

# BUSINESS INSURANCE

Disrupting Talent  
Strategies: Status Quo vs.  
Design Thinking

A banner for the Business Insurance Diversity + Inclusion Institute 2017 Annual Conference. The banner features a background of colorful dots. On the left, the text reads "BUSINESS INSURANCE" in small letters, followed by "DIVERSITY + INCLUSION" in large bold letters, and "INSTITUTE" in smaller letters below. On the right, the text reads "Maximize Your Bottom Line: How Inclusive Cultures Pay Off" in bold, followed by "SEPTEMBER 18-19, 2017 / Westin Michigan Avenue / Chicago" in smaller letters. At the bottom right, a blue bar contains the text "2017 ANNUAL CONFERENCE" in white.

BUSINESS INSURANCE  
**DIVERSITY +  
INCLUSION**  
INSTITUTE

**Maximize Your Bottom Line:  
How Inclusive Cultures Pay Off**

SEPTEMBER 18-19, 2017 / Westin Michigan Avenue / Chicago

**2017 ANNUAL CONFERENCE**

*#BI\_Inclusion*



Statement from Seifi Ghasemi



Statement from John Wang

CSAA Insurance Group,  
a AAA Insurer

Statement from Paula Downey



Statement from Ron Parker



Statement from Steve Howe



Statement from Ginni Rometty



Statement from Michael Roth

jackson lewis.

Statement from Vincent Cino



Statement from Ajay Banga



Statement from Dave Blom



Statement from Tim Ryan



Statement from Joyce S.  
Dubensky



Statement from Doug McMillon



“Companies in the top quartile for racial and ethnic diversity are **35% more** likely to have financial returns above their respective national industry medians.”

“In the United Kingdom, greater gender diversity on the senior-executive team corresponded to the highest performance uplift in our data set: for every 10 percent increase in gender diversity, EBIT rose by 3.5 percent.”



March 28, 2017



“It wasn't quite **stilettos at dawn**, but there was a distinctly frosty atmosphere when Theresa May met Nicola Sturgeon yesterday”

**BUSINESS  
INSURANCE.**

**#BI\_Inclusion**

## Poor Returns on the Usual Diversity Programs

The three most popular interventions make firms less diverse, not more, because managers resist strong-arming. For instance, testing job applicants hurts women and minorities—but not because they perform poorly. Hiring managers don't always test everyone (white men often get a pass) and don't interpret results consistently.

### % CHANGE OVER FIVE YEARS IN REPRESENTATION AMONG MANAGERS

Type of program	White		Black		Hispanic		Asian	
	Men	Women	Men	Women	Men	Women	Men	Women
Mandatory diversity training				-9.2			-4.5	-5.4
Job tests		-3.8	-10.2	-9.1	-6.7	-8.8		-9.3
Grievance systems		-2.7	-7.3	-4.8		-4.7	-11.3	-4.1

**NOTE** GRAY INDICATES NO STATISTICAL CERTAINTY OF A PROGRAM'S EFFECT.

**SOURCE** AUTHORS' STUDY OF 829 MIDSIZE AND LARGE U.S. FIRMS. THE ANALYSIS ISOLATED THE EFFECTS OF DIVERSITY PROGRAMS FROM EVERYTHING ELSE GOING ON IN THE COMPANIES AND IN THE ECONOMY.

