

Diversity Best Practices

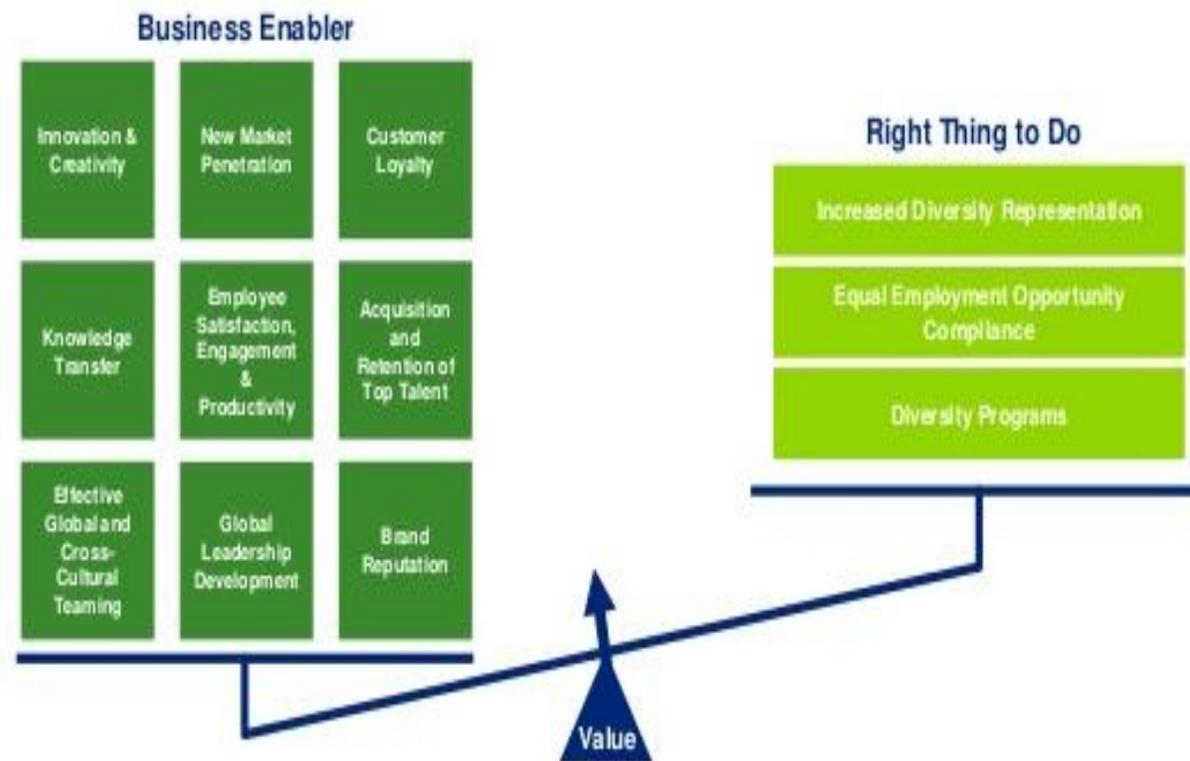
D&I Strategic Plans and Maturity Models

Presented to Kaiser Permanente

D&I Compliance Strategies, Plans and Approaches

Shifting D&I strategy from compliance to imperative

- The success of D&I efforts can no longer be measured in terms of the color and composition of the workforce: they must amount to real business results that create competitive advantage.
- Understanding the global talent landscape and the potential impact of a comprehensive D&I strategy can help companies shift the paradigm of diversity from compliance driven and 'the right thing to do' to a critical enabler in executing an effective business strategy.
- A strategic approach to D&I compliance and maturity involves assessing the current state of the workforce and workplace, articulating a desired future state, and designing a strategy and plan to achieve desired outcomes.



Components of the D&I planning framework

- ✓ Informed and committed leadership
- ✓ Comprehensive scope of goals and activities
- ✓ Integration of objectives within business plans throughout the organization
- ✓ Dedicated resources
- ✓ Focused education and training opportunities
- ✓ Policy review and development
- ✓ Shared responsibility and individual accountability
- ✓ Measurement and evaluation



Best practices: Writing the D&I strategy

- Understand market context and identify priority issues for attention, key drivers, and risks
- Articulate the business case for D&I and what diversity, equity, and inclusion means for the organization
- Obtain leadership buy-in and support
- Assess the current state of the organization through a D&I lens
- Develop a D&I roadmap
- Establish measurable goals and objectives
- Engage internal stakeholders to establish common ownership and commitment to the D&I strategy
- Assign roles and responsibilities
- Develop action plans and timelines for carrying out D&I goals
- Monitor and report on progress
- Communicate accomplishments, D&I impact and ROI
- Review and update the strategy to ensure it remains relevant and forward thinking

Best practice: Understand the market

- Analyze how the organizational brand is perceived in the market through forums such as Glassdoor, LinkedIn, Monster, Facebook, and how these perceptions impact business outcomes in areas including employee attrition, onboarding of diverse employees, and change in revenue.
- Conduct internal and external benchmarking to identify leading and innovative D&I practices.
- Analyze the impact of the D&I strategy on business objectives.
- Compare performance against other leading-edge companies in the industry.
- Continually ask: what can we stop doing, what should we start doing, and what should we do more of—to drive business impact.

