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Elevating Employee Experience through Diversity, Equity, and Inclusion

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Introduction

Employee Experience (EX) is **informed by six core relational attributes** an employee interacts with – the **work they do**, the **places** they work in, the **diverse people they work with**, the **technology** they use, the **organisation** they work for, and their personal **well-being and inclusion**. EX has become a mainstream focus, but organisations are still struggling to capitalise on the benefits. Deloitte's **Employee Experience and Emerging Technology team** use human-centred design to understand the voice of the employee and ensure they are put at the heart of any organisational transformation. To attract and retain employees in a competitive and unpredictable market, employers need to think, design, and deliver experiences that are 'human'.

Diversity, Equity, and Inclusion (DEI) has always mattered, but events in the past few years have resulted in organisations undergoing unprecedented challenges and has brought DEI front of mind for leaders and employees alike. World events such as the murder of George Floyd that sparked a global social movement, to the disproportionate effect of COVID-19 on individuals from ethnic minorities and low socioeconomic backgrounds, have emphasised the social injustice that still exists within our society. Alongside these societal events, changes in legislation are pushing organisations to be more transparent around DEI issues, for example, the requirement to publish reports on the gender pay gap. These changes

have been accompanied by shifting employee expectations, resulting in calls for organisations to adapt to a flexible work setup, demonstrate corporate social responsibility, and commit to becoming a diverse and inclusive organisation[1,2].

Employees of today have the power to impact brands and have more work choices than ever. Organisations are increasingly recognising that diversity and inclusion improve the feeling of belonging for individuals and lead to equity for all.[3] Therefore, a focus on DEI cannot be taken as just a 'tick-box exercise' for organisations, but fundamentally embedded in an organisation's DNA as it's **the right thing to do.**

What is Diversity, Equity and Inclusion (DEI)?

Over the years, the naming convention for DEI has changed, and today, different organisations use a variety of combinations – D&I, EDI, DIB (where 'B' stands for belonging), and more. But fundamentally, across the different nomenclature, DEI means:

Diversity: the representation of various identities within the workforce

Equity: all employees having the support and access to resources they need to be successful, alongside the removal of barriers that prevent the participation of certain communities

Inclusion: embracing different identities, allowing everyone to feel welcome and valued[4]

To truly embed DEI, organisations must consider these components as a collective to ensure cohesive strategies and initiatives. For example, increasing recruitment of women and ethnic minorities may increase representation within the workforce, but if these individuals are not offered the same opportunities as others, or are not embraced through the organisational culture, then organisations will ultimately fail in their DEI agenda. This is because although it may superficially be viewed as a success from an external perspective, fundamentally it is still flawed internally.

Why is DEI paramount in elevating the Employee Experience?

DEI has been linked to improved business outcomes such as increased innovation, better decision-making, and increased revenue[5,6,7] Additionally, a focus on DEI in organisations can improve key talent outcomes such as attraction and retention, with three out of four jobseekers stating that a diverse workforce is a key decision factor in considering job offers[8]. Embedding an inclusive culture within organisations creates a sense of belonging for employees, and helps employees feel a sense of trust, security and loyalty. This directly impacts how employees feel and bring themselves to work.

Prioritising DEI is essential for organisations to ensure everyone has equal opportunities to join, develop, grow, and feel valued in the organisation. This will result in creating an enhanced experience for all employees, regardless of their identity, and result in improved performance for the organisation.

How should DEI be incorporated across the employee lifecycle?

