



Building a Diversity & Inclusion Strategy

Introduction

This document has been prepared from a range of open source material which we believe should be helpful for any organisation considering developing a Diversity and Inclusion (D&I) Strategy.

What is a Strategy

A strategy is a plan of action, designed to achieve a long-term or overall aim. If your aim is to create a more inclusive workplace, then you need a Diversity and Inclusion (D&I) Strategy to articulate the plan for how you are going to do that. The purpose of a D&I Strategy document is to explain the rationale or reasons why your company should invest resources in D&I and to provide more explicit instructions on how you are going to integrate this strategy into your business plans. Like any planning exercise, you should look at where you are now, where you are going and how you will get there. There are many ways to approach building a D&I strategy, and we have focused on

- Goal & Vision Statements
- Identify Strategy
- SWOT analysis
- Identifying Strategic Themes
- Short Term Objectives
- Action Plans
- Measurements
- Execution

Strategies should meet several criteria. Ideally, they should

- **Give overall direction** A strategy, such as developing experiences and skills or increasing resources and opportunities, should identify the overall method without dictating a particular narrow approach. A general D&I strategy will go beyond factors such as gender, race etc. and instead will focus on a broader inclusion approach to benefit all employees
- **Fit resources and opportunities** A good strategy takes advantage of current resources and assets, such as people's willingness to provide support and become involved. It also embraces new opportunities such as an emerging interest in Diversity and Inclusion, employee demands for better resources, the need to attract and retain talent, the need to respond to regulatory or shareholder expectations.
- **Minimise resistance and barriers** When initiatives set out to accomplish important things, resistance (even opposition) is inevitable. Good strategies attract allies and deter opponents.
- **Reach those affected** To address the issue or problem, strategies must connect the intervention with those who it should benefit. For example, if the goal is to increase the gender representation of women at senior levels, do the strategies (training, succession planning etc.) reach women in the workforce, and their leaders?
- **Advance the Vision** - Taken together, strategies need to make a difference to the required goal. Therefore, it's important to ensure that the themes and objectives always align back to the goal and vision





STRATEGY LIFECYCLE

Goal and Vision Statements

Goal and Vision Statements help you focus on the change you want to create, lets others know what your D&I strategy plan includes and helps bond your employees together in a common purpose.

Vision Statements

A Vision outlines the ideal state to which you aspire. Visions are often lofty, describing what is the possible outcome once the plan has been delivered. They are usually statements that are just out of reach, providing motivation to the stakeholders to think and behave in bold new ways. They are based in the future.

Goal Statements

Your goal statement should clearly communicate what you want to achieve. It should encapsulate the why and how of your strategy. It should also be concise, clear, and useful. Goal statements are written in the present tense. Goals, like vision statements, look at the big picture however, they are more concrete, and action orientated.

Examples of Goal & Vision Statements:

- Microsoft - Microsoft's global diversity and inclusion mission is to be the world's #1 provider of innovative technology solutions that help realize the full potential of its diverse customers and partners around the world.
- Sodexo - Diversity and inclusion is an inherent part of our culture and drive Sodexo's growth. With D&I as a competitive advantage Sodexo is an employer and business partner of choice, enriching the quality of daily lives for our employees, customers, clients, communities, and stakeholders globally
- Johnson & Johnson - To maximize the global power of diversity and inclusion to drive superior business results and sustainable competitive advantage
- Yale School of Management - Leaders from Yale SOM are comfortable with difference, believe in the value of diverse perspectives and aspire to lead organizations and communities across boundaries

Deciding Strategic Themes to prioritise

Once you have a clear understanding of your Vision and Goal, you have a general outline of your strategic direction – the next step is to decide what themes you would like to focus on. Ideally you should focus on just 2/3 themes at a time and select those that you feel will help change the dial relevant to your current circumstances and where you want to be. To help you make this decision it would be helpful to: -

- Develop a baseline of your current numbers and employee demographics – this gives you a starting point but also helps to identify issues
- Have some research from respected sources – this gives ideas, current trends, and can also be useful in presenting your business case for resources
- Think about how you would integrate the plan into other people initiatives, culture change or values programmes already in place or underway – this helps ground your strategy

