

LUDGATE SEARCH

BEST PRACTICE FOR INCLUSIVE EXECUTIVE SEARCH



Ludgate Search provides executive search, diversity and inclusion advisory services to the Asset Management and Alternatives industry. Ludgate specialises in C-suite and senior distribution mandates across EMEA with access to a unique network of female talent. This is supported by our partnerships with leading industry diversity initiatives and practitioners.

"I've worked with clients within the investments and savings industry for the last decade and during that time I've seen the diversity and inclusion agenda steadily advance as the benefits become more apparent, particularly across senior leadership and succession planning. Here I share some anecdotes and my best practice recommendations for diverse and inclusive executive search". *Ana Maria Tuliak, Partner, Ludgate Search*

STATUS QUO

The global pandemic and the 'forced working from home experiment' created a more equitable playing field between employees and employers across all industries, and I am particularly excited about the effects within financial services which had what I call 'unproductive presenteeism' as one of the highest held values for years if not decades. This value has been nurtured mainly by the C-Suite and leadership teams – The Baby Boomers and Generation X which have often labelled Millennial and Generation Z's affinity to flexible working and 'empowering employees' leadership style as 'less than' the traditional authoritarian leadership they resorted to as a default for many years.

This inflexible and authoritarian leadership style within the workplace always reminded me of Albert Einstein's definition of insanity – 'doing the same thing over and over and expecting different results.' I believed the time was up for this approach having observed countless employee burnouts, mid-career drop outs of industry and generally a very cognitively homogenous workplaces. 'The perfect storm' came just in time to press the reset button and challenge the status quo that was only working for the minority (and not because it was the best approach but because as humans, we are resistant to change and tend to cling on to 'the way we have been doing' things).

The global pandemic has massively increased the speed at which the Equality, Diversity and Inclusion agenda has been integrated in the core values and the organisational culture at a large number of firms. I have seen new best practices pioneered and championed by the sheer bravery of individuals, leaders, not-for-profit organisations etc within our sector. In fact, I have been privileged to see number of very impactful initiatives being led by groups of individuals at [the Diversity Project](#) leading the way in accelerating progress towards an inclusive culture in the investment and savings industry. I feel very honored that I had a chance to collaborate with a number of highly regarded figures within the industry acting as volunteers fueled by their genuine passion for a more equitable business environment and ultimately a more equitable world. Some of my highlights include co-authoring [Diversity Project's 'SMART Working Manifesto for Change'](#), contributing to the ['Build Back Better'](#) white paper and ['The Diversity Project'](#) and ['Inclusive Culture: Leading change across organisations and industries'](#) books written by Steve Butler. Furthermore, I was humbled by being a finalist for the 'Role Model of the Year' & 'Contribution to Diversity' at Women in Investment Awards 2020 and awarded 'Diversity Project Champion' in 2020.

The pandora's box has been opened and there is no way back. We cannot just revoke the year 2020, and I am thrilled to have seen the recent news of the government proposing to give all employees the right to request flexible working when they start new jobs. This plan would allow all UK employees to request a flexible working arrangement from their first day at a new employer, which is indeed one of the key strategies employers should use to attract and retain a more diverse workforce in the long term. Furthermore, the Discussion Paper on the topic of ['Diversity and inclusion in the financial sector – working together to drive change'](#) was published by the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) this July with the capacity of supervising financial markets. The purpose

of this initiative is as quoted – ‘to engage financial firms and other stakeholders in a discussion on how we can accelerate the pace of meaningful change and what role we can most usefully play to support this change. We reiterate why diversity and inclusion is important for our objectives. And we explore how to build on existing requirements to support and monitor progress in the UK financial sector. The regulators are working together to clarify our regulatory approach to diversity and inclusion in pursuit of our statutory objectives (and having due regard to our Public Sector Equality Duty. This discussion will support our engagement with stakeholders and policy development, helping to determine which interventions could have the greatest impact.’

DATA DRIVEN APPROACH

To complement these recent developments, a key finding from The Parental Fog Index 2020: Investment Management Special Report published by the [Executive Coaching Consultancy \(ECC\)](#) showed only a small minority of the UK’s leading investment management firms are disclosing how they support working parents, at a time when the UK workforce had a record number of dual-career parents working full time and as the coronavirus increased the challenge parents faced. Earlier this year [Ludgate Search](#) ran a survey across professionals in the investments industry to understand their level of awareness about support policies and how important these policies are when looking for a new role. Respondents to the survey were predominately working parents and identified as female, from a variety of disciplines across asset management.