To become truly inclusive, organisations need to embed DEI across the end-to-end employee lifecycle, from attracting candidates all the way to when employees leave the organisation (and potentially return).
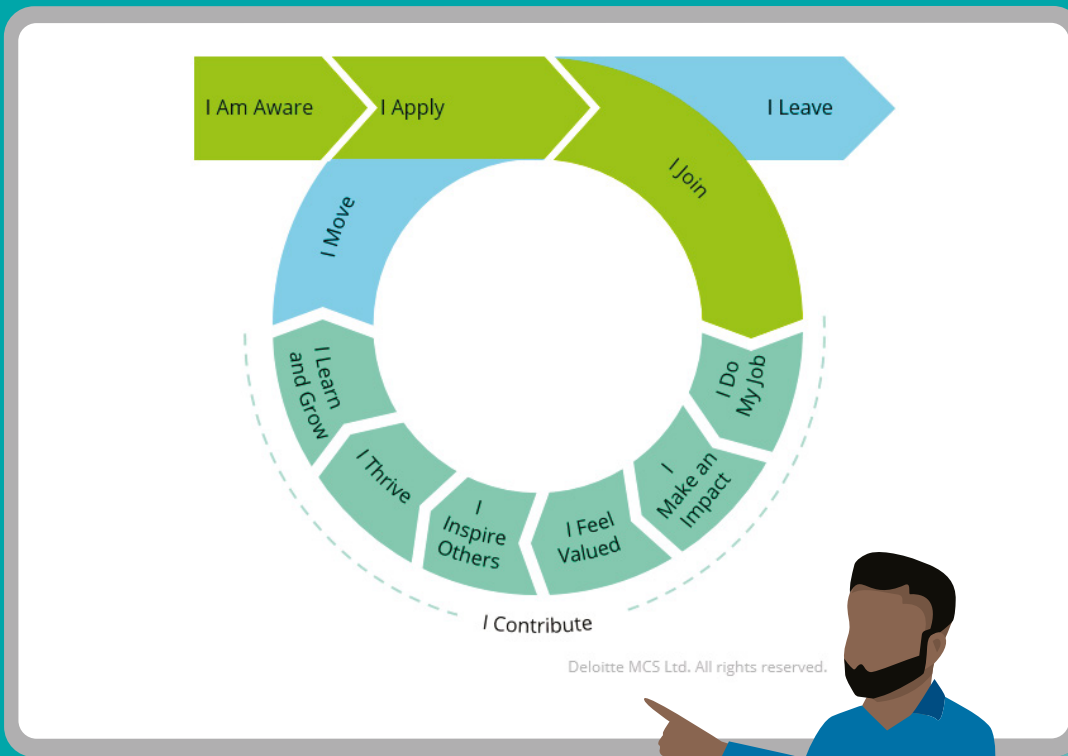
Designing inclusive experiences throughout talent acquisition:
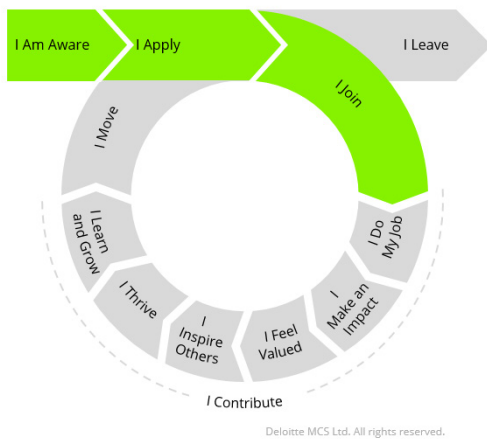
To be able to increase their representation, organisations first need to be able to attract a diverse range of candidates. Organisations can do this by leveraging a range of sourcing channels, including job boards that target underrepresented groups – for example, DiverseJobsMatter, LGBT Jobs, and Evenbreak. Beyond job boards, offering alternative, non-traditional entry points into the organisation such as hiring based on aptitude and attitude, or leveraging coding boot camps, where the focus is on potential rather than skills and experience, can help widen and diversify talent pools.

Once diverse candidates have been attracted to an organisation, it is crucial that each step in the process from then onwards aims to reduce bias and be inclusive towards all candidates. This helps to ensure candidates are retained in the process and have a positive experience. Job adverts are one area very susceptible to bias, with **60 per cent of all jobs in the UK exhibiting a significant male bias in their job adverts**[9]. When used appropriately, sentiment analysis and machine learning can help to reduce bias by suggesting inclusive alternatives for language that might be discriminatory, helping to appeal to a more diverse candidate pool. Another step that organisations can take is to use diverse recruitment panels for interviews and ensure candidates are asked about their accessibility requirements upfront, with the necessary adjustments flowing into subsequent downstream processes.

The onboarding experience is a pivotal movement for new joiners to gain their first real impression of the organisation they are joining. To ensure a successful onboarding experience, it is key that new joiners are made to feel welcomed and valued, even prior to their first day. This can be achieved by personalised welcome messages from leadership, being invited to join diversity employee resource groups (ERGs), and importantly, ensuring the new joiner's manager and team are ready to welcome them on day 1. Demonstrating an organisation's commitment to DEI from the start ensures new hires understand the organisational values and behaviour they are expected to exhibit. It is equally important to equip managers with appropriate training on how to enable an inclusive onboarding experience for new hires, as a huge part of a new hires' experience relies on their manager's commitment to support and enable their development.