Developing the D&I Strategy: Guiding Principles





Best practice: Collect data and measure progress

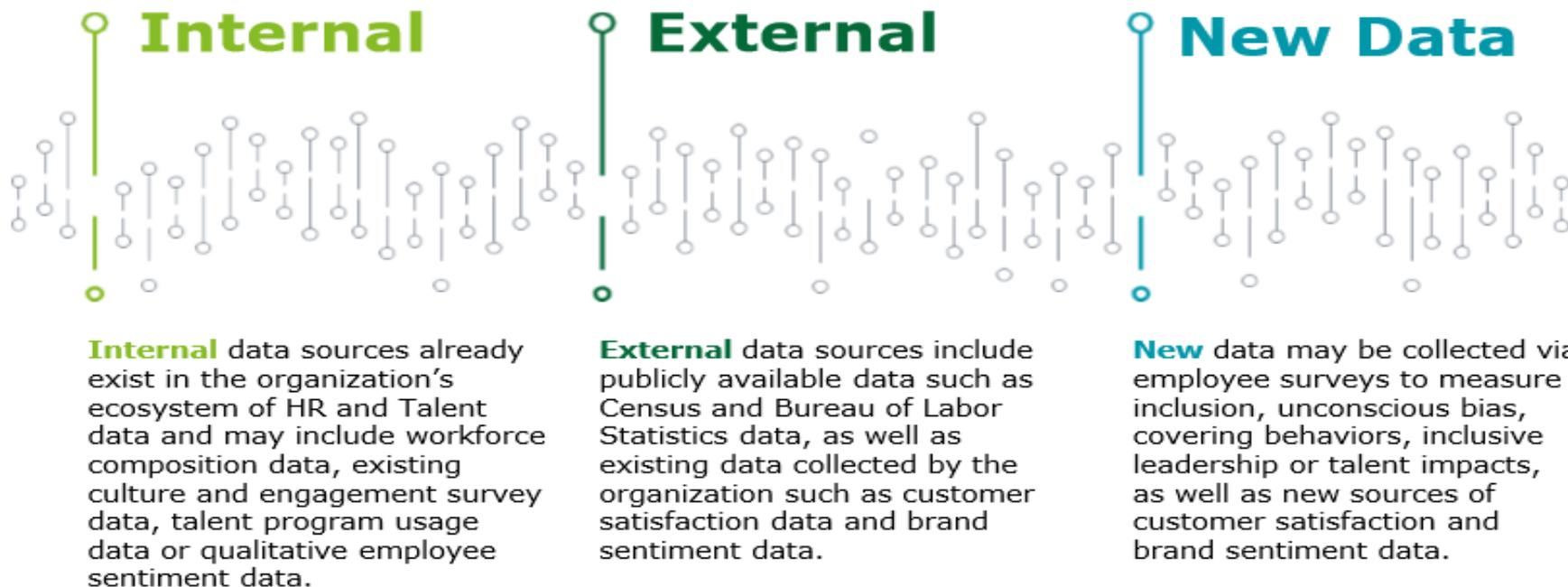
A strategic approach to assessing D&I compliance and maturity begins with understanding the current state of the workforce, workplace, and organizational culture.

This entails gathering, analyzing, and leveraging data to establish a basis by which to define meaningful D&I goals and measure their attainment.

Most organizations track employee demographics (e.g. gender), unfortunately, far fewer measure discrepancies in compensation, promotions, or customer feedback based on these attributes.

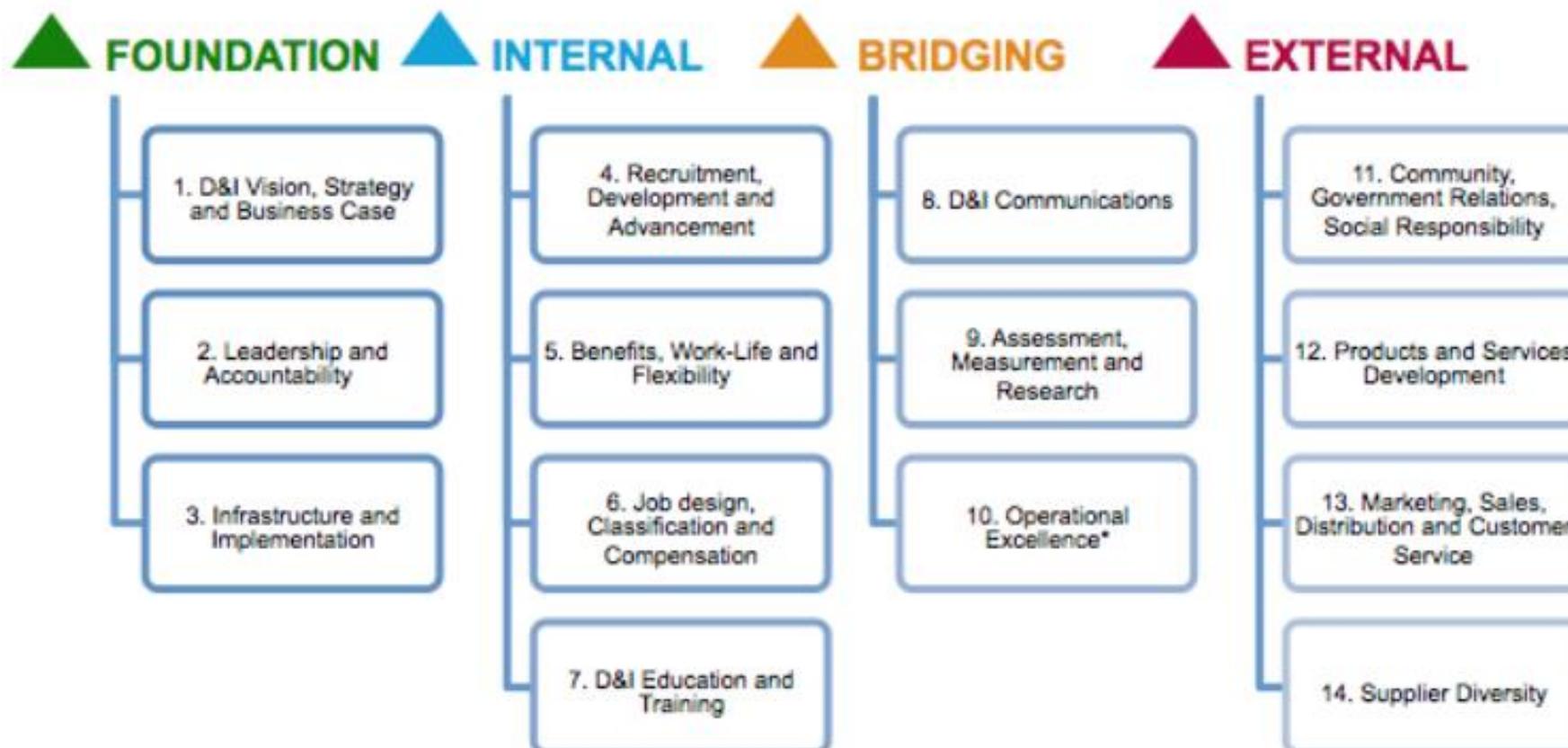
	Diversity Metrics
<p>Best Practices</p> <ul style="list-style-type: none"> ✓ Establish clear metrics and track progress against metrics throughout the year; communicate metrics to organization to ensure alignment against goals ✓ Ensure leadership accountability for progress against goals; link to performance metrics 	<ul style="list-style-type: none"> • Workforce Representation - Hiring, promotions, transfers, and turnover by employee group • Employee Survey Data - Employee engagement ratings • Employee Development Programs - Minority and female participation rates in employee development programs • Executive Commitment - Leadership involvement in and commitment to diversity programs (i.e. BRGs, training) • Internal Availability - Internal labor force with requisite skills for open jobs • External Availability - Labor force with requisite skills in local labor market; national labor force with requisite skills (Canadian Census Data) • Legal Involvement - Allegations and complaints • Flexible Benefits Programs - Utilization rates by employee group for flexible benefits programs • Supplier Diversity - Percentage of vendor budgets spent on minority suppliers • Branding - Number of external awards or other external market recognition; positive media hits

