

# Equality and Diversity

A CII guide

## Promoting good practice



# Contents

- 2 Foreword**
  - 3 Summary**
  - 4 Introduction**
  - 5 The legal framework**
  - 6 Managing diversity**
  - 8 Case studies**
  - 11 Glossary of terms**
  - 12 Equality impact assessment template**
  - 13 Useful links**
- 

## The Chartered Insurance Institute (CII) Professionalism in practice

As the premier professional body for the insurance and financial planning sector, the CII promotes higher standards of integrity, technical competence and business capability.

With over 120,000 members in more than 150 countries, the CII is the world's largest professional body dedicated to this sector.

Success in CII qualifications is universally recognised as evidence of knowledge and understanding. Membership of the CII signals a desire to develop broad professional capability and subscribe to the standards associated with professional status.

The CII works with businesses to develop bespoke, company-wide solutions that ensure competitive advantage by enhancing employees' technical and professional competence.

Individually, CII's members are able to drive their personal development and maintain their professional standing through an unrivalled range of learning services and by adhering to the CII's Code of Ethics.

Our Charter remit is to protect the public by guiding the profession. For more information on the CII and its policy and public affairs function, including examples of the range of issues in financial services and insurance that we cover, please visit:

**[www.cii.co.uk/policy](http://www.cii.co.uk/policy)**



**INVESTORS  
IN PEOPLE** | Gold

---

## Contacting the CII

If you have any queries regarding the content of this report please contact Policy and Public Affairs.  
Email: [daniel.pedley@cii.co.uk](mailto:daniel.pedley@cii.co.uk)

# Foreword

Equality and diversity are terms with which we are all familiar, if only in terms of their definitions of creating a fairer society (equality) and recognising that everyone is different (diversity). What may be less obvious is the positive impact that embracing the concepts of equality and diversity can have on you as an individual, your workplace, your business and our profession as a whole.

Some view diversity as a minefield, filled with bureaucracy and lawyers, and as a result are reluctant to engage. For others, it's a case of not knowing where to begin. Having a strong equality and diversity policy need not be difficult or expensive, and so that is why we have created this guidance which acts as a starting point and helpful sign post.

Addressing equality and diversity isn't about box ticking – it's about ensuring that everyone has the opportunity to contribute and, should they wish, to progress. Our aim as employees and employers should be to create a culture within insurance and financial services that accepts people for who they are. In doing so, we can foster an atmosphere of inclusion and understanding that encourages everyone to participate. Insurance and financial services as professions are diverse and so it makes sense to embrace such an approach.

Supporting equality and diversity and making it part of the fabric of our profession will, ultimately, help to create stronger and more resilient organisations – through the richer environments that evolve as a result. Drawing on a broad spectrum of views and experiences delivers great benefit to firms and helps to improve planning and decision-making processes. Not only that, but the removal of barriers, be they real or perceived, supports improved recruitment and retention of talent. Organisations, and professions, which are committed to fairness are able to draw from a much wider talent pool.

As a profession, we should strive to go beyond the minimum – we should not settle for simply meeting minimum requirements. In that way, everyone benefits.

Equality and diversity is not something that you just comply with – it should be second nature in all of your practices and this guide provides the first steps on that journey.

**Liz Coyle FCII, FPFS, Chartered Insurer**

Chair, CII Professional Standards Board Diversity Action Group

# Summary

## Benefits

- Promotes and contributes to organisational reputation
- Aids recruitment and retention
- Increases productivity
- Mitigates risk
- Ensures the insurance profession is demonstrating best practice

## Step-by-Step

### Understand the business and social justice cases for equality and diversity

An effective understanding and management of equality and diversity can benefit firms in a host of different ways.

### Understand the protected characteristics and the legal framework

The Equality Act 2010 protects individuals against discrimination because of their protected characteristics (of which there are nine) or other circumstances.

### Develop an equality and diversity policy – including staff responsibilities

Developing your policy will help clarify the main issues and priorities for your organisation.

### Undertake staff training

Training can take a number of forms and is a clear sign of an employer's commitment to embedding equality and diversity.

### Undertake a diversity audit

Diversity audits help to identify the parts of your strategy that work well and those that need to be re-examined.

### Keep on top of developments – legislation and best practice changes

Legislation and requirements are subject to change and so it is important to keep abreast of the latest developments.

