



30% Club Building Diversity & Inclusion Measures

Introduction

What gets measured gets done. When we implement a Diversity and Inclusion strategy we want to see if our efforts are leading to progress. There are many ways to do this, but the most effective way is to use measures or key performance indicators (KPI's). Some data you will have available from the outset, which you can use as your base data, some you may need to capture as you move through your plan. You can use as much or as little data as is appropriate to your culture and business plan, but it is a topic that should not be ignored. This document gives just some ideas on areas that you could consider.

It's also really important to look at data relative to the size of your organisation. Larger organisations will have the capacity for more data analysis because they will have more employees to track and will need data to get a firm view of what's happening. Smaller organisations can be nimbler and patterns can be more quickly apparent. Use this document to select what's right for your organisation and your plans – if done correctly, measurement should never be about creating an industry that becomes more important or resource hungry than your actual D&I plan – instead measurement should be about **Data** that drives **Information** that drives **Action**.

First step – definitions

Different organisations will use different terminology for this data set – leavers; turnover; voluntary leavers, retention metrics – use the label which is most appropriate for your business and always have a definition so that over time you can compare like with like. For example –

Leavers	this could be everyone who leaves your organisation including those dismissed, temporary contract expiries, resignations, career breaks
Voluntary Leavers	this could everyone who leaves your organisation on a permanent basis through their choice, so this could include resignations and voluntary redundancies only and exclude involuntary leavers such as temporary contract expirations, redundancies and dismissals. You may want to consider those who don't return from absence e.g. not returning from Maternity Leave, in this category
Your employee base	All employees versus permanent employees - depending on your business model it might be important to look at all employee data or if you have a specific casual work pattern, e.g. seasonal workers for peak times, you might want to consider focusing on a core working permanent population only – the decision will link back to your diversity plan, but it's important to decide who to count from the outset, especially as you look at trend data over time



Turnover Your agreed definition of leavers as a percentage of agree definition of employee base

Some other definitions that might be useful

Quantitative Data counts of specific types of data e.g. numbers by gender, by grade

Qualitative Data data that measures viewpoints and opinions e.g. staff survey data

Stock Data quantitative data at a specific point in time e.g. your headcount on the 1/1/xx – this data is very important for baseline analysis

Flow Data quantitative data but viewed through a process rather than as static data e.g. the number or percentage of appointments into a grade in a given period. Flows usually feed/impact on stocks and are a representation of numbers in and out of your stock

Trend Data how either your qualitative or quantitative data changes over time. Ideally for something to be considered trend data it should be measured over a period of at least three years. Trend data is a very good reporting tool for measuring progress throughout the lifetime of your D&I plan

Headcount the number of physical employees in your count, irrespective of the number of hours they work

FDE/FTE/WTE full day equivalent/full time equivalent/whole time equivalent – your employees counted by the hours they work, contributing to the number of roles filled. Sometimes this is a useful figure, but sometimes it can mask real data when a high percentage of certain types of employees work on a part-time basis – so decide when is most appropriate to use it

In attendance think about whether you will count all the employees on your books or just those currently working, or being paid i.e. exclude those not working as of now e.g. maternity leave, parental leave, sick leave, OR exclude those not working and not being paid at the moment maternity unpaid, parental leave etc. Any option works just decide from the outset so that you are always comparing like with like.

Gathering the Data – what you have and what you need

Once you have established your definitions, it's time to establish the data that you have and the data that you need. It is often a good idea to start with your D&I plan and look at the 2/3 strategic themes you have chosen to focus on and the problem you are trying to solve for. So for example if addressing your Talent Pipeline as an area of focus your starting point is data on your current employee profile, which you can track during the implementation of your plan, added to by data on how that pipeline is impacted e.g. recruitment data, retention data, performance management data.

Similarly, if your focus is on encouraging employees to take and return from family absences your starting point is data on the numbers who are on leave, or who take leave, and a breakdown by different categories. You then need to add return data and possible survey/focus group data on why take-up is as it is.

Over time your datasets can become more complex and can link in with other business process data e.g. team / business performance, customer satisfaction, financial performance. Remember it's about using data appropriate to your business size and plan, so pick and choose relative to your needs.

Here are some examples for you to consider

Starting

Basic Data that is important for your business plan will typically include an employee profile that maps your organisation as it currently stands, and if available, a comparison with your industry market. Usually at this point most organisations will only have data on gender – so this becomes your early focus.

As part of your D&I strategy identify the key performance indicators (KPI's) that are right for your business and how you will determine them and then measure for success. Think about the number of measures, how they link to the key elements of your plan, and a timeline for measurement.

Fundamentals

The fundamentals are the key items that you use to establish your baseline. Typically, they are linked to the strategy you want to focus on, and they are the key measures for tracking over the lifetime of your plan. To consider what you have / need start by considering where are the gaps in stock data in your baseline figures and do you have the raw data available – if not, develop a plan to collate. Start to look at data in your processes e.g. in Hiring look at breakdown of applicants at each stage of the process by gender or other factors – this is your Flow data. Move onto other processes such as performance ratings, salary reviews, internal promotion data, parental leave. Look for patterns or inconsistencies by analysing the flow, by gender and monitoring on an ongoing basis.



