Subcommittee on Diversity and Inclusion
A Review of Diversity and Inclusion at America's Large Banks

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Testimony of Subha Barry, President, Working Mother, Diversity Best Practices, NAFE & Culture@Work

Thank you for inviting me to present on how we can better hold America's largest banks accountable for improving Diversity, Equity and Inclusion in their workforce and workplace.

By way of background, I spent 26 years of my career in Financial Services at some of our nation's largest financial institutions, 20 years in front-line trading, sales and business development roles and 6 years as a Global Chief Diversity Officer. I personally experienced the bias and cultural challenges that women and people of color face. But I also experienced the opportunities and credibility that came with being successful.

Currently, I am President of an organization that is considered a 'Go-to' resource for Fortune 1000 companies, nonprofits and governmental organizations. We specialize on issues of Diversity, Equity & Inclusion, Women & Women of Color, Parenting & Caregiving. We annually produce an Inclusion Index that assesses Diversity and Inclusion best practices and outcomes.

It is in this capacity that I share my comments with you. They affirm many of the key findings of the Committee Staff Report and I add some of our observations and recommendations for further improvement.

The report mentions 3 barriers to achieving D&I results.
> 1. Defining D&I in consistent ways (We define it through EEOC race/ethnicity guidelines, gender identity, disability, LGBTQ+, age/generation and veteran status).
> 2. Challenges with data collection and self-identification (Companies like **Northrop Grumman** have done this successfully by creating a psychologically safe environment to disclose)
> 3. Competition for Diverse Talent. (Companies like **Microsoft** are proactively investing in creating earlier pipelines of talent).

I can share more details during Q&A and give insight into how organizations are doing this effectively.

In addition to these 3 challenges, there are TWO additional barriers that need to be acknowledged and addressed.

Talent-Development Bias
Organizations must acknowledge and focus on the bias that exists in their talent decision-making systems and processes.
The report states that the 44 financial institutions' populations are demographically matched to the US population. But note that these organizations are not diverse at the top - at the CEO and C-Suite levels.

The lack of mechanisms that measure and titrate what and how feedback and support is given and received creates gaps that become insurmountable chasms. Often, women and people of color receive feedback that is more politically correct rather than being constructive and insightful.

Working Mother's recent Gender Gap research shows women are a third less likely to realize what relationship capital is and the importance of monetizing it. Women and people of color aren't coached or made aware that leveraging relationship capital is absolutely critical in early career. They start out with this disadvantage.

This shows up in the lack of sponsorship for women and people of color. 73% of white women and 83% of multicultural women cite the lack of sponsors as the main reason they haven't moved into critical P&L jobs.

A 2015 SP 500 analysis found that 90% of new CEOs were promoted or hired from line roles with P&L responsibilities.

In addition, there is unconscious bias in the decisions to hire, promote or terminate. Do we hire and promote people who look like us? How likely are we to feel an affinity to someone from another race or culture?

Lack of Accountability for making progress
There are 2 aspects to this:
a.   Holding companies accountable for transparently providing D&I data and metrics internally and externally.

b.   Holding the CEOs and their leadership teams accountable for the results they produce that tie to the above metrics.

We need to create more structured and tailored programs and create clear-cut and standardized accountability metrics that can normalize across geography and industry.

We say diversity is critical to our businesses but we do not measure or compensate for D&I performance. Think of how we would measure and compensate for meeting business revenue goals or expense management or innovative new product development. There are virtually no repercussions for not meeting D&I goals.

Our Diversity Best Practices Inclusion index provides tools to hold organizations and leaders accountable. It measures demographics, best practices in talent processes, culture and leadership accountability. Doing this annually allows companies to mark progress and tweak strategy and execution plans accordingly.

75% of all DBP Inclusion Index companies say they hold managers accountable for D&I results but, only 35% of them link compensation to D&I results.

Only 46% of DBP Inclusion Index companies (remember these companies are proactively engaged in D&I) set numeric goals for diversity representation and 58% set percentage goals.

Intentions and words must translate to actions and consequences.

RECOMMENDATIONS/SUGGESTED ACTIONS (So what do we recommend?)

1. Be Transparent About Your Data
2. Build Accountability from the Top
3. Establish Development Programs for women and underrepresented minorities that build Relationship Capital, Sponsorships and Mentoring
4. Establish New Work Norms, Challenge Existing Norms and Reframe How Work Gets Done

5. Leverage Employee Diversity for Marketplace Impact - Recruitment, Retention and Business Development.

In summary, while some organizations are proactively and creatively addressing D&I in their organizations, there is much more to be done, especially in the Banking Sector.

Organizations spend $8billion on D&I education but only 35% of the CEOs have clear cut metrics and hold their teams accountable for achieving D&I goals. Bridge the gap.

The formula is straightforward; Execution is the key:
1. Develop scorecards and metrics.
2. Audit processes, systems, and culture for bias and mitigate it.
3. Reward positive results and penalize lack of progress.

Accountability creates Real Change.

THANK YOU

APPENDIX

Persistent Challenges faced by the 44 Largest Banks in the US:

1. <u>Defining D&I in consistent ways</u>: We look at it two ways:
From a metrics perspective -- the vast majority of organizations follow EEOC race/ethnicity guidelines.

From a definition perspective -- most organizations also include gender identity, disability, LGBTQ+, age/generation and veteran status.

2. Challenges with data collection and self-identification
From our Diversity Best Practice Inclusion Index (which includes data from over 150 companies), 64% capture data on LGBTQ, and 100% capture data on people with disabilities and veterans.

More companies are sharing their data and implementing strategies to get employees to voluntarily disclose disabilities, sexual orientation and veteran status.

Northrop Grumman instituted a communications campaign highlighting reasoning and rationale for disclosure and engaged employees as ambassadors. They launched their LGBTQ self ID campaign first. Within 1 year, they had a 45% increase in LGBTQ+ employees that self-identified.

3. <u>Competition for Diverse Talent.</u>
Some organizations are proactively investing in creating earlier pipelines of talent. They are widening the net outside normal competitive channels and proactively creating talent development opportunities.

Microsoft is creating internships and mentoring as early as elementary and middle school to foster career interest and focus on building analytical skills, strong communication skills and decision-making abilities.

Bloomberg considers the top 10% of talent across a variety of schools, not just the top tier schools.

4. Auditing Talent Bias
In diverse succession planning and talent development, examine compensation and promotion histories for comparable positions to identify disparities and inequities.

Cast a wider net with succession planning by Identifying the top 10% of diverse talent and create "ascension plans", not just those who make the top 10% of your succession plan.

Insist on diverse recruitment. Mandate diverse slates of qualified candidates (75% of all DBP Inclusion Index companies do this). Require a diverse slate of interviewers (71% of all DBP Inclusion Index companies do this).

Enlist the support of white, male senior leaders to examine actions that may contribute to an old-boys club environment

RECOMMENDATIONS/SUGGESTED ACTIONS

Recommendation 1: Be Transparent About Your Data
- Data allows us to better identify gaps, and pinpoint strategies and solutions
- Transparency creates a culture of accountability. it enables organizations and stakeholders to hold themselves accountable
- If all 44 financial services companies participated in the Inclusion Index, OMWI could leverage a consistent, widely utilized tool to provide both the accountability and visibility to progress and also provide participating organizations with a roadmap on how to close the gaps - only 9 of the 44 companies participated in our Index last year

Recommendation 2: Build Accountability from the Top
1. CEOs must hold senior leaders accountable for results. Tie performance on D&I to metrics and compensation: what gets measured gets done
2. Create scorecards, (Sodexo, Intel) and establish goals against critical drivers such as recruitment/hiring representation, talent development and sponsorship

3. Audit your talent and recruitment processes for bias; provide training to mitigate it and create checks and balances to ensure that it doesn't creep back in again

Example: Accountability
Sodexo created a diversity Scorecard to build accountability for increasing gender representation. Managers earn up to 600 points for achieving numeric benchmarks for attaining hiring, promoting, and retaining women and underrepresented groups. An additional 400 points measure diversity and inclusion actions that improve culture and demonstrate inclusive leadership, for example such as mentoring or sponsoring women or people of color. The scorecard is driving real results. Women's representation increased by 10% at entry and manager levels, more than 20% at the SVP level, and doubled in the company's C-suite.

Example: Accountability
Intel set a goal of "full-representation" by 2020, and earmarked $300 million to achieve their goal. To build accountability, diversity is one of the strategic performance goals that determine 50% of executives' annual cash incentives. In addition, everyone at Intel gets an additional bonus—equal to as much as 7% of the person's total bonus—if the company hits two goals: hiring 40% minorities and women and ensuring that the retention rate of those groups is at least equal to that of white and Asian men. These incentives helped Intel reach its representation goals two years ahead of schedule.

Recommendation 3: Establish Development Programs that Build Relationship Capital, including Sponsorships and Mentoring
· Hold senior leaders accountable for identifying high-potentials and providing them with visibility, stretch assignments, job shadowing, and mentoring
· 56% of all Diversity Best Practices Inclusion Index companies have formal sponsorship programs
· Reward sponsoring behavior of senior leaders with salary and bonus
· Encourage all mentors and sponsors to expand narrow definitions of "readiness" they currently hold

Why It's so Important: Our new research on multicultural women shows:

Multicultural women don't want to work in corporate America.

50% are considering leaving their companies within the next two years and its highest for black women (52%) compared with 40% for white women.
They are frustrated by their race and ethnicity eclipsing their capabilities and skills. This is especially frustrating because they are also the most ambitious, with 55% aspiring to senior roles, 25% more than white women.

What They're Not Getting:
They lack direct support and guidance. More than two-thirds attribute their disenchantment to lack of sponsors, lack of mentors and lack of support from senior men.

Example: Sponsorships for Women
J&J created an enterprise sponsorship program for women and diverse talent. The program has had 100% retention, with 61% of the sponsees either promoted or receiving developmental lateral moves. Sponsorships have helped propel women into leadership positions: 36% of J&J corporate executives are women and 40% of women at J&J have P&L responsibility.

Example: Sponsorships for Women
EY prepares high potential employees to become "sponsor ready" on day one. Through successful mentoring relationships, high performers are aligned with influential executives who serve as sponsors and provide ongoing guidance and support. To ensure accountability, EY monitors promotion rates, representation of women at the partner level, engagement survey scores, and feedback from professional networks. As a result of its sponsorship program, EY has built a strong pipeline of female talent, improved engagement and retention rates of women leaders, and increased the number of women partners.

Recommendation 4: Establish New Work Norms, Challenge Existing Norms, and Reframe how Work Gets Done
·   Build supportive cultures to enable employees to fully utilize flexibility and working from home without fear of career damage. This is not just for parents; it includes everyone, even older workers.
·   Use CEOs and other senior executives who work flexibly as role models

One study found 76% of Millennials would take a pay cut to work for a company that offers flexible office hours (Qualtrics). HBR research found 69% of women who off-ramp would have stayed at their companies if they had flexible work options.

Example: Flexibility and Challenging Norms
Unilever provides inclusive benefits for families, including gender-neutral parental leave, gradual phase-back after leave, and accessible, affordable childcare. The company's agile work environment encourages flexible schedules, remote work, and job shares. These strategies pay off: women are well-represented across all levels at Unilever, and the company exceeds the gold standard of 50% gender balance ratio at the managerial level.

Example: Flexibility and Challenging Norms
Dell's flexible work program, which enables employees to work remotely and at variable hours, has saved the company an average of $12 million annually since 2014 due to reduced office space requirements. The company's flexible policies align with its culture, which prizes trust, accountability, and results over visibility and oversight. Today, nearly 60 percent of employees work flexibly, and the Net Promoter Score of employees who work remotely tends to be 20 percent higher than the score of those who don't.

Recommendation 5: Leverage Employee Diversity for Marketplace Impact
· Use employee-resource groups and diverse employees to connect with customers and community (More than 90% of Diversity Best Practices Inclusion Index companies do this)
· Mandate slates of diverse suppliers for critical vendor roles
· Require key vendors to use diverse suppliers themselves (second-tier supplier diversity)
· Cast a wider net; tap into broader organizations and look at associations and affiliations

Example: Capturing Diverse Markets
Prudential has developed specific niches for marketing insurance products individually to African-American, Asian and Latinx communities and is considered a market leader in reaching those customers. Ties in to strong community efforts in all those communities (and LGBTQ) as well as aggressive supplier diversity programs to build community ties.

Data highlights

- · 44 financial services companies were asked to submit data to Congress
- · Comparison of the data submitted to Congress versus Financial Services Companies that participated in our 2019 Inclusion Index; (Important to note that this is a small sample size)

- Their workforce 51% women vs. 54% ours
- Their workforce 30% people of color vs. 40% ours
- Their boards 27% women 11% black 5% Latinx 1% Asian; Our boards 28% women, 12% blacks, 4% Latinx, 2% Asian
- 43% of them recruit diverse talent vs. 100% of ours
- 36% of them link D&I to performance reviews vs. 78% of ours
- 29% provide D&I training vs. 96% of ours. Most common training is unconscious bias

Examples of other Best Practices - Visible and Invisible Disabilities

- **JPMorgan Chase's Autism at Work program** is focused on recruiting, hiring and supporting individuals on the autism spectrum in key roles within the company, including vice presidents. These employees have consistently demonstrated higher levels of productivity and retention.

- **Accenture's Disability employee resource group** launched a monthly *Walk in My Shoes* lunch and learn series. Each month, up to 150 members join the call, during which a member will share their personal experience with disability. This helped the ERG grow from a handful of members initially to more than 1,700 employees across the country.

- **Microsoft's Autism Hiring Program** attracts and supports talented candidates on the autism spectrum throughout the interview and hiring process. In the new one-week working interview, candidates showcase their unique talents and meet hiring teams while learning about Microsoft as an employer of choice. During the week they are on site, each candidate is supported by a job coach to help them connect with the workforce and prepare for the interview. The approach has led to the successful hiring of more than 100

individuals on the spectrum in a range of tech engineering and data scientist roles.

Bank of America's Disability Advocacy Network (DAN) launched a 12-month series to increase awareness of hidden disabilities. More than 7000 employees registered for sessions and read articles on topics such as learning disabilities, caregiving, unseen physical disabilities and mental health awareness. DAN also co-hosted a suicide prevention awareness event with the American Foundation for Suicide Prevention and National Alliance on Mental Illness. 6,285+ employees joined the broadcast and the company received 28% more calls to the Employee Assistance Hotline as a result.

THE
GENDER GAP
AT THE TOP

AON   JLL   Johnson&Johnson   Prudential   StateFarm

WHAT WE NEED TO DO

For years, we've watched corporations announce programs to help women move into senior positions. We've heard about high potential pipelines, leadership development initiatives, formal mentoring and, more recently, sponsorship. And yet, the numbers don't move—at both Fortune 500 and S&P 500 companies, women are only about 5 percent of CEOs and multicultural women are almost non-existent at the top. While there are many programs in place having an impact, including formal mentoring and sponsorship, change is slow.

Working Mother, and our **NAFE** (National Association for Female Executives) division, are frustrated with this lack of progress. So we decided to find out what was keeping women from moving into the feeder positions for CEO, especially those with Profit & Loss (P&L) responsibilities, and what could be done about it. We reviewed previous studies and noted that there was some data-driven research but it didn't contain any of the "why," the stories behind what is keeping women out of these positions. And while there were many articles and interviews with senior-level women, they didn't contain data to support what they said.

We decided to combine quantitative and qualitative research. We launched a national survey of women (and men) at all levels and followed up with in-depth focus groups of employees at various career stages and interviews with C-suite executives.

The results are staggering. Across the board, junior and mid-level women don't know what opportunities exist for them or how to pursue them, don't understand the benefits of P&L experience, don't understand the importance of networking, mentoring and sponsorship, and are afraid to take risks in the form of job opportunities when they don't have all the skills required.

We have gone further than just identifying what's wrong. We have spoken with many people across various levels in corporate America to reveal solutions that both the women and the corporations need to undertake if this deficit is to be solved.

This research is just the beginning. While we did pull out information for multicultural women in this report, in 2020 we are going to dive even deeper into the particular challenges they face, and break it down specifically by race and ethnic group. And, in 2021, we are planning to examine the global challenges of getting women to the top.

Subha V. Barry
President
Working Mother Media

Why This Research

Much has been said in recent years about the lack of women at the top of corporate America. Despite the introduction of programs and initiatives designed to move women up, the reality is that the CEO and C-suite numbers—and in the pipeline—are stagnant. And they are even worse for multicultural women.

This Working Mother Research Institute project takes a comprehensive look at the experiences of women—and men—at all levels of corporations to ascertain what perceptions and realities are keeping them out of the highest ranks and to offer real solutions to close the gap. Our extensive data is both quantitative and qualitative. Key findings, detailed in this report, show women have fewer positive experiences in the workplace than men and that this reality begins early in their careers. These deficiencies are especially significant for multicultural women.

CONSIDER

Only 5%
of CEOs of S&P 500 companies are women[1]

At S&P 1000 companies,
94% of CEOs are men[2]

About 24%
of C-suite positions at S&P 500 companies are held by women[2]

Women in management positions, 2017

White women
32.5%

Latinas/Hispanic women
4.1%

Black women
3.8%

Asian women[3]
2.4%

A Korn Ferry survey of the 1,000 largest U.S. corporations showed women holding 25% of C-suite positions, up from 23% in 2018. **But most of those spots were as chief of Human Resources and only 6% of CEOs were women.**[4] Research by IBM shows this is a "top of the house" problem, with many organizations giving lip service to advancing women but addressing the issue haphazardly and ineffectively. "Organizations are over-relying on 'good intentions' and applying a laissez-faire approach to diversity, rather than applying the disciplined focus on operational execution they apply to other aspects of organizational performance. Most predict it will take generations before gender-diverse leadership is achieved in their industries."[5]

The big question is: Despite the prevalence of corporate programs to promote women, why are these numbers not trending upward more quickly? *Our research unveils four main gaps still unaddressed*

- awareness/knowledge by women of what's needed to move up and what opportunities exist

- ability to build relationship capital

- confidence in oneself and willingness to take risks

- corporate cultures that "walk the talk" of accountability in creating opportunities for women

1) "Pyramid: Women in S&P 500 Companies," Catalyst, 2018
2) "Women CEOs Speak," Korn Ferry Institute, 2017
3) "Quick Take: Women in Management," Catalyst 2018
4) "Women C-Suite Ranks Nudge Up—A Tad," Korn Ferry Institute, 2019
5) "Women, Leadership and the Priority Paradox," IBM 2019

METHODOLOGY

In October 2018, a nationally representative sample of 3,038 professionals— 2,289 women and 749 men—was conducted across race/ethnicity and levels of experience with more than 100 questions detailing demographics, aspirations, career progress and derailing factors. There was an even distribution of respondents in their early, middle and late career as well as at varying levels—36% professional/technical non-managers, 25% first-/second-level managers and 8% executives (including 200 C-suite executives). Forty-one percent of respondents had profit-and-loss (P&L) responsibility.

We defined P&L as having responsibility that involves monitoring the net income after expenses for a department or entire organization, with direct influence on how company resources are allocated.

Of total respondents, 79% were white, while 20% were multicultural and 1% did not answer. Respondents represented 24 industries, including accounting, financial services, healthcare, manufacturing, non-profits, pharmaceuticals, professional services and technology.

We followed up the quantitative research with eight in-person focus groups and six executive interviews conducted by WFD Consulting, giving us extensive qualitative and experiential information to better understand the context for the data. Working Mother Research Institute also did one-on-one interviews with four C-suite executives (three women, one man) about their experiences.

Key Findings | 4 Critical Gap Areas

The research identified four major areas that are impacting women's desire and ability to reach the top of their organizations.

Awareness/ Knowledge Gap

Women are less likely than men to have a clear vision of how they want their careers to advance, including acquiring P&L experience, and most men underestimate the barriers women face. A significant percentage of women do not understand nor have access to information about career paths that lead to C-suite positions. They're unaware of what steps are required for vertical movement and whether they are considered high potential or C-suite material. Many don't even realize there are training and development programs, career guidance, mentoring and sponsorship programs available to them

■ *For example, 48% of men say they have received detailed information on career paths to P&L jobs in the past 24 months vs. just 15% of women*

Relationship Capital Gap

Far more men than women recognize the critical importance and benefits derived from networking, mentoring and sponsorship in elevating one's personal profile, developing one's brand and finding allies to help move up. And with multicultural women, the negative impact of the gap is even more significant. The lack of relationship capital is evident by the fact that fewer women are encouraged to consider P&L roles

■ *For example, 54% of men had a career discussion with their mentor or sponsor in the past 24 months vs. just 39% of women*

Career Aspiration/ Risk-Taking Gap

The importance of being able to visualize oneself at the top, to seek role models and to be encouraged cannot be overestimated. Some women are afraid to take on stretch assignments or new positions unless they feel they already have all the qualifications. There are not enough role models for women to help visualize themselves in those roles. Consequently, there are too few senior executive women who can provide coaching, mentoring and sponsorship for more junior women

■ *For example, 59% of men aspire to be CEO vs. 40% of women*

Culture Gap

Real implementation—and holding people accountable to drive measurable results—is rare. Companies are checking the boxes with diversity programs, especially those aimed at advancing women. The business case for diversity must assume the same degree of importance in the C-suite as market share and bottom line

■ *Of those who never had a P&L position but may want one, 64% of women see a male-dominated culture as an obstacle vs. 21% of men*
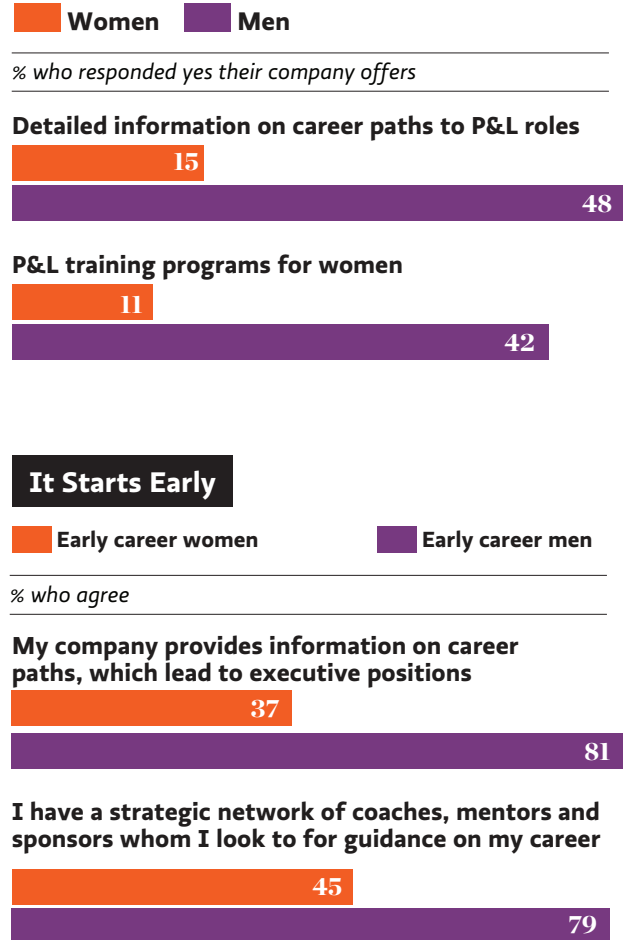
Awareness/Knowledge Gap

KEY DATA FINDINGS

Perceptions

■ Women ■ Men

% who agree

I have the same opportunity to advance as anyone in my company
- Women: 60
- Men: 74

I am satisfied with how my career is progressing
- Women: 65
- Men: 78

My company provides information on career paths, which lead to executive positions
- Women: 37
- Men: 64

I have a strategic network of coaches, mentors and sponsors whom I look to for guidance on my career
- Women: 41
- Men: 62

Knowledge of Advancement Programs

■ Women ■ Men

% who responded yes their company offers

Detailed information on career paths to P&L roles
- Women: 15
- Men: 48

P&L training programs for women
- Women: 11
- Men: 42

It Starts Early

■ Early career women ■ Early career men

% who agree

My company provides information on career paths, which lead to executive positions
- Early career women: 37
- Early career men: 81

I have a strategic network of coaches, mentors and sponsors whom I look to for guidance on my career
- Early career women: 45
- Early career men: 79

- 77% of women say a **top barrier to gender equity** is lack of information on how to advance

- 78% of women without P&L experience cited their own **lack of understanding of P&L career paths as top obstacle**

- 74% of women agree they understand what's needed to advance in their company, but **only 37% said their company provided information about career paths**

- 28% of women vs. 53% of men **participated in a leadership** development program in the past 24 months
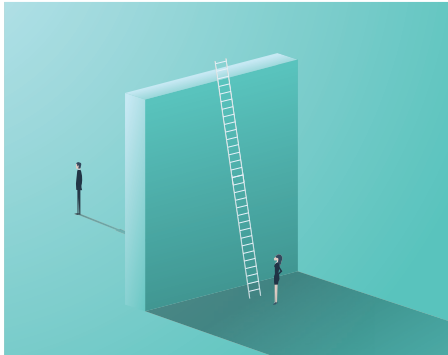
- 39% of women vs. 54% of men **had a career discussion with their mentor** in the past 24 months

- 14% of women vs. 46% of men have been **encouraged to consider P&L roles**

Awareness/Knowledge Gap

OUR RESPONDENTS TELL US

Processes for identifying high potentials and succession planning are not transparent

"It's not always clear what the advancement opportunities really are. Senior positions don't get posted. You kind of hear about opportunities informally when people know who they want."
SENIOR LEVEL

Few women executives had a long view of where they wanted to go with their careers. It was more common that they focused on hard work and raising their hands to take on challenges

"Men don't feel like they need to know everything before going for a different opportunity, but women often do. We second-guess our capabilities."
SENIOR-LEVEL WOMAN

Finding out about open jobs often depends more on relationships and personal initiative than posting. There is still a perception, especially by women, that it's who you know, not what you know

"Managers may not be telling people what skills are needed to pull them up and prepare them for success."
EARLY CAREER

Calculated risk-taking and knowing when to ask permission versus when to act are essential skills for leadership

"There is no clear written path or checklist. It is very subjective."
MID-CAREER WOMAN

Gaining broad knowledge of the business beyond one's core area of expertise was identified as a key experience for those aspiring to leadership
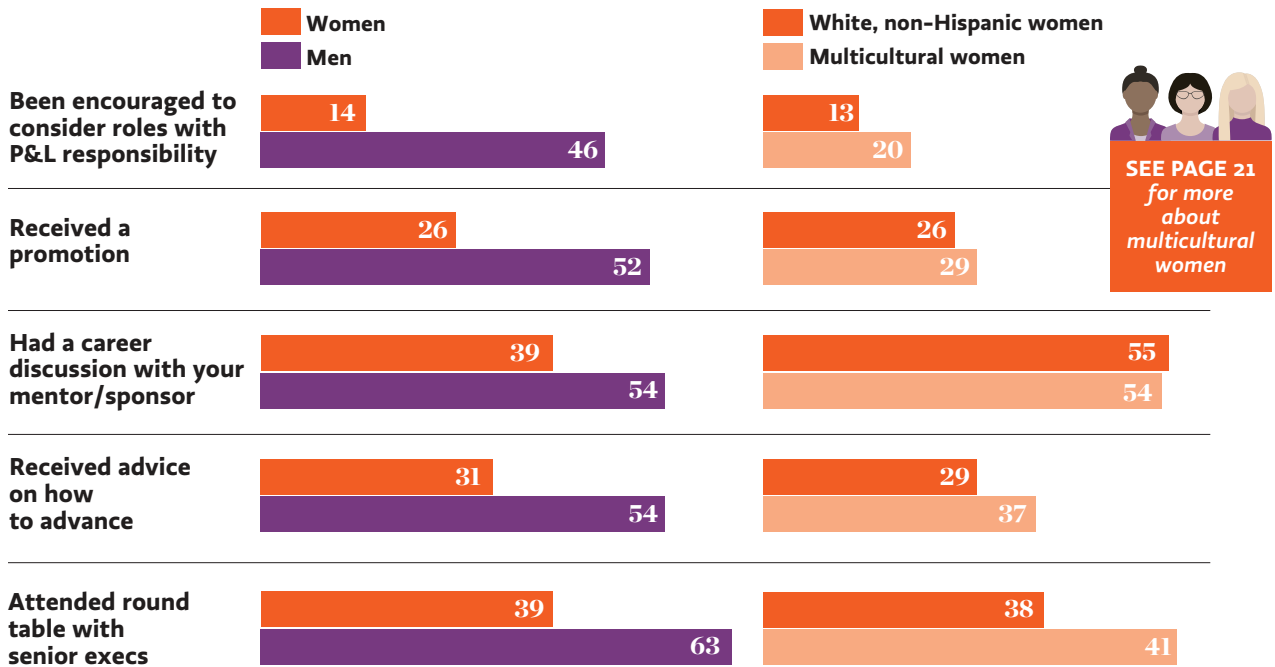
Relationship Capital Gap
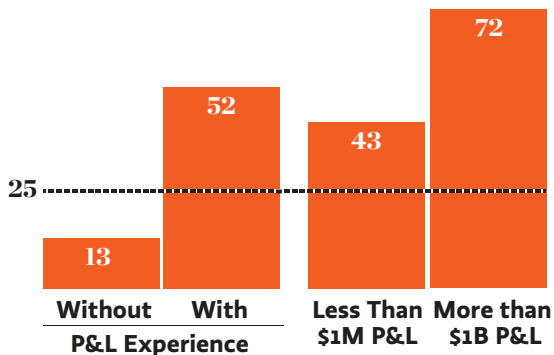
KEY DATA FINDINGS

Positive Reinforcement/Support
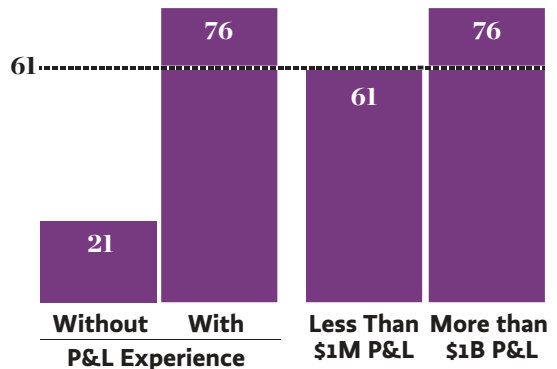
In the past 24 months, % who had the following

Women
Men

White, non-Hispanic women
Multicultural women

SEE PAGE 21 *for more about multicultural women*

Been encouraged to consider roles with P&L responsibility
Women: 14
Men: 46
White, non-Hispanic women: 13
Multicultural women: 20

Received a promotion
Women: 26
Men: 52
White, non-Hispanic women: 26
Multicultural women: 29

Had a career discussion with your mentor/sponsor
Women: 39
Men: 54
White, non-Hispanic women: 55
Multicultural women: 54

Received advice on how to advance
Women: 31
Men: 54
White, non-Hispanic women: 29
Multicultural women: 37

Attended round table with senior execs
Women: 39
Men: 63
White, non-Hispanic women: 38
Multicultural women: 41

Encouragement Matters

% who were encouraged to seek out opportunities with P&L responsibilities

WOMEN

Without P&L Experience: 13
With P&L Experience: 52
Less Than $1M P&L: 43
More than $1B P&L: 72
(reference line: 25)

MEN

Without P&L Experience: 21
With P&L Experience: 76
Less Than $1M P&L: 61
More than $1B P&L: 76
(reference line: 61)

Relationship Capital Gap

KEY DATA FINDINGS

Mentoring/Sponsorship Gaps Across Industries

% who said their company offers a formal sponsorship program for women (total – both men and women)

Acccounting
24

Financial Services
33

Consumer Goods/Manufacturing
20

Federal/State Government
13

Healthcare
10

Insurance
13

Management Consulting/Professional Services
23

Life Science/Pharma
13

Non-profit
5

Technology
51

- **41%** of women vs. **62%** of men have a strategic network of coaches, sponsors and mentors

- Exposure through sponsorship, stretch assignments and cross-functional roles were key factors in learning about and acquiring leadership opportunities

- Women with P&L responsibility are more likely to have a strategic network than women without **(55% vs. 34%)**

- Men are **three times as likely to have been encouraged** to consider a P&L role and **twice as likely to have received a promotion** in the past 24 months

- **56%** of women executives had a career discussion with a mentor/sponsor vs. **66%** of men executives

- **78%** of women who were encouraged to consider P&L roles agreed they had the necessary skills for a P&L role vs. **40%** of women who were not encouraged

- **80%** of women who were encouraged to consider P&L roles felt they would be successful in the role vs. **51%** of women who were not encouraged

- Multicultural women are **more likely than white women** to be encouraged to consider P&L roles

SEE PAGE 21 *for more about multicultural women*
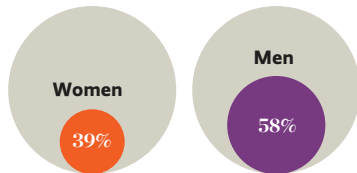
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Relationship Capital Gap

KEY DATA FINDINGS

Across Industries and Job Functions

In the past 24 months, % who received the following:

ADVICE FROM MENTORS/SPONSORS

Received advice on how to advance

Women **39%** Men **58%**

	Women	Men
Consumer Goods/Manufacturing	36	55
Finance	37	53
Financial Services	45	63
HR	45	76
IT	50	66
Legal	21	43
Mgmt. Consulting/Prof. Services	39	56
Manufacturing	35	51
Marketing/PR/Communications	34	69
Sales	35	38
Technology	48	72

Had a career discussion with your mentor/sponsor

Women **45%** Men **58%**
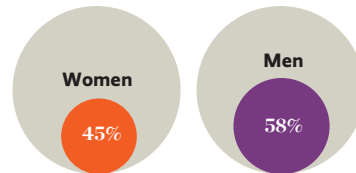
	Women	Men
Consumer Goods/Manufacturing	48	57
Finance	38	57
Financial Services	49	62
HR	52	59
IT	54	66
Legal	30	50
Mgmt. Consulting/Prof. Services	44	60
Manufacturing	37	51
Marketing/PR/Communications	49	63
Sales	43	45
Technology	51	67

GUIDANCE FROM MANAGERS

Had a career discussion with your manager

Women **61%** Men **64%**
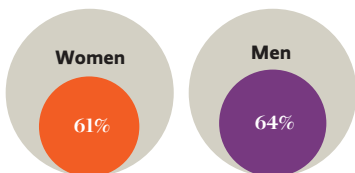
	Women	Men
Consumer Goods/Manufacturing	62	58
Finance	60	69
Financial Services	66	78
HR	58	65
IT	73	72
Legal	55	43
Mgmt. Consulting/Prof. Services	55	56
Manufacturing	50	60
Marketing/PR/Communications	58	63
Sales	61	64
Technology	69	74

Been given feedback on how to improve performance

Women **66%** Men **75%**
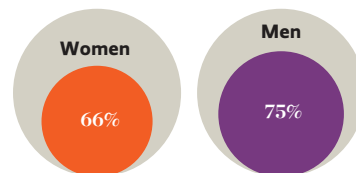
|	Women	Men
Consumer Goods/Manufacturing	68	72
Finance	65	74
Financial Services	66	77
HR	70	78
IT	71	79
Legal	51	64
Mgmt. Consulting/Prof. Services	69	80
Manufacturing	61	73
Marketing/PR/Communications	69	74
Sales	62	70
Technology	75	81

Relationship Capital Gap

OUR RESPONDENTS TELL US

Relationships are key to finding advancement opportunities

Strategic networks teach the unwritten rules of the corporate culture

Mentors are invaluable in providing advice and support

One's advancement is often disrupted when a supportive manager moves on
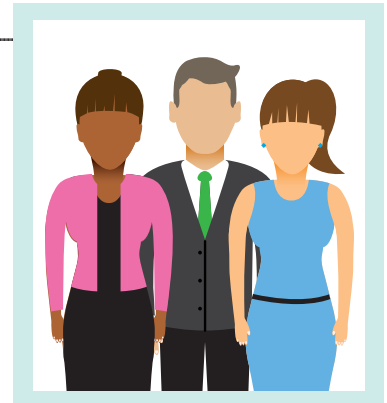
"I see mentorship as high-touch. Sponsorship can occur more at a distance. Mentorship takes a more intimate role, and you need all three: one who knows the business well, someone who knows the organization well and someone who keeps it real who can say to you, 'You know in that meeting, you were not at your best.' Or it helps you readjust your attitude at times."
SENIOR-LEVEL WOMAN

There are many job opportunities, but learning about them depends on who is in your network and how connected your manager is

Some companies have robust job-posting systems, but learning about opportunities depends more on relationships and personal initiative

More and more, employees are in charge of their own careers and must create their own strategic networks. They must be visible to people across the enterprise so that when opportunities arise, their names are offered up in conversation

Mentors provide invaluable advice and support in many areas—business acumen, communication skills, leadership skills, promoting visibility, coaching on difficult situations, mapping out a career path, work/life challenges and providing a confidential sounding board

As people advance, they have fewer mentors

Most promotions and new positions come through connections or people they know rather than the job-posting process or formal job applications

Employee resource groups (ERGs) help build relationships, broaden business knowledge and gain visibility. As women advance, the ERG shifts from a resource for personal development to a leadership opportunity to develop others

To reach the highest levels, you need a sponsor who advocates for you when you are not in the room. They "pull you up" by opening doors, encouraging stretch assignments, promoting visibility and advocating for you at critical times

"People have the secret decoder ring, but they aren't going to tell you what is in it. You have to be pretty attuned to politics and relationships."
MID CAREER

"You can go from any client-facing to HR role and get back to client-facing if you have someone supporting you and have a good personal brand."
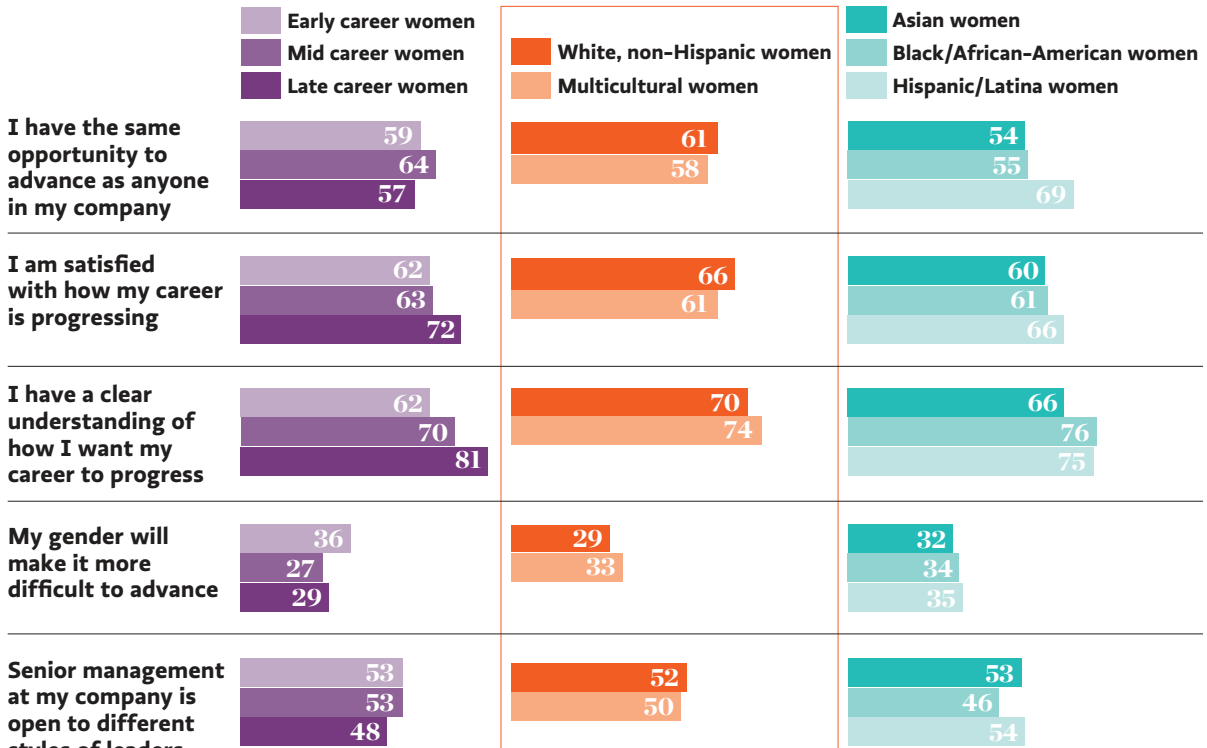**EARLY CAREER**

Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Different aspirations at different times

% who agree

■ Early career women		■ Asian women
■ Mid career women	■ White, non–Hispanic women	■ Black/African–American women
■ Late career women	■ Multicultural women	■ Hispanic/Latina women

I have the same opportunity to advance as anyone in my company
- Early career women: 59
- Mid career women: 64
- Late career women: 57
- White, non–Hispanic women: 61
- Multicultural women: 58
- Asian women: 54
- Black/African–American women: 55
- Hispanic/Latina women: 69

I am satisfied with how my career is progressing
- Early career women: 62
- Mid career women: 63
- Late career women: 72
- White, non–Hispanic women: 66
- Multicultural women: 61
- Asian women: 60
- Black/African–American women: 61
- Hispanic/Latina women: 66

I have a clear understanding of how I want my career to progress
- Early career women: 62
- Mid career women: 70
- Late career women: 81
- White, non–Hispanic women: 70
- Multicultural women: 74
- Asian women: 66
- Black/African–American women: 76
- Hispanic/Latina women: 75

My gender will make it more difficult to advance
- Early career women: 36
- Mid career women: 27
- Late career women: 29
- White, non–Hispanic women: 29
- Multicultural women: 33
- Asian women: 32
- Black/African–American women: 34
- Hispanic/Latina women: 35

Senior management at my company is open to different styles of leaders
- Early career women: 53
- Mid career women: 53
- Late career women: 48
- White, non–Hispanic women: 52
- Multicultural women: 50
- Asian women: 53
- Black/African–American women: 46
- Hispanic/Latina women: 54

Unsure of Career Advancement

■ Women   ■ Men

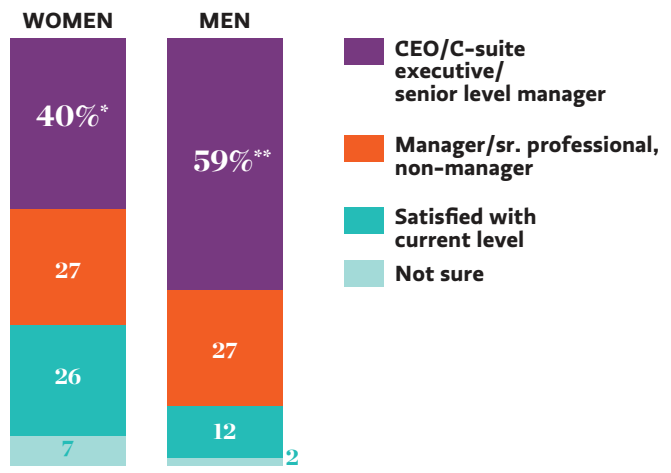**Unsure or satisfied with current level**
- Women: 33
- Men: 14

Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Who wants to be CEO?

What is the highest level to which you aspire in your career?

WOMEN

- 40%*
- 27
- 26
- 7

MEN

- 59%**
- 27
- 12
- 2

Legend:
- CEO/C-suite executive/ senior level manager
- Manager/sr. professional, non-manager
- Satisfied with current level
- Not sure

* 42% of women who work at companies with less than 1,000 employees; 38% of women who work at companies with 10k or more
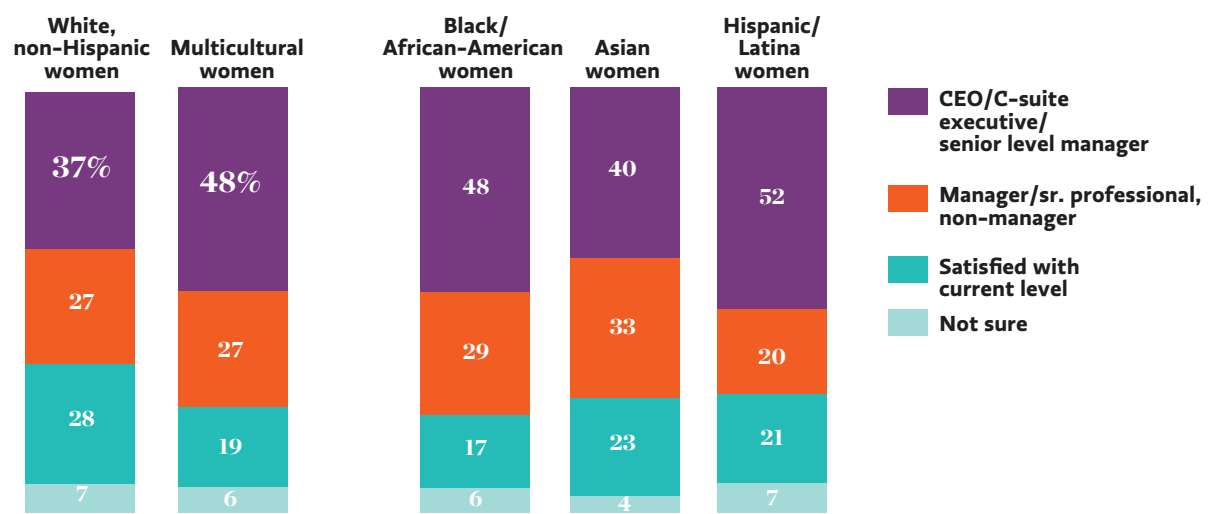
** 63% of men who work at companies with less than 1,000 employees; 55% of women who work at companies with 10k or more

% who aspire to CEO

Legend: Women | Men

- 1st-level managers: Women 6%, Men 13%
- Executives: Women 39%, Men 40%
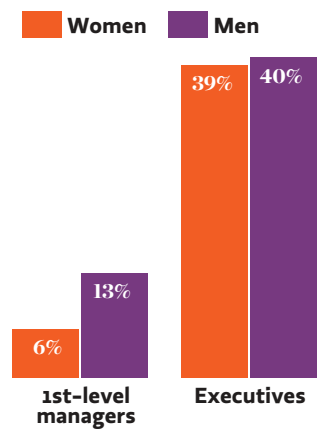
Multicultural women have higher aspirations

What is the highest level you aspire to in your career?

