

# RIMS Taking Action: Confronting Racial Biases in Risk Management

June 12, 2020 Webinar

During the **RIMS Taking Action: Confronting Racial Biases in Risk Management** webinar, attendees asked important questions to the panel and to RIMS. Our panelists, RIMS D&I Advisory Council and the Society's leadership have taken the time to provide thoughtful answers to each of them. Please take a moment to read their responses. The full webinar is available at [www.RIMS.org/inclusion](http://www.RIMS.org/inclusion).

## Questions & Answers

### 1. We can bring about regulatory changes but bringing about an attitudinal shift and behavioral changes is very, very slow. What do organizations need to do more of/less of as often conversation about diversity and equity is empty talk?

You are correct. Regulatory changes are only a small part of the solution and they are limited in their speed and effectiveness in changing attitudes and behaviors. The issues around racism are systemic having been built and reinforced over long periods of time. It will take time to dismantle them.

To make sure that an organization's conversations around diversity, equity and inclusion are not just empty talk there needs to be some hard discussions and examinations of the structures that may exist within the organization. Does the Board of Directors and C-Suite represent a diverse population? If not, what steps are being implemented to change that?

It is not enough to use words of "Equal Opportunity," there has to be tangible actions and it starts at the top of the organization. What plans are there in place to create a pipeline of diverse talent? What steps is the organization taking to identify and eliminate the built in biases that currently exist within the organization and how is it holding the organizations it does business with accountable for their efforts? What steps is the organization taking to identify and eliminate the biases in their practices that are customer facing? This is not a complete list of actions that an organization can take to make sure that their DEI efforts are not just empty talk, the key is to identify the issues and to develop a plan of action that moves the organization forward.

As risk practitioners and leaders in our industry, being more intentional about modelling and fostering inclusive behaviors is a start. We can begin by acknowledging that we choose our behaviors, which shape and determine the quality of our interactions. From research findings we know key behaviors of inclusive leadership will include having an authentic commitment, where challenging the status quo and holding each other accountable to make D&I a personal priority, and that it is embedded in our daily work, matters. Having curiosity about others, being open-minded and listening deeply with empathy, as well as having humility where we can admit and learn from mistakes, and self-checking our own personal biases also is key. Creating and fostering psychologically safe spaces for others to voice their views is also essential, and a prerequisite for innovation and growth.

We create psychological safety by emphasizing learning over perfection by inviting participation and inquiry where we ask good questions, by modeling intense listening, and responding productively through expressions of appreciation, and so on.

It may seem obvious, but it is the small things – what we say and do on a daily basis – and bringing our best selves to work every day, will make our contributions, our teams and organizations, our systems and interactions, better and stronger.

### 2. How do I get my company to acknowledge the racial issues going on right now in the world? What happens if my company doesn't issue a company-wide statement?

Enlisting the support of Human Resources, your risk management professionals and, if you have, a Diversity & Inclusion leader will be critical in helping to initiate these conversations with senior leadership so that you can help to initiate the potential risks to the company if they continue to do nothing.

### 3. How will we quantitatively measure socioeconomic change?

This is a very timely question with a global pandemic exposing deep gaps and inequities and growing protests demanding meaningful action on equity and racial injustice.

There is a historical opportunity emerging for a 'great reset' of our social and economic foundations. Among useful sources for insights on socioeconomic change is the World Economic Forum's annual Global Social Mobility Index report. This index considers what a country can do holistically to foster social mobility, providing policy makers with a means to identify areas for improving and promoting equally shared opportunities in their economies.

The social mobility index measures key drivers and determinants of social mobility – health, education, technology access, work opportunities, working conditions and fair wages, and social protection and inclusive institutions.

Highlights of this year's Global Social Mobility Report 2020 reveals most countries have opportunities to improve their socio-economic conditions that are needed for citizens to thrive, and for sustainable and inclusive economies to ensure opportunity for all.