#### **This guidance has been produced to:**

- **help promote understanding of equality and diversity issues by professionals in our sector;**
- **help employers, particularly in small firms, understand the context;**
- **provide best practice advice and promoting appropriate culture.**

*Note: This guide applies to UK professionals and firms only, in terms of legal and regulatory requirements. However, international members may wish to draw on this guide for best practice.*

# Introduction

As a Chartered professional body, the CII has the public interest at the heart of everything we do. Central to this is ensuring members act in a professional manner – and just as important is making sure that we attract, retain and develop the best possible talent from a diverse range of backgrounds. After all, many of you will have a diverse customer base and so it makes sense to have a workforce that draws upon diverse talents. It is therefore important that employers are able to value diversity and manage it well. Some employers might take this in their stride, whilst others will find it a daunting task. The CII has produced this guidance to help support members, employers and the industry as a whole. Get this right and everyone wins – the profession, consumers and society as a whole.

## What is equality and diversity?

Everyone is unique, and though people have a great number of things in common, we are different in lots of ways. Some differences are more visible than others and these can include: sex, age, background, disability, personality and work style. Add all these together in the workplace and you create a productive environment in which everyone feels valued. Underpinning this is an equality of opportunity that allows individuals to reach their potential.

## Building the case

Equality and diversity is critical to how businesses operate, particularly given the value it can bring to an organisation. An effective understanding and management of diversity contributes to promoting an organisation's reputation, helps its recruitment and retention, increases productivity and mitigates a number of potential risks. These elements are the foundation on which to build a strong business case for diversity.

- **Reputation:** Having an active equality and diversity policy can help enhance an organisation's reputation and image. This can lead to improvements in the quality of talent you are able to attract, as well as a more positive image in the eyes of customers and the public. Increasingly, an inability to value diversity is viewed as being out of touch and carries the increased danger of being in breach of employment and other laws.
- **Recruitment and retention:** An organisation is able to attract better quality applicants with an active equality and diversity policy in place. You are also able to retain talented individuals, as they see equality in opportunity – be that progression or development.
- **Productivity:** A diverse workforce can help the development of better services or products, open up market opportunities and broaden the customer base. Being able to draw upon different ideas and experience supports this. In addition, employees who feel valued and are comfortable being themselves at work are more productive.
- **Risk mitigation:** A comprehensive legal framework surrounds equality and diversity, so ignoring it could turn out to be expensive in terms of legal costs and awards. Ignorance is not a defence.

As well as the business benefits, one should always keep in mind the social justice argument for promoting equality and diversity. This is based on the belief that everyone should have a right to equal access to employment and, when in post, equal pay and access to training and development. In addition, individuals should be free from discrimination, harassment and bullying.

Remember: good diversity management is good business.

# The legal framework

The principal piece of equality and diversity legislation in the UK is the Equality Act 2010. It bans unfair treatment and aims to achieve equal opportunities in the workplace as well as in wider society. The Act replaced previous anti-discrimination laws with a single act to remove inconsistencies and make the law simpler and easier for people to understand and comply with. It also strengthened protection. This law applies to all employers.

The Act protects individuals against direct discrimination, indirect discrimination, harassment (including bullying) and victimisation because of their protected characteristic or other circumstances, including social and employment status. Every person has one or more of the nine protected characteristics, so the act is designed to protect everyone against unfair treatment. The characteristics are:

- **Age:** This refers to a person of a particular age (e.g. a 32 year old) or within a range of ages (e.g. 18-30 years).
- **Disability:** The Act applies to a range of people who have a condition (physical or mental) that has a significant and long-term adverse effect on their ability to carry out 'normal' day-to-day activities. This protection also applies to people diagnosed with a progressive illness such as HIV or cancer.
- **Gender reassignment:** The Act extends the definition of gender reassignment to include people who choose to live in the opposite gender to the gender assigned to them at birth, by removing the previously legal requirement for them to undergo medical supervision.
- **Pregnancy and maternity (including breastfeeding mothers):** A woman is protected against discrimination on the grounds of pregnancy and maternity. With regard to employment, the woman is protected during the period of her pregnancy and any statutory maternity leave to which she is entitled. Also, it is unlawful to discriminate against women breastfeeding in a public place.
- **Marriage and civil partnership:** The Act protects employees who are married or in a civil partnership against discrimination. Single people are not protected.
- **Race:** This includes colour, ethnic/national origin or nationality.
- **Religion or belief:** The Act covers any religion, religious or non-religious beliefs. To be protected, a belief must satisfy various criteria, including that it is a weighty and substantial aspect of human life and behaviour. Denominations or sects within a religion can be considered a protected religion or religious belief.
- **Sex:** Previously referred to as gender. Applies to male or female.
- **Sexual orientation:** The Act protects lesbian, gay, bi-sexual and heterosexual people.

