

CASE STUDY

MAKING WORK WORK | COMMITTED TO DIVERSITY AT FSCS

The Financial Services Compensation Scheme (FSCS) recognise the importance of creating a diverse and inclusive workplace where everyone can succeed in achieving their personal and professional goals. This case study outlines how the company is putting diversity at the forefront of its strategy and operations.



**Financial Services
Compensation Scheme**

About FSCS

The Financial Services Compensation Scheme (FSCS) protects people when financial firms fail. If financial firms have gone out of business, and can't pay, FSCS can step in to pay compensation.

Set up by the government, FSCS is independent and its service is free to use. Customers keep 100% of the compensation they are owed when they claim directly through FSCS. FSCS covers all regulated financial services in the UK, with around 240 employees based in the City of London.

The issue

Since its launch in 2001, it has come to the aid of millions of people and paid out billions in compensation. As an organisation, it wants to ensure all employees understand their personal connection to its customers and purpose; can give their very best each day; and are motivated to contribute to organisational success.

What FSCS did

A commitment to diversity

FSCS recognises the importance of creating a diverse and inclusive workplace where everyone

can succeed in achieving their personal and professional goals.

The company believes strongly in championing inclusion at all levels of the organisation and is incredibly proud to have been recognised in several national awards in this space: FT Financial Adviser Diversity in Finance Awards first-ever Employer of the Year in 2019; being placed in The Inclusive Top 50 UK Employers – FSCS is the UK's 4th most inclusive employer – an increase of 22 places from 2021, and being recognised as one of the Top 30 Employers for Working Families this year.

FSCS has several equity, diversity and inclusion initiatives that underpin its strategy, and it works closely with external bodies:

- It is a member of Working Families (the UK's work-life balance charity whose mission is to remove barriers that people with caring responsibilities face in the workplace).
- It offers enhanced paternity leave of 26 weeks full pay.
- It offers 20 days' paid dependants leave to any employee with caring responsibilities.



- It recently launched a new structured development programme (Career Pathways) – to support employees to reach their full potential and remove any potential barriers to progression; helping them learn new skills and provide development opportunities to reach their goals.
- FSCS' Smarter Working approach centres around people taking ownership for their working day: allowing flexibility in where they work, when they work and what they wear.
- It was an early signatory of the Change the Race Ratio (a campaign to increase racial and ethnic participation in British business).
- It is a signatory of the Women in Finance Charter (a commitment to build a more balanced and fair industry).
- It is a Disability Positive Employer and Mindful Employer – with 15 mental health first aiders, and takes part in the annual Time to Talk Day.
- Works with Renegade Generation as an age-friendly employer to support those who are mid-career and beyond.

WORKING WITH BUSINESS IN THE COMMUNITY

FSCS works closely with Business in the Community (BITC), an organisation committed to championing responsible business, and colleagues from FSCS have served on the Leadership Teams for BITC's Age at Work and Race at Work campaigns.

FSCS is a founding signatory of the Race at Work Charter that looks to improve outcomes for BAME employees in the UK



The Prince's Responsible Business Network

- We rolled out unconscious bias training across the organisation to support our employees, specifically those involved in recruitment.

ALETHEA'S STORY

Alethea-Beharie Campbell has been with FSCS for nearly three years and has been heavily involved in a number of our diversity and inclusion initiatives. Through the support provided by FSCS and her involvement in its programmes, Alethea has been able to move from a junior operational role to a promotion, and a new career in FSCS' Legal team, using her knowledge and skills from her studies.

As part of the company's commitment to increasing female representation, and supporting ongoing development, it works with an external consultant to deliver its RISE Empowering Women's programme. The RISE programme aims to support women to achieve their true potential in their careers, creating a safe environment to help overcome challenges and share experiences. It is open to all female employees, from any level of the organisation.

Alethea was one of the first colleagues to undergo the RISE programme, and as a result she was able to understand more about her strengths, and how to take the next steps in her career with us.