Key findings included:

- Almost 40% of working parents surveyed did not know what policies their firm had in place for working parents and 35% of said that their firms had not communicated what policies were in place during the pandemic. This was a surprising result given the well-publicized challenges facing working parents at a time when this support is arguably most needed.
- Just over 40% of those surveyed felt that there was not enough support provided during the pandemic and more worryingly, 63% did not take up any of the policies in place even when they were aware of what was available. The results suggest that if organisations are serious about retaining and advancing employees who are working parents, then significant action needs to be taken to ensure that the policies in place are viewed more positively. For organisations seeking to address gender imbalance, the perception that existing support policies do more harm than good diminishes the likelihood of retaining working parents, and as seen from our results, women in particular.
- Overwhelmingly, respondents considered support for working parents as an important, or a very important consideration in their next career move. It should be noted that of the 15% of respondents for whom this was the most important consideration, 100% identified as female. As a result, organizations with a focus on female talent acquisition strategies need to ensure that their policies are front and center for potential candidates.
- Refreshingly 38% of respondents felt comfortable asking about parental leave policies in an interview, but an over a third of those surveyed would only feel comfortable doing so through a recruiter or a headhunter and almost 30% stated that they wouldn’t feel comfortable initiating these conversations at all. Perhaps unsurprisingly, 82% of those surveyed who responded ‘No’ were female. And 80% of those who would only be comfortable asking about parental leave policies through a recruiter, were female. We know that women approach their job search any negotiation around benefits in a markedly different way to men, and these results suggest that organizations need make better accommodations for the concerns that women may have during the interview process.
- 61% of participants had declined a job in the last 6 months due to lack of support policies. A significant number were in sales roles and from a recruitment perspective we know that this is one of the hardest areas to address gender imbalance so once again, needs to be a key focus when recruiting for diverse talent. It should be noted that whilst a high proportion of those that had declined a role were women, the numbers of men who had declined a role were higher than expected which illustrates that both men and women are keen to not return to the old status quo of working 5 days a week in the office post pandemic.
- Over 60% of participants would prioritise opportunities with firms which have above 'current average' flexible working policies, a culture that supports working parents and leads by fully embedding flexible working for all. Most notably a majority of candidates would turn down job offers or leave organisations for the same reasons.
- Flexible working is something that the industry has been asking for several years and the pandemic has certainly sped up the need for firms to have a clear policy around flexible working. We unfortunately still find

that to this point, flexible working is applied on a case-by-case basis or dependent on seniority or tenure. It might not even be a policy as such and is taking the form of a side agreement, so again, if firms are serious about retaining working parents or hiring women, a clear and consistent policy is needed. It is crucial now more than ever for industry leaders to adapt a more sustainable approach to flexible working.

The 'war for talent' is real. All five generations and especially Millennials not only desire agile workplaces but require them to bring their best self to work. The demand and desire to hire cognitively diverse talent and employee retention is undeniable. In fact, within our industry the talent with illiquid alternatives experience is highest in demand across EMEA right now. The challenge for firms who want to create change and do more to attract a diverse workforce include, creating agile workplaces; a D&I driven culture; promotions; progression and succession planning; enhanced employee benefits, pay rises; implementing flexible working best practice; up-skilling your internal TA & Exec Search capabilities; reviewing recruitment and search partnerships are some of the strategies that are being developed and enhanced across industries.

So, with the demand currently outstripping the supply when it comes to post-pandemic recruitment, how can organisations and leaders effectively manage their current workforce and attract new talent? Ludgate Search recently run a survey completed by over 100 participants which indicated organisation's current 'go to' strategies:

- Flexible working: D&I culture - 38%
- Progression & promotion plans - 26%
- Pay raises & enhanced benefits - 32%
- Building TA& Exec Search teams - 4%

It is clear that to attract and ultimately retain the best cognitive diverse talent it is essential for organisations to embed flexible working best practice and create a truly inclusive culture with a long-term outlook. Quick wins are important for sure, but a long-term strategy for talent attraction and retention has never been more important. Therefore, we believe that having an inclusive recruitment best practice to complement your inclusive leadership driven organisation is key.

INCLUSIVE RECRUITMENT BEST PRACTICE

We know that the economic impact of the Coronavirus pandemic has not been equally distributed and where inequalities existed before the pandemic (especially women and minorities) these have widened significantly. Different circumstances before the pandemic have also influenced people's ability to survive financially and to recover in the aftermath. In April 2020 the gender pay gap was 7.4%.