White, non-Hispanic women
- 37%
- 27
- 28
- 7

Multicultural women
- 48%
- 27
- 19
- 6

Black/ African-American women
- 48
- 29
- 17
- 6

Asian women
- 40
- 33
- 23
- 4

Hispanic/ Latina women
- 52
- 20
- 21
- 7

Legend:
- CEO/C-suite executive/ senior level manager
- Manager/sr. professional, non-manager
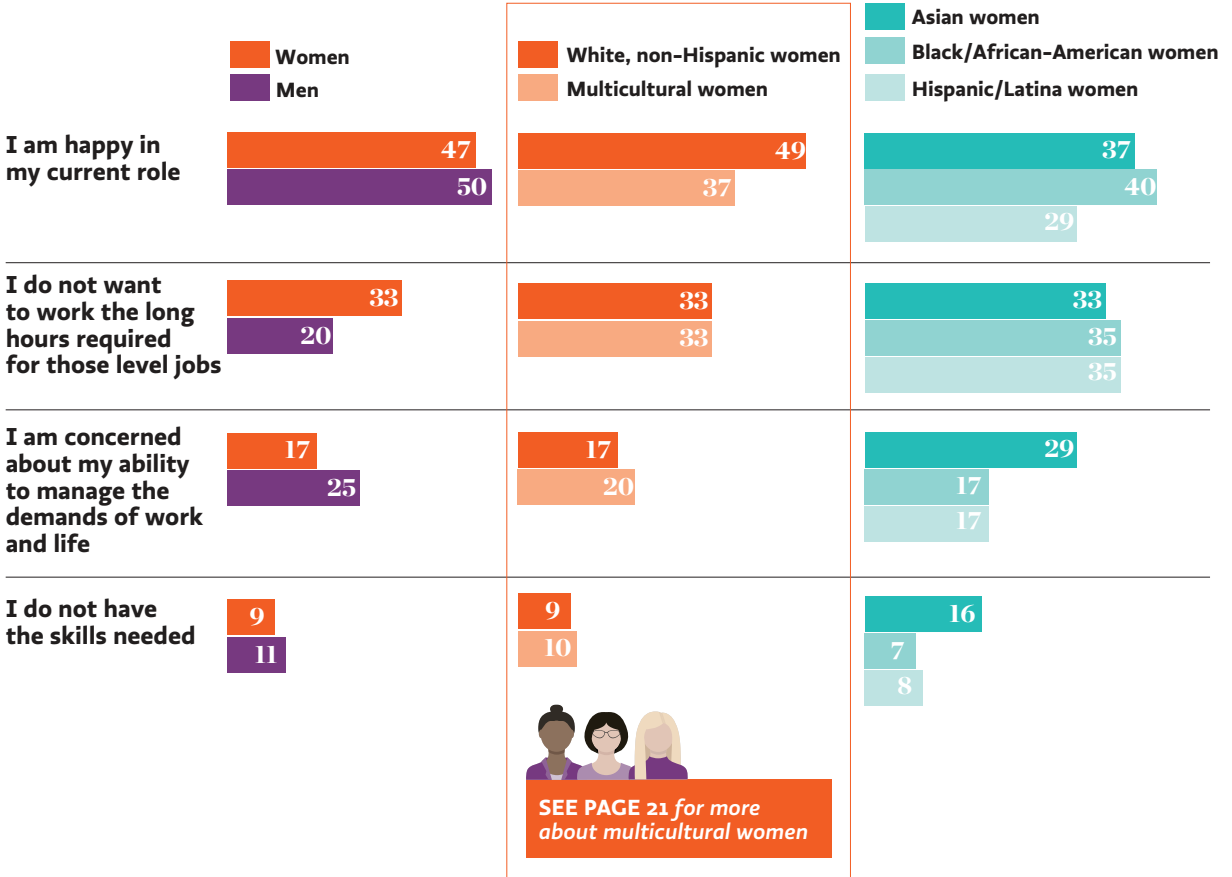- Satisfied with current level
- Not sure

Career Aspiration/Risk–Taking Gap

KEY DATA FINDINGS

What's keeping them from trying

Primary reasons you are not interested in being a CEO, C-suite member, executive or senior manager

Women
Men

White, non–Hispanic women
Multicultural women

Asian women
Black/African–American women
Hispanic/Latina women

I am happy in my current role
- Women: 47
- Men: 50
- White, non–Hispanic women: 49
- Multicultural women: 37
- Asian women: 37
- Black/African–American women: 40
- Hispanic/Latina women: 29

I do not want to work the long hours required for those level jobs
- Women: 33
- Men: 20
- White, non–Hispanic women: 33
- Multicultural women: 33
- Asian women: 33
- Black/African–American women: 35
- Hispanic/Latina women: 35

I am concerned about my ability to manage the demands of work and life
- Women: 17
- Men: 25
- White, non–Hispanic women: 17
- Multicultural women: 20
- Asian women: 29
- Black/African–American women: 17
- Hispanic/Latina women: 17

I do not have the skills needed
- Women: 9
- Men: 11
- White, non–Hispanic women: 9
- Multicultural women: 10
- Asian women: 16
- Black/African–American women: 7
- Hispanic/Latina women: 8

SEE PAGE 21 *for more about multicultural women*

Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Path to P&L

% with P&L experience who agree

- **Women** (orange)
- **Men** (purple)

I always knew I wanted a role with P&L responsibility

- Women: 37
- Men: 72

It was a deliberate part of my career succession plan to gain P&L experience

- Women: 50
- Men: 75

I started my career in a sales position

- Women: 38
- Men: 62

Women with P&L get more support

% who have experienced the following in the past 24 months

Been encouraged to consider roles with P&L responsibility

- 5 Women without P&L
- 36 Women with P&L

Women with P&L have better job experiences

% who agree

I am satisfied with how my career is progressing

- Women without P&L: 63
- Women with P&L: 71

My job is challenging

- Women without P&L: 69
- Women with P&L: 79

Aspire to senior positions with P&L experience

What is the highest level to which you aspire in your career?

Women with P&L experience
- 64%
- 22
- 12
- 3

Men with P&L experience
- 71%
- 23
- 6
- 1

Women without P&L experience
- 29%
- 30
- 32
- 9

Men without P&L experience
- 33%
- 38
- 26
- 3

Legend:
- **CEO/C-suite executive/senior level manager** (purple)
- **Manager/sr. professional, non-manager** (orange)
- **Satisfied with current level** (teal)
- **Not sure** (light teal)
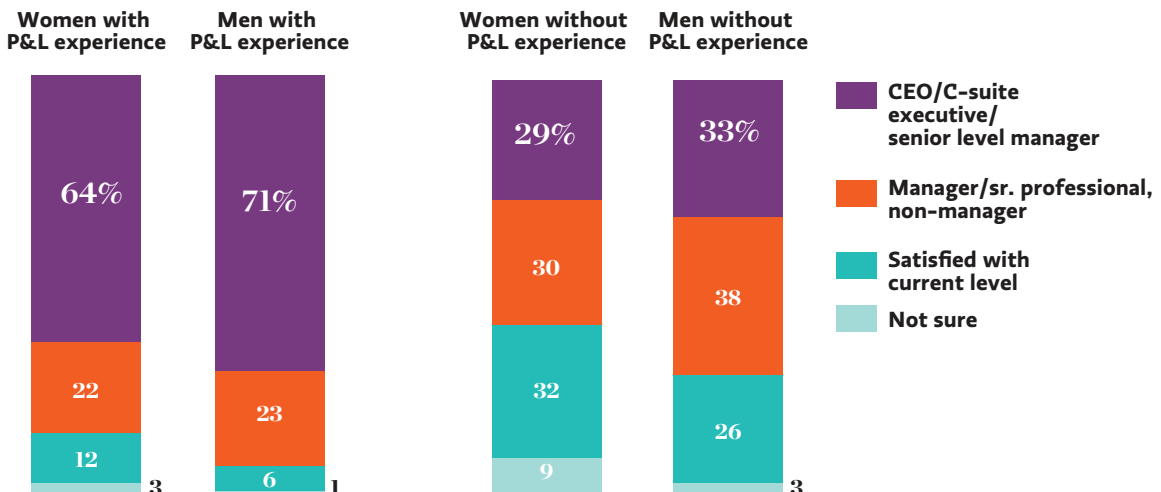
Career Aspiration/Risk-Taking Gap

KEY DATA FINDINGS

Are you interested in a role that has P&L responsibility?

Legend:
- No (purple)
- Unsure (orange)
- Yes (teal)

Category	No	Unsure	Yes
Women	63	26	11
Men	50	23	27
White, non–Hispanic Women	65	25	10
Multicultural women	55	31	14
Early Career Women	51	35	14
Mid Career Women	61	26	14
Late Career Women	77	18	4
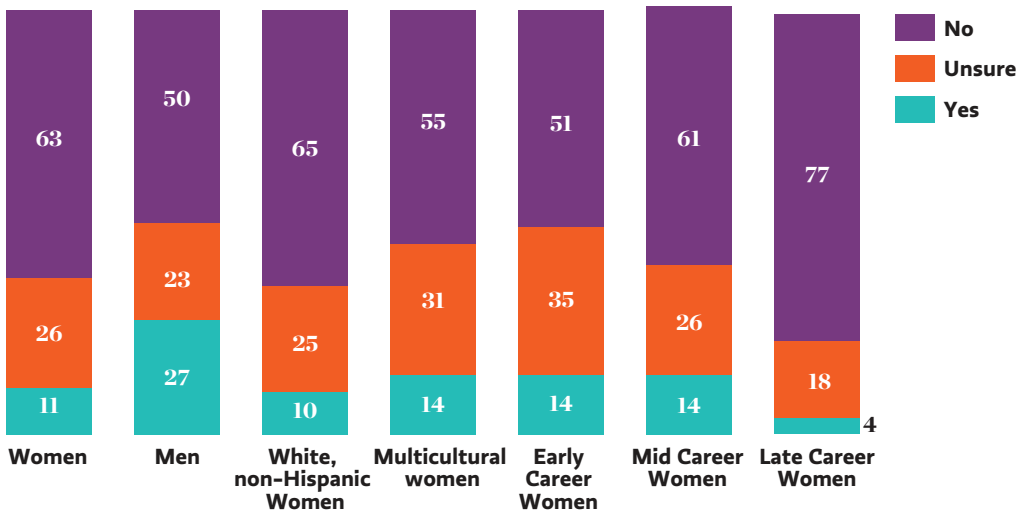
Responses only for those who did not have P&L experience

Legend: Women (orange), Men (purple)

Have you expressed your interest in P&L to your manager or mentor/sponsor?

	No
Women	81
Men	65

74% multicultural women said no

Their manager is the most likely person to tell and to encourage them

Has your manager or mentor/sponsor encouraged you to pursue a P&L position?

	No
Women	85
Men	70

83% multicultural women said no

Career Aspiration/Risk-Taking Gap

OUR RESPONDENTS TELL US
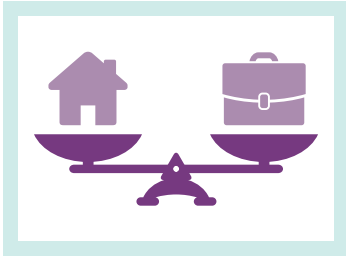
Leaders made work/life tradeoffs to continue to advance their careers. Success factors include manager support, availability of flexible work options, work/life policies and results/productivity focus

Leaders felt that for high performers with proven track records and visibility, there were periods when it was possible to slow down for family reasons and then accelerate again on the advancement track. However, the few exceptional people who make it to CEO have to make more tradeoffs

High performers observe early in their careers that there are few top leadership positions and limited opportunities for advancing to feeder positions unless they have a senior leader identify their capabilities and pull them up

Performance-management systems with forced rankings discourage talented individuals

Being able to visualize yourself in the role is key—6% of female first-level managers aspire to be CEO vs. 39% of female executives

- Men were twice as likely as women to aspire to CEO **(20% vs. 9%)**

- **40%** of women want to be executives compared to **59%** of men

- Women are much more likely to receive advice early in their career. For example, in the past 24 months, **62%** of early-career women had career discussions with their managers vs. **45%** of late-career women. For early-career women, **16%** were encouraged to consider P&L responsibilities vs. **8%** of late-career women

- Multicultural women are **more than twice as likely to aspire to be CEO** and less likely to be satisfied with their current level than white women

- Black and Hispanic women are more likely to aspire to CEO than Asian women

- **14%** of women were encouraged to consider P&L roles in the past 24 months vs. **46%** of men

Culture Gap

KEY DATA FINDINGS

P&L Experience

% with P&L experience

Women

| 31 |

4.9 avg years in P&L position

$94.8K personal income*

**74% white, not of Hispanic origin/
26% multicultural**

**Top two industries:
Other, Healthcare**

*Avg. income women with no P&L experience: $76.4k

Men

| 71 |

5.3 avg years in P&L position

$145.1K avg. personal income**

**85% white, not of Hispanic origin/
15% multicultural**

**Top two industries:
Technology, Other**

** Avg. income men with no P&L experience: $109.2K

Size of P&L

■ **Women**   ■ **Men**

Between $100M, but less than $1B	$1B or more
Women: 7, Men: 18	Women: 4, Men: 11
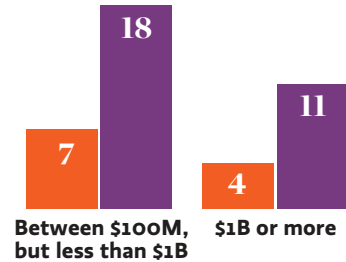
Importance of P&L

Our focus-group participants agreed that business and financial acumen are critical skills for leaders and those aspiring to leadership. Those in matrix organizations express frustration with having responsibility for results without control over inputs. Some commented that it is possible to acquire valuable analytical skills in roles other than P&L, and virtually all agreed technology skills are critical

WHAT THEY SAID ABOUT P&L

"To make business decisions based on projections and trends, you have to be able to analyze what has happened in the past and make good predictions and decisions for the future." MID-CAREER WOMAN

"P&L is highly important, but deep-business knowledge also is critical. Can you hold your own?" MULTICULTURAL WOMAN

"I liked having P&L ownership because success is clearly defined." MID-CAREER WOMAN

"Create more opportunities for people from different parts of the business to get P&L exposure and experience in rotational and stretch assignments for those aspiring to take on any leadership roles." SENIOR-LEVEL WOMAN

"Having an understanding outside our own part of the business is really important. Earlier in my career, my manager suggested I ask people to lunch to learn about what they do and learn more about other opportunities." EARLY-CAREER WOMAN

Culture Gap

KEY DATA FINDINGS

What Gets in the Way?

% selecting

Never held a P&L role, interested or unsure of interest

■ **Women**
■ **Men**

■ **White, Non-Hispanic Women**
■ **Multicultural Women** - - - - - - - - - - - →

SEE PAGE 21 *for more about multicultural women*

Lack of training
Women: 80
Men: 69

Lack of a sponsor
White, Non-Hispanic Women: 73
Multicultural Women: 83

Lack of information on available jobs
Women: 78
Men: 59

Lack of a mentor
White, Non-Hispanic Women: 73
Multicultural Women: 81

Lack of understanding about the career path for P&L responsibility
Women: 78
Men: 67

Stereotypes about who would do well in a P&L role
White, Non-Hispanic Women: 59
Multicultural Women: 72

Male-dominated culture
Women: 64
Men: 21

Bias about my gender
Women: 54
Men: 19

Culture Gap

KEY DATA FINDINGS

What Slows Women's Progress

80% of women who aspire to senior executive positions agree that P&L experience is critical for company executives

YET ONLY:

62%*	*agree they would be successful in a P&L role*
45%*	*agree they need P&L experience for their career goals*
28%*	*have been encouraged to get P&L experience*
28%*	*agree their company provides information on P&L career paths*
26%*	*agree they know how to get P&L experience*

* Percentages are for women who aspire to senior manager roles – not all women

What Slows Multicultural Women's Progress

48% of multicultural women aspire to senior executive positions

75% of multicultural women agree P&L experience is a critical skill for company executives

YET ONLY:

52%*	*agree they would be successful in a P&L role*
44%*	*agree they need P&L experience for their career goals*
32%*	*agree their company provides information on P&L career paths*
29%*	*have been encouraged to get P&L experience*
28%*	*agree they know how to get P&L experience*

* Percentages are for all multicultural women, regardless of experience

SEE PAGE 21 *for more about multicultural women*

- The **top obstacles for women** cited by survey respondents were lack of training, lack of information about jobs, and understanding career path

- C-suite men see lack of skills/training, lack of role models and stress as being larger obstacles than do C-suite women

- **51%** of women vs. **69%** of men agree senior management is open to different styles of leaders

- Men were **more than twice as likely to have P&L experience,** and their average income was significantly higher than women's

Culture Gap

OUR RESPONDENTS TELL US

Lack of diverse leaders discourages younger talent from joining companies

"I think the bar is higher for women of color, even more than white women. We have to work harder. It keeps coming back. There is a real difference in expectations."
MULTICULTURAL WOMAN

Unconscious bias is alive and well

Women feel there is a different performance standard for them. Women feel they have to be more qualified and demonstrate they already can do the job. This is even more true for multicultural women

Success often depends on one's immediate manager. If senior leadership doesn't believe strongly in the business case for diversity, this trickles down to lower levels of management

Soft skills, such as emotional intelligence, collaboration and relationship management, are seen as essential for leadership but may not always be top of mind

Companies may be losing valuable talent from lack of a clear process or clear communications

Employees see fewer gender differences among younger Millennial talent than in Gen X and Baby–Boomer groups

The old boys' club still exists and impacts hiring and promotion decisions, access to valuable informal socializing, sexual harassment, mentoring and sponsorship, and forming relationships based on common interests

"There are unwritten rules. You have to know that you're in a game, and you have to choose how you're going to play."
MULTICULTURAL WOMAN

Many women and people of color have demonstrated management and leadership skills in their communities, but these are not recognized when they are recruited or after they have been in the workplace

"Travel is an obstacle and whether I want to move. Everything here is headquarters-centric and there is nowhere else to advance."
SENIOR-LEVEL WOMAN

Culture Gap

OUR RESPONDENTS TELL US

Women want to be judged on their results without preconceptions about their personal lives. Several women have husbands who downshifted their careers to support the acceleration of the wife's career. Others had extensive paid help

"There is a moment that is really hard for women and families. But if you can just help women get past that pain point, they can move forward. It's important,"
SENIOR-LEVEL WOMAN

"When I had my first child, a month later I had a work trip and didn't feel like I was ready. I went to my boss and said I couldn't really leave my son. My boss said to just take your son, take your nanny, do whatever you need to do. I never really considered leaving after that because it feels like a partnership."
SENIOR-LEVEL WOMAN

Work/life policies are not sufficient if they aren't part of the culture and are inconsistently applied

Multicultural Women (MCW)

(WMRI plans a more in-depth look at what's keeping multicultural women from the top in 2020).

6% of MCW were executives,

the same percentage as white women, but MCW were **more likely** to be part of their company's **C**-suite *(81% vs. 75% white women)*

MCW were

twice as likely as white women to work in IT

MCW were almost

30% more likely to begin their career in sales

▶ *(45% vs. 35% white women)*

MCW were

twice as likely to aspire to be a CEO

▶ *(17% vs. 7% white women)*

P&L

MCW were 20% more likely to have P&L experience *(36% vs. 30% white women)*

MCW were **more likely** to say they always knew they wanted a P&L role

Multicultural women	45%
White women	34%
Black women	49%
Asian women	46%
Hispanic women	42%
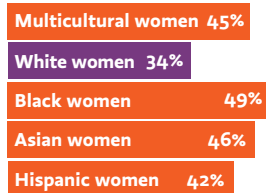
MCW were **more deliberate** about making P&L a part of their career plan

Multicultural women	56%
White women	49%
Asian women	61%
Black women	55%
Hispanic women	61%
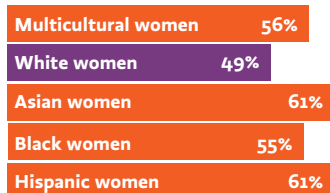
MCW who had P&L experience were almost **20% more likely** to say they had been encouraged to take P&L roles

Multicultural women	62%
White women	53%

MCW who left a P&L role were almost twice as likely to return

46%	**Multicultural women**
21%	**White women**

MCW who never worked in P&L were **40% more interested** in a P&L role

14%	**Multicultural women**
10%	**White women**

- However, 28% said they didn't know how to get the experience

---

MCW were more likely to say stereotypes about who would do well in a P&L role was an obstacle

Multicultural women	72%
White women	59%

MCW were **almost 2x as likely** to express interest in a P&L role to their manager, mentor or sponsor

26%	**Multicultural women**
16%	**White women**

Results based on 488 multicultural women (104 Asian, 232 black, 100 Hispanic, 52 other)
Career Breakdown: 39% Early, 36% Mid, 24% Late
Avg. Age: 37.9 (slightly younger than white women, who were 42.1.)

C-Suite Profiles

Cary Grace
CEO, Global Retirement & Investment, Aon

HER STORY

Growing up in an inclusive community gave Cary Grace confidence to explore what is possible. Born on a U.S. naval base in Quantico, Virginia, she was the second of four children of a dentist and operating-room nurse. Her father left the Navy, and the family was among the early residents of the nation's first planned housing community by The Rouse Company in Columbia, Maryland, where life was designed around self-contained villages.

"I really grew up in a community dedicated to fostering the best in human values," says Grace. "I had a very strong feeling of inclusion and people thinking about how to be their best selves."

Her experiences helped her pursue a career in business after receiving an MBA from the Kellogg School of Business at Northwestern University. "Early on, I wanted to be an architect because I like to build things and am good with numbers," she says. "But finance was an even better combination of those skills. I wanted to make enough money to pay my bills. I didn't have a specific aspiration to be a CEO, but I also didn't think anything would hinder me."

Married with two children (daughter Elly, 19, is a college freshman and son, Jack, 16, is a high-school sophomore), Grace and her husband, John, have relocated four times to support her career.

BARRIERS TO SUCCESS

"I had to work harder and differently early in my career," she says. She notes that when she was in her 20s, she was interested in private equity and had the right skills. "They came back and said, 'We just don't have women in the business.' So I thought, 'If I can't do that, I'll go do something similar.' I went into asset management, but there weren't lots of senior women role models. It was hard."

WHAT PULLED HER UP

Her childhood helped her learn to value collaboration and other people's opinions. "I was always open to advice and help and have had a strong network that has changed over the years. You want different advice at different points in your career."

In her earlier career at Bank of America, the CEO and other C-suite sponsors moved her into a major P&L job. "They supported me tremendously and showed me how my skill sets were accretive to the business," she says.

HER BEST ADVICE

There isn't one specific path to get to the C-suite. Women should focus on hard skills, such as learning a function, and soft skills, such as how to influence and lead people. It's important for women to take risks and figure out what they really enjoy doing. For organizations, she is heartened by the openness around discussing the lack of diversity at the top and advocates a top-down leadership commitment, with public communications and support. She also urges organizations to emphasize sponsorship and to look for unintentional hurdles in talent development.

> *It's important for women to take risks and figure out what they really enjoy doing.*

C-Suite Profiles

Salene Hitchcock-Gear
President, Prudential Life Insurance and Prudential Advisors

HER STORY

Salene Hitchcock-Gear grew up in an all-female household in Detroit, where she and her older sister were raised by her single mom and grandmother. Her lower-middle-class community was mostly African American, but she attended Catholic schools, which were almost all Hispanic. Her mom, who worked for a cancer foundation, emphasized education, and college was always in the plan.

Hitchcock-Gear wanted to be an architect, "but the nuns told me I couldn't draw." After majoring in communications at the University of Michigan, she decided to go to law school "to change the world," as she says. But early in her career as a lawyer, she was hired by MetLife and realized she could have more personal impact in insurance. As her career progressed, she had three children—daughter Gabrielle, 28, is now in medical school; son Jordan, 26, is working on a film-production career; and son Noah, 21, is in college.

BARRIERS TO SUCCESS

Hitchcock-Gear had no real career plan. "I couldn't have told you what a CEO was most of my life. I had no aspirations to be a CEO at all. One thing just led to another," she says. Although she had supportive bosses, no one really steered her.

She believes that her race and gender may have played into the lack of organized support and career planning. "No one steered me to P&L," she says. "The absence of guidance speaks for itself. I said yes to a lot of things that I suspect would be different now."

WHAT PULLED HER UP

Hitchcock-Gear pulled herself up. "I am always trying to figure out what we are doing, how does this work, how can we make it better," she says. "I have a level of inquisitiveness that got me into jobs where I had more responsibilities."

HER BEST ADVICE

She encourages women to say yes to opportunities even if they don't think they are ready. "Our male counterparts do that all the time," she says. "It is not easy to raise your hand and think you will fail, but don't talk yourself out of it because you don't know every detail." For multicultural women, especially black women, she notes: "Never underestimate the power of race in a room or a cultural dynamic. You might assume your skills will get you somewhere. But it is really about having allies you trust who will give you actual feedback."

> *"It is not easy to raise your hand and think you will fail, but don't talk yourself out of it because you don't know every detail."*

C-Suite Profiles

John Bruno
Chief Operations Officer, Aon plc
Chief Executive Officer, Data & Analytic Services

HIS STORY

Growing up as the youngest of four (and a "late-in-life" baby for older parents) in an Italian-American family in New Jersey, Bruno had a blue-collar suburban life. He started college but was distracted by his mom's bout with cancer and his growing desire to be an entrepreneur. He left school and started two tech companies with mixed results that shaped his professional life. "I met a lot of technical people who were doing amazing things, but they didn't know how to talk with clients and drive change," Bruno recalls. "I loved living at that intersection and working closely with both."

He met his wife, Carol, when they both were 18 and married her seven years later. They have two sons: Michael, 25, who is pursuing his doctorate in chiropractic kinesiology and A.J. (Anthony), 20, a college student at Syracuse University.

Bruno has worked for several different companies in increasingly senior roles of responsibility, including UPS, NCR Corporation, Cisco, Goldman Sachs and Merrill Lynch. He joined Aon in 2014.

BARRIERS TO SUCCESS

Bruno says he hasn't had many obstacles but observed many women in his field (technology and operations) have had a more difficult path. He recalls earlier in his career at another company, there was a concerted effort to move women into leadership across technology and operations, "but they did them an unintentional disservice because they didn't have the right background. They stepped into the lion's den. There were a lot of men vying for these positions, but the women were surgically placed there." In a later position with a different company, when he was in charge and saw that a woman was to be his head of engineering, his first reaction was wrong. "I had my doubts and she proved to be one of the best engineers I ever met. It really opened my eyes to my own unconscious bias, and I didn't like it."

WHAT PULLED HIM UP

He worked for an exceptional woman leader who made the investment to address unconscious bias and he had extensive support at every job from his leadership, men and women, with opportunities to expand and demonstrate his own leadership. He also had a stay-at-home wife and didn't have to worry about picking his children up from school, and the many other issues working parents face. "It's been easier for men," he says, "but things are changing."

HIS BEST ADVICE

P&L leadership, he says, is crucial and gender-agnostic. He believes the best leaders get P&L and functional experience so they understand the challenges and success strategies of both. For women, he says "take risks and take on new roles. Men that have 10 or 20% of what it takes will go for a new role. Women want to know 90% of what it will take. I have worked really hard to ensure the women in my organization take career risks and feel safe doing so."

Bruno urges companies to push group sponsorship in addition to individual mentorship. "We all do a lot of 1:1 mentoring and then we put people out in the wild on their own. We measure everything, but we don't measure the effectiveness a group of leaders sponsoring select individuals leveraging the wisdom of the entire leadership team." He also speaks highly of taking unconscious bias training as a group versus as an individual. "The storytelling and sharing is powerful."

"Take risks and take on new roles. Men that have 10 or 20% of what it takes will go for a new role. Women want to know 90% of what it will take.

C-Suite Profiles

Kristyn Cook-Turner

Senior VP, Agency and Marketing
State Farm Insurance

HER STORY

The oldest of three girls, Cook-Turner grew up in a small town in Pennsylvania, where her dad was a high school wrestling coach and driver's education teacher, and her mom was a social worker. After 17 years of doing what they loved, her parents wanted to create greater opportunities for the family. They put all of their savings into a State Farm insurance agency and her dad became a State Farm agent.

"The State Farm mission is to help people manage the risks of everyday life, recover from the unexpected and realize their dreams, which aligns with my parents' values as well as mine," says Cook-Turner.

Sports were important to her and she played college basketball at Syracuse University. "Participating in sports helped me develop foundational leadership skills," she says. "For exam-

ple, I learned that winning is important, but sometimes when you don't win, learning is just as important. Change is constant and you have to be adaptable." She always knew she wanted to strive to achieve her very best and maximize her potential.

BARRIERS TO SUCCESS

Cook-Turner began her career at State Farm in various sales and marketing positions before moving into P&L leadership positions. "Initially, I was focused on building skills and experiences rather than a career trajectory, and that was OK with me," she says. She sometimes found herself in situations where women were the minority, yet having confidence in herself was essential. In her current role, she focuses on lifting other women up around her through mentoring, leading by example and helping them build confidence in their skills and abilities.

WHAT PULLED HER UP

Two types of mentors helped her as she developed as a leader: those who advised on building skill sets and those who provided a safe place where she could ask questions. "Feedback is not as plentiful as it should be in organizations. As you move up the career ladder, you need people who will tell you the truth."

HER BEST ADVICE

Cook-Turner urges women to consider starting in sales or having a sales role at some point. "The earlier you can gain sales experience, the better," she says. "It teaches you so many fundamentals around leadership." She also encourages women to be flexible. "Let your career go where it takes you. Don't be too rigid by thinking you must reach a certain level or realize a particular experience." For companies, she believes intentional recruitment and succession plans for diversity are crucial as well as understanding the root cause of what's keeping women from certain roles, such as lack of sponsorship and mentoring.

> *"Let your career go where it takes you. Don't be too rigid by thinking you must reach a certain level or realize a particular experience."*

Recommendations for Closing the Gaps

AWARENESS/KNOWLEDGE GAP

Transparency in Succession Planning

Identify and communicate the difference between staff and line roles and how they impact career paths

Make succession planning a critical and visible top-of-the-house activity monitored by senior leaders and HR

- Create organization charts clearly delineating P&L positions and feeder positions and make sure these are monitored and understood by all senior leaders, especially HR leaders

- Require diversified slates for all open senior-level positions, especially P&L and feeder positions, both from internal and external sources

  - If an assessment of candidate potential is part of the identification process, ensure a gender-neutral definition and understanding of potential is in place and communicated to prospective managers/supervisors and candidates

Tie a portion of the compensation of senior leaders directly to their impact on bringing diversity into the succession planning process

Transparency in Career Planning and Professional Development

Recognize that exposure to P&L-related jobs is critical for advancement to senior levels

Identify those jobs and their feeder positions (one level below)

- Review all job descriptions and postings in this category for implicit bias, barriers to entry (such as unnecessary experience requirements) and the use of inclusive language

- Be thoughtful and creative in delineating job qualifications to avoid widespread assumptions that may disenfranchise women from becoming candidates

- Ensure these jobs qualify for flexible work hours

Create more opportunities for people from different parts of the business to get P&L exposure and experience through rotational and stretch assignments

Regularly update and publish organization charts at senior levels to ensure awareness of the hierarchy and incumbency of senior-level jobs

Identify and communicate the difference between staff and line roles and how they impact career paths

Recognize that career paths are frequently non-linear, especially for women balancing work and growing families; commit to honoring identified female talent on those career paths with appropriate recognition and succession planning

Monitor the career plans of women identified as high potential, accompanied by honest performance evaluations and career planning

Identify high-potential women to both themselves and potential managers/supervisors to ensure follow-up

Recommendations for Closing the Gaps

RELATIONSHIP CAPITAL GAP

Help women find mentors who can provide different types of advice and support over time, emphasizing P&L-related experience where possible

Provide opportunities for social networking and exposure to influential senior leaders not dependent on gender-stereotyped activities or interests, such as sporting events

Provide opportunities for high-potential women to work in multiple areas to gain experience and exposure to senior leaders

Encourage women to job shadow senior P&L leaders (male and female) to demystify what they do and build knowledge and relationships.

Transparency in Sponsorship

Hold senior leaders accountable for identifying high-potential women, especially multicultural women, as protégés and providing them with visibility, stretch assignments and mentoring at critical points in their career

- Appropriately compensate the sponsoring behavior of senior leaders with salary and bonus for increasing the pool of women prepared for senior leadership

- Consider establishing a formal sponsorship program for identified high-potential women

Encourage all mentors and sponsors of women protégés to envision themselves in more senior-level roles and expand any narrow definitions of "readiness" they currently hold

CAREER ASPIRATION/RISK-TAKING GAP

Use the company's communications networks to provide visibility to women leaders who have successfully reached senior levels while raising a family and create opportunities for conversations with these women along with early and mid-career employees

Leverage the heightened aspirations and self-confidence of multicultural women by ensuring they are carefully considered for P&L and feeder positions

Recommendations for Closing the Gaps

CULTURE GAP

Develop your unique business case for diversity

Get the CEO on board by demonstrating the value women bring to the business. Consistently include the CEO's support for women's advancement in internal and external messaging

Devote time and resources at the senior level to customizing and communicating the positive aspects of the business case for diversity unique to your company

Ensure the company's widespread communication and acceptance of the positive business case for diversity at senior levels

- Establish and communicate at senior levels a clear, metrics-driven framework to increase the pool of women candidates for P&L and feeder positions, accompanied by goals tied to performance reviews and compensation for senior leaders

Accountability

- Hold senior leaders accountable for results in diverse succession planning and talent development as well as in finance and operations

- Hold senior leaders in HR accountable for creating and communicating consistent processes to ensure diversity in succession planning, talent development, and rewards and recognition for the company, but especially at senior levels

- Hold senior leaders in HR accountable for ensuring hiring managers for P&L and feeder positions have implicit-bias training

Mandate the consideration of diverse slates of qualified women candidates for every open P&L and feeder position

- Establish regular monitoring system to ensure compliance with mandate

Engage and enlist the support of all white, male senior leaders to commit to examining actions of their own that may contribute to an old-boys-club environment

Incorporate a broad, inclusive range of perspectives and styles within your defined leadership competencies

Examine compensation and promotion histories of male and female talent for and in comparable positions

Work/life and flexible work policies

- Use existing work/life and flexibility policies and build a supportive culture to enable employees to fully utilize these benefits without fear of a negative reflection on performance and permanent career derailment

- Minimize inconsistent access to work/life policies and flexible work practices between departments and managers through training and accountability

- Use CEOs and other senior executives who work flexibly as role models

For support implementing these recommendations, contact lisa.fraser@diversitybestpractices.com and jamie.phillips@cultureatwork.com

WORKING MOTHER

For support implementing these recommendations, contact
lisa.fraser@diversitybestpractices.com
and
jamie.phillips@cultureatwork.com

THE GENDER GAP AT THE TOP

What's Keeping Women from Leading Corporate America?

Much has been said in recent years about the lack of women at the top of corporate America. Despite the introduction of programs and initiatives designed to move women up, the reality is that the CEO and C-suite numbers—and in the pipeline—are stagnant. And they are even worse for multicultural women.

This Working Mother Research Institute project takes a comprehensive look at the experiences of women—and men—at all levels of corporations to ascertain what perceptions and realities are keeping them out of the highest ranks and to offer real solutions to close the gap. Our extensive data is both quantitative and qualitative. Key findings, detailed in this report, show women have fewer positive experiences in the workplace than men and that this reality begins early in their careers. These deficiencies are especially significant for multicultural women.

Despite the prevalence of corporate programs to promote women, why are these numbers not trending upward more quickly?

Our research unveils four main gaps still unaddressed:

1. Awareness/knowledge by women of what's needed to move up and what opportunities exist

2. Ability to build relationship capital

3. Confidence in oneself and willingness to take risks

4. Corporate cultures that "walk the talk" of accountability in creating opportunities for women

KEY FINDINGS

4 Critical Gap Areas

The research identified four major areas that are impacting women's desire and ability to reach the top of their organizations.

1

Awareness/ Knowledge Gap

Women are less likely than men to have a clear vision of how they want their careers to advance, including acquiring P&L experience, and most men underestimate the barriers women face. A significant percentage of women do not understand nor have access to information about career paths that lead to C-suite positions. They're unaware of what steps are required for vertical movement and whether they are considered high potential or C-suite material. Many don't even realize there are training and development programs, career guidance, mentoring and sponsorship programs available to them

77%
of women say a top barrier to gender equity is **lack of information on how to advance**.

2

Relationship Capital Gap

Far more men than women recognize the critical importance and benefits derived from networking, mentoring and sponsorship in elevating one's personal profile, developing one's brand and finding allies to help move up. And with multicultural women, the negative impact of the gap is even more significant. The lack of relationship capital is evident by the fact that fewer women are encouraged to consider P&L roles

54%
of men had a career discussion with their mentor or sponsor in the past 24 months **vs. just 39% of women**

3 Career Aspiration/ Risk-Taking Gap

The importance of being able to visualize oneself at the top, to seek role models and to be encouraged cannot be overestimated. Some women are afraid to take on stretch assignments or new positions unless they feel they already have all the qualifications. There are not enough role models for women to help visualize themselves in those roles. Consequently, there are too few senior executive women who can provide coaching, mentoring and sponsorship for more junior women

59% of men aspire to be CEO **vs. 40% of women**

4 Culture Gap

Real implementation—and holding people accountable to drive measurable results—is rare. Companies are checking the boxes with diversity programs, especially those aimed at advancing women. The business case for diversity must assume the same degree of importance in the C-suite as market share and bottom line

51% of women vs. 69% of men agree that senior management is open to different styles of leaders

METHODOLOGY In October 2018, a nationally representative sample of 3,038 professionals—2,289 women and 749 men—was surveyed across race/ethnicity and levels of experience, with more than 100 questions detailing demographics, aspirations, career progress and derailing factors. Of total respondents, 79 percent were white, while 20 percent were multicultural, and 1 percent did not answer. Respondents represented 24 industries, including accounting, financial services, healthcare, manufacturing, nonprofits, pharmaceuticals, professional services and technology. We followed up the quantitative research with eight in-person focus groups and six executive interviews, as well as one-on-one interviews with four C-suite executives.

To see the full report, including all the recommendations, visit workingmother.com/gender-gap-research.

Uncovering Hidden Potential
Non-Apparent Disabilities in the Workplace

Understanding a valuable untapped talent pool of people with non-apparent disabilities

Focused on people with autism, cognitive disabilities and mental-health disabilities

KNOWLEDGE PARTNERS:

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Conducted by: Working Mother Research Institute, Bonnier Custom Insights | Analysis by: Maria S. Ferris

We would like to thank our corporate sponsors,
who made this important research possible.

Understanding a Talent Pool

The challenge of finding, keeping and developing talented people is more likely to keep senior business leaders up at night than anything else. Of growing interest is tapping the unemployed and underemployed talent pool of employees with apparent and non-apparent disabilities. The unique experience of these employees in the workplace needs to be understood and defined so that employers can create successful employee value propositions and inclusive environments in which they can thrive.

In the Working Mother Research Institute (WMRI)'s 2016 report, "Disabilities in the Workplace," of all survey respondents who identified as people with disabilities, 64 percent indicated their disability was non-apparent, and women were 11 percent more likely than men to identify with a non-apparent disability. This piqued our interest and encouraged us to ask more questions.

WMRI initiated this new study to learn more about the employment experiences and challenges of those with non-apparent disabilities and then to share that learning with potential employers. Understanding that the important quality of feeling included at work means different things to different people encouraged us to survey more than 1,600 adults who identify as having various non-apparent disabilities, allowing us to give voice to their thoughts, ideas and opinions. We were able to uncover a treasure-trove of data, which we organized in three categories: mental-health disabilities, cognitive disabilities, and the subset of cognitive, which includes those with autism/ASD/Asperger Syndrome.

Corporate America is paying close attention. Organizations of all sizes and in all industries are tapping this unique pool of talent and exploring ways to identify, hire, retain and grow this precious human resource. We share their stories and case studies as well.

In "Uncovering Hidden Potential: Non-Apparent Disabilities in the Workplace," WMRI is furthering this important conversation to the benefit of employees and employers alike.

Suzanne Richards, Ed.D.
Director of Research
Working Mother Research Institute

Introduction

The work experience—from the application/interview process through onboarding and then to successfully handling a job and being promoted—is very different for people with non-apparent disabilities. Recruiters, hiring managers, supervisors and co-workers are often prepared when an employee with obvious disabilities is considered or hired. However, when the employee has a non-apparent disability, the visual cues of disability are not obvious and, therefore, the employer may not be sensitive to the need for accommodations. The applicant/employee may choose not to disclose a non-apparent disability for a variety of reasons, and the resulting communications gap can lead to negative perceptions for both the employer and the applicant/employee.

Even when an employee discloses a disability to HR or a supervisor, in a culture where people are uncomfortable discussing disabilities, co-workers may erroneously perceive someone getting "special treatment" because the reason for the accommodation is not obvious or apparent. That too can create a stressful and an unproductive work environment.

Why is it so crucial to find and successfully integrate people with non-apparent disabilities into the workplace? In an economic environment where talent is often hard to find, especially in technical positions, hiring these employees can fill a large void. Both the research on and interviews with organizations hiring people with non-apparent disabilities show a significant improvement in engagement and job satisfaction when they are able to disclose.

"The reason why so many organizations are doing this now is because there is low unemployment. Organizations are scrambling to compete and looking for untapped talent," says David Kearon, director of adult services at Autism Speaks.

But there are other positives as well. People with autism, who more recently have been considered neurodiverse, can bring different and valuable perspectives on looking at challenges and creating workplace solutions. For employers, there are other benefits as well, including increased productivity, improved management skills, community support and positive feedback from clients.

"Many organizations are positively recruiting people with disabilities not because of compliance with legislation or out of a sense of charity, but because this talent accelerates innovation, reduces turnover in critical roles, increases overall employee engagement and burnishes their brand. There is no need to 'get ready' to hire people with disabilities—accommodations are appropriately characterized as reasonable and are most often no or low cost, no different from any other productivity tool provided to employees. The best way to get started is just to do it," says

Methodology

The Working Mother Research Institute developed the "Uncovering Hidden Potential: Non-Apparent Disabilities in the Workplace" survey and fielded it nationally through its knowledge partners and Survey Sampling International in early 2018, assessing the perceptions of people who identify as having these disabilities. The emails to these individuals contained a link to an online questionnaire hosted by Bonnier Custom Insights (a division of Bonnier Corporation).

A total of 1,604 qualified individuals (1,291 with mental-health disabilities and 476 with cognitive disabilities or autism) submitted completed online questionnaires. All qualified respondents were employed or looking for employment.

Bonnier Custom Insights received and tabulated the responses, which were then analyzed by Maria S. Ferris Consulting LLC. The results are documented in this report, which was written by the Working Mother Research Institute.

Deb Dagit, president of Deb Dagit Diversity LLC, former chief diversity officer at Merck & Co., and an expert on disability issues.

Working Mother Research Institute's 2016 study on all people with disabilities revealed that employees with non-apparent disabilities had a significantly different work experience and were less satisfied with their jobs than people with apparent disabilities. Based on that research, we decided to take a deeper look at employees in the "Uncovering Hidden Potential: Non-Apparent Disabilities in the Workplace" survey, focusing on three groups—those with mental disabilities (post-traumatic stress disorder (PTSD), depression, anxiety, bipolar disorder, eating disorders, post-partum depression, obsessive compulsive disorder (OCD), schizophrenia, seasonal affective disorder, etc.); cognitive disabilities (attention deficit disorder (ADD), attention deficit hyperactivity disorder (ADHD), dyslexia, traumatic brain injury (TBI), etc.); and people with autism, autism spectrum disorder (ASD) and Asperger Syndrome.
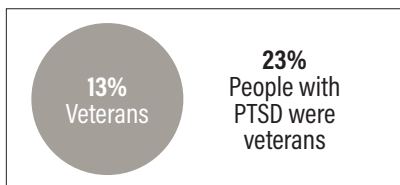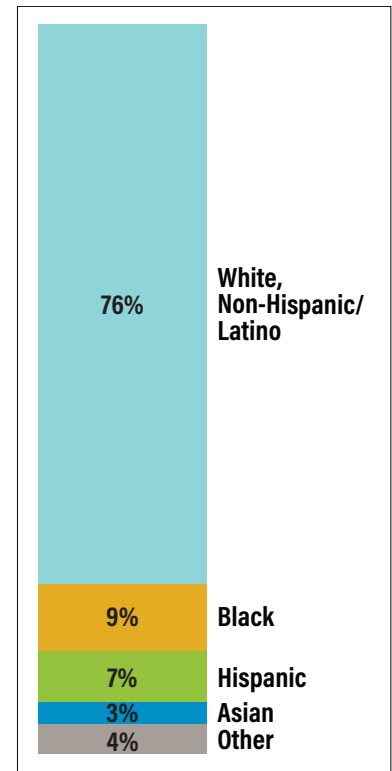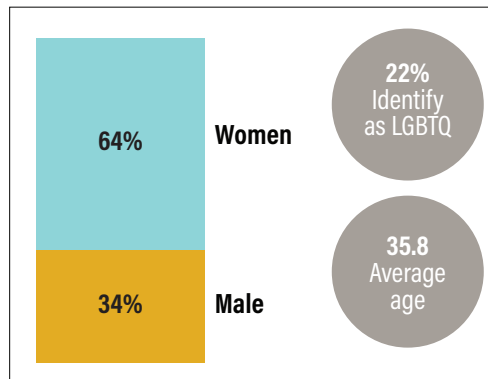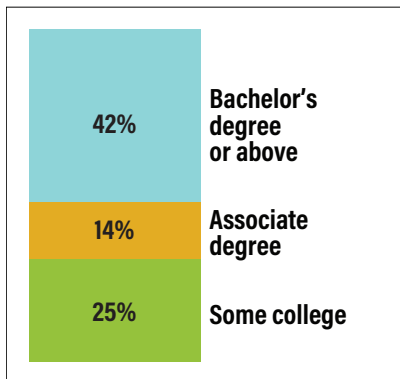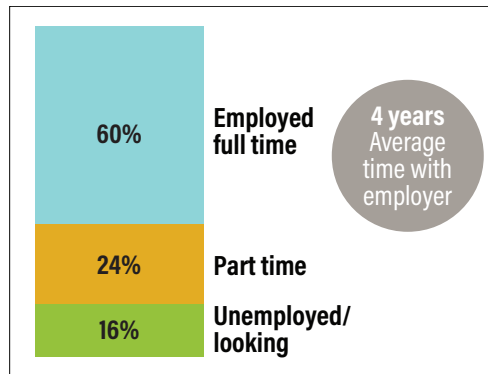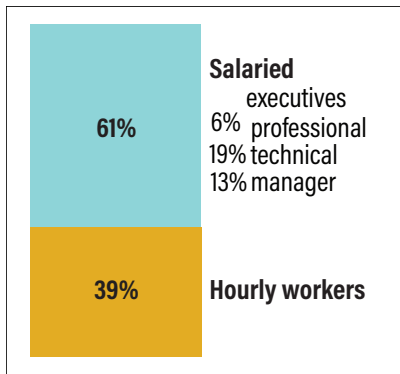
Significant findings from our new survey include:

�temp A single disability does not define a person; most participants reported multiple disabilities

➤ Employees who have disclosed their disabilities are more satisfied and engaged at work than those who do not disclose

➤ There is an opportunity for employers to increase the number of employees who have disclosed

➤ 53 percent of the participants have disclosed their disability; 47 percent have not disclosed

➤ The primary reason employees do not disclose is they don't believe it interferes with their job

➤ 30 percent were uncomfortable sharing the information; 11 percent didn't want their employer to know; 11 percent said their employer didn't ask

➤ Employers are doing a good job of providing accommodation; however, better communication on the process would be helpful

➤ 75 percent of people who disclosed their disability requested accommodations. For those who requested an accommodation, 88 percent had all or some approved and 3 percent were still waiting for approval

➤ Retention and utilization of talent remains a concern

➤ 87 percent are at risk of leaving their employer

➤ Managing the demands of work/personal life is perceived as a top obstacle

➤ Very few people reported having a mentor, sponsor, job coach or role model with disabilities

➤ The difference in satisfaction and workplace experience for those who did have mentors was significant

➤ The largest influence on overall employee satisfaction were role models with disabilities in their organization

Survey Participant Overview

1,604 Qualified Participants

1,291 Mental disability   **476 Cognitive disability**

- PTSD · Depression · Anxiety · Bipolar
- Eating Disorder · Post Partum Depression
- OCD · Schizophrenia · Seasonal Affective Disorder
- Other mental disability

- Autism/ASD/Asperger Syndrome
- ADD · ADHD · Dyslexia · TBI
- Other learning impairment/disability
- Other cognitive impairment

Note: Some respondents have more than one disability.