Importance of data in driving results



Using a set of qualitative and quantitative measures in the data ecosystem, leaders can gather a baseline understanding of challenge areas to act on and monitor.

Creating the D&I roadmap



Plan implementation requirements

Resources for Implementation (people and money)

Human and financial resources are necessary to implement the D&I framework.

Communication and awareness building activities, monitoring, reporting and recognition efforts also require resources to ensure their completion.

Capacity for Implementation (Capabilities & Competence)

Training and time are required to further develop the capabilities and competencies needed to meet the corporate goals of building a diverse and inclusive workforce.

D&I training can be delivered at corporate, department or business area levels using internal and external resources.

Time for Implementation

Achieving the goals of the D&I framework require leadership support and dedicated staff attention over a period of time.

As with any organizational change, individuals need time to learn how to implement D&I activities. Managers and supervisors will need time to review progress reports and provide feedback, support, and guidance in their departments.

Moving from Compliance to Maturity

Evolution to Diversity Maturity

Shift from compliance mindset and focus on affirmative action and equal opportunity to organization-wide recognition of diversity as value-added and source of competitive advantage.

D&I is aligned with business goals; drives innovation, and is directly responsive to consumer needs and expectations.

D&I practices are embedded in the company's policies, practices, and training.

Affinity groups and ERGs inform decision-making and drive business priorities.

Competition is external not internal.

The workplace is designed to foster teamwork and collaboration through open workspaces, virtual meeting capabilities, consensus-driven decision-making.

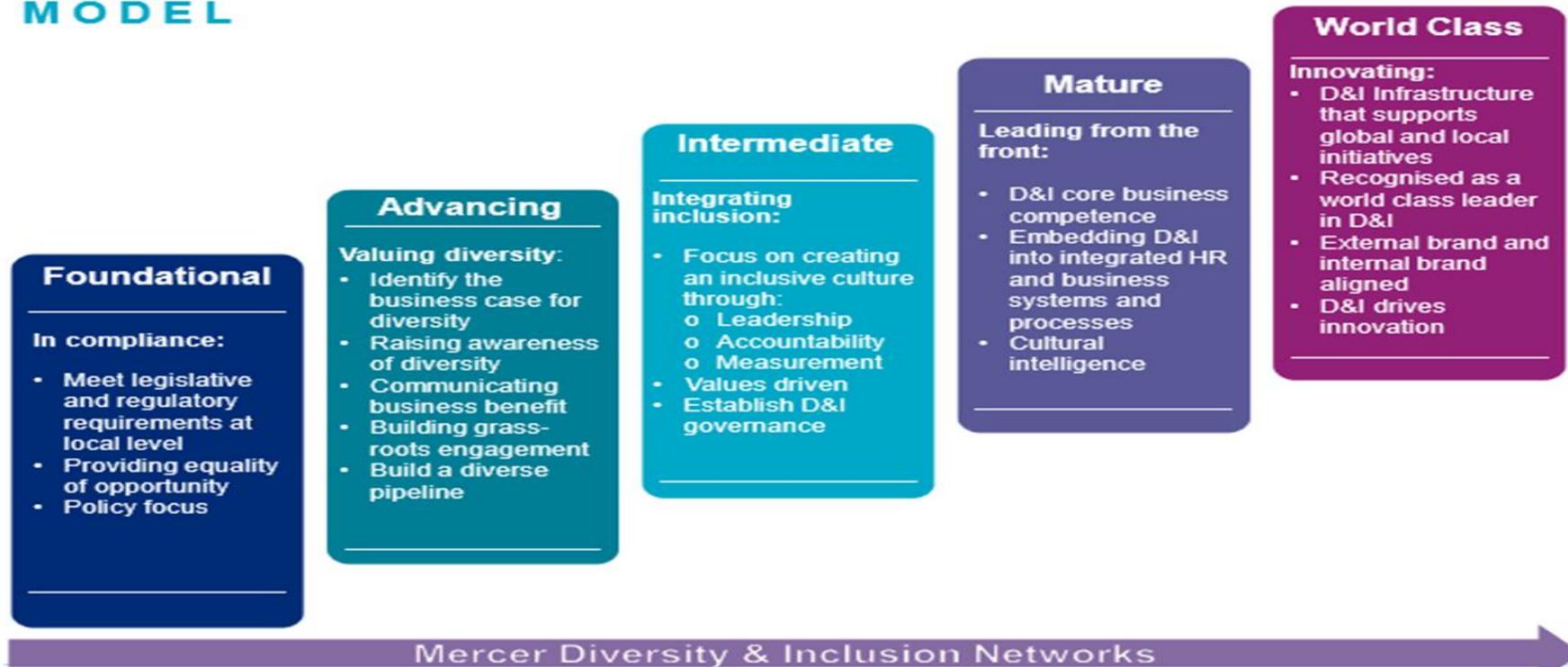
In-depth mentoring and sponsorship opportunities are equitable across age groups, ethnic groups, gender groups.