A higher proportion of men than women were in employment in 2020. The fourth annual review from think tank New Financial for Britain's finance ministry, said the Women in Finance Charter faced its biggest test yet after the COVID-19 pandemic struck in 2020. A group of 81 firms were due to hit their target by the end of 2020, but 44 of them failed to do so, citing deliberately ambitious targets, and recruitment or promotion freezes due to COVID, the review said. Asset manager BlackRock missed its 30% target last year but achieved it in early 2021. Others who missed in 2020 include Invesco, the Financial Conduct Authority, insurer AXA UK, Funding Circle, Legal & General Group, London Stock Exchange Group, Bank of England, Tesco Bank, and the Financial Reporting Council. Two-thirds of the 209 signatories are seeking to quantify and qualify the impacts of Covid on women in their workforce. It will be indeed interesting to observe the 2021 gender pay gap results.

According to the McKinsey & Company report published in March this year the pandemic had a near-immediate effect on women's employment. One in four women are considering leaving the workforce or downshifting their careers versus one in five men. While everyone has been impacted in one way or another, three major groups have experienced some of the largest challenges: working mothers, women in senior management positions, and Black women. This disparity came across as particularly stark with parents of kids under ten: the rate at which women in this group were considering leaving was ten % higher than for men. And women in heterosexual dual-career couples who have children also reported larger increases in their time spent on household responsibilities since the pandemic began. In the UK, men from ethnic minorities and women have experienced worse mental health declines than White British men, according to a study published earlier this year by the University of Glasgow and the University of Exeter.

Signatories of the Women in Finance Charter still place the greatest emphasis on changes to recruitment practices to push towards their targets. The latest report highlights that of the 209 signatories to the charter, the top actions that firms were taking to drive change were mainly focused on recruitment, data or measurement of diverse hires and D&I training. Flexible working and policy review were only mentioned 37 times respectively in the report. However, as head-hunters we are acutely aware that firms that do not have a clear strategy around flexible working, risk missing

out on diverse talent or failing to retain their existing working parents, women, and minorities.

These factors are now pivotal for employers when forming their talent attraction and retention strategy. And whilst the evidence is clear, we still see most vulnerable groups taking a hit when it comes to securing their next mandate or firms losing their top talent due to non-inclusive organizational culture. And when it comes down to it, I truly believe that only 'the long term committed' and authentic organisations will emerge as winners.

It goes without saying that we all unequivocally have a role to play on this journey. Looking back at start of my career a decade ago, workplaces within our industry looked and felt very different to today. I can say with a slight relief that a lot has changed; however a lot still needs to happen to truly create sustainably inclusive and diverse workplaces many of us are longing for. To help the industry on this mission, in 2017 we launched Ludgate Search, a specialist executive search firm focusing on C-Suite and Senior Distribution appointments across EMEA, specifically within the traditional and alternative investments.

My mission was and still is, to act as a true talent partner and D&I advisor to my clients, and help them on their EDI journey, wherever they happen to be. Due to Distribution teams across EMEA generally being very gender biased I made it my mission to build relationships with top female talent across EMEA. This has been particularly useful for my clients amid Brexit (we might have forgot about this ...but yes, this has also happened in midst of the pandemic!), as we were able to help many organisations to restructure their UK and European capabilities whilst retaining their market share within the new regulatory framework keeping in mind the D&I best practice when it comes to talent attraction and retention.

MY TOP TIPS FOR EFFECTIVE INCLUSIVE RECRUITMENT INCLUDE:

