

The best of financial and public services culture



Our culture is demonstrated from the top down, in the behaviours and values we exhibit, and in the way we deal with challenges. The PPF spans the public and private sectors, with our employees drawn from both.

This is a key strength for the organisation and one which we are developing further. In order to focus better on our members and levy payers, we draw on the best of the financial services industry, including the standards by which they are held to account.

17

apprentices have joined us in 18 months

Accountability for Senior Managers

KPI 15

In line with our strategic aim to emulate best practice within financial services and manage conduct risk, we introduced a PPF-specific version of the SMCR, the accountability regime for regulated financial organisations.

Key aspects of the SMCR relate to structural and organisational clarity, the identification of senior managers and clear descriptions of what they are responsible for.

We have implemented all aspects of the SMCR which are relevant to the PPF. All senior managers and certified individuals were given training to understand their

responsibilities under the regime. We carried out monitoring and reviewing exercises and deemed that all relevant individuals are aware and have effective oversight of those responsibilities. We have recently begun the first of our three-yearly background checks on those covered by the SMCR.

The SMCR is having the desired effect of ensuring clarity and awareness for accountable people. It now forms the backdrop of all our conversations around governance and accountability.



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Did you know...

- ▶ 52 existing employees were appointed to internal vacancies in 2019/20.

Industry-leading diversity

KPI 13

Creating a diverse and inclusive workplace is the right thing to do. We all have a responsibility to help level the playing field and create a culture where everyone feels able to be themselves. It makes us better at what we do. A diverse workforce helps us to deliver a great service to the increasingly wide cross-section of people who make up our membership. An inclusive environment which actively challenges groupthink allows us to identify risks and find better ways of doing things.

Our challenges

We are working hard to address areas of under-representation in our organisation. We know:

- We do not have enough women in senior positions or in certain high-earning areas of the business, such as the Investment team
- Our proportion of non-white employees does not reflect the ethnic diversity of the local areas in which we are located; and
- Only a minimal number of employees self-declare as having a disability, although more declare long-term health conditions.

While we are doing our best to address these areas of under-representation, we are part of an industry where attracting diverse talent is a challenge. For instance, the lack of women in our Investment team reflects the inherent profile of the sector.

We cannot change our industry singlehandedly, but we can be part of the solution. However, it will be some time before our statistics, such as our gender pay gap, start to reflect the effort we are putting in.

Taking action

Since 2018 we have encouraged and promoted a diverse range of employee-led groups and networks including the Race Action Group, Working Families Alliance, Kaleidoscope (LGBTQ+), Empowering Women, Inspiring Women and the Disability Working Group.

In December 2019 we became an official signatory of the Race At Work Charter, thanks to our Race Action Group. It is important that we understand the significant barriers faced by ethnic minorities in the workplace when it comes to discrimination and career progression. We recognise that things need to change for the better.

Our apprenticeship scheme is one of the ways in which we try to increase the diversity of our workforce by opening up new opportunities to local people and growing our own talent. We have had 17 apprentices join us in 18 months across a broad range of roles, which we intend to build upon.

There is no quick fix to increasing diversity – while recruiting more people from under-represented groups into more junior roles will further polarise our data in the short term, we believe that nurturing our own pipeline of talent will, over time, really make a difference.

We will continue to monitor progress against our D&I ambitions using employee feedback data and externally recognised standards such as the Women in Finance Charter, Race at Work Charter and the Disability Confident Employer framework.

Recruitment review

We operate the vast majority of our recruitment activity in-house, with 94 per cent of roles recruited directly, without the use of recruitment consultants. Our use of social media in the last year has contributed towards this figure.

In 2019/20 we engaged an external consultancy to undertake a comprehensive review of our recruitment process. The aim was to identify any positive changes we could make to support our D&I ambitions and to further our aim of being an employer of choice.

The review generated 39 recommendations, 11 of which were implemented as quick wins, such as non-binary gender options on application forms, updating our interview template and inviting requests for reasonable adjustments at every stage of the recruitment process. We have also extended some of the other recommendations where we have built upon the initial recommendation. Others will take more time and will be implemented when our new recruitment system is in place, with input and feedback from some of our working groups including the Disability Working Group and Working Families Alliance.

One of the things we have done is to update the wording of our job adverts to use more inclusive language and reduce gender bias, state that we are happy to discuss flexible working, and let people know that we are a Disability Confident employer. We also now publish the full list of employee benefits with every job advert, with the aim of showing that there is something for everyone.

The review provided some specific recommendations for enhancing our current recruitment process and documentation to assist us in attracting and recruiting diverse talent. We anticipate that these recommendations will help us increase representation across all aspects of diversity. We were encouraged that most of the recommendations build on what we are already doing and are mostly ways we can further embed our values into every aspect of the process.