# Managing diversity

Different firms are at different stages of embedding equality and diversity into their practices and culture. There will be 'mature' firms that have been engaged with diversity for a long time, whereas there will be others that might not have considered it to be an issue in the past, or not thought it to be a priority, and so have yet to get involved. If your organisation falls into this latter group, don't worry – it is not as daunting as you might think. Here are some helpful tips to get you started.

**Resource:** There is no denying that resource needs to be allocated when developing an approach to diversity. Sometimes this can be difficult, especially for smaller firms. Quite often, a member of staff is asked to work on it (perhaps in addition to their current responsibilities). If resources are tight, there are ways of sharing practice and experiences that do not cost a lot. Networks, like Local Institutes, are a valuable resource in this respect. There is also a lot of help and information available online.

**Equality and diversity policy/strategy:** A diversity strategy or policy is a document that sets out a firm's commitment to promoting equality and diversity. It helps an organisation gain an understanding of the benefits diversity can bring. Equality law does not insist you have an equality policy, but it is good practice to have one. The policy should be clear and coherent and be understood by all within the organisation. Once you have written the policy, make sure people are aware of it.

Your policy should relate to all aspects of employment including individual standards of behaviour, the advertisement of vacant positions, recruitment and selection, training and development, pay, promotion and transfers, provision of benefits, occupational pensions and leaving the organisation. It can also set out the roles and responsibilities related to carrying out the policy – for example, the role of the Board, nominated individuals, and staff as a whole.

The Equalities and Human Rights Commission has published a guide that covers all of the above. To access it, visit: <http://www.equalityhumanrights.com/advice-and-guidance/guidance-for-employers/equality-policies-equality-training-and-monitoring/equality-policies/>

There are some important points to remember when developing a strategy or policy:

- Such an initiative requires the support of senior management.
- Remember that managing diversity is not a one-off initiative; it is an ongoing process.
- The strategy should support the achievement of business goals.
- There needs to be a focus on fairness and inclusion. All decisions relating to recruitment and development should be based on merit, competence and potential.

**Equality and diversity training:** Training of staff is an important signal that an employer is committed to embedding equality and diversity. It is vital in raising awareness and developing understanding and could form part of an induction programme, be a specific course, or part of management training.

**Equality impact assessments:** An equality impact assessment (EIA) is an analysis of a proposed change to a policy within a firm or organisation. The EIA process looks to determine whether it has a distinct impact on one gender, ethnic group, those with disabilities or those working part-time. It applies both to external policies (i.e. those having an impact on customers) and to internal policies (those affecting the organisation's employees).

EIAs should cover all protected characteristics and can also include non-protected characteristics as well. Although there is no regulatory need to undertake EIAs, it is good practice to do so. An example of a template for EIAs is given on page 11.

**Monitoring:** It is good practice to regularly review and evaluate progress. One method is to undertake a diversity audit. Such audits are a way of examining your diversity strategy, culture, systems and procedures against a framework. This can help you identify which aspects are working well and which need to be looked at in more detail. Audits are therefore the basis of specific, practical diversity action plans and strategies. They also provide a benchmark to track improvements over time, against which progress can be measured. Audits can be carried out by third parties to ensure independence.

There are other, more cost-effective, ways of monitoring – for example, employee surveys can help you find out whether policies are working. You could also use staff suggestions and comments as a platform for improvement.

**Keeping up-to-date:** Requirements, rules and regulations are all subject to change. Therefore it is important to be aware of developments. Organisations such as the Equality and Human Rights Commission and ACAS provide up-to-date guides and information (see page 12 for useful links).



# Case studies

The following pages include examples of how our profession is working to promote equality and diversity. To read more case studies, please visit our website: [www.cii.co.uk/diversity](http://www.cii.co.uk/diversity)

If you have a case study that you would like to be included on our website, please email: [caroline.lace@cii.co.uk](mailto:caroline.lace@cii.co.uk)

## 1. Embedding equality and diversity

### Lloyd's of London

In 2007 Lloyd's of London embarked on a two and half year change programme named "Pacesetters". Whilst the initiative was commissioned by the CEO, Richard Ward, the programme was designed as a way of engaging the organisation from 'the bottom up' ensuring that the change naturally emerged and was owned by everyone in the Corporation.

