Creating a Culture of Inclusion
Willis Towers Watson

September 11, 2019
Today’s discussion

Inclusion & Diversity
What it is and what’s happening

Turning Insights to Action
I&D roadmap

Making it Real
Taking action
What do we mean by inclusion and diversity?

Diversity
The “blend” of colleagues, e.g., age, race, gender, sexual orientation, national origin, veteran status, cognitive style, communication style

Our workforce fully benefits from the differing perspectives, skills and abilities of our associates

Inclusion
How we come together as an organization and use our “blend” to create a culture that values each employee

We achieve better business results by capitalizing on our talent to be fully engaged in the purpose of our business, contributing and progressing in their careers

An organization can be diverse and not inclusive

An organization can be inclusive and not diverse
Why we place *inclusion* before diversity

While diversity is measurable, it’s not always as easy to identify as inclusion. It requires *behavioral changes* of member in an organization.

*Without inclusion*, employees might be able to see the effects of an I&D strategy, but they *won’t feel them*.

“*Diversity* is being invited to the party. *Inclusion* is being asked to dance.”

– Vernā Myers

Defining and measuring inclusion

- **Inclusion** is the extent to which all employees have an equitable experience in the organization, regardless of personal identity or background.

- When organizations aim to address I&D in the workplace, it’s important to measure an inclusion category in the employee survey.

**Inclusion model: Global Workforce Study 2016**
Inclusion & Diversity
What's happening
The world and the workplace are transforming

The number of text messages sent and received in one day exceeds the population of the planet

Baby Boomers are retiring at the rate of one every 9 seconds between now and 2029

The average U.S. student today will have 10 to 14 jobs before age 40

Percent of children entering school today who will end up in jobs that do not exist yet 65%

Source: Wikipedia.com
Source: USA Today Money
Source: U.S. Department of Labor
Our pools of talent are growing more diverse

Projected U.S. Population by Race

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2025</th>
<th>2035</th>
<th>2045</th>
<th>2055</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>62%</td>
<td>58%</td>
<td>55%</td>
<td>51%</td>
<td>48%</td>
</tr>
<tr>
<td>Hispanic</td>
<td>12%</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
<td>13%</td>
</tr>
<tr>
<td>Black</td>
<td>18%</td>
<td>19%</td>
<td>21%</td>
<td>22%</td>
<td>23%</td>
</tr>
<tr>
<td>Asian</td>
<td>7%</td>
<td>6%</td>
<td>9%</td>
<td>10%</td>
<td>12%</td>
</tr>
<tr>
<td>All Others</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Beyond Race…

- Different Employment Situations
- Different Languages
- Cultural Differences
- Different Ages
- Different Work Expectations
- Differences in Socio-economic Status

We see a lack of inclusion and diversity on many levels

**Disability inclusion lags behind…**

- **59%** of companies reported disability resource groups (93% groups for other diversity)
- **77%** reported disability inclusion in senior leader public promotion (94% other diversity)

**In a hiring study, candidates with Caucasian-sounding names received 50% more call-backs than the candidates with African American-sounding names, regardless of industry or occupation.**

In a survey measuring covering (making great effort to minimize stigma associated with personal differences)…

- **83%** of LGB individuals
- **79%** of Blacks
- **67%** of women of color
- **66%** of women
- **63%** of Hispanics…

Compared to **45%** of straight white men

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1 Source: McKinsey and Lean In Foundation 2015 Women in the Workplace study
2 Source: National Organization on Disability 2017 Disability Benchmarks
3 Source: Deloitte University, Kenji Yoshino 2013 Uncovering talent: A new model of inclusion
Why I&D matters

Your reputation and brand

Your talent’s expectations and experience

Your students’ needs
Turning Insights to Action
I&D roadmap
Start with understanding where you are and where you want to go

Know
where you stand

Align
with university priorities

Set
a conscious strategy and plan of action
Know where you stand
Begin by gaining a better understanding of the faculty, staff and student experience through an I&D lens