61% Salaried
6% executives
19% professional
13% technical
13% manager

39% Hourly workers

60% Employed full time

24% Part time

16% Unemployed/looking

4 years Average time with employer

76% White, Non-Hispanic/Latino

9% Black

7% Hispanic

3% Asian

4% Other

42% Bachelor's degree or above

14% Associate degree

25% Some college

64% Women

34% Male

22% Identify as LGBTQ

35.8 Average age

13% Veterans

23% People with PTSD were veterans

Disclosing Their Disability

One of the greatest challenges people with non-apparent disabilities face is deciding whether and when to disclose their disability. Friends and family may caution them against disclosure for fear of not getting a job or facing repercussions at work. Yet without disclosure, their employers or prospective employers may judge them unfairly or not make accommodations to allow them to perform at their best.

For these employees, disclosure is a significant factor in their engagement and overall satisfaction. Sixty-five percent of those who disclosed said they were satisfied with how their career was progressing versus 44 percent who did not disclose.

But disclosure is tricky, both in the interviewing process and once a person is hired. Our data shows that 60 percent of people with cognitive disabilities and 59 percent of people with autism are more likely to disclose than those with mental-health disabilities (50 percent). When asked why they didn't disclose, most people said they believed their disability didn't interfere with the job and that they were uncomfortable sharing the information.

Melanie Wetzel, lead consultant on the Cognitive Neurological Team for the U.S. Office of Disability Employment Policy's Job Accommodation Network, says many people with non-apparent disabilities want to disclose but are concerned about how they will be perceived.

"Most people want to be honest and upfront and think, 'If they don't want to work with me, then they're not going to want to work with me when I need accommodations.'" But, she says, they are still afraid that disclosing their disability will cost them the job.

Disclosure requires an environment in which employees are comfortable self-identifying, and that can be difficult to create, says Andy Imparato, executive director of the Association of University Centers on Disabilities.

Imparato, who identifies as bipolar, says the corporate environment is changing but that applicants and employees are still nervous disclosing. "People get the message from family and friends that there's no benefit to telling their employer. But if you need an accommodation, you can't get it without disclosing the disability."

Employers, he says, are now trying to "create a culture where people are comfortable having the conversation." They do this by having internal and external people tell their stories. Employees who have children, parents, spouses or other loved ones with non-apparent disabilities become allies and work with the employers to create an environment where people can succeed.

"It's a very personal decision," says Kearon of Autism Speaks. There are pros and cons. While there have been real fears of discrimination in the past, these organization initiatives have shown that increasingly the organizations are looking out for you."

People with cognitive disabilities are more likely to disclose

60%

vs.

mental disabilities

50%

59%

of people with autism have disclosed

When to disclose

THOSE WHO DID DISCLOSE

- Have disclosed their disability to their employer
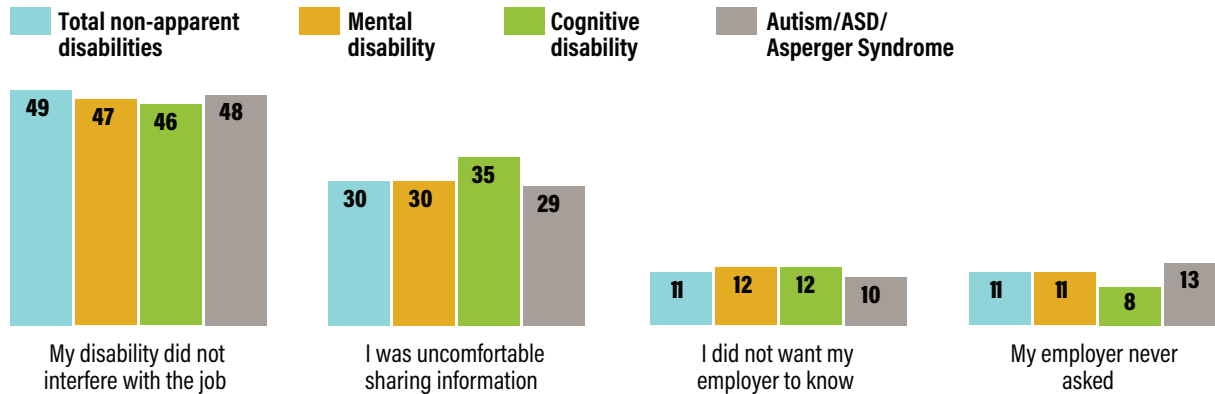
53%

- Disclosed disability when they applied

57%

- During the interview process

10%

- After offer or beginning employment

34%

Why didn't you disclose?

- ■ **Total non-apparent disabilities**
- ■ **Mental disability**
- ■ **Cognitive disability**
- ■ **Autism/ASD/ Asperger Syndrome**

	Total non-apparent disabilities	Mental disability	Cognitive disability	Autism/ASD/Asperger Syndrome
My disability did not interfere with the job	49	47	46	48
I was uncomfortable sharing information	30	30	35	29
I did not want my employer to know	11	12	12	10
My employer never asked	11	11	8	13

Numbers are %

Workplace Experience: Career and Advancement

% WHO AGREE

	Employees who have disclosed their disability	Employees who have not disclosed their disability
I am optimistic about my ability to continue working	65	42
I have the same opportunity to advance in my company as anyone else	74	60
I know what I need to do to get ahead in my company	68	49
I have tried to hide my disability at work	57	55
I am satisfied with how my career is progressing	65	44
I am optimistic about my ability to advance	59	41
I worry about my ability to continue working due to my disability	57	38
I think I am currently underemployed based on my skills and abilities	52	41
I have passed up more demanding jobs/roles due to my disability	54	36
My disability gets in the way of my performance	51	36
I believe my disability will limit my ability to advance in my company	47	36
I do not think I am performing my best at work	40	29

I. Finding and Hiring

The recruitment and hiring process gives both the employers and the prospective employees the ability to experience each other and determine if the relationship will be a good fit. If the employee is found through a job vocational service for people with disabilities, the employer will know about the disability in advance and can arrange for accommodations during the interview process. The accommodations vary, depending on the disability, but can include a differently structured interview for people who are neurodiverse, so that there is less emphasis on conversation and more on noting skills and abilities.

Our research shows most of the respondents thought their interview processes were successful in terms of recruiters and hiring managers being respectful, discussions of the disability and potential accommodations in the workplace, information about the organization's efforts and accommodations for people with disabilities, and the eventual transition as a new hire in the workplace.

When asked what would most improve the process, the respondents asked for the opportunity to speak to others with disabilities in the organization, for recruiters who were knowledgeable about their particular disability, and for a better understanding of accommodations and the organization's policies on disabilities.

People with autism offered specific input about the hiring process, with 65 percent saying they would have liked the opportunity to show their skills through a different kind of assessment instead of a traditional interview. Fifty-two percent said they would have liked to know to whom they would speak during the interview process, and 45 percent said it would have helped to understand what questions they would be asked before the interview took place.
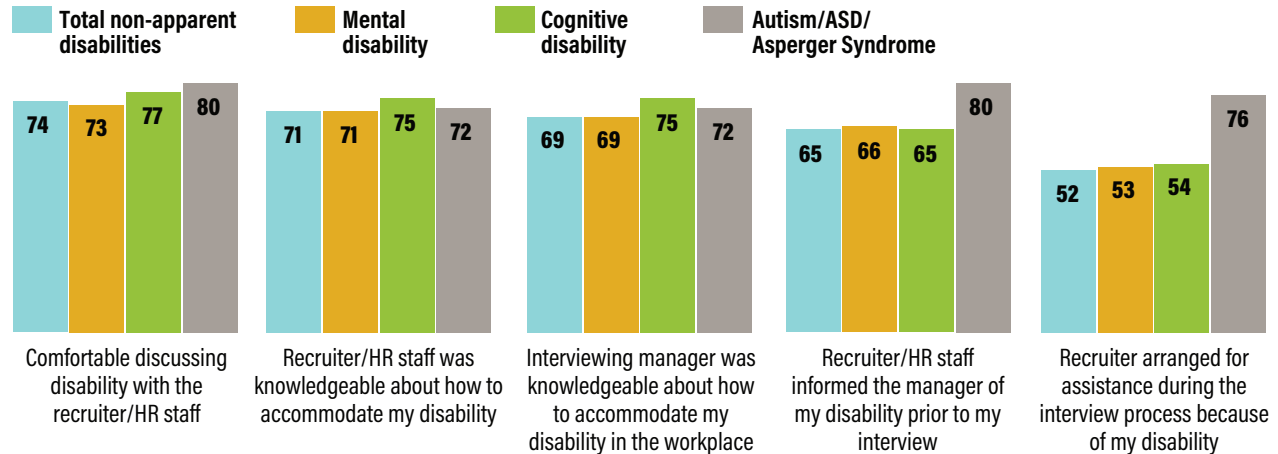
Kearon of Autism Speaks notes that some interviewers are revamping their process for candidates with autism. "Because of the nature of their disability, these candidates have difficulty communicating. These employers were willing to throw [the normal process] out the window and try something new. These alternate assessments allow the employers to hire, for example, better software developers not by conversational interviews but by giving them tasks to perform."

Sarah Parsons, director of the Northwest Center, a nonprofit that places people with intellectual and developmental disabilities in jobs, says a model that has been successful at organizations such as Amazon involves training both hiring staff and support people to handle interviews and applications differently. "People are set up for success."
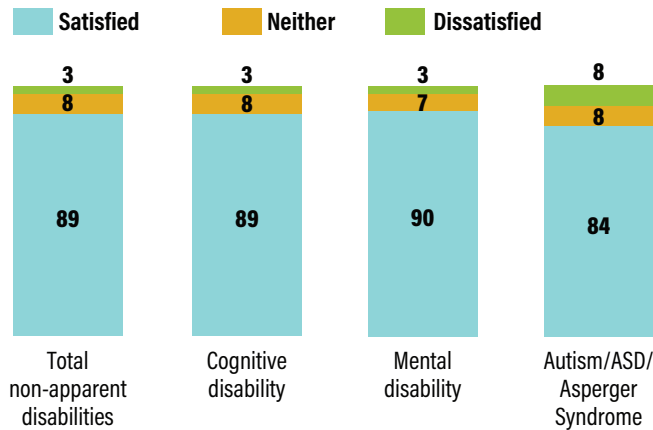
Once the employee is placed, a job coach helps managers and co-workers set them up for success. "Issues are addressed before anything can threaten their job ... we pay attention to metrics, performance, productivity, safety incidences, quality of their work, attendance, attrition. Folks we have placed have been outperforming in all these characteristics.
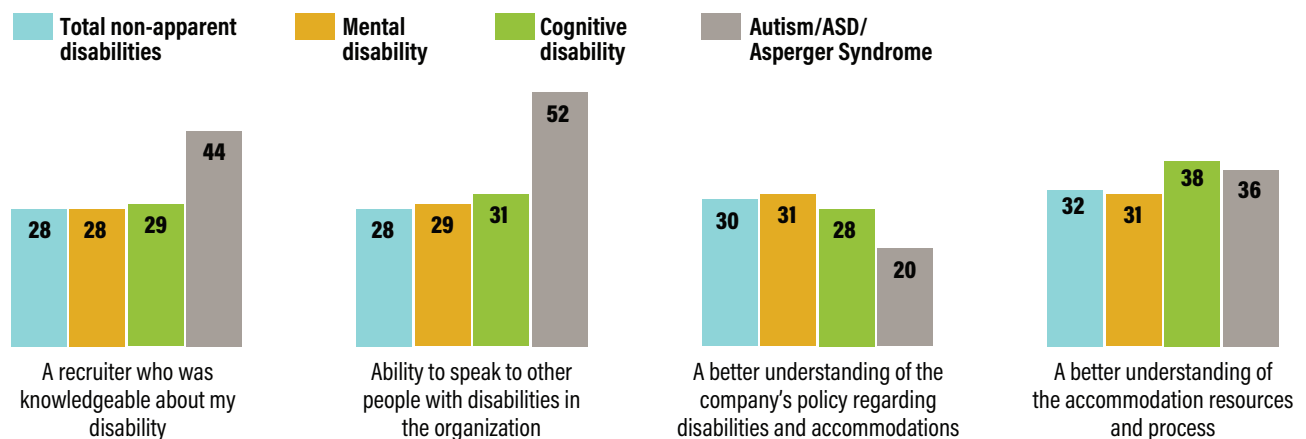
Interview/Hiring Process

Overall, high marks for the recruiting/hiring process.

Legend:
- Total non-apparent disabilities
- Mental disability
- Cognitive disability
- Autism/ASD/Asperger Syndrome

Comfortable discussing disability with the recruiter/HR staff
- Total non-apparent disabilities: 74
- Mental disability: 73
- Cognitive disability: 77
- Autism/ASD/Asperger Syndrome: 80

Recruiter/HR staff was knowledgeable about how to accommodate my disability
- Total non-apparent disabilities: 71
- Mental disability: 71
- Cognitive disability: 75
- Autism/ASD/Asperger Syndrome: 72

Interviewing manager was knowledgeable about how to accommodate my disability in the workplace
- Total non-apparent disabilities: 69
- Mental disability: 69
- Cognitive disability: 75
- Autism/ASD/Asperger Syndrome: 72

Recruiter/HR staff informed the manager of my disability prior to my interview
- Total non-apparent disabilities: 65
- Mental disability: 66
- Cognitive disability: 65
- Autism/ASD/Asperger Syndrome: 80

Recruiter arranged for assistance during the interview process because of my disability
- Total non-apparent disabilities: 52
- Mental disability: 53
- Cognitive disability: 54
- Autism/ASD/Asperger Syndrome: 76

Overall, 89% are satisfied with the recruiting/hiring process, however, there are opportunities to improve the process.

Legend:
- Satisfied
- Neither
- Dissatisfied

Total non-apparent disabilities
- Dissatisfied: 3
- Neither: 8
- Satisfied: 89

Cognitive disability
- Dissatisfied: 3
- Neither: 8
- Satisfied: 89

Mental disability
- Dissatisfied: 3
- Neither: 7
- Satisfied: 90

Autism/ASD/Asperger Syndrome
- Dissatisfied: 8
- Neither: 8
- Satisfied: 84

What would most improve the process?

Legend:
- Total non-apparent disabilities
- Mental disability
- Cognitive disability
- Autism/ASD/Asperger Syndrome

A recruiter who was knowledgeable about my disability
- Total non-apparent disabilities: 28
- Mental disability: 28
- Cognitive disability: 29
- Autism/ASD/Asperger Syndrome: 44

Ability to speak to other people with disabilities in the organization
- Total non-apparent disabilities: 28
- Mental disability: 29
- Cognitive disability: 31
- Autism/ASD/Asperger Syndrome: 52

A better understanding of the company's policy regarding disabilities and accommodations
- Total non-apparent disabilities: 30
- Mental disability: 31
- Cognitive disability: 28
- Autism/ASD/Asperger Syndrome: 20

A better understanding of the accommodation resources and process
- Total non-apparent disabilities: 32
- Mental disability: 31
- Cognitive disability: 38
- Autism/ASD/Asperger Syndrome: 36

Numbers are %

CASE STUDY
Freddie Mac

More than 10 years ago, Freddie Mac realized that there was a potential solution to the hiring gap the organization was experiencing in finding technical employees: people on the autism spectrum who wanted to be employed.

"We came together to design a program to work with the Autism Self-Advocacy Network," recalls Stephanie Roemer, director of Diversity & Inclusion. "We helped design a program and created training for our managers, including how to assess and write a job description." This was particularly important because many jobs were designed to require the employee to spend specific time doing specific tasks—for example, 60 percent of time on the computer, 30 percent filing and 10 percent answering phones. "So, we needed to adjust because phone answering didn't have to be a requirement of the job. For someone on the spectrum, that might not be ideal," she recalls. "We studied how the job looks and what functions were critical."

The first cohort had four to five interns, and the employee resource group Abilities was used to help mentor the interns at work.

Last year, Freddie Mac shifted its hiring approach. Instead of finding managers willing to hire the interns, they hired the candidates and shopped them around internally to look for the right fit.

The interns, four to five a year, are hired for 16-week stints, with their salaries paid from the Office of Diversity & Inclusion. Most are extended an additional 16 weeks, with their salaries funded by the departments that hire them. Fifty percent have been converted to full-time, permanent employees with benefits and professional-level jobs, says Roemer.

CASE STUDY
EY

In the fall of 2015, the professional-services firm began outreach to hire people on the autism spectrum, driven by the need for innovation and clients expressing interest in the value of hiring people with disabilities.

The effort has taken off, significantly improving a data-management technology role. "We thought it was a spark, and now we are seeing fireworks," says Hiren Shukla, who leads EY's Neurodiversity Center of Excellence.

The firm had its first pilot effort in March 2016 in Philadelphia with the hiring of four individuals and immediately saw value. "In the first week of orientation, one of the individuals noticed that we were missing a step in setting up voicemail. We onboard 50,000 people a year and no one else pointed out this small detail. Time is money and this really helped us," says Shukla.

The positions are primarily data-management and technology jobs, and the employees are brought in as full-time, salaried, permanent employees. A key job filled by these individuals is account support, and it involves taking mass amounts of data from clients and analyzing it to provide insights. The employees hired with autism have been major contributors in this job, he says, which

is why the program is being expanded. "We feel we have hit the gold mine," he says, adding that "we thought we were training them and they were training us. The levels of clarity they bring are crucial."

Another six individuals are being hired in Philadelphia, and in June 2017, another group of 10 was launched in Dallas with plans for another 10 and 12 people with autism now being hired for EY's offices in San Jose, California, Cleveland and Toronto. "Our model is to hire them wherever we are hiring for this type of data analytics and automation competency. We are going to go wherever the business is," he says.

EY partners with local groups, such as the ARC of Philadelphia, to find employees and to bring in job coaches to help the employees find challenging work and have the right support. The firm has collaborated with other businesses (Microsoft, SAP, XC, JPMorgan Chase and Ford Motor Company) as part of the national Autism At Work effort to develop best practices to hire people with autism. "I have never seen collaboration of this sort in the corporate world. We are tied at the hip, sharing ideas on sourcing, identification and onboarding," says Shukla.

II. Accommodations

The research shows that many people who are neurodiverse and have the types of disabilities identified here are uncomfortable disclosing their disabilities but to receive the types of accommodations they need, it's imperative that they disclose. It is possible, says Dagit, to request an accommodation without revealing a specific diagnosis. "They should be able to share that information [what they need for an accommodation]. They shouldn't have to share their specific diagnosis like PTSD or bipolar," she says. Although there are situations where federal law allows employers to ask for a diagnosis, many employers do not, if the request is clear about how one is limited because of a medical condition.

Three-quarters of our respondents requested accommodations in the workplace, and the majority of those requests were approved. Women were more likely to say they did not request an accommodation (31 percent) than men (19 percent). The most common person from whom they seek an accommodation is their manager or supervisor (69 percent), with 11 percent seeking out a designated accommodation representative, 8 percent going to HR and 5 percent going to the facilities department.

The most common types of accommodations overall were flexible work schedules and modifications to the workplace, but for people with cognitive disabilities and autism, the most common types of accommodations were an ergonomic workstation and additional time to complete tasks. Of note, 47 percent of those who requested accommodations said having a better understanding of the organization's policies would improve their overall experience.

These findings show up throughout the data. When asked about what in the workplace would be most helpful for success, respondents cited primarily a quiet place to go and take a break (77 percent) and the ability to work flexible hours (77 percent). When asked about the most significant obstacles to advancement, the first cited difficulty balancing work and personal life (28 percent) and lack of training (19 percent).

Accommodations vary, depending on the type of disability the person has. Boston Scientific, for example, has been working with people with mental-health disabilities. In the past two years, Boston Scientific has increased its efforts to provide education and awareness on mental-health disabilities.

Lynn Prust, director of Employment Policy and Employee Relations, says that she and the company have been providing support to employees with these types of disabilities for a number of years but she's noticed an increase in awareness and educational efforts within the organization.

"During training for our managers and HR business partners we've discussed the importance of providing the right support for anyone with a mental-health condition," she says. The training emphasizes open dialogue with employees. "If employees feel comfortable coming forward and discussing their particular needs, it helps us accommodate them. If an employee is dealing with a sensitive situation related to their particular condition, we can talk about what resources they may need."

Effective Workplace Accommodations

Legend:
- I have not asked for accommodations
- Still waiting for approval
- Not approved
- Some were approved
- All were approved

All non-apparent disabilities
- 25
- 2
- 7
- 17
- 49

Mental disability
- 23
- 2
- 7
- 18
- 50

Cognitive disability
- 23
- 2
- 6
- 14
- 54

Autism/ASD/Asperger Syndrome
- 9
- 18
- 27
- 45

Numbers are %
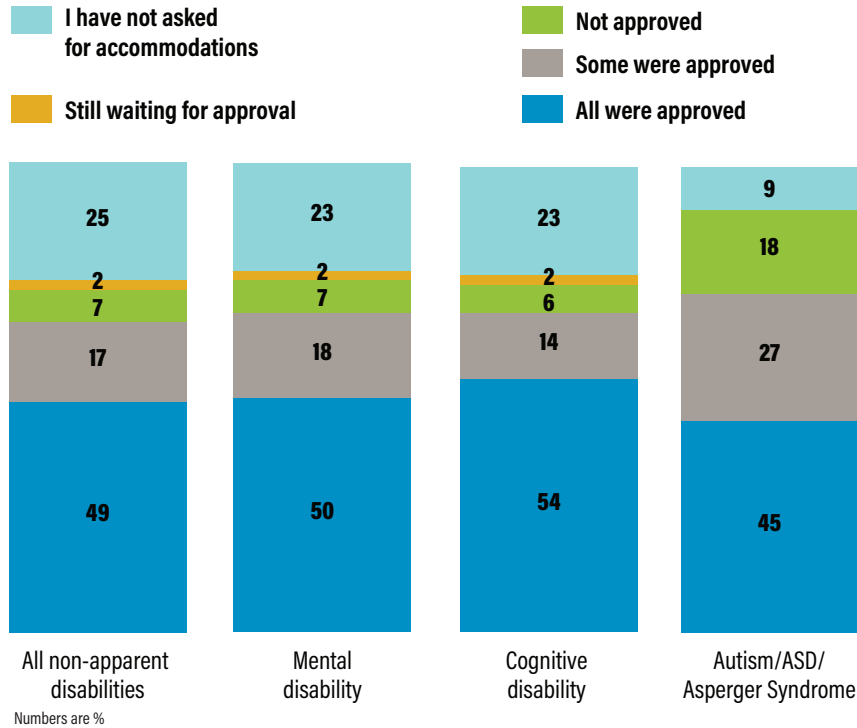
69% went to their manager/supervisor to request the accommodation

11% went to a designated accommodation representative

8% went to HR

5% went to facilities

Accommodations in the Workplace

Most common types of accommodations that were approved:

All non-apparent disabilities	Mental disability	Cognitive disability	Autism/ASD/ Asperger Syndrome
Flexible work schedule	Flexible work schedule	Ergonomic workstation	Ergonomic workstation Additional time to complete tasks
Modifications to the workspace	Modifications to the workspace	Flexible work schedule	Work schedule modifications
Ergonomic workstation	Ergonomic workstation	Additional time to complete tasks	Modifications to workspace Workspace moved to space free of distractions
Additional time to complete tasks	Work reassignment	Private workspace	Flexible work schedule

Flexibility, Work/Life Issues

Things that would be most helpful in managing your demands

1. Ability to take time off with pay for medical appointments

80%

2. Ability to change my work hours

76%

3. Ability to work from home

69%

4. Access to someone who can run errands for me

57%

5. Access to someone who can do odd jobs around my house

56%

6. Someone who can help me prioritize what I need to get done

56%

IV. Perceptions of Employees with Non-Apparent Disabilities

The research shows most respondents have a clear understanding of their organization's business goals, but there is work to be done to prove a culture of inclusion for people with non-apparent disabilities. Only 40 percent agree their organization is committed to recruiting and advancing people with disabilities, and few see visible role models with disabilities. People with mental disabilities are less likely to feel a spirit of collaboration or feel their organization is sensitive to their needs compared with people with cognitive disabilities.

There is, however, a significant risk of losing talent. The majority of respondents (65 percent) say they would leave their current organization if they thought another employer would make better use of their talent and abilities, and only 52 percent said they would recommend their organization to other job seekers with disabilities. Forty-eight percent said they sometimes feel excluded from informal networks in their organization, but that jumps to 57 percent for people with autism.

Relationships with co-workers seem more positive. Seventy-two percent of all respondents agree their co-workers are accepting of them; 66 percent are comfortable socializing with co-workers; and 59 percent feel they are an equal part of their departments. Those numbers are different for people with autism—69 percent feel co-workers are accepting of them; 52 percent are comfortable socializing with co-workers; and 61 percent feel as if they are an equal part of their departments.

The survey shows the respondents (70 percent) are optimistic about their ability to continue working. However, only 55 percent are satisfied with how their careers are progressing, and 42 percent say their disability will limit their ability to advance in their organization.

When asked why they are not contributing their best at work, the top three reasons cited were feeling tired during working hours (35 percent), difficulty concentrating on tasks (26 percent), and distracting work environment, too many interruptions, worry about what co-workers think about them (20 percent).

Overall Satisfaction

Legend: Total non-apparent disabilities | Mental disability | Cognitive disability | Autism/ASD/Asperger Syndrome

My company promotes a culture of inclusion for people with disabilities
- Total non-apparent disabilities: 55
- Mental disability: 54
- Cognitive disability: 57
- Autism/ASD/Asperger Syndrome: 55

My company is committed to recruiting and advancing people with disabilities
- Total non-apparent disabilities: 40
- Mental disability: 40
- Cognitive disability: 44
- Autism/ASD/Asperger Syndrome: 45

There are visible role models in my company who are employees with disabilities
- Total non-apparent disabilities: 39
- Mental disability: 39
- Cognitive disability: 41
- Autism/ASD/Asperger Syndrome: 43

Numbers are %

Overall Satisfaction

	Total non-apparent disabilities	Mental disability	Cognitive disability	Autism/ASD/ Asperger Syndrome
Career prospects	52	51	58	47
Job security	61	60	62	60
Relationship with co-workers	66	65	67	60
Amount of information you have to do your job	64	63	67	59
Communication you receive about matters that affect you	57	56	61	57
Opportunity to improve your skills	57	57	59	53
Match between your job interests and the work you do	61	60	64	65
Level of respect you get at work	60	59	63	51
Your compensation relative to your contribution at work	54	53	57	52
How much your opinion counts at work	55	54	55	43
Support from your manager in meeting family & work demands	56	56	60	55
Support from your co-workers in meeting family & work demands	57	57	61	57
Your company's process to request an accommodation	47	46	51	60
OVERALL SATISFACTION	57.4	56.6	60.4	55.3

Satisfaction with Managers, Co-workers

Total non-apparent disabilities **Mental disability** **Cognitive disability** **Autism/ASD/ Asperger Syndrome**
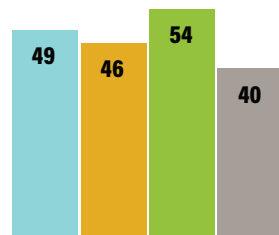
I am comfortable discussing my disability with my supervisor
(49, 46, 54, 40)
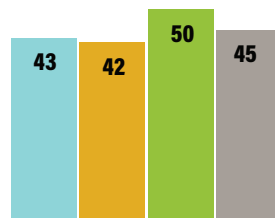
My supervisor is open to making changes in my job to better accommodate my disability
(43, 42, 50, 45)
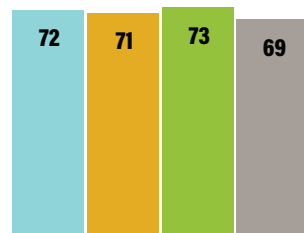
My co-workers are accepting of me
(72, 71, 73, 69)
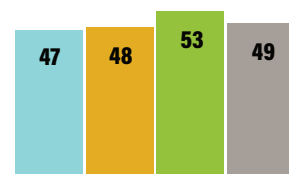
I am comfortable discussing my disability with my co-workers
(47, 48, 53, 49)
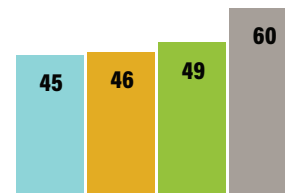
I find it difficult to ask for the help I need because of my disability
(45, 46, 49, 60)

Numbers are %

Workplace Experience

Why are you not contributing your best at work?

Top Three Reasons

35% Often feel tired during working hours

26% It is difficult to concentrate on my tasks

20% Distracting work environment, too many interruptions, worry about what co-workers think of them

Aspirations/Goals

Legend:
- Total non-apparent disabilities
- Mental disability
- Cognitive disability
- Autism/ASD/Asperger Syndrome

I have the same opportunity to advance in my company as anyone else
67, 68, 64, 55

I am satisfied with how my career is progressing
55, 54, 57, 48

I have passed up more demanding jobs/roles due to my disability
46, 47, 48, 49

I believe my disability will limit my ability to advance in my company
42, 42, 49, 61

Numbers are %

Career Aspirations

Over half aspire to higher positions; 20% are unsure.

What is the highest level you wish to advance to in your company?

Legend:
- Total non-apparent disabilities (teal)
- Mental disability (gold)
- Cognitive disability (green)
- Autism/ASD/Asperger Syndrome (gray)

Satisfied with current level
- Total non-apparent disabilities: 26
- Mental disability: 25
- Cognitive disability: 25
- Autism/ASD/Asperger Syndrome: 24

Unsure
- Total non-apparent disabilities: 20
- Mental disability: 19
- Cognitive disability: 20
- Autism/ASD/Asperger Syndrome: 15

First-level manager
- Total non-apparent disabilities: 15
- Mental disability: 13
- Cognitive disability: 15
- Autism/ASD/Asperger Syndrome: 19

CEO
- Total non-apparent disabilities: 11
- Mental disability: 13
- Cognitive disability: 12
- Autism/ASD/Asperger Syndrome: 21

Executive
- Total non-apparent disabilities: 10
- Mental disability: 10
- Cognitive disability: 10
- Autism/ASD/Asperger Syndrome: 15

Senior manager
- Total non-apparent disabilities: 10
- Mental disability: 13
- Cognitive disability: 10
- Autism/ASD/Asperger Syndrome: 5

Middle manager
- Total non-apparent disabilities: 8
- Mental disability: 7
- Cognitive disability: 9
- Autism/ASD/Asperger Syndrome: 1

Numbers are %

Perceived Obstacles to Advancement

Difficulty balancing work/personal life is perceived as the biggest obstacle for people with cognitive and mental disabilities.

Priority rank	Total non-apparent disabilities	Cognitive disability	Mental disability	Autism/ASD/ Asperger Syndrome
1	Difficulty balancing work/ personal life (28%)	Difficulty balancing work/ personal life (29%)	Difficulty balancing work/ personal life (29%)	Inability to effectively accommodate my disability (27%)
2	Lack of training (19%)	Lack of training (20%)	Lack of training (20%)	Lack of skills (23%) Stereotypes about my disability (23%)
3	Inability to relocate (14%)	Lack of skills (17%)	Lack of skills (16%)	Difficulty balancing work/ personal life (17%)

CASE STUDY
JPMorgan Chase

At the bank, the conversation around hiring people on the autism spectrum began about four years ago. The organization realized that traditional interviewing techniques didn't emphasize the skills many people with autism have, so they needed to rethink their approach, says James Mahoney, executive director of the firm's Autism at Work program.

More than two years ago, JPMorgan Chase hired its first employees on the autism spectrum to fill software-testing roles. "We found after six months, the autistic testers were equal in quality to peers with five to 10 years' experience but had 48 percent more productivity. We knew we were on to something," he says.

They tried another role for employees with autism: access administration, which means helping new employees get access to the many systems needed to work at the organization. The employees with autism were between 90 and 140 percent more productive than their peers, he reports.

"Now people see the business value. They get their calculators out," he says, noting that the firm has taken its hiring of people on the autism spectrum global in five other countries—India, the Philippines, England, Scotland and Brazil. "We view this as a talent play. Real business results align with our goal of valuing cognitive differences."

And he emphasizes it's not just entry-level positions. JPMorgan Chase has people on the autism spectrum at all levels, including vice presidents. Mahoney notes that the retention rates for the employees with autism are about 80 percent before the probationary period ends and 99 to 100 percent post-probation. And if an employee isn't a good fit, they work with other organizations that have autism hiring programs to help the person find another job.

"We do invest in a lot of training. We believe in educating the recruiter and the manager. We have different video training tracks for managers and for colleagues to demystify and debunk issues on autism," he says.

V. What They Need to Succeed

The importance of tools already in place in the workplace to help people with non-apparent disabilities flourish at work cannot be overestimated.

Only one-third or less report having mentors, sponsors or job coaches, key ways to give people individual attention so their specific challenges, needs and abilities can be addressed. Mentors can help the employee navigate the corporate culture and focus on individual skills they need to be promoted. Sponsors can advocate for them to be promoted.

One-third of the respondents belong to an employee-resource group (or employee network), of which people with autism are more likely to belong. These groups provide structure and the opportunity to develop skills. Groups focused on people with disabilities advocate for benefits and changes within the organization and can help employees understand what corporate assistance is available to them. They also educate others in the workplace about types of disabilities, accommodations and working with people with disabilities.

Our respondents, as well as our experts and corporate leaders, have suggested a list of next steps for employers to follow.

Career Development

Mentors, Sponsors, Coaches, Career Plans

- About one-third or less report having mentors, sponsors or job coaches.
- Over 50% of people with autism have a job coach.

% Yes

Legend: Total non-apparent disabilities | Mental disability | Cognitive disability | Autism/ASD/Asperger Syndrome

	Total non-apparent disabilities	Mental disability	Cognitive disability	Autism/ASD/Asperger Syndrome
Mentor	35	36	36	44
Sponsor	29	29	32	45
Job Coach	30	30	32	52
Career Plan	43	44	45	47
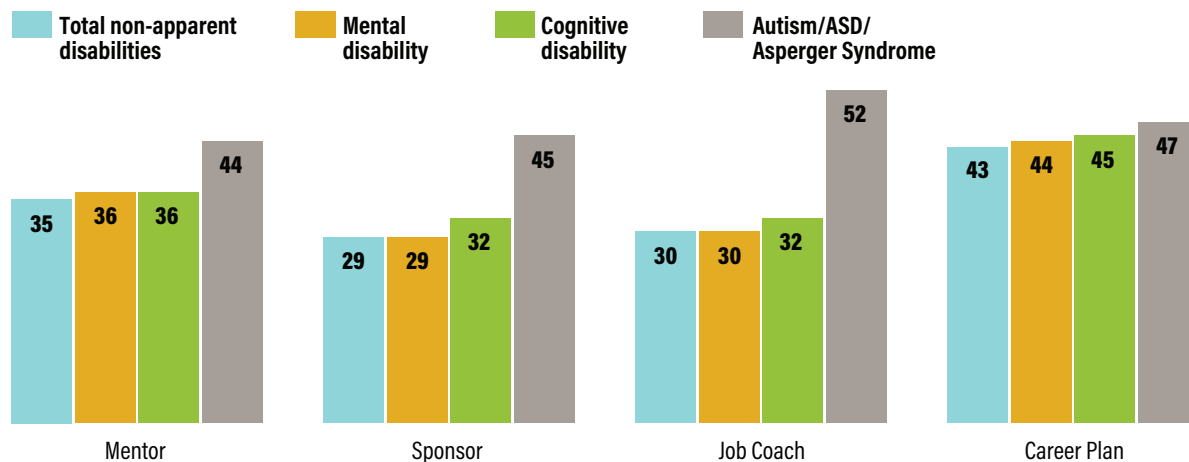
Lack of company mentor program is the primary reason for not having a mentor.

Employee Resource Groups

One-third of people with non-apparent disabilities belong to an employee network or resource group. People with autism are more likely to belong.

Belong to an ERG

YES
33%*

NO
67%

10% An ERG for people with disabilities

9% Other ERG

8% An ERG for people with mental illness

6% An ERG for people with PTSD

6% An ERG for veterans

5% An ERG for people with autism, ASD or Asperger Syndrome

* adds to more than 33% because people can belong to more than one ERG

53%
of people with **autism** belong to an ERG

35%
of people with a **cognitive disability** belong to an ERG

33%
of people with a **mental disability** belong to an ERG

Retention Tools

Salary increase, access to health benefits and ability to advance are most important items to retain people with non-apparent disabilities.

Priority rank	Total non-apparent disabilities	Cognitive disability	Mental disability	Autism/ASD/ Asperger Syndrome
1	Salary increase	Salary increase	Salary increase	Access to health benefits
2	Access to health benefits	Access to tools to make my job easier	Access to health benefits	Greater flexibility in when work gets done
3	Ability to get ahead	Ability to get ahead Ability to network with employees with similar interests Greater flexibility in how work gets done	Ability to get ahead Ability to network with employees with similar interests	Salary increase Access to information about job accommodations

VI. Next Steps for Employers

➤ Provide training throughout the organization on understanding all disabilities, but especially on how to deal with people with non-apparent disabilities. Less than half the respondents with non-apparent disabilities felt comfortable discussing their disabilities with their supervisors. This indicates a lack of awareness on the part of the managers and the organization.

➤ Create a culture where people are comfortable self-identifying and use employee resource groups to build awareness. Also, start a campaign throughout the organization encouraging people to feel comfortable bringing their whole selves to work and, therefore, to self-identify as having a disability. Have speakers discuss their own experiences (and those of close relatives and friends) of self-identifying and the benefits (ability to receive more accommodations, co-workers' and managers' support, etc.). Ask about disabilities on anonymous employee engagement surveys and include in results.

➤ Have an inclusive hiring process. Include information about people with disabilities (and not just apparent disabilities) in your recruitment information and on your website. Allow applicants to meet with employees with disabilities (including non-apparent disabilities) before being hired to discuss their experiences in your workplace.

➤ Provide quiet spaces to work. Quiet spaces were viewed as the top accommodation to enhance productivity by almost 80 percent of the people with autism, autism spectrum disorder, Asperger syndrome, depression and anxiety.

➤ Encourage people to join an employee resource group (ERG). Of the respondents, 53 percent with autism joined an ERG, compared with 35 percent of people with cognitive disabilities and 33 percent with a mental-health disability. These groups provide valuable support, education and potential for career advancement.

➤ Provide mentors for employees with non-apparent disabilities. About a third of the respondents in the survey did not have mentors, and another third said they didn't have role models at work. Providing people who can guide them through the corporate culture (especially if they also have disabilities) can dramatically increase satisfaction. The results showed respondents with mentors reported 78 percent overall satisfaction at work versus 46 percent for those without mentors.

WORKFORCE 2025
#DIVERSITY(R)EVOLUTION

Ann Jenrette-Thomas, President & CEO Esquire Coaching
Deborah Tsai-Munster, Executive Director Diversity Best Practices
Jennifer London, Content Director Diversity Best Practices

Diversity
Best
Practices
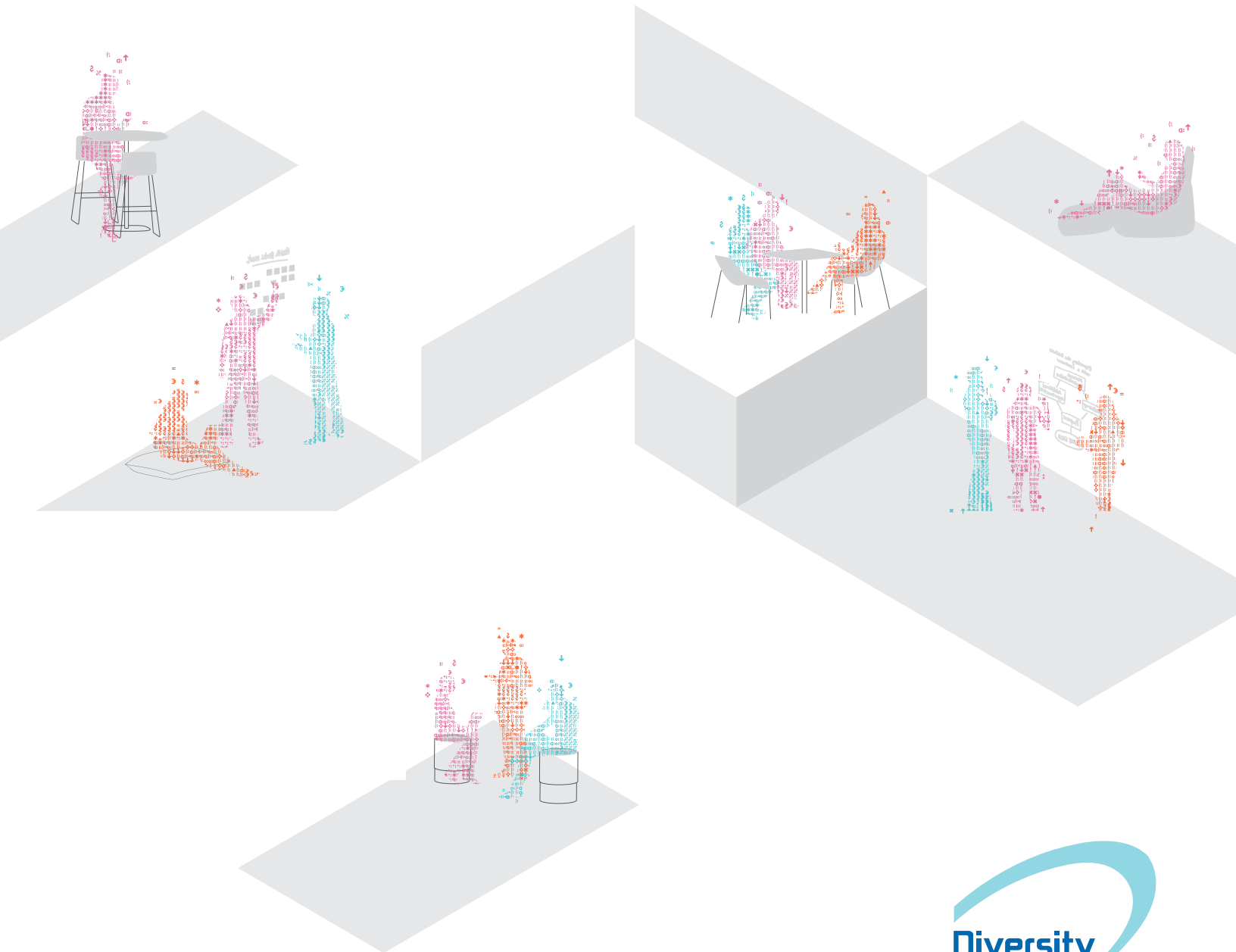
INTRODUCTION

The landscape of corporate diversity and inclusion (D&I) initiatives is changing. As D&I efforts have adapted over the past 40 years, the results, while better, are far from reaching the parity we have been striving for. The original driving force behind D&I efforts arose from the passion for social justice and was sparked by activism initiated during the civil rights era. Many multinational corporations overtly state that D&I is a business imperative or core strategy, yet when we look behind the curtain, there are telltale signs that this is not the case. Without consistent accountability and results, D&I objectives have often been treated as a pseudo business imperative. Meanwhile, there are some schools of thought that believe D&I efforts should focus more on inclusion and less on diversity because, as some say, diversity efforts have not been as effective as they should be.