The aims of Pacesetters included – a desire to be more open and transparent; engage, energise and connect different people across the organisation; allow for more challenging debate; break down silo working practices; and help people to recognise the assumptions that drive their behaviours and find new ways of working together regardless of geographical location, background and hierarchy.

Work included creating a collective and inclusive vision of leadership; developing a staff engagement programme to develop common ways of thinking and acting; and promoting collaboration and building networks.

The outcomes from Pacesetters were:

- Better and new relationships forged due to greater recognition of the value of differences
- Increased focus placed on the importance of hearing and seeking out different opinions
- Creating a buzz around more honest, challenging conversations – with less focus on conflict and difference
- Greater openness for change, energy for modernisation, and an openness to challenge
- More 'team Lloyd's' conversations and commitment to personal development

## 2. Networks and advice

### Link: Lesbian, gay, bisexual and transsexual (LGBT) insurance network

Networks and groups (both formal and informal) play an important role in promoting awareness of equality and diversity. As well as supporting group members, networks also offer advice to employers and the wider profession. One such group is Link, the lesbian, gay, bisexual and transsexual (LGBT) insurance network, which looks to attract and support LGBT talent in insurance. Groups covering other protected characteristics also exist. Here are details of the network's mission and vision:

#### **Mission:**

Create and maintain a workplace that attracts the best LGBT talent to the insurance industry.

#### **Vision:**

- Develop an inclusive workplace that allows LGBT insurance professionals to develop their careers in an environment where an individual's sexuality or gender identity is not a barrier to success.
- Ensure the economic case for cultivating an inclusive workplace and LGBT issues are on the agendas of all executive committees within the insurance sector.
- To be an access point for knowledge and resources regarding the very best global practices and policies in relation to LGBT and Inclusion and diversity issues.
- Provide welcoming and inclusive networking opportunities and events to encourage the cross fertilisation of ideas and best practice.
- Partner with experts in the field in order to assess and benchmark how the insurance sector compares with others, in order to identify the key LGBT issues and prioritise activities.

For more information on the LGBT Insurance Network, visit <http://goo.gl/MKGMc> or contact Erik Johnson at [erik.johnson@shawbiz.ca](mailto:erik.johnson@shawbiz.ca)

### 3. Fairness and equality at work policy

#### Aviva (UK)

It is good practice to develop an equality and diversity policy, as it highlights your organisation's commitment to equality. Here is an example, which shows Aviva's UK policy:

##### Introduction

This policy sets out the principles underpinning our approach to fairness and equality in the workplace. It outlines what you can expect from us and what we expect of you, in particular in respect of conduct, recruitment, assessment and selection pay, access to benefits, discipline and grievance procedures and throughout all aspects of your employment with Aviva.

Additionally it sets out how you raise any concerns if you feel that you have not been treated in accordance with this policy and its principles.

##### Scope

This policy applies to you if you are an employee of Aviva and parts of it also apply if you are a contractor/supplier working on Aviva's premises. Every person working for Aviva has a personal responsibility for adhering to and promoting these principles in their day-to-day dealings with customers, with each other and with business partners.

This policy does not form part of your contract of employment and may be changed, replaced or withdrawn at any time.

##### Principles

- We will not tolerate discrimination of any description on any grounds.
- We will comply with our statutory obligations under the Equality Act 2010 which specifically prohibits discrimination on the grounds of age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- We aim to create a working environment in which all people are able to give of their best, where there is no bullying or harassment, victimisation or discrimination and all decisions are based on merit.
- We will help you understand what is and is not acceptable behaviour at work and at work related events.
- We will provide clear and accessible procedures that explain how to report concerns where you believe behaviours fall short of those required to comply with this policy.

When applying these principles we will:

- Recognise your individual circumstances as well as those of the business when applying procedures and processes.
- Be clear about how we will deal with any policy breaches and how you can raise any concerns or complaints.
- Regularly monitor complaints of grievance and harassment and take any action required to address any adverse patterns or trends.
- Monitor the effectiveness of this policy and regularly review it.
- Review our processes regularly to make sure they remain fair and lawful.

# Glossary of terms

## **Direct discrimination**

Treating someone less favourably on prohibited grounds (gender/gender identity/race/disability/sexual orientation/religion or belief/age/socio-economic status) than another would be treated in comparable circumstances, where the treatment cannot be objectively justified (e.g. by a genuine occupational requirement). Direct discrimination is unlawful under all anti-discrimination law. An example would be failing to offer a man a job because he is gay.