<table>
<thead>
<tr>
<th>Where are you now?</th>
<th>Where do you want to go?</th>
<th>What if you don’t know?</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ What is your university doing now to support I&amp;D?</td>
<td>▪ What does the future look like for your university?</td>
<td>▪ How do you know you have the right talent for the future?</td>
</tr>
<tr>
<td>▪ What does I&amp;D mean at your university?</td>
<td>▪ Are you ready for the future?</td>
<td>▪ Are you retaining critical workforce segments?</td>
</tr>
<tr>
<td>▪ What are your existing activities and initiatives?</td>
<td>▪ Are you confident that you are as innovative as you can be?</td>
<td>▪ Is your existing workforce engaged?</td>
</tr>
<tr>
<td>▪ What are your pressing I&amp;D needs right now?</td>
<td>▪ What other change is happening at your university?</td>
<td>▪ Are your programs, processes and systems holding you back?</td>
</tr>
<tr>
<td>▪ Where do you know you currently have gaps?</td>
<td>▪ What are your planned I&amp;D activities?</td>
<td>▪ How is the university’s culture perceived internally and externally?</td>
</tr>
</tbody>
</table>
Consider the employee lifecycle and experience through I&D lens

Before joining
What messages are we sending out through our:
- Career pages
- Recruitment fairs
- Marketing material

Performance
- Do we regularly analyse our rating and pay outcomes for gender/other bias?
- Do we alert and reinforce messages to managers on bias?

Recruiting
Is there conscious or unconscious bias in our:
- Job specifications
- Assessment process
- Interview panels

Development
- Do we have biases in our promotion process?
- Are development opportunities open?
- Are their role models and mentors?

On Boarding
Do we provide an environment that allows all to perform? Think:
- Culture
- Flexible working
- Performance conversations

Leaving
- Are we learning from and acting on insights from exit interviews?
You can then map where you are on the I&D journey…

**Initiating (compliant)**
- Diversity programs driven by HR
- Focus on targeted recruitment and compliance
- Communications from HR
- Diversity for diversity’s sake

**Advancing**
- Articulated I&D strategy and goals linked to HR programs and policies
- Limited leadership involvement
- Focus includes promotion of business case, I&D measurement, management training
- Communications broaden to management population

**Leading**
- I&D objectives and initiatives driven by university leaders
- Leaders understand and articulate value of I&D
- Value, communicate and deliver on I&D promises
- Differences are embraced and valued
- Accountability is integrated into evaluation process
- Behavior change is evident
- I&D integrated into all relevant university policies and procedures

**Transforming**
- I&D goals support the business strategy, position the university externally as a leader
- Inclusive culture supports diverse workforce segments
- Organizational analytics to test effectiveness of I&D
- University is recognized internally and externally as diverse and inclusive
- Leaders view themselves as accountable
- University engages with the community on I&D issues
...and start to develop a strategy and roadmap for change

Considerations
- Compliance
- Purpose, vision and values
- Brand recognition
- Talent Value Proposition (pay, benefits, career, wellbeing)
- Workforce and culture
- Industry/peer pressure

What do you HAVE to do? + What do you WANT to do? = I&D strategy and roadmap

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Data Tells Your Story
Data can help you understand where you are... And how to get where you want to go

If you have inclusion-specific items in your existing surveys...

- Identifying key groups and cross-groups with the greatest inclusion gaps
- Isolating factors driving inclusion for key groups

If you do not have inclusion-specific items in your existing surveys...

- Looking at existing data, such as turnover rates, by demographic and comparing it to engagement/exit surveys
- Isolating factors driving turnover rates for key groups

Developing action recommendations based on the results
## Inclusion trends... What we’re seeing across organizations

Common inclusion gaps across individual demographics

<table>
<thead>
<tr>
<th>Gender</th>
<th>Tenure</th>
<th>Job Group / Level</th>
<th>Generation / Age</th>
<th>Ethnicity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women report lower inclusion scores than men ▪ Found in all cases</td>
<td>Newer employees report higher inclusion than employees with longer tenure ▪ Found in all cases</td>
<td>Employees at higher levels within the organization report higher inclusion scores than those at lower levels ▪ Found in all cases</td>
<td>Younger employees report higher inclusion scores than older employees ▪ Found in most cases</td>
<td>Black or African-American &amp; non-white employees report lower inclusion than other ethnicities ▪ Found in most cases</td>
</tr>
</tbody>
</table>
### Inclusion trends... What we’re seeing across organizations