There is increased diversity representation among the organization's board, officers, partners, managers and directors.

	Awareness	Fairness	Inclusion	Leverage
Diversity defined as ...	Equal opportunity compliance	Narrowly by representation of ethnic and gender groups	Broadly defined in terms of thought, style and background	A core organizational asset
Differences	Seen as potential for problems	Need to be accommodated	Need to be encouraged and integrated	Are a competitive advantage
Role of Leaders	Legal compliance	Diversity is part of the Leader's jobs	Managing Inclusion is an essential leadership competency	Leaders integrate D&I as a business strategy
Role of Board	Passive	Limited requests for reporting representation	Board holds leadership team accountable	Leaders and Board own D&I

From D&I Compliance to Maturity

DIVERSITY & INCLUSION MATURITY MODEL



Tips from Bersin to achieve inclusive culture

- Treat D&I as business-critical, not compliance-necessary.
- Move beyond diversity to inclusion and diversity.
- Prioritize inclusive leadership and leaders who demonstrate behaviors such as courage, curiosity, and cultural intelligence.
- Reinforce an inclusive culture by integrating demographic diversity and diversity of thought into decisions that impact talent acquisition, promotions, succession planning, and leadership development.
- Provide D&I resources that empower individuals to take action and bring their authentic selves to work.
- Manage unconscious bias and leverage the support of mentors and sponsors.
- Create accountability by sharing strategic measurements about D&I related activities and their impact, and have senior leaders report accomplishments on an ongoing basis.
- Tie compensation to D&I outcomes.
- Communicate D&I as a critical component of the organization's business strategy through all communications and reporting relationships.

The Bersin by Deloitte Diversity and Inclusion Maturity Model



Has the organization achieved inclusive leadership?

CONSIDER THE FOLLOWING:



Cognizance: Are leaders aware of their own behaviors and bias?



Curiosity: Do leaders bring an open mindset and a true desire to know their people?



Courage: Do leaders speak up against entrenched organizational challenges to transform the status quo?



Cultural Intelligence: Are leaders respectful of cultural differences and flex their style to drive team performance?

