

# 6 steps to improve diversity, equality and inclusion in your workplace



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### Introduction

Diversity & Inclusion (D&I) is no longer a nice-to-have, it's a business essential. Diverse and inclusive companies are more successful, profitable and innovative than their competitors. And employees of today look for a strong commitment to D&I when making career decisions.

of the global workforce will be millennials by 2025 8896
of millennials want D&I
when looking for a job

of employers say improving D&I is a priority

But just paying attention to your company's make-up and employees' experience doesn't mean you're guaranteed to make progress. To really move the needle, you need to collect the right data and develop a strategy with targeted actions to improve.

So how do you **develop a solid D&I strategy?** This guide will explain how to:

- gather in-depth data and insight into your current challenges
- pinpoint areas to improve
- · develop a well-informed D&I strategy to align the team
- drive long-lasting impact to improve Diversity, Equality & Inclusion





# What is Diversity, Equality and Inclusion?

The world of diversity and inclusion is full of jargon and acronyms. So let's go back to basics. What do we mean when we say diversity, equality and inclusion?

#### **Equality**

With equitable processes, people face consistent, fair treatment, no matter their background. To achieve equality, we have to break down barriers and eliminate discrimination so that everyone gets a fair chance at success.

#### **Diversity**

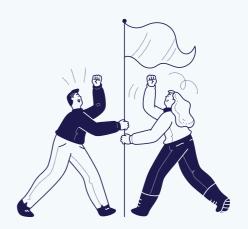
The mix of all the different social groups within society. True diversity goes beyond visible characteristics, such as gender and ethnicity, considering invisible diversity as well, such as sexuality, religion, disability and socio-economic status.

The key is not to think of diversity, equality and inclusion as seperate concerns.

They complement each other.

#### Inclusion

When people feel safe to be themselves, contribute to conversations, listened to, valued and able to trust their peers, then they have a strong sense of inclusion. In the workplace, this means that employees are empowered and valued by their colleagues and leaders, no matter their perspectives or identity.





## Data-powered D&I

The best D&I strategies are backed by data. The more you know about Diversity and Inclusion in your company, the more power you have to create a real and lasting impact.

With the right data, you can keep track of your progress and see the impact of your actions. Data helps you visualise which areas of the business need attention so that you can focus efforts on actions that really make a difference.

So, what data should inform your D&I strategy?



#### **Equality**

Your daily processes and the policies that anchor them set the foundations for equality in your company. To understand how well you uphold equality, you need to assess the procedures and outcomes across your people processes. With this insight, you'll be able to uncover bias and fix things with more equitable structures.



#### **Diversity**

To know where you stand when it comes to the representation of different employee groups in your organisation, you need to know how you compare to your peers. Benchmark the demographic diversity in your workplace against industry and location standards to understand what good looks like.



#### **Inclusion**

Inclusion is hard to pin down, but when employees feel respected, seen, heard and able to contribute, you've got it right. To gauge employees' inclusion experiences, conduct regular surveys and analyse the responses. Once you get hold of the data, it's not enough to just look at averages. You need to pay attention to any experience gaps between groups.



# 1. How to benchmark Diversity

Benchmarking yourself against industry standards and the representation of your local community will help you understand what "good" looks like. It will give you a strong idea of how well you represent the groups in your community and industry.

Go beyond gender and ethnicity. Fair HQ's Diversity & Inclusion survey collects 15 unique diversity characteristics.

Once you have collected diversity data across your company, compare the representation of groups in your company against:

- national (e.g. the UK);
- · local (e.g. London) and,
- industry (e.g. tech) comparisons.



Does the representation of different groups reflect the figures here? If not, this could be a sign that you need to take a closer look at your company practices. What do you do to reach a wide pool of potential talent? Do any groups drop out disproportionately in your hiring funnel? Who gets promoted?

Checklist of actions
Collect (confidential & voluntary) diversity data from your employees.
Go beyond measuring gender and ethnicity for real insight.
Compare your diversity numbers against your location and industry to understand the biggest gaps and identify where progress needs to be made.
Measure diversity in your company at least once a year to see the impact of changes you made.



# 2. How to assess your Equality

Equality anchors diversity and inclusion. Equality means people get hired and ahead based on objective metrics, not who they know, where they come from or what they look like. To foster an inclusive environment where diverse people can flourish, you need fair, transparent foundations that support equal treatment for everyone.

#### Assess how well equality is embedded in:

#### **Policies**

Do they provide guidance on how to guarantee consistent and fair treatment across your people processes?

#### **Processes**

Do your processes minimise the influence of bias and provide decision-makers with clear and objective structures to make fair decisions?

#### Fairness of outcomes

Do different groups at your company get ahead at the same rate as others? Do people get equal access to opportunities?