For example, looking at potential strategic themes you might consider

Talent Pipeline & Attraction

- Numbers by grade and levels in your organisation, but also by Function and maybe by site/geography if that's significant
- Applicants for all jobs by gender – internal and external advertisements
- Slate measures at each stage of the selection process – applicants, shortlisted, interviewed, offers
- Success rates for internal promotional roles by gender – internal and external
- Cross functional moves by gender
- Cover on Succession for key roles – how many have no gender balance
- Pay rates - information on rates of pay and percentage of pay range positions
- Gender Pay Gap - Use the national definitions for proposed gender pay gap reporting legislation to be able to compare and contrast with other organisations
- Any of the above by diversity factors other than gender, if available

Retention

- Turnover rates by gender
- Performance ratings by gender
- Salary reviews / increases relative to performance ratings
- Take up by gender on voluntary absences e.g. take up of unpaid maternity leave, paid paternity leave, parental leave
- Take up by gender on agile working options, not just part time working
- Analysis of reasons for leaving – consider adding specific options to reason for leaving tracking so that you can measure
- Views from exit interviews – especially for more senior employees

Development – usually for more advanced analysis

These measures can be reflected in the talent pipeline/attraction section, but could also include

- Profile of employees nominated for external training courses
- Profile of employees nominated for internal development courses – such as management training, leadership training
- Profile of employees nominated for mentoring or coaching programmes where available – in-house or external
- Analysis of employees nominated for task forces, working groups, career enhancing projects

Engagement (Culture) -typically through staff surveys / engagement surveys or focus groups

- Profile by gender on engagement surveys

- Responses on specific D&I and Safe to speak questions in engagement surveys
- Engagement surveys on views of management in supporting careers, or views of organisation support
- Ratings / comments on external job sites – but use cautiously as typically these are completed by a specific bias group
- Membership of employee resource groups

Embedding

The embedding stage is where you potentially will start to focus less on adding to the data collection, and more on what the data is telling you – so moving from gathering to analysis. The first step is to start to compile year on year comparisons (at least 3 years) – this is your Trend data. During this phase you can also consider

- Policy changes - Linking your data to points of time in policy changes and monitor for improvements or adjustments needed. So, for example if you have launched a new parental leave policy as part of your D&I plan, start monitoring take up over short implementation phases. Look for differences across teams and across supervisors
- Programme impacts - Consider linking processes in data analysis rather than just simple point in time measurement e.g. start tracking attendees on leadership/management training programmes – how many are promoted and in what time, is there any bias in promotion rates for gender
- Inclusion views - Add questions to your employee engagement survey to check for attitudes on belonging. Consider direct D&I attitude questions or use clusters of questions to test for change in culture
- 'What if' - Start to use data for predictive analysis and 'what if' scenarios. For example look at promotion rates in your flow data and project forward how much change you will achieve if the rates continue at the current level – is this appropriate to what you want to achieve or is more work needed
- Targets – if you haven't done it already, now is the time to set internal targets for progress and report at senior levels. Focus on flow targets as much as stock targets. So, for example in talent pipeline set targets for promotion levels, set slate targets at each stage of the recruitment process
- Masking/Averages - Analyse data by significantly sized teams to ensure strong representation in one group does not mask poor representation in another

At this point in your process you might also want to consider ways of tracking other demographic data beyond gender. Consider

- Asking your employees to 'self-id' other data such as ethnic origin, country of birth
- Approaching your Employee Resource Groups to see if they would be interested in participating in specific focus groups, or identifying their data as part of employee surveys for comparison
- Carrying our focus groups with specific categories of employees for policy related feedback – e.g. recent recruits view of recruitment process, maternity returners view of offboarding & onboarding from leave, external questionnaires to non-acceptors in the job offer process

Maturing

At this point you might consider moving to more advanced data analytics where you can look at the relationship between different sets of data and whether focus on one area of action can drive performance in others. This analysis would be very specific to your own business, but we have given just some examples to prompt your thinking

Combinations

- Customer impact – combine stock, engagement and customer satisfaction data to see if more engaged and diverse teams lead to more satisfied customers
- Retention – combine engagement, development, agile and family leave data to see if employees with greater opportunities for flexibility and control are more likely to stay
- Team performance – combine stock, engagement, productivity and performance data to see if more diverse teams are more engaged and have higher output

External facing - At this point you should definitely have a commitment and practice to externally publish, targets and progress for senior roles, starting with Board and C-Suite. You could also consider using industry and national survey data to compare your own data against – and give active consideration to contributing to industry and national survey data either collectively or as an individual case study to support broader external benchmarking levels and industry efforts

Accountability - Integrate D&I measures into Balanced Scorecard Accountability and give serious consideration to including in remuneration-based accountability for the senior team. To ensure focus, the scorecard should include individual targets and tracking by business areas to avoid masking and averaging

Finally

Remember that data and measurement is the enabler not the focus – have measures, make them appropriate to your business model and aligned to your diversity plan – and then use them to continuously measure progress and adjust your plan for success.

Keeping this information current

If you have examples of datasets that have been particularly useful in your organisation, or have case studies that you are willing to share, please contact us at the 30% Club and we would be delighted to add your examples to the toolkit.



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

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/carers leave & support provided• % of employees using Parental Leave, Part-time hours• % of employees working remotely