**FROM** "WHY DIVERSITY PROGRAMS FAIL," BY FRANK DOBBIN AND ALEXANDRA KALEV, JULY-AUGUST 2016

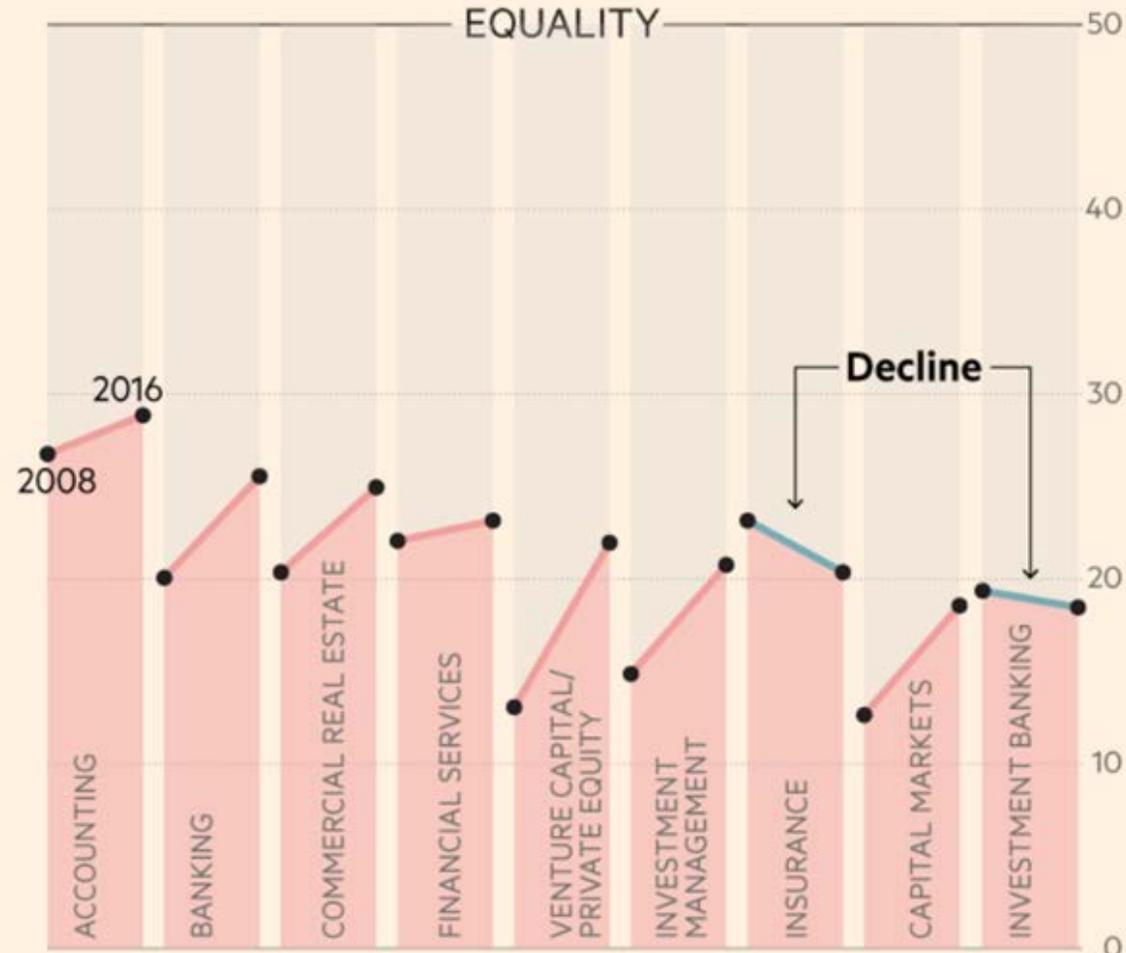
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[https://hbr.org/resources/images/article\\_assets/2016/06/R1607C\\_DOBBIN\\_DIVERSITY\\_A-1024x543.png](https://hbr.org/resources/images/article_assets/2016/06/R1607C_DOBBIN_DIVERSITY_A-1024x543.png)

# Male Dominated Leadership: A Risk?

There has been slow progress in hiring female leaders – across all financial sectors

Share of women hired into leadership roles (%), 2008 and 2016



FT graphic Alan Smith Source: LinkedIn

FT

**Source:** Financial Times, *Equal pay and opportunities for women in finance: why the hold-up?* APRIL 4, 2017 by: Laura Noonan, Madison Marriage and Patrick Jenkins

# White Management Teams: A Risk?



- 72.5% White
- 7.7% Hispanic
- 5.7% African American
- 7.9% Asian or Pacific Islander
- 2.8% Other

*What is riskier, to continue doing things as we've always done them, or to disrupt our mindsets and talent systems to increase representation and more diverse ways of thinking, innovating, and problem-solving?*



## *It's time to think like designers...*

Designers use **design thinking** to create great products.  
We can also use it to create more inclusive cultures.