Recently, we have seen more companies moving the office of diversity away from the CEO: some underneath Human Resources, some to Corporate Social Responsibility (see fig. 1)—more than two levels away from the CEO. This movement may be for good reasons, such as a more integrated approach to managing human capital strategies or stronger alignment to the markets being served, but what message does this trend send? A decade ago, the conversation centered around chief diversity officers (CDOs) benefiting from a direct line to the CEO to build credibility, accountability and focus on diversity as a core business strategy. How do we ensure that D&I advances as a true business imperative without direct access to the CEO and C-suite?

This loss of direct access, combined with the lack of clearly defined goals and accountability, can be risky to any D&I strategy, especially when initiatives are balanced more toward "right thing to do activities" rather than focused on accelerating real changes in demographics and business. Achievement of D&I efforts is thwarted when they are not adequately measured, consistently lack necessary financial and human resources, and are not tied to accountability and compensation. Research proves, time and again, that business results improve when tied directly to metrics and accountability.

What we have is a perfect storm threatening the integrity and impact of D&I. By focusing more on inclusion and diversity of thought, continuing implicit accountability of equity and parity of underrepresented groups, and failing to provide the financial, political and human resources essential to a business imperative, are we, by default, at risk of slowing down progress, rather than expediting it? Will it take more than 80 years to reach parity?

We have a tremendous opportunity to come out ahead of this perfect storm. In the next 5 to 15 years, an unprecedented number of corporate leaders are set to retire, creating a plethora of opportunities to advance diverse talent into leadership roles and close the leadership parity gap. Doing so means D&I champions must ensure that unconscious and conscious bias throughout the talent process does not threaten to erode these opportunities. Despite decades of efforts to diversify the upper echelons of leadership, women and people of color trail behind their white male counterparts. Although women comprise nearly 50 percent of the workforce, they hold a mere fraction of leadership positions (see fig. 2). While the number of Fortune 500 CEOs who are white women has gone from 4 in 2000 to 23 in 2015, the opposite pattern has developed for CEOs of color. "The number of African American CEOs dropped from its peak of 7 in 2007 to 6, the number of Latinos from 13 in 2008 to 10, and the number of Asian Americans from 15 in 2011 to 10."[1] Corporate boards remain overwhelmingly white and male (see fig. 3).

In Fortune 500 Companies:

23
female CEOs

3
women of color CEOs

Underrepresented groups must have access to the right types of opportunities in order to advance to the upper echelons of leadership. Bias can lead to inaccurate performance evaluations, a gender or racial pay gap, and insufficient access to key clients/projects, staff and budget, all of which impact whether a person is perceived as leadership material. If D&I practitioners want to leverage the retirement boom to ensure greater leadership parity in the future, then we must act now to mitigate bias within the talent process and ensure that women, people of color, LGBT individuals and people with disabilities have access to the essential opportunities and resources that will poise them for leadership.

REPORTING STRUCTURE
Diversity Executive Reports

To whom does your diversity executive report?

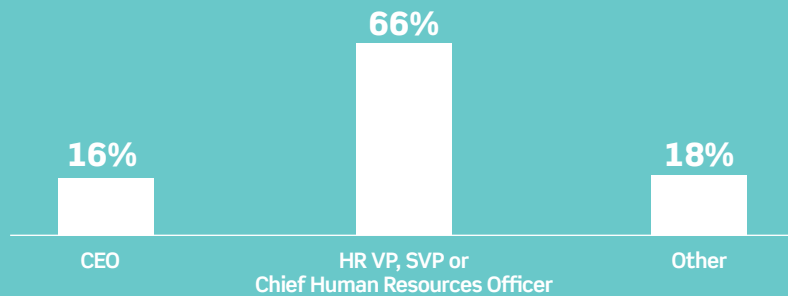| 16%	66%	18%
CEO	HR VP, SVP or Chief Human Resources Officer	Other

Fig. 1

Now is the time to start identifying the next generation of D&I leaders and begin preparing them with the foundational knowledge necessary to accelerate change. This includes helping instill passion for the work while embracing the new paradigm of inclusion and diversity of thought. While the movement toward inclusion is good, embracing inclusion at the expense of traditional dimensions of diversity will not yield the desired results regarding representation, equality and parity. D&I practitioners must ensure balance between inclusion and staying fervently focused on adding greater representation at leadership levels. Businesses should consider steps to harness the passion of Millennial social justice activists. How do we engage and leverage this talent now to help prepare them to become competent D&I leaders? The next generation of leaders should be advocates of both the advancement of underrepresented groups (via representation, career advancement, parity in pay and assignments, and leadership development) *and* greater inclusion and innovation. Both aspects are essential for future success.

THE RISK OF COMPLACENCY

While diversity has traditionally been framed in terms of demographics, equal opportunity and representation, it is said that Millennials, the largest workforce cohort of 2025, favor "cognitive diversity." Cognitive diversity refers to the diversity of thought that results from the blending of different backgrounds, experiences and perspectives, typically for the purposes of advancing the business or team. Many D&I organizations today are adapting strategies to appeal to all individuals, and particularly the Millennial generation, by focusing on the intersectionality of diversity and inclusion. This, in turn, has resulted in less emphasis on traditional, seemingly one-dimensional lenses of diversity, such as race, gender, sexual orientation and disability. In fact, some companies have started to remove the word "diversity" from their lexicon and substitute "inclusion" or phrases such as "workforce excellence." In addition, companies are starting to join underrepresented groups into a single multicultural cohort, rather than segregated groups

(e.g., interfaith, multicultural ERGs)—a concept Kenneth Charles, Vice President, Global Inclusion and Staffing, at General Mills, coined as the "beige-ing" of D&I efforts. "What we are seeing is a merging or intersection of diversity, largely driven by new generations entering the workforce who do not see themselves identifying with any one dimension," says Charles. "We need to be aware and

consider, however, if this trend is generational or driven by life and career stage." Five years from now, will these same individuals view their "difference" in the workplace differently if the landscape has not changed to better reflect parity? Without a concerted and deliberate effort to diversify corporate leadership, we run the risk that things will largely remain the same.
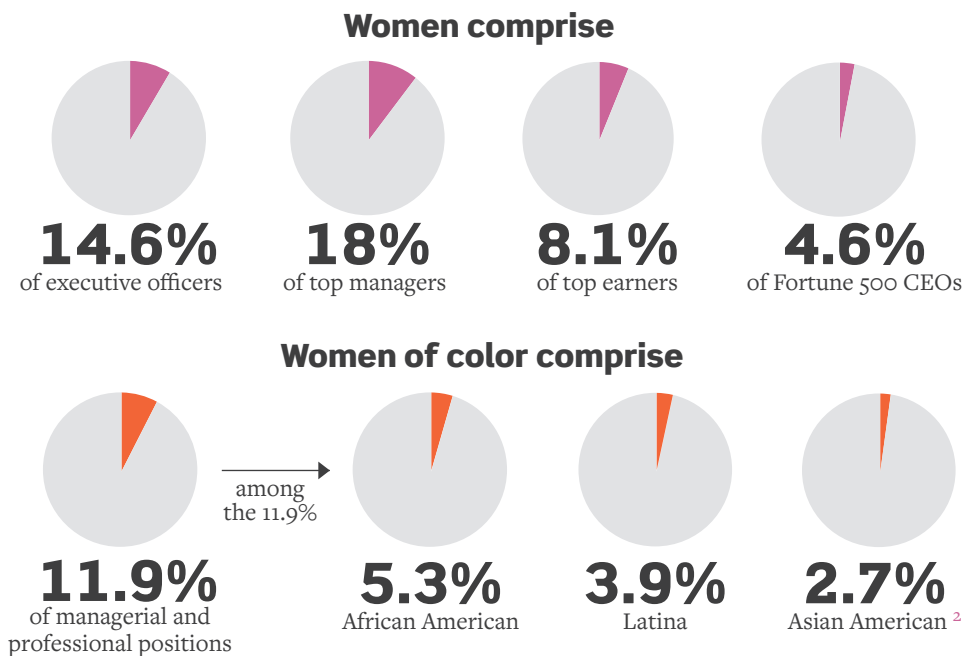
Women comprise

14.6%
of executive officers

18%
of top managers

8.1%
of top earners

4.6%
of Fortune 500 CEOs

Women of color comprise

among the 11.9%

11.9%
of managerial and professional positions

5.3%
African American

3.9%
Latina

2.7%
Asian American [2]

Fig. 2

Corporate Boards

74.4%
white men

13.3%
white women

6.8%
African Americans
(5.3% men, 1.5% women)

3.1%
Latinos
(2.4% men, 0.7% women)

2.4%
Asian Americans
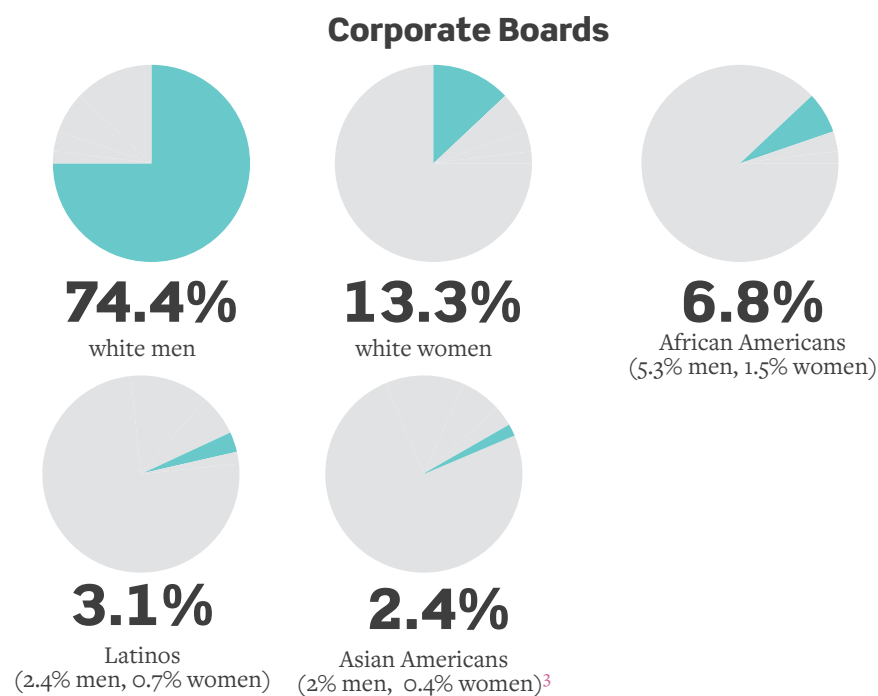(2% men, 0.4% women)[3]

Fig. 3

Perhaps the core risk of heavily weighting intersectionality and cognitive diversity is the risk of complacency. Millennials are entering higher education institutions and the workforce at nearly equal gender rates and numbers. As they look around, they don't see an issue of gender inequity. However, there are major structural, process, environmental and cultural barriers preventing parity up the chain of hierarchy. If we do not "keep our eye on the prize" of reaching parity, we risk slowing down progress.

Are Millennials really less concerned about equal opportunity and social justice issues than previous generations? Consider the events of the last few years: the Occupy movement that sought to rectify social and economic inequality worldwide; the #BlackLivesMatter movement that campaigns against violence against black people; the University of Missouri students who protested against racial injustice; and the Latin American Millennials engaged in social justice activism on behalf of indigenous people. This passionate revolution is potentially the biggest social justice movement since the civil rights era. Our opportunity lies in harnessing this passion and shining the light on the need for accelerated change. According to Ralph de Chabert, Chief Diversity Officer at Brown Forman, "Millennials haven't grown up in an environment where protected categories are so front and center. But they will deal with differences that have and will never change—being included, being heard. Millennials will deal with these issues much faster and at a quicker pace than we've been able to. We need to find a passion that gets them to see the work that needs to be done."

D&I practitioners must be wary of the risk (see fig. 5) of overemphasizing inclusion, while simultaneously underemphasizing representation, equality and parity of underrepresented groups. Although we may wish to be in a post-racial, post-feminist, post-marriage-equality era, the evidence suggests that we are not yet there, and thus, we cannot have D&I strategies that act as if we are.

D&I professionals will need to balance and embrace new perspectives regarding inclusion while continuing to "keep our eye on the prize" by advocating for

With 1.8 billion people globally, Millennials comprise approximately 44 percent of the U.S. and 75 percent of the global workforce.[4]

underrepresented groups and alleviating inequities. As we propel toward 2025, we suggest three key strategies to ensure that diversity objectives remain intact:

1. Treat D&I as a true business imperative by strengthening the accountability of the broader C-suite and operating leaders by measuring D&I performance and tying this to compensation.
2. Maximize succession-planning efforts for diverse talent over the next 5 to 15 years by mitigating the systemic cultural and structural biases that adversely impact the recruitment, retention and advancement of women, people of color, people with disabilities and LGBT persons.
3. Rejuvenate the passion and advocacy for diversity by harnessing the energy of current social justice movements and employee resource groups.

TREAT D&I AS A TRUE BUSINESS IMPERATIVE

Despite decades of rhetoric that D&I is a business imperative, many corporations have failed to treat D&I initiatives as such. True business imperatives have clearly defined objectives, clear accountability, adequate high-level support and resources to accomplish those objectives, and ways to measure and reward results. The recent trend of removing the diversity officer's direct line to the CEO and moving diversity executives out of the C-suite altogether suggests that D&I is not achieving the level of attention required of a true business imperative.

Initially, CDOs had a direct line to the CEO and C-Suite, which provided instant credibility and backing for D&I efforts.

Fig. 5

One study shows that Millennials of color feel that their white counterparts have better access to jobs and opportunities.[5] Similarly, another study found that the majority of Millennial women believe that women have fewer opportunities than men for good jobs, and that women do not receive equal pay for equal work.[6] Although Millennials are more racially diverse and multiracial than previous generations, studies show that white Millennials have opinions and implicit biases similar to older generations' on issues of race, including perceptions regarding how hardworking and intelligent different races are.[7]

Having the support of the senior-most officers has been consistently cited as one of the most critical factors in a successful D&I strategy. One of the primary reasons CDOs were part of the C-suite was to give them access across the entire corporation and different business functions so that they could ensure a comprehensive approach to diversity initiatives. According to a 2015 DBP survey, only 16 percent of benchmarking companies report to the CEO, 66 percent report to Human Resources, and 18 percent report to other functions (e.g., Corporate Social Responsibility).[8] This move is justifiable

in instances where all leaders are accountable to D&I, and D&I is truly imbedded into the holistic infrastructure, culture and operations of an organization, but these companies are in a small minority. Moving D&I away from the C-suite, and down one or two levels, runs the risk of contradicting the notion of D&I as a business imperative or core strategy. Instead, it makes D&I expendable. This could lead to a fragmented approach to diversity and/or passively enable "check the box" behaviors.

To reverse this trend, CEOs should hold leadership teams accountable for strategic diversity deliverables, with diversity officers playing a comprehensive cross-functional role across multiple lines of business. The most successful companies develop enterprise-wide objectives with business-specific and region-specific execution and solutions. Or conversely, align business leaders with a dotted line into the CDO to strengthen accountability.

Longitudinal studies assessing the effectiveness of various diversity policies show that successful initiatives rely on managerial engagement, accountability,

transparency and true commitment from top leadership.[9] Just as with other corporate initiatives, gauging the impact of D&I initiatives requires companies to have measurable outcomes and hold people accountable for achieving those outcomes. Simply put, what gets measured gets done. To illustrate, DiversityInc's 2012 Top 50 Companies for Diversity revealed that companies that tie more than 10 percent of executive compensation to diversity have 85 percent more blacks, Latinos and Asians at the CEO and direct reports level, and 40 percent more in the level below, than companies that tie less than 10 percent.[10]

Currently, only 22 percent of 2015 DBP Benchmarking companies tie D&I success to compensation. What is being measured at your company? Are managers being rated on D&I initiatives, such as recruitment and advancement of under-represented groups? Are compensation and promotion tied to achieving D&I objectives? In order to meet diversity objectives, what is being measured must be meaningful from the perspective of both the company's diversity and business objectives.

To effectively prepare for Workforce 2025, and the impending changes it will bring, D&I professionals can strengthen accountability for achieving diversity objectives by:

- developing robust diversity metrics and scorecards that are aligned with business strategy so executives and managers can clearly see how diversity positively impacts business;
- tracking and measuring both quantitative (e.g., demographic representation) and qualitative (e.g., culture, innovation, community outreach, business development, etc.) results; and
- imbedding D&I as an integral part of the performance appraisal process with specific D&I goals. Performance reviews should be directly tied to compensation and advancement, and should be weighted equally to business results. For companies new to this approach, consider a multiyear implementation (e.g. Year 1, establish baseline; Year 2, socialization and implementation; Year 3, tie to compensation).

Best Practice Spotlight: EY's Women Fast Forward

One example of a leading-edge effort to accelerate women's advancement at the workplace is EY's *Women. Fast forward* program. Inspired to close the gender gap sooner than what is predicted by the World Economic Forum (estimating another 80 years to achieve global gender parity), EY surveyed 400 leaders of companies from a cross-section of industries in EMEIA, Asia-Pacific and North America. The research revealed that the highest-performing companies were doing more to advance women than lower-performing companies, such as offering flexible work arrangements for women and men, establishing targets for women in leadership, and offering programs that expose women to all company operations and functions so that they can acquire the experience and knowledge necessary to become CEO. Based on these findings, EY adopted a three-point

strategy for accelerating women in the workforce. First, establish a clear path for women to ascend to leadership, including leadership pipeline programs, a supportive environment, setting measurable goals for leadership representation, appointing male sponsors for female employees, and establishing internal women's networks. Second, emphasize work-life integration by adopting both formal and informal flexible work arrangements that benefit both men and women. Finally, build a supportive culture by having an active CEO who visibly supports the advancement of women, developing a company-wide message that bias is unacceptable, enlightening all employees and educating management about conscious and unconscious bias, and ensuring that formal and informal sponsorship of women and underrepresented groups is part of all senior leaders' goals and priorities.[12]

DEVELOPING A DIVERSE POOL OF SUCCESSORS FOR 2025

A great opportunity to accelerate achieving parity and increase account-ability is on the horizon. One key reason leadership parity remains elusive is that diversity is largely viewed as a zero-sum game—in order for under-represented groups to have a seat at the table, someone will have to give up a seat. According to one study published in the *Harvard Business Review*, diversity initiatives make white men feel vulner-able, alienated, and as if they are being unfairly treated while women and people of color are being treated fairly. The authors further stated, "When people feel threatened they may resist efforts to make the workplace more inclusive."[11]

However, as previously noted, corporate leaders are set to retire, so now is the time to build a leadership pipeline filled with diverse candidates. Business leaders, talent and D&I professionals must ensure that the individuals who are identified as potential successors receive the profes-sional development and experiences necessary for them to be considered viable candidates in the future. Starting now to identify the core competencies, experiences and skills that are required of

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Intel set a goal last year: Of all new hires, 40 percent have to be women or underrepresented minorities (black, Latino, Native American). The company had never hit that level in the past, so it was an ambitious goal. And Intel reports today that it managed to exceed it, hitting 43.1 percent.

....

corporate leaders will allow D&I profes-sionals and business leaders to identify knowledge and skills gaps in high-po-tential candidates early on. In regard to developing diverse talent for the future, de Chabert states, "We need to be truthful about what skills are necessary to succeed. We have ten years to gain the right experiences. How do we accelerate those experiences to not only develop talent but to retain and place them?"

These skill-building and development opportunities should transcend beyond mentoring and traditional sponsorship to critical experiences such as P&L ownership, general management or sales, driving transformational change, media/PR training and more. Engage the C-suite to serve as sponsors and teachers on these real business experiences and challenges. Perhaps most important, developing this pipeline of talent requires ongoing support. It is not enough to identify opportunities and assign diverse talent to those opportunities. What are organi-zations doing to ensure ongoing support infrastructure once diverse talent is placed into stretch or developmental assign-ments? Sponsors can play an important role in ensuring their charges are not left alone to fail but instead are provided the right support as they encounter challenges and grow.

Efforts to identify and develop diverse talent must simultaneously address bias in the talent processes. Unconscious biases can impact all aspects of the talent process, including recruitment, perfor-mance evaluations, talent discussions and compensation, all of which impact leader-ship development and opportunity.

Bias in Hiring: According to London Business School professor Madan Pillutla, three unconscious biases significantly impact the hiring process:
- People gravitate toward those who are similar.
- Perception of competencies is influenced by stereotypes.
- People are wary of anyone who might threaten their status.[13]

Many D&I professionals have worked on strategies to attract and keep top talent, including securing a diverse pool of appli-cants, working on diversity messaging and programs, and addressing work-life

balance challenges (e.g., flexible work schedule, telecommuting policies). In addition to these strategies, organizations should find ways to address and mitigate unconscious biases in the hiring process. For example, some companies have begun to employ a "blind audition" process utilizing software (e.g., GapJumpers) that will enable the hiring manager to review the applicant's skills and competencies without any reference to the applicant's demographics. Other companies, such as Intel, are utilizing diverse recruiting teams to help mitigate implicit bias in recruiting.

Intel set a goal last year: Of all new hires, 40 percent have to be women or under-represented minorities (black, Latino, Native American). The company had never hit that level in the past, so it was an ambitious goal. And Intel reports today that it managed to exceed it, hitting 43.1 percent.

Bias in Performance Management:
Various types of biases can lead to inac-curate performance evaluations, which in turn can impact both career advancement and compensation. In the performance review process, biases (both positive and negative) occur in four key areas: rater bias, self-rater bias, structural bias and calibration bias.[14] Rater bias consists of the rater unconsciously favoring those people perceived as similar. UGM, an Australian consulting firm, studied the performance review process to under-stand why so few women advanced to the top levels of leadership in Australian companies. They observed that raters generally approached a conversation with an employee of the same gender with greater comfort, which in turn impacted the rating and the employee's advance-ment. Reviews between men were more relaxed and focused on the employee's future career development, whereas reviews between men and women where men were the managers focused on past performance, not future career develop-ment.[15] A study conducted by Stanford University's Clayman Institute for Gender Research revealed additional hidden biases. Despite the gender of the reviewing manager, women received 2.5 times more feedback on their "aggressive" commu-nication styles, and men received 3 times as many comments specifically related to business outcomes and results, whereas women were typically recognized for their teamwork and support of projects.[16]

Structural Bias: Though often unintentional, biases found in and reinforced by organizational structure or processes can be detrimental to the strength of a diverse talent pipeline. Core competencies that are valued within the company may be structurally biased. These competencies have tended to overrepresent masculine leadership characteristics and underrepresent feminine characteristics, and similarly favor Western leadership styles over Eastern. For example, a recent DBP roundtable revealed that many high-potential employees from Asia view an opportunity to work in the U.S. as a "killing field"—a place where their opportunity to advance as a leader is likely to be stymied because the difference in their leadership style is not well received or respected.

What contributes to their success in Asia is not considered effective in Western regions, where standards of excellence in leadership are largely viewed through a U.S. or Western lens. In the U.S., individuals who are decisive, passionate, confident, vocal and able to think on their feet are viewed as great leaders. Yet in Asian countries, a great leader is one who is diplomatic and collaborative, instills pride and loyalty, and values status, safety and security.[17] An individual with a more contemplative, diplomatic way of leading may not be viewed as "leadership material" by U.S. counterparts.

According to Ana Duarte-McCarthy, Citi's Chief Diversity Officer, "We need to start paying attention to the waves of global immigration and mobility. Everyone will be impacted, whether colleges and universities or corporations as the landscape of talent is changing. We need to think about how we manage cultural competence and how we track data and metrics." Over the next decade, we will see an increase in global immigration and corporate mobility programs—short-term assignments (less than one year) where employees are temporarily stationed outside of their home country—because international assignments are seen as essential to talent retention and development. D&I professionals can work to develop true capabilities and attributes that apply globally. According to a recent *Forbes* study, about one-third of the companies surveyed have global D&I strategies that allow for minimal regional deviation, while half have a global plan that allows for different strategies and programs in order to address regional needs or cultural differences.[18] D&I professionals must proactively look for opportunities to defer to regional standards, while redefining leadership and talent from a truly global, multicultural perspective.

Hidden structural bias has also contributed to a gender and racial pay gap. In the United States, women earn 78 percent of what their male counterparts earn.[19] Latinos, African Americans, American Indians and Native Hawaiians earn less than their white and Asian American counterparts, with women earning less than men.[20] The pay gap is less among Millennials (93 percent); however, as time passes, women fall behind their male counterparts.[21] One Wharton study examined the gender pay gap among stockbrokers and found that gender bias affects employees working on commissions, a seemingly objective compensation system. Women were assigned inferior accounts, which led to earning lower commissions. This disparity was compounded when these lower commissions prevented the women from being given access to resources that could have had a significant impact on their future earnings, such as better offices, more support staff, mentors and larger budgets.[22] The study further found that when women were given equal access, they performed as well as their male counterparts.

A direct and straightforward way of eliminating pay inequity is to conduct system-wide compensation audits. However, an integrated approach of ensuring equitable distribution of key assignments and resources is critical to ensuring longer-term sustainability. As demonstrated by the Wharton study, without access to key assignments, clients and the appropriate resources and support to successfully execute one's responsibilities, a pay gap will continue to exist, even in a seemingly objective performance-based pay system, such as commissions or merit bonuses.

Excerpt from

LCW's Managing Bias in Talent Review and Succession Planning Toolkit

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Automatic, unintentional and driven by mental shortcuts and stereotypes—unconscious biases can derail your best efforts to be objective during succession planning, or what many organizations call "Talent Review." The goal is to identify "top talent", select the 'best' successor candidates, and assess executive potential in order to develop those with the highest chance to successfully lead the organization. And yet, in our work at LCW with corporations the world over, we find that systemic as well as individual-level biases result in most overlooking true "top" talent when they instead implicitly select for preferences that may be unrelated to job performance and/or apply criteria inconsistently.

Undoing Bias in Talent Review
What can be done? Below are some tips proven to help you listen for, question and redirect discussions that have a potential for bias and frame subjective assumptions about candidates before, during and after the Talent Review process.

BEFORE

1. Prepare for Talent Review by taking stock of your known preferences and experiences.

- Are there any characteristics in a successor candidate that might potentially bias your evaluation of them as a future leader? Think about visible characteristics (e.g., appearance, greeting style, accent, speaking style, gestures and body language, age and gender, etc.) and/or what you learn about the person as you review their profile or talk to them (e.g., where they went to school, where they grew up, whether or not they have children, the type of degree they have, past approaches that differ from the way you would have done something, etc.).

2. Recall past Talent Reviews—or if this is your first, interview others—to consider:

- What biases tend to emerge in your organization during the process? List as many examples of potentially biased behavior as you can, regarding the evaluation of successor candidates.
- How will you share your insight on potential biases with your colleagues at the start of the Talent Review discussion?

3. Educate yourself with facts about unconscious bias research, and invite discussion of their possible impact on the review process with your colleagues.

DURING

1. For every candidate you are reviewing, consider the following:

- Does this person remind me of someone else (including myself)? If so, who and in what way (positive or negative)?
- How can I control for Affinity Bias—and the statistically borne-out tendency for people (possibly including me) to be most comfortable promoting people similar to themselves?
- Does this potential successor belong to any cultural groups that are known to be stereotyped (positively or negatively)?
- How long have I known this person? Will I let how long/short I've known this person cloud my objective evaluation of her/him?
- Is it possible I'm shifting criteria to fit a preferred candidate and discount others? Am I ignoring or discrediting data that doesn't support my point of view about candidates?
- Is there anything going on with me, either at work or in my personal life, that may get in the way of evaluating this person objectively? (If so, is there value to rescheduling the review or having someone else lead it?)

2. For every candidate you find yourself resistant to, in terms of their readiness for leadership roles, ask yourself:

- Is it because their profile is not "what we're used to seeing"?
- Do you automatically associate this candidate's background, gender, age, career history, appearance or other characteristic with a different career path than what you're discussing? If so, is that valid—or just status quo?

- Are you automatically associating your own career path experiences or the career path experiences of others who have previously held the role to "what is needed" to succeed in the role now? If so, is that valid—or just status quo or what's 'available' to you?

3. Get comfortable interrupting bias with respect and confidence during Talent Review discussions with your colleagues.

4. Assume good intent and frame your comments constructively with the end goal of enhancing your overall talent pool.

5. Ask for behavioral examples about candidates. Do not accept value judgments or personality criticisms at face value.

6. Ask for behavioral examples about candidates. Do not ever accuse colleagues of being biased or prejudiced. (Remember that people are almost never aware of their biases!) Instead:

- Position your questions as a means to build more understanding.
- Address the statement being made vs. the person making the statement.
- Be supportive—or at least neutral—in tone ("Help me understand..."; "Tell me more..."; "That's helpful to know...").
- Mitigate Stereotyping Bias by asking pointed questions, such as, "Would we be having this same discussion if they were white? Or male? Or Buddhist? Or straight?"
- Mitigate Availability Bias by pulling data and feedback from multiple sources, covering more than just the last few months—and asking questions like, "What else?" This helps to ensure that we aren't relying entirely on data that is quickly and easily available to us.
- Ask if it's possible the person's culture may have taught her/him differently—and if so, if the cultural difference may actually be an asset to the organization.
- Be clear and concise.

7. Remember to be open when others call out your own potential for bias. Try to see it as an opportunity for growth and dialogue.

AFTER

- Review the outcomes of your process to identify gaps and patterns that may exist.
- Work with your leadership and VP of talent to introduce improvements to the process for next year that will help manage bias in the process.

For more information about LCW's Toolkit for Managing Bias in Talent Review, and LCW solutions for managing bias at each stage of the talent cycle, contact monica@lcwmail.com (http://www.language-andculture.com)

KEEPING OUR EYES ON THE PRIZE: HARNESSING THE ENERGY OF CURRENT SOCIAL JUSTICE MOVEMENTS AND EMPLOYEE RESOURCE GROUPS

Many CDOs and other diversity leaders are of the Baby Boomer generation who were directly impacted by the civil rights and women's movements. As a result, they have a strong passion for, and a unique vantage point regarding, gender and racial equality. For this generation, diversity is a *moral* imperative. Many of today's diversity leaders have shepherded the evolution of D&I initiatives from one-day compliance-driven trainings to a plethora of ongoing strategic objectives designed to advance business imperatives. Given that the diversity industry is relatively young, and the foundational leaders of this industry are poised to retire, we must begin to think about the implications this raises. How do we continue to ensure a strong connection to the social justice aspects of D&I while opening doors to new visions and perspectives? How do we enable effective transition of the tacit knowledge that gives passion and life to the rich history of corporate diversity? One way is to leverage the passion of Millennial social justice activism for D&I succession. Not since the civil rights era have we seen a generation so inclined toward large-scale social justice activism as the Millennials, particularly around issues of racial and LGBT justice. As D&I professionals prepare to retire, they must identify successors who will champion diversity initiatives that take a balanced approach between representational diversity, parity and equality, as well as innovative notions of inclusion.

Employee resource groups (ERGs) were born from a similar place. Initially, these groups were designed as affinity groups where people who identified with the particular affinity could congregate in a "safe space" to discuss solutions to the unique challenges that they faced, build professional relationships and assist with corporate diversity efforts (e.g., community involvement, networking). Over time, these groups increasingly focused on business imperatives such as marketing/branding to diverse consumers, sales and talent recruitment. The current trend is to move toward ERGs that are multiracial, multireligious or functionally based. The benefit to this new model is the blending of perspectives, speaking to the fact that each individual is not diverse along a single axis but is uniquely comprised of different, intersecting dimensions. These approaches are not mutually exclusive. For example, Boehringer Ingelheim maintains their affinity-based ERGs while expanding their construct to include discipline-based networks such as their Pharmacist and Nurse networks. Other companies provide overarching "umbrella" steering committees (e.g., Interfaith) with representation from all religious ERGs (e.g., Christian, Buddhist, Islamic, Jewish and more). This dual approach can help meet the needs of the business as well as individual employees.

ERGs are a natural hotbed for developing talented and diverse leadership pipelines. ERG leadership roles are often referred to as "outside of day jobs or normal roles." However, as earlier stated, D&I should be treated as a business objective, and therefore leadership of an ERG should be assessed within that framework. Leading ERGs builds parallel skill sets such as leading cross-functional teams, influencing without authority, supporting and executing corporate-wide change-management objectives, budget management, and project management, and often includes external marketplace outreach, among other skills and experiences. It would be a missed opportunity if D&I leaders were not proactively and systematically identifying and developing this diverse talent pool in collaboration with business and talent management teams.

CONCLUSION

D&I professionals have an important function in this upcoming decade as they prepare for Workforce 2025. Corporate diversity initiatives have a rich tradition and purpose. These initiatives have done much to help alleviate inequities, yet more remains to be done. Cognitive diversity, inclusion and innovation are positive aspects of D&I; however, these strategies alone are insufficient to eliminate inequities based on race, gender, sexual orientation and abilities. To cater to the natural evolution of D&I initiatives will mean continuing a trend that risks de-emphasizing traditionally underrepresented groups in favor of diversity of thought and intersectionality. Rather than follow this natural evolution, we believe that D&I professionals should champion a revolution that embraces the growing needs of inclusivity *without* sacrificing representation, equity and parity of underrepresented groups. It is time to be opportunistic. As the current C-suite prepares to retire, D&I practitioners must partner with business and talent leaders now to prepare, accelerate and drive the development of diverse talent to assume top leadership positions. By creating greater accountability for D&I as a business imperative and addressing biases within core talent management processes, D&I professionals will help ensure that both the business imperative of diversity and the social/moral objective of diversity remain intact. It is time to (R)evolutionize and ride the wave of social justice that helps to define the Millennial population to create a stronger foundation for the future of corporate diversity initiatives.

> **"We need to be truthful about what skills are necessary to succeed. We have ten years to gain the right experiences. How do we accelerate those experiences to not only develop talent but to retain and place them?"**
>
> Ralph de Chabert, Chief Diversity Officer, Brown Forman

ENDNOTES

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About

Diversity Best Practices

Diversity Best Practices, a division of Working Mother Media, is the preeminent organization for diversity executives and thought leaders to share best practices and develop innovative solutions for culture change. Through research, benchmarking, publications and events, Diversity Best Practices offers members information and strategies on how to implement, grow, measure and create first-in-class diversity programs.

Diversity Best Practices' services help companies clarify opportunities and implications of their current diversity strategy, identify and enhance critical diversity leadership competencies, create and implement a system-wide focus on diversity and inclusion, and gain the executive-level support needed to ensure the company is successful.

In today's information-driven economy, diversity leaders need access to the most relevant knowledge available to execute successful diversity initiatives. Diversity Best Practices provides that knowledge. Become a part of the Diversity Best Practices network today.

Visit diversitybestpractices.com for more information.

Diversity
Best
Practices

BONNIER
Corporation

Building an Effective Sponsorship Program Resource Guide

The effectiveness of sponsorship programs depends on many factors. In this resource guide, we provide the basics on the why, what and how of sponsorship to get you started on implementing your own strategy.

What Is Sponsorship?	**Spon·sor·ship** *(noun)* a strategic professional relationship forged between an ambitious high performer *(protégé or sponsee)* and a more senior executive *(sponsor or steward)* which leads to positive career traction for both.

Sponsors Are Different Than Mentors

Mentors can be a pathway to sponsorship. Building strong relationships with individuals above you, as well as with peers, can help make potential sponsors aware of employees and provide an entryway into networks of power.

All types of professional relationships – coaching, mentoring, advocacy and sponsorship – are critical at every level and development stage but sponsorship is proven to have positive career impact

Sponsorship — Sponsorship is a strategic professional relationship forged between an ambitious high performer (protégé or sponsee) and a more senior executive (sponsor or steward) which leads to psotive career traction for both

Advocacy — An informal relationship that speaks on the behalf of others to address career interests

Mentoring — Formal or informal relationship between a more experienced professional and a less experienced professional focused on career advice, navigation and guidance

Coaching — Natural manager-employee or assigned employee-third party relationship focused on feedback, guidance and development

Allyship — A supportive-often peer relationship that recognizes and addresses systemic barriers

## Mentors Advise You; Sponsors Advocate For You

MENTORS	SPONSORS
Mentors have mentees	Sponsors have protégés
A mentor could be anyone with experience desired by a mentee who can **offer advice and support**	A sponsor is a senior level staff member **invested** in a protégé's career success.
Mentors **support** mentees through formal or informal discussions about how to build skills, qualities and confidence for career advancement.	Sponsors **promote** protégés, using their influence and networks to connect them to high-profile people, assignments, pay increases and promotions
Mentors help mentee **craft** a career vision	Sponsors help **drive** their protégé's career vision
Mentors give mentees **suggestions on how to expand their network**	Sponsors give protégés their active network connections and **make new connections for them**
Mentors **provide feedback** to aid a mentee's personal and professional development	Sponsors are **personally vested** in the upward movement of their protégé

Why Sponsorship?

Relationship Capital Is Key To A Person's Professional Advancement

Although there are multiple ways to build relationship capital, sponsorship can have a significant effect on promotion, pay increase and satisfaction rates. The example below, from Working Mother's 2019 Best Companies for Multicultural Women Report illustrates this point.
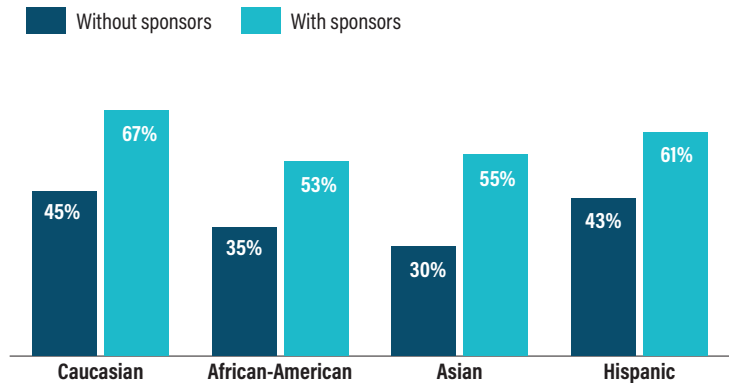
% of Multicultural Women

Sponsorship   No Sponsorship

Promotion: 40% / 29%
Pay Increase: 78% / 60%
Satisfaction: 83% / 49%
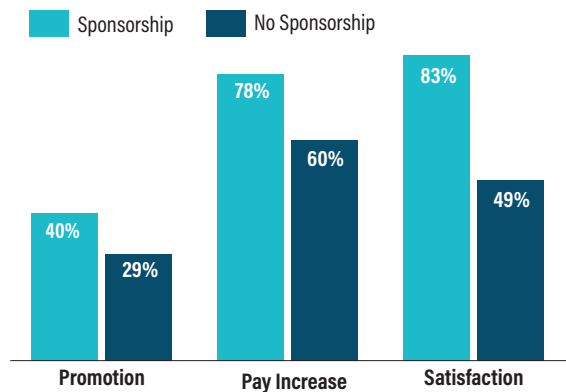
Source: Working Mother's 2019 Multicultural Women Report

According to a Center for Talent Innovation study, *Vaulting the Color Bar: How Sponsorship Levers Multicultural Professionals into Leadership,* the data is similar for people of color in general.

Employees who are satisfied with their rate of advancement

Without sponsors   With sponsors

Caucasian: 45% / 67%
African-American: 35% / 53%
Asian: 30% / 55%
Hispanic: 43% / 61%

And, based on our research for the Gender Gap at the Top Report, there is a significant gap between men and women as it relates to the advice and encouragement they receive regarding opportunities to grow professionally.

Relationship Capital Gap

% encouraged to seek out P&L opportunities
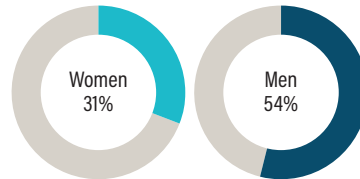
Women who were encouraged...

36% more likely to believe they had the necessary skills
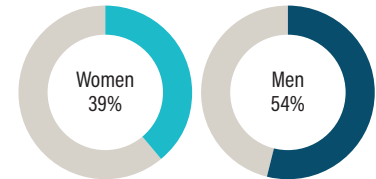
29% more likely to believe they would be successful

| Women | 25% |
| Men | 61% |

Received advice from mentor sponsor on how to advance in the past 24 months

Women 31%

Men 54%

Had a career discussion with mentor sponsor in the past 24 moths

Women 39%

Men 54%

How To Build A Sponsorship Program

Key Elements

There are multiple ways to implement a sponsorship program but it is critical that

- the sponsorship match ties to the development plan of the employee
- the sponsor has the influence needed to make that specific next move happen for the sponsoree
- the two components most relevant to women and under-represented groups --visibility and job experience--are directly tied to the sponsorship plan; and
- there is clarity about the purpose of the sponsorship program.

A SPONSOR IS A SENIOR LEADER WHO:

At minimum:

- Believes in me and goes out on a limb on my behalf
- Advocates for my next opportunity or promotion
- Provides a safe space for development

And, at least does two of:

- Expands my perception of what I can do
- Makes connections to senior leaders
- Promotes my visibility
- Gives advice on "presentation of self"
- Makes connections to clients/customers
- Gives honest/critical feedback on skill gaps

SPONSOR →

← PROTÉGÉ

A PROTÉGÉ IS A HIGH POTENTIAL EMPLOYEE WHO:

At minimum:

- Out-performs – contributes 110%
- Is professional
- Contributes a distinct personal brand

And, at least does two of:

- Demonstrates trustworthiness and discretion
- Leads with a yes
- Covers my back
- Builds my "A" team

Source: HBR

Implementation

Step One: Develop the scaffolding to support a sponsorship program.

Successful sponsor programs often have a team of stakeholders.

- Peer advocates
- Direct Managers
- HR and Talent·
- The Diversity Council should understand, monitor and track the goals of the program

CONSIDER THIS.
When rolling out any new strategy or initiative, it is good practice to start with a pilot and then assess the successes and opportunities for improvement before moving forward with what could be an enterprise-wide effort.

Step Two: Create and Communicate Your Selection Criteria

- Criteria for selection needs to be clear and communicated consistently across all stakeholders
- Leverage your employee resource groups as a pipeline of high potential, diverse candidates for the program
- Have FAQ ready and available for when questions come up

CONSIDER THIS.
Create a sponsorship handbook that outlines the details of the program, an FAQ and provides tips and tools for both sponsors and proteges.
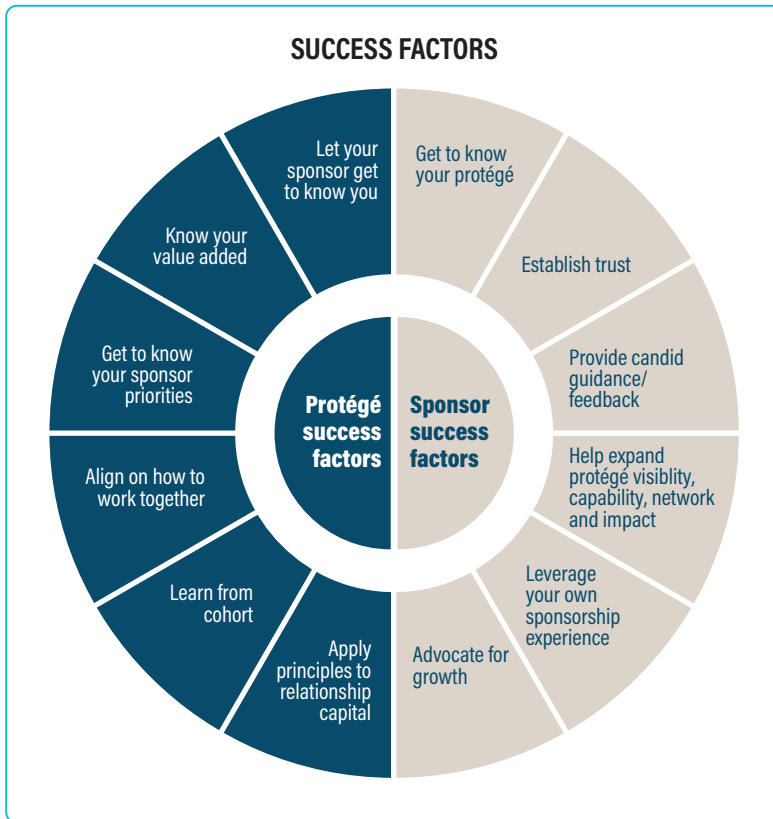
Step Three: Establish the Structure of the Program Including Timeline and Roles and Responsibilities for both Sponsors and Proteges

- The length of the formal sponsorship relationship should be based on the talent development cycle. A standard structure is a 12 month sponsorship timeline with 3- and 6-month check-ins. At the end of that time, the pair can determine if it should go longer based on the development plan and advancement opportunities.
- Create new roles or assignments. Job openings don't always align to an employee's advancement timeline. However, a lateral move is not the only way to demonstrate success. Think broadly and fluidly about what the next opportunity is and what advancement could look like in your organization.

CONSIDER THIS.
Job opportunities can come from existing roles or from creatively looking at new roles or innovatively restructuring old roles. In addition, companies need to hold their senior executives accountable for ensuring that women and minorities are given opportunities for top jobs.

Step Four: Establish Metrics You Will Use to Measure Progress and To Hold Leaders Accountable

SUCCESS FACTORS

Protégé success factors (dark blue segments):
- Let your sponsor get to know you
- Know your value added
- Get to know your sponsor priorities
- Align on how to work together
- Learn from cohort
- Apply principles to relationship capital

Sponsor success factors (tan segments):
- Get to know your protégé
- Establish trust
- Provide candid guidance/feedback
- Help expand protégé visiblity, capability, network and impact
- Leverage your own sponsorship experience
- Advocate for growth

Metrics to consider to ensure you are making progress toward the goal of advancing women and under-represented minorities

- What is the velocity of movement (promotion rate) of employees involved in the sponsorship program and how does it compare to similar employees who are not in the program?
- Are the development plans being executed on-time? You may have to insert specific metrics, deliverable goals on the development plan to ensure the goals are met, along with a timeline for reaching them.
- Track the barriers to placing "ready" talent. What are they and how will you solve them?
- As well as ensuring your external slates for hiring are diverse, do you always require diverse internal slates, even if you have to go one level down and assign a mentor/sponsor. What color/gender is your pipeline and why?
- Are you monitoring how long people who are either hired or promoted to senior managers or above are in their jobs are their attrition rates hire? Is their length of service shorter in the role? (Ultimately, were they assigned sponsors/mentors/coaches to ensure success?) Are there actionable suggestions for performance improvement or general, unactionable observations?
- Are you monitoring gender/ethnicity of every leadership development class. Do women and people from under-represented groups have the same rates of success post training?
- Is the material used in leadership development training non-sexist and non-discriminatory?