“ In our team we’ve noticed a substantial increase in the number of CVs we receive from people with disabilities. We’ve also noticed people giving us more information about their disabilities. It’s helpful to know so that we can offer them any support they need during the interview process. And if we go ahead to recruit someone we know in advance how we can support them from day one. I’m pleased to see that changes in our recruitment processes are having a positive impact.



Sarah Seear

Contact Centre Team Leader

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What does it mean to be a Disability Confident employer?

Shaun Hilley, recruitment partner

"The aim is to encourage disabled people to apply for vacancies and support them when they do, so that we give them an opportunity to demonstrate their skills and abilities.

"We had to fulfil certain requirements in order to obtain accreditation as a Disability Confident employer. One of those requirements is that if a candidate's application matches the essential requirements of a role, then they're guaranteed an interview."

Gary Brignall, recruitment partner

"We're not solely looking at physical disabilities. Mental and physical health conditions fall under the disability definition as well. We want to make sure we're taking it all into account. We might have a candidate who's been out of work for two years, say, because of poor mental health but they might actually have the right skills and experience for the role and we don't want them to miss an opportunity in a working environment that will support them.

"To underpin this, we've been working on guidance for line managers on making reasonable

adjustments for employees to support them in the workplace. There are around 3.5 million people with disabilities in the UK workforce, and a similar number of people with disabilities who are not working. That's potentially a large talent pool of people whose skills aren't being utilised. We're opening the door."

Shaun: "We aspire to be a Disability Confident Leader. That's the pinnacle of an employer who can demonstrate, through an assessment, additional standards on how they support both employees and candidates with disabilities and health conditions. This is something we're actively working towards and hope to achieve within the next two years once we've fully implemented and embedded more of the recommendations from our recruitment review."

Gary: "We recently took part in a reverse recruitment fair, hosted by Croydon's Disability Confident Action Group. The event creates opportunities for people with a range of disabilities to meet employers and discuss how they might be able to develop their career. Instead of employers pitching a spot for candidates to approach them, the candidates are approached by the employers. I had the pleasure of spending time with six people who all had skills that could potentially suit the PPF in a variety of ways, including IT and customer service. We discussed their skills and aspirations and how we could support them through reasonable adjustments. I'm now speaking with a number of different business areas to look for opportunities for these candidates."





Did you know...

- ▶ We've been shortlisted for Best Candidate Experience and Recruitment Team of the Year in the 2020 Recruitment Industry Disability Initiative Awards.

Case study

Taylor, PPF employee



When I arrived at the PPF for my interview, the recruitment team who did my first interview were very welcoming and approachable. They allowed me time to think of an answer to questions they had and were very patient compared to previous employers. If I had any questions, they would answer them and reassure me.

When I was offered the job, the HR team made contact with an organisation called AppaMe, who suggested that I have a support worker. Having my support worker has definitely helped me relax and fulfil my role to the best of my ability. HR also adjusted my working hours around my college hours to help me complete my course effectively.

The most helpful adjustment that was made was around my work space. In contrast to my colleagues, who hot desk, I have a permanent desk, which has given me routine. HR also arranged a meeting between myself and my manager outside of work to help me better understand my role. It was arranged to meet each of my team colleagues individually to understand their role and how mine would fit in.

The recruitment team helped set a positive image of the PPF which enticed me to join the organisation and have reassured me every step of the way.



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I'm committed to making sure we challenge ourselves to make sure people feel fully heard and understood.

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Katherine Easter
Chief People Officer

Open Minds

We know it is not enough to increase the diversity of our workforce – an inclusive culture is necessary to make sure all voices are heard. With this in mind, we have given line managers the tools needed to make effective changes in decision-making and ways of working, such as unconscious bias, inclusive leadership and mental health training. In 2019/20 all our employees attended our full-day Open Minds course, which aims to create a speak-up, listen-up culture across the organisation. We have also brought in additional mandatory unconscious bias training for recruiting managers, to help eliminate unconscious bias in shortlisting and interviewing. Following the training, 96 per cent of people said they understood the responsibility they had in helping to create a more inclusive working environment.

Gender pay gap

Our gender pay gap continued to reduce in 2018/19. Our median gap was 13 per cent, down from 17 per cent the previous year. However, this is still some way from where we want to be.

There are two reasons for our gender pay gap: we do not have enough women in senior positions; and we have a high concentration of men in highly paid roles in functions

that are currently over-represented by men in our industry, namely in our investment, risk and IT teams.

We are making progress on improving the gender balance in senior roles. Two years ago, when we signed the Women in Finance Charter, we committed to having 40 per cent of our senior roles filled by women by 2021. We hit this target early – 40 per cent was achieved in October 2019. We will, as a minimum, maintain this level. There are only 66 people in this population so any change is noticeable in the figures.