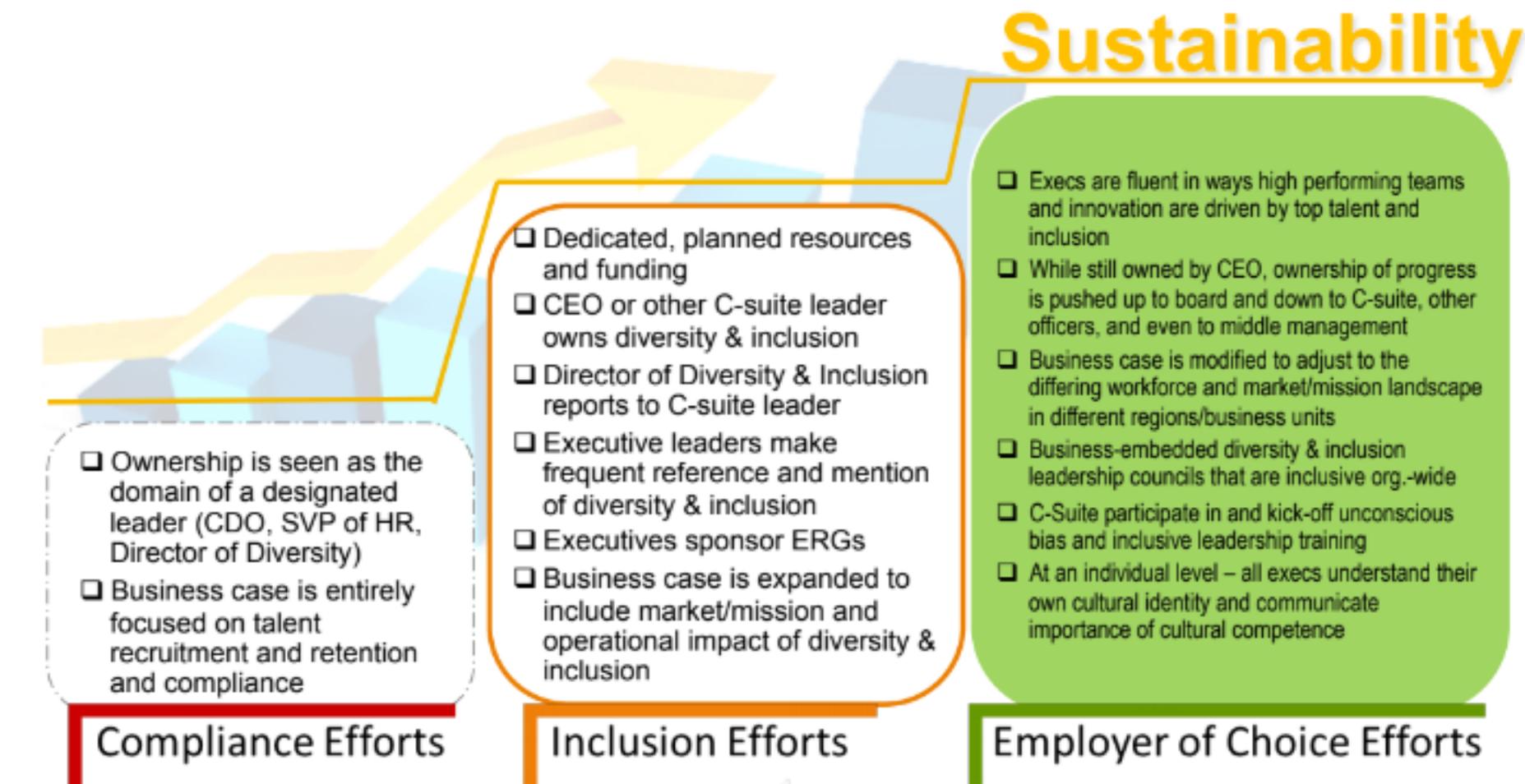


Commitment: Do leaders publically demonstrate a commitment to D&I, organizational values, and culture?

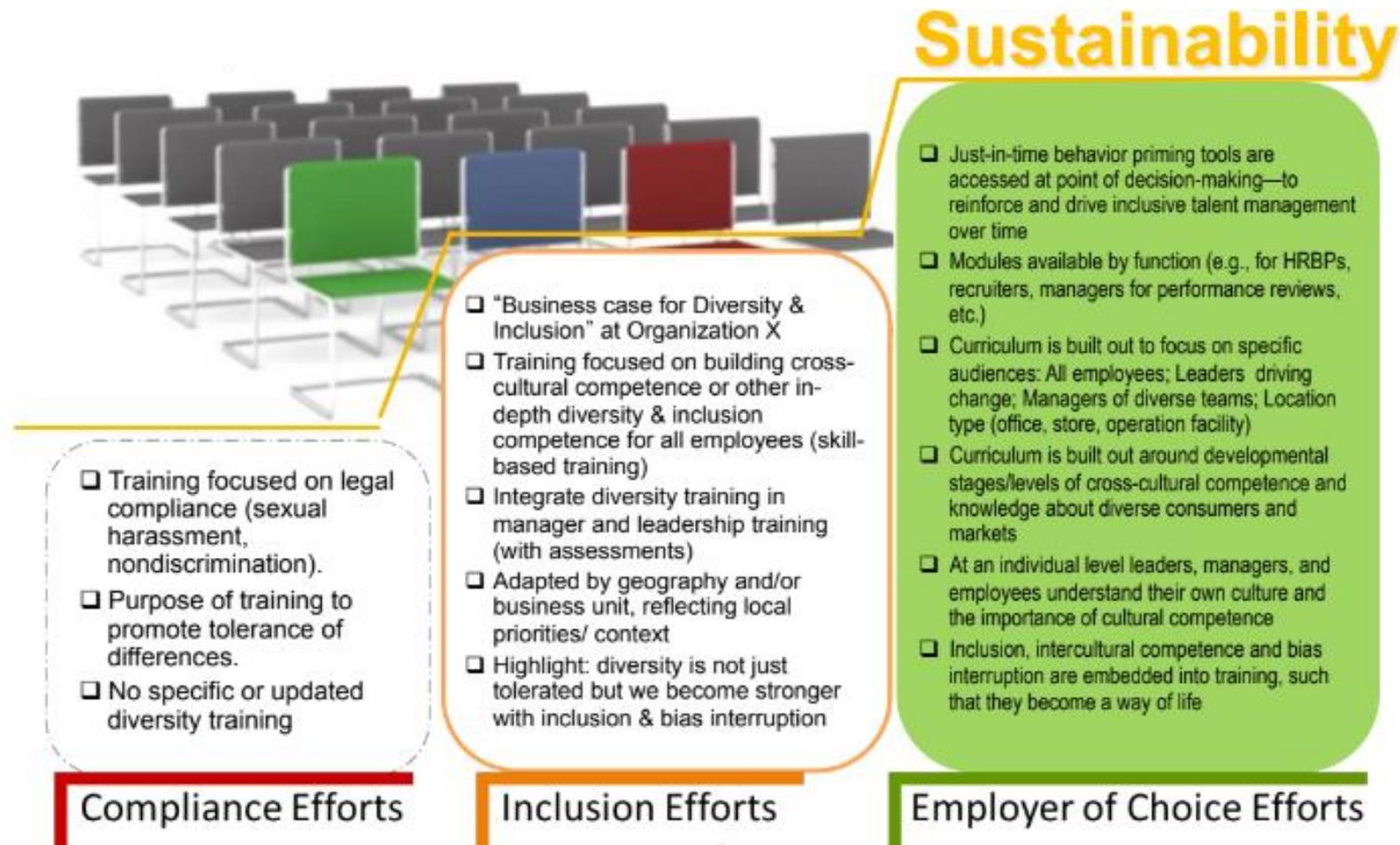


Collaboration: Do leaders create and empower diverse teams for better collaboration and innovation?