What are the typical D&I strategic themes

the key areas that organisation dial up/down depending on as is, to be, and aligned to culture



SWOT analysis template to get started

You may also want to conduct a SWOT analysis to establish what are your company's Strengths, Weaknesses, Opportunities and Threats are in the context of addressing progress on D&I

Questions to Consider	Strengths	Weaknesses	Questions to Consider
What advantages do we have? What valuable assets and resources do we have? What do colleagues/trainees identify as our strengths? What are our capabilities? What resources, assets, people are in place?			What could we do better? What do we need to improve? Where are we vulnerable? What are the disadvantages? What are gaps in capabilities? What are the timescales, deadlines, and pressures? What institution/logistical barriers are in place?
Questions to Consider	Opportunities	Threats	Questions to Consider
What opportunities do we know about, but have not addressed? Are there emerging trends on which we can capitalize? What resources are available that may be useful? Are there potential partnerships, or agencies that could help?			What internal/external roadblocks exist that block our progress? Are economic conditions affecting our ability to accomplish this task? Are there any insurmountable weaknesses?

Example of a Diversity & Inclusion SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • hiring plan attracts a diverse population • Operate in a good catchment area for skills • On a growth trajectory so opportunities for career progression • Have a Board member who is a diversity champion 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Lack of recruitment or promotion of ethnic minorities/women • Retention of women in senior roles • Employee dissatisfaction with current policies, processes, or experiences • No clear policy to communicate
<p>Opportunities</p> <ul style="list-style-type: none"> • Create a D&I Board and Policy • D&I Training for Recruiters and Managers • Addressing the diverse needs of customers • Improving engagement scores amongst staff • Enhancing reputation with customers 	<p>Threats</p> <ul style="list-style-type: none"> • Disbelief that there is a need for a more inclusive culture within the organisation • Lack of backing of Diversity Agenda • Lack of budget • Limited Resources to work on D&I • Regulatory sanctions

OBJECTIVES AND ACTION PLANS

Objectives refer to specific measurable results for the achievement of your goals and include outcomes and deadlines. Objectives usually link to specific strategic themes and can be directed towards employees and other stakeholders. For example an employee-related objective could be to recruit and hire workers from a diverse talent pool; a customer-related objective could be to assess your customers' demographic information and train your teams to develop communication skills specific to your customers' needs. A community-related objective could be to contribute volunteer hours and funds to a local non-profit organization that serves a diverse segment of the population.

Long Term Objectives

Long term objectives are those that you plan for the future and link directly to the strategic themes you want to focus. The objectives should outline what you plan to achieve rather than how you are going to achieve it. For example, if one of your strategic themes is around Talent Pipeline, you might have an objective to have 50% female representation at senior levels by 2025. The objectives must be realistic and achievable if they are to be accepted by senior management.

Short Term Objectives

Short term goals are stepping-stones which will help the achievement of the long-term objectives and link to your agreed strategic themes. They are usually measured in shorter time periods and should be SMART – Specific, Measurable, Achievable, Realistic and Time specific

Action Plans

Action plans are how you are going to achieve your Short-Term Goals and they should identify who is going to help achieve them e.g. D&I Board, HR Policy Team, Leadership Team.

For Example

Strategic Theme Develop our Talent Pipeline to achieve better gender representation



Long Term Objective	Achieve 50:50 at senior manager level by 2025
Short Term Objective	Achieve 50:50 in our applicant pool and short list slate by end 2021
Action Plan item	HR to update existing recruitment policy and process by December

Measurement & Execution

Finally, every strategic plan should include an outline as to a) how you plan to measure progress and b) the approach you intend to take for implementation.

In the case of Measurement consider the key performance indicators (KPI's) that you should track. These can include quantitative e.g. employee numbers, demographics, staff uptake on key initiatives and ultimately can include business performance numbers. Measures can also be qualitative and can include employee engagement survey results, social media ratings and other discussion updates

In the case of Execution, your D&I plan should have a clear focus on accountability, governance, resources, project management and issue resolution

Both should contribute to ongoing review and change so that you D&I strategy can continue to evolve and deliver value and change.

