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## Setting and Embedding Inclusion and Diversity Targets



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### Why set targets?

As they say, what gets measured gets done!

In this guide, we discuss setting and embedding targets. According to Gartner, prioritising a target which tracks progress over time is one of the top 3 factors to building sustainable diversity and inclusion in an organisation.

#### **Definitions**



• **Targets** are voluntary, achievable, time-framed objectives that are set on a regular basis to focus the company's efforts on achieving improved outcomes.

• Quotas are generally legally binding commitments to achieve a fixed proportion for representation for particular groups in the workplace.

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# Setting and embedding inclusion and diversity targets: where to start?

#### **Understand your baseline data**

A good place to start is to understand the demographics and experiences of your current people. Collecting diversity data will help measure the balance of people in your workplace. Collecting inclusion data will help assess if the employee experience is equal. Both qualitative and quantitative data collection methods can be effective. Having a clear baseline will enable you to:

- Understand the equity of your employment practices
- Determine where you want to make improvements
- Help you create the case for change
- Enable you to monitor progress over time

#### **Useful Resources**

- 01 <u>How to gather workforce diversity data</u>
- 02 <u>Stonewall's guide to collecting diversity data</u>
- **03** <u>Survey questions for measuring inclusion at work</u>

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#### **Understand your baseline data**

When determining an appropriate target to set for your organisation, it may be helpful to consider the benchmarks available:

- What are the demographics of the countries your organisation operates?
- What are the demographics of your current customers and/or your desired market?
- What are the trends for your industry and competitors?
- What are the demographics of certain job families within the organisation (e.g. engineering, tech, design).

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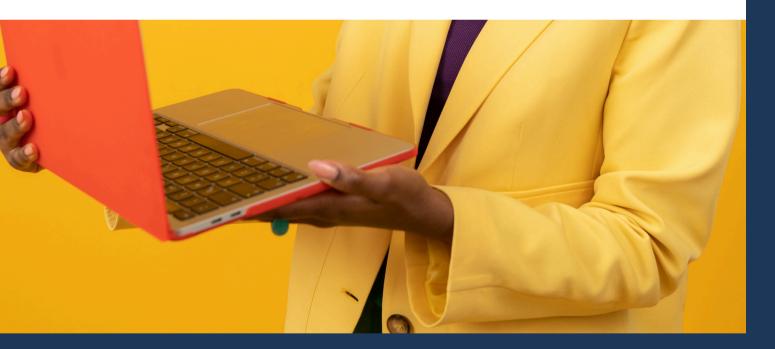


#### **Useful Resources**

- **Diversity in Tech benchmarks**
- Women on Boards
- ONS population data
- 04 Engineering UK facts and figures

#### **Data Categories**

Depending on the size of your organisation, you may need to separate your targets into sub-sections such as: entry level, management level and senior level and set different targets depending on your start point.



What are the opportunities within your organisation and which areas you would like to improve? What is your baseline data telling you are the priorities? Examples of what you could measure include:

- Employee Representation
- Customer Representation
- Talent Management
- Retention
- Progression
- Access to development
- Talent pipelines
- Employee Engagement
- Inclusion survey outcomes

#### **Consider what to measure**

• All stages of the recruitment process

#### Assess where you are as an organisation

Consider using the I&D maturity model to assess where you are. Targets do not always have to be a KPI linked to a demographic or protected characteristic such as gender, ethnicity or disability.

Successful targets can be action based, such as:

- Establish a D&I committee with an exec sponsor
- Develop employees' cultural awareness through online learning and workshops
- Review policies to ensure they are inclusive and free from discrimination and bias
- Implement a transitioning at work policy

#### **Useful Resources**

#### **O1** <u>The Deloitte Diversity And Inclusion Model</u>

#### 02 <u>The Korn Ferry Diversity and Inclusion Model</u>



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#### Leading and lagging targets

A mix of leading and lagging targets will help you both keep track of the improvements you are making as well as help you focus on the areas where you can make a difference. A leading target is generally something you can measure which is within your control, e.g.