Common inclusion gaps when crossing demographics (exploring intersectionalities)

<table>
<thead>
<tr>
<th>Ethnicity x Gender</th>
<th>Gender x Level</th>
<th>Ethnicity x Level</th>
<th>Level x Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black or African-American women report lower inclusion than other gender and ethnicity groups</td>
<td>Women in leadership positions report lower inclusion than men in leadership positions and women in other positions</td>
<td>White leaders report significantly higher inclusion than leaders of other ethnicities</td>
<td>Longer tenured / older employees in lower levels of the organization report lower inclusion than leaders</td>
</tr>
</tbody>
</table>
Case study: Measuring inclusion

Common inclusion gaps when crossing demographics (exploring intersectionalities)

Women in leadership positions report lower inclusion than men in leadership positions and women in other levels of the organization.
Case study: Measuring inclusion

Common inclusion gaps when crossing demographics (exploring intersectionalities)

White leaders report significantly higher inclusion than leaders of other ethnicities.
Case study: Identify inclusion drivers

Unique inclusion drivers found when crossing demographics

**I am confident I can achieve my personal career objectives with this company.**

**KEY DRIVER**

**HOW TO ADDRESS**

- Review performance management process and ensure it’s being applied consistently
- Help talent understand their career options (and the key skills and competencies required and how to reach their career objectives)
- Enable people managers to objectively assess for potential bias and proactively identify career growth opportunities
Case study: The turnover challenge

Turnover rates by key demographics (Men) — similar patter to company overall
Case study: The turnover challenge

Turnover rates by key demographics for **women show increased turnover rates** among those with the most tenure, the oldest employees and those in HR.
Case study: Identifying key drivers of turnover

<table>
<thead>
<tr>
<th>Workload &amp; Flexibility</th>
<th>HOW TO ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>KEY DRIVER</td>
<td>▪ Review exit survey data to better understand pressure points</td>
</tr>
<tr>
<td></td>
<td>▪ Equip people managers to look for signs of work overload</td>
</tr>
<tr>
<td></td>
<td>▪ Review current workplace flexibility policies and programs and confirm that they are being applied consistently</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>People Manager / Leader Effectiveness</th>
<th>HOW TO ADDRESS</th>
</tr>
</thead>
<tbody>
<tr>
<td>KEY DRIVER</td>
<td>▪ People leader effectiveness refresher</td>
</tr>
<tr>
<td></td>
<td>▪ Review performance management process and success factors</td>
</tr>
<tr>
<td></td>
<td>▪ Consider sponsorship programs and opportunities</td>
</tr>
<tr>
<td></td>
<td>▪ Establish accountability measures for leaders related to retention of women employees</td>
</tr>
</tbody>
</table>
Making it Real
Taking Action
Consider analytics in key talent areas to identify root causes and help you take effective action

<table>
<thead>
<tr>
<th>Hiring</th>
<th>Current Workforce</th>
<th>Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment practices and insights into unintentional bias in hiring process</td>
<td>Representation by group (e.g., gender, ethnicity, leadership) now and five and 10 years into future</td>
<td>Historical performance ratings by gender and ethnicity and gaps</td>
</tr>
<tr>
<td>Summary by group (e.g., gender, ethnicity, career level)</td>
<td>Pulse survey and inclusion analysis to identify drivers of inclusion</td>
<td>Past merit increase (and bonus administration, as applicable) as it correlates to performance ratings</td>
</tr>
<tr>
<td>Hiring salaries by group or new hire profile</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Career Progression</th>
<th>Exits</th>
<th>External View</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time to promotion and promotion rates for various groups</td>
<td>Reason for leaving by group</td>
<td>Summary of metrics that competing universities are posting on their websites</td>
</tr>
<tr>
<td>Gender and ethnicity by career level</td>
<td>Link to engagement and pulse survey (if available)</td>
<td>Social media scans</td>
</tr>
<tr>
<td>Salary progression across demographic groups</td>
<td></td>
<td>Comparison to metric best practices</td>
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</tbody>
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Embed inclusion and diversity throughout the organization

