



BANK OF ENGLAND

Speech

Out and proud – a note-worthy cause

Speech given by

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I am very pleased to welcome you all here to this cross-industry employee Network of Networks (TNON)¹ event at the bank for banks that is more famously known as the Bank of England.

Being a bank for other banks is just one of our roles. For many people, we are known best for printing Sterling banknotes.

On that theme, I am sure that many of you are aware that just last week we announced that the new face for our next 50 pound note will be Alan Turing - father of computing and artificial intelligence, the basis of our modern economy, and a gay man persecuted for his sexuality².

The response to this news from the Lesbian, Gay, Bisexual, Transgender plus (LGBT+) community has been incredibly positive. Speaking personally, I was thrilled to hear it given my role as executive sponsor of the Bank's LGBT+ and Allies network.

Building on this positive momentum, I want to use my opening remarks today to set out what more we can do to support this community. And to offer a very practical suggestion as to how each of you might be able to do more in your organisations too.

Why diversity and inclusion matters

The Bank's approach is to consider all aspects of diversity as part of a broad strategy to deliver an inclusive working environment for all our colleagues.

And I can tell you from speaking with senior leaders throughout the City that diversity and inclusion are no longer seen as HR buzzwords, but as critical ingredients to running a successful organisation.

A workforce that lacks diversity will never be as effective as it could be. That should be obvious. If we look the same, think the same, and come from the same backgrounds, then we are bound to make the same mistakes.

Strangely enough, I have found an analogy to this issue in my day job as the supervisor of UK banks.

If a bank has substantial exposures in one sector or geography, it is running significant risk. On the other hand, a bank with a diversified portfolio is less exposed to something going wrong in any one area, and so will likely find itself better positioned, in most states of the world, to weather bad times.

¹ Launched in 2011, "The Network of Networks" (TNON) serves as both a forum for sharing best practice and a support community for the leaders of employee networks. Further information can be found online here: <http://www.tnongroup.com/>

² See Mark Carney <https://www.bankofengland.co.uk/speech/2019/50-note-character-selection-announcement>

It turns out the same thinking can be applied to a company's workforce. Instead of equity capital you have human capital, and instead of investing in financial assets you are investing in people. A diverse portfolio makes a company more resilient, and so too does a diverse workforce - delivering better outcomes for individuals, communities and the company.

As we look ahead, changes in society mean the workforce of the future will be markedly different from that of today.

Recent surveys have found that just short of half of 18-24 year olds identify as something other than exclusively heterosexual or homosexual³, and a similar proportion of Millennials view gender as a spectrum⁴.

These individuals are in and entering the workforce now. If we are to reflect the society we serve and in so doing attract the best talent, we need to make sure they know that they can bring their whole selves to work: that they belong.

So the case for a diverse workforce is clear⁵. What many of us struggle with is how to attract, develop and maintain such a workforce.

Unfortunately, diversity does not, in our experience, emerge organically at the workplace. It needs to be nurtured from recruitment to development and promotion. And it must be underpinned by an inclusive work environment for it to be sustainable.

How we can support LGBT+ colleagues

The question we have been considering is what might this mean for LGBT+ colleagues given the challenges they face - some of which are unique, while others are common to many minority groups.

Being open with colleagues is an example of a particular concern within the LGBT+ community.

Individuals can find revealing their sexual orientation and gender identity or expression difficult or even distressing in a workplace setting. And it is a process they may need to repeat endlessly given these characteristics are not always visible.

According to a report by Stonewall⁶, more than a third of LGBT+ colleagues had hidden or disguised the fact that they were LGBT+ at work in the prior year because they were afraid of discrimination.

³ https://d25d2506sfb94s.cloudfront.net/cumulus_uploads/document/0mefw998rr/YG-Archive-SexualityScaleInternal-240519.pdf

⁴ <https://survation.com/wp-content/uploads/2016/01/Full-Fawcett-Tables-FM-Cover-1-12.pdf>

⁵ https://www.cipd.co.uk/Images/diversity-and-inclusion-at-work_2018-facing-up-to-the-business-case-technical-report_tcm18-47062.pdf

⁶ <https://www.stonewall.org.uk/LGBT+-britain-work-report>

This needs to be addressed head on. We must make sure that colleagues feel they can be open at work without any fear of discrimination or judgement.

LGBT+ colleagues are also disproportionately subject to bullying and harassment. The Stonewall report found that almost one in five LGBT+ colleagues have been the target of negative comments or conduct from work colleagues in the last year because they were LGBT+.

Also worryingly, the survey found that one in eight lesbian, gay and bi people would not feel confident reporting any homophobic or biphobic bullying to their employer. And one in five trans people would not report transphobic bullying in the workplace.

Employers need to adopt a zero tolerance policy for bullying and harassment and they need to encourage reporting of incidents. This needs to include ways to call out bad behaviour as well as clear processes for reporting and dealing with incidents.

In addressing these issues, we can also benefit from our experiences with gender and ethnic diversity.

One of the major lessons we have learned from promoting gender diversity is the need for visible support by senior leadership.