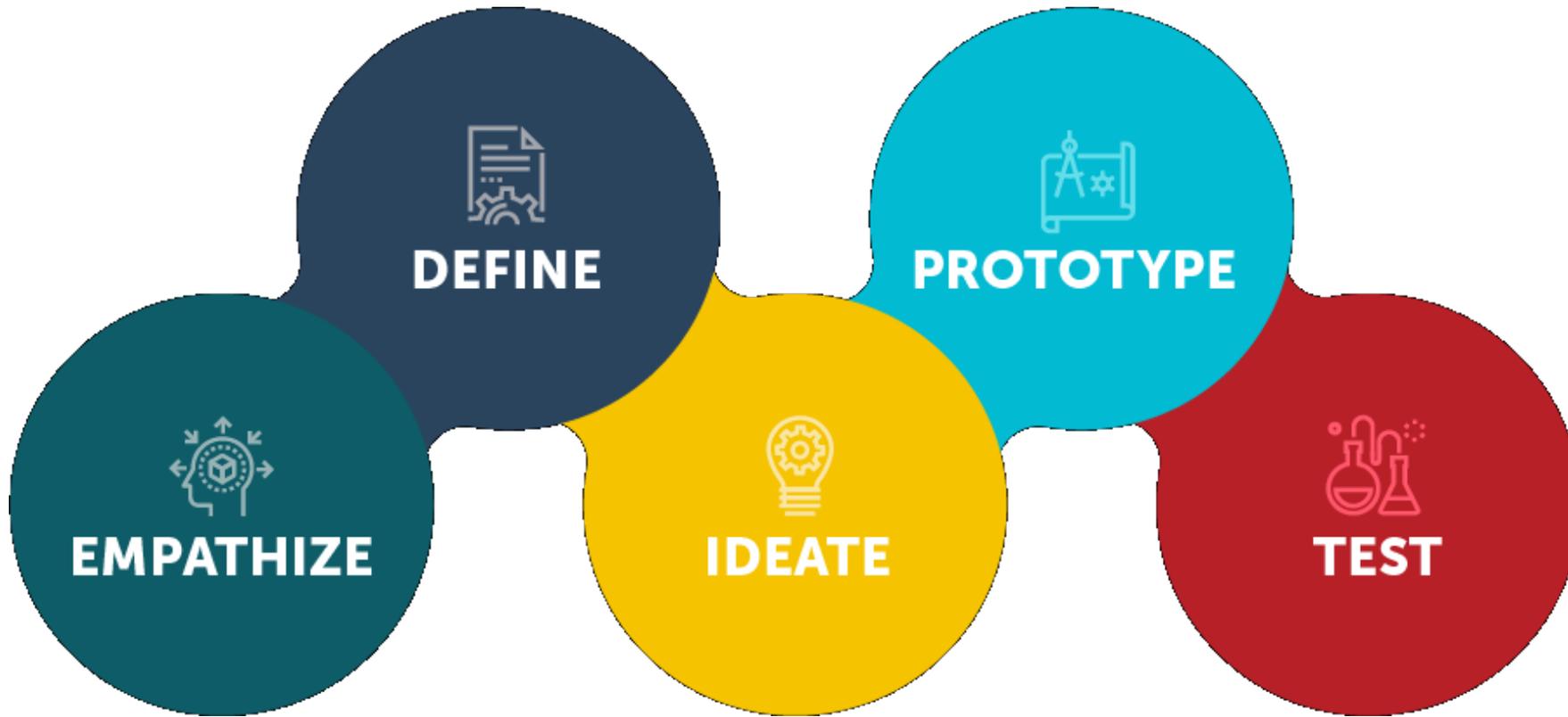


<https://medium.com/stanford-d-school/design-for-worldview-a-new-way-to-teach-design-thinking-a3478559e408>