#### What good policies and processes looks like:

#### **Transparent**

It is clear who is involved in the decisionmaking, where the information can be found, and how the process is implemented.

#### **Structured**

Clear guidance ensures that decision-makers apply the policy or process consistently; between teams and individuals, and over time.



#### **Objective**

The criteria that guide decisions are clear, measurable and avoid subjectivity.



# What does equality encompass?



#### Hiring

Attract the top talent and level the playing field for everyone who applies to your vacancies.

#### Onboarding

Help new hires hit the ground running and get connected quickly to retain your people.



#### Pay & Bonus

Make fair pay decisions to close pay gaps.

#### **Promotions**

Develop a structured, transparent process that shows employees which skills and capabilities they need to progress.



#### L&D

Develop your talent with opportunities that are equally accessible to all.

#### **Performance Reviews**

Make sure everyone receives high-quality feedback that helps them develop.



#### **Complaints**

Create safe avenues to report issues so that you can deal with them swiftly and sensitively.

#### Exits

Identify patterns of exclusion with a structured approach to employee exits.

# How to measure fairness of outcomes

It's important to track whether people face fair treatment in your company. To do so, track demographic data across your processes and measure whether different groups get access to opportunities at the same rate as others.

For example, if you look at your promotion data and see that proportionally, 20% of men received promotions while only 10% of women did, bias may be at play. This can then influence your D&I strategy to implement new, fairer promotion processes.





## 3. How to measure Inclusion

When all employees feel welcomed and supported by their peers and leaders, feel empowered to speak their minds, valued for their contributions, and invited to participate, you've built a culture of inclusion.

The challenge is, how do you measure it?



To effectively track inclusion, you need to measure employees' self-reported experiences at work. It's all about asking the right questions, built on a valid conceptual model of inclusion. Academic research and qualitative interviews informed our Fair HQ framework, with 5 key dimensions:

#### 1. Belonging

Do employees feel accepted and respected by their peers and leaders? And at the same time, feel like they can show their distinctive colours freely and safely?

#### 2. Fairness

Do employees feel that people get ahead because of who they know, what they look like or where they come from?

Do they believe that opportunities, pay and recognition are fairly distributed?

#### 3. Openness

Do employees feel that communication is open and honest, even when it concerns topics that are potentially sensitive?

#### 4. Psychological safety

Do employees feel that it's safe to take risks, innovate, and learn from each other? Or do they worry that speaking up, making mistakes or reporting issues will lead to trouble?

#### 5. Voice

Do employees - both junior and senior - feel that their perspectives are invited and heard, especially by those in positions of power?



# **Analysing Inclusion data**

When analysing employee responses, it's not enough to just look at the overall scores. Pay attention to **experience gaps** between groups.



We recommend that you look into gaps between the experiences of minority groups (women, ethnic minorities, LGBTQI+, people with a disability, parents, etc.) and their majority counterparts (men, white employees, non-LGBTQI+, people without disability, people without caring responsibilities).

When you see where gaps show up, you can resolve them with targeted solutions. By responding to employees' concerns, you'll build a truly inclusive workplace.





## 4. How to craft a D&I Strategy

A good strategy...

- 1. diagnoses the challenge (the root problem you will be tackling);
- 2. introduces the broad approach you are taking to address the challenge;
- 3. ties it together with a specific, feasible and coherent action plan.

Here are three key ingredients of a strong D&I Strategy:



#### Cover all 3: D, E and I

Diversity, equality and inclusion all complement each other. You can't have one without the others.

Make sure your strategy covers specific areas across each umbrella.



Which people processes will you improve to bolster equality? Which initiatives will you set up to improve inclusion? What specific metrics of diversity do you want to improve and how will you do it?



#### Pair goals with specific actions

A strong strategy links up the **data** with the **actions**. Define smart goals for diversity, equality and inclusion to set a clear path for change.

For every goal you've set, list the tangible actions you'll take to make progress towards the goal. Each action might only provide a small piece of the puzzle - there are no silver bullets!

Read more on how to set SMART goals here.



#### Link it up with your company goals

D&I strategies are most successful when aligned with your core business objectives. This elevates D&I to the same level of priority as your strategic goals and motivates everyone to work towards them.



# 5. How to set accountability

What are the next steps on your D&I journey? You can't just send your strategy into the world and watch your organisation magically transform before your very eyes. We all wish it was that easy!

For your strategy to succeed, you need clear ownership and timelines.