Some other ideas and templates



This document has been prepared as a suggested aid for any organisation on their Diversity journey. It has been developed by 30% Club members as a suggestion rather than as formal advice. We hope you will find it useful on your journey

Example 1 - Building a Strategic Framework

WHY	WHY – what goal is required to be achieved, what will an appropriate outcome look like, what are the priorities to be address
WHAT	WHAT – what are the key areas of focus that will change the dial specific to your organisation, and how do those objectives translate into an appropriate plan
HOW	HOW – what needs to be set in motion to make this happen

WHY/What - Strawman Strategic Framework

Goal	What do we want to deliver
Vision	What will it look and feel like
Values	What are the values we would like to promote and align to Are there any principles we would like to set out to follow
Strategic Objectives and deliverables	<p>What are the 3 or 4 areas that we would like to focus on to deliver on our Goal, keeping the Vision and Values in Mind</p> <ul style="list-style-type: none"> • What are the tactical deliverables that we will focus on in the short to medium term • What are the resources – tangible and intangible – that we need to get there • What is the priority order for attention

How – make it happen

Focus	What needs to be done
Governance	<ul style="list-style-type: none"> • Who makes the final decision on the strategy • What needs to be validated before that happens • Who will oversee the plan as it progresses – e.g. Senior Leadership Team, Diversity Board, Board • HR Integrated or Independent Plan • How often will updates be required
Advocacy	<ul style="list-style-type: none"> • Who will be the principle sponsor, senior voice, spokesperson etc • Are any other stakeholder group supports needed, who, how • How will rolemodels be identified and engaged
Accountability & Measurement	<ul style="list-style-type: none"> • Who will own the individual deliverables • What mechanism will be put in place to ensure cohesion • What measurement systems are already in place – what needs to be added
Resources	<ul style="list-style-type: none"> • What do we need to deliver in terms of people, infrastructure, technology etc • What's the budgeting process – approval, allocation, spend oversight • Where are we now v what we need, and how do we progress

Example 2 – Business Case & Strategic Framework

WHY DIVERSITY IS GOOD FOR BUSINESS

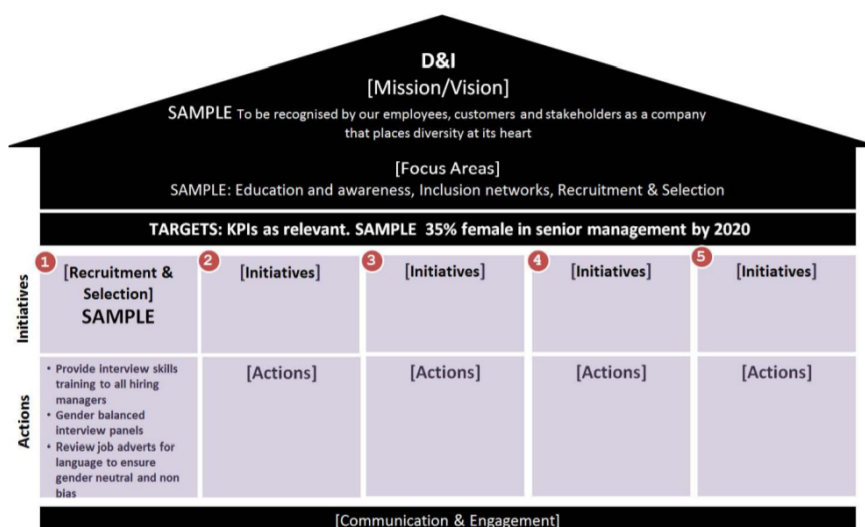
More diverse groups tend to be more innovative, creative, hard-working and better at solving problems.	Companies with female Board representation have been found to outperform those with no women on their Boards	Gender-diverse companies are 15% more likely to outperform competitors
Deeper understanding of the consumer market, e.g. in the US, women direct 80% of consumer spending	The talent pool is shrinking. Every organisation is competing for the same talent	Ethnically diverse companies are 35% more likely to outperform competitors

BUILDING YOUR D&I STRATEGY

Some questions to explore with your leaders to help prioritise focus areas for your business.