- Number of recruiting managers who have undergone D&I training
- Number of CVs screened anonymously

#### **Useful Resources**

Leveraging leading and lagging KPIs to step change inclusion and diversity

Building Inclusive Workplaces: Leveraging the Power of **Metrics** 

> A lagging target is usually the result of all your D&I actions, e.g.

- % women in leadership roles
- % improvement to the ethnicity pay gap

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# Setting and embedding inclusion and diversity targets: how to embed?

Once you have an idea of where you are currently and what is a realistic and stretch target based on your benchmark data, what are the next steps? We have shared elements to consider based on our experience of working with organisations across a variety of sectors.

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and Don'ts of setting diversity targets

<u>kample from Sky: communicating diversity targets</u>

<u>kample from Lloyds Banking Group: transparency</u>

to set your company's diversity and inclusion goals

#### Key points to consider

- Appoint an executive sponsor: someone who is passionate about creating a level playing field for talent and has credibility and influence in the organisation.
- Ensure you are clear on who is the ultimate decision maker.
- Establish a review framework to determine how and when the targets will be monitored. Understand what is involved in tracking targets and ensure you have the support and bandwidth to do this.
- Where possible use data the organisation already collates.
- Be transparent with the targets and the progress made against them.

- Agree what will be shared internally with employees and what will be shared externally with stakeholders.
- Create compelling communications to explain why the D&I targets are important, what the company is seeking to achieve and what is in it for your employees.
- Engage the middle management as they will be key to successfully embedding targets.
- Embed targets into individual objectives and help all employees identify ways in which they can personally contribute to improving D&I.
- Remember quotas will not drive a behavioural change.
  Consider targets which will support a change in behaviour.
- Link some or all of the targets to executive pay to demonstrate true commitment from the top.



### Setting and embedding inclusion and diversity targets: examples

#### Unilever

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#### Create a fairer, more socially inclusive world

Unilever has held diversity and inclusion at the centre of its business strategy for many years. They have identified their strategic priorities as gender, race, people with disabilities and LGBTQI+

#### **Virgin Atlantic**

#### "Be Yourself" Campaign

Chief People Officer Estelle Hollingsworth shares how Virgin Atlantic believes that focusing on the inclusion of the whole workforce will achieve a richer talent portfolio.

#### BBC

Happy, treated fairly and doing outstanding creative work

The BBC has publicly shared its 2021-23 Diversity and Inclusion Plan. On page 16 of the PDF via the link below you can see the targets they have set, which are explained on page 17.

#### Formula 1

We Race as One Following the **#BlackLivesMatter** movement, the F1 teams have combined forces through their We Race as One campaign.

#### Atos Bank

Be an inclusive, diverse and ethical employer of choice Atos bank launched its comprehensive Diversity and Inclusion strategy in 2020. Their Expo 2020 also discusses the role of targets in the D&I agenda.

### Other examples of D&I Targets

- Diverse candidates as a % of overall candidates Hilton and Restaurant Brands commit that 50% of candidates will be diverse.
- Diversity at interview stage VMware's CEO committed (on CNBC) to 'No job-hiring process will end unless a minority candidate is interviewed'.
- Diverse hires Mozilla commits to doubling the percentage of Black and Latinx representation of its 1,000-person U.S. staff.
- % of women hired in technical roles Intel commits to 'increase the number of women in technical roles to 40%' (of all roles).
- Leadership appointments Facebook commits to a 30% increase in the number of people of colour in leadership positions over the next five years. Others who are doing this include Google/Alphabet Inc., HP Inc., Levi Strauss, Microsoft, Mozilla, RBC, Wells Fargo.
- Diversity and inclusion training At HPE, all managers are required to attend diversity and inclusion training. Expedia also does this.
- Supplier diversity program The AT&T Supplier Diversity Team committed to spend \$3 billion with U.S. Black-owned suppliers by the end of this year.
- Creating a Diversity Council/Advisory Board General Motors and HPE.
- Investment in D&I causes Adidas committing \$120 million to causes related to ending racial injustice between now and 2025. Others who are doing this include Apple, AT&T, Facebook, Google/Alphabet Inc., Microsoft, Netflix, RBC, Yum! brands.