**4. What is the difference in this situation (besides COVID) that has caused this level of engagement from allies? We haven't seen this level of engagement but we've seen killings and blatant racial incidents before.**

While there may be some impact from the Coronavirus situation helping drive the engagement from allies, there has been a growing trend of awareness and willingness to make meaningful changes prior to the beginning of the pandemic. There isn't much doubt that the pandemic has amplified the urgency to take action as organizations and individuals reflect on the connections that exist in the global community and how the disparities within our collective world negatively impact us all. Another factor is how much more connected the world has become when it comes to communication and the impact that instant information can have on social thinking.

**5. What are your perspectives of survey's and reports showing top 10 to 20 Diverse and Inclusive organizations? Do you think the studies truly depict D&I? Do you think organizations are tracking or care to track their demographics - i.e. 15% black employees in non-leadership roles but 0% representation in leadership roles.**

Diversity & Inclusion measurements of success need to focus on identifying a baseline, so tactically speaking ex. (how many black employees are represented in leadership today? And then what is the plan for creating change?)

What action is the company taking in the short- and long-term to drive uptick and have more diverse representation at the top. That includes giving their existing black employees opportunities for development, advancement and upward mobility as well as recruiting external talent thru diversity networks.

**6. Hey Denise, I think I understand to a degree that white people have to do a lot more, but that feels a bit like you are taking away your power to influence and drive the change needed. I guess I was thinking more along the lines of partnership and building those relationships which will require all of us to work together. I think you do have power in this and your words in this panel are a great example of this. I find you and your voice very powerful in this battle for equality. Thanks for your insights!!!**

I agree. There are a lot of things Black people can do, and have done, and we will continue to do the work we need to. The purpose of my statement was extreme on purpose, specifically to not only bring awareness to non-Black allies, but also to empower them to do the work, because the heavy lifting does indeed need to be done by the privileged.

There's no way for us to receive equality peacefully without that part. As I said, we don't have access to the controls and levers that run this system, and a lot of policies need to be undone. We will do it with our votes and voices, but we won't get the results unless our allies point out the critical areas and also do it with their votes and voices. Thank you so much for listening and for the incredible compliments.

**7. I have posted in LinkedIn "put your money where your mouth is," "elevate, promote and get them into the board room." We need more African Americans in board rooms and in C-level positions. How do we enforce this?**

Embed diversity champions within the organization to track, monitor and report on the monthly progress – leadership openings, Board seats, as well as create rotational opportunities for black employees to gain visibility and exposure. D&I needs to report to the Board and CEO level in order to ensure that the top levels are as vested in the progress that needs to happen to make a substantive and meaningful difference.

**8. I am in the Restoration Industry and have been talking about not having diversity or inclusion plan in the industry is a risk for all of us. I need support and (help on) how to create conversation within the industry that responds to insurance.**

One suggestion is to introduce information to your industry that highlights what the future holds for the risk community. If you go to [www.rims.org](http://www.rims.org) and type in the search bar "RIMS Talent 2025 Survey", you will find specific information that can help start the conversation in your company, especially as it relates to talent needing to come from a diverse background. Since the business models have already proven that diverse companies are more profitable, it is very curious as to why more companies have not embraced better/higher retention practices.

**9. I frequently get comments from white males about how there are MANY opportunities for diverse people to get out of their economic situations if they work hard. Needless to say, I get angry and explain, it is NOT just bad economic situated individuals and even if it was, there are not enough opportunities with the amount of people we need to help. What are your thoughts on this?**

We would agree that it is not just about "Work hard and you will be rewarded." This might be true if the playing field was level, but it isn't level. There is much work to be done to begin to level the playing field.

**10. How is RIMS reaching out to minorities? Typically minorities do not hold positions in management and it seems that attendees at RIMS events are people who hold higher positions within their organizations. It would be great seeing more diversity at RIMS events.**

Robert Cartwright, Jr.: Great question! I am used to being the “one and only,” so I can definitely relate to your concerns. As the first Black president of RIMS, my platform was to add D&I initiatives into the mandate of the organization, starting with how they market themselves. If you don’t see “yourself” in the advertisement, then it won’t attract you.