- Invest in your talent pipelining and succession planning capabilities with clear diversity targets backed and championed by C-Suite and your leadership teams
- Invest in unconscious bias training for your line managers and leadership teams
- Run comprehensive searches for every appointment rather than 'hiring in haste' and mandating a head-hunter to approach a handful of 'usual suspects'. Believe it or not this is still a 'go to approach' for many organisations even in the post pandemic world.
- Agree parameters for a balanced longlist taking into consideration, gender, ethnicity, socio-economic background, sexual orientation, and other protected characteristics. The key here is to partner with a head-hunter who can provide you with an honest view of how balanced the existing talent pool with required diversity characteristic is (which in most cases will be unbalanced).
- Partner with someone who will make suggestions on alternative options for finding talent - looking at other industries, job roles or encourage you to consider "Returners" etc. This completely depends on the search and the client, but the emphasis should be on a tailored approach and a headhunter acting as a candid D&I adviser, ready to challenge and push back when needed.
- Speed vs. Diversity – I often remind clients that a truly diverse shortlist might affect the speed of the search. From experience we know that it takes about 3-5x as long to engage with female candidate vs. a male one. This might also require the line manager to get involved in initial confidential conversations. Furthermore, organisations often fail to plan diverse interview panels which seem like an obvious step but this is still very much 'work in progress' for a number of organisations. Organisations which practice patience and understand that this is what it takes to create more diverse teams will indeed emerge as winners. I am huge believer that the long term gain should be a prioritised.
- Expectations vs. Reality – I often advise and guide clients on what they would be ready to compromise on – maybe years of experience; existing track record; product specialism or geography coverage, and it is up to us to agree on the absolute 'must haves' vs. 'nice to haves' to achieve a diverse shortlist.
- Flexible working – I cannot stress enough the power of this diversity tool in creating a more inclusive and diverse workplaces. I tirelessly encourage organisations to embed flexible working practices at the point of hire (not the old fashioned 'only after a certain number of years in service'). Latest government announcements should help to shift the long standing predominate culture of presenteeism which I believe is holding us back as an industry.

- Partner with a head-hunter who is candid, relatable, passionate and truly understands the complex issues surrounding EDI and has experience creating and nurturing inclusive and diverse workforces. A headhunter who has strong relationships based on trust with candidates with diverse characteristics. A head-hunter who for example in case of the news of pregnancy in the middle of the interview process (which is not a new occurrence - there is just a little less stigma around this sort of scenario) candidates are comfortable to confide in, and trust that the head-hunter will 'back them'. Your headhunter of choice should be comfortable managing this situation and without any hesitation be requesting maternity policy details from their client etc.

This is just a brief outline of my top recommendations based on my experience, and as head-hunters we do what is within our control but as you know, company culture and inclusive leadership are key for long lasting change. However, all of this will be a redundant point and talent retention will become an issue if organisations 'don't practice what they preach' when it comes to Equality, Diversity, and Inclusion best practice.

CASE STUDY 1 - HEAD OF WHOLESALE APPOINTMENT

I recently lead a Head of Wholesale search at a top 10 global asset manager based in Europe. The goal was to produce a gender balanced long list consisting of around 35 profiles which we were able to deliver due to our strong relationships at this level across EMEA. The Country Head's main driver was to find the top candidate for this mandate irrespective of their gender whilst championing the inclusive recruitment best practice. Following interviews with 15 shortlisted candidates, our absolute top candidate for the job was a female. Following the offer communicated to the candidate, she shared the news about her pregnancy with me (not without fear that things might now change!). We had an open conversation with the client and there was never any doubt that the candidate wouldn't be supported, in fact quite the opposite, they were looking at accommodating an early start to embed her within the organization before her maternity leave. The candidate also needed to relocate to another European country for this appointment, so things were challenging to say the least, however I was impressed by the way the client handled the news and showcased the best practice. I hope other organizations follow suit.

Testimonial: Head of Wholesale

'Our culture has an unspoken rule about applying for a new job if you're pregnant or trying to get pregnant: do not do it. I've felt almost guilty about getting pregnant during the selection process and I must admit I was in fear that my situation might be negatively perceived and change things. Truth is we can change the societal narrative, one story at a time. I cannot be more proud I joined a company that is leading the change by example. I felt included and appreciated as a professional and as a women, which made me even more motivated to accept this role. My hope is that women see this and feel the confidence to take greater professional risks while also not shelving their dreams of becoming a mother and starting a family. You can't be what you can't see.'

Testimonial: Head of Country

"I have always been proud of working for a company that prizes talent and merit above all. These have been the main drivers in our search for a Head of Wholesale. When we found the right candidate, we had no doubts, no hesitation. Working as a woman manager in the asset management industry can present some challenges. But I can say that the hiring process was the perfect proof of our standing as a leader in promoting and furthering gender parity in the industry".