That means empowered employee networks with executive sponsors.

But it also needs a wide range of senior management to participate in and lead LGBT+ events and initiatives, within their own organisation and externally. Visible buy-in from the top is necessary for change to permeate and catalyse a cultural shift.

We also need to raise awareness amongst staff and managers on LGBT+ issues. This is especially important as the concerns of the community may not be familiar to those outside it. A more informed workforce will inevitably be more understanding and inclusive.

Finally, we need to track our progress. That means finding ways to encourage colleagues to disclose by handling data sensitively and explaining why it is needed in the first place.

Our commitment - an 'out and proud' charter

Building on our experience with gender and ethnicity, we see the value in making a formal commitment to supporting LGBT+ colleagues that will drive change through our organisation.

And just as it is important for senior leadership in an organisation to set the tone from the top, we think it equally important to share our commitment publicly - with the rest of our industry and more broadly.

So we have codified these principles into an 'Out and Proud' Charter which we are publishing today.

This principles-based Charter aims to ensure that we take steps to create a safe, inclusive environment where people from the LGBT+ community can bring their whole selves to work, irrespective of their sexual orientation, gender identity or gender expression.

While important, this is only a first step.

Policies and frameworks take us so far. However a 2018 study⁷ found that an LGBT+-supportive climate and supportive workplace relationships are more impactful than formal policies in improving the lives of LGBT+ colleagues at work.

So the key will be to translate these principles into specific actions which deliver real outcomes for the LGBT+ community. We will do that by publishing at a later date, and after consultation with colleagues, specific actions that reflect the principles in the Charter.

Our hope is that your organisations and others can use this Charter, or one similar to it, to help you on your own journey of fuller LGBT+ diversity and inclusion.

I mentioned earlier our decision to put Alan Turing on the new 50 pound note.

Few people have had as big an impact on modern society as has Turing. And like many great scientists, he was always looking to solve new problems and to identify areas for improvement.

His famous essay in the *Mind* journal where he sets out the Turing test concludes: "We can only see a short distance ahead, but we can see plenty there that needs to be done."

At the time he was talking about machines and artificial intelligence. Let's each of us take that same lesson and use it to build a more inclusive work environment.

⁷ Webster, J.R., Adams, G.A., Maranto, C.L., et al. (2018) "Workplace contextual supports for LGBT+ employees: a review, meta-analysis, and agenda for future research". *Human Resource Management*. Vol 57, No 1. pp193–210.



BANK OF ENGLAND

Out and Proud Charter

The Bank of England's founding charter states that the Bank exists to "promote the public good and benefit of the people." In order to do this effectively we must be representative of the diverse population we serve. The Bank is committed to building an inclusive working environment for all colleagues and to promoting LGBT+ diversity and inclusion within and beyond our organisation's walls.

The Bank of England **Out and Proud Charter** is a public commitment to supporting our LGBT+ colleagues. We invite other organisations to consider adopting this Charter, or one similar to it, for the benefit of LGBT+ diversity and inclusion in their workplace. This principles-based Charter aims to ensure that we take steps to create a safe, inclusive environment where people from the LGBT+ community can bring their whole selves to work, irrespective of their sexual orientation, gender identity or gender expression.

Principle 1 – *We commit at the highest level to support our LGBT+ colleagues*

- At the most senior levels in the organisation we will visibly support the LGBT+ community. Visible support is an enabler for LGBT+ people to be their whole selves at work. It can also encourage dialogue between the community and others.
- An Executive Sponsor for LGBT+ colleagues will represent issues affecting the community at the most senior level and drive meaningful change.

Principle 2 – *We empower and regularly consult an Employee Network for LGBT+ colleagues and their allies*

- We recognise the importance of an effective Employee Network for LGBT+ colleagues and allies, providing a forum where they can give and receive support to and from their peers.
- We empower the LGBT+ Network to support our HR team by providing constructive input into the organisation's policies, processes and training, and thereby help to hold us to account.

Principle 3 – *We commit to enforcing a zero tolerance approach to LGBT+ harassment and bullying*

- We commit to ensuring that anti-bullying and harassment policies are adhered to and are the responsibility of everyone at every level within an organisation.
- We have clearly documented, effective, fair processes for dealing with reports of LGBT+ harassment and bullying.

Principle 4 – *We promote LGBT+ awareness in the workplace*

- A lack of understanding of LGBT+ issues can foster an environment that may be unwelcoming for LGBT+ colleagues. We will combat this by providing materials and training specifically on LGBT+ issues.

Principle 5 – *We will capture meaningful data to monitor and publish progress*

- Individuals can find formal disclosure of sexual orientation and gender identity/expression difficult or even distressing in a workplace setting. Therefore, traditional methods of capturing data may not always be appropriate. However, given the importance for an organisation of understanding the diversity of its workforce, we will think creatively about how we can reassure colleagues and encourage disclosure. Data collected should be handled with the appropriate degree of anonymity and sensitivity.
- We will seek publicly to benchmark our performance against peers and to learn from others.