Diversity and Inclusion: A Complete Guide For HR Professionals

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Diversity and inclusion in the workplace (D&I) is a term you've probably heard several times by now. The concept has continued to gain traction in the corporate world as its benefits have become increasingly clear.

Josh Bersin, leading industry analyst and researcher, calls diversity and inclusion one of the hottest topics of these few years. He has said that it is "not an HR program, but a business strategy. It is true that the "needle is driven by HR"; however, it is not enough for it to be solely an HR program.

Companies that embrace diversity and inclusion in all aspects of their business statistically outperform their peers.

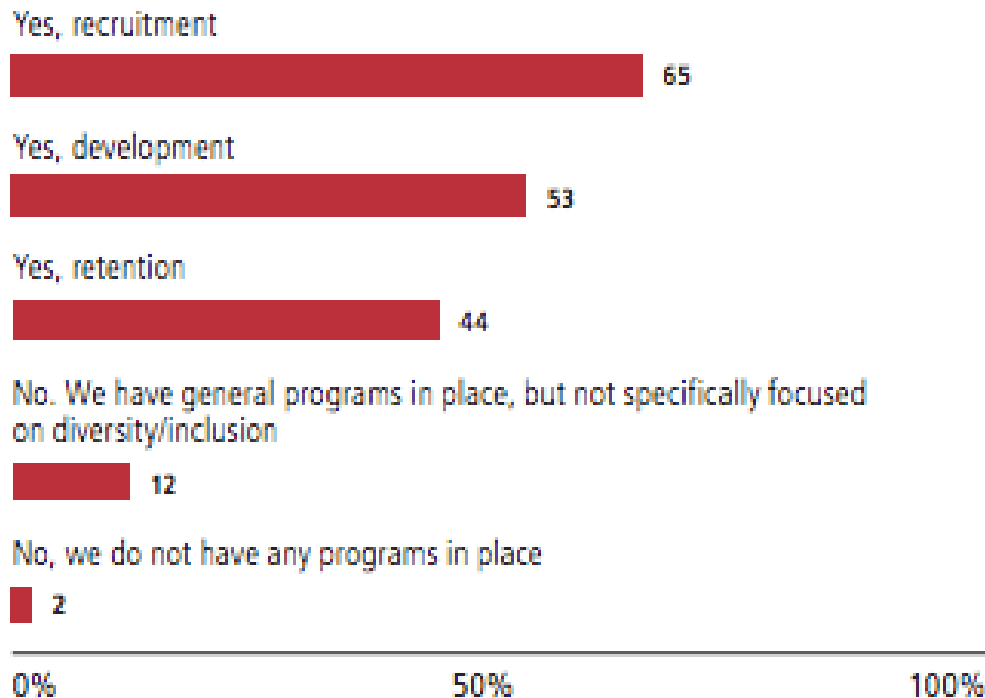**What is diversity and inclusion?**
Diversity and inclusion is a company's mission, strategies, and practices to support a diverse workplace and leverage the effects of diversity to achieve a competitive business advantage. Companies that create diverse and inclusive work environments are more adaptable, creative, and become magnets that attract top talent.

Diversity and inclusion priorities

A survey by *Forbes Insights* of more than 300 senior executives – 32% who were in HR or talent management – found their companies' diversity and inclusion priorities include:

- 65% said recruitment of diverse employees
- 44% said retention of diverse talent
- 35% said ensuring diversity in the workplace
- 29% said developing a robust pipeline of diverse talent
- 28% said managing cross-generational issues

FIGURE 3: Do you have any official programs in place specifically to recruit, develop, or retain a diverse or inclusive workforce?

Yes, recruitment
65

Yes, development
53

Yes, retention
44

No. We have general programs in place, but not specifically focused on diversity/inclusion
12

No, we do not have any programs in place
2

0%   50%   100%

65% of senior executives believe the responsibility for implementing diversity and inclusion programs falls on HR, while 45% say it's the responsibility of senior leaders within a business unit or division.