Next, I asked the local chapters on what they are doing to attract minorities, so that on a local level, people can connect. There is much work to do, and I am working with the RIMS Board of Directors to insure that more is done. Please let us know if you don’t see that progress being made (contact: [president@rims.org](mailto:president@rims.org))

**11. Diversity has gone beyond my understanding of its intent. Diversity now includes white women, LGBTQ individuals, people with disability, individuals over a certain age and at the end black and brown people. How can we make sure that Black people are not forgotten because in reality/in my opinion we have?**

It is important that diversity looks at multiple facets of a person’s identity and what makes them unique. It is also imperative to identify what comes after that.

The one thing we need to be careful of doing is finding a way to put all of our characteristics in a box to be labeled as diverse. Actions to create an inclusive and equitable environment for all is significant; especially when the things that makes us unique intersect.

For instance, imagine being a black woman who is also a member of the LGBTQ community. The first thing we can think is they embody a diverse person, but what is the point of highlighting that diversity if their experience in the workplace or society is not one of inclusivity? What if they are afraid or ashamed of speaking up in the workplace when that person identifies an inequity because they might lose their job over it?

Yes, diversity includes a lot of unique characteristics of people. However, we need to move beyond the categorization and include more actions in protecting, uplifting, and encouraging these underserved groups and their experiences. We also need to be honest about the power of our culture (corporate or social) and how it is used to embrace and suppress the voices of these diverse groups of people in many different ways.

As people are beginning to speak about the power dynamics that keep individuals quiet, it is important that our influential leaders in our industry begin to listen and have continuous dialogue about who and what they are allowing in their corporate culture so appropriate actions can take place to create the most inclusive and equitable environment for all.

**12. How do we get access to education for black professionals stuck in entry level roles for years? It seems that many black professionals cannot move forward in this industry without professional designations and other credentials.**

Access to education starts with awareness of two things: career progression opportunities by function and the educational resources available to support these functions or responsibilities.

For example, if you are in an entry-level claims role, it is imperative to know the progression of that role, what pieces of knowledge will you need to gain to become more proficient, and where to get that knowledge.

Two resources, developed by RIMS, to help risk professionals understand the skills and competencies required to excel are the RIMS Professional Growth Model and RIMS Risk Management Professional Core Competency Model. The Growth Model provides a guideline for risk management professionals – and the organizations that employ them – about the professional knowledge, skills and abilities that support career development and growth. While the Core Competency Model highlights expected proficiencies in seven areas: core competencies, attributes, organizational knowledge, business knowledge, risk management knowledge, technical skills and management skills. Both are free resources.

**13. For those in the insurance industry, are those opportunities available in communities of color? Such as high schools, and community colleges?**

It should be a measurable metric to determine the level of success, for example, how many schools are these companies visiting? Once hired, what is the retention rate? Is there any mentoring being done to prepare young people to “learn the business” and groom them for success? Within the RIMS community, that is a question that will be asked so that we can determine if this is being done or not.

#### 14. What is the best way to educate a majority White non-profit and its governing board to consider diversity and inclusion as a viable benchmark for ERM considerations?

The primary rationalization is to create an Enterprise Risk Management framework around the known peril of racism and/or bias that impedes Diversity and Inclusion initiatives. There are two critical paths: increase leadership expertise in D&I strategies and the alignment of these strategies to the corporate vision and objectives.

The framework for the strategy should follow the simple ERM protocols:

- Risk Assessment – Identify the exposures, vulnerabilities and opportunities for D&I.
- Risk Analysis – Analyze the consequences Organizationally (Branding), Financially, Operationally.
- Risk Treatment – Select the appropriate controls to improve the Corporate outcomes.
- Risk Monitoring – Monitor and assure adequate results or modify controls to improve desired outcomes.

Leadership should:

- Visibly lead and establish accountability
- Align and Integrate D&I strategies
- Allocate Critical Resources- includes outside subject matter expertise
- Communicate and Report the vision, strategy, goals, integration, and next steps
- Benchmarking is typically an organization looking outside of itself to compare with like industry or competition. With D&I, this benchmarking effort is much more difficult and should shift to tactical alignment measurements to the corporate vision and strategies.