Need more support to implement your sponsorship program? Contact lisa.fraser@diversitybestpractices.com or allison.avery@cultureatwork.com and we will work with you to create a plan to move forward.

DRIVING THE NUMBERS:
Diversity Demographics

For decades, diversity and inclusion initiatives were considered "soft, feel good" initiatives that were "the right thing to do" but didn't necessarily have an impact on business.
That changed dramatically in recent years as D&I's ability to increase the quality of new hires and management and leadership, as well as contribute directly to increased market share, has been demonstrated.

The changing demographics within the United States have been documented over recent years with the growing Hispanic and Asian populations noted many times. Recent research from the Pew Research Center shows that Millennials are the largest generation ever, immigrants are driving workforce growth in the United States (without immigrants there would be 18 million fewer working adults by 2035), women's pay gaps are narrowing, especially among women ages 25-34.1

All of these demographic factors contribute to the increasing importance of D&I to corporate strategies—to reach the best talent in an increasingly competitive global arena, to find innovative suppliers who relate to the community, and to directly understand and market to increasingly diverse customers and clients.

The ability to successfully measure D&I's contribution to business has evolved significantly in recent years. A decade ago—even five years ago—many companies were just beginning to apply rigorous discipline to their people programs, including their D&I initiatives. This was especially true when it came to measurement, and the void was compounded by how unsure organizations were of how to properly assess D&I results.

Insights from the 2017 DBP Inclusion Index

PROGRESS REPORT

CEO requires diversity executive to report on metrics

2016	88%
2015	70%
2012	70%

CEO reports D&I metrics to board

2016	88%
2015	85%
2012	72%

Today, companies are preparing detailed D&I scorecards with relevant metrics for their senior leaders to assess and often linking executive compensation to results. Their metrics on human capital have evolved substantially and they increasingly add metrics on procurement, community involvement, and marketplace impact.

Part I: For companies new to or in early stages of D&I

To understand why business metrics should be applied to your D&I initiatives, consider the old adage that what gets measured gets done. Measurement has value in several general situations:

- When an organization wants to prioritize and manage its human-capital initiatives to better define success by objectively assessing the impact of the initiatives and quantifying the impact to secure support from top leadership
- When an organization needs to understand the relative costs and benefits of a variety of interventions, such as development or formal sponsorship or employee-resource groups
- When an organization recognizes there are significant costs of inaction – such as lawsuits or loss of talent

For D&I specifically, it is essential to determine if these efforts are sustaining business growth. Are they maximizing the return on an organization's investment and contributing to future growth? Are they improving the productivity, efficiency and innovation of the workforce? Are they contributing to growth in market share? What does D&I have to do with achieving the critical successes that will lead to the organization's overall success?

In the beginning, as you gather your D&I metrics, you first need to assess what data you already have and use that as a baseline. Then you can address what additional data you need to collect. Think big picture, such as what needs to happen with respect to D&I so that the organization's overarching critical success factors are achieved. What tactics move you from where you are now to where you need to be? What will the data tell you if the required changes are happening, including behavior changes? What data will tell you if the changes are having the intended impact?

Sometimes people within a company raise the issue that gathering diversity-related data is a legal concern. This is generally untrue and transparency is crucial to advancing business goals by understanding D&I metrics. Says Donald Fan, Senior Director, Global Office of Diversity, Walmart Stores, Inc.: "To sustain D&I progress, accountability and transparency are two critical success factors among others. Both go hand in hand. Without data transparency, we won't be able to hold people accountable for driving and leading D&I success."

- Common baseline metrics include new hires, workforce, management, executive and board of director representation by race/ethnicity and gender.

- Companies also start assessing engagement at this stage and begin the process of evaluating whether a robust D&I initiative leads to increased engagement and retention.

- They also begin to assess the effectiveness of learning and development efforts, determining which specific initiatives do the best job of effective sustainable behavior change and building capability in areas aligned with the organization's long-term direction

- Metrics often include ensuring that all employees have access to job assignments and advancement opportunities that require them to use the capabilities they develop.

- Legal compliance is also often part of the early-stage metrics, ensuring the organization is meeting standards established in Affirmative Action Plans, Equal Employment Opportunity guidelines and supplier-diversity guidelines.

Part II: For companies advanced in their D&I work

In the early days of D&I initiatives, the only metrics were representation goals, often based on compliance requirements. Compliance goals, however, were rarely defined in terms aligned with an organization's business goals and today companies successful in the D&I space want to use metrics that are directly relevant to their bottom lines.

The key to setting and assessing representational goals is transparency and relevancy to the company's workforce, footprint and marketplace. For example, Accenture in June 2017 announced plans to achieve a gender-balanced workforce, with 50 percent women and 50 percent men, by 2025. In making the announcement, Chairman and CEO Pierre Nanterme said: "Diversity makes our business stronger and more innovative and, most important, it makes the world a better place. With this new goal, we are sending an important message to our people and our clients confirming our commitment to a gender-based workforce."

The most critical aspect of this is how transparent the company is being. The company said it now has 150,000 women, nearly 40 percent of its global workforce. And it set specific goals and announced a strategic game plan to reach its pledge.

At Walmart, "transparency is so important. We are a metrics-driven company and measurement holds people accountable. It is part of our belief that you should be transparent with internal associates but also make sure that you share what you know with the external world, across industries," says Fan.
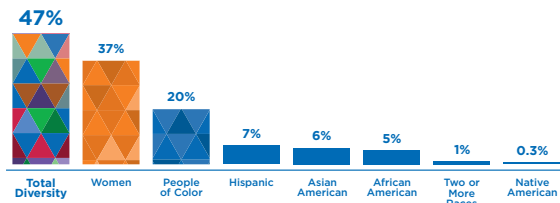
3 TIPS
FOR EARLY STAGE D&I METRICS

1. **Assess what data you have that can be used (i.e. historic info on talent pipeline, velocity of progress by race and gender)**

2. **Create a plan of what metrics will be needed over next 1-3 years**

3. **Educate senior leaders on relevance of diversity-focused data and how to capture and measure to establish baselines**

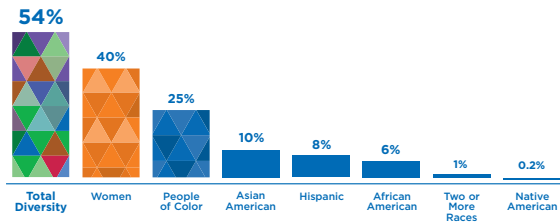# Snapshot from Comcast NBC Universal's 2017 Diversity Report

Our Leadership at a Glance (YE 2016)

We continue to connect diverse leaders with opportunities that positively impact our teams and culture at Comcast NBCUniversal. Each year, we measure and report on the diversity of our leadership at the Vice President level and above, the Director level, and the Manager level, to ensure we continue to increase the representation of women and people of color across the company.
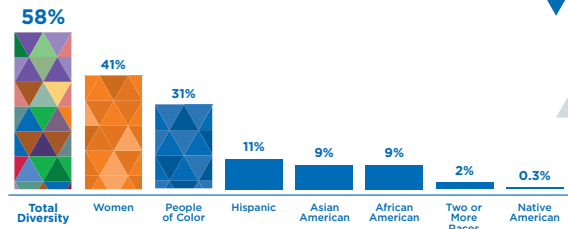
▶ VICE PRESIDENT LEVEL & ABOVE

Total Diversity	Women	People of Color	Hispanic	Asian American	African American	Two or More Races	Native American
47%	37%	20%	7%	6%	5%	1%	0.3%

▶ DIRECTOR LEVEL

Total Diversity	Women	People of Color	Asian American	Hispanic	African American	Two or More Races	Native American
54%	40%	25%	10%	8%	6%	1%	0.2%

▶ MANAGER LEVEL

Total Diversity	Women	People of Color	Hispanic	Asian American	African American	Two or More Races	Native American
58%	41%	31%	11%	9%	9%	2%	0.3%

Growing Our Diverse Leaders (YE 2010 – YE 2016)

We recognize the importance of developing diverse leaders who will help move our company forward, and we have made meaningful progress since starting our formal Diversity & Inclusion program in 2011.

Over the past six years, we have seen significant growth in the number of diverse leaders at every level.

VICE PRESIDENT LEVEL & ABOVE
43% 6-Year Growth

DIRECTOR LEVEL
63% 6-Year Growth

MANAGER LEVEL
58% 6-Year Growth

Employee Resource Groups

In 2016, we saw employees across our footprint connecting with each other through the expansion of our Employee Resource Groups. With 24 new chapters launched last year, more employees have been able to come together to learn, lead, give back, and positively impact our business.

More than **20,000** ERG Members

Total of **118** ERG Chapters

Chapters Increased Nearly **300%** since 2012

Source: Comcast NBC Universal

For example, although Walmart is not a government contractor and thus not accountable to publish its EEO[1] data, the retail giant has been voluntarily publishing that data in its D&I report for the past 10 years.

Fan believes transparency helps the company attract more talent. "Especially with Millennials, they want a company that is a good socially responsible citizen. They want to know if we truly offer equal opportunity, especially for women and people of color.
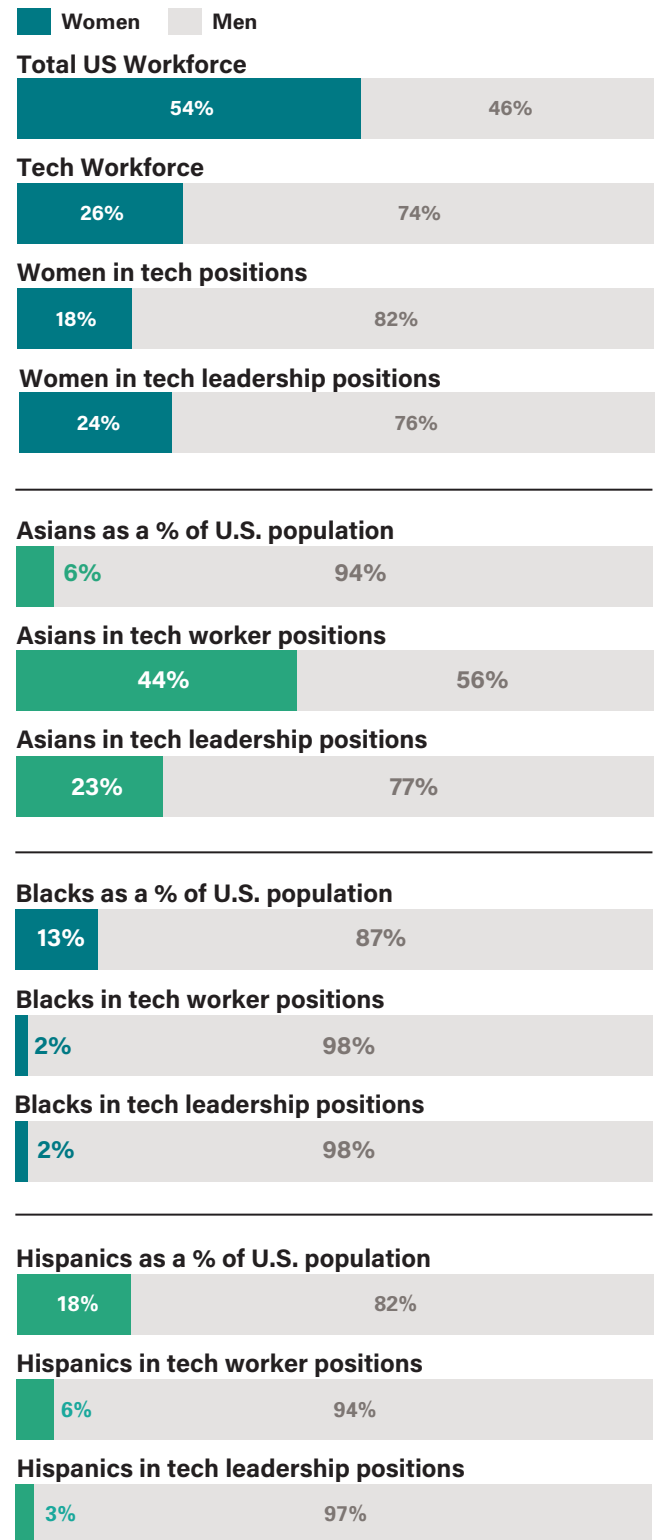
At Comcast, the company is completely transparent about its progress in diversity of the workforce, procurement, programming, community investment and governance. That includes an annual D&I report that shows diversity at every level – Board of Directors, vice president and above, director, manager and includes year-to-year metrics on such areas as employee-resource group participation, supplier diversity spend, and its Ventures Catalyst Fund, which connects members of minority groups with capital funds. Comcast also discloses information about its online, TV and film programming for diverse audiences and the talent behind and in front of the cameras.

The needs for transparency in D&I metrics is crossing many industries. The technology industry, under fire for lack of female, Black and Latino representation, as well as people with disabilities and older workers, has become increasingly transparent about its numbers—gaps and all.

In terms of relevancy, when looking at any information, especially demographic, consider how you are defining people, both in terms of under-represented status and in terms of job function. Most companies now use standard U.S. Census Bureau definitions of race/ethnicity, as does Diversity Best Practices' Inclusion Index. Those are white, black, Latino/Latina, Asian, Native Hawaiian or Pacific Islander, and two or more races. Also consider whether you want to include groups that self ID – LGBTQ people, people with disabilities and veterans. This may depend on how inclusive your corporate culture is for these groups and how comfortable people are about self-identifying.

When examining job functions, make it as simple as you can and use the same standards throughout. For example, Diversity Best Practices' Inclusion Index defines corporate executives as "the highest tier of employees by job level, pay grade and/or responsibilities."

Disparities in the Tech Workforce, 2015 [2]

Women   Men

Total US Workforce
54% | 46%

Tech Workforce
26% | 74%

Women in tech positions
18% | 82%

Women in tech leadership positions
24% | 76%

Asians as a % of U.S. population
6% | 94%

Asians in tech worker positions
44% | 56%

Asians in tech leadership positions
23% | 77%

Blacks as a % of U.S. population
13% | 87%

Blacks in tech worker positions
2% | 98%

Blacks in tech leadership positions
2% | 98%

Hispanics as a % of U.S. population
18% | 82%

Hispanics in tech worker positions
6% | 94%

Hispanics in tech leadership positions
3% | 97%

Source: Aggregated data reported by nine of the major tech companies in 2015, (LinkedIn, EBay, Apple, Yahoo!, Facebook, Google, Twitter, Intel and Microsoft)

3 TIPS
FOR ADVANCED D&I METRICS

1 Expand transparency in all D&I related activities, including those with customer/client focus

2 Enhance Scorecards with direct business relevance

3 Link compensation of senior executives to scorecard results

In creating a Scorecard or Dashboard of D&I metrics, companies increasingly are keeping two things in mind – keep the data clear and understandable, so senior leaders "get the picture" and understand progress and challenges quickly – and, most importantly, show data that is directly relevant to the business.

At Walmart, for example, D&I scorecards are designed with specific KPIs (Key Performance Indicators) relevant to the core business. Those include, women and people of color by representation, by promotion, by voluntary termination, as well as specific progress on D&I related initiatives, such as mentoring (more than 77,000 managers are required to mentor at least two associates each who are not direct reports and have different backgrounds than the manager), attendance of managers in inclusion education (training this year focused on unconscious bias), and an "inclusion index" of the full associate base assessing such topics as sense of belonging and fairness (part of the annual associate engagement survey, which has participation rate of 90 percent).

Other factors increasingly measured are:

- Best practices, such as participation by demographics in formal mentoring and sponsorship

- Inclusion and results of succession planning

- Attendance at D&I events, both internal and external

- Ability for D&I partners, such as employee resource groups, to present to and impact client/customer relationships

- Metrics around employee resource groups are becoming more common and sophisticated, going beyond mere participation numbers. At Cap Gemini, for example, each ERG does its own self-assessment based on goals and its maturity. Goals can include such factors as helping with career development and contributing to the community

It is also important to examine supplier-diversity metrics. In the United States, the most common measurement of supplier-diversity progress has been the amount of money spent with diverse suppliers year over year. This is an important metric for all corporations to know, but it is not the only metric for assessing value to a business for a few key reasons. First, larger organizations have more money to spend on their value chain, so their spending amounts will necessarily be larger, especially companies in retail compared to companies in services. Second, companies often count the number of their diverse suppliers, but this is also a tenuous metric if it does not account for the size or value of the contracts awarded to each supplier.
In the U.S., more sophisticated metrics have evolved, including assessing satisfaction with diverse suppliers, tracking market share by demographic and evaluating potential revenue impacts from diverse suppliers.[2]
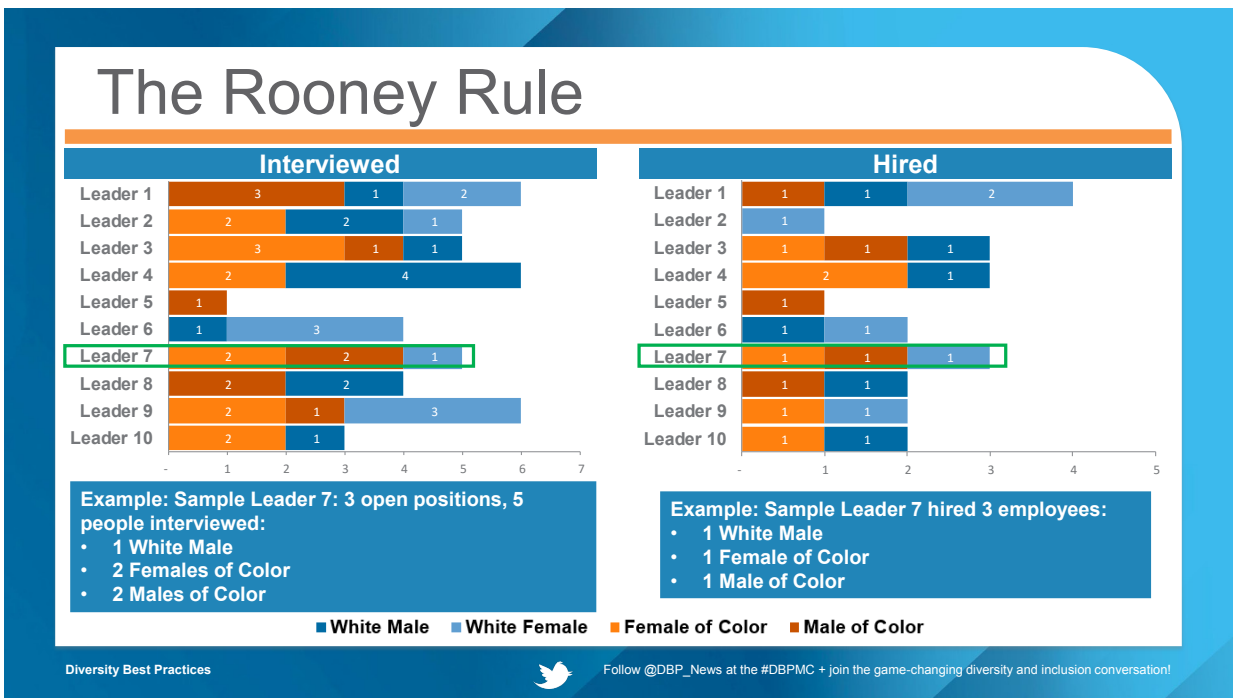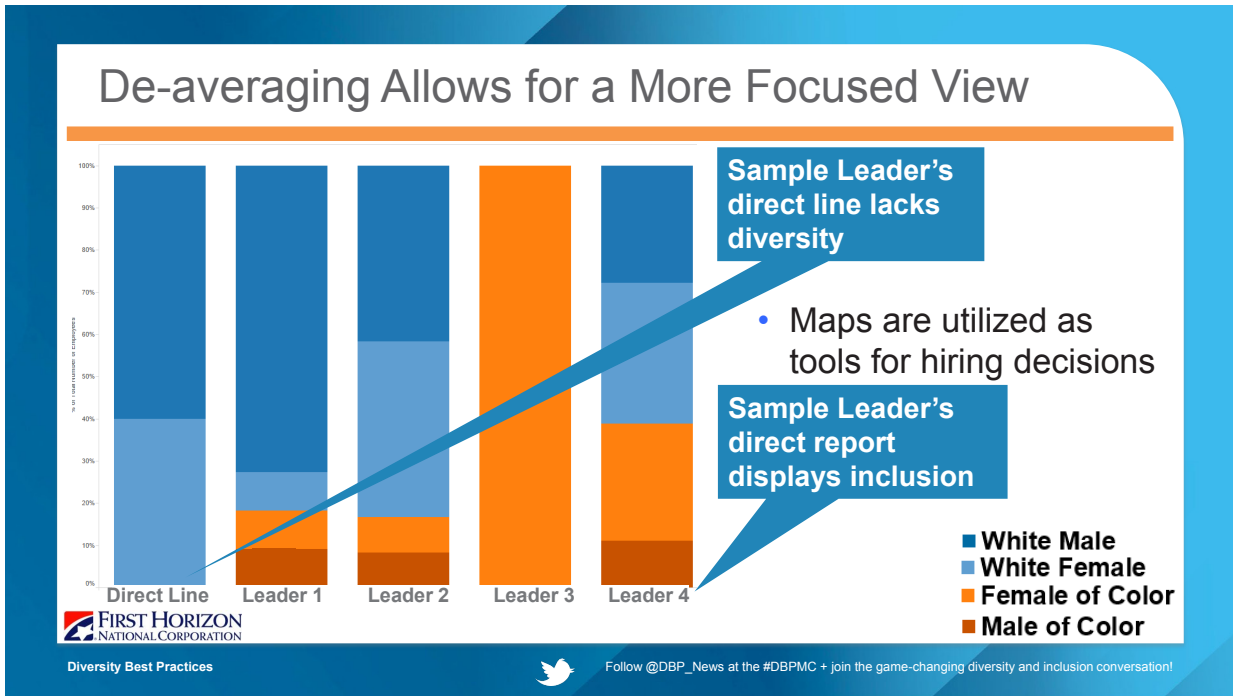
Conclusion:

The increasing relevance of D&I metrics to the value of the business cannot be overstated. The emphasis more CEOs and boards of directors place on these metrics demonstrates that they believe understanding what triggers the best hiring, retention, advancement, procurement, and community relationships will lead to sustainable business growth. The need to be transparent, as demonstrated by companies like Walmart, Accenture and Comcast, comes from the top and gives increasing value to the metrics and the goals they represent.

Endnotes

1. Cilluffo, Anthony and Cohn, D'Vera "10 Demographic Changes Shaping the U.S. and the World in 2017," Pew Research Center, April 27, 2017
Link: http://www.pewresearch.org/fact-tank/2017/04/27/10-demographic-trends-shaping-the-u-s-and-the-world-in-2017/

2. "The Business Case of Global Supplier Diversity and Inclusion," WEConnect International, March 2017
Link: https://www.weconnectinternational.org/images/Report.pdf

Sample Metrics

First Tennessee Bank grounds their D&I strategy in data and has been able to drive change because of their willingness to "go deep" into the data and look at it through multiple lenses. Below are some examples of the ways in which they slice their data to pinpoint the areas of opportunity and build a strategy to address them.
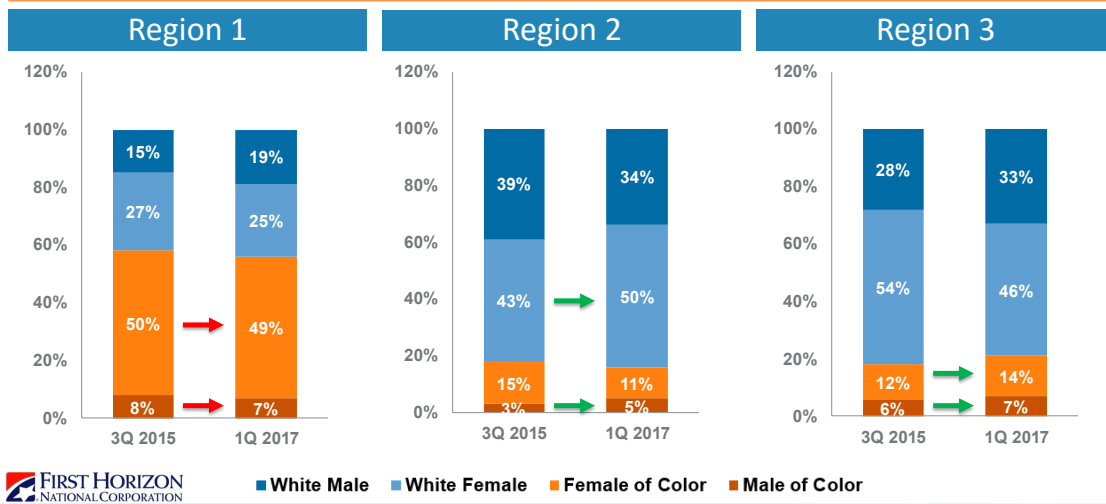
Sample Metrics

This sample data looks at female headcount and retention data alongside engagement survey results, aggregated by female employee responses, to provide a robust picture from which to identify challenges but, more importantly, to discover the opportunities to address them.

Current State: ABC Gender Comparison

- Overall female representation well below recommended 30%
- Opportunity to build the pipeline of women at band 4

Headcount	Band 0-2	Band 3	Band 4	Band 5
Male	29	86	844	3772
Female	3	21	119	792

- Retention of 21 band 3 females critical
- Losing women at higher rates from band 3 to 2
- All band 3 female exits were voluntary

Turnover/Retention	Band 1	Band 2	Band 3
Male	1 (voluntary)/ 86%	1 (involuntary)/96%	12 (2 voluntary)/88%
Female	0/100%	1 (involuntary)/67% ⬇	2 (2 voluntary)/93%

Understanding why women leave: ABC Engagement Data reflects similar trends

TFP/TSS Engagement Data by Gender

Top Reasons Women Leave	
Contributions were not recognized or valued	29%
Lack of challenge and interesting work	22%
Need more opportunities, flexibility and freedom	51%
Isolated as one of the few women or minorities	28%
Excluded from informal networks	28%
Not taken seriously- decision making	29%

% Favorable Variance from Total Population Score

Organizations should slice their data in as many ways as they can in order to hone in on the opportunities for growth at all levels of the organization and throughout the talent lifecycle.

Sample D&I Metrics Template

Talent acquisition and retention are significantly more favorable for White males

Hires
35 / 65
- Caucasian Male
- POC/Women

Exits
36 / 64
- Caucasian Male
- POC/Women

Promos
35 / 65
- Caucasian Male
- POC/Women

SAMPLE-- DATA IS NOT REAL

Pipeline assessment

Favorable performance ratings
54 / 46
- Caucasian Male
- POC/Women

Critical Employees
40 / 60
- Caucasian Male
- POC/Women

On the Radar
38 / 62
- Caucasian Male
- POC/Women

Sample D&I Metrics Template

By Gender- Executive Population
- FY13: Female 45, Male 92 — 33%
- FY14: Female 43, Male 104 — 29%

Total Population By Race/Ethnicity
- African American 23.6
- Asian Pacific Islander 3.3
- Hispanic/Latino 11.8
- Caucasian 56.5
- Other 4.8

By Gender- Total Population
- FY13: Female 5601, Male 10707 — 34%
- FY14: Female 5538, Male 10968 — 34%

SUMMARY OBSERVATIONS
- " Overall female to male ratio is within benchmark standards (30-35%) but is not trending favorably
- " Diverse candidate slates are being presented as part of talent acquisition process .
- " ELT diversity demographics remain strong.
- " Potential opportunities in capturing share of Asian Pacific Islander and Hispanic talent

SAMPLE-- DATA IS NOT REAL

Walmart's D&I Metrics Essential to Business

STEPS TO SUCCESS

❶ **Link D&I metrics directly to business goals, for example filling talent gaps**

❷ **Ensure metrics are related to each other and are frequently re-assessed**

❸ **Hold line leaders responsible for D&I metrics**

Walmart Stores, Inc. is very focused on metrics—and that certainly holds true when it comes to diversity and inclusion, says Donald Fan, Senior Director in the Global Office of Diversity.

"Measurement holds people accountable. It's about asking the right question and pivoting efforts on the right challenge. That's the key component to drive success. It is part of our belief that metrics and transparency help us frame the conversation and inspire people to own and lead diversity and inclusion efforts. We share our findings internally and externally," he says.

That transparency goes far beyond compliance. For example, although Walmart is not a government contractor and, therefore, not required to publish its EEO-1 data, the company has been publishing it annually in its D&I report for 10 years. That includes breaking down different job categories by gender/race/ethnicity.

This transparency helps the company attract more talent, Fan says. "Especially with Millennials, they look for employers of choice on several criteria, including looking for leaders in the D&I space. They ask if companies are good socially responsible citizens and if they truly offer equal opportunities, especially for women and people of color."

For D&I, the metrics used in their Scorecard (see illustration), are those most relevant to the core parts of the business. All of the metrics are related to each other and are frequently assessed to ensure their continued relevancy. More detailed metrics are uncovered in a D&I Dashboard, offering an in-depth view

Walmart's Index questions:

CULTURE

1. Our value "Strive for Excellence" is consistently practiced by associates in my facility or department

2. Our value "Service to our Customers" is consistently practiced by associates in my facility or department

3. Our value "Act with Integrity" is consistently practiced by associates in my facility or department

4. Our value "Respect for the Individual" is consistently practiced by associates in my facility or department

INCLUSION

1. Walmart is committed to providing equal opportunities for all associates

2. Walmart provides an environment for free and open expression of ideas, opinions, and beliefs

3. I feel that I am a part of a team

4. I feel free to be myself at Walmart

Measure \ Leader	Diversity Objectives (50 points)						Inclusion Objectives (50 points)				Total Index Score (100 points)
	Women			People of Color							
	Representation (10 points)	Promotions (5 points)	Voluntary Termination (10 points)	Representation (10 points)	Promotions (5 points)	Voluntary Termination (10 points)	Mentoring (10 points)	Inclusion Education (1o points)	Inclusion Index (15 points)	Culture Index (15 points)	
Total Company											
Baseline											
Current											
Change (+/-)											

of talent mobility statistics, including new hires, promotions, demotions, lateral moves, voluntary terminations, involuntary terminations and retention rate, broken down by levels and historic periods. These are all factored by gender, race and ethnicity.

On the inclusion side, the metrics assess the value and usage of best practice. The D&I program requires more than 77,000 managers to mentor at least two mentees who are not their direct report and attend inclusion education, which this year focuses on unconscious bias. The third aspect of the Scorecard metrics is the company's Inclusion Index, four questions which go to the full associate base of 1.5 million employees in the United States and 2.5 million globally. The questions look at such factors as equal opportunity for all, open expression of ideas, being part of a team and being free to be oneself. The company also looks at these factors, as well as its fourth factor, its Culture Index, in its annual engagement survey, which has a participation rate of above 90%.

Walmart holds its business leaders accountable for its D&I results, which are evaluated at quarterly meetings attended by direct reports to the CEO and HR leads supporting each business unit. "We share with them what the landscape looks like and what's the insights – what does the data tell us. We talk about the action plan and how they are going to address what the data shows us. If you don't engage the leadership teams on board, you can't make a huge cultural difference," Fan says.

What's most critical to success, he adds, is CEO and board commitment. "We've tied our D&I goals and program results to management compensation bonuses. It's also tied to annual performance evaluations. We report the D&I progress to boardroom regularly throughout the year. Whenever a decision is made, D&I becomes top of mind, not an afterthought," he says.

Comcast NBCUniversal Delivers Transparent Metrics In Every Area, Including Programming

STEPS TO SUCCESS

❶ **Showcase your results in a regularly scheduled and easy to use document**

❷ **Don't be afraid to look at new areas of D&I-related metrics that are relevant to your business, such as online programming for Comcast NBCUniversal**

❸ **Include aspirational goals and be open about progress toward them and reasons behind that progress**

Many companies rely extensively on metrics to assess their business goals and determine new strategies. In the Diversity and Inclusion (D&I") area, Comcast NBCUniversal has taken metrics to a new level of transparency, both in terms of its workforce and supplier diversity assessments, and in looking at the marketplace.

Notes Maria Arias, Vice President, Corporate Diversity & Inclusion, "The commitment to detailed metrics began when the D&I initiative ramped up with the acquisition of NBCUniversal, which closed in 2011." Senior Executive Vice President David L. Cohen became the enterprise-wide Chief Diversity Officer, and "the company made a very public commitment to D&I."

Initial metrics were modeled after those used by HACR (Hispanic Association on Corporate Responsibility), and covered traditional areas, such as representation in the workforce, supplier diversity, and community investment. "But to truly demonstrate our commitment, we wanted to measure our progress in the heart of our business: programming. We wanted to create a culture of inclusion, and become the model for D&I in corporate America," Arias says.

Starting in 2012, Comcast NBCUniversal created an annual online D&I Report that included substantial content, including information on multicultural programming and on-air talent.

Today, the company focuses its D&I efforts on Workforce, Procurement, Programming, Accessibility, Community Investment and Governance. The 2017 D&I Report is a model of transparency, including:

- The company has made progress on its aspirational goal of 33% people of color and 50% women across its workforce. In 2016, people of color were 53% of new hires, and women were 39% of new hires.

- Diversity is shown at every level – vice president and above, director, manager. Over the past six years, the company has seen a 43% growth in the number of diverse leaders at the vice-president level, 63% at the director level and 58% at the manager level.

- Employee Resource Group participation is highlighted—more than 20,000 members in 118 chapters, with 24 new chapters launched in 2016.

- Supplier diversity metrics are equally transparent—the company shares how much has been spent with Tier I diverse suppliers since 2011 (more than $11 billion) and how much was spent in 2016 ($3.2 billion). They also showcase spend with Tier II (subcontractors) who are diverse (more than $1.3 billion since 2012, and $455 million in 2016).

- The company discloses information about its $20 million Comcast Ventures Catalyst Fund, which provides capital investments to minority- and women-owned startups.

- For programming, Comcast reports the total hours of diverse content available through its On Demand and online platforms (more then 16,000), as well as the number of networks it carries that target underrepresented groups (more than 100). NBCUniversal programming is reported separately and includes a breakdown by gender and race/ethnicity of on-air and behind-the-camera talent. Comcast NBCUniversal also reports the success of its films starring diverse talent, and targeting diverse audiences.

- The company is also transparent about its philanthropy to organizations led by, and serving, diverse communities, including efforts to bolster internet usage in low-income communities. In August 2017, the company announced a milestone of providing 4 million low-income Americans with internet access through its Internet Essentials program.

"Our commitment to diversity is not just the right thing to do, it's also the right thing for our company. The world is different than it was 25 years ago. We will soon be a minority-majority population in the U.S., and the multiculturalism of Millennials has changed everything. We benefit greatly from the innovative and unique perspectives of our diverse employees, suppliers, and programs," Arias says.

She highlights the increased emphasis on online demographics and in looking at programming and casting on television and in films. "When you look at areas like films for NBCUniversal, the release of 'Girls Trip,' which was the first film produced, written and starring African-Americans to break the $100 million box office mark, and other films like 'The Best Man Holiday,' which had great success in the African-American and general markets, these are smart business decisions. After African-American anchor Lester Holt took over 'NBC Nightly News,' it became the most-watched evening news program among 25-54 year olds. That's just smart business."

She also cites increased focus on accessibility initiatives for the disability community with devices such as the X1 Voice Remote and X1 Talking Guide. Comcast NBCUniversal's diversity efforts extend to the LGBTQ and military communities as well.

"The success of our program is that we built the foundation. Then, we took a step back and we've partnered with the business to see what works. We share best practices and seek advice from our internal and external councils, and from partner organizations. And most importantly, we share the lessons learned," she adds.

The success of our program is that we built the foundation. Then, we took a step back and we've partnered with the business to see what works. We share best practices and seek advice from our internal and external councils, and from partner organizations. And most importantly, we share the lessons learned.

Accenture: Setting Public Goals and Driving Programs to Increase Workforce Diversity

STEPS TO SUCCESS

❶ **Ensure your top leadership is accountable and communicates the value of transparency**

❷ **Set ambitious but realistic goals—and be very clear about how well and why you are or are not reaching them**

❸ **Launch and sustain structured programs that report tangible results. For example, diversity referral programs, pay equality processes, tracked sponsorship and promotion initiatives for diverse employees, etc.**

Accenture, a leading global professional services company with more than 425,000 people worldwide, has made a very public decision to set inclusion and diversity goals – and be transparent about reaching them. In an interview with Forbes Magazine, the company's North America CEO, Julie Sweet, explains why:

> *"For me as a leader, transparency around diversity and inclusion is critical. A year ago, I made the decision to be transparent about our workforce demographics. We released them publicly and said we are not where we need to be. Owning where we are is critical to our credibility among our people and those we want to recruit. It says we are serious.*

This transparency is not just about numbers—it is talking directly about where we are. When I announced a new leadership team last December, it was made up of equal numbers of men and women--which was to be celebrated--but only two people of color. I hit head-on that we have more work to do to achieve the diversity in leadership we believe is critical to our business. I personally picked my leadership team, and when I say it is not as diverse as we need it to be, it is a statement about my own personal commitment to change. When I talk about transparency, I mean sharing the numbers but also owning personal decisions. And we cannot ask people to personally take ownership if we are not transparent."

How will Accenture reach its commitment to achieve a global workforce goal of 50 percent women and 50 percent men by 2025? Transparency around numbers, visible communication on progress and accountability from leaders like Sweet is essential. Additionally, the company has launched innovative programs to help accelerate impact.

Accenture's diversity referral program, which launched in October 2016, offers employees and Accenture alumni significantly larger awards for successful referrals of women, African Americans, Asian Americans, Hispanic Americans, veterans and persons with disabilities. The amount varies depending on the new hire's career level.

Accenture has always had an employee-referral program, but this multiplies the reward amounts employees receive – and it's backed by commitment from the company's top leadership to make it a reality. The program was launched by Sweet through an all employee memo, amplified across the company's internal social network and distributed via the company's numerous employee resource groups.

With a boost from strong word-of-mouth, the program has been very successful. In the first four months, the company increased its number of both employee referrals and diverse hires by 20 percent.

DEVELOPING A
Leadership Pipeline

Many companies have improved their recruitment efforts for people from under-represented groups but find that keeping them—and promoting them at equitable levels—is a far greater challenge.

What factors prevent people of color, women, LGBTQ people, people with disabilities, veterans and others not in the majority from reaching their full potential in an organization? How can an organization create a deep pipeline that provides equitable opportunities for advancement? And, the question most vexing to so many organizations, how do you stem the flow of diverse talent out the door?

Insights from the 2017 DBP Inclusion Index

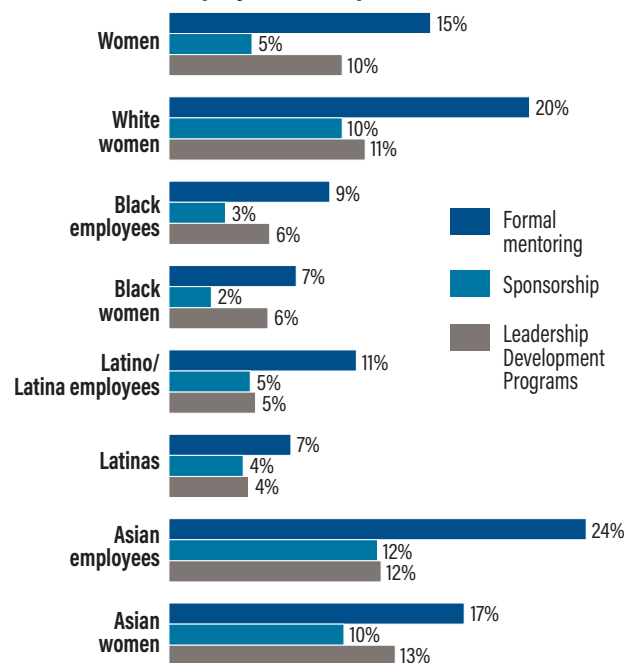### PROGRESS REPORT

Formal 1-on-1 Mentoring

2016	76%
2015	70%

Sponsorship

2016	39%
2015	48%
2012	15%

Succession Planning (2016)

Have formal succession planning	93%
Require diverse succession planning slates	54%

Employee Participation

Legend:
- Formal mentoring
- Sponsorship
- Leadership Development Programs

Women: Formal mentoring 15%, Sponsorship 5%, Leadership Development 10%

White women: Formal mentoring 20%, Sponsorship 10%, Leadership Development 11%

Black employees: Formal mentoring 9%, Sponsorship 3%, Leadership Development 6%

Black women: Formal mentoring 7%, Sponsorship 2%, Leadership Development 6%

Latino/Latina employees: Formal mentoring 11%, Sponsorship 5%, Leadership Development 5%

Latinas: Formal mentoring 7%, Sponsorship 4%, Leadership Development 4%

Asian employees: Formal mentoring 24%, Sponsorship 12%, Leadership Development 12%

Asian women: Formal mentoring 17%, Sponsorship 10%, Leadership Development 13%

Part I: For companies new to or in early stages of D&I

ENDING BIAS IN THE TALENT-DEVELOPMENT PROCESS

Human beings are predictable. We tend to gravitate toward people who look like us or come from similar backgrounds. That very natural tendency leads to bias in both recruitment and in the promotion/talent pipeline process, where we choose "mini-mes" or younger versions of ourselves to move up in the organization.

Companies need to revaluate the training approaches that are most effective in terms of reducing bias and promoting talent from all groups.

> **Monica Marcel, Co-Founder and Principal, Language & Culture Worldwide offers these tips on managing bias in the talent life cycle:**
>
> - Early review of full talent acquisition life cycle for bias (interview guides, job requirements, criteria weighing evaluations)
> - Implement blind applicant review system—redact names and institutions in first found of CV reviews
> - Ensure mix of interviewer (including generational, cross-department/specialty, under-represented groups, etc.)
> - Don't accept "not a good fit" as a given (ask for behavioral examples that support this concern, and respectfully call out biases)
> - Hold people accountable to the process (not the numbers, as this helps ensure top quality hires well as diversity)
> - Conduct anonymous surveys (leverage recent hires and those who declined offers to help identify hidden biases)

MENTORING

Mentoring is a proven method for training and development. Not surprisingly, mentoring is listed in the 50 Best Practices in Leadership Development.[1]

But where it often falls short is providing an equal mentoring experience for employees of different backgrounds. For instance, people of color and women have difficulty in finding mentors of the same race or gender because of underrepresentation in the upper levels of management. For people whose differences may not be visible (LGBTQ people, people with disabilities, veterans), finding a mentor who "gets" them may be even more difficult.

Most diversity practitioners recommend mentors from different groups than the mentees so they each gain experience and under-

standing of the other. There is great value to that, but there is also value in having a guide who understands the employee's background. Best practice is for employees to have more than one mentor, for different aspects of guidance.

For example, based on the results of a questionnaire that was administered at a convention of LGBTQ-friendly businesses in the United States, researchers concluded that LGBTQ mentors are able to provide more specific advice and guidance in relation to issues of orientation in the workplace than their heterosexual counterparts and that matching individuals to the right mentors is advantageous. But LGBTQ employees who had heterosexual mentors were reported to have experienced significantly higher rates of promotion and increased rates of other tangible mentoring benefits such as career-related guidance. However, there are undeniable benefits to having LGBTQ mentors who can address specific issues about being LGTBQ in the workplace that those who are straight wouldn't be able to. And it may be just the type of mentoring and support an up-and-coming LGBTQ leader may need at that very career juncture. The key is not to assume what the best match would be. Rather ask what the mentee would prefer given their career goals and the very real coming out issues that have or haven't been resolved.[2]

When setting up a mentoring system that improves diversity and inclusion, consider these types of mentoring programs. (For companies more advanced, jump to the next section for sponsorship best practices.)

- **Reciprocal mentoring** relies on mentoring networks. These networks enable interaction between groups of professionals with similar needs that can be cross-organizational or intra-organizational. Thus, they allow members to remain connected to the network as they change jobs and advance in their careers.

- **Peer mentoring** offers many of the benefits of traditional mentoring. Peer mentoring provides protégés with mentors who are experiencing similar challenges. This mutuality fosters the development of a sense of equality, empathy and understanding. Consequently, these relationships tend to last longer than more traditional ones. Peer mentoring also offers a greater variety of peers who can serve as mentors, offering greater opportunities for diversity mentoring.

- **Reverse mentoring** pairs younger employees with older workers. Having grown up with advanced information technologies, the younger employees can help their older protégés better understand and become comfortable with these advances and their impacts on the marketplace. Reverse mentoring is also useful in battling ageism in the workplace by encouraging positive relationships between generations. See the case study from Horizon Blue Cross Blue Shield.

3 TIPS
FOR EARLY STAGE D&I STRATEGY

1 Evaluate the impact of diversity training on the hiring process and selection bias

2 When creating formal mentoring that incorporates diversity, consider having at least two mentors per mentee, one of the same group and one of an opposite group

3 Include senior management in the mentor-mentee relationship so they gain knowledge of "walking in other's shoes"

Here are some general tips on mentoring from Chronus LLC:

Ensure you clearly define objectives and purpose for your program

→ Promote benefits to participants and stakeholders

→ Consider rewards and recognition for participation

→ Consider Providing development opportunities throughout program

Standard Program Guidelines provide some structure but enable flexibility and self-direction as well.

Trust and relationships often are more successful when built at their own pace.

