Turning words into action: HSBC as a corporate advocate for diversity

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Good afternoon everyone.

A year ago, HSBC showed its support for Out On The Street by changing the evening light show on our iconic Hong Kong headquarters to rainbow colours. It caused a bit of a splash generally with the media and in the community.

This year we have done it again - and lit the 'halo' of the building for the first time. We also commissioned 6 artists for a pop-up art exhibition, 'The Art of Appreciation', to highlight the beauty of a more diverse and inclusive society.

Signals are important. But they’re not the cultural change that are needed.

We take our responsibility as an employer of a diverse group of 256,000 employees very seriously. We want to actively promote inclusion. To do that we need to turn words – and light shows – into action.

Which explains why I am proud that HSBC is hosting the Out On The Street Asia Summit this year, and why I am delighted to have the privilege of addressing you today.

I want to start with why diversity is important to me personally.

I believe we have a responsibility to help create a society, and a workplace, where everyone – everyone – has a chance to fulfil his or her potential.

As a straight white man, I had some advantages when I was growing up and beginning my career. I was part of the majority.

But I was a state school kid who got into a top university.

At the time it was unusual at my college for students to have working class parents.

And there was a similar situation when I joined HSBC – I had better educational results than most but lacked the necessary social pedigree. So I know what it’s like not to fit in. But I found HSBC to be a meritocracy.

I know that opportunity based on merit is life-changing. It changed my life.

From a commercial perspective embracing diversity is simply good for business. You want the best people for the jobs you need to fill regardless of race, religion, gender or sexual preference: why limit access to talent because of prejudice? It makes no sense.

I am passionate about diversity because I want my colleagues to be themselves when they come to work. I want our millions of customers around the world to see themselves in HSBC when they visit us, or when we visit them. I want our customers to know we understand them: who they are and what they worry about.

And communities in this day and age and on social media aren’t just geographic. I want Hong Kong people to know HSBC is committed to serving their community. But I also want LGBT customers to know we are committed to serving their community.

Of course, the reality of day-to-day corporate life doesn’t fully reflect this ambition. As you know only too well, diversity remains a work in progress.

We could get depressed about this – and in banking these days that’s the normal operating mood.
But at HSBC we believe in progress. We believe in the potential of the communities we serve to grow and prosper.

I joined HSBC in 1980 at the beginning of the decade that marked the global rise to prominence of the LGBT movement and saw the first anti-discrimination laws enacted.

Look how far society has come. Same-sex marriage laws have been passed in 16 countries and 32 of the 50 US states – with more inevitably to follow.

Diversity is part of the way that we run our business.

It’s reflected in our values. We strive to be open, connected and dependable, and act with courageous integrity. Being open is directly related to being inclusive, being authentic, having empathy.

Being open is who we are.

Antonio Simoes, chief executive of our UK business, is gay. He manages a business that employs 50,000 people. There aren’t many examples of senior out executives at Antonio’s level. We need more.

Antonio was chief of staff and head of strategy when I took over as Group CEO four years ago. I appointed him as the CEO of our UK bank two years ago. And I’ve gotten to know Antonio and his better half, Tomas, quite well.

In this room we’re all aware of unconscious bias. The wife question is a good example of how this can play out. When Antonio is talking to a group of people, they just assume his partner is a woman. I have seen it happen.

We do all make assumptions. It might be about the gender of a partner. Or it might be more trivial, such as assuming all men are interested in Premier League football. Personally, I’m interested in the rugby union.

But we are all different. So educating people about unconscious bias is now part of how we train people at HSBC.

We call it ‘connecting with difference’. We don’t think our managers consciously discriminate when they hire people, but sometimes they probably do fall into the trap of hiring people in their own image.

Overcoming unconscious bias is a real challenge. Training helps. Conferences like this help. So do sending the right signals and finding great role models.

This idea of ‘connecting with difference’ was the backdrop for our support of World Pride earlier this year. As part of World Pride, we repeated the light show we held here in Hong Kong.

But our employee groups said while that was great, we had already done it before. We needed to do more.