#### 15. Dr. Nunery – I think your study ought to be required reading at universities with RMI programs.

I deeply appreciate the support and suggestion. There have been a series of post\_Journey Study engagements and discussions with carriers, agencies, and insurance trade associations (e.g., RIMS, IIABA, APCIA), and getting the work into Institutions of Higher Education would be terrific. We've had an ongoing relationship with Gamma Iota Sigma, so there's been some movement in this area, but there's a greater need to bring the issues of diversity, equity, inclusion, acculturation, and experience to schools. With NAAIA, we've been opening doors at some HBCU's introducing insurance as a career path (e.g., FAMU, Savannah State), but I'd be glad to discuss your ideas for broader outreach.

#### 16. Any suggestions on how to hold our companies and local offices accountable and keep the momentum going?

There needs to be strategic discussions within senior management, then gain insight from throughout the organization to register their pulse, especially within your Black employees.

A sincere effort will be embraced, but a superficial one will only create more inaction.

Purposeful changes happen when there are metrics to determine what success looks like. For example, is there a goal to hire minorities, or is there a targeted plan to fill senior management positions with diverse talent? Is there a 3-5 year business plan that will highlight specific goals for the company, making these same goals public and start with making incremental changes to how the organization is approaching this?

More importantly, there also needs to be a "why are we doing this" discussion, so that the momentum doesn't shift. If this is part of the company mission/vision statement, then it becomes a value (part of the company DNA) and not a priority (which can change from time to time).

#### 17. Laura, as you know this industry is all about networking and relationships. A barrier to being promoted in the industry is not having those networking opportunities. Do you think RIMS could potentially sponsor some sort of networking event next year where minorities get an opportunity to get introduced to senior professionals in the industry.

At RIMS Annual Conference, our Diversity and Inclusion Advisory Council holds a networking event that, year-after-year, is standing room only. But, beyond the conference, we know we can do more.

In the coming weeks, RIMS staff and Board leaders will meet with our 79 global chapters to discuss their current diversity and inclusion endeavors and opportunities for the Society to help strengthen them. Our events team will also explore more opportunities to ensure that RIMS events are delivering opportunities for minority members to network.

You are right. Relationships are key to this profession and it's our job at RIMS to make sure they are available.

**18. Mary: Do you support the “elite secret” RIMS break out group that intentionally isolate and insulate? They meet at the National Conference with RIMS Support.**

I am not aware of the “elite secret” RIMS breakout group that you are referencing in your post. Many RIMS standing committees, councils and advisory groups meet during the RIMS annual conference and RIMS provides the venue for these meetings so members can take advantage of a face-to-face opportunity. Our committees, councils and advisory groups are made up of volunteers and we encourage all who are interested in advancing this profession to join them. [Here is the volunteer application](#). If you’d like to contact me privately to provide more insight, you can reach me at [mroth@rims.org](mailto:mroth@rims.org).

**19. Can you suggest reading materials for our allies to help them gain perspective?**

Here are some resources we have found that may help allies gain perspectives:

Dr. Leroy Nunery II study: The African American in the Insurance Industry

[https://www.marsh.com/us/insights/research/the-journey-of-african-american-insurance-professionals.html?utm\\_source=email-studio&utm\\_medium=internal-email&utm\\_campaign=african-american-ins-professional-journey-2018](https://www.marsh.com/us/insights/research/the-journey-of-african-american-insurance-professionals.html?utm_source=email-studio&utm_medium=internal-email&utm_campaign=african-american-ins-professional-journey-2018)

NAAIA

<https://www.naaia.org/chapters>

Bexley Anit Racism Project 21 day challenge

<https://bexleyarp.org/events/21-days>

Medium.com “A detailed list of anti racism resources”

<https://medium.com/wake-up-call/a-detailed-list-of-anti-racism-resources-a34b259a3eea>

NPR

<https://www.npr.org/sections/codeswitch/2020/06/06/871023438/this-list-of-books-films-and-podcasts-about-racism-is-a-start-not-a-panacea>

Forbes - “First, Listen. Then, Learn: Anti-Racism Resources for White People”

<https://www.forbes.com/sites/juliawuench/2020/06/02/first-listen-then-learn-anti-racism-resources-for-white-people/#492394fe16ee>

Failing to Leverage Black Talent is a Key Business Risk – Soraya Wright

<https://www.linkedin.com/pulse/failing-leverage-black-talent-key-business-risk-soraya-wright/?trackingId=>