D&I maturity: Leadership



D&I maturity: Training



D&I maturity: Recruitment

Sustainability



- ❑ Attend diversity career fairs and have diversity marketing materials (largely traditional materials with diverse images) but coordination does not take place organization wide
- ❑ Majority of organization's diversity efforts focused on the recruitment and development of diverse talent

Compliance Efforts

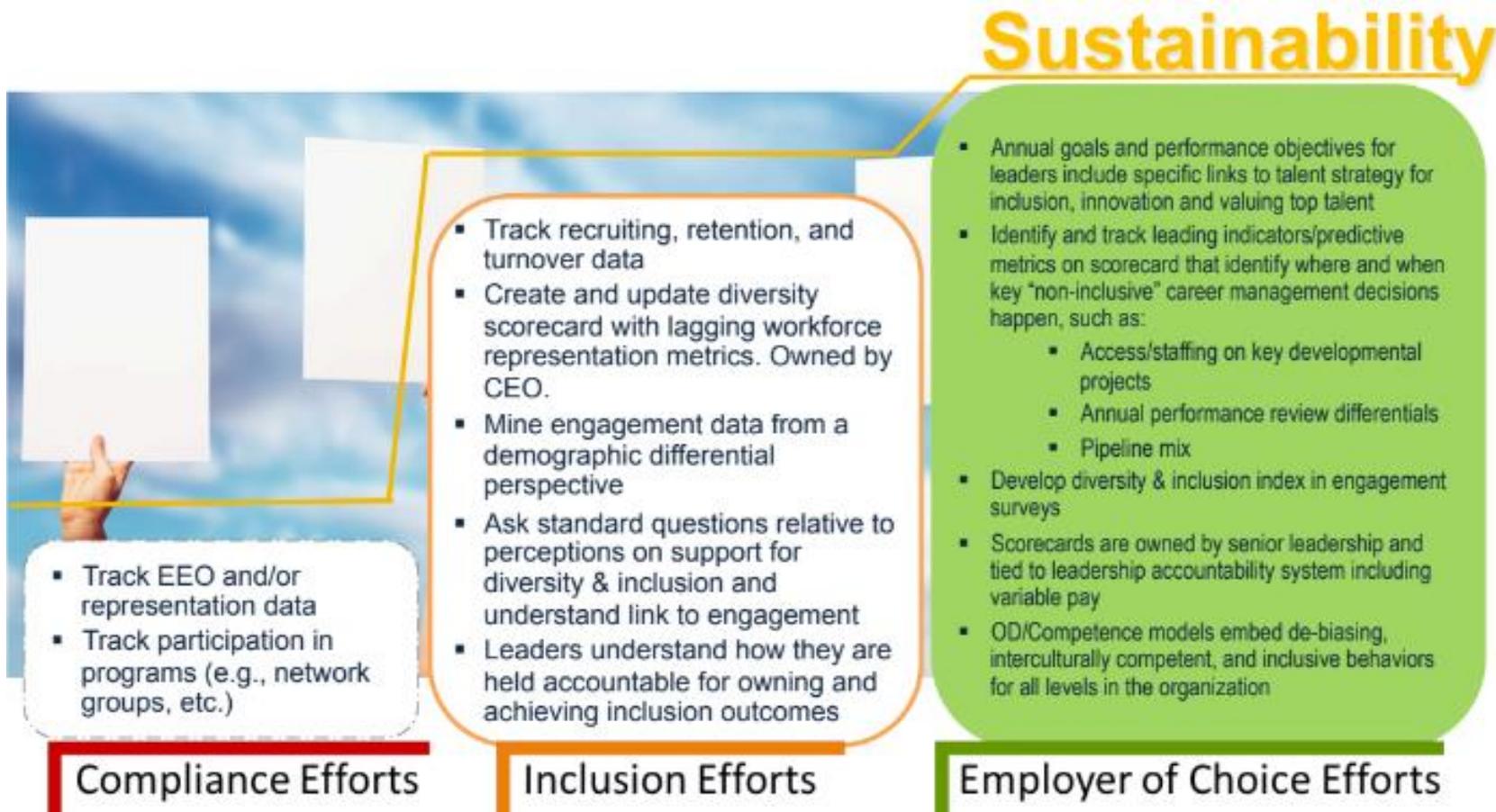
- ❑ Recruitment and development of diverse talent at ALL levels
- ❑ Coordinated, organization-wide effort to attract and recruit diverse talent in all geographies/bus. units
- ❑ Develop relationships with target schools and diverse professional organizations (e.g. HBCUs, HSIs, women's colleges, Black MBAs)
- ❑ Actively identify and recruit diverse students for high-po/leadership development or rotational programs
- ❑ Have internship programs and early college and high school student outreach
- ❑ Sponsorship of on-campus scholarships and programs