	QUESTION
BUSINESS ENVIRONMENT	<p>Grow revenue and market share</p> <ul style="list-style-type: none"> In what ways is your environment changing and what new challenges does this pose for your company? What opportunities does it present? In your view what are the 3 or 4 critical success factors for the business over the next 5 years as it implements and delivers on its strategy and business plan?
TALENT REQUIREMENTS	<ul style="list-style-type: none"> What are the most important skills, competencies, ways of working that you need in your company to be successful? Do these diverse skills, competencies, ways of working exist in your company already? What is missing in the talent profile of your company? What does your company data tell you? What do we want diversity to help us achieve? How can we attract top talent? How can we drive more innovation and growth by leveraging the diversity of our people? Where is the imbalance, what do you need to prioritise? (Gender, Nationality, Age, Family, LGBT, Disability)
STAKEHOLDERS	<ul style="list-style-type: none"> What are the views of your management team? What are your employees telling you? What are potential employees looking for from your company? What are the views of other stakeholders e.g. Board members, customers, investors?

DEFINING YOUR D&I STRATEGY



Example 3 – Sample Initiatives and Measures

Our toolkit provides more detailed examples of ideas, initiatives and sample policies that may be useful when you need more details.

SAMPLE INITIATIVES

<p>Communicating Diversity Imperative:</p> <ul style="list-style-type: none"> • Mission statement • Communicate strategy • Visible sponsorship • Working group 	<p>Hiring Practices:</p> <ul style="list-style-type: none"> • Wording of job adverts • Candidate short-lists • Hiring targets • Training hiring managers on unconscious bias • Make-up of interview panels 	<p>Talent Development:</p> <ul style="list-style-type: none"> • Mentoring • Coaching • Talent & succession metrics • M:F ratios in development programmes • Women in Leadership programmes
<p>Pay Equality:</p> <ul style="list-style-type: none"> • Pay Practices – assess equality between M:F or whichever diversity component is your priority 	<p>Raising Awareness & Understanding:</p> <ul style="list-style-type: none"> • Education on business value • Creating understanding of unconscious bias • Promoting key events e.g International Women’s Day, International Men’s Day • Learning from other organisations 	<p>Flexible Work Practices:</p> <ul style="list-style-type: none"> • Return from maternity leave/ career break/carer’s leave • Flexibility on start and finish times • Supporting technology • Parental Leave, Part-time hours

SAMPLE KEY PERFORMANCE INDICATORS

<p>Communicating Diversity Imperative:</p> <ul style="list-style-type: none"> • Company data & metrics • M:F on Board, Mgmt Team, Senior Mgmt, by Business Area, by Function • Continuous communication via internal channels and on company website 	<p>Hiring Practices:</p> <ul style="list-style-type: none"> • M:F make-up of candidate short-lists • Hiring targets specific to certain role types • % of hiring managers trained e.g. ‘Licence to Hire’ • % of Interview panels with M:F balance 	<p>Talent Development:</p> <ul style="list-style-type: none"> • Number of mentors assigned to mentees • Number of coaching relationships • Talent & succession metrics • Development Programmes M:F ratios • Number of leaders attending relevant training
<p>Pay Equality:</p> <ul style="list-style-type: none"> • Pay Practices e.g: • M:F pay parity/difference by level/by role type 	<p>Raising Awareness & Understanding:</p> <ul style="list-style-type: none"> • Number of company offices/ locations getting involved in global events such as International Women’s Day • Number of employees attending training events such as unconscious bias training 	<p>Flexible Work Practices:</p> <ul style="list-style-type: none"> • Number of employees returning from maternity leave/career break/carer’s leave & support provided • % of employees using Parental Leave, Part-time hours • % of employees working remotely