“RISE TAUGHT ME A LOT ABOUT SELF-AWARENESS, UNDERSTANDING AND BREAKING OUR OWN BOUNDARIES AND APPRECIATING OUR INDIVIDUAL STRENGTHS. IT'S AN EXPERIENCE I WILL ALWAYS CHERISH AND USE TO GROW FROM. I FOUND MYSELF AMONGST WOMEN FROM ALL WALKS OF LIFE TELLING THEIR OWN STORIES, CONNECTING, SHARING, AND GROWING TOGETHER. IT GAVE ME A GREAT OPPORTUNITY TO MEET SOME OF THE INCREDIBLE WOMEN I WORK WITH AND FORGE LONG-TERM FRIENDSHIPS.” Alethea



Following the rise of the Black Lives Matter movement, FSCS took an innovative approach to supporting its Black colleagues: it ran a series of discussions across the organisation to help people understand their lived experiences, and to open the dialogue. These were open and honest conversations, giving colleagues the opportunity to learn and understand more about race, and the experiences of others. Following these, the company continued to hold conversations with its Black colleagues to understand how it could better support them – which led to four priorities, to which the Executive Team are fully committed:

- Launch a new survey to understand more about the experiences of Black colleagues and how employees understand the current discussion around race.
- No longer use the term BAME in targets or reporting – instead, this will be broken down by ethnicity.
- Introduce sponsorship to support Black colleagues and increase their access to opportunities.
- Host education sessions around race, making these essential for those in leadership positions.

FSCS has launched its Race Survey to provide a true insight into how race impacts all employees and understand where the company can do more; dropped the term BAME; launched its first ever Black Talent Sponsorship Programme which has been designed to focus on increasing access to opportunities and address the underrepresentation at top levels of the organisation. Each employee is partnered with a senior sponsor from the Executive

team for monthly sessions; in addition to training, quarterly networking events and the opportunity to become a mentor for the Aleto Foundation (which supports the development of a new generation of young leaders from underprivileged backgrounds).

Alethea was part of the first group of colleagues on our Talent Sponsorship programme – being paired with CEO Caroline Rainbird as a mentor and sponsor, along with a student from the Aleto Foundation to whom she was able to impart her knowledge and advice, to support their career and personal development. Through her experience on the programme, Alethea was able to explore opportunities to further build her network within FSCS and explore opportunities for career progression.

“The Black Talent Sponsorship Programme launch was a genuine response from my employer to its Black colleagues after having open discussions about their lived experience within and outside of the organisation. The opportunity was a reward in itself and one that I could never have foreseen. In the past, although I had worked for large organisations, who had committed to diversification within the workforce, I had never seen it actioned. The lack of action became acceptable to me as the ‘norm’. FSCS reminded me of the importance to work in a place where high-level commitments to diversity and inclusion are actioned internally. The Scheme’s response to Black Lives Matter, taking real practical steps to redress underrepresentation, has been great. It’s amazing to be a part of it and I am proud of what my cohort has been able to achieve.”

It's been a really positive experience. Having the opportunity to be heard and for more people to see my potential. Caroline also took the time to review my CV and gave invaluable feedback and advice. I'm already exploring a very exciting opportunity for next year!"

"It's so nice to have that engagement and support," she says. "It makes you want to go much further in your work and to be a reliable employee who goes the extra mile. You believe in the organisation, and you feel supported by it in turn. This organisation is worth 100% of my effort."



What next?

FSCS wants to continue to build on its work around race – its Talent Sponsorship Programme is in its second year, exploring development opportunities, and placing an internal focus on recruitment and its pipeline for talent at a senior leader level.

In addition, there are two new areas of focus it wants to build on in its new diversity and inclusion strategy:

Disability and neurodiversity

FSCS knows it needs to further enhance its work on disability. This year it has been working with EvenBreak, Do-It and Leonard Cheshire to make this happen. It has disability-confident leadership status and is currently developing its Disability Internship Programme as part of Leonard Cheshire's Change 100 initiative which will launch in the summer 2023.

Socio-economic impact

FSCS understands that socio-economic background can have an impact on future prospects. It is committed to ensuring that it attracts talent from all socio-economic backgrounds and gives everyone an equitable experience. FSCS will be doing the groundwork up to January 2023 to start capturing data to influence its strategy on its socio-economic equity work.

IMPACTS AND OUTCOMES

- FSCS has reduced its gender pay gap from 18% in favour of men to 1.3% in favour of women in just 3 years.
- 75% of its Executive Team are female
- 67% of its Board members are female
- 50% of its Senior Managers are female
- FSCS is listed in the Working Families' [The Top 30 Employers in 2022](#)
- FSCS is the 4th most Inclusive Employer on [The Inclusive Top 50 UK Employers 2021/22 List](#).

ENJOYED THIS CONTENT?

You might also like to:

- [find out more about joining Business in the Community](#)
- [learn more about our advisory services](#)
- [join us for one of our upcoming events](#)



Talk to one of our expert team today to learn how membership of BITC can help you take your responsible business journey further, and drive lasting global change.