So we lit up our building in the Philippines and decorated HSBC branches and offices in Brazil, Canada, the US and the UK with rainbow flags and banners. We sponsored a float at the Pride parade in New York and were very active at the main World Pride events in Toronto. We ran a message in support of Pride on our US ATM machines.

Small steps, to be sure. But five years ago, I’m sure we would have done none of this.

Over the past 12 months or so I think it would be fair to say that HSBC as a company has become a corporate advocate.

For us, this means publicly expressing our beliefs and values so it is clear to people inside and outside HSBC what we stand for.

One of my senior colleagues from the UK is here today: Lola.

Lola has been instrumental in engaging the whole bank to deliver one of our key three strategic programmes: implementing the highest regulatory standards in a consistent way across
the globe. It’s a huge job. Lola was already out but now she’s made the decision to act as a role model because she feels the environment at HSBC is supportive.

This is what momentum feels like.

We are not complacent, but each individual story like this is a tangible sign of progress.

And if we can continue to take further steps and build on them, with the support of groups like Out On The Street, the financial sector can play a leadership role on diversity.

In some ways, it already is.

Some of the areas where we as an industry have collectively made the greatest progress involve getting the basics right: putting diversity and inclusion policies in place; extending employee benefits programmes to take account of same-sex relationships; visibly supporting all of our employees.

But if we want to play a leadership role, we have to face up to some more difficult challenges.

I am going to talk about three of them today.

- First, supporting those colleagues in territories where same-sex relationships are illegal or viewed as culturally unacceptable, without breaking the law ourselves.

- Second, reaching out to and welcoming a diverse group of customers.

- And third, creating a truly inclusive environment internally.

Like all global financial institutions, HSBC operates in a number of countries where same-sex relationships are either illegal or viewed as culturally unacceptable.

Of course, our first duty lies with the safety and wellbeing of our colleagues and customers.

We will not do anything to knowingly put them at risk of breaking the law. However, we must recognise the impact those laws can have and offer appropriate support.

For example, if a colleague does not want transfer to such a country, obviously we are not going to force them to move. But we must make certain it doesn’t damage their career because they are seen as being ‘difficult’.

And even though we must and do the follow the law in every country in which we operate, we can still be clear about our global values and why we believe in being open and inclusive.

We are trying to do that at HSBC.

And the really great thing about everything we’ve done over the past year is the tremendous support of my colleagues around the world.

They are proud of each other and proud of HSBC.

But we are fast reaching the point where what we at HSBC are doing isn’t news, what I’m talking about now certainly isn’t news in Europe and North America. It’s possibly still newsworthy in this region.

In any event, the next stage involves businesses actively reaching out to and welcoming a diverse group of customers.

As financial services providers, we should offer products and services that are fully inclusive.

At HSBC, we are currently reviewing our global insurance offering to ensure that it provides all customers with the support they need – for example, LGBT parents as they raise their children.

And this is just a first step in ensuring HSBC offers inclusive financial services that meet all of our customers’ needs.

We also need to create the same kind of inclusive culture internally.
Having role models inspires more people to bring their whole selves to work. They demonstrate that merit need be the only thing that determines whether you succeed.

Speaking at the Out On The Street European Summit last month, Antonio Simoes said we need more senior business leaders to be authentic. I completely agree with that.

The corporate and institutional challenge is to ensure we create and nurture a workplace in which people feel able to be themselves.

It’s actually quite simple but it really isn’t that easy.

But an important part of how we do this is ensuring that the entire community feels part of the discussion.

It can sometimes be easy to focus on the challenges facing lesbian and gay colleagues – the biggest proportion of the community – and then by association the challenges facing bisexual colleagues.

But are we doing enough to support transgender colleagues with the specific and unique challenges they face? In all likelihood at HSBC, the answer is not yet.

At HSBC, we do offer specific healthcare benefits to transgender colleagues, and we provide a training programme to help support managers with an employee who transitions.

We need to do more, not just in the support that we provide to transgender colleagues, but by removing barriers that we are placing specifically in their way.

For example -- it may sound trivial but it’s actually important to this group --until recently, our standard application form asked prospective employees to choose one of two options at the top: male or female. So we changed it.

Now the drop-down list in the UK has four choices: male; female; other gender identity (e.g. androgynous person); and prefer not to answer.