→ Have pairs create goals and action plans

→ Average: Year-long program

→ Encourage monthly meetings with check-ins every four months to assess progress. Use this time to provide any supporting resources such as recommended discussion points or areas of focus. E.g.:

- Months 1-4: Get to know. Discuss career goals, life goals. Set goals, set action plans

- Months 5-8: Focus on career development, areas of skill development, obtaining experiences, opening doors

- Months 9-12; Focus on lessons learned, assessing and feedback, next steps, closing steps

Things to consider for Mentor/Mentee Matching

→ Decide if this will be a one-on-one program or multiple mentoring circle approach (e.g. two mentors, paired with three to four mentees)

→ Determine whether you will allow self-administration (mentees select their own mentor) or administrator determined (the organization matches). A combo allows mentee to select three choices and administrator determines

→ Best practice: align mentors with the mentees' goals and objectives for career advancement and or job/life experiences

→ If administrator-based matching will occur, you will need pertinent data completed by each of the participants (e.g. hobbies, interests, career plans, key challenges, key strengths, goals, diversity demographic info, etc.)

Metrics for Measuring mentoring programs

1. Promotion, lateral mobility or job rotation rates (participants vs. non-participants)

2. Velocity of mentorship connections (how quickly are relationships building)

3. Performance rating/feedback changes (quality and numeric ratings)

4. Mentor/mentee satisfaction rates with overall program

5. Mentor/mentee satisfaction with relationship connection

6. If goals and action plans were set, the completion rates

7. Trend analytics for participation rates

It's one thing to have a program in place. Getting significant results is quite another story. Results of existing programs are spotty. For example, although more than 90 percent of companies report some type of gender-diversity program, only one in four women say they have personally benefited from these programs. Boston Consulting Group surveyed more than 17,500 employees, more than 200 executives across 21 industries on their diversity initiatives. They found several key points on improving gender diversity including these, which also applies to other under-represented groups: [3]

- Targeting interventions at specific times, such as return from parental leave or taking an overseas position

- Addressing unconscious bias in evaluation and promotion decisions

- Increasing visibility of role models in organization

- Supporting internal and external networks

- Offering professional development, such as talent management and career counseling

- Offering flexible working models

- Tracking performance through meaningful KPIs

- Sponsorship through a scalable program

The study cited several overrated measures, including one-time only training sessions, incentivizing senior leadership and recruiting senior role models. It also mentioned baseline measures that don't have much impact on individuals, including mentoring programs, gender pay cap initiatives, and conducting employee surveys (because they typically lack follow-up from leaders).

What Works: Affinity-Based Leadership Development Programs

Successful affinity-based leadership development programs help professionals further their success within in their company.

These programs must be specifically tailored to the needs of the specific under-represented group. For example, a key ingredient of any successful Latino talent initiative is the development of a strategic framework that outlines the key components of a Latino talent strategy within a company. This framework should formalize efforts to connect with Latinos from a talent perspective. The Latino Talent Framework, created by Dr. Robert Rodriguez, conveys a common approach used by companies looking to formalize their initiatives.

The Status of Men as Allies for Multicultural Women

31%
of multicultural women in the past 24 months have participated in a leadership development program

compared to 39% of men.

43%
of multicultural women who agree there are men in leadership positions in their company who care about their advancement have participated in leadership & development programs

compared to 14% who have not participated.

Of the multicultural women surveyed with mentors or sponsors who have been given stretch assignments and special recognition over the past two years and participated in a leadership development programs:

49%
had a mentor

23%
did not have a mentor

56%
had a sponsor

25%
did not have sponsor

78%
of multicultural women called professional and leadership development support helpful.

50%
of multicultural women said they're satisfied with the level of professional and leadership development support they got

Overall, men tend to exceed women in leadership metrics

Source: According to the Working Mother Research Institute report, *The Status of Men as Allies for Multicultural Women*

Here's an example:

1 **Step One is Building Awareness of the Latino population,** common terminology (Latino vs. Hispanic and explanations of other names, such as Chicano, Quiseyano, Cubano, Puerto Rican, Nuyorican and Boricua) and understanding demographics, trends and vital issues, such as immigration reform. This step also includes outreach to Latino organizations, involvement of ERGs, and use of professional contacts to expand awareness and the talent network.

2 **Step Two is Building Capacity through recruitment and talent development.** Companies must take steps to avoid what is often referred to as the "great courtship, terrible marriage" scenario—losing these employees soon after they have been hired. A 2013 study of Latino employee resource groups by the Hispanic Association on Corporate Responsibility indicates that Latino ERGs are playing a growing role in helping to retain Latino professionals. The study reveals that participation and membership in the Hispanic ERGs at the 30 companies that were part of the study have outpaced the growth in their other ERGs.

3 **Step Three is Building Leaders through these affinity-based programs.** For example, Blue Print, Intel's nine-month program designed specifically for Latinos, discusses traditional leadership development concepts but also addresses key issues faced specially by Latino employees. The pro-gram has facilitated discussions on topics such as Latinos' sense of identity, feelings of isolation, and perceived tokenism. Additionally, Blue Print includes sessions with top Latino executives at Intel who provide a candid and transparent perspective on how Blue Print participants can leverage their Latino heritage as a source of strength. The company reports that since the program began in 2007, there have been about 900 participants with a retention rate of 98 percent. And participants are receiving promotions at a faster rate, have more mentors, and have a larger professional network.[4]

As an example of a successful affinity-based program, look at Sanofi North America's ELEVATE Leadership Development Program, which started for women and now is being expanded to other under-represented groups.

ELEVATE started in 2012 as an accelerated development program designed for women in leadership roles to enhance their skills and prepare for critical roles in the organization. The six-month intensive program was offered to a select group of women leaders with demonstrated performance and potential to assume senior leadership roles in coming years. As of May 2017, there had been four cohorts with 85 women participating in the program.

Sanofi started this initiative because they pinpointed the level at which the advancement of women in the organization often plateaued. It was clear from their internal data that there was a need for an increased focus on identifying women during the succession-planning process for those key leadership roles and this program could provide an opportunity for visibility to the female talent pool.

The ELEVATE program was created to:

- Accelerate development of senior leader mindsets and skill sets

- Help participants and their managers gain perspective about gender dynamics

- Immerse participants in complex strategic challenges facing Sanofi through multi-month action learning projects

- Expose participants to senior Sanofi leaders

- Shape the broader diversity and inclusion culture

The key program elements of ELEVATE were an integrated blend of three residency sessions (Kick-off, Mid-Point, Capstone), a multi-month Market Leadership Project, and executive coaching.

Participants were nominated based on the existing talent review process, with the target cohort size of 20-25 women. Women were identified from the senior director and AVP level, the natural feeder pool for the leadership level where Sanofi was seeing the largest gender gap.

Women represented all lines of business at Sanofi including STEM fields, commercial roles, staff roles, and

manufacturing. This was an important design element for the program to be successful. Sanofi prides itself on being a diversified healthcare solutions company, and so it was intentional that the cohorts would reflect that. It is also true that to fully understand Sanofi's business strategy, participants would need to understand how the company operates across functions.

The program began with an in-person, residential program that focused primarily on leadership competency development. Key areas of focus were:

- Strategic leadership mindsets and skill sets

- Enterprise leadership skills such as cross-functional collaboration, managing stakeholders, negotiation and exercising influence.

- Navigating and influencing gender dynamics

- Transformational leadership skills such as communicating with vision and purpose, leading strategic change, and creating a culture of innovation and growth.

The six-month action-learning project, which had a dual mission of leadership development and business impact, provides a stretch experience for participants to develop senior-level leadership skillsets while identifying new growth opportunities and building new capabilities for Sanofi. Participants were split into small teams that worked on a separate project outside their current business entity. Each team had a senior-level sponsor from Sanofi, as well as a project coach.

At the midpoint session, participants were introduced to their executive coach. To ensure that the participants' managers were invested and engaged in the process, they were invited to three of the executive coaching sessions: an alignment session to identify areas for development, a mid point alignment session and then a final session to talk about how to keep the development going after the program concludes. It is important to note that managers also participated in unconscious bias training, including one segment on gender dynamics, to make sure that they understand their own roles in the development of their teams.

At the final in-person session, teams presented their action projects to the project coaches and senior leaders from various lines of business and made recommendations for further action based on their work.

At the end of the program , the participants took some time to reflect on the experience and take a breather after an intense period of hard work. They also had the option of meeting with their executive coaches before they graduated from the program ensure that they have an action plan to continue their development. Alumni are engaged to speak to the new cohorts to share their experiences and how they have used what they learned in the program

Of the 85 women who have gone through the program, 60 percent of them have been promoted or have made developmental moves that expand their knowledge. Although harder to measure with numbers, the majority of the participants believe themselves to be better, more authentic leaders and see that growth in themselves.

The next level of metrics the team would like to examine are indicators of growth of the teams that the ELEVATE women lead.

The Holy Grail for Successful Talent Leadership Initiatives

VANESSA WEAVER
Alignment Strategies, LLC for the last 25 years, has designed and implemented successful Talent and Leadership Development Initiatives for Fortune 500 companies, many who are DBP members.

What's the secret sauce??? Here are our Ten Success Tips…..

1. Know and Convey the Value Proposition

➜ **Do Your Homework:** Understand the company's business model and business performance indicators. Review the HR stats, to see how they support or complicate business or organizational performance.

➜ **Connect the Dots of Your Value Proposition:** How can Increasing the leadership acumen for any targeted group be an enabler to business performance, competitive positioning and employee engagement?

➜ **Discern the D&I Maturity:** The organization's level of D&I maturity will impact the type, level and complexity of a Talent/ Leadership Initiative that the organization will embrace and sustain.

2. Insure Executive, High Level Sponsor(s) and HR/Diversity Office Collaboration

This is critical for expanding leadership support; navigating political minefields; ensuring budget and resources; providing time to course-correct and solidify impact.

3. Focus on the Ecosystem and Discern Critical Facets Impacting Multicultural Cohort Work Life:

Cookie-cutter, one size fits all approach can result in mis-targeted, minimal impact.

4. Create a Multifaceted Initiative

Demonstrate D&I Talent/Leadership initiative's impact in several areas, benefiting the Target/ Affinity Group and prioritized by the Value Proposition. For example, demonstrate how Multicultural Cohort can solve current business issues, reduce attrition, thus impacting cost of turnover; increase engagement, which has direct impact on productivity.

5. Content of Initiative Should Include focus on Cultural Realities of Multicultural Cohorts

Assess Impact of Cultural DNA and Cultural Dexterity.

6. Acknowledge the Fear Factor

Make it okay for Multicultural participants and Women to express their fear and apprehensions about being singled-out.

7. Immediate Supervisors Matter

Insure Immediate Supervisors FEEL they are part of the Initiative – owners of its success and not a victim.

8. Don't Operate in Secret

Demystify the "why" of the targeted Leadership/Talent Initiative to the broader organization. Use this as an opportunity to educate others and start a dialogue. Showcase this as a demonstration of the organization's commitment to ensure inclusion/engagement for ALL of its members.

9. Have A Diverse Consulting Team with Shared Affinity

The Targeted Affinity Group, Leadership and Supervisors should be relatable to the Team leading the Initiative.

10. Metrics and Accountability is Essential

➜ **Build in Metrics:** Pre-Post, Interim and Final. Ensures the ability to track impact and course-correct as needed; provides organization indication of the value/ payback. Identifies Best Practices for Re-application.

➜ **Accountability:** Ensures that everyone understands their role in supporting the success of Talent/Leadership Initiative. Answers WIFM (What's in it for me?)

Company B: Corporate-wide Talent Development Program (TDP)

Increased advancement of Multicultural women and men, often more than 20% in less than 18 months

Advancement and Retention of Multicultural Women Managers

➔ **Attrition:** As a result of the Talent Development Program and other interventions, ALS reduced the attrition rate for multicultural women managers to a level comparable to white male managers for the first time ever.

- Multicultural Female Managers attrition dropped form 8.8% to 2.9% in 2 years

➔ **Other Metrics:** Talent Development Participants, 2005-2006:
- **128 participants**
- **Turnover: (4) - 3.1%**
- **Promotions: (9) - 7.3%**
- **Obtained mentors: (68) - 53%**
  Those who have mentors are approximately 50% from each wave and it continues to be one of the most widely created action items. This is an ongoing opportunity, especially for Wave 2-3 managers.

➔ **Extremely positive feedback on Program from Participants**
- 85 % of participants rated the Program Very Good- Excellent
- "Opens the door to discuss cultural differences. Gives you an opportunity to create awareness in the company on issues of diversity. Educates both the manager and the attendants or participants." Quote from TDP Participant.

Company C: Pipeline Program for Hispanic Executives

Increased mentoring and sponsorship of Multicultural women and men

OBJECTIVES	RESULTS
Improve the annual performance of Hispanic Executives in the target group	✔ *79% of Supervisors reported a measurable increase in participants' annual contribution* ✔ *78% of Supervisors reported an increase in participants' creativity and problem solving*
Prepare targeted Hispanic Executives to take on broader responsibility	✔ *20% of target Hispanic Executives promoted* ✔ *11% of target Hispanic Executives placed in developmental assignments*
Increase representation of Hispanic Female & Minority 1st and 2nd line Managers	✔ *Increased representation to 55%* ▪ *Hispanic Females from 28% to 32%* ▪ *Minority Executives from 18% to 23%*
Increase High Potentials exposure to senior leadership	✔ *Over 90% of Multicultural participants met with at least one member of the Executive Council*

Performance Management Season: Time for Some Inclusion Nudges

BY MONICA MARCEL
Co-Founder and Partner ▪ LCW (Language & Culture Worldwide)

Performance management and talent planning season presents an excellent opportunity to equip people managers and team leaders with tools for enabling high performance on diverse and multicultural teams, by supporting bias-free evaluations and practicing inclusive leadership in the performance management process. And if your managers have already been through Unconscious Bias, Cultural Competence or Inclusive Leadership training—then it is a great time to reinforce those earlier learnings with 'inclusion nudges' and behavioral prompts to ensure their assessments are accurate, fair and rewarding top talent.

We are sharing some insights that have proven helpful for all managers, both novices and veterans alike. Taken from LCW's suite of tools for Managing Unconscious Bias, first we recap the Types of Evaluator Bias that frequently play out in the performance management process, and then we frame some practical tips for managing such biases with Tips for Evaluating Talent Inclusively. Please share these tools with the leaders, and people managers in your organization—along with your own tips on what works and doesn't work in your experience toward identifying and mitigating blind spots in talent evaluation.

Types of Evaluator Bias

Evaluator bias, which can be positive or negative, is an inaccurate way to assess (consciously or unconsciously) an employee's performance, on the part of the rater. With negative evaluator bias, the evaluator 's review may put the employee at a disadvantage, resulting in penalties that impact them personally. Conversely, when positive bias is at work, the rater may take shortcuts and tilt the bias favorably toward individuals they perceive to be more like themselves. Some evaluator biases that can have a significant impact on talent evaluation include:

Availability Bias

When our evaluation of an individual is influenced by what we remember most easily or is visible to us, including our proximity to someone. A subset form of Availability Bias is **Recency Bias**, where raters use recent behaviors or performance to make evaluation and rating determinations rather than the overall behaviors and performance.

Affinity Bias

When we more positively evaluate those who are like us and share one or more of our worldviews. We may unconsciously feel more familiar with or positive about their performance and competence, which works against those who are different from us. A subset form of Affinity Bias is **Hired or Inherited Bias**, where our involvement in the hiring decision may create a connection with that person and become a source of affinity.

Implicit Stereotyping

When we rate someone differently based on preconceived expectations about the group or groups they belong to. This may result in unconsciously setting a higher standard for

people who belong to particular groups, requiring them to prove themselves more often or demonstrate greater achievements because they don't fit "the norm".

Halo & Horn Bias
When a positive first impression causes us to ignore negative or neutral aspects of a team member's performance, or conversely, a negative first impression causes us to overlook important positive aspects of performance. Allowing one aspect of an individual's performance to overly influence unrelated areas of that person's performance is another example.

Confirmation Bias
When we unconsciously filter evidence to support already held points of view and ignore or overlook evidence that disproves them.

Tips for Evaluating Talent Inclusively

Review this list of inclusive behaviors when evaluating talent. Check the box if you already engage in the behavior, leave it unchecked if the behavior is an area of opportunity for you.

☐ Ensure top performance is clearly defined and measurable, and not limited to only those behaviors that are similar to how things are usually done.

☐ Be aware of your own cultural filters and expectations of performance. Are you inadvertently giving higher ratings to certain groups, or to individuals that share your background, experiences, or work styles?

☐ Understand that how people approach their work varies based on their influences, experiences, and how they were taught. Did the person meet the performance expectations, but just in a different way than you anticipated or would have done it yourself?

☐ Consider culturally-influenced and learned approaches that are different from the dominant organizational "norm" as positives, and ask yourself if you can you stretch your comfort zone and find value.

☐ Monitor performance at the same level and standard, regardless of background or culture. For example: Are you inadvertently micromanaging some groups but not others? Are you unconsciously lending an extra helping hand to some more often than to others? Are you granting the benefit of the doubt equally when mistakes are inevitably made?

☐ Access resources to help you think through and manage your biases immediately before you execute a performance evaluation. Ensure each team member is truly being listened to.

When giving performance feedback to an employee:

➜ **Be supportive—or at least neutral— in tone** ("Help me understand why you took that approach...", "Tell me more about where you were coming from..." , "What may I be missing?", "That's helpful to know...")

➜ **Address the specific behaviors** and statements being made vs. the person making the statement.

➜ **Be sincere in your openness to other perspectives.** Acknowledge the importance of multiple points-of-view, and that you value theirs.

➜ **Practice active listening.** Shut off all internal conversation and running commentary.

➜ **Focus on their communication to you.**

Monica Marcel is the co-founder, partner at Language & Culture Worldwide (LCW). LCW is a global consulting firm that offers cultural competence solutions for diverse groups and organizations. From global executive leadership teams to Chief Diversity Officers, to international students to virtual teams, our solutions build systems, skills and mindsets for succeeding in a multicultural world.

3 TIPS
FOR ADVANCED D&I STRATEGY

1 Encourage mentors to become sponsors and communicate the value of sponsorship of diverse talent throughout your leadership so everyone understands the stakes and goals

2 When incorporating diversity into succession planning, set clear goals and milestones and communicate them throughout the organization. Ensure one person or team is responsible for this (e.g. HR, Talent, direct manager, sponsor)

3 If undertaking a pay equity audit, ensure you are addressing and correcting variables such as manager's discretion and pay grades within levels. Be transparent about the entire process

Part II: For Companies Advanced In D&I

NEXT-LEVEL MENTORING

Once your basic mentoring program is in place, you can consider the next practices that have become increasing successful at companies with more advanced mentoring models, including:

- Global mentoring: Expanding mentoring programs globally adds another layer of complexity. How does one ensure all high performing individuals—and not just those conveniently located in western hubs or corporate offices—have an equal shot at becoming a company leader? When a company's leadership is pulled in varying directions because leaders are scattered at locations across the globe, how can the business maintain its strong corporate culture and ensure its leadership team is moving, synchronously, in the right direction? Mentoring shifts from simply skill-building to culture building, networking and "globalizing" a company's culture. Technology is crucial here, as face-to-face meetings are less prevalent. The critical components of global mentoring programs revolve around process and desired outcomes. Formal programs involve structured interactions and requirements, whereas informal programs may have a friendlier tone but less specific results. Timing considerations, approaches to creating the mentoring team, the structure of goals and outcomes and many other factors come into play.

- Mentoring circles, usually up to five individuals with one trained facilitator, often have individuals from different levels of the organization with a shared concern, such as new mothers returning to work. They meet regularly and each member has time to discuss individual concerns, followed by group support. Members act as sounding boards for people to discuss ideas and concerns and devise solutions.

SPONSORSHIP

Sponsorship, where a senior leader uses political clout to advocate for another employee's advancement, can do big things for talented employees. Two of the big issues with sponsorship have been whether you can mandate someone to sponsor another and, if not, how do you ensure executives aren't automatically sponsoring people who are "like-mes" – of the same background?

To be successful, companies that opt to offer sponsorship must make sure to market these programs internally so that everyone understands the stakes and goals. Arin Reeves of Nextions, a Chicago-based consultancy specializing in leadership and inclusion training for Fortune 500 companies, suggests, for example, offering team-building exercises where senior people can mingle with rising talents.

When sponsors are powerful, people are more likely to pitch in to help their protégés' initiatives succeed. On the flip side, they will think twice before interfering with the protégés' teams and projects.

Mentors can be a pathway to sponsorship. Building strong relationships with individuals above, as well as with peers, can help make potential sponsors aware of employees and provide an entryway into networks of power.

Still, the effectiveness of sponsor programs depends on many factors. To make such programs successful, corporations need to help middle managers find job opportunities that feed the executive level and assist those employees in forging significant relationships with top management. Job opportunities can come from existing roles or from creatively looking at new roles or innovatively restructuring old roles. In addition, companies need to hold their senior executives accountable for ensuring that women and minorities are given opportunities for top jobs.

In addition to providing the necessary supports to cultivate and grow sponsorship relationships among senior leaders and high-potential employees, a number of companies are taking it a step further by encouraging, and even requiring, sponsors to participate in formal evaluation processes.

A. Critical Components of Sponsorship:

Sponsorship match must tie to the development plan of the employee. Too often, we identify high potential talent and give them a sponsor and nothing more. The development plan must be targeted to the next level move for the individual and embed the sponsorship into that development plan. In addition, a thoughtful matching process will go a long way. The likelihood of the relationship paying off goes down if sponsorship pairings are made arbitrarily.

The sponsor should have the influence needed to make that specific next move happen for the sponsoree. For example, if moving into a P&L role is the goal, having a sponsor who has influence in a line of business with that opportunity available is critical. Many ask whether the sponsor should be in the current line of business or not. The answer is dependent on the needs of the sponsoree. Do they need visibility in their line of business or outside? Is their primarily development need job experience (which should take prece-

dence) or building relationships? Focusing on the needs of the sponsoree should drive the decision rather than being guided by the structure of the program.

Make sure the two components most relevant to women and under-represented groups—visibility and job experience—are directly tied to the sponsorship plan. The goal is giving them the on the job experience that will get them in the door for a potential career move.

Trust is key. Moving from an individual contributor where skills are most important to management and advancement into leadership requires trust and credibility to get others to follow you and inspire teams to achieve goals. The goal of the sponsor is to pave a way for the sponsoree to be considered trustworthy and credible for advancement. The relationship between the two requires trust as well. To effectively advocate, a level of trust is needed between sponsor and sponsoree.

Clarity of purpose and why the sponsorship program exists. Sponsorship programs are often started without first putting some clear expectations and objectives for the program. Roles and responsibilities for all stakeholders should be clear and documented.

B. Developing the scaffolding to support a sponsorship program. Successful sponsor programs often have a team of stakeholders:

Peer advocates. For women in particular, if you incorporate an element of peer advocacy it adds to the effectiveness of the sponsorship program. An example is a peer group that meets every month to share what they accomplished and what they are proud of. The role of the others in the group is to share the accomplishments of the other people in the group with their own networks, that may not overlap with the others in the group, in order to amplify these accomplishments to larger audience.

Direct Manager. A sponsoree's direct manager shares ultimate accountability for their employee's development, advancement and retention. Engaging the direct manager in the process and recognizing when they succeed provides visibility and reward for the manager as well.

HR and Talent. Weaving diversity and inclusion into the talent and HR process helps create a more holistic approach to your D&I advancement strategy. The HR

and talent function provides the whole company perspective and has oversight of the entire diversity talent picture.

The Diversity Council should understand, monitor and track the goals of the of the sponsorship program. Having the buy-in of your diversity council adds another layer of support and accountability to the program. Consider reporting on the sponsorship program to the council on a regular basis and leverage their support when needed.

C. Selection, Communication and Timeline:

Criteria for selection needs to be clear. Sponsorees selected are often defined as "high potentials." It is essential that each organization define what it means to be high potential and that this is communicated to all employees in talent discussions.

Leverage your employee resource groups. ERGs are a naturally occurring source of diverse talent so sharing of what it takes to be a "high potential" is important to develop the group, identifying programing and development initiatives.

Have FAQ ready and available for when questions come up. Although it is not necessarily recommended to communicate broadly across the company about your sponsorship programs, it is important to be prepared to answer questions about it as they come up in a consistent way.

The length of the formal sponsorship relationship should be based on the talent development cycle. A standard structure is a 12 month sponsorship timeline with 3- and 6-month check-ins. At the end of that time, the pair can determine if it should go longer based on the development plan and advancement opportunities.

Create new roles or assignments. Job openings to always align to an employee's advancement timeline. However, a lateral move is not the only way to demonstrate success. Think broadly and fluidly about what the next opportunity is and what advancement could look like in your organization.

D. Rewards and Recognition for Sponsors:

For sponsors, ensure that they are being publicly recognized by the CEO and/or other senior level executives for they work they are doing. Not only does this give them the recognition they deserve, but it can also motivate others to get involved in the program.

Awards programs for senior sponsors and advocates. At one organization, sponsors at a certain level and above were able to choose a charity to which a $20,000 gift was donated in their name. Another company holds an annual event "Champions of D&I" award event at a town hall hosted by the C-Suite. Awards included a round of golf with the CEO or dinner.

Don't shy away from a little healthy competition. Consider creating a diversity scorecard and dashboard for each leader, which includes the sponsor work. The unit leaders are ranked publicly for their scorecard results.

Tie a successful sponsor relationship to bonus compensation. In order to do this, you will need to have set clear metrics for what success is.

E. Measuring for Success:

Metrics to consider to ensure you are making progress toward the goal of advancing women and underrepresented minorities:

➜ What is the velocity of movement (promotion rate) of employees involved in the sponsorship program and how does it compare to similar employees who are not in the program?

➜ Are the development plans being executed on-time? You may have to insert specific metrics, deliverable goals on the development plan to ensure the goals are met, along with a timeline for reaching them.

➜ Track the barriers to placing "ready" talent. What are they and how will you solve them?

➜ As well as ensuring your external slates for hiring are diverse, do you always require diverse internal slates, even if you have to go one level down and assign a mentor/sponsor. What color/gender is your pipeline and why?

➜ Are you monitoring how long people who are either hired or promoted to senior managers or above are in their jobs are their attrition rates hire? Is their length of service shorter in the role? (Ultimately, were they assigned sponsors/mentors/coaches to ensure success?) Are there actionable suggestions for performance improvement or general, unactionable observations?

→ Are you monitoring gender/ethnicity of every leadership development class. Do women and people from under-represented groups have the same rates of success post training?

→ Is the material used in leadership development training non-sexist and non-discriminatory?

PAY EQUITY

Women are almost half the workforce. Yet they earn less than men in nearly every occupation for which there is significant data for both men and women. For women of color, the potential for change is even slower than for white women –the year at which all women should reach pay equity in the United States is 2059 at the current rate but for Hispanic women it is 2248 and for Black women it is 2124.[5]

Globally while the gap has been gradually closing over the last decades, there is still a substantial gender pay gap in many countries, ranging from a small amount to more than 40 percent. International Labour Organization data shows higher earning women are more impacted by this gap. The gender pay gap arises because of a number of reasons. Stereotypes based on the male breadwinner model are a leading cause of the gender pay gap. Women are often hired at lower salaries than men, and the gap compounds at each successive stage. A Catalyst study shows that on average, women with MBAs from leading business schools in the United States, Canada, Europe and Asia earn 4,600 USD less

Countries with 20 per cent or more gender wage gap, ILO, Latest years
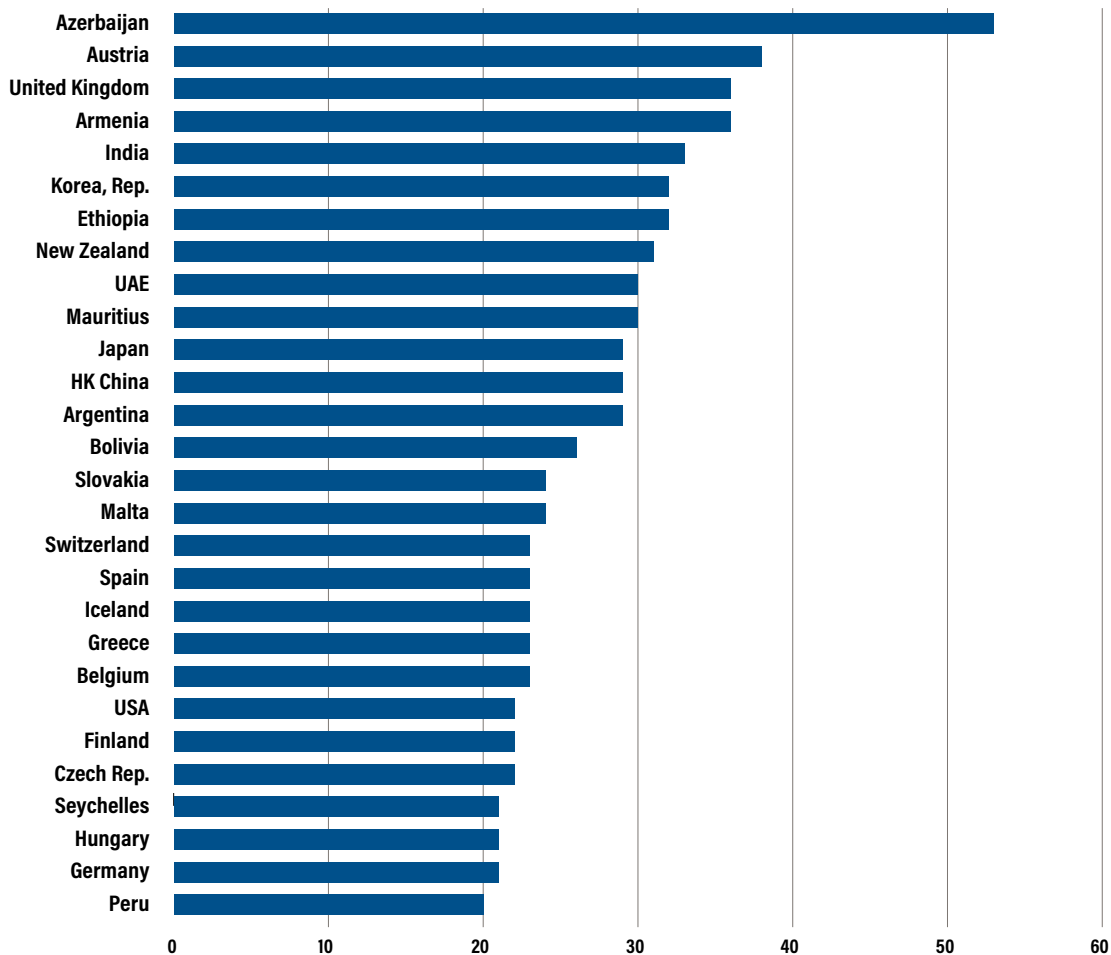
Source: Table gender wage gap by economic activity, ILO statistical database, June 2014.

All countries 2012, except for Czech Republic and Ethiopia (2013), Austria, Belgium, Bolivia, Finland, Greece, New Zealand and Seychelles, Spain (2011), Malta, Switzerland and USA (2010), UAE (2009)

than men with MBAs for their first jobs. Data also shows that the pay difference becomes much more pronounced three years after graduation, with the gender pay gap increasing to as much as 36 percent in Africa and Latin America.[6]

When considering pay equity audits or reviews, it's easy to become overwhelmed. Cost structures, tenures, differences in role descriptions, and many other considerations come into play.

So what can your company do? According to the Society for Human Resource Management (SHRM), pay equity "is more than about complying with the law; it also makes strategic business sense. Fairness in the workplace is a strategic priority for organizations. Employee perception of fairness, both directly and indirectly, influences an organization's reputation and employee engagement and affects bottom-line results."[7]

At the 2017 UN Council for Women General Assembly meeting, members of EPIC (Equal Pay International Coalition) each stressed the importance of transparency in driving results. Countries such as Norway, which have had laws and policies in place for pay equity, say it is not sufficient just to have laws, but the critical factor is the transparency and accountability in the efforts that have catapulted Norway's results.

SHRM advises the following steps to create a more equitable pay structure (by gender):

- Review pay structures – salaries, merit pay increases, promotional pay increases

- Note if the organization has a formal hierarchy of pay levels

- See if each level has a pay range

- Assess how the organization assigns specific jobs to specific pay levels

- Note what are the important components of compensation in addition to base pay

- Review starting pay policies and who participates in making starting pay decisions

- Review merit pay policies and who participates in them. Does the organization have a written policy on merit pay?

- Review promotional policies. Is there a written policy? Does it include what specific factors lead to promotions?

- Review record retention

- Statistically audit recent pay decisions

- Take corrective actions – reduce managerial discretion, improve monitoring of compliance with policies, move from annual merit pay to lump-sum bonuses, provide more complete written records of decisions

Some companies have had significant success with pay equity strategies. Intel, for example, says it has achieved 100 percent pay equity for women and under-represented minorities. The company attributed this to efforts to increase parity in its hiring and promotion process as well as an in-depth review of its annual performance process. Annual audits of its pay levels are continuing to ensure no back sliding.[8]

And Salesforce said it spent $3 million to close the gap for women and minorities after a pay equity audit which included bonuses, raising the pay of employees globally 11 percent, impacting 6 percent of the 25,000 global workforce.[9]

SUCCESSION PLANNING

Whether an organization has or doesn't have a formal succession planning programs in place, human nature leads to the inevitable likelihood of favoring those who are "like" you. Let's face it. As leaders get higher and higher in an organization, skillsets and experiences are important but when it comes to selecting their successor or their directs, there is a level of trust factor and relationship factor as well. We tend, as humans, to build stronger relationships and trust with people "like us." "Can I trust them to have my back, have my organizations back? Do I trust them to help me get the job done?" In a fair world once certain criteria are met an employee would be immediately considered for promotion. However, we as humans have bias and that give us the ability to overlook skill based on personal preference. Sometimes this bias, conscious or unconscious, deters managers from looking beyond the candidates they know of or from looking for equally qualified diverse candidates.

To be effective and consider "all" candidates, a succession planning initiative should have the following criteria:

Have an inclusive culture. For succession planning to work, people have to accept that those who are different from them can be effective leaders. This warrants both continuous training on issues such as unconscious bias, modeling from the top leadership, and a culture that rewards and appreciates inclusivity.

Commit from the top. Top management participation and support is crucial to a successful integration of diversity into succession planning. This support must be vocal and clearly communicated. And C-Suite executives should demonstrate their support by sponsoring and mentoring talent from under-represented groups, being involved in employee resource groups, and being always visible D&I ambassadors.

A culture that is willing to challenge assumptions-senior leadership should role model and be willing to challenge candidate slates and talent discussions transparently, ask for specific examples to back up statements and be willing to ask how candidates can bring diverse perspectives to the team.

Set goals. To achieve diversity, even at the highest levels, there must be reasonable but aggressive goals on changing the demographics. For some companies, this may mean bringing in outsiders while developing talent from within.

Dedicate roles and responsibilities. Best practice companies hold someone or a team responsible for achieving the goals of succession planning program.

Establish clear criteria for advancement. Define and communicate clearly the criteria, process and expectations for upward mobility. Review them with the candidates.

Communicate internally. The succession plan must become a part of the company's culture. Workshops should be held for managers at all levels of the company to understand why the company is undertaking this process, how it will work and what the desired outcome will be.

Facilitate mentoring and sponsoring relationships. Mentoring can help to build the pipeline at all levels of the organization. Sponsorships, beneficial in building visibility and credibility, are effective means at the leadership level and should be tied directly into the talent development plans and succession planning.

Support and encourage self-nomination. Best practices companies drive individual employees toward reaching goals and achieving positive results through developmental activities. Self-nomination procedures encourage people from under-represented groups to advance themselves and their interests. But as a caveat here, ensure people are comfortable with self-nomination. Google recently found that women were being promoted less than men because they weren't self-nominating at the same rate. Research shows that women raise their hands when they believe they are 90% ready for a job, whereas men do so when they are 50% ready. So they asked all employees who met the promotion criteria to self-nominate and directed managers to follow suit with their teams. Criteria for selection and the selection process should be clear and transparent. Ensuring clear rationales as to why someone is selected or not, must be part of the performance feedback given to the candidate.

Extend succession planning to all levels. The greatest emphasis should be placed on the lower management levels where most positions and people exist and where business needs are greatest.

Establish familiarity to retain institutional knowledge. Use succession planning to familiarize future leaders with the corporate environment.

Broaden informal networks and improve the transparency of the succession process to reduce bias.

The talent-review team should be diverse and well aware of unconscious bias in evaluations. They should be aware of the "prove it again" pattern of requiring people from under-represented groups to constantly have to prove their skills.

Conclusion

Initiatives to create a diverse pipeline, all the way to the top of the organization, have been spotty and difficult for many organizations, primarily because of retention issues but also because of bias in the promotion and selection process. There are tools recommended here to begin the process of ending that bias and start to stem the leak but it takes time, transparency and a strong commitment throughout the organization to succeed.

KPMG Uses Golf, Builds Cohorts to Reach the C-Suite

STEPS TO SUCCESS

❶ **Ensure relationships developed at events are continued**

❷ **Include mentoring and support from peers as well as leadership**

❸ **Don't over-engineer relationships. Allow them to develop naturally**

For professional-services firm KPMG, the emphasis on building a pipeline of women leaders has developed for many years. That effort emphasizes using cohorts to extend the relationships, learning and support from these leadership experiences.

But the company took this to an unprecedented level in 2014 when it developed the Women's Leadership Summit in conjunction with its Women's PGA Championship.

Why tie women's leadership to golf? "It's a commitment on and off the course to help women inside and outside the firm advance to the C-suite. We want to help these next generation leaders continue to develop and reach their professional goals," says Barbara Wankoff, Executive Director, Inclusion & Diversity.

Now in its third year, the partnership between the PGA and KPMG most recently was held in late June-early July at Olympia Fields Country Club in Illinois. The summit brings together women leaders from business, academics and sports and connects them with the next generation of women leaders. The summit is live-streamed throughout the firm and many offices conduct viewing parties. "Our women are really proud of the firm for doing this," says Wankoff.

The firm's emphasis on mentoring and sponsorship as keys to development are carried into the year long program that starts with the summit and continues with cohorts that meet throughout the year.. "The emphasis with the peer mentoring is on strengthening relationships that can help you build your skills, network and ultimately advance your career," Wankoff says.

> "The emphasis with the peer mentoring is on strengthening relationships that can help you build your skills, network and ultimately advance your career."

These cohorts are led by KPMG partners and include the women who have attended the summit. "We try to match them geographically and there are approximately six people per cohort. We provide them with topics, conversation starters and discussions guides to help them facilitate the sessions," Wankoff says.

Another related program, now in its fourth year, is the Stacy Lewis Rising Stars, in which LPGA Champion Stacy Lewis takes 27 high-performing high-potential senior manager/director women and brings them together for a two-day event. The first day is all about professional development, followed by a reception and dinner with firm leadership. The second day is about golf—the women are paired with senior female partners in golf foursomes, receive instruction from Lewis and her coaches and play a round of golf. "Many of them have never played golf before and we believe this is important for their professional development—relationship building. It puts them a little out of their comfort zone and it's a stretch that can really pay off," Wankoff says. "They tend to really bond with the partners."

Success is measured through the length and duration of the relationships they develop and the advancement of the rising stars "You don't want to over-engineer or make sponsorship a compliance issue," says Wankoff.

"Senior women understand the value of sponsors and understand the difference between them and performance management. They help the rising leader to read the landscape in an evolving workplace,"

Wankoff says.

KPMG, which has a woman U.S. Chairman and CEO, Lynne Doughtie, has a long history of helping women advance, led by its Women's Advisory Board (WAB), established in 2003, to improve the work environment and develop strategies to improve retention and development. The board leads the efforts in professional development for women and helps the firm's leaders set strategy and be accountable for women's progress. The WAB has a Network of Women (KNOW) with 65 chapters that drive the strategies that are set.

Mentoring and sponsorship are critical aspects of this and KPMG's WAB offers women a variety of leadership opportunities to cultivate mentors and sponsors. One such program is Accelerating Your Career Potential, for experienced women managers (about 300 a year participate). These managers typically have been working for about three to seven years. They spend a day and a half in classroom settings with lots of accessibility to partners and leaders, building confidence and influencing skills. The emphasis is on career development and being sponsor ready. The program inspires peer mentoring, in which women who attend the leadership development program form cohorts with their peers and help hold each other accountable and offer support in their journey to reach their aspirational goals.

"Senior women understand the value of sponsors and understand the difference between them and performance management. They help the rising leader to read the landscape in an evolving workplace."

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CASE STUDY

Morgan Stanley's Employee Resource Networks Emphasize Talent

STEPS TO SUCCESS

❶ **Use talent from the group, especially talent that might otherwise go unnoticed, as a pipeline for group leadership**

❷ **Focus your group's goals on specific items that are related to your company's needs—for example, Morgan Stanley requires that 60% of its group content be focused on professional development**

❸ **Expose your group leads to senior management as frequently as possible**

Employee Resource Networks at Morgan Stanley have evolved significantly, along with the firm's D&I efforts and its emphasis on multicultural talent.

Many of the groups have been in place for years but they initially were a place "where employees from similar backgrounds could come together to network," says Susan Reid, Global Head of Diversity & Inclusion. About four years ago, the organization "thought they could be more. The targeted audience is largely under-represented groups so it gave us a unique opportunity to use the network groups for a higher purpose."

Morgan Stanley saw its networks having two key functions—developing strong talent by having that talent actually lead the networks, and focusing the network content heavily on professional development. For the first function, they "deliberately identify people who are high performing and have the potential to do more. Being the leader of the network really pushes you to do more. Speaking in front of large groups of people, interacting with very senior people, stretches you in very interesting ways," Reid says.

For the second function, Morgan Stanley requires that 60% of its network's content be focused on professional development on topics such as skills development, executive presence, communicating with impact and career management direction, including how to have career conversations with senior executives.

The networks are open to everyone and have helped develop targeted programs for women, Black and Latinos, such as LEAD (Leadership Education and Development) for Black and Latino vice presidents and executive directors, and a development series for women at the vice presidential level.

"These programs target under-represented groups. We are also very actively working to make sure that all our leadership programs at the firm have diverse participants therefore we make a conscious effort to identify diverse candidates for those programs," she says.

Today, Morgan Stanley has networks in North America for Blacks, Asians, Latinos, LGBT employees and allies, families, women and veterans, as well as two networks specifically for its Wealth Management business – for multicultural employees and women. On a global basis, the firm has networks for employees with disabilities, LGBT employees and allies, families, South and East Asian employees, Irish employees and African and Caribbean employees.

Reverse Mentoring: Horizon BCBS of NJ Teaches Top Execs Inclusion Lesson

STEPS TO SUCCESS

❶ When considering mentoring programs that are not the "norm," educate the participants about the value of the process

❷ Encourage "out-of-office" meetings so positions of power don't come into play and relationship is more equal

❸ Don't put stringent parameters on what the mentors and mentees discuss

What's an effective way to get senior leaders to understand the challenges and opportunities younger minority managers have in an organization? Horizon Blue Cross Blue Shield of New Jersey has a successful reverse mentoring program that does the job.

The idea was inspired by a "reverse mentoring" program JP Morgan Chase had to help older leaders become more technologically savvy by pairing them with younger mentors.

"We thought this was a great concept, but we wanted it more diversity related," recalls Alison Banks-Moore, Chief Diversity Officer, EO/AA, Work Life Initiatives. "We identified our high potential minority managers and paired them with officers of the company. The high potential managers mentored the officers, so the dynamic was totally different."

The initiative has been part of the organization's much larger effort to expand its diversity and inclusion focus. "The better we can understand the employees who reflect the membership, the better we can communicate and get in touch with the mindsets of the cultures we serve," she says.

The overall goal of the program is to have the officers "look through the lens of a minority manager and really have a better appreciation for their personal story and the challenges and successes they have had. For the managers, there is the opportunity to look through the lens of that officer. Preconceived notions are dispelled," Banks-Moore adds.

> **"The better we can understand the employees who reflect the membership, the better we can communicate and get in touch with the mindsets of the cultures we serve."**

The first round was in 2009 and the initiative as been held every year The numbers varied from year to year. Most of the senior officers are white but not all. Diversity, however, is always a factor. So senior officers who are black are paired with a different ethnicity.

During the year-long program, the pairs meet monthly, preferably outside the office so there are no distractions or "positions of power." "They really have heart-to-heart open discussions about anything they want to talk about. They build the relationship and the trust level so the conversations become richer over time," she says.

She doesn't put stringent parameters on what they can discuss. "If I pigeonhole it, they won't gain the benefit they do when it becomes organic and free-flowing," she says.

Banks-Moore's office holds monthly debriefs with the participating managers to check in and address any concerns. Midway through the year and at the end of the program, they check in with both the officers and the managers.

Horizon Chairman and CEO Robert Marino has participated twice and said at a program luncheon that he no longer sees the participants who mentored him as employees as he now sees them as friends.

Adds Banks-Moore: "I always tell the participants, you will be a different person going out than you were going in.

Advancement

Your D&I strategies have helped you attract, hire and retain diverse talent, now focus needs to shift to help those employees excel and advance. While the representation of women and other underrepresented employee groups are increasing overall, parity has yet to be achieved, particularly in the upper ranks of the workforce where the dominant demographic is still male and white. Across the board, high potential women and other underrepresented employees continue to struggle with career advancement in corporate America. Women of color face the greatest barriers, despite the fact that they are a growing force in the nation's labor force.

With record numbers of U.S. workers approaching retirement, many companies will have a unique opportunity to accelerate their demographic profile at the management and executive levels. To develop a diverse leadership bench for the future, assess your workforce demographics and age profile. Identify when employees in mission critical positions will retire, and what knowledge and skills will be lost. Use that information to identify high potential candidates to fill those roles, and develop a detailed, actionable, and measurable succession planning process to provide a clear roadmap for advancing the next generation of diverse leaders in your company.

BEFORE YOU START

Consider the following organizational assessment questions.

