

Visible and Invisible Diversity – A conversation on achieving a truly inclusive workplace

Takeaways from the D&I Committee Annual
Panel

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Visible and Invisible Diversity – A conversation on achieving a truly inclusive workplace

Executive Summary

- On 6 December 2023, the ELFA D&I Committee held its second annual panel event titled "Visible and Invisible Diversity – A conversation on achieving a truly inclusive workplace".
- We were joined by four expert panellists from the Group for Autism, Insurance, Investment and Neurodiversity (GAIN), Progress Together, Stonewall and JP Morgan Asset Management. The panellists provided insights on inclusion issues and shared their experiences and advice with the audience.
- The panellists and audience discussed to what extent it is helpful to allocate diversity into visible and invisible categories. They agreed that it is important to approach labelling with some flexibility to achieve high levels of awareness. A key takeaway was that labelling should be holistic to give room for engagement and that management needs to be aware of the challenges that come with labelling diversity.
- The panellists also discussed meritocracy and fairness at work, stressing that meritocracy does not ensure fairness due to existing organisational policies in place. Notably, panellists discussed how socioeconomic factors can inhibit meritocracy and equity at work. Consequently, management should address internal bottlenecks that do not support fairness.
- Lastly, during the discussion on disclosure of diversity characteristics in the workplace, 63 per cent of the audience indicated discomfort with sharing diversity information with their employers. Attendees also indicated that diversity questions should not be made mandatory. The panellists recommended that management build trust with employees by being transparent about the use and objectives of the data collated.
- In conclusion, the panellists reiterated the crucial role management plays in ensuring a truly inclusive work environment by addressing socio-economic bottlenecks inhibiting complete inclusion at work.

The panellists recommended that we become better allies to the LGBTQ+ and other communities, and help management understand the effort required to gain traction regarding diversity and inclusion.

Key Takeaways

Some key takeaways from the panel discussion were:

- **We can become better allies to the LGBTQ+ community by creating a culture that is open for everyone and by challenging biases.**
- **The industry needs more sponsors rather than mentors as people from lower socio-economic backgrounds tend to not have sponsors, irrespective of whether they speak up.**
- **We should reflect on who we are, our values and our purpose in life, as it is important to have a firm idea of our journey as everyone is on their own path.**
- **Key members of the organisation need to know the invisible diversity issues that affect their employees. It is crucial that they reflect on what they can do to foster an inclusive environment, and where such support can be accessed or has been made available.**

Introduction

As part of our commitment to promoting diversity and inclusion in the leveraged finance industry, the ELFA D&I Committee hosted an engaging and insightful hybrid panel event at JP Morgan Asset Management's London office titled "Visible and Invisible Diversity – A conversation on achieving a truly inclusive workplace".

We were joined by expert panellists from [GAIN](#), [Progress Together](#), [Stonewall](#) and [JP Morgan Asset Management](#). The panellists, who have many collective years of experience in neurodiversity, social governance, and LGBT issues, shared with the audience their experiences and insights on the challenges facing inclusion and shared their advice on how we can address these challenges.

The session was interactive with attendees participating in poll questions that informed the panel discussion.



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Panel discussion methodology

The panel discussion centred on how we as individuals and firms can achieve a truly inclusive work environment. The panellists discussed the challenges inhibiting inclusion both at the personal and firm level, sharing their industry experiences and referencing research on diversity and inclusion.

To make the session as interactive as possible, the audience were asked poll style questions, selecting their response from multiple-choice questions on diversity labelling, meritocracy, and diversity disclosure, following which the panellists discussed the responses and provided comprehensive explanations and advice on each question.

Diversity labelling

The session began with diversity labelling. Over time, diversity has been seen to entail physical attributes like colour, race, sex, etc. However, some diversity characteristics are not visible such as socio-economic background, neurodiversity, sexual orientation, etc.

The panellists and audience were asked whether it is helpful to categorise diversity as “visible vs invisible” in our effort to achieve an inclusive workplace.

About 60 per cent of the audience agreed that labelling diversity into visible and invisible categories is important. The panellists shared similar views with the audience, stating that labelling diversity allows people to be seen and heard to ensure universal inclusion and acceptance.

Labels can helpful

A panellist added that while labels can be helpful as they add visibility and foster a space where people can openly be themselves, it is important to acknowledge that labels are inherently complex. They also added that not everyone may feel comfortable navigating these nuances. However, it is necessary to have loose labels to ensure we have the conversations and a level of awareness.

Labels are important as people need to feel they belong to a community where they can feel accepted and have a sense of belonging. Hence labelling should be holistic, as we need categorisation to be open and to give room for open conversations. Additionally, managers need to be more in tune with these challenges as they have a duty of care to the people they manage.

Labels should be used with caution

The audience was advised that although assumptions exist regardless of whether we want to end up in an inclusive environment, labelling should not get in the way of opportunities and should not stop us from accessing opportunities. Also, we can adopt a multi-dimensional approach to create not only an inclusive culture but also nurture accountability, because senior management accountability is necessary. It is not necessary to be a

part of the firm’s senior leadership to be a leader and everyone should be involved in creating a culture where people feel empowered by reaching out to people to promote inclusivity.