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INSURANCE.**

**#BI\_Inclusion**

# What is? What if? What Wows? What Works?



# What is? What if? What Wows? What Works?

- ❖ Women were nearly 50 percent more likely to miss out on blood clot prevention
- ❖ Checklist as a decision support tool meant “appropriate treatment for everyone spiked”
- ❖ Structural solution controls for biases such as implicit stereotyping, availability, and overconfidence
- ❖ Clinicians can override its recommendation, *but they can't opt out of the tool*



*Life or Death?*

# bias-free algorithms

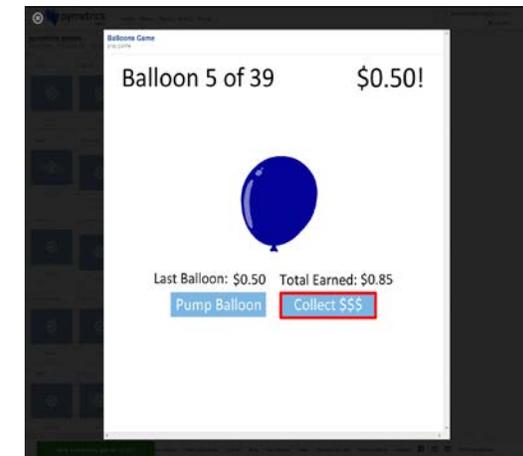
- Algorithms are free of gender and ethnic bias
- Ability to produce unbiased algorithms stems from our inputs, which are unbiased, and our technological advantage
- Using an unbiased algorithm can mitigate unconscious human bias
- Algorithms = no unconscious bias



A TOP-TIER FINANCIAL SERVICES FIRM:

**100% increase in female candidates**

Typical applicant pool was 75% male  
Achieved gender-equal applicant pool for 1<sup>st</sup> time ever



# What is? What if? What Wows? What Works?

## Blind Testing in *Software Coding*



*[Slack] is using blind testing to recruit engineers from diverse backgrounds. It scores candidates on tests without requiring them to reveal their names or educational background... some of the successful applicants are coming from lower-prestige colleges like San Jose State University, rather than elite colleges like Stanford University*



- How we run meetings
- Degree of workplace flexibility/options
- Recognition systems

## Engaging & Communicating

- Access to managers/leaders
- Degree to which employees feel heard
- Employee Resource Groups

## Interviewing & Hiring

- How we screen résumés
- Who and how many conduct interviews
- Interview guide/structure
- Criteria and process for evaluation of candidates
- Interaction with others before meeting candidates

## Managing Performance & Career Advancement

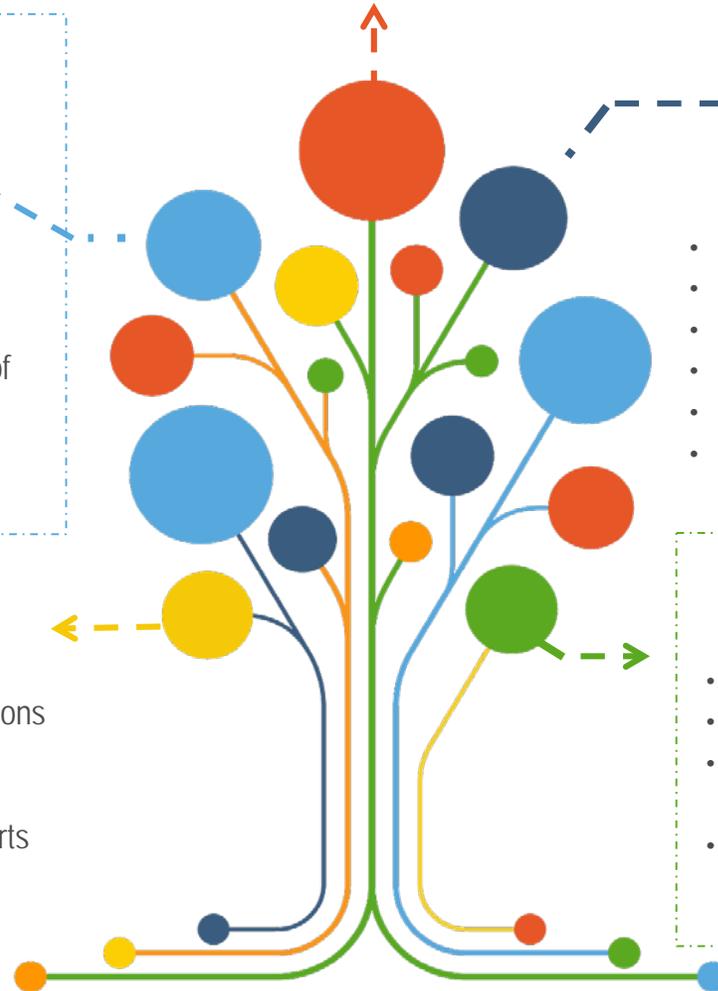
- Criteria used in formal evaluations
- Informal evaluations/feedback
- Access to sponsors and mentors
- Access to key/stretch assignments
- Access to key networks and relationships
- Access to professional development opportunities