- How often do we review the talent sets of underrepresented employees in our internal pipeline? What percentage of these employees are getting visibility, new job experiences, and stretch assignments? Who has access to opportunities for mentorship and sponsorship?
- Are women and other underrepresented talent being promoted at the same rates as the majority?
- How much are women and employees of color paid in comparison to men and white counterparts in similar positions?
- What are we doing to identify, develop and support high potential diverse talent? Do women and employees of color have equal access to the right channels that will help them know how to get ahead? Are they aware of career paths and roles open to them, and how they should be preparing to advance?
- Do our succession plans include measurable targets for women and diverse populations? If not, how will we determine success?
- Are there targeted employee development plans in place to put women and employees of color on the path to advancement? How are those plans measured in terms of progress, timeliness, mobility and advancement?
- Do we know what factors in our organization prevent underrepresented employee groups from reaching their full potential? Are we auditing for bias at every step of the talent development and advancement process?
- Are leaders held accountable for performance related to the advancement of women and minorities in the workforce?

Talent Review Process

Your talent review process should be thorough, data-driven and ongoing. By measuring key differences in performance assessments and promotion outcomes, organizations are better equipped to understand their unique culture and ensure that employees of all genders, races, and backgrounds have equitable access to development and advancement opportunities.

Leverage existing HR information and data analytics. Workforce data can generate important insights and help identify high potential women and diverse talent. Review your organization's talent data and talent strategies frequently. Look at who is in your leadership pipeline and succession plan and ensure you have a strong pipeline across levels of your organizations. Creating a healthy diverse pipeline starting with supervisory levels can help to build internal talent at every level. When developing your talent strategy, you may want to consider focusing on the largest gaps within any particular level or demographic.

Audit your talent management process for bias, fairness and equity. Assess the opportunity and promotion rates of employees in similar positions, and segment and compare the data across different dimensions, including gender, age, race, disability and other demographic characteristics. Understand who has opportunities and who does not.

Establish clear and consistent criteria for evaluating high potentials. Make sure you have processes in place to eliminate bias in performance assessments and hiring decisions. Identify the leadership skills, characteristics and competencies needed in your next succession of leaders, and establish evaluation criteria to gather objective, measurable input. Use the same criteria to evaluate candidates applying for the same role.

Train managers and evaluators in unconscious bias. There are critical decision points throughout the employee lifecycle that can be vulnerable to bias, for example, decisions related to who to attract, who to hire, who to promote, how to rate,

NEXT PRACTICE **Require diverse slates for promotions.** As well as ensuring your external slates for hiring are diverse, it is also important to require diverse internal slates. Diverse slates can be a powerful driver of change. At **Duke Energy,** managers and HR representatives work together to identify slates of potential successors for specific positions. Managers submit a list of candidates for designated positions. HR analyzes the fit of designated successors for a position based on matching the detailed position profile and the candidate's talent profile. Then HR runs a search for alternative qualified successors based on the position profile, and candidates from both lists are considered in all talent reviews. Duke Energy makes this effort to ensure the candidates for promotion include all qualified employees, even those not known to the hiring manager.

There is increasing use of virtual reality (VR) to provide a better understanding of the experience of individuals with different backgrounds and identities. The VR experience can provide a neutral and safe learning environment to help an individual become aware of their personal biases and practice behaviors to minimize their impact.

EY is using BeingVR for their unconscious bias awareness training. The technology uses digital storytelling to immerse people in realistic workplace scenarios to help them recognize bias in their behavior and decisions. Overall, 97 percent of EY participants agreed that VR has been more effective at increasing their understanding of unconscious bias than a standard role-play.

Accenture is using VR to accelerate progress toward its goal to achieve gender parity by 2025. The company's VR Gender Swap uses avatars to help employees step into someone else's shoes and experience interactions from multiple perspectives. Early feedback has shown that 94 percent of users feel better prepared to have bias-free conversations.

Source: RedThread Research/Mercer

and who to develop on a leadership track. Biases exist in all of us. But if they are left unmanaged, these biases can skew performance reviews and impact who gets promoted and developed - and who gets left behind.

Managers play a pivotal role in decisions related to an employee's performance and aligning them with professional development opportunities. Provide awareness training to help your managers and evaluators recognize their own biases and how they influence everyday decisions. Make sure they have the awareness and tools needed to make fair and unbiased decisions at each critical point in the employee lifecycle.

Start a dialogue about what biases are present in the organization, and how they show up in the organization's processes and culture. For example, do you provide equal development opportunities to all talent, or do you tend to rely on the same individuals? Are you giving equal support to all talent on stretch assignments and job rotations? Have you considered that diverse talent typically have less access to networks of coaches ,mentors and sponsors?

Merck's Early Emerging Talent Rotation (ETR) program provides recent college graduates that have been hired in the company a chance to experience different areas of IT and develop critical technical, business, and leadership skill sets. Each participant is partnered with a buddy, a coach and an executive mentor that help with workplace acculturation and career planning. The program also has a strong alumni engagement and sponsorship cohort. ETR participants rotate through three distinct assignments over the course of two and a half years. Rotations are assigned based on the individual's interests, with input from their coach. During the program, ETRs participate in facility tours, speaker series, social and networking activities, and training and development courses. They learn directly from top managers and receive mentoring from senior executives throughout the program. At the conclusion, ETRs work with program and business leaders to identify long-term career opportunities at Merck.

Developmental Stages of Inclusive Talent Review Strategies

COMPLIANCE EFFORTS

- Conduct annual performance reviews
- Ensure job descriptions, expectations, and performance management system are documented clearly and communicated to all

INCLUSION EFFORTS

- Rate ALL on inclusion competence/behaviors
- Refresh performance metrics to ensure desired behaviors are those rewarded
- Equip managers in properly discerning between a performance issue and a cultural misunderstanding
- Provide training to ALL on giving feedback across cultures, or to team members of different backgrounds
- Communicate the role that bias and cultural identity plays in assessing performance accurately/objectively
- Ensure two-way feedback in performance review process

EMPLOYER OF CHOICE EFFORTS

- Provide training to managers and HRBPs re cross-cultural performance appraisals
- Conduct transparent calibration of performance ratings to identify—then address/correct—bias across cultures/difference
- Apply calibration meeting norm best practices
- Address impact of disproportionate amount of valuable informal coaching and feedback given to dominant groups, by ensuring minority groups get coaching and 'tips' on job performance and success metrics
- Review and mitigate possibility of bias in: Performance appraisal forms, 360s, performance rating categories and scale, performance assessments and ratings assigned
- Abandon self-evaluations before supervisor evaluation (an anchoring bias that rewards self-promoters and/or penalizes cultural differences such as modesty)

DE-BIASING TIPS:

Performance Management

1 Review Performance Appraisal Forms and Rating Scales (update them if they devalue non-dominant group workstyles)

2 Define Role Competencies Behaviorally (update them to align with current role requirements, remove subjectivity)

3 Examine Career Development Process for Biases (clarify any 'unwritten' rules for advancement, identify barriers to access)

4 Be Aware of Cultural Filters & Biases (scan evaluation for coded language to mitigate rater bias, proactively ensure informal ongoing feedback to all, not just to those 'like you')

5 Use Outcome-Oriented Expectations (did they meet the need but in a different way)

6 Implement mentoring programs with a diverse pipeline perspective (at all levels)

Source: Language and Culture Worldwide, LCW

In 2016, **Nordstrom** set a bold goal of increasing representation in their leadership to better reflect their consumer base, which is 70 percent women. At the time, a majority of their employees were women, but their leadership was mostly men. To kick-start the initiative and get senior buy-in, Nordstrom's leadership took part in a "conscious inclusion" program to better understand how bias plays out in the workplace. They then identified four key "pillars" that drive diversity and inclusion: talent, culture, marketplace, and leadership. Each pillar was sponsored by a small team of executives who established programs to drive progress—from diverse hiring slates to unconscious bias training—and managed them like a critical part of the business. From 2016 to 2019, Nordstrom has seen remarkable gains: their efforts increased the share of women in the C-suite from 7 percent to 40 percent, in SVP roles from 49 percent to 63 percent, and on the board from 17 percent to 46 percent.

(Source: McKinsey)

Succession Planning

BEST PRACTICES: SUCCESSION PLANNING

Percentage of DBP Index Companies That Offer Succession Planning

Company required diverse succession-planning slates	61.3%
Have a formal executive succession planning program	90%

Diverse teams are built through a well-formulated and actionable succession planning process that continually identifies high potential talent, and then sets them on a deliberate course toward leadership roles. Start by assessing your organization's demographic and age profile to identify when employees in mission critical positions will retire, and better understand what knowledge and skills will be lost. Establish baselines and set targets for increasing diversity in those roles. Many companies will consider the top 10 percent of talent when developing a succession plan. To cast your net wider, consider the top 10 percent of diverse candidates as well.

Identify high-performing professionals early in their careers and start them on the leadership path as soon as possible. Identify what experiences and development opportunities will be needed to advance high potential talent to middle and senior management roles. Achieving a diverse leadership team that's representative of the organization's stakeholders takes time. Make sure your succession plan includes specific metrics and timelines to track progress and ensure goals are met.

What is your company doing to prepare diverse talent and succession pipelines? Do you have succession plans targeted to diverse populations? Or set percentage goals? If not, how will you move the needle, and what will determine success?

Best Practices for Succession Planning

- Succession planning for leadership and senior management roles is a C-Suite responsibility. Build leadership accountability for setting diversity goals, providing needed investments in talent development, and achieving measurable outcomes.

- Senior executives can also demonstrate their support by sponsoring and mentoring high potential women and employees from other underrepresented groups.

- Dedicate roles and responsibilities to ensure succession planning is ongoing and actionable. Hold someone responsible for carrying out the planning process.

- Continually review and challenge assumptions of what a leader should look like and what skills and competencies are needed.

- Set goals. To achieve diversity, even at the highest levels, there must be reasonable but aggressive goals on changing workforce demographics, e.g. at least 30 percent of succession slates are diverse.

- Create diverse talent development plans. Monitor and measure progress, outcomes, and the time it takes to execute plans to ensure parity.

- Establish clear criteria for advancement. Define and communicate the criteria, process and expectations for upward mobility. Review them with candidates.

- Ensure stretch assignments, job rotations and other leadership development experiences are properly supported, for example, access to mentorship and coaching.

Inclusive Succession Planning Templates

SUCCESSION SUMMARY

KEY POSITION TITLE	INCUMBENT NAME	RETENTION RISK			SUCCESSION CANDIDATE NAMES		
		High	**Medium**	**Low**	Ready in < 2 Years	Ready in 2– 4 Years	Ready in 4 + Years
Head of Sales	John Smith			✓	Matt **Susan**	Chris **Rosalie Mike**	Paul
Head of Ops	Mark Summers			✓	External		
CFO	Alan Bluspan		✓		Chris		
Chief Counsel	**Helen Lawland**	✓			External	Sam	

HIGH RISK: NAME	MITIGATING ACTION PLAN
Helen Lawland	**Spread too thin, high demand. Provide additional headcount.**

This chart summarizes the entire succession plan.

- what roles are open
- who is currently in the position
- the timing of vacancy/opportunity/retention risk, and
- overall readiness timeframe.

The bottom grid is used to identify high risk retention mitigation plans

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SAMPLE

DEEP DIVE: SALES DIVERSITY ANALYSIS

Overall, gender and ethnic diversity shows results on par with external benchmarks but below diversity best practices Inclusion Index

- 38%/62% female to male ratio, trending up since 2015
- 25% of leadership team is diverse, remaining steady since 2014
- 48% of "Top 25" Talent are diverse (13 of 27)

Opportunities exist in the following areas

- Band 5 female hires,
- Asian American talent acquisition
- Focus on African American development and engagement

Top Talent Diversity statistics are positive

- Diversity talent pipeline shows promise at bands 3 and 4 but not ready now. Development plans and actions are being created
- Organization diversity pipeline is strong (high performers and managers increasingly diverse, (since 2014)

It is important to provide overall current state of diversity and talent within a particular business function. Consider creating this for each line of business in your organization.

SALES SUCCESSION CANDIDATE SLATE SUMMARY ASSESSMENT
Readiness Relative to Strategic Capability Requirements

LEGEND: ● Able to meet needs ● Some risk ● Significant gap ● Too new to assess

Head of Sales Succession Candidates	Current Role	Leadership/ Culture	P&L	Business Turnaround/Risk Mgmt	Technical capabilities	Strategic Vision
Susan	Consumer Sales	● Able to meet needs	● Some risk	● Able to meet needs	● Able to meet needs	● Some risk
Chris	Head of Ops	● Too new to assess	● Able to meet needs	● Some risk	● Some risk	● Able to meet needs
Rosalie	Commercial Sales	● Able to meet needs	● Significant gap	● Some risk	● Able to meet needs	● Able to meet needs
Mike	FPA-Consumer	● Some risk	● Some risk	● Some risk	● Some risk	● Some risk
Matt	VP Prod Mgmt-health	● Able to meet needs	● Some risk	● Some risk	● Able to meet needs	● Some risk
Paul	VP Consumer brands	● Significant gap	● Able to meet needs	● Significant gap	● Able to meet needs	● Able to meet needs

GENDER — Male, Female

RACE — White, Black, Asian, Hispanic, Other

FUNCTION — Sales, Operations, Marketing, Prod Mgmt, Finance, Other

SELF ID — No special classification, Veteran, Disability, LGBTQ

TIP — **Create two succession slates.** One for cross functional candidates and one solely for diverse candidates. This can assist with building a deeper diversity pipeline of successors.
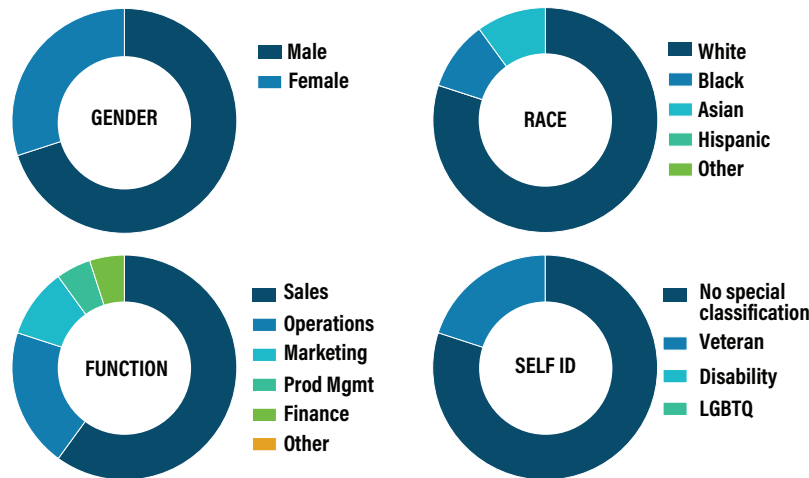
Current Capability Assessment

This purpose of this template is to summarize your assessment of key skills/capability elements of each of the candidates in your succession plan. Assessments should include specific examples. What are Janes production numbers? What coaching has been provided to Jane? How has Jane solved issues? Has John demonstrated ability to resolve disagreements? How?

For each element consider the following.

- **Leadership/Culture:** What is your overall assessment of the strength of the employee's ability to demonstrate leadership. Below your leadership level, do you have the management breadth and depth required to address the business objectives you may identify and to backfill any vacancies in your leadership ranks?
- **P&L:** Assess the candidates ability to successfully manage a P&L
- **Business Turnaround/Risk Management:** Have they successfully managed a business turnaround? Have they led a crisis/risk management mode?
- **Technical Capabilities** Do they have sufficient technical strength or functional expertise to provide credible leadership to this role?
- **Strategic Vision:** in what ways have they led/created, blue sky visioning.

The bottom graphs depict the diverse make up of your succession candidate slate.

SALES SUCCESSION PLANNING: BIAS AUDIT

LEGEND: 🔵 YES/Majority   🟡 Average   🔴 NO/None

Sales	Future Role & Timing	Sponsor?	% C-Suite Visibility	Diversity Classification?	Development plan? Completion rate?	Provide specific examples to back assessment?
Susan	Consumer Sales	🔴	🟡	🔵	🟡	🟡
Chris	Head of Ops	🔵	🔵	🔴	🟡	🟡
Rosalie	Commercial Sales	🔴	🟡	🔵	🟡	🔵
Mike	FPA-Consumer	🔴	🟡	🔵	🟡	🟡
Matt	VP Prod Mgmt-health	🔵	🟡	🔴	🟡	🟡
Paul	VP Consumer brands	🔵	🟡	🔴	🔵	🔵
		⚪	⚪	⚪	⚪	⚪
		⚪	⚪	⚪	⚪	⚪

Bias Audit

This purpose of this template is to provide checks and balances to the talent and succession planning process, and assessment dialogue. To ensure you are providing parity for proper and viable development. The results can provide you with a roadmap for potential candidates development plan

For each element consider the following.

- **Sponsor:** Do they have one? How active, engaged, vocal is that sponsor? Has the sponsor built trust?
- **C-Suite Visibility:** What percentage of the c-suite is familiar/have worked with with the succession candidate? How can they gain visibility to the candidates?
- **Diversity Classification:** Does the succession candidate identify as another diversity classification we haven't already captured?
- **Development Plan:** Is there a targeted and relevant development plan in place? What percentage of the plan is completed? Who is championing the development plan?
- **Provide specific examples to back assessment:** Were comments backed up by data and examples.

12 Tips to #InterruptBias in Talent Review and Succession Planning from LCW

Automatic, unintentional and driven by mental shortcuts and stereotypes—unconscious biases can derail your best efforts to be objective during succession planning, or what many organizations call "Talent Review." The goal is to identify "top talent", select the "best" successor candidates, and assess "executive potential" in order to develop those with the highest chance to successfully lead the organization. And yet, in our work at LCW with corporations, universities, and NGOs the world over, we find that systemic as well as individual-level biases result in most overlooking true "top" talent when they instead implicitly select for preferences that may be unrelated to job performance and/or apply criteria inconsistently.

What can be done? Below are some tips proven to help you listen for, question and redirect discussions that have a potential for bias and frame subjective assumptions about candidates before, during and after the Talent Review process.

BEFORE

1. Prepare for Talent Review by taking stock of your known preferences and experiences.

- Are there any characteristics in a successor candidate that might potentially bias your evaluation of them as a future leader?

- Think about visible characteristics (e.g., appearance, greeting style, accent, speaking style, gestures and body language, age and gender, etc.) and/or what you learn about the person as you review their profile or talk to them (e.g., where they went to school, where they grew up, whether or not they have children, the type of degree they have, past approaches that differ from the way you would have done something, etc.)

2. Recall past Talent Reviews—or if this is your first, interview others—to consider:

- What biases tend to emerge in your organization during the process? List as many examples of potentially biased behavior as you can, regarding the evaluation of successor candidates.

- How will you share your insight on potential biases with your colleagues at the start of the Talent Review discussion?

3. Educate yourself with facts about unconscious bias research, and invite discussion of their possible impact on the review process with your colleagues.

DURING

4. For every candidate you are reviewing, consider the following:

- Does this person remind me of someone else (including myself)? If so, who and in what way (positive or negative)?

- How can I control for Affinity Bias—and the statistically borne-out tendency for people (possibly including me) to be most comfortable promoting people similar to themselves?

- Does this potential successor belong to any cultural groups that are known to be stereotyped (positively or negatively)?

- ng/short I've known this person cloud my objective evaluation of her/him?

- Is it possible I'm shifting criteria to fit a preferred candidate and discount others? Am I ignoring or discrediting data that doesn't support my point of view about candidates?

- Is there anything going on with me, either at work or in my personal life, that may get in the way of evaluating this person objectively? (If so, is there value to rescheduling the review or h aving someone else lead it?)

5. For every candidate you find yourself resistant to, in terms of their readiness for leadership roles, ask yourself:

- Is it because their profile is not "what we're used to seeing"?

- Do you automatically associate this candidate's background, gender, age, career history, appearance or other characteristic with a different career path than what you're discussing? If so, is that valid—or just status quo?

- Are you automatically associating your own career path experiences or the career path experiences of others who have previously held the role to "what is needed" to succeed in the role now? If so, is that valid—or just status quo or what's 'available' to you?

6. Get comfortable interrupting bias with respect and confidence during Talent Review discussions with your colleagues.

7. Assume good intent and frame your comments constructively with the end goal of enhancing your overall talent pool.

8. Ask for behavioral examples about candidates. Do not accept value judgments or personality criticisms at face value.

9. Ask for behavioral examples about candidates. Do not ever accuse colleagues of being biased or prejudiced. (Remember that people are almost never aware of their biases!) Instead:

- Position your questions as a means to build more understanding.

- Address the statement being made vs. the person making the statement.

- Be supportive—or at least neutral—in tone ("Help me understand..."; "Tell me more..."; "That's helpful to know...").

- Mitigate Stereotyping Bias by asking pointed questions, such as, "Would we be having this same discussion if they were white? Or male? Or Buddhist? Or straight?"

- Mitigate Availability Bias by pulling data and feedback from multiple sources, covering more than just the last few months—and asking questions like, "What else?" This helps to ensure that we aren't relying entirely on data that is quickly and easily available to us.

- Ask if it's possible the person's culture may have taught her/him differently—and if so, if the cultural difference may actually be an asset to the organization.

- Be clear and concise.

10. Remember to be open when others call out your own potential for bias. Try to see it as an opportunity for growth and dialogue.

AFTER

11. Review the outcomes of your process to identify gaps and patterns that may exist.

12. Work with your leadership and VP of talent to introduce improvements to the process for next year that will help manage bias in the process.

Sponsorship and Mentorship

It's not uncommon for informal networks to form among people with similar backgrounds, which can leave out diverse employees who see fewer people like themselves in leadership roles. Sponsorship and mentoring opportunities can help fill this gap. These opportunities show underrepresented employees that the organization believes in their potential and is invested in their success. More important, they provide the access to coaching and leadership development experience that is necessary for advancement.

Sponsorship

Although there is not one "correct" way to approach sponsorship, there are some key elements that need to be in place to ensure that there is maximum positive impact on those being sponsored. **Diversity Best Practices** and **Culture@ Work** have collaborated to create a guide to sponsorship based on our research and experience implementing sponsorship programs. Below you will find that guide which includes a defintion of sponsorship, why sponsorship is crucial to your advancement strategy, and a step by step guide to implementing your own sponsorship program.

What Is Sponsorship?

Sponsorship (noun) a strategic professional relationship forged between an ambitious high performer (protégé or sponsee) and a more senior executive (sponsor or steward) which leads to positive career traction for both.

Sponsors Are Different Than Mentors

Mentors can be a pathway to sponsorship. Building strong relationships with individuals above you, as well as with peers, can help make potential sponsors aware of employees and provide an entryway into networks of power.

All types of professional relationships – coaching, mentoring, advocacy and sponsorship – are critical at every level and development stage but sponsorship is proven to have positive career impact

Sponsorship

Sponsorship is a strategic professional relationship forged between an ambitious high performer (protégé or sponsee) and a more senior executive (sponsor or steward) which leads to psotive career traction for both

An informal relationship that speaks on the behalf of others to address career interests

Advocacy

Mentoring

Formal or informal relationship between a more experienced professional and a less experienced professional focused on career advice, navigation and guidance

Natural manager-employee or assigned employee-third party relationship focused on feedback, guidance and development

Coaching

Allyship

A supportive-often peer relationship that recognizes and addresses systemic barriers

Mentors Advise You; Sponsors Advocate For You

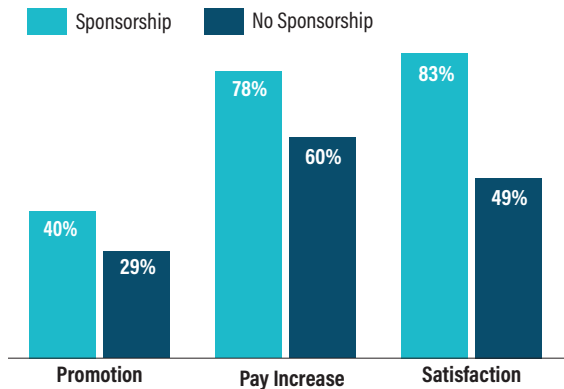| MENTORS	SPONSORS
Mentors have mentees	Sponsors have protégés
A mentor could be anyone with experience desired by a mentee who can **offer advice and support**	A sponsor is a senior level staff member **invested** in a protége's career success.
Mentors **support** mentees through formal or informal discussions about how to build skills, qualities and confidence for career advancement.	Sponsors **promote** protégés, using their influence and networks to connect them to high-profile people, assignments, pay increases and promotions
Mentors help mentee **craft** a career vision	Sponsors help **drive** their protége's career vision
Mentors give mentees **suggestions on how to expand their network**	Sponsors give protégés their active network connections and **make new connections for them**
Mentors **provide feedback** to aid a mentee's personal and professional development	Sponsors are **personally vested** in the upward movement of their protégé

Why Sponsorship?

Relationship Capital Is Key To A Person's Professional Advancement
Although there are multiple ways to build relationship capital, sponsorship can have a significant effect on promotion, pay increase and satisfaction rates.

The example below, from Working Mother's *2019 Best Companies for Multicultural Women Report* illustrates this point.
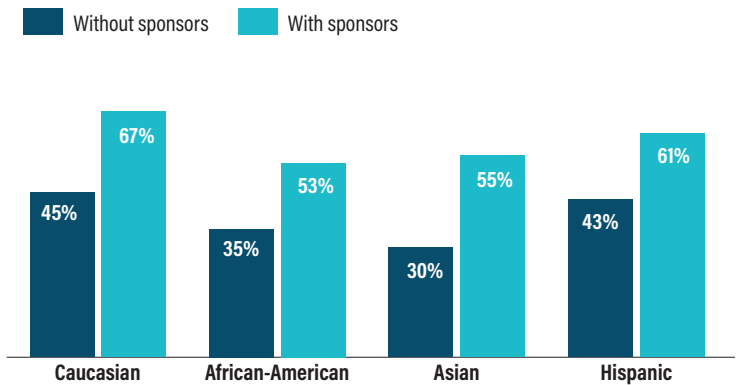
According to a Center for Talent Innovation study, *Vaulting the Color Bar: How Sponsorship Levers Multicultural Professionals into Leadership*, the data is similar for people of color in general.

% of Multicultural Women

Legend:
- Sponsorship
- No Sponsorship

Category	Sponsorship	No Sponsorship
Promotion	40%	29%
Pay Increase	78%	60%
Satisfaction	83%	49%

Source: Working Mother's 2019 Multicultural Women Report

Employees who are satisfied with their rate of advancement

Legend:
- Without sponsors
- With sponsors

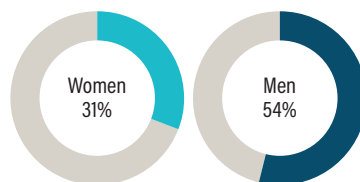| Group	Without sponsors	With sponsors
Caucasian	45%	67%
African-American	35%	53%
Asian	30%	55%
Hispanic	43%	61%

And, based on our research for the *Gender Gap at the Top Report,* there is a significant gap between men and women as it relates to the advice and encouragement they receive regarding opportunities to grow professionally.
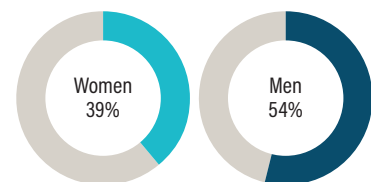
Relationship Capital Gap

% encouraged to seek out P&L opportunities

Women who were encouraged...

36% more likely to believe they had the necessary skills

29% more likely to believe they would be successful

Women	25%
Men	61%

Received advice from mentor sponsor on how to advance in the past 24 months

- Women 31%
- Men 54%

Had a career discussion with mentor sponsor in the past 24 moths

- Women 39%
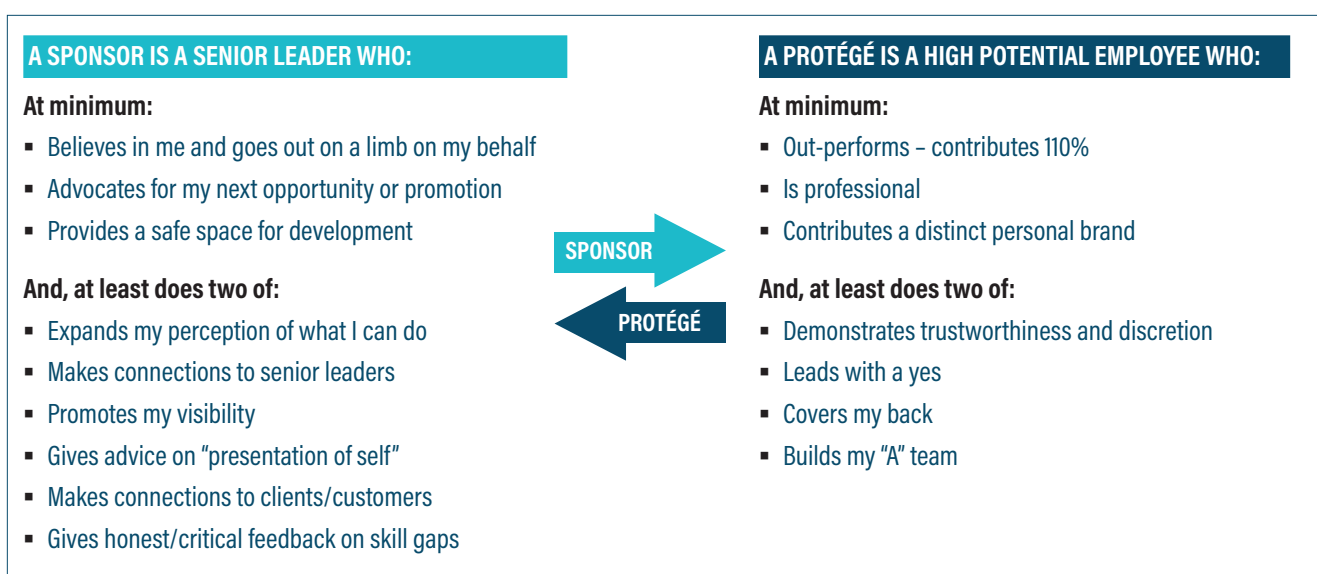- Men 54%

Sponsorship and Mentorship

How To Build A Sponsorship Program

Key Elements

There are multiple ways to implement a sponsorship program but it is critical that

- the sponsorship match ties to the development plan of the employee

- the sponsor has the influence needed to make that specific next move happen for the sponsoree

- the two components most relevant to women and under-represented groups --visibility and job experience--are directly tied to the sponsorship plan; and

- there is clarity about the purpose of the sponsorship program.

Source: HBR

A SPONSOR IS A SENIOR LEADER WHO:

At minimum:
- Believes in me and goes out on a limb on my behalf
- Advocates for my next opportunity or promotion
- Provides a safe space for development

And, at least does two of:
- Expands my perception of what I can do
- Makes connections to senior leaders
- Promotes my visibility
- Gives advice on "presentation of self"
- Makes connections to clients/customers
- Gives honest/critical feedback on skill gaps

SPONSOR →

← **PROTÉGÉ**

A PROTÉGÉ IS A HIGH POTENTIAL EMPLOYEE WHO:

At minimum:
- Out-performs – contributes 110%
- Is professional
- Contributes a distinct personal brand

And, at least does two of:
- Demonstrates trustworthiness and discretion
- Leads with a yes
- Covers my back
- Builds my "A" team

Implementation

Step One: Develop the scaffolding to support a sponsorship program.

Successful sponsor programs often have a team of stakeholders.

- Peer advocates
- Direct Managers
- HR and Talent·
- The Diversity Council should understand, monitor and track the goals of the program

Step Two: Create and Communicate Your Selection Criteria

- Criteria for selection needs to be clear and communicated consistently across all stakeholders
- Leverage your employee resource groups as a pipeline of high potential, diverse candidates for the program
- Have FAQ ready and available for when questions come up

Step Three: Establish the Structure of the Program Including Timeline and Roles and Responsibilities for both Sponsors and Proteges

- The length of the formal sponsorship relationship should be based on the talent development cycle. A standard structure is a 12 month sponsorship timeline with 3- and 6-month check-ins. At the end of that time, the pair can determine if it should go longer based on the development plan and advancement opportunities.
- Create new roles or assignments. Job openings don't always align to an employee's advancement timeline. However, a lateral move is not the only way to demonstrate success. Think broadly and fluidly about what the next opportunity is and what advancement could look like in your organization.
  - *Consider this: Job opportunities can come from existing roles or from creatively looking at new roles or innovatively restructuring old roles. In addition, companies need to hold their senior executives accountable for ensuring that women and minorities are given opportunities for top jobs.*

Step Four: Establish Metrics You Will Use to Measure Progress and To Hold Leaders Accountable

Metrics to consider to ensure you are making progress toward the goal of advancing women and underrepresented minorities
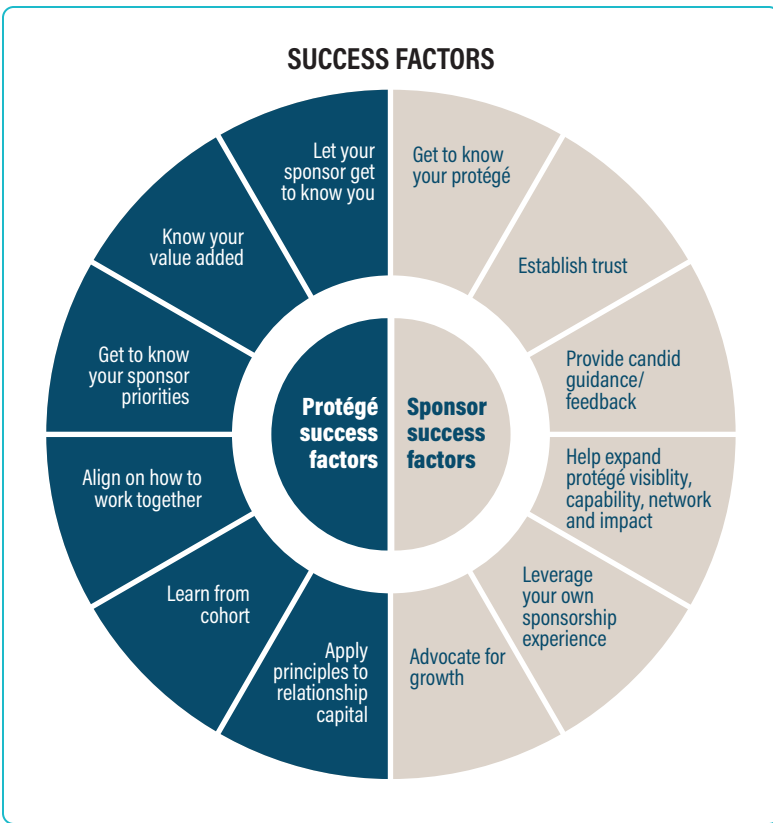
- What is the velocity of movement (promotion rate) of employees involved in the sponsorship program and how does it compare to similar employees who are not in the program?
- Are the development plans being executed on-time? You may have to insert specific metrics, deliverable goals on the development plan to ensure the goals are met, along with a timeline for reaching them.
- Track the barriers to placing "ready" talent. What are they and how will you solve them?

TIP

When rolling out any new strategy or initiative, it is good practice to start with a pilot and then assess the successes and opportunities for improvement before moving forward with what could be an enterprise-wide effort.

TIP

Create a sponsorship handbook that outlines the details of the program, an FAQ and provides tips and tools for both sponsors and proteges

SUCCESS FACTORS

Protégé success factors:
- Let your sponsor get to know you
- Know your value added
- Get to know your sponsor priorities
- Align on how to work together
- Learn from cohort
- Apply principles to relationship capital

Sponsor success factors:
- Get to know your protégé
- Establish trust
- Provide candid guidance/feedback
- Help expand protégé visiblity, capability, network and impact
- Leverage your own sponsorship experience
- Advocate for growth

- As well as ensuring your external slates for hiring are diverse, do you always require diverse internal slates, even if you have to go one level down and assign a mentor/sponsor. What color/gender is your pipeline and why?

- Are you monitoring how long people who are either hired or promoted to senior managers or above are in their jobs are their attrition rates hire? Is their length of service shorter in the role? (Ultimately, were they assigned sponsors/mentors/ coaches to ensure success?) Are there actionable suggestions for performance improvement or general, unactionable observations?

- Are you monitoring gender/ethnicity of every leadership development class. Do women and people from under-represented groups have the same rates of success post training?

- Is the material used in leadership development training non-sexist and non-discriminatory?

Need more support to implement your sponsorship program? Contact lisa.fraser@ diversitybestpractices.com or allison.avery@cultureatwork.com and we will work with you to create a plan to move forward.

NEXT PRACTICE **EY leverages mentoring and sponsorships to develop pipeline of women leaders.**
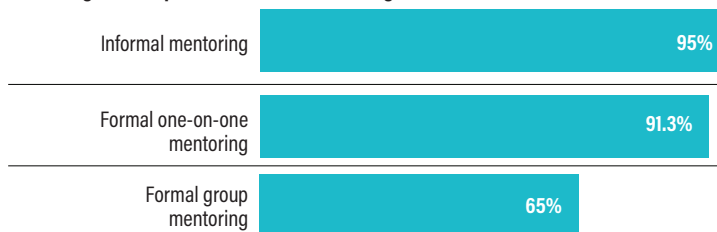
From their first days on the job, EY employees are encouraged to become "sponsor ready" through their client assignments and mentoring programs. Through successful mentoring relationships, high performers become aligned with influential executives who can serve as sponsors and provide ongoing guidance and support. To ensure accountability, EY regularly monitors sponsorship programs using quantitative and qualitative measures such as promotion rates, representation of women at the partner level, engagement survey scores, and feedback from professional networks. As a result, EY has successfully built a pipeline of women leaders, ensured greater engagement and retention of women leaders, improved its processes for recruiting women leaders, and sustainably maintained and increased the number of women partners.

BEST PRACTICES: MENTORING

Percentage of Companies That Offer Mentoring

Informal mentoring	95%
Formal one-on-one mentoring	91.3%
Formal group mentoring	65%

Percentage of Companies That Offer Support for Mentoring

Training for mentors and/or mentees	83.8%
Monitor gender, ethnicity/race, or other differences between mentors and mentees	52.5%

The mentoring process helps identify high potential employees and ensures that they are given the right experiences and resources to progress professionally. But where it often falls short is providing an equal mentoring experience for employees of different backgrounds. For instance, people of color and women have difficulty finding mentors of the same race or gender because of underrepresentation in the upper levels of management. For people whose differences may not be visible (LGBTQ people, people with disabilities, veterans), finding a mentor who "gets" them may be even more difficult.

Most diversity practitioners recommend mentors from different groups than the mentees, so they each gain experience and understanding of the other. There is great value to that, but there is also value in having a guide who understands the employee's background. For example, there are undeniable benefits to having LGBTQ mentors who can address specific issues about being LGTBQ in the workplace, that a mentor who is straight wouldn't be able to. And it may be just the type of mentoring and support an up-and-coming LGBTQ leader may need at that very career juncture.

Based on the results of one study of U.S. companies, researchers concluded that LGBTQ mentors are able to provide more specific advice and guidance in relation to issues of orientation in the workplace than their heterosexual counterparts. However, the study also found LGBTQ employees who had heterosexual mentors experienced higher rates of promotion and increased rates of other tangible mentoring benefits, such as career-related guidance.

The key is not to assume what the best match would be. Rather ask what the mentee would prefer given their career goals. Best practice is for employees to have more than one mentor, for different aspects of guidance.

When setting up a mentoring system that improves diversity and inclusion, consider these types of mentoring programs.

Reciprocal mentoring relies on mentoring networks. These networks enable interaction between groups of professionals with similar needs that can be cross-organizational or intra-organizational. Thus, they allow members to remain connected to the network as they change jobs and advance in their careers.

Peer mentoring offers many of the benefits of traditional mentoring. Peer mentoring provides protégés with mentors who are experiencing similar challenges. This mutuality fosters the development of a sense of equality, empathy and understanding. Consequently, these relationships tend to last longer than more traditional ones. Peer mentoring also offers a greater variety of peers who can serve as mentors, offering greater opportunities for diversity mentoring.

Reverse mentoring pairs younger employees with older workers. Having grown up with advanced information technologies, the younger employees can help their older protégés better understand and become comfortable with these advances and their impacts on the marketplace. Reverse mentoring is also useful in battling ageism in the workplace by encouraging positive relationships between generations.

Next-level Mentoring

Once your basic mentoring program is in place, you can consider advanced mentoring models, including:

Global mentoring adds another layer of complexity, but is crucial for multinational companies seeking to ensure all high performing individuals, not just those conveniently located in western hubs or corporate offices, have an equal shot at becoming a company leader. Mentoring shifts from simply skill-building to include culture building, networking and "globalizing" a company's culture in foreign locations. Technology is crucial here, as face-to-face meetings are less prevalent.

Mentoring circles, usually up to five individuals with one trained facilitator, often have individuals from different levels of the organization with a shared concern, such as new mothers returning to work. They meet regularly and each member has time to discuss individual concerns, followed by group support. Members act as sounding boards for people to discuss ideas and concerns and devise solutions.

RESOURCE

Technology Platforms to Support Mentorship Programs

Emerging D&I technologies enable diverse talent to search for mentors. Solutions in this space include SAP SuccessFactors' mentoring search capability, Planbox's workforce Diversity and Inclusion software, as well as vendors Chronus, Glassbreakers, Insala, and Mentorloop. These solutions focus on providing technology tools to search for mentors, so that diverse employees are not limited by their network to find mentors/coaches.

(Source: Mercer/RedThread Report)

Pathways to Advancement

Many factors contribute to an individual's career path, and a one-size-fits-all approach to advancing high potential talent in your workforce will not be successful. Developing career paths should be a highly individualized process, designed to meet the candidate where they are in their career. Although there will be some career development programs that may be developed to address a specific gap in the company (e.g. advancing Latinas in a specific line of business), overall, career development plans should revolve around the unique skills, experience, goals and objectives of each individual.

Below are sample talent development templates managers can use to map out the best way forward for an employee.

Sample Talent Development Plan

SMART Development Actions are

❏ Specific: Focused, results-oriented

❏ Measurable: Quantifiable

❏ Attainable: Realistic and achievable; requires some stretch

❏ Relevant: Linked and aligned with broader organizational mission and meets individual's interests and aspirations

❏ Time-bound: Scheduled by time and deadlines

Development Plan Template for Strengths and Development Needs

Name, Title, band, Current Position:	
Work History	
Career Aspirations:	
Manager Response:	

STRENGTHS	DEVELOPMENT NEEDS

Objective	Development Action/Activity	Date	Status

Development Plan Template for Strengths and Development Needs

Name, Title, band, Current Position:	Bill Daplan, Sr. Manager, FPA, NA
Work History	Manager, Treasury, Lat Am; Sr. Financial analyst, Lat Am; bilingual; CPA, MBA
Career Aspirations:	I want to continue to grow and expand in my current position and eventually work as a FD
Manager Response:	**John has a strong work ethic and is effective. His desire to be in a Global Management position is realistic in the long term, but he needs to further improve his leadership skills and develop global understanding.**

STRENGTHS	DEVELOPMENT NEEDS
Project Management: Is able to implement and follow a project plan. Remains calm when faced with several deadlines.	**Empowering Leadership:** On occasion in high pressure situations, takes over. Needs to empower team members rather than use 'directive' style.
Problem Solver: Strong analytical skills, is able to develop unique solutions for problems and prevent many further problems from occurring.	**Cross-geographical sensitivity:** Often has difficulties in interacting and partnering with international peers. Needs to develop a greater understanding of business etiquette/conduct
Quality focused: Is dedicated to his results. Ensures that the projects he engages in meet or exceed expectations.	**Needs to lead and develop larger team:** has proven ability to lead small team, but needs to manage more complexity and lead team of 25+
Assertiveness: Is able to effectively and tactfully assert his position in a way that communicates respect and sincerity.	

Objective	Development Action/Activity	Date	Status
Cross geography sensitivity	Lead/participate on 2 month assignement in Singapore	Q2	
Empowering Leadership	Assign peer coach from overseas		
Larger Team	Assign a high potential employee the lead role on a current project you are overseeing and serve as a coach	Q1	
	Take on additional management responsibility for NA, Pricing		
		Q3	

Sample Development Plan

Development Objectives	Development Activity	Additional benefits
Improve Business acumen	Participate/Lead in operations review preparation and presentations	presentation skills, consultation (translating data into a story)
Influencing others	Participate/lead a cross business/function/region finance project	Project management, leadership,
Managing complexity, matrix.	Increase scope of responsibility for greater portfolio value (in between step to owning greater portfolio).	Managing teams
Managing complexity, matrix, operations, etc.	Increase scale of responsibility for larger number of layers, people, locations, budget, etc.	Business acumen
Managing vision	Champion/participate on a major change initiative	Change mgmt, influence
Team/people development	Take responsibility to manage an intern/team	
Broaden technical expertise	Job swap a portion of work/have team members cross train each other	Leadership, teamwork, instruction,
Innovation	Gain responsibility to fix something that's failed in the past. Create a new system, process, program.	Diplomacy, influence, removing barriers
Strategic planning	Develop/Present the strategy of the unit to others. Create a roadmap for key effort	executive presence
Change leadership	Work on an integration/M&A/start up	strategic visioning
Leadership /Strategic Planning	Hire/develop viable successor in 12 months	People development

First Horizon Advances High Potential Women Through Strategy and Analytics

At First Horizon, the formula for success is Diversity + Affinity = Inclusion. The company's strategy is focused on three distinct elements of diversity and inclusion: the workforce, the workplace and the marketplace. By leveraging each of these and taking a '360-degree' approach to D&I, First Horizon is building a culture that develops and promotes affinity of all types, fosters innovation and collaboration, and leverages a diverse workforce and inclusive mindset to maximize business results.