## **Discrimination by perception**

Direct discrimination against someone because others think they have a protected characteristic (even if they do not).

## **Harassment**

Unwanted conduct that violates people's dignity or creates an intimidating, hostile, degrading, humiliating or offensive environment. This definition is limited to anti-discrimination legislation and therefore only applies to harassment on grounds of sex/race/disability/sexual orientation/religion or belief/age. Example: Colleagues of a Muslim worker refer to him as Saddam which he finds offensive and distressing.

## **Indirect discrimination**

Applying a provision, criterion or practice which disadvantages people of a particular group unjustifiably or disproportionately (where that group is defined by sex, race, disability, sexual orientation, religion or belief or age). Example: Requiring job applicants to have a set number of years experience may indirectly discriminate against women who have taken a career break.

## **Positive action**

Positive Action is often confused with positive discrimination. Positive discrimination, which generally means employing someone because they come from a deprived group, in spite of whether they have the relevant skills and qualifications, is unlawful. The term 'positive action' refers to a number of methods designed to counteract the effects of past discrimination and to help abolish stereotyping.

## **Vicarious liability**

Employers are responsible for the discriminatory actions of their employees where such actions have been carried out during the course of their duties. The only defence for employers is to show that they have done everything reasonably practicable to prevent an employee committing an unlawful act.

## **Victimisation**

Treating people less favourably because they have made a complaint or intend to make a complaint about discrimination or harassment, or have given evidence or intend to give evidence relating to a complaint about discrimination or harassment.

# Equality impact assessment template

Project, procedure, event or activity:-

Purpose of project, procedure, event or activity:-

Protected characteristic	Any impact?	Remedial steps/ adjustments?	Remedial steps/ Adjustments completed
Age			
Disability			
Race			
Religion or belief			
Sex			
Sexual orientation			
Transgender			
Pregnancy and maternity			
Marriage and civil partnerships			

Notes:-

Completed by:

Date:

# Useful links

There are many useful sources of information and support that relate to equality and diversity. Below is a selection, with more to be found on the CII diversity page:

**Equality and Human Rights Commission:** The Commission has a statutory remit to promote and monitor human rights and to protect, enforce and promote equality across the nine protected characteristics. <http://www.equalityhumanrights.com/>

They have produced a wealth of information for employers. Visit: <http://www.equalityhumanrights.com/advice-and-guidance/guidance-for-employers/equality-policies-equality-training-and-monitoring/>

**ACAS:** Acas (Advisory, Conciliation and Arbitration Service) aims to improve organisations and working life through better employment relations. <http://www.acas.org.uk/equality>

**Chartered Institute for Personnel and Development (CIPD):** The CIPD, the professional body for HR and development has produced a number of guides that provide details on issues relating to equality and diversity. Visit. <http://www.cipd.co.uk/hr-topics/diversity-equality.aspx>

**Equality and Diversity Forum:** a national network of equality and human rights organisations. <http://www.edf.org.uk/>

# The CII

As an employer and as a membership body, the CII is committed to promoting equality and diversity awareness and best practice. We are also committed to employing staff from a diverse range of backgrounds. We have a dedicated webpage that details our own diversity policy (<http://www.cii.co.uk/media/2203076/equalityanddiversitypolicystatement.pdf>). We also have our own Diversity Action Group, which is a sub-committee of the Professional Standards Board.

The PSB Diversity Action Group is made up of practitioners and lay members and seeks to:

- Raise awareness of diversity issues amongst CII members, committees, management and staff.
- Consider how the CII can become a more inclusive professional organisation.
- Develop appropriate diversity policy and actions for implementation by the CII.
- Monitor and review the CII diversity actions to ensure implementation and to maintain relevance and effectiveness.
- Communicate the diversity policy to CII members, committees, management and staff to encourage the highest possible level of compliance.
- Advise and be consulted on the CII diversity policy.

Our network of Local Institutes and newly formed Diversity Champions are also a source of support and information on equality and diversity related information.

The Chartered Insurance Institute  
20 Aldermanbury, London  
EC2V 7HY

tel: +44 (0)20 8989 8464  
fax: +44 (0)20 8530 3052

customer.serv@cii.co.uk  
www.cii.co.uk

 Chartered Insurance Institute  
 @CIIGroup

© The Chartered Insurance Institute 2016  
THE CHARTERED INSURANCE INSTITUTE, CII and  
the CII logo are registered trade marks of The  
Chartered Insurance Institute.