We will continue to increase the number of women in senior roles by nurturing our own talent, ensuring the PPF is an attractive workplace for female employees, and supporting women through groups aimed at different career stages.

Work/life balance

Along with many organisations, we have identified that the solution to reducing the gap requires a long-term strategy focused on sharing work/home commitments. In our most recent employee survey, 82 per cent of people said they were happy with the balance between work and home life. The figure was the same for men and women. This was three points up from 2018 and is above the upper quartile norm benchmark (77 per cent) set by top performing organisations.

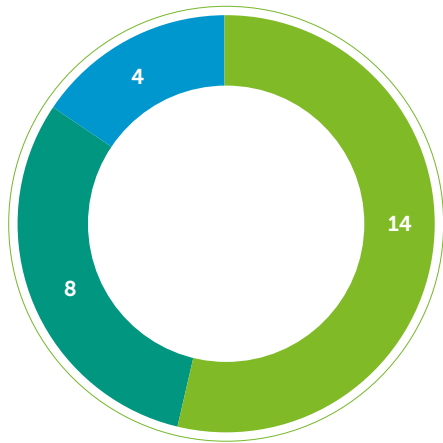
50%
of new dads took Shared
Parental Leave

We aim to be an employer of choice for women. We are proud of the focus we have put into encouraging a positive work/life balance and for our family-friendly policies. We also know that this is not limited to women and we recognise the wider benefits of allowing men to share childcare and caring commitments. Of the 10 men who took paternity leave in the last year, half of them also took Shared Parental Leave. The national rate of uptake for this could be as low as two per cent, according for the Department for Business, Energy and Industrial Strategy, so we are encouraged that our culture allows men to feel able to take this opportunity.



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Employee survey results vs external benchmark

This chart shows how many questions in our employee survey had an average score above or below the external benchmark.

There were an additional 19 questions in the survey which were unique to the PPF so there is no benchmark for these.

- Upper quartile benchmark or above
- Standard benchmark or above
- Below standard benchmark

Supporting our staff

We are proud of our people and want to continue to be a great place to work, attracting and retaining high-quality people who are committed to the PPF. Our employee survey in November 2019 found that 93 per cent of our employees are proud to work here and we want to continue to be an employer of choice.

Our employee survey – a snapshot

	Norm (standard) %	Norm (upper quartile) %	PPF %
Taking everything into account, I feel positive about working here	81	86	87
I am fairly paid for the work I do	58	68	68
The experience I'm gaining by working here is valuable for my CV/ future career	n/a	n/a	78
My line manager leads by example	78	82	80
I am encouraged to suggest new/ better ways to do my job	79	87	87
I believe that the PPF is an organisation with strong values and principles	n/a	n/a	93
I feel excited by what the PPF is trying to achieve	n/a	n/a	86
The PPF makes a positive difference to the world we live in	n/a	n/a	98

Source: Employee Feedback Ltd, Viewpoint 2019 employee survey report.

98%

of employees believe the PPF makes a positive difference to the world

New ways of working

Our ongoing IT transformation is giving us the power to modernise our way of working and provide an improved environment that enables our people to work effectively. All our employees have been able to work from home from the day after the Government asked people to avoid offices at the start of the UK's coronavirus outbreak. This includes people in roles where homeworking was not previously the norm, namely our investment and contact centre teams. This was made possible by our IT transformation and the collaborative efforts of our IT, HR and emergency response teams.

Our employees' wellbeing is of great importance so we have taken every step to support them during the extended working from home period. We are well aware that some of our people are unaccustomed to working from home, and none of them for such a long time. We are acutely aware of the impact isolation can have on people's mental and physical health. We also understand the challenges many people will have in combining childcare or other caring responsibilities with their work. We have empowered our line managers and stepped up our internal communications to make sure people feel able to cope, to explore new ways of bringing people together, to keep them focused on our objectives and to enhance our human connections. We will continue to monitor this closely, adapting and trying new things as this period continues.

Flexible benefits

February 2019 saw the launch of our online benefits portal, Benflex. We offer a range of benefits reflective of the market, many focused on employee wellbeing. Our employees' engagement with Benflex and their feedback has surpassed our expectations with 92 per cent of employees logging into the portal, compared to the 75 per cent industry benchmark¹. Employees sacrificed £240k of their salaries to purchase benefits that suited them and their families. Looking ahead, we are committed to implementing total reward statements to demonstrate the true value of employees' remuneration packages.



Did you know...

- ▶ We have been giving extra support to employees during the pandemic, to protect their mental health and help them balance work and home life.
- ▶ No employees have been furloughed.



¹ Benflex annual client survey.