56% of the companies surveyed strongly agree that diversity helps drive innovation. It's clear that they believe this innovation advantage is achieved through their ability to attract and recruit diverse talent.

Diversity and inclusion best practices

A survey of 330 HR executives by Professor Roberson found that diversity and inclusion best practices include:

- fair treatment
- equal access to opportunity
- teamwork and collaboration
- a focus on innovation and creativity
- organizational flexibility, responsiveness, and agility
- conflict resolution processes that are collaborative
- evidence of leadership's commitment to diversity (e.g., appointing a Chief Diversity / Equality Officer)
- representation of diversity at all levels of the organization
- representation of diversity among internal and external stakeholders
- diversity education and training

The interesting thing to note is that employees perceive their company as diverse and inclusive based on practices that aren't even directly related to diversity such as a focus on innovation and creativity.

Instead, these best practices are ones that are desired by everyone in the workplace.

Diversity and inclusion strategies

Some of the key diversity and inclusion strategies of <u>Bersin by Deloitte's</u> diversity and Inclusion framework and other research include the following:

- Creating a focus and strategy at the CEO/COO/CHRO level
- Assigning a top executive the responsibility for leading and sponsoring the diversity and inclusion program
- Creating behavioral standards and holding leaders accountable for results
- Training people at all levels on topics like unconscious bias
- Integrating diversity and inclusion strategies in recruitment, performance management, leadership assessment, and training
- Creating employee networks (e.g, employee resource groups, community outreach groups)
- Holding your company accountable to compete and win in external award programs
- Accepting and honoring multiple religious and cultural practices
- Strengthening anti-discriminatory policies
- Reporting goals and measuring progress
- Creating an externally visible scorecard to measure progress including metrics for recruiting, promotion rates, compensation levels, turnover, participation in ERGs, and supplier diversity

  Diversity and Inclusion is a top-to-bottom business strategy – not just an HR program.
  – Josh Bersin

Diversity and inclusion success metrics

The *Forbes Insights* <u>survey</u> found that 60% of companies have metrics in place to measure the success of their diversity and inclusion efforts.

If we couldn't measure the impact of our diversity and inclusion efforts and programs, it would be a hard sell among company executives.
– Huey Wilson, SVP HR & Diversity Board Member, Mattel
The most popular success metrics are:

- 77% said employee productivity
- 67% said employee morale
- 58% said employee turnover

Senior executives are being held accountable for their diversity and inclusion programs performance through:

- 66% said <u>performance reviews</u>

- 51% said bonuses
- 48% said business/department reviews
- 42% said salary increases
- 41% said promotions

The takeaways

1. Diversity and inclusion are a company's mission, strategies, and practices to support a diverse workplace and leverage the effects of diversity to achieve a competitive business advantage.
2. The top diversity and inclusion priority is recruitment of diverse employees.
3. Approximately 50% of diversity and inclusion best practices are not directly related to diversity per se but are practices desired by everyone such as fair treatment and organizational flexibility.
4. To be successful, diversity and inclusion has to be a top-to-bottom business strategy and not just an HR program. However, 65% of senior executives believe it's HR's responsibility to implement diversity and inclusion programs.
5. The majority of companies measure the success of their diversity and inclusion efforts with metrics such as employee productivity and turnover.
6. Decision-making by diverse teams outperforms that of individuals 87% of the time.
7. Workplace diversity and inclusion are top of mind these days and will only grow in importance as companies continue to invest in their diversity and inclusion programs.
8. Research has it that diverse organizations outperform competitors by 35%.
9.

Diversity and inclusion in the workplace is an essential business practice that high-performing companies prioritize — building environments that help their employees thrive.

In conclusion, If you're able to implement at least a few of the strategies outlined above, you'll be giving yourself one of today's biggest competitive advantages