A key feature of the company's 360-degree strategy is making sure the entire organization is onboard and involved in the D&I effort. For maximum impact, the D&I strategy is owned and carried out across all departments, which means getting and keeping human resources, public relations, marketing, compliance, human capital management and procurement, as well as the company's inclusion and diversity council, are actively engaged. The President and CEO of First Horizon plays a lead role in carrying out the D&I strategy and is an executive sponsor of the Inclusion and Diversity Council.
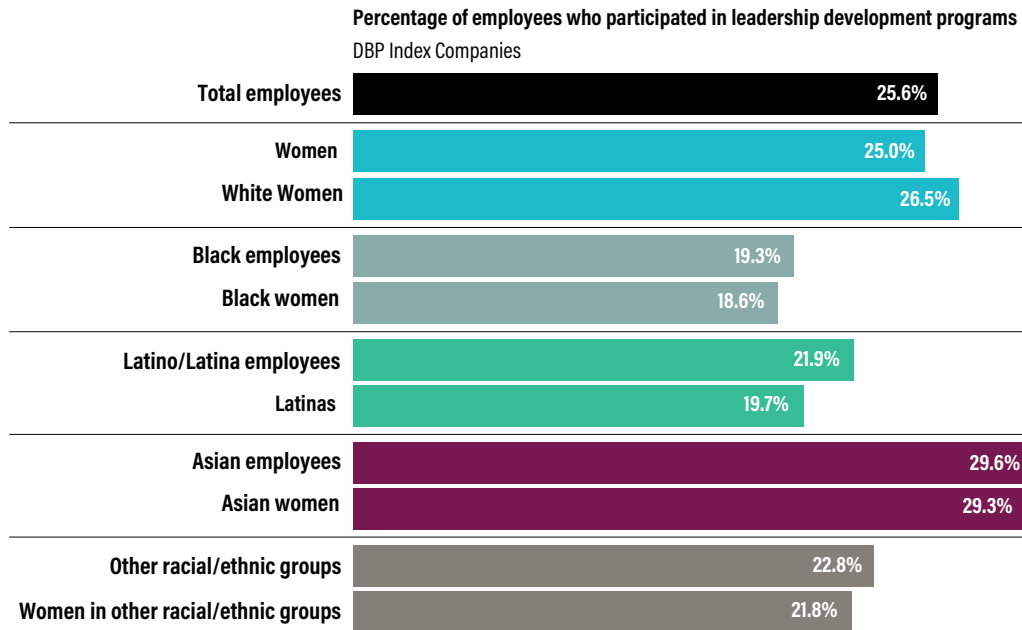
Data analytics and accountability are key to the company's D&I strategy. Throughout the year, First Horizon leaders receive diversity staffing maps and review talent pipeline reports to examine team diversity by various categories and levels. These color-coded maps provide fact-based data and insights to help leaders prioritize staffing decisions for their teams. Leaders discuss and review the maps with their direct reports to ensure understanding, determine if any gaps are present, and identify any obstacles.

One of the gaps identified pointed to the underrepresentation of women at the leadership level, particularly in P&L roles. To address the gap, First Horizon now requires diverse slates and makes sure high potential women have opportunities to develop skills, demonstrate leadership, and build relationships with executives. A report is also sent to the CEO stating who is being considered, interviewed and hired. The department leader's name is included on that report, adding a layer of accountability and bringing more attention, awareness and motivation to act on their plans. These efforts have paid off. Diversity representation in leadership roles began outpacing industry averages in most categories: in 2018, women represented 32 percent of the Executive Management Committee, 37 percent in the top three direct report levels in the organization, and 75 percent of manager roles.

First Horizon has had an impact on women in the marketplace too. The company is committed to helping customers across backgrounds and lifestyles to attain greater economic self-reliance and meet their financial needs. Through its Women and Wealth strategy, First Horizon engages, empowers and enriches female clients so they achieve financial independence. Since inception in 2016, the company has closed over $100MM in business with women, and continues to expand the strategy across all of its markets to ensure women with growing wealth have a unique experience with the bank.

Affinity-based Leadership Development Programs

Percentage of employees who participated in leadership development programs
DBP Index Companies

Group	Percentage
Total employees	25.6%
Women	25.0%
White Women	26.5%
Black employees	19.3%
Black women	18.6%
Latino/Latina employees	21.9%
Latinas	19.7%
Asian employees	29.6%
Asian women	29.3%
Other racial/ethnic groups	22.8%
Women in other racial/ethnic groups	21.8%

Opportunities for coaching, mentoring, sponsorship and leadership development are essential components of the employee development continuum, and particularly important for diverse employees who may lack access to training and advancement options that are more readily available to majority employees.

It is important to understand the different employee populations in your organization, and the nuances that characterize each group, to develop the right tracks to get them on the path to leadership roles. For example, understanding that relationships are a foundation in the Latinx culture, development programs for this cohort should leverage Latinex leaders, alumni and other professional contacts to expand their networks. This could include outreach to Latinex professionals organizations and associations, and involvement of Latinex employee resource groups.

TIP Preparing high potential diverse talent for leadership roles should be based on customized development plans, and include opportunities for sponsorship and mentoring, leadership education and training, and stretch assignments. Including high-potentials in networking events with company and industry leaders is another strategy to build competencies and forge new relationships.

TEKsystems' Emerge Talent Development Program

The **Emerge Talent Development Program** is 12 months of development focused on the idea that the "Best You Yields a Better Us." The program sets the groundwork for high potential (HIPO) participants to learn about their own "self" journey and how to be an effective and inclusive leader very early in their career at TEKsystems.

Started in 2015, the origin of this program is special. The initial pilot was focused on a very narrow organizational problem; while they'd seen tremendous improvement in hiring women and people of color into the company, those employees were not moving up through the organization at the speed or the numbers to reach the organizational goals. Their efforts were not reaching them early enough in their careers to catch them before they would leave the organization.

Emerge was designed to engage these two populations with a focus on self-awareness, fundamental leadership skills development and creating access. These objectives aligned directly to two organizational strategic pillars- building a high performing team and nurturing an inclusive work culture.

The program launches with a 3-day, in-person, instructor-led kickoff. Pulling participants out of their day to day environment is essential; it builds community and reduces distractions. Also, the investment of time, people and resources reinforces the company's commitment to the development of their people.

Each participant is part of a 4 person "pod" with a mentor (Director level and above). Following the initial kick off, there are 11 separate modules/topics monthly delivered through their Learning Management System (LMS). All learning is supplemented with synchronous webinars and asynchronous resources via online learning. The first six months focuses on the self and the second six months on leadership competencies. Finally, each cohort has to work together to deliver a capstone project at the end that addresses an organizational challenge or opportunity.

The first few cohorts were exclusively women and people of color and the content was designed to address the specific challenges and hurdles those demographics faced when navigating the organization. Topics such[FR1] as executive presence, coaching the inner critic, covering behaviors, authenticity in the workplace, strategic networking and more. Emerge is successful in empowering these groups and provides a forum for traditionally underrepresented populations in leadership to grow. However, in the spirit of a "shared common humanity" and reinforcing a culture of inclusion, the company realized the program has benefits for all of their employees.

For the last three cohorts, the program has expanded to be inclusive of TEKsystems' entire employee population, while still retaining a clear focus on women and people of color. For each cohort they set representation goals to ensure the make-up reflects a higher percentage of these groups than our current leadership statistics. The company wants to over-index to ensure their internal talent pools remain as diverse as possible. This, in conjunction with the Executive sponsorship coming from their most senior leaders, has created more awareness, sponsorship and allies in pursuit of a more inclusive workplace and diverse leadership pipeline.

As of March 2019, TEKsystems has had 433 participants go through the Emerge program as participants and ~ 100 Directors as mentors.

Before Emerge was introduced, the number of employees that were part of their formal leadership development program was between 40 and 60 per year. These candidates are more tenured and either very close to promotion or already promoted into Director roles. Emerge engages our HiPos much earlier in their career; [FR3] They have increased the number of participants from roughly 60 annually to 160 with plans to expand that number through digital solutions. That is a 266 percent increase over the ~3 years the program has been active.

That increase is paying dividends at both the individual level and organizational level in the perception that employees have growth opportunities at TEKsystems and the amount of investment they can expect from the organization.

Another objective was to leverage the engagement driven by the investment in the participants to curb attrition. Very early data shows that in the last 3 Emerge classes - 253 participants- TEKsystems has only had 9 people leave the organization, or 3 percent. This is a 70 percent improvement in attrition when compared against their non-Emerge peers.

EMERGE RESULTS

- **24 percent of entry-level leadership promotions are former Emerge participants.**

- **Since 2017 Emerge participants make up 43 percent and 35 percent of formal leadership trainees and Director promotions**

- **Women and People of Color Director promotions are within one percent and eight percent of their population respectively. This represents 120 percent improvement for Women and 40 percent improvement for People of Color**

Talent Rotations and Stretch Assignments

Challenging on-the-job experiences, in combination with active mentoring and review processes, can be a powerful and transformative tool for professional growth and developing leadership skills. Stretch assignments allow companies to solve real business issues while field-testing employees' skills and abilities, and provide employees the opportunity to redefine and hone their skills. One study of executives showed that 71 percent of senior leaders identified stretch assignments as the biggest career enabler in unleashing their potential, ahead of any other career factor.

Allstate established its Enterprise Talent Management (ETM) talent share program to support the development and advancement of its internal employee pipeline. The program reduces the costs associated with hiring and onboarding an external candidate, enables growth opportunity and exposure to other parts of the business, and preserves the cumulative knowledge and maturity of the employee. When a position opens in any department across the company, it is openly posted and any employee in good standing can apply. If hired, the employee serves in the new role for six to nine months, providing an immersion experience that fast tracks new skills development. The employee's manager allows them to be 'loaned' for the duration of the assignment, but gets to keep them as a budget item. Once the assignment is complete, the employee returns to their original position. In the first two years of ETM, internal placement rates doubled. There's an added bonus for employees who participate in the talent share program in the company's inclusive diversity department: the company receives a new D&I champion that will go back to their department and make D&I a priority.

Intel's Rotation Engineers Program (REP) moves recent college graduates hired as engineers through three, six-month-long rotations that allow them to gain deep technical knowledge from multiple areas within the company. The program allows the new engineers to forge their own career paths and build networks across a variety of groups and teams within Intel. The unique experience that REP provides has helped the company recruit top diverse talent while also strengthening Intel's leadership pipeline.

The **IBM General Management Leadership Development Program (GMLDP)** is a leadership development program for top MBA graduates from leading global universities hired into IBM on an accelerated path to General Management leadership. The Program offers a unique opportunity for career development across IBM in various areas such as Cloud, Watson, Digital, Offering Management, and experience in consulting, business development, marketing, sales, and corporate strategy or operations. Program participants complete three, one-year

Rotations and have the opportunity to work on meaningful and strategic projects that are critical to the business.

> **TIP** Underrepresented employees, who often lack relationship capital, can find stretch assignments challenging. Build a support system of subject matter expertise and coaching to support diverse individuals participating in stretch assignments, and provide them with easy access to colleagues and coaches who can answer questions and help them avoid potentially challenging situations.

Look to ERGs as a Source for the Next Generation of Diverse Leaders

Leaders of employee resource groups and other employee affinity groups play an important role in connecting the workforce, engaging employees, consumers, and communities, and carrying out complex and far-reaching D&I initiatives. They also represent an important, often untapped, source of diverse talent already working in a leadership capacity in your company.

Many ERG leaders hold a cross-functional leadership role in the company, simultaneously responsible for engaging employees to volunteer and participate in D&I related work, and influencing company decision makers to sponsor projects and commit resources. In that capacity, they routinely leverage knowledge, promote networking, and engage employees and business stakeholders in productive dialogue and problem-solving. ERG leaders also have strong leadership skills sets, including strategic planning and influencing without authority, as well as experience meeting goals and managing budgets.

Business leaders need to recognize this important talent asset. The ERG leadership role should be viewed as an essential business role in the company, and as such, be directly tied to meaningful opportunities for advancement into leadership levels.

In the 2019 Diversity Best Practices Inclusion Index, 81 percent of companies provide learning and development training for their ERG leaders and consider ERG leadership positions in employee performance reviews. However, only 16 percent of companies participating in the DBP Index consider ERG leaders as a talent pipeline in succession planning. This is a significant missed opportunity to tap into a network of diverse talent already excelling in your organization.

Advancing Women in Your Workforce

The number of women in senior leadership has grown, including in the corporate C-suite, where the representation of women has increased to 21 percent. Although this is a step in the right direction, progress continues to be slow and gender parity remains out of reach.

Women, and women of color in particular, are underrepresented at every level. About 1 in 5 C-suite executives is a woman—and only 1 in 25 C-suite executives is a woman of color. (McKinsey)

To achieve gender balance in the workplace, you will need to take intentional steps to retain high potential women in your workforce, and advance them through the ranks. This requires developing deeper connections between high potential women and senior leaders, addressing feelings of isolation and disconnect, ensuring they have access to networks, and putting them on a clear and actionable career path to leadership roles.

Sodexo establishes SoTogether Global Advisory Board to lead the company toward gender balance.

Sodexo's five-year Gender Balance Study builds the business case for parity in representation of men and women in management positions. The study examined gender balance across all levels of management, ranging from top leadership to site management. This wider lens helped shed light on the "pipeline" that will ultimately affect gender balance at the top tier of leadership. Data was collected and analyzed from over 50,000 managers from 70 entities worldwide. Results of the study found teams managed by a balanced mix of either 40-60 percent of each gender were more successful than teams with gender-imbalanced management across a wide range of outcomes including operating margins, client and employee retention, employee engagement, safety, and other key performance indicators. The study also found that performance of gender-balanced teams were more sustainable and predictable over time.

Key findings included the following:

- **Operating margins:** Defined as the number of entities significantly increasing operating margins between FY14 and FY16. 8 percentage points higher for entities with gender-balanced management.

- **Client retention:** Defined as the number of entities registering a client retention rate of 90 percent or more in FY16. 9 percentage points higher for entities with gender-balanced management.

- **Employee retention:** Defined as the average employee retention rate in FY16. 8 percentage points higher for entities with gender-balanced management.

- **Employee engagement:** Defined as the number of entities with an employee engagement rate higher than the external benchmark in FY16. 14 percentage points higher for entities with gender-balanced management.

- **Safety:** Defined as the number of entities that decreased workplace accident rates between FY14 and FY16. 12 percentage points higher for entities with gender-balanced management.

Despite notable progress, the company knew more work needed to be done to ensure that both women and men have equal access to growth and opportunities in the workplace. Accordingly, Sodexo's top leadership has put policies in place to help the company achieve optimal gender balance throughout its management ranks and in leadership positions. The company's CEO has committed to reach global representation of 40 percent women in senior leadership by 2025, and linked 10 percent of annual incentives for the executive population to help achieve this goal. Additionally, Sodexo has set a target that all employees work for gender-balanced management teams by 2025, up from today, where 59 percent of employees work within entities with gender-balanced management.

The company's global gender advisory board, SoTogether, has been a driving force behind the company's efforts to achieve gender balance by advancing women at all levels of the organization. Established in 2009, the advisory board has 26 active members, 10 alumni and 5 associates from 20 nationalities. SoTogether members are senior executives in Sodexo, representing different business segments and global regions. Because of their executive standing in the company, advisory board members are able to influence and impact behavior, policies, and practices that lead to gender balance. Recognizing that involving men was key to achieving change, both women and men are represented on the advisory board. This supports key findings in the Gender Balance Study that found when men and women work together, results are better. The SoTogether Steering Committee is responsible for ensuring overall progress and designing impactful actions. The group's members then impel leadership teams in their sphere of influence to cascade those actions locally.

SoTogether brings the company's ten global gender networks under one umbrella, and unites them around a common mission:

- Provide strategic input and recommendations on gender balance to the company's C-suite leaders

- Engage and influence leadership teams across regions

- Identify and cascade actions to make progress locally

- Serve as a platform to make talent visible and increase exposure for members at the global level.

- To carry out its' mission, SoTogether has established five overarching objectives:

- Reach 40 percent women among senior leaders by 2025

- Increase the number of women in the talent pipeline

- Increase the gender balance in management teams

- Increase the number of women in operations

- Foster a culture of inclusion

Those objectives are based on five pillars of strategy and action:

- **HR practices.** Influence HR processes recommending practices to advance gender balance and challenging measurements.

- **Leadership development.** Provide development opportunities to increase the pipeline of female talent, including mentoring, sponsorship and internally-based leadership development programs.

- **Gender networks.** Strengthen common identity and connect existing Gender Networks.

- **Communications.** Focus on making Sodexo's commitment to gender equality visible and engage the workforce in the effort.

- **Empowerment of women in communities.** Leverage external strategic partnerships to improve the Quality of Life of women in communities.

In celebration of International Women's Day, Sodexo introduced SheWorks, a global job shadowing initiative that connects women in the community with Sodexo employees to help them learn about the business and a potential career at the company.

Working in tandem with community organizations, Sodexo identifies women in the community interested in Sodexo's business. These may include women who want to enter fields where they are traditionally under-represented like facilities management, women who are refugees or survivors of violence and seeking independence through economic opportunity, or women with disabilities that want to learn about the company and career options. SheWorks helps Sodexo connect to prospective talent, but more importantly, helps women realize new potential for their own economic independence. Sodexo employees who serve as company ambassadors and mentors in the job shadowing program walk away with new insights into their career and their community.

SheWorks provides an opportunity for Sodexo to impact the quality of life in its communities, and at the same time, brand itself as a quality of life employer with an inclusive culture where all women can belong. Launched less than a year ago, SheWorks has engaged 500 people and 10 community partners in 20 countries, including 295 women from communities and 238 company ambassadors.

Key Findings from the Working Mother Gender Gap at the Top Research Report

This Working Mother Research Institute took a comprehensive look at the experiences of women—and men—at all levels of corporations to ascertain what perceptions and realities are keeping them out of the highest ranks and to offer real solutions to close the gap. Their extensive data is both quantitative and qualitative.

Awareness/Knowledge Gap

Women are less likely than men to have a clear vision of how they want their careers to advance, including acquiring P&L experience, and most men underestimate the barriers women face. A significant percentage of women do not understand nor have access to information about career paths that lead to C-suite positions. They're unaware of what steps are required for vertical movement and whether they are considered high potential or C-suite material. Many don't even realize there are training and development programs, career guidance, mentoring and sponsorship programs available to them

- *For example, 48% of men say they have received detailed information on career paths to P&L jobs in the past 24 months vs. just 15% of women*

Relationship Capital Gap

Far more men than women recognize the critical importance and benefits derived from networking, mentoring and sponsorship in elevating one's personal profile, developing one's brand and finding allies to help move up. And with multicultural women, the negative impact of the gap is even more significant. The lack of relationship capital is evident by the fact that fewer women are encouraged to consider P&L roles
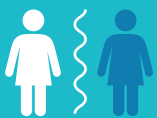
- *For example, 54% of men had a career discussion with their mentor or sponsor in the past 24 months vs. just 39% of women*

Career Aspiration/Risk-Taking Gap

The importance of being able to visualize oneself at the top, to seek role models and to be encouraged cannot be overestimated. Some women are afraid to take on stretch assignments or new positions unless they feel they already have all the qualifications. There are not enough role models for women to help visualize themselves in those roles. Consequently, there are too few senior executive women who can provide coaching, mentoring and sponsorship for more junior women

- *For example, 59% of men aspire to be CEO vs. 40% of women*

Culture Gap

Real implementation—and holding people accountable to drive measurable results—is rare. Companies are checking the boxes with diversity programs, especially those aimed at advancing women. The business case for diversity must assume the same degree of importance in the C-suite as market share and bottom line

- *Of those who never had a P&L position but may want one, 64% of women see a male-dominated culture as an obstacle vs. 21% of men*

Recommendations for Closing the Gaps

Awareness/ Knowledge Gap

Transparency in Succession Planning

Identify and communicate the difference between staff and line roles and how they impact career paths

Make succession planning a critical and visible top-of-the-house activity monitored by senior leaders and HR

- Create organization charts clearly delineating P&L positions and feeder positions and make sure these are monitored and understood by all senior leaders, especially HR leaders

- Require diversified slates for all open senior-level positions, especially P&L and feeder positions, both from internal and external sources

  - If an assessment of candidate potential is part of the identification process, ensure a gender-neutral definition and understanding of potential is in place and communicated to prospective managers/supervisors and candidates

Tie a portion of the compensation of senior leaders directly to their impact on bringing diversity into the succession planning process

Transparency in Career Planning and Professional Development

Recognize that exposure to P&L-related jobs is critical for advancement to senior levels

Identify those jobs and their feeder positions (one level below)

- Review all job descriptions and postings in this category for implicit bias, barriers to entry (such as unnecessary experience requirements) and the use of inclusive language

- Be thoughtful and creative in delineating job qualifications to avoid widespread assumptions that may disenfranchise women from becoming candidates

- Ensure these jobs qualify for flexible work hours

Create more opportunities for people from different parts of the business to get P&L exposure and experience through rotational and stretch assignments

Regularly update and publish organization charts at senior levels to ensure awareness of the hierarchy and incumbency of senior-level jobs

Identify and communicate the difference between staff and line roles and how they impact career paths

Recognize that career paths are frequently non-linear, especially for women balancing work and growing families; commit to honoring identified female talent on those career paths with appropriate recognition and succession planning

Monitor the career plans of women identified as high potential, accompanied by honest performance evaluations and career planning

Identify high-potential women to both themselves and potential managers/supervisors to ensure follow-up

Relationship Capital Gap

Help women find mentors who can provide different types of advice and support over time, emphasizing P&L-related experience where possible

Provide opportunities for social networking and exposure to influential senior leaders not dependent on gender-stereotyped activities or interests, such as sporting events

Provide opportunities for high-potential women to work in multiple areas to gain experience and exposure to senior leaders

Encourage women to job shadow senior P&L leaders (male and female) to demystify what they do and build knowledge and relationships.

Transparency in Sponsorship

Hold senior leaders accountable for identifying high-potential women, especially multicultural women, as protégés and providing them with visibility, stretch assignments and mentoring at critical points in their career

- Appropriately compensate the sponsoring behavior of senior leaders with salary and bonus for increasing the pool of women prepared for senior leadership

Recommendations for Closing the Gaps

- Consider establishing a formal sponsorship program for identified high-potential women

- Encourage all mentors and sponsors of women protégés to envision themselves in more senior-level roles and expand any narrow definitions of "readiness" they currently hold

Career Aspiration/Risk-Taking Gap

Use the company's communications networks to provide visibility to women leaders who have successfully reached senior levels while raising a family and create opportunities for conversations with these women along with early and mid-career employees

Leverage the heightened aspirations and self-confidence of multicultural women by ensuring they are carefully considered for P&L and feeder positions

Culture Gap

Develop your unique business case for diversity

Get the CEO on board by demonstrating the value women bring to the business. Consistently include the CEO's support for women's advancement in internal and external messaging

Devote time and resources at the senior level to customizing and communicating the positive aspects of the business case for diversity unique to your company

Ensure the company's widespread communication and acceptance of the positive business case for diversity at senior levels

- Establish and communicate at senior levels a clear, metrics-driven framework to increase the pool of women candidates for P&L and feeder positions, accompanied by goals tied to performance reviews and compensation for senior leaders

Accountability

- Hold senior leaders accountable for results in diverse succession planning and talent development as well as in finance and operations

- Hold senior leaders in HR accountable for creating and communicating consistent processes to ensure diversity in succession planning, talent development, and rewards and recognition for the company, but especially at senior levels

- Hold senior leaders in HR accountable for ensuring hiring managers for P&L and feeder positions have implicit-bias training

Mandate the consideration of diverse slates of qualified women candidates for every open P&L and feeder position

- Establish regular monitoring system to ensure compliance with mandate

Engage and enlist the support of all white, male senior leaders to commit to examining actions of their own that may contribute to an old-boys-club environment

Incorporate a broad, inclusive range of perspectives and styles within your defined leadership competencies

Examine compensation and promotion histories of male and female talent for and in comparable positions

Work/life and flexible work policies

- Use existing work/life and flexibility policies and build a supportive culture to enable employees to fully utilize these benefits without fear of a negative reflection on performance and permanent career derailment

- Minimize inconsistent access to work/life policies and flexible work practices between departments and managers through training and accountability

- Use CEOs and other senior executives who work flexibly as role models

Texas Instruments focuses on Advancing women in P&L roles. Texas instruments has successfully launched a women's leadership program focused on providing women and women of color training and skills development to prepare them for C-suite and executive level roles. A central objective of the program is to provide participants with P&L experience and exposure at the executive level. The Women in P&L Roles Initiative brings the 14 percent of leaders who fit that description (and those in the pipeline) into close contact with senior executives and board members, who help them move further into the C-suite. The company's Make It Personal speaker sessions—facilitated by its nationwide women's network—cover a wide variety of personal and professional topics that are germane to working women, from financial matters and career decisions to eldercare and work life balance. The Coffee Talks series is carried out by female executives sharing their wisdom with junior women at campuses across the country. The company's commitment to the advancement of women starts at the top: 50 percent of direct reports to the CEO and 42 percent of board members are women.

ERG's Role in Advancement

ERGs can

- Serve as advisors in the creation of leadership development programs to ensure they are inclusive of multiple dimensions of diversity
- Facilitate mentorship and sponsorship programs
- Host networking events to expose members to senior leaders
- Leverage their executive sponsors for opportunities to shine a light on ERG leaders and their work
- Create partnerships with external professional organizations to offer professional development opportunities for their members
- Provide training and development of future needed skillsets (e.g. technology, data analytics, managing in a global and inclusive environment)
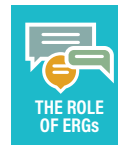
KPMG's Network of Women (KNOW) fosters women's advancement in nearly half of KPMG's offices. The KNOW network recognizes and publicizes the contributions and successes of female employees; creates networking opportunities for women in the workforce, and provides a forum for women and men to share experiences and support each other in personal and professional pursuits. The network also helps high potential women develop mentoring relationships and connect with career and professional development opportunities. More than 8,500 partners and employees have attended KNOW-sponsored events.

In 2018, **UPS's South California District Hispanic/Latino BRG** coordinated and hosted an internal recruitment expo for part-time supervisors. The event brought together a variety of UPSers, including senior leaders and members of the business planning team. During the event, part-time supervisors rotated through the expo, visiting informational stations for different UPS functions. Participants were given ten minutes at each booth with representatives from critical areas such as Finance, Human Resources, Industrial Engineering, Plant Engineering, Security and other operations with the goal of cultivating a greater understanding of different departments and career tracks within those departments. The expo improved employee morale, increased senior leadership engagement, and led to new assignments and job rotations for part-time supervisors.

Sample Metrics to Measure Progress and Impact of Inclusive Advancement Efforts

- Percentage of women/men/people of color with Individual Development Plans completed (and time to completion)
- Percentage of women/men/people of color who are scored as a "high performer" on annual performance appraisal AND Average Performance rating (i.e. 3.X) for men/women
- Number/percentage of succession plans that include underrepresented groups
- Number/percentage of all succession plans (including non-VP) that include underrepresented groups
- Percentage of Women at various levels within the company- ie. manager, Director, VP,
- Percentage of Promotions that are women
- Number/percentage of exits from the company aggregated by dimensions of diversity (include the rating to assess whether you are losing high performers)
- Number/percentage of new hires that are from underrepresented groups
- High potential/High performers (during talent assessment 9 box) broekn out by dimensions of diversity
- Number/percentage of positions where you are interviewing candidates that include women and other underrepresented groups
- Pay, promotion satisfaction rates for those with sponsors and those without

BUILDING AN INCLUSIVE TALENT STRATEGY

Key Takeaways For An Inclusive Advancement Strategy

- Look for ways to mitigate bias in your talent review and succession planning processes
- Create multiple pathways to advancement. One size DOES NOT fit all.
- ERGs are a natural source of diverse talent, committed to building an inclusive culture. Their leaders should be formally considered in your succession plans.

Diversity
Best
Practices

DIVERSITY BEST PRACTICES

INCLUSION
INDEX
COMPANY

2019

INCLUSION INDEX

SNAPSHOT

The 2019 Diversity Best Practices Inclusion Index

Now in its third year, the Diversity Best Practices (DBP) Inclusion Index continues to help organizations understand gaps in demographic representation and create a roadmap to drive internal change to find D&I solutions to close the gaps. This year, the number of participants increased by more than 17 percent, with 148 organizations sharing their data.

Participants are scored in three areas: **Best Practices** in the recruitment, retention and advancement of people from under-represented groups—women, racial/ethnic minorities, people with disabilities, and LGBTQ people; creating an **Inclusive Culture** through leadership accountability, communication, and employee engagement; and **Transparency** and improvement in year-to-year **Demographic Diversity.** When this index was started three years ago, the purpose was to challenge organizations to raise the bar and drive change. In the past, organizations received credit for sharing their demographic data with us, regardless of what that data showed. Now, the bar has been raised and some points are awarded for sharing data, with more points awarded for having diversity in senior levels and in areas of hiring and promotion.

An index, unlike a list, does not have a set number of organizations to recognize. Instead, a threshold percentage is set at which point any participant with that percentage or better qualifies for the index. This year, the Working Mother Research Institute (WMRI) determined that organizations scoring 60 percent and above should be recognized for their high-quality D&I work, and named 80 organizations DBP Inclusion Index members. A second threshold at 75 percent recognized 15 Leading Inclusion Index members for superior achievement in D&I; and this year, WMRI is calling out the 14 companies that represent the top 10 percent of participating companies for their exemplary work with the highest honor. To be fair and taking into account the greater challenge and emphasis on representation, new thresholds were set. Our goal is to create a reasonable baseline to assess progress through demographics over the next few years.

Notable this year is the increasing prevalence of organizations using best practices to recruit (diverse interview slates), retain (making employee resource groups (ERG) strong partners) and advance (mentoring and sponsoring) women and people of color. Holding managers accountable for D&I results is still a struggle, particularly when involving compensation. While Index, Leading Index and Top 10% organizations show more success in holding managers accountable, at the very top of corporate hierarchies, the results continue to be disappointing.

TOP 10%

Accenture

Baxter Healthcare

Boston Scientific

Ecolab

Ernst & Young LLP

General Motors

Intel

IBM

JLL

Johnson & Johnson

L'Oréal USA

Merck

Sodexo

Verizon

LEADING INDEX

AbbVie

Colgate–Palmolive Company

Diageo North America

General Mills

HP

HSBC

New York Life

Procter & Gamble

Prudential Financial

Synchrony

The Hartford

U.S. Bank

Unilever USA

WellStar Health System

Whirlpool

INDEX

A.T. Kearney

Adobe

Aetna

Anthem

Astellas Pharma US

AXA XL

Bank of America

Best Buy Co.

Blue Cross Blue Shield of Massachusetts

Blue Cross and Blue Shield North Carolina

Boehringer Ingelheim

Booz Allen Hamilton

Bozzuto

Brown–Forman

Cummins

Dechert

Dell

Estee Lauder Companies

Fifth Third Bancorp

Financial Industry Regulatory Authority

First Horizon National Corporation

GlaxoSmithKline

Hewlett Packard Enterprise

Horizon Blue Cross Blue Shield of New Jersey

JCPenney

JPMorgan Chase & Co.

Katten Muchin Rosenman

Kellogg Company

Lenovo

Leo Burnett Group

MassMutual

Microsoft

Moss Adams

Northern Trust

NYU Langone Health

Pillsbury Winthrop Shaw Pittman

Principal

Protiviti

PVH

PwC

Raytheon

Roche Diagnostics

Sanofi US

State Street

T–Mobile USA

Transamerica

United Technologies

Visa Inc.

Voya Financial

Xerox

Zurich North America

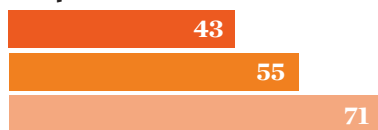# Best Practices at DBP Inclusion Index Companies

The programs and policies that help organizations successfully recruit, retain and promote diverse employees are strengthened by inclusive company cultures and management accountability for results. While we note the increasing prevalence of mandatory diverse candidate interview slates, requiring diverse panels of interviewers remains a less common practice at most Index companies. This continues to impact the diversity of the talent hired.

Recruitment %

Requires Diverse Interview Slates

- Index: 75
- Leading: 93
- Top 10%: 100

Legend:
- Index
- Leading
- Top 10%

Requires Diverse Panel of Interviewers

- Index: 43
- Leading: 55
- Top 10%: 71

Trains Recruiters to be Culturally Competent

- Index: 86
- Leading: 93
- Top 10%: 93

Retention

Captures Demographic Data %

	Index	Leading	Top 10%
LGBTQ	64	90	100
PEOPLE WITH	93	100	100
VETERANS	100	100	100

Legend:
- Index
- Leading
- Top 10%
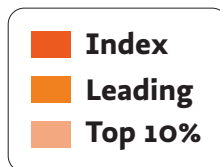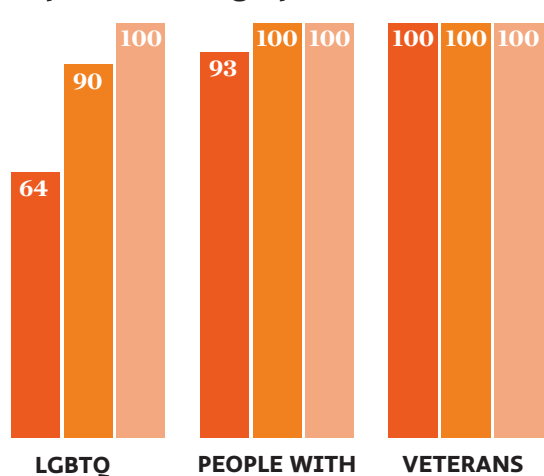
Best Practices at DBP Inclusion Index Companies

Retention

Legend:
- Index
- Leading
- Top 10%

ERGs Used to Connect With Professional Orgs:

	WOMEN	BLACKS	LATINOS/HISPANICS	ASIAN	LGBTQ	PEOPLE WITH DISABILITIES	VETERANS
Index	98	95	95	91	95	80	93
Leading	100	100	100	97	100	86	100
Top 10%	100	100	100	93	100	100	100

ERGs Host Events

	WOMEN	BLACKS	LATINOS/HISPANICS	ASIAN	LGBTQ	PEOPLE WITH DISABILITIES	VETERANS
Index	98	95	95	95	96	81	94
Leading	97	97	97	97	97	86	97
Top 10%	100	100	100	100	100	100	100
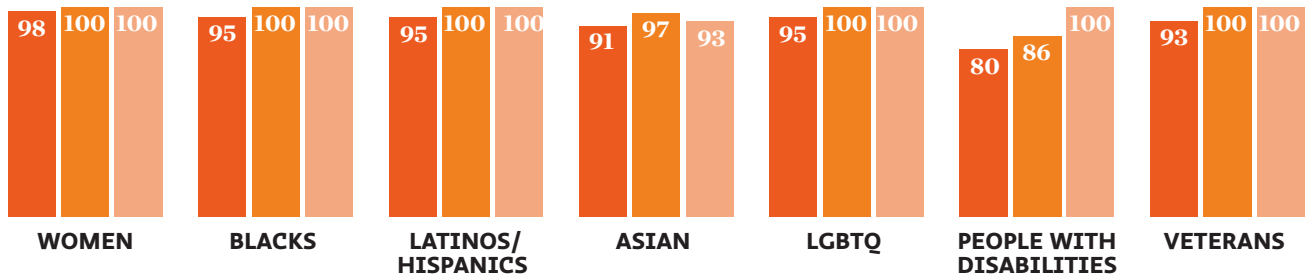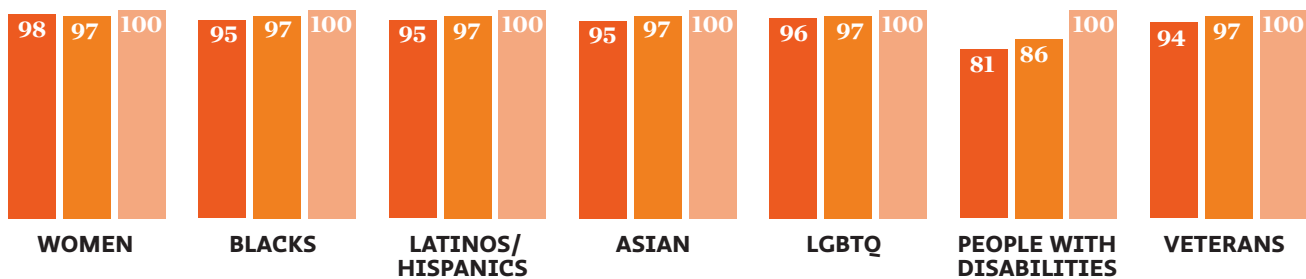
Provides Learning/Talent Development for ERG Leaders
- Index: 81
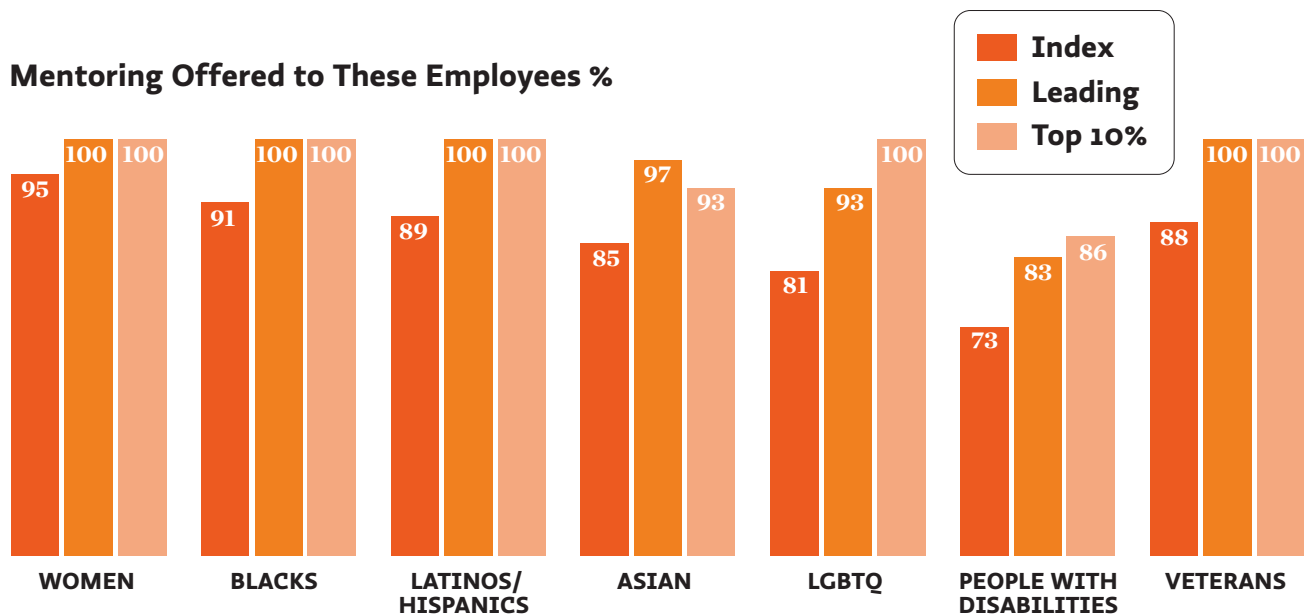- Leading: 90
- Top 10%: 93

ERG Impact

ERGs increasingly play a critical role externally and internally. At Top 10% Index company **Johnson & Johnson,** for example, **AMENAH,** the Association of Middle Eastern and North African Heritage Employee Resource Group, helped enhance global security practices and policies to provide additional resources and support to employees who may have been impacted by the 2017 U.S. travel ban impacting certain Mideast countries. And the **Veterans Leadership Council** helped revise benefits to employees who serve in the military and their families.

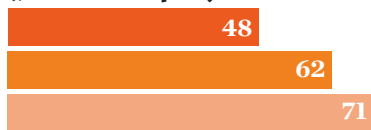# Best Practices at DBP Inclusion Index Companies

Advancement

Programs designed to help people from under-represented groups advance their careers and overcome obstacles to leadership positions are valued by these organizations, especially their support for formal mentoring and sponsorship. Increasingly, diversity in executive succession planning is being recognized as having a significant impact on C-suite demographics.
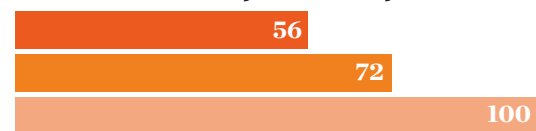
Mentoring Offered to These Employees %

Legend:
- Index
- Leading
- Top 10%

	WOMEN	BLACKS	LATINOS/HISPANICS	ASIAN	LGBTQ	PEOPLE WITH DISABILITIES	VETERANS
Index	95	91	89	85	81	73	88
Leading	100	100	100	97	93	83	100
Top 10%	100	100	100	93	100	86	100

Has Reverse Mentoring or Mentoring Up (Junior Employees Mentor Senior Employees)

- 48
- 62
- 71

Offers Formal Sponsorship %

- 56
- 72
- 100

Requires Diversity in Succession Planning %

- 61
- 79
- 93

Best Practices at DBP Inclusion Index Companies

Corporate Culture

Accountability matters, especially from top leadership. We see increasing correlations with more diverse representation at all levels when managers' and leaders' evaluations and compensation are tied to D&I success. In terms specifically of increasing diversity at more senior levels, sponsorship and targeted development, as well as inclusion in succession planning, has a significant impact.
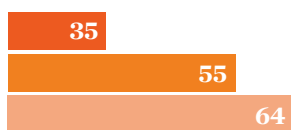
Managers Held Accountable for D&I %
- Index: 75
- Leading: 97
- Top 10%: 100

Has Formal Supplier Diversity
- Index: 84
- Leading: 93
- Top 10%: 100

Managers Compensated For D&I Results %
- Index: 35
- Leading: 55
- Top 10%: 64

Sets Supplier Diversity Goals
- Index: 68
- Leading: 86
- Top 10%: 100

Legend: **Index**, **Leading**, **Top 10%**
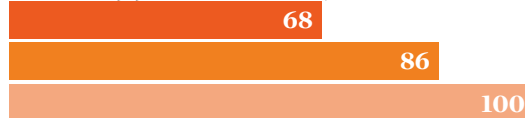
Best Practices at DBP Inclusion Index Companies

Structure

Position of Head of D&I

Category	Index	Leading	Top 10%
CEO	0	3	0
CORP EXEC	66	79	100
SENIOR MANAGER	30	21	0

Head of D&I Reports to:

Legend:
- Index
- Leading
- Top 10%

Category	Index	Leading	Top 10%
CEO	19	31	50
DIRECT REPORT OF CEO	44	38	21
DIRECT REPORT OF DIRECT REPORT OF CEO	26	28	29

D&I Budget

Category	Index	Leading	Top 10%
INCREASED	55	48	36
STAYED SAME	39	52	64
DECREASED	6	0	0
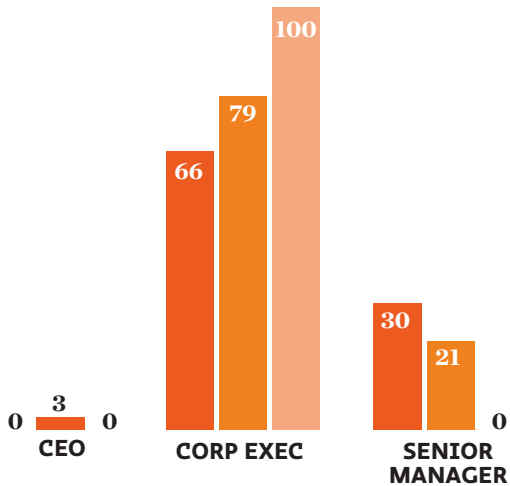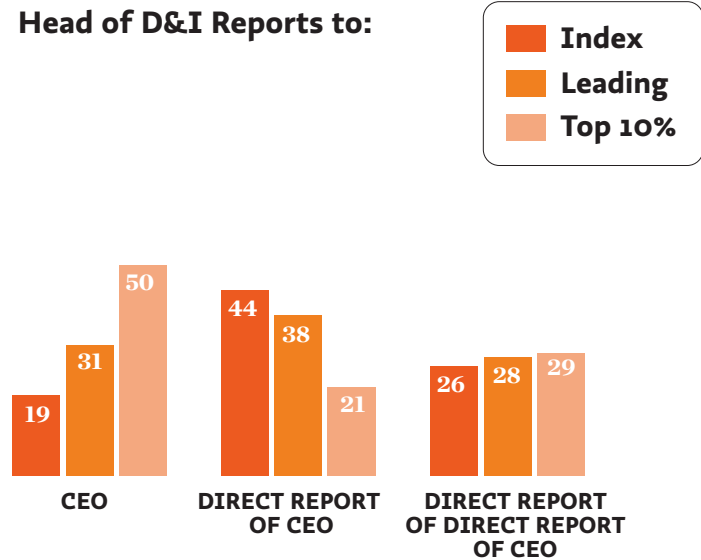
Best Practices at DBP Inclusion Index Companies

Transparency/Demographics

For the first time this year, the DBP Inclusion Index used overall growth, particularly at more senior levels, to evaluate organizations. Because the effectiveness of D&I initiatives is key, assessment of demographic outcomes is critical to evaluating success. The numbers show there's still plenty of room at the top, particularly for Latina/Hispanic women.

BOARDS OF DIRECTORS %	Index	Leading	Top 10%
Black Women	4	5	6
Black Men	5	7	7
Latina/Hispanic Women	1	1	1
Latino/Hispanic Men	4	5	4
Asian Women	2	2	1
Asian Men	4	5	6
White Women	25	24	26
DIRECT REPORTS TO CEO %			
Blacks	4	3	4
Black Women	2	2	2
Latino/Hispanics	4	5	5
Latina/Hispanic Women	1	1	0
Asians	8	7	8
Asian Women	2	2	3
White Women	27	25	26
% OF ALL PROMOTIONS			
Blacks	12	13	13
Black Women	8	9	8
Latino/Hispanics	12	10	10
Latina/Hispanic Women	6	5	4
Asians	12	14	18
Asian Women	5	6	7
White Women	27	28	22

How do you rate?

With data from the Working Mother Media Annual Application we can benchmark your company's workforce demographics and D&I policies and programs against other companies. This data can be further segmented by industry, company size or other customized specifications.

ANNUAL APPLICATION PERIOD OPEN:

December 2, 2019 – March 13, 2020

Register now at workingmother.com/surveys

Advisory services are available to help with progress and solutions.

ABOUT DBP & THE TEAM

Diversity Best Practices, a division of Working Mother Media, is the preeminent organizational consultant to mid- to large-size diversity thought leaders, sharing best practices and developing innovative solutions to support culture change. Through research, resources, benchmarking, publications and events, Diversity Best Practices offers its members information and strategies on how to create, implement, grow and measure first-in-class diversity programs.

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