## Attracting & Recruiting Talent

- Language used in job ads/descriptions
- Where we look for candidate
- Accountability for diverse slates
- People involved in recruitment efforts
- Assumptions of "cultural fit"

## Talent Reviews

- Scenario planning for critical vacancies
- Leadership pipeline development
- Assumptions of what a leader "should" look like/behave
- High-potential evaluation and nomination



Unconscious Bias Affects  
All Sorts Of People Decisions

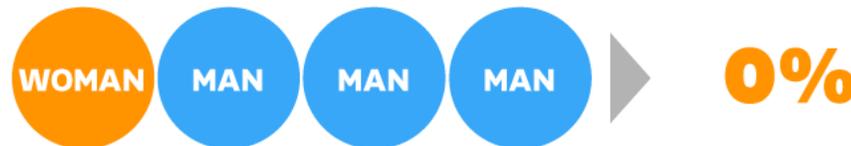
# What is? What if? What Wows? What Works?

## The Relationship Between Finalist Pools and Actual Hiring Decisions

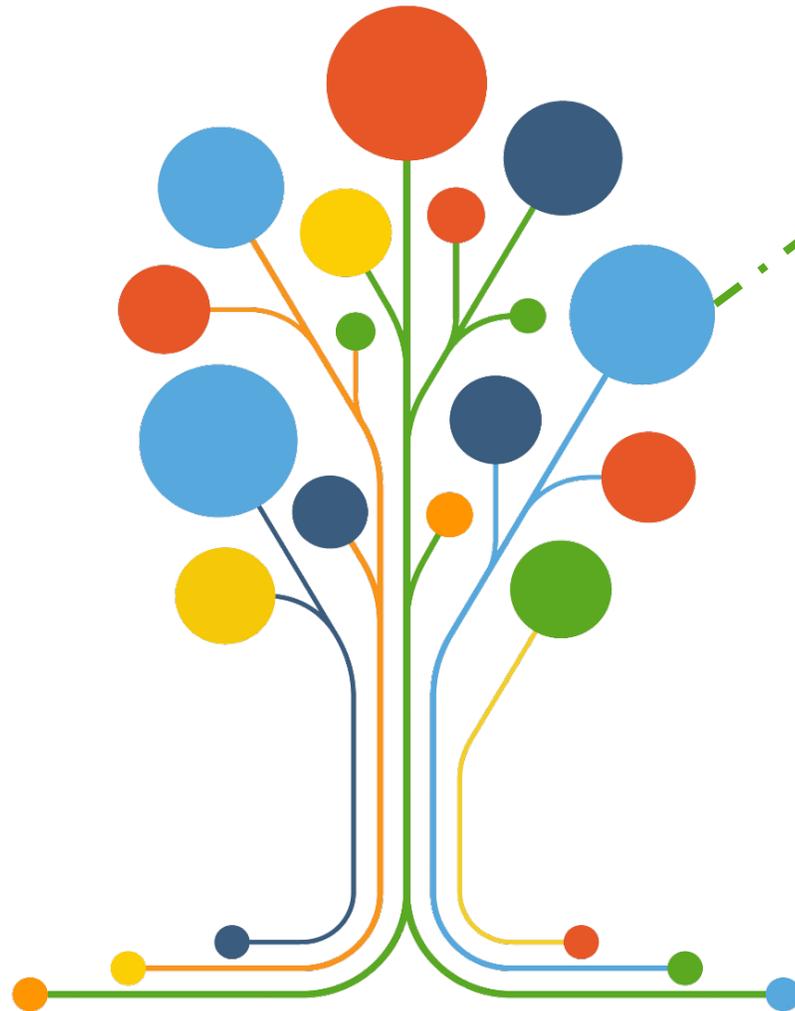
According to one study of 598 finalists for university teaching positions.