Meritocracy and fairness in the workplace

The practice of meritocracy in the workplace and whether employees’ hard work and contributions are recognised equally, or whether other factors inhibit the practice of fairness in organisations, was an important aspect of the discussion.

To explore this further, the panellists and audience were asked whether “as long as we rely on meritocracy, there will be fairness in the workplace?”

The audience’s response to this question was neutral.

Meritocracy and equity cannot be assumed

According to our panellist from [Stonewall](#), meritocracy means creating a level playing field and if equity is not practised, we can’t assume equity. He pointed out that some organisational internal systems pose challenges to equity and meritocracy by referring to the YouGov research outcome where about 3,213 British LGBTQ+ employees were surveyed, and it was found that almost one in five LGBT staff (18 per cent) have been the target of negative comments or conduct from work colleagues in the last year because they’re LGBT. The report can be accessed [here](#).

The role of socio-economic background

Also, our panellist from [Progress Together](#) highlighted the role that socio-economic background plays, stating that those from lower socio-economic backgrounds progress 25 per cent slower with performance at the same level as those from privileged backgrounds. The panellist backed up the statistic by referring to a study conducted by Progress Together on the impact of socio-economic background. The study shows that socio-economic background is more likely to impact a person’s route to success in financial services than gender or ethnicity. Hence, this factor should be considered when promoting inclusion at work. The report can be accessed [here](#).

Balance of power is skewed

Another panellist stated that the balance of power is skewed because when the environment is not open people suppress themselves and will not bring their best self to work. Commercially, the systemic barriers affect global competition, and socio-economic diversity remains the greatest barrier to progressing to the top of one’s career.



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The role of sponsors and senior and middle management

A panellist also highlighted that the industry needs more sponsors rather than mentors as people from lower socio-economic backgrounds tend to not have sponsors, which may hold them back from accessing important opportunities.

Further, it is challenging when bias comes from middle management, who may, often unintentionally, provide greater opportunities to candidates most similar to them in background. Thus, there needs to be a conversation to change the culture as well as encourage and push for change. Biases will remain, but it is important to recognise and respect differences. To facilitate progression for diverse employees, the panellists advised that there is a need for firms to review and update their internal policies on inclusion and support management in creating an environment that enables employees feel safe and included. In addition, there is a need to promote diversity in senior management. Unconscious bias training is recommended, and gender diversity should be promoted.

Diversity disclosure

The subject of making disclosures of some diversity characteristics mandatory and others voluntary continues to be debated. The audience was given the opportunity to express their thoughts on the subject.

In this part of the session, the panellists and audience were asked whether they were comfortable disclosing their diversity characteristics to their employer and if such disclosures should be mandatory.

Mandatory disclosure?

Approximately 63 per cent of the audience disagreed with mandatory disclosure as the poll results indicated that employees were less comfortable disclosing their diversity characteristics. Although our panellists agreed that some diversity questions should be made voluntary, data on socio-economic background is very key to understanding the needs and behaviour of employees.

The panellists advised that the data collection process should be made as transparent as possible to gain the trust of employees, especially transparency as to the use of the data. With this approach, people may feel comfortable sharing their data.

Transparency in the use of data

Equally, the regulators have a major role in ensuring data transparency, but the onus rests with firms in establishing internal policies on data transparency and obtaining the buy-in of staff.

The panellists concluded that, to support data transparency, it is imperative to embed trust and transparency into the culture of an organisation. Giving feedback on the use and purpose of data collected contributes to the feeling of safety and may elicit staff cooperation.

Conclusion

The ELFA D&I Committee panel event provided helpful insights into how we can achieve a truly inclusive work environment by understanding and addressing the challenges that come with visible and invisible diversity.

Our panellists reiterated the need for people and organisations to provide an inclusive environment for employees by ensuring that invisible diversity is celebrated and accepting that labelling is important to understanding employees. There is a need to create awareness around invisible diversity as this is important for promoting creativity at work and retaining talented people.

There has been increased awareness of diversity and inclusion, with organisations voluntarily implementing D&I policies. Nevertheless, there are still challenges, for example, internal organisational policies that are hampering inclusion. Such policies should be reviewed.

Transparency regarding the use of diversity and inclusion data is pertinent to making employees feel safe disclosing such data. Consequently, firms need to establish internal processes and they need to embed a culture of transparency regarding the use of the data. The government also needs to support data transparency and disclosure. The UK financial services industry regulators,¹ recently published D&I consultation papers setting out proposals to improve diversity and inclusion outcomes in the firms they regulate.

Panellists concluded that we should stop comparing our experiences with others and accept who we are, which will empower us to use the word “meritocracy” effectively. Also, organisations should encourage employees to utilise their skill sets, as diversity in lived experiences leads to innovation and creativity at work, which is why diverse workforces should be appreciated.

¹ [PRA D&I Consultation Paper](#), [FCA D&I Consultation Paper](#)

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About ELFA:

ELFA is a professional trade association comprised of European leveraged finance investors from more than 60 institutional fixed income managers, including investment advisors, insurance companies, and pension funds. ELFA seeks to support the growth and resilience of the leveraged finance market while acting as the voice of its investor community by promoting transparency and facilitating engagement among European leveraged finance market participants. For more information please visit ELFA's website: www.elfainvestors.com.

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