MEASURING DEI PROGRESS FROM ALL ANGLES: MOVING BEYOND METRICS

For years, Zayn's co-workers had pegged him as an introvert and homebody. Until one day that changed. He showed up to the annual holiday party with a date and a smile that was not shy, but proud and relieved. His date was his long-time boyfriend, whose existence he'd kept a secret at work until that day. What changed? Zayn had noticed that the organization (a bank) had a clear, resourced and articulated agenda for DEI and earlier that month, had put their money where their mouth is – they had launched a financial loan product for couples regardless of their sexual orientation and marital status. In his country, this was unheard of. To Zayn, it signalled a serious commitment to DEI. To the organization, Zayn bringing his boyfriend to the party was a real indicator that their efforts were paying off. The quantitative metrics with diversity ratios, inclusion index scores and other outcomes would follow later, but Zayn's coming out at work was a powerful lead indicator that the bank was truly becoming an inclusive and diverse employer.

We need a similarly refreshing approach to identify and articulate progress in the diversity, equity and inclusion (DEI) space. Organizations often struggle to articulate what progress looks like because their familiar refuge of graphs, pie charts and statistical significance often fail them here. DEI suffers from a lack of commonly understood and universal definitions – and only recently have there been efforts to create international standards in this space[1]. In the absence of accepted definitions, clear metrics and measurement have not emerged in the same way organizations can confidently and consistently measure commercial outcomes like sales and profits. Additionally, the tendency towards disparate, unsystematic, one-off DEI approaches in the hope of changing cultures is self-defeating – especially when the impact hoped for is unrealistically grand compared to the piecemeal investments made. An unconscious bias workshop here, an anti-discrimination policy there, and a social media post every now and again are not sufficient to change workforce demographics or employee engagement scores.

In applying a more comprehensive, proactive and considered approach to measurement and accountability when it comes to DEI, we must start to think beyond quantitative metrics and identify what else to pay attention to that helps us monitor change.

Here are some shifts that the more progressive organizations are starting to make:

MEASURING DIVERSITY

Most organizations measure diversity as an outcome or snapshot of the current state. These are known as lag indicators i.e. data that is interesting and important, but doesn't provide much opportunity for course-correction. This is what we traditionally consider the 'counting numbers' approach to diversity: how many women, people of color, employees from marginalized groups or minoritized identities do we have in the workforce? Many organizations early on in their DEI journey start by focusing on such metrics. However, organizations also 'hide' behind them e.g. claiming to have good gender diversity by using overall ratios which hide the fact that the leadership team is still overwhelmingly made up of men, or that most women and non-binary people work in lower-paying jobs or support functions (see the 'pink collar ghetto' phenomenon[2]).

To demonstrate real progress on diversity demands a more honest and nuanced look at the numbers. Organizations need to slice and dice representation data by function, region, level etc. to identify where the gaps are. The next step is to take an intersectional lens to see what the workforce composition is across dimensions of identity/group membership i.e., not just how many women in leadership, but how many Black, Asian, Hispanic women, and/or such women with disabilities and/or such women who identify as queer, and so on, do we have at different levels and functions? A qualitative complement to this approach is to continuously scan the optics of the organization – who's represented in the Board room, the conference room, the marketing materials, the website, the Zoom call and the supply chain? And who is missing?

[1] ISO - ISO 30415:2021 - Human resource management – Diversity and inclusion

[2] https://www.thoughtco.com/pink-collar-ghetto-meaning-3530822

MEASURING EQUITY

Equity is about fairness, about systems of power and influence, and about access. The quantifiable aspects of equity consist of measuring representation at various process steps – who is hired, promoted, who leaves, for what reason(s), who receives the formal and informal developmental assignments and opportunities that accelerate career growth, and who has access to influential networks of sponsors? Most organizations don't even collect this data, settling instead for the 'easier' metrics of hiring and attrition, and the number of participants in training programs. But to truly monitor the processes that lie in between, organizations aiming for equity are starting to capture vital statistics around how and who progresses through the organization. To compliment these quantitative metrics, a qualitative, almost audit-like approach to reviewing talent processes through the lens of equity needs to be adopted. This could cover sources of talent, rewards for performance, definitions of success and leadership, written and unwritten rules around advancement, feedback culture and norms, and transparency across all people-related decisions. This will ensure that success and competence are defined fairly, processes followed allow everyone a chance to succeed and leaders are held accountable for the processes of assigning opportunities, power and responsibility being fair and equitable.

MEASURING INCLUSION

The small number of organizations who claim to measure inclusion tend to use data from their annual employee engagement survey. More specifically, they use between 1 to 5 items on a short all-encompassing survey that addresses general feelings of satisfaction. It is important to go beyond this and adopt an intersectional lens as described earlier, looking at various aspects of inclusion and tracking these on an ongoing basis. Merely describing the overall engagement score of an organization as '75%' is bound to hide the fact that, for example, your BAME employees in the UK are experiencing lower levels of belonging and authenticity, compared to your White employees in Germany. Such nuanced data can yield critical insights and hypotheses, all potentially leading to actionable interventions on the part of the organization and leadership. Identifying pockets of opportunity will become more important as the organization grows and expands into different regions, functions and product lines, and when sub-cultures start to emerge over time. While measuring inclusion is itself a wonderful attempt to quantify the qualitative and subjective experience of employees, there are other subtle indicators of inclusion we might want to pay attention to. Are employees referring their friends and family for roles (especially those from marginalized groups/identities)? Are we seeing new faces and hearing new voices at organizational events and in the annual report? Are employees energized and proud to be a part of the organization?

Currently, most organizations that are trying to measure progress towards DEI either rely on a few lag indicators (like gender ratios or attrition numbers) or use anecdotes from a few vocal supporters (or detractors) of DEI efforts to determine how they are doing. Apart from upward trending stats, let us look for subtle indicators (like holiday party RSVPs!) from our employees and customers, to know if our DEI efforts are really paying off. Ultimately, the most powerful stories of progress will emerge when organizations triangulate all their data – the quantitative and qualitative, a focus on D, E & I – to identify where they are making strides and where they need to focus future efforts.

[3] https://www.ysc.com/news/mind-your-ps-and-qs/

[4] YSC's model of inclusion taps into 6 aspects: involvement/belonging, psychological safety, authenticity, respect and esteem, recognition and integration, and influence and visibility

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