

CAHRS
Virtual
Working Group
Series:

Diversity,
Equity &
Inclusion

Session 4: Diversity, Equity & Inclusion Analytics
May 6, 2021

CAHRS companies have made great strides in their diversity and inclusion goals this past year. However, with progress has also come challenges. A struggle for many CAHRS companies has been to leverage existing data to develop accurate measures for inclusion and to navigate the diverse legal and cultural contexts they face when implementing diversity, equity, & inclusion (DE&I) goals globally. CAHRS companies have tackled these issues in a variety of ways from engagement surveys to community focused ERGs. Dr. Tony Byers and Professor John Hasusknecht led the discussion, emphasizing the importance of aligning DE&I measures with the strategic goals of the company and to start with global commonalities (e.g., gender equity in leadership) then to tailor DE&I goals to the local contexts. Lastly, the CAHRS companies shared their different approaches to measuring and analyzing hiring, retention, attrition, and turnover rates.

DISCUSSION
TAKEAWAYS

Measuring Inclusion

A challenge for CAHRS companies is determining the best way to measure inclusivity. Byers offered helpful advice for tackling this issue. A common problem for any kind of DE&I measures is that they do not align with a company’s strategy. The first step should be to capture the right data for the timeframe and the goal of the strategy. A common way of measuring inclusion is to create an inclusion index from engagement surveys. An inclusion index combines both direct and general inclusion questions such as “do you believe our leadership value diversity?” with indirect and specific questions such as “do you receive actionable feedback from your supervisor?” The data should be reviewed across multiple demographics to understand how each group is “experiencing DE&I within the organization. When inclusion is only measured directly, the results tend to be high, but as some CAHRS companies noted may not align with other measures such as self-identification surveys resulting in questionable accuracy. Using an index can help to capture a richer understanding of organizational inclusivity.

DE&I Analytics for Global Organizations

CAHRS companies noted the difficulty in implementing DE&I goals globally. When navigating the diverse legal and cultural contexts present in a global organization, CAHRS companies have taken a variety of approaches. Most focused on communicating goals and teaching their global leadership before extending their goals to the rest of their employees. Some highlighted the importance of training company leadership and applying holistic measures of diversity performance before tying pay to diversity initiatives so as not to result in quota diversity. Byers reemphasized the value of tying DE&I goals to global strategy and then recommended finding global DE&I commonalities which can be applied throughout the company before developing programs unique to the legal and cultural contexts of each country.

19 participants
from 14
CAHRS Companies:

- American Express
- Boeing
- CDW
- CUBIC
- Estée Lauder
- General Electric
- HP
- IBM
- Medtronic
- Merck
- Procter & Gamble
- Samsung Electronics
- Shell
- Terex

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Hiring, Retention & Turnover

CAHRS companies all recognized the difficulty surrounding measuring retention. For individuals, measuring retention is fairly simple. Retention represents the other side of the coin of turnover: 10% turnover results in 90% retention. However, when retention is considered for groups or teams it can become more challenging. Hausknecht recommends picking a specific time point to begin measuring retention for a given team cohort. This method offers a meaningful comparison point from which one can analyze retention. Moreover, Byers added that retention is relative. Not all retention is driven by company diversity goals: Low retention may also be a result of the industry. CAHRS companies also discussed the importance of not focusing on any one data point. Focusing only on turnover and retention without acknowledging the inflow of new applicants may result in lower hiring rates than necessary to meet representation goals. Additionally, members emphasized the value of digging deeper into the analytics of turnover. Utilizing long term data can help to place unique events in proper context, and exit interviews can be an excellent source of additional information for understanding the reason why diverse talent may have left the firm.

Key Takeaways

1. Align DE&I goals with strategic company goals when determining what to measure.
2. Create an inclusion index when measuring employee inclusion. The index can be created from engagement surveys and should include both direct and indirect measures of inclusion.
3. When implementing global DE&I strategies, start with global commonalities, then tailor to the specific legal and cultural contexts of each location.
4. Pick a specific time period as a comparison point when measuring retention for a cohort.

This Summary Report was prepared by Tony Byers, John Hausknecht and Reed Eaglesham for participants of the "Diversity, Equity & Inclusion Analytics" Virtual Working Group.

The Center for Advanced Human Resource Studies (CAHRS) is an international center serving corporate human resources leaders and their companies by providing critical tools for building and leading high performing HR organizations. CAHRS' mission is to bring together Partners and the ILR School's world-renowned HR Studies faculty to investigate, translate and apply the latest HR research into practice excellence.