Inclusion Efforts

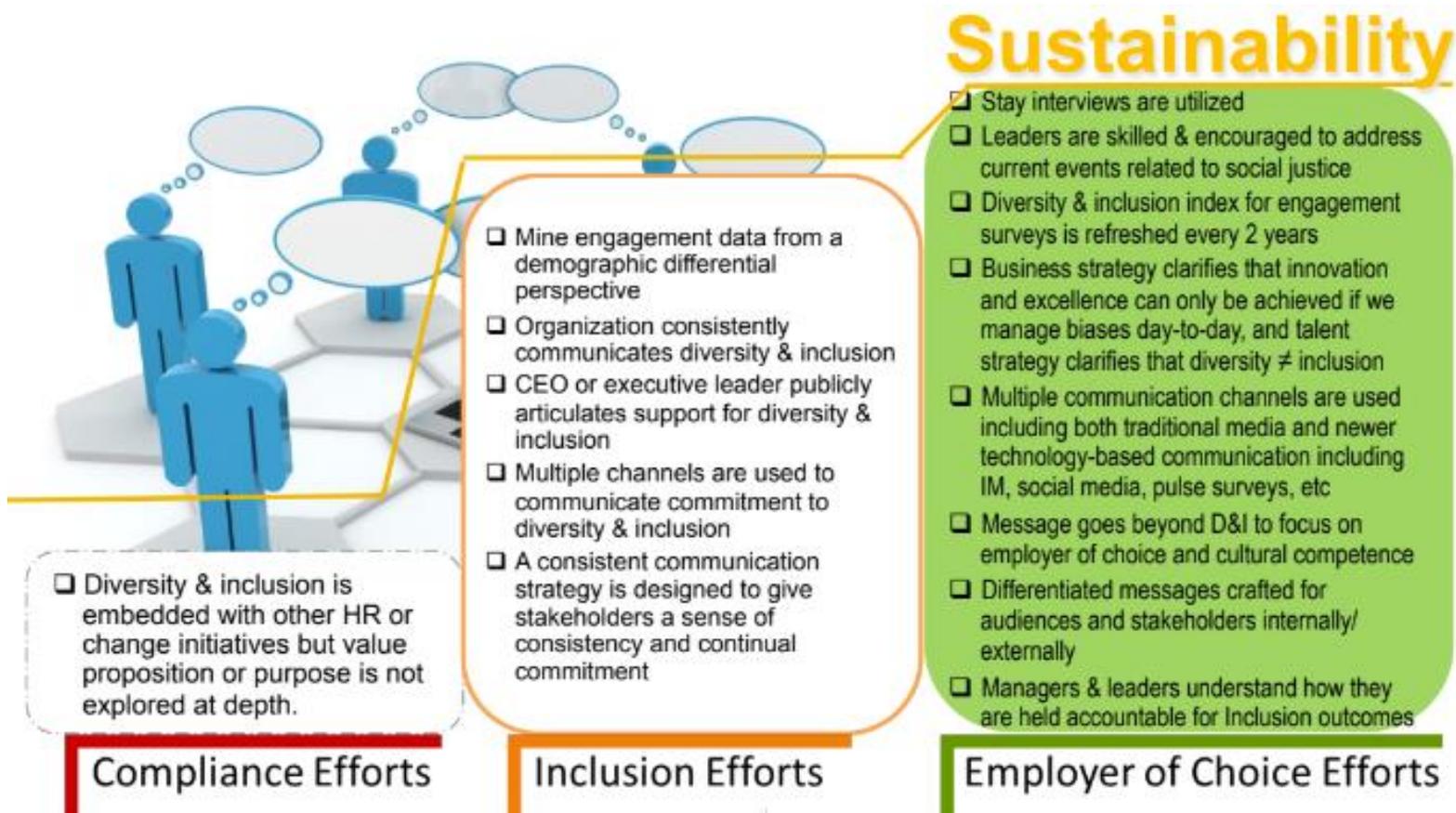
- ❑ ERGs are actively used to help recruit diverse candidates, and systems ensure candidate tracking from referral to hire
- ❑ Ensure diverse candidate slates for all leader-level and key job openings (internally and externally)
- ❑ Require Cross-cultural competency training for recruiters, interviewers, and hiring managers
- ❑ Audit interview guides for bias
- ❑ Review job descriptions for outdated/too narrow requirements
- ❑ Provide onboarding programs for diverse candidates
- ❑ Develop partner relationships with organizations geared to diverse students/experienced hires
- ❑ Recruiting efforts are embedded within business unit action plans

Employer of Choice Efforts

D&I maturity: Metrics



D&I maturity: Communication and engagement



Best practice: Conduct stay interviews to test culture

Stay interviews provide diverse employees an opportunity to share what is going right with inclusion effort, as well as their perceptions of what could be done to improve workplace culture.

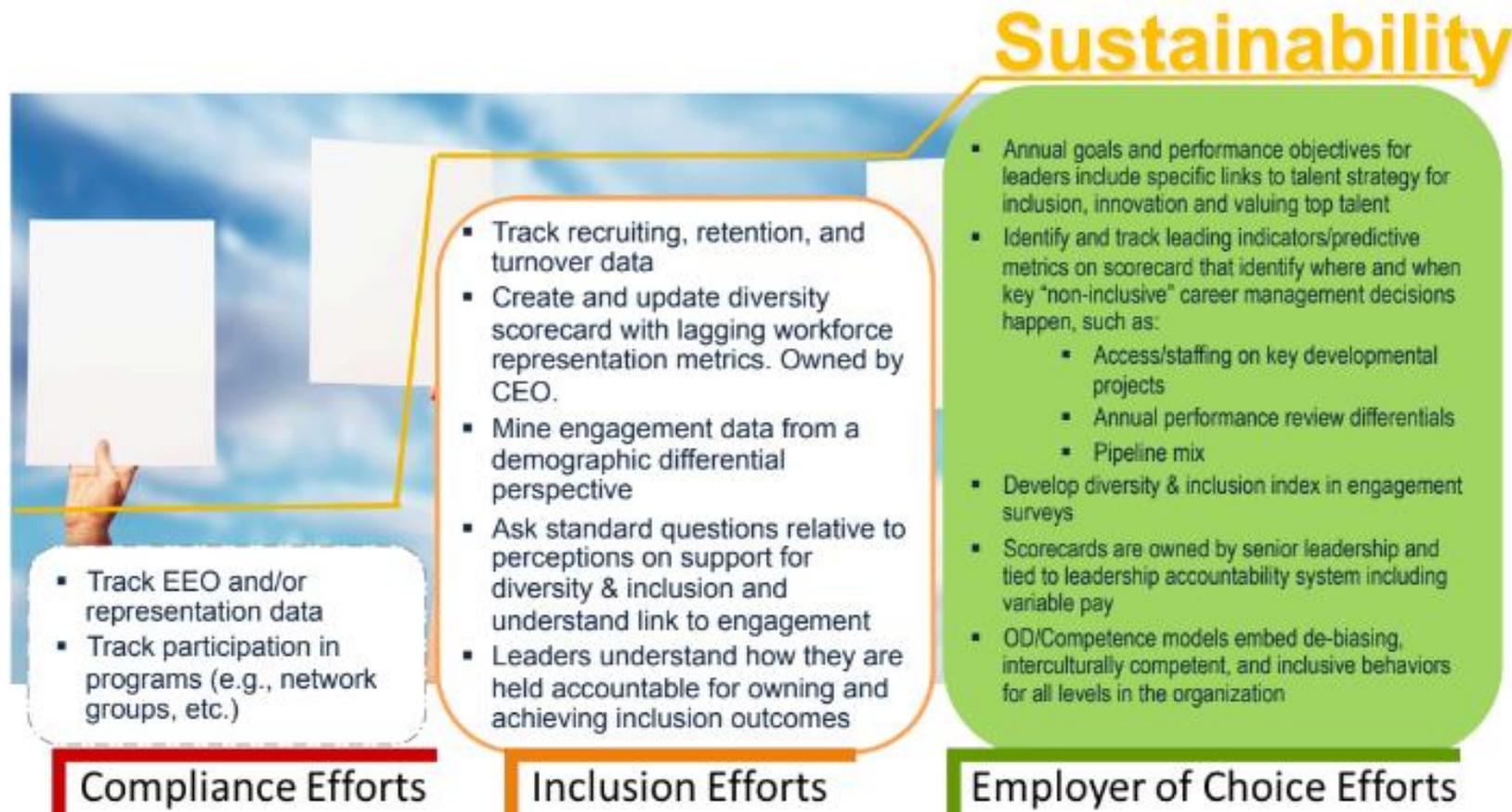
Consider carefully the timing of these interviews and whom should be included. One recommendation is to conduct stay interviews with all employees after they reach their third-year anniversary.

