

March 19, 2020

DIVERSITY ASSESSMENT REPORT FOR ENTITIES REGULATED BY THE SEC



Webinar Logistics

- All participants will be muted upon entry
 - Please use the chat box to send questions. You can send questions to Everyone or the Host (Aimee Mui)
- This webinar will be recorded and may be posted online
- Slides will be made available after the webinar

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Agenda

- Overview of the [Diversity Assessment Report](#)
- Diversity Assessment Report Collection in 2018
- Leading Practices for Promoting Diversity and Inclusion
- Morgan Stanley's Experience with Diversity Self-Assessments
- Q&A

Speakers



Pamela Gibbs, Director of Office of Minority & Women Inclusion at the SEC



Susan Reid, Managing Director and Global Head of Diversity and Inclusion at Morgan Stanley

2020 Collection of Diversity Assessment Reports

- January 2020 requests sent to largest registrants
- Responses due April 1
- Requests to remaining registrants expected to be sent this summer with 60 days to respond
- Diversity Assessment Report is preferred
- Registrants may submit firm's own form

DIVERSITY ASSESSMENT REPORT

- Complement to [Joint Standards](#) issued by SEC and other federal financial regulators in June 2015 Policy Statement
- Guides self-assessments of diversity policies and practices
- Allows SEC to collect standardized information regarding diversity self-assessments
- Sent to SEC registrants with more than 100 employees

Why Submit a Diversity Self-Assessment

- Identify gaps in policies and programs and need for improvement
- Shows commitment to improving diversity and inclusion in financial services industry
- Transparency engenders accountability necessary for making progress

How the SEC Uses Collected Information

- Identify and highlight successful practices in enhancing diversity and inclusion
- Monitor progress and trends
- OMWI Annual Report to Congress
- Will not identify a particular entity or disclose confidential business information
- Share information with other financial regulators

Frequently Asked Questions

- Will Diversity Assessment Reports be kept confidential?
- What happens if a FOIA request is made for Diversity Assessment Reports?

Diversity Assessment Report Collection 2018

- Sent to 1300 registrants (investment advisers, broker-dealers, municipal advisors, and self-regulatory organizations)
- 38 responses received, covering 5% of firms asked to submit a report
- Most responses from registrants that are divisions or subsidiaries of larger financial institutions
- Response covered more than one division or subsidiary regulated by SEC
- Responding firms employ nearly 47 percent of the employees in securities and other financial investments

Leading Practices: Organizational Commitment

- Sponsor or support employee resource groups (also called employee affinity groups, networking groups, and business resource groups)
- Require diversity education for all managers, including unconscious bias training
- Promote accountability through compensation programs that recognize progress toward improving diversity

Leading Practices: Workforce Diversity

- Connect with organizations that are focused on diverse segments to create diverse applicant pools for internal and external opportunities
- Establish numerical targets for increasing representation of women in senior leadership
- Require diverse candidate slates and interview panels for senior leadership positions

Leading Practices: Supplier Diversity

- Mentoring programs for diverse suppliers
- Establish goals for spending with diverse suppliers
- Host workshops and expos to support development and inclusion of diverse vendors in procurement

Registrant Perspective re: Diversity Self-Assessments

Morgan Stanley's Experience with Diversity Self-Assessments

Susan Reid, Global Head of Diversity and Inclusion,
Morgan Stanley

Questions and Answers

You may send questions:

- to DAR@sec.gov
- to the chatbox to Everyone or to the Host (Aimee Mui)

Conclusion

- Beginning the process of requesting extension of OMB approval and welcome your suggestions for improving the Diversity Assessment Report. Please send them to OMWI@sec.gov with Subject: Suggestions for Revising the DAR

Contact Us

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