CASE STUDY 2 - SENIOR ALTERNATIVE SALES SPECIALIST, EMEA APPOINTMENT

A recent project entailed an Alternatives Distribution team build up at a top 20 global asset manager. I partnered with the Head of Alternatives EMEA, and the brief was to hire a number of experienced alternative sales professionals across Europe with diverse characteristics - gender, ethnicity and/ or talent from diverse socio-economic backgrounds. Following an extensive mapping of alternatives sales talent across EMEA and considering over 150+ professionals in this field over the period of 5months, we succeeded in our mission. However, this didn't happen without a challenge and a huge commitment from the client. To secure candidates with diverse characteristics, it took us several months of meeting numerous individuals and a key ingredient - open mindedness from the leadership team. During the search the client compromised on several criteria's such as the level of experience, product, and geographical coverage to meet their diversity goals and ultimately to find the best talent for their newly created team. The key to success in this case was clients' willingness to compromise on time; level of experience and their continued commitment to building a diverse and inclusive team. I have no doubts that this approach will be directly reflected in the success of this team in the years to come.

Testimonial: Senior Alternatives Sales Specialist, EMEA

"Both the prospective employer and Ana Maria have demonstrated a willingness and ability to see beyond "the job description" during the recruitment process. They were open to exploring and appreciating various qualities that made me suitable for the position and understood what I can bring to the table beyond the obvious professional qualifications".



Ana Maria Tuliak

Partner - Executive Recruiter, EMEA at Ludgate Search

E: anamaria.tuliak@ludgatesearch.com

I am a talent acquisition enthusiast with a multicultural background (Croatian, Slovenian, and British with Italian roots) with extensive experience in recruitment, executive search, and D&I. I spent a decade partnering with financial services firms; specifically working with investment organisations ranging from top 10 global institutions to boutique alternatives; UK and European asset managers; to USA, Asian and Australian new entrants to the UK and European markets.

I lead C-Suite and senior distribution mandates across EMEA, and my latest projects include building an EMEA Alternatives Distribution team at a top 20 global asset manager and a European leadership team at a top 10 global asset manager.

Other appointments include:

- Chief Operating Officer, EMEA – International Asset Manager /over US 400bn AUM
- Executive Director, Head of Distribution EMEA - International Asset Manager /over US 400bn AUM
- Head of UK, Alternatives Sales EMEA – International Asset Manager /over US 1.5 trillion AUM
- Head of Europe, Alternatives Sales EMEA – International Asset Manager /over US 1.5 trillion AUM
- Executive Director, Public Affairs EMEA – International Asset Manager /over £80bn AUM
- Head of Sales, Northern Europe - European Asset Manager /over £65bn AUM
- Head of Sales, Southern Europe - International Asset Manager /over US400bn AUM
- Head of Wholesale, Italy - US Asset Manager/ over US 2trillion AUM
- Head of Global Consultant Relations - US Asset Manager/over US60bn AUM
- UK Senior Business Development Director (Institutional) - UK Asset Manager / over £300bn AUM
- UK Senior Business Development Director (Wholesale) - UK Asset Manager /over £300bn AUM
- Director, Policy and Research - International Asset Manager /over £80bn AUM
- Head of Digital Marketing, EMEA - European Asset Manager /over £1trillion AUM
- Executive Director, Digital Marketing - European Asset Manager /over £500bn AUM
- Head of Marketing, EMEA - International Asset Manager /over £800bn AUM
- Head of Intermediary Marketing, EMEA - European Asset Manager /over £20bn AUM
- Head of Investment Comms and Marketing - European Asset Manager /over £250bn AUM
- Head of RFPs, EMEA - International Asset Manager /over £800bn AUM
- Head of Public Relations, EMEA - International Asset Manager / over £200bn AUM

My greatest purpose is helping others to achieve their full potential. I am passionate about attracting the best and most diverse talent for organizations, nurturing inclusive leaders with an aim to cultivate diverse and inclusive workplaces. I am a member of the Diversity Project's Steering Committee, Gender workstream, Inclusive Recruitment Initiative, and former chair of the SMART Working workstream. I am a member of the Henley Centre for Coaching and Women on Boards. I mentor a number of aspiring female leaders, formerly through the Social Mobility Foundation.

I co-authored [Diversity Project's 'SMART Working Manifesto for Change'](#), contributed to ['Build Back Better'](#) white paper and ['The Diversity Project'](#) and ['Inclusive Culture: Leading change across organisations and industries'](#) books written by Steve Butler published 2021; providing leaders with a broad perspective on inclusion and diversity for New World playbooks. I was a finalist for the 'Role Model of the Year' & 'Contribution to Diversity' at Women in Investment Awards 2020 and awarded 'Diversity Project Champion' in 2020. I am a keen traveller, a foodie, and a passionate ocean lover. I enjoy being in nature, practicing yoga& meditation, skiing, cycling, surfing, diving, and playing volleyball.