



2020 Talent Management Trends Review

Diversity, Equity and Inclusion



Diversity, Equity and Inclusion

Over the past decade, diversity, equity and inclusion (DEI) has become an increasingly important topic for organizations of all sizes. In recent years though, DEI has gone from a topic typically relegated to human resources to a focus of executives and board members everywhere – spurred by Black Lives Matter, the Me Too Movement and other events that have put systemic inequality and discrimination into the national spotlight.

As further studies on the subject are conducted, more evidence emerges illustrating how DEI efforts can positively impact companies' culture, innovation and bottom line. In the last five years, diversity-related job postings have risen tremendously as companies recognize that increased leadership diversity can lead to higher performing, more innovative teams who are more likely to achieve business goals and exceed financial targets.

Conversely, the greater attention toward DEI is showing organizations how far they still need to go to truly be equitable employers. At a glance, the race and ethnicity demographics of the U.S. workforce reflect those of the overall U.S. population. White Americans make up the overwhelming majority (77%), followed by Black workers (13%), then Asian Americans at 6% - with other groups accounting for approximately 3.5%. Those of Hispanic origin make up 17.5% of the labor force.

When looking at those in leadership positions, those figures begin to shift – underscoring the lack of diversity and equity at many organizations. At the executive level, 85% of those positions are held by white employees, whereas Black and Hispanic employees account for 2% and 3% of those positions, respectively.

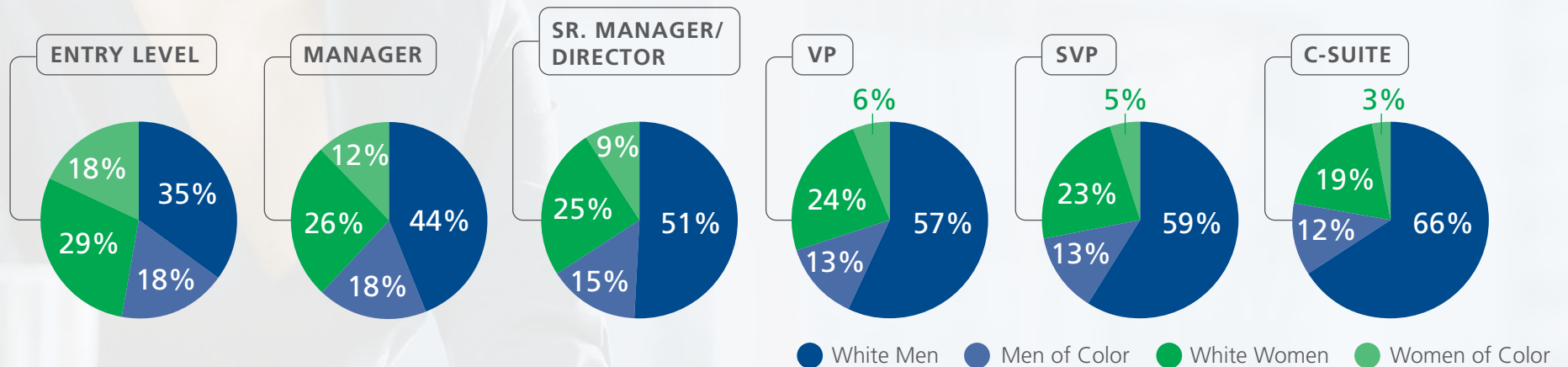
As the conversation around DEI expands, so does many organizations' understanding of their employees and the unique challenges they face. Traditionally, many businesses have limited DEI discussions to ethnicity and sex; however, those with disabilities – both physical and mental – make up a considerable percentage of the workforce. Unfortunately, many of these individuals have felt the need to hide or diminish their disability from their employer and colleagues.

And like every other facet of business, the coronavirus pandemic has drawn attention to the disparities facing many