Getting Real about Diversity & Inclusion in Treasury
A recent roundtable discussion hosted by TMI saw five industry experts debate the best way to move the needle on diversity and inclusion in treasury. The freewheeling conversation looked at everything from new tactics for ensuring suppliers – including banks – meet D&I criteria, to helping transgender employees feel comfortable bringing their true selves to work and ensuring colleagues with disabilities enjoy full access to the workplace.

It’s easy to sit in an ivory tower and pontificate about diversity and inclusion (D&I) in treasury. Enacting it is an altogether different scenario, especially when treasury talent pools are not always overflowing with ideal candidates, let alone diverse ones.

Nevertheless, as the treasurer’s role as a strategic partner to the business grows, and treasury departments transition from cost centres to profit centres, D&I is becoming a more pressing priority for treasury leaders. But how can treasurers do more to advance D&I? Where does more attention need to be focused? And what are the business benefits of making D&I the new standard? These questions and more were answered during TMI’s inaugural D&I Roundtable Debate, featuring:

**Lance T. Kawaguchi,**
Managing Director, Global Head – Corporates, Global Liquidity and Cash Management, HSBC

**Joanna Bonnett,**
Group treasurer, PageGroup

**Luc Vlaminck,**
Group Treasurer & Managing Director, Remy Cointreau

**Adam Richford,**
Head of Treasury and Investor Relations, Renewi

**Brook Ballard,**
Treasury Manager, Cheniere Energy

**Eleanor Hill,**
Editor, Treasury Management International (TMI)
Eleanor Hill, Editor, TMI: Why do you think treasurers should pay attention to D&I? What are the potential business benefits?

Lance T. Kawaguchi, Managing Director, Global Head – Corporates, Global Liquidity and Cash Management, HSBC: Research consistently shows that diversity in the workplace is an asset for businesses and their employees. Having a diverse workforce can increase the capacity for innovation and creativity – whereas homogeneous environments rarely promote out-of-the box thinking. For treasurers, having a diverse team that can approach challenges with fresh eyes is only going to be a benefit. And in the age of robotic treasury, creative minds will be even more highly sought after. From a banking perspective, D&I is critical because we want to mirror our client base, which is becoming more and more diverse.

Joanna Bonnett, Group Treasurer, PageGroup: The treasury profession is moving in the right direction when it comes to D&I, however key areas of the wider community are still under-represented in treasury. Nevertheless, treasurers increasingly realise that D&I is key to retaining good talent and also attracting the talent of the future. Millennials have high expectations of their employers and working environment – and the diversity of the workforce will often play a significant role in their career decisions. If, as treasury leaders, we’re not offering the flexibility, the right culture, and the right team environment, we’re just not going to attract the next generation of talent. It’s as simple as that.

Adam Richford, Head of Treasury and Investor Relations, Renewi: Diversity in its broadest sense is important in treasury because different thought processes, backgrounds and experiences all help to reduce the risk of collective decision-making. If you consistently hire people in the same mould, you risk not having sufficiently diverse views to make robust decisions. Having a diverse and inclusive workforce can lead to better solutions to the challenges you’re facing.

Brook Ballard, Treasury Manager, Cheniere Energy: I’d agree that when you have a diverse and inclusive team, one of the greatest benefits is the diversity of thought. Like Adam said, when you rely on like-minded individuals, they may not make the best-informed decision. Every single different trait and experience a person brings to the table is actually a new path towards a more rounded collective decision-making process. And for treasurers, anything that can lead to less risk in decision-making, is a huge potential benefit.
Hill: How are you changing your recruitment processes to ensure greater D&I in your treasury team?

Luc Vlaminck, Group Treasurer & Managing Director, Remy Cointreau: Treasury teams are often quite small and lean – so there is naturally a tendency to focus on the technical abilities of the candidates we hire. But I also focus heavily on whether the individual will fit with the team and the company culture, as well as complementing the existing skills we have, while challenging us to perform better. Like many corporates, we use a recruitment agency for hiring fresh talent and we insist on diversity in our candidate list.

Bonnett: Not only do I work for a recruitment company, but I’m also recruiting myself at the moment. I asked our recruitment consultants to provide me with a diverse list of candidates – covering a variety of aspects ranging from gender and age to background. They know that I have very high standards, and they always deliver. So, as much as it is tough to recruit treasury talent and ensure the candidate pool is diverse, it is by no means impossible. And I would like to see treasurers demanding more from their recruitment consultants and HR departments going forward.

Ballard: HR helps drive our recruitment and we work closely with them, covering the aspects that Luc and Joanna have both mentioned. First and foremost, treasury requires a well-qualified individual for the role, but we insist on making that choice from a diverse candidate pool. We also ensure that candidates are interviewed by diverse representatives from the company, and a hiring decision is then made by committee to ensure the best person for the job is hired.

Vlaminck: Continuing to support D&I after recruitment is also important – making sure that the new employee has the opportunities to use their diverse skills and thinking. So, it’s helpful to review treasury processes when a new team member comes in and to shake up the status quo. Training for new recruits is also critical, to ensure they are given the right tools to grow within the organisation and reach leadership levels, which is often where diversity is lacking.

Bonnett: Beyond recruitment, it’s important to think about other ways to support D&I through treasury activities. At PageGroup we are now including D&I criteria in our request for proposals (RFPs), and expect the banks to include a range of different individuals in the team responding to the RFP. Some banks are finding this pretty challenging; but for us, it’s very rewarding – and it’s been great to meet different bank representatives, including more junior individuals who are now being given the opportunity to come to pitches.
Hill: Where are we missing the mark when it comes to D&I in treasury? What still needs to be done?