To maximise the impact of your D&I strategy, make sure these elements are included:

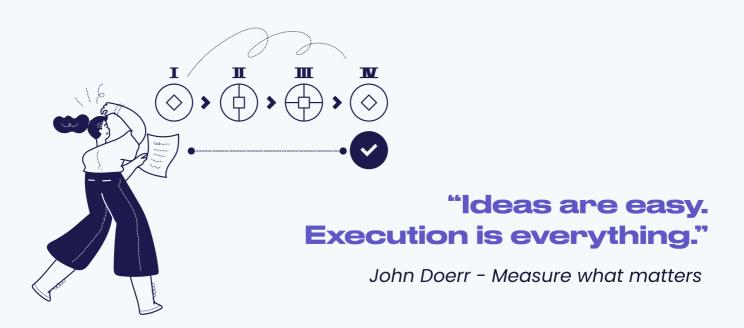
Senior leadership team are responsible for driving (part of) the D&I strategy
Link D&I to your company's values, mission and vision
Define D&I goals and timelines
List people responsible for each action
List metrics you will track and how they will be measured

Report on progress towards D&I goals quarterly

Name who is responsible for tracking metrics

Communicate to employees on actions taken and progress made

Share a public D&I commitment





# 6. How to measure impact

1

# Are you improving the representation of underrepresented groups?

Gather employee diversity data and analyse change over time every 6 months. We recommend also tracking demographics across your hiring pipeline so you can see where you lose diversity. Then, you can fill in the leaks with targeted changes to the hiring process.

3

# Are your process changes positively impacting the fairness of outcomes?

To create a truly fair and equal workplace, aim to offer the same opportunities to all demographic groups - whether that concerns hiring, promotions, pay raises or accessing L&D opportunities.

Now you've made specific process and policy changes, calculate the fairness of the outcomes. Are people receiving equal access to opportunities? Did gaps (in pay, promotion, performance reviews) widen or close? This should inform the next steps of your D&I strategy.

Example: Representation of Women

8% improvement



# How do different employee groups feel? Are gaps narrowing or widening?

It's not enough just to see how employees feel overall. You need to pay attention to **inclusion gaps** - where experiences differ between the traditional majority and minority groups.

Inclusion gaps signify that the demographic groups that people belong to have an impact on their experience at work. For example, if LGBTQI+ employees score lower than their heterosexual/cis peers on feelings of belonging, set up initiatives to bolster LGBTQ+ inclusion.

Track scores over time to identify patterns of exclusion and deal with them promptly and sensitively.

4

# Are people engaging with D&I and learning more?

Everyone in the organisation needs to practice inclusion, day-to-day. Raise awareness and encourage everyone to support, listen to and value each other. Leadership and managers play an especially important role in setting the norm for an inclusive environment. Their behaviours ripple throughout the organisation.

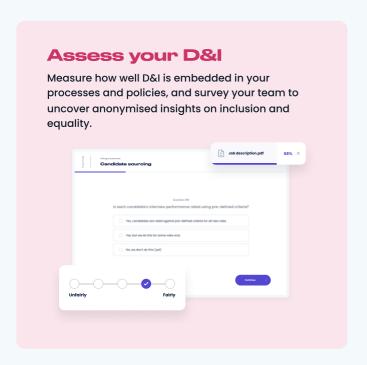
Are employees getting involved in D&I initiatives? Do people feel like they're getting more support from their managers? Do employees feel able to speak up, voice concerns, and be their selves authentically at work? Run regular events and programmes to widen participation in D&I across the company.

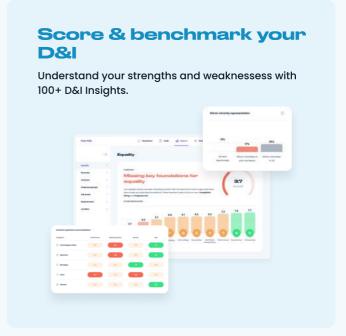


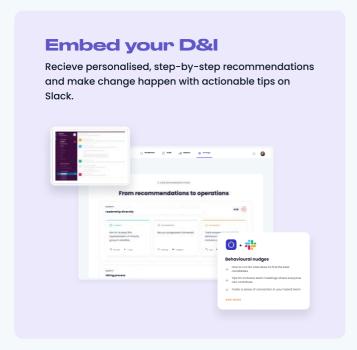
# D&I made easy with Fair HQ

D&I isn't easy. Change never happens overnight, and even after putting in all the effort to develop a D&I strategy, it's hard to know if your work is paying off. But there is an easier way.

Fair HQ takes care of the D&I process end-to-end. On the Fair HQ platform, you can audit your processes, benchmark your diversity and track employees' experience of inclusion. Fair HQ provides in-depth reports on equality, diversity and inclusion so you can pinpoint exactly what needs to change. You can also track change over time to visualise where your actions are having an impact.







#### Learn more

If you'd like to learn more about how Fair HQ can help run your D&I process end-to-end, book a chat with us today.

or email



