

First independent research focused on transforming EDI practices in UK insurance

19 September 2023

A study conducted by the University of Nottingham, in collaboration with Browne Jacobson LLP, has its report published today. The report is entitled “Transforming EDI Practices in UK Insurance”. It sets out a series of findings and recommendations as to the current and potential future state of Equality (Equity) Diversity & Inclusion (“EDI”) within insurance market workforces. The issues are also relevant to financial services and other workplaces.

The study takes place in a context where the insurance market is under growing scrutiny in relation to EDI and Environmental, Social & Governance (ESG), sustainability, and responsibility more broadly. In particular, financial services regulators have increasing expectations, and are increasingly willing to bring about change, in relation to firms’ culture, societal purpose and operational effectiveness. To help address these expectations, the report provides a comprehensive exploration of participants’ lived experiences in their day-to-day work in insurance. It provides unique, objective insight by which the market can benchmark its effectiveness on EDI, which has implications for attracting and retaining talent.

Many insurance market organisations made significant progress on EDI in recent years. The report helps to show how all such organisations, regardless of their size, can most effectively focus their efforts on initiating, continuing, and expanding EDI initiatives, including in the following areas:

- **Career progression:** 51% of women believe their career progression has been limited by their gender, and 55% of people from ethnic groups other than white believe that their career progression has been adversely affected by their race.
- **Discriminatory language:** 37% of participants have seen or heard discriminatory language in the workplace.
- **Reporting inappropriate behaviour:** 72% of participants would be comfortable reporting inappropriate behaviour, but only 14% of participants who had actually reported such conduct perceived a satisfactory outcome.
- **Flexible working:** 75% of participants believe that flexible working benefits EDI, emphasising its value to parents and carers, people with disabilities, and people from ethnic minority backgrounds.

The study involved 125 volunteer participants sharing their experiences via an online survey or an in-depth, one-to-one interview with a researcher from the University of Nottingham. The participants came from multiple sectors of the insurance industry – in particular, practitioners involved in the underwriting and placement of commercial (general) insurance – during 2023.

Jeremy Irving, partner and head of financial regulatory at Browne Jacobson, comments:

“At a time when the market is under increasing scrutiny from regulators and others as to ESG, and is increasingly conscious of staying competitive in attracting and retaining talent, this study can help inform and incentivise firms’ efforts on EDI, both as a goal in itself, and as a means to improve employees’ operational contribution and in turn optimise firms’ commercial performance. Bringing about inclusive cultures is a long-term process requiring careful analysis and monitoring of – and, where applicable, changes to – all aspects of an organisation, such as senior leadership appointments and customer-facing operations.”

Professor Louise Mullany, who has led the research team at the at University of Nottingham, comments:

“The findings of this study exemplify the requirement for action and a complete transformation of EDI practices in the UK Insurance industry. There are many recommendations in here, from avoiding inappropriate language, through to changing workplace cultures. It’s

crucial to create productive spaces for honest discussions around EDI, and for everyone to play a role in bringing positive change to make workplaces fairer places for all. In order for the market to achieve its ambitious aims for EDI in the workplace, it's incredibly important that it wholeheartedly benchmarks its progress."

CIPD (2023) reports that the median gender pay gap in financial and insurance activities was 22.2% in 2022-3, with women's average earnings being this much less than men's. This is higher than the 14.9% reported National Average revealed by the Office for National Statistics in April 2022.

Read the full report →

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