



Commercial Insurance Profile

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The Importance of Board Diversity

Diversity among board members is an increasingly crucial corporate necessity; not only can it promote accountability and compliance, but diverse boards may also benefit from a broader mix of skills, providing fresh insights to aid an organisation's strategic direction. Additionally, having a diverse board that adequately reflects the senior management team, employees, shareholders and overall community can positively affect a company's culture and profitability.

Multidimensional board diversity should include both social diversity (eg age, race and gender) and professional diversity (eg skills and experiences). Although board diversity is improving, there is still a way to go. As of December 2023, there were 12 ethnic minority chief executives in the Financial Times Stock Exchange 100, up from seven in 2022, according to a report by The Parker Review. However, on average, ethnic minorities represent only 13% of senior management at the top 100 firms.

Diverse boards can bring valuable outlooks and opinions and benefit their respective organisations in several ways, such as helping to meet ever-increasing expectations from regulators like the Financial Conduct Authority. Consider the following tips to improve board diversity:

- **Create more transparent and objective criteria for board positions.** Organisations should focus on the skills the board needs rather than the skills it currently provides. Boards can drive skill-based recruitment by creating a board matrix to identify and fill potential gaps.
- **Implement formal performance evaluations for board members.** Evaluations can create comparable data for identifying, disciplining and removing underperforming board members, thus establishing a culture of continuous engagement and improvement.
- **Avoid replacing members "like for like."** Boards tend to instinctively replace previous members with candidates who have similar experiences to their predecessors. Diverse recruitment strategies should identify which skills are priorities when filling open positions.
- **Develop a pipeline of diverse board candidates.** Organisations should actively create opportunities to connect with and mentor potential board members, looking beyond existing business contacts to find diverse perspectives.

A socially and professionally diverse board can help organisations effectively navigate challenges, improve their company culture and aid compliance. Contact us today for additional diversity and inclusion resources.

Business Vandalism Prevention Strategies

Vandalism is the intentional marking, defacement or destruction of property. Although public buildings and structures often bear the brunt of such acts, private commercial properties are not immune. Vandalism poses several risks to businesses. Not only can vandalism result in significant property repair costs, but it may also convey to the public that impacted organisations don't take security seriously, which could affect the company's reputation and result in lost customer trust.

However, with the right risk management strategies and commercial property insurance, business owners can significantly reduce the risk of vandalism. Consider these ways to guard a business against vandalism:

- **Invest in proper lighting.** Adequate lighting on the business premises can deter vandals by making it difficult for them to hide or operate under the cover of darkness. Organisations should install bright lights in car parks, alleys and other areas prone to vandalism.
- **Install security cameras.** Surveillance cameras serve as a powerful deterrent against vandalism. Organisations should install high-resolution cameras to cover all entry points, windows and other vulnerable areas.
- **Fence and secure the property.** A physical barrier around the property makes it harder for vandals to gain entry. Erecting a perimeter fence and installing secure gates to control entry points can help organisations secure their property.
- **Implement alarm systems.** Alarm systems equipped with sensors can detect unauthorised entry or suspicious activity. Organisations could consider the merits of connecting alarm systems to a monitoring service to facilitate swift response to emergencies.
- **Maintain buildings.** Vandals may be more attracted to neglected or dilapidated buildings, so organisations must promptly address any maintenance issues. For instance, repairing any broken windows and removing graffiti can help businesses maintain a professional appearance.

Overall, vigilance and preparedness are key in mitigating the impact of vandalism on businesses. In the event of vandalism, commercial property insurance may help businesses respond in a cost-effective manner.

Contact us today for risk management guidance and insurance solutions.



Vandalism of a business can cause significant physical and financial harm. Organisations can reduce the risks posed by vandalism by leveraging robust risk management strategies and reviewing their commercial property cover.