Stay interviews should be separate from standard performance interviews and performed in association with overall human capital and other recruitment and retention initiatives.

Examples of questions to ask during a stay interview include:

- What keeps you here?
- What would make you leave the company?
- If you could change one or two things about our organization, what would they be?

D&I maturity: Accountability



D&I maturity: Work-life integration



- Vacation/holiday/personal/sick programs
- Flexible work arrangements—defined with specific guidelines and/or rules
- Dependent care spending accounts
- Maternity leave in accordance with legal requirements
- Communication by program area

Compliance Efforts

- Communication of work-life brand
- PTO bank—combining Compliant time-off programs
- Workplace flexibility—expanded array of options including redesign of workplace and onsite amenities
- An array of dependent care programs to meet diverse needs
- Paid family leave (maternity, paternity, adoption, death, family illness, life transitions, etc.)
- Domestic partner benefits
- Volunteer and community service leave

Inclusion Efforts

Sustainability

- Leadership models 'family first'
- Virtual work: options for results-based environment with no defined work schedule or workplace in place
- Sabbaticals
- On-ramp/off-ramp career matrices implemented as part of career pathing
- Work-Life embedded in culture and seen as a competitive advantage/ way of life for the organization—and widely communicated internally and externally
- Leaders actively promote their own work-life integration efforts and share stories
- Regular focus groups and surveys are used to drive feedback and engagement initiatives to retain talent across generations, working parents

Employer of Choice Efforts

D&I maturity: Performance management



D&I maturity: Advancement of underrepresented groups



Sustainability

- Strategy is compliance driven.
- Women and ethnic minorities are well-represented in non-leadership roles and non-technical roles
- Women are overrepresented in HR/administrative support roles
- Unclear or developing efforts to define a career path and leadership opportunities.
- Strategies to provide benefits to attract women and ethnic minorities in their infancy.

Compliance Efforts

- Org-wide system in place to identify if/where/what groups are underrepresented
- Strategy and targeted programs in place to retain, groom, develop underrepresented groups (e.g. women) into senior level positions, however, with mixed results.
- Developing effort to tie manager's compensation to the advancement of underrepresented groups.
- Periodic salary surveys conducted to detect salary inequities.

Inclusion Efforts

- Stay interviews are conducted annually with key employees
- Inputs into hi-po identification, key assignments, leadership development reviewed for/address bias annually
- Strategy and targeted programs in place to retain, groom and develop underrepresented groups into senior level positions refined by sub-segments
- Established program to tie manager's compensation to the advancement of women and ethnic minorities
- Periodic salary surveys conducted to detect salary inequities including a grievance process
- Approximately 3% to 5% of women promoted to senior management positions

Employer of Choice Efforts

D&I maturity: Pipeline development



D&I maturity: Mentoring



- ❑ Provide formal mentoring programs for diverse groups where they are partnered with senior leaders but little organization-wide consistency

Compliance Efforts

- ❑ Conduct annual diverse leadership development conferences and forums.
- ❑ Assessment of performance rating & career development processes to ensure no institutional or implicit biases built into the infrastructure
- ❑ Partner with external organizations focused on leadership development for underrepresented populations
- ❑ Have targeted mentoring programs geared toward high-potential diverse groups where they are also partnered with leaders externally based on their specific mentoring/development objectives

Inclusion Efforts

Sustainability

- ❑ Inputs into hi-po identification, key assignments, leadership development reviewed for/address bias annually
- ❑ Development programs are focused on both diverse individuals but also their managers and leaders to increase adaptation at the leader levels (i.e. reverse mentoring, cross-cultural learning)
- ❑ Managers trained regarding critical role of cross-cultural and informal, on-going feedback, as primary development tool
- ❑ Ensure mentoring goes deep in the organization where high-potential diverse candidates are being mentored at all levels
- ❑ Org adopts a sponsorship-based model of career development and promotion

Employer of Choice Efforts

D&I Checklist

- ✓ Does the organization have a formal D&I strategy? Is it robust, measurable, and tied to business goals?
- ✓ Do senior leaders publicly support D&I initiatives? Are they invested and committed to the process?
- ✓ Do leaders receive coaching in D&I as well as provide coaching to others?
- ✓ Does the organization understand the composition of its labor force?
- ✓ Does the organization actively identify and advance diverse employees?
- ✓ Would diverse talent be able to identify mentors or role models that look like them at all levels in the organization?
- ✓ Does the organization require recruiters to present a diverse slate of candidates?
- ✓ Does the organization have a talent retention strategy? If so, does it specifically address retention of diverse talent?
- ✓ How are D&I results measured, tracked, and communicated?
- ✓ How is D&I used to promote brand and reputation?