Kawaguchi: We talk a lot about diversity in terms of gender and ethnicity, as well as age. There is still much to do on all of these fronts, but it’s important not to forget the inclusivity angle too. Supporting transgender employees is a big focus for us at HSBC right now and I’ve been running training sessions internally to ensure that colleagues are educated on gender-neutral pronouns, for example. Another area where we’re trying to focus more is disability – I’d like to do more to make employees with disabilities feel included, and also to increase the number of job applications we receive from candidates with disabilities.

Hill: Some disabilities can be sensitive for the person that has them, though. How can we address these in a way that ensures we’re being inclusive, whilst not overstepping the mark?

Bonnett: As treasury leaders, we must respect each individual’s needs and requirements in the workplace and ensure every team member is given the support they require – and enjoys the freedom to manage their workload in a manner that plays to their strengths. For employees with disabilities specifically, this could mean providing an adaptive and somewhat tailored working environment. Given that disabilities can be physical and/or psychological, this might involve practices such as providing additional time to perform tasks or ensuring work from home days are readily available where appropriate. This practise of working flexibly should be available to all employees, thus reducing any barriers to any one group or individual.

Kawaguchi: Communication is key here. Once a member of my team makes me aware of a disability, then I can help them to put in place a plan that will enable them to perform at their best. Working from home is certainly a critical component of any inclusivity strategy and I think that treasury leaders would do well to focus more on productivity rather than perception. Being present in the office does not automatically equate to work being done efficiently. In turn, this requires management to be flexible and focus on the employee, not just the bottom-line; although happy and productive employees will likely drive bottom-line improvements anyway.

Hill: How important is mentoring in improving D&I?

Ballard: Mentoring is important in retaining a diverse workforce because people often leave jobs because they don’t feel valued, or they’re not continuing to learn and grow. At Cheniere, we have traditional mentoring programmes, but we also have a rotational analyst programme where individuals come into the treasury department for six months – and they come from all different parts of the business, all the way from trading to HR.

The benefits of this rotational programme cut both ways. By having a different mix of people in the team, everyone in treasury is learning and growing. Meanwhile, the rotational analysts benefit from having different mentors throughout the organisation and learn about varied aspects of the business, which comes full circle in contributing to diversity of thought.

Kawaguchi: Mentoring is extremely important, and reverse mentoring is increasingly helpful too – this involves more senior team members being mentored by junior employees. Reverse mentoring helps managers to better understand the needs of the workforce, how younger staff think, what matters to them, and how the team is performing as a whole.

Richford: Sharing information among peers is useful as well. This is not mentoring in the strictest sense, but collective education around D&I can be powerful. Some of the treasury associations are doing a good job in this space. At the European Association of Corporate Treasurers’ (EACT) conference last year, for example, one session focused entirely on D&I, looking at the statistics of the existing association. The focus was then on how to bring more diverse talent through the treasury pipeline, with the message being that it will take effort from all of us – over a sustained period of time.
Vlaminck: There are various approaches to mentoring, some formal, some informal. Mentors don’t always have to be inside the organisation, either. But they can be powerful allies for people going through personal problems. Mentors often offer a safe space for people to rehearse conversations they might need to have with their boss – perhaps about a mental illness, for example. So, there is definitely a link between D&I and mentoring, and the two complement each other well.

Bonnett: Absolutely, and that’s why it’s important that treasurers volunteer as mentors too, more so if you are representing a minority group. There are many platforms within the treasury community where you can offer those services, with the UK ACT’s Mentor Me programme being just one example.

Kawaguchi: It’s essential not to forget about developing and educating your existing team on D&I too. There’s often a temptation to focus solely on new recruits when thinking about D&I. But there’s a lot that can be done right now to educate the existing workforce and also to make current employees feel more included.

As I mentioned earlier, I’ve been working closely with some of our transgender employees to raise awareness of transgender issues through education sessions. Not only is this stretching non-transgender staff to think outside of their comfort zones, it is also building a more inclusive workplace.

Hill: What is the D&I ideal and how do we get there – if possible?

Ballard: There are a number of different challenges still. Even defining D&I can be tough. For some organisations, it is just about ‘traits’ such as gender, ethnicity, age and disability. For others, D&I means diversity of thinking and different ways of working. A standardised definition of D&I would be useful, giving criteria to work towards, and perhaps benchmarks for different industries.

Kawaguchi: For my team, the plan is to move the D&I conversation forward by aligning with those often under-represented in D&I discussions, such as transgender employees and colleagues with disabilities. Of course, it is still important to focus on all of the other aspects of D&I, but I feel someone needs to champion transgender employees and team members with disabilities – so it’s a personal mission for me.

In addition to raising the profile of D&I initiatives, achieving true D&I also means enforcing what we say. That translates into zero tolerance for sexual harassment or any type of discrimination in the workplace. Without enforcing this kind of culture, we’re not going to get the change that we want to see.

Bonnett: With that in mind, it still feels as though an entire shift in thinking is required before D&I is properly addressed and organisations are able to attract and retain the best talent. Corporate culture, and the way deliverables are managed and measured needs to be updated – as do working hours and locations.

Lance alluded earlier to ‘presenteeism’ and this is a significant issue in many corporate workplaces. It’s time to wake up to the fact that having a highly productive employee working from home is better than having a non-productive one in the office. Employees also need to feel safe in the workplace: free from harassment and free to be themselves.

I’m confident that this shift will happen, but it will take time, and it will take effort from everyone. Improving D&I is therefore a deserving challenge for treasury leaders to set their sights on, and I look forward to working with my peers and business partners to truly move the needle.

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