Case study

NVIDIA uses a language bias decoder tool that has resulted in the number of women applying for jobs **increase by 28 per cent**[10]. By using this tool, NVIDIA has been able to minimise language in their job adverts that might be gendered, exhibit age bias or be discriminatory to certain groups. This has helped ensure their job adverts are inclusive.

Case study

Deloitte use a plug-in to their Talent Acquisition tech stack that helps them to understand the achievements of candidates within the socioeconomic context they have grown up in. Since introducing the new technology in 2015, they have hired between 300-400 candidates that would have otherwise not passed the initial application stage.

Case study

In conjunction with Makers Academy, Deloitte has launched a return-to-work digital skills retraining program for people returning to work after a career break. It is specifically designed for those without software experience to help upskill them in high-growth areas. Deloitte has hired more than 70 per cent of shortlisted applicants from the Makers Academy, highlighting the success of the campaign.

Enabling growth opportunities, development, and fair pay to all employees at work:
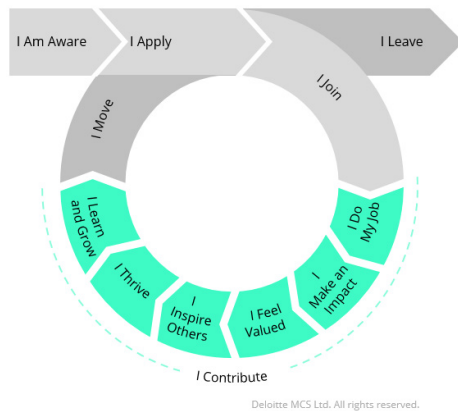
DEI should be embedded into all processes by design, but those relating to employee development and growth are particularly critical to foster diversity and inclusion. It is equally important to embed these inclusive behaviours into the core capabilities expected of leaders. An organisation's performance management approach sets the tone for what is valued and therefore which employees feel valued and respected as individuals. By defining and assessing performance based on specific objectives and clearly articulated behaviours, organisations can ensure the focus is on what employees contribute and limits the tendency to base performance on a 'gut feeling' that is subject to biases and prejudices[14]. Using multiple feedback sources for a performance review rather than one individual's perception can also limit bias.

Reward is another key facet organisations must be cognisant of to drive equity. The pay gap refers to a measure of the difference between the average pay rates for men and women, and for ethnic minority and non-ethnic minority employees in an organisation.[11] Pay gap reporting is an important strand of a wider diversity and inclusion agenda and in recent years, there has been a commitment to increase transparency over reporting and ultimately minimising the pay gap, ensuring that employees are rewarded fairly, regardless of ethnicity or gender. By not only measuring pay gaps but setting targets, organisations can create a culture of accountability as they navigate toward greater pay parity. Pay gaps can be tackled through a variety of channels, starting with reviewing the end-to-end career development and performance management process.

Another strategy organisations can adopt to strengthen their diversity and inclusion practices is to develop well-defined, clearly communicated career paths. When an organisation documents its career paths and the necessary skills required to advance and importantly makes this information transparent to all, there is less room for racial or gender bias in promotion decisions. Clear documentation of pathways can also help to mitigate the unequal distribution of information and ensure that the responsibility of providing this guidance does not rest solely with managers[12]. Indeed some organisations are even developing diversity promotion targets to ensure a percentage of internal promotions come from candidates from under-represented groups. For example, DLA Piper has committed to half of all future internal partner promotions coming from under-represented groups[13]. Many organisations have diversity targets at the board level, however not limiting this to the board and embedding it across levels can be a useful tool in creating more diverse and inclusive experiences across the talent lifecycle. Other measures include investment in inclusive leadership programs to develop talent from groups typically underrepresented at the senior level.

Promoting fairness, inclusivity and transparent career development pathways are fundamental to achieving an elevated employee experience in a changing world of work, where employees expect greater career mobility, flexibility, and autonomy than ever before. For organisations who want to capitalise on their employee experience, strengthen retention, and compete in the increasingly competitive 'war on talent', career development is a critical stage to address in the employee lifecycle.

Case study

Deloitte has taken the lead on voluntarily reporting on the gender pay gap since 2015 and the ethnicity pay gap since 2017. Recognising that both the gender and ethnicity pay gaps are driven by a lower female and ethnic minority representation at senior grades, Deloitte is consciously supporting the career development and progression of women and ethnic minority colleagues. In 2021 Deloitte launched its Emerging Leaders Programme (ELP) to support the leadership pathway Black and ethnic minority colleagues, which welcomed a cohort of 166 participants. As a result, Deloitte has seen improvements within senior grades during 2021, as ethnic minority partner grade representation rose from 6 per cent to 7 per cent, alongside a similar increase at director grade from 11 per cent to 12 per cent.