COMPOSITION OF FINALIST POOLS

LIKELIHOOD OF HIRING A WOMAN



# What is? What if? What Wows? What Works?



## → Talent Reviews

- Scenario planning for critical vacancies
- Leadership pipeline development
- High-potential evaluation and nomination
- Objectivity and accuracy of criteria
- Assumptions of what a leader “should” look like/ behave

# Financial Times, April 4 2017

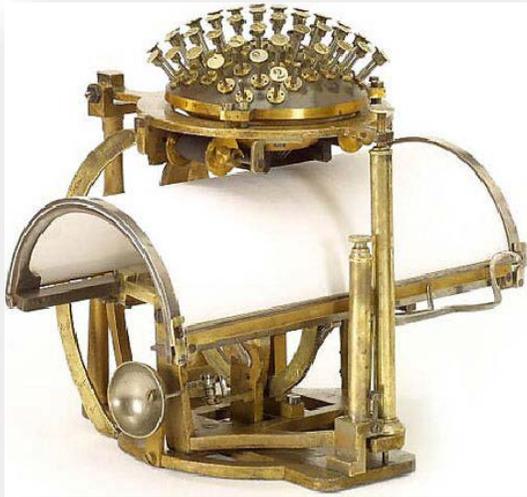
bank	sector	region	employees	TOTAL Women 2016	SENIOR Women 2016	SENIOR Women 2014	Change
Allianz	insurance	W Europe	140253	52%	28%	23%	5%
Aviva	insurance	UK	28058	53%	29%	29%	0%
Axa	insurance	W Europe	115254	53%	28%	27%	0%
Generali	insurance	W Europe	73727	49%	13%	12%	1%
Lloyd's of	insurance	UK	1075	53%	20%	18%	2%
Metlife	insurance	US	57513	49%	25%	24%	1%
Prudential	insurance	UK	23507	54%	20%	19%	1%
Swiss Re	insurance	W Europe	14383	47%	16%	16%	0%
Zurich	insurance	W Europe	53894	51%	29%	28%	1%
<b>Deloitte</b>	<b>professional services</b>	<b>Global</b>	<b>244400</b>	<b>45%</b>	<b>35%</b>	<b>21%</b>	<b>14%</b>
EY	professional services	UK and Ireland	14731	46%	24%	21%	3%
KPMG	professional services	UK only	15421	47%	23%	19%	4%
PwC	professional services	Global	223468	47%	31%	31%	0%



January 2017  
Chairman Mike Fucci - Deloitte, LLP

Today Fucci asks every Deloitte board member to sponsor at least three employees. In choosing each mentee, they have to come up with four names: a minority, a woman, someone in the same business function as the board member (such as finance or operations), and someone in a different business function. It's not easy, "but it makes them think differently. I think that's the beauty—making people look at different options for leadership succession."

# What is? What if? What Wows? What Works?



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HIRING

## Neurodiversity as a Competitive Advantage

by Robert D. Austin and Gary P. Pisano

FROM THE MAY-JUNE 2017 ISSUE

 SUMMARY  SAVE  SHARE  COMMENT <sup>13</sup>  TEXT SIZE  PRINT  \$8.95 BUY COPIES

WHAT TO READ NEXT

**HBR**  
IDEACAST

The Talent Pool Your Company Probably Overlooks



**Hewlett Packard  
Enterprise**

# What is? What if? What Wows? What Works?

## Another Lens

A research tool for conscientious creatives

How can you design for everyone without understanding the full picture?



Balance your Bias.



Consider the opposite.



Embrace a growth mindset.

What details here are unfair?  
Unverified? Unused?

Behind the question →

Balance Your Bias

Am I holding onto something that I  
need to let go of?

Behind the question →

Consider the opposite

Who might disagree with what I'm  
designing?

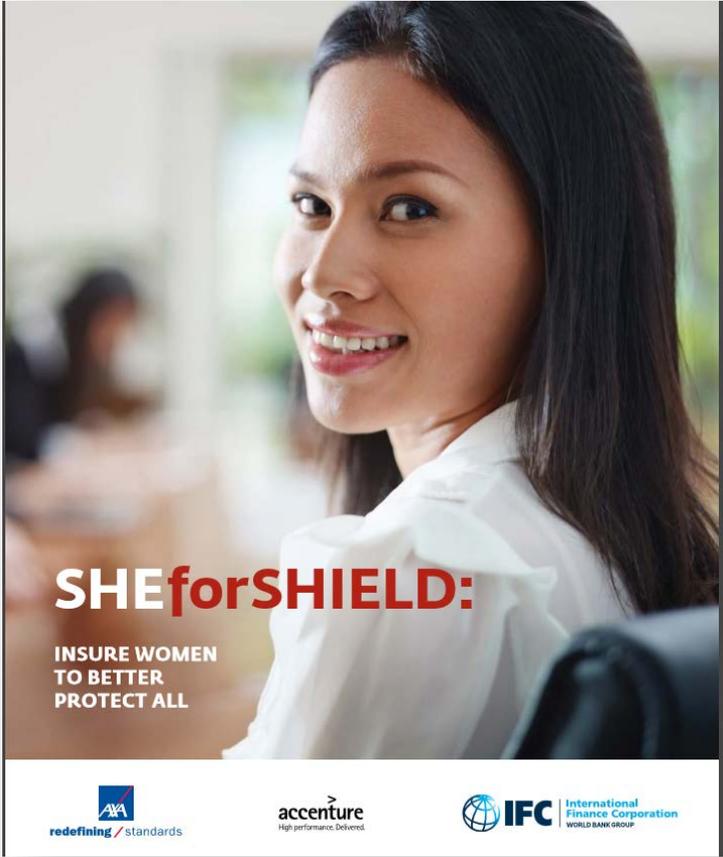
Behind the question →

Embrace a growth mindset

If I could learn one thing to help  
me on this project, what would that  
one thing be?

Behind the question →

# Women's Insurance Market



**SHEforSHIELD:**  
INSURE WOMEN  
TO BETTER  
PROTECT ALL

 **AXA**  
redefining standards

 **accenture**  
High performance. Delivered.

 **IFC** International  
Finance Corporation  
WORLD BANK GROUP



Women feel that male agents do not sufficiently address their needs and may prefer purchasing insurance from women agents



Women's expectations are currently not met by bancassurance or agents, so there are opportunities for insurers to better train bancassurance staff to proactively offer gender-specific products



Realizing the full potential of the women's insurance market will create impact far beyond the insurers' bottom line, increasing innovation, women's economic empowerment, and economic growth



Tell Your Story

What can  
**DISRUPTION**  
look like in  
your role?

**BUSINESS  
INSURANCE.**

#BI\_Inclusion

# Q & A

## THANK YOU

Monica Francois Marcel  
Principal & Co-Founder  
LCW

[monica@LCWmail.com](mailto:monica@LCWmail.com) or 1/773 769 9595

[www.LanguageAndCulture.com](http://www.LanguageAndCulture.com)