<table>
<thead>
<tr>
<th>Talent Management</th>
<th>Talent Analytics and Engagement</th>
<th>Ensure key performance indicators in place across the talent lifecycle</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Recruiting</td>
<td>Ensure bias-free job postings, diverse interview teams and diverse candidate slates</td>
</tr>
<tr>
<td></td>
<td>Performance Management</td>
<td>Ensure performance is evaluated based on clear measures of achievements and contribution</td>
</tr>
<tr>
<td></td>
<td>Career and Succession Planning</td>
<td>Focus on career development plans with emphasis on sponsorship of diverse talent to strengthen the pipeline</td>
</tr>
<tr>
<td></td>
<td>Communication</td>
<td>Communicate commitment to inclusion and diversity in an authentic way</td>
</tr>
<tr>
<td>Total Rewards</td>
<td>Compensation</td>
<td>Ensure fairness in pay and bonus decisions and compliance with pay equity</td>
</tr>
<tr>
<td></td>
<td>Benefits</td>
<td>Ensure benefits programs are inclusive of the needs of diverse workforce</td>
</tr>
<tr>
<td>Culture</td>
<td>Leadership Accountability</td>
<td>Establish accountability measures for leaders around creating an inclusive culture</td>
</tr>
</tbody>
</table>
## Initial areas to consider — and how to address them

<table>
<thead>
<tr>
<th>What we’re solving for…</th>
<th>How…</th>
<th>Through…</th>
</tr>
</thead>
</table>
| Improve Representation  | Relook at recruiting and sourcing approach | ▪ Job description bias  
▪ Recruiter accountability  
▪ Diverse candidate slates |
| Ensure Fair Pay         | Assess where you stand on achieving equal pay and address root cause issues | ▪ Fair pay analysis, root cause diagnostic and reward program refinement |
| Enhance Career Development | Refine existing I&D programming and policies to improve career path progression for all employees | ▪ Process review for bias  
▪ ERG focus  
▪ HRBP enablement |
| Improve Retention and Engagement | Equip leaders with the skillsets to foster and manage an inclusive workplace | ▪ Leadership toolkit  
▪ Business imperative education  
▪ Manager training |
## Building your roadmap — knowing it’s a journey

<table>
<thead>
<tr>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leading</strong></td>
<td><strong>Measuring</strong></td>
<td><strong>Involving</strong></td>
</tr>
<tr>
<td>Make the commitment</td>
<td>Build the momentum</td>
<td>Embrace the culture</td>
</tr>
<tr>
<td>Solidify commitment from the leadership team</td>
<td>Establish external partnership or alliances</td>
<td>Establish I&amp;D guidelines for engagement in the community</td>
</tr>
<tr>
<td>Determine baseline key performance indicators (KPIs)</td>
<td>Shift from compliance metrics and expand the performance indicators</td>
<td>Conduct linkage analysis between I&amp;D indicators and financial measures</td>
</tr>
<tr>
<td>Create a communication strategy, articulating the leadership commitment to I&amp;D (internal and external stakeholders)</td>
<td>Update communication strategy for people managers and employees</td>
<td>Update communication strategy for external stakeholders</td>
</tr>
<tr>
<td>Establish I&amp;D Council membership</td>
<td>Launch or expand existing Business Resource Groups (BRGs) to increase employee involvement (bottom-up)</td>
<td>Utilize the I&amp;D Council and BRGs to involve customers and partners</td>
</tr>
<tr>
<td>Provide intentional, targeted learning opportunities for the leadership team</td>
<td>Provide a toolkit for what it means to be an inclusive leader</td>
<td>Provide ongoing I&amp;D training to managers with reinforcements throughout</td>
</tr>
<tr>
<td>Establish governance and operating model</td>
<td>Perform audit of talent management programs to ensure alignment</td>
<td>Identify and sponsor internal and external diverse candidates</td>
</tr>
</tbody>
</table>
thank you