very misleading picture. I remain convinced that there is no inherent reason women cannot perform extremely well in financial services, provided they are given the chance.”

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