Providing flexible return to work practices:
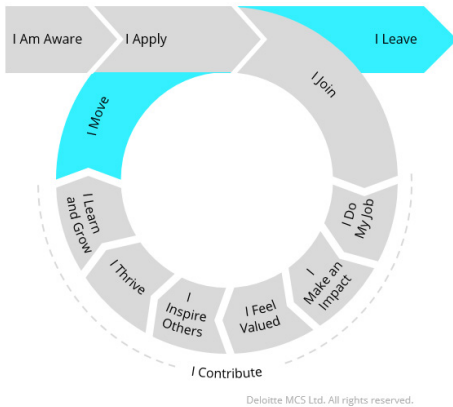
Reasons for an extended absence from work can vary from parental leave to life-changing events, illness, mental health challenges, or caregiver demands. Ensuring a smooth return to work is essential for organisations that wish to embed inclusion into the fabric of their workforce practices. This can be challenging for organisations to achieve, for example, when returning from maternity leave, common pitfalls include having a lack of options that allow a phased return to work and lackluster onboarding processes. A knock-on effect means that women who have a negative experience when returning to work are **63 per cent more likely to leave the company**.[15]

Therefore, organisations need to adopt strategies that provide returners with sufficient support and make them feel comfortable and confident to return. For example, creating a buddy scheme, particularly for working mothers, can help them reintegrate into the workforce and get reintroduced to their old colleagues, as well as be introduced to the new ones. Onboarding processes should also be well structured for the first few months of return to work to include coaching sessions as well as goal setting, to ensure professionals are well equipped.

Following the COVID-19 pandemic and the escalation of flexible/remote working, work-life balance for working parents became essential. Flexible working enabled them to spend more time on family needs, however, the lines between work and life blurred. Working parents switched roles of being a teacher for their kids, providing caregiving responsibilities while managing executive asks. This negatively impacted their work-life balance and well-being. While it's important to note that childcare/family responsibilities do not sit solely with mothers, at present the burden does disproportionately fall to women. Therefore, organisations can adopt return-to-work strategies that include childcare support through partnerships with off-site providers and childcare centres to promote a better work-life balance.

Case study

An eCommerce website has started extremely comprehensive childcare and working parents support policies. In addition, the company also offers "gender-blind" parental leave. Through this benefit, all employees of the company, regardless of gender, are entitled to 26 weeks of leave[16].

Case study

Whilst providing all standard and expected parental leave benefits, Apple Inc now additionally include family-oriented medical services in their healthcare plan – including fertility treatments for all their employees[17][18].

How can organisations approach DEI?

Over 90% of CEOs have built DEI into their strategic priorities/goals, but many have not committed to the bold actions necessary to achieve equitable outcomes[19]. To get started on delivering equitable, diverse, and inclusive experiences for all employees, organisations should ask the below questions before taking steps to action on their continuous pathway.

What to ask:

- What does DEI mean to your organisation?

- Why do you want to start on this pathway? Why now?

- What is at stake if you do not act?

- What do you want the end-to-end experiences for all employees, regardless of role or identity, to look like?

- Who will be your key stakeholders to buy in and support this change?

What to do:

- **Step 1**: Define and understand the priority issues in your organisation using data – where is representation the lowest? Where is there bias and inequity?

- **Step 2**: Understand what areas matter most to employees – where is the experience least inclusive? What are some of the quick fixes? Where should the longer-term strategic focus be?

- **Step 3**: Build a business case and work towards implementing the change – who will own, champion, and drive this work forward? How can you embed an inclusive culture?

- **Step 4**: Operationalise and implement the plan – test concepts with key user segments, receive feedback, and iterate to deliver on the plan

- **Step 5**: Leverage metrics to enable continuous improvement – have you been successful in your DEI goals? Do you have a continuous feedback loop to understand success and areas for improvement?

Summary:

The road to truly embed DEI is a long and continuous one that will bring benefits to employees and employers alike. The key to its success is not considering it as a tick-box exercise but consciously focusing on embedding it across the entirety of the employee lifecycle. Focusing on DEI within your organization can elevate Employee Experience.

When organisations truly understand and value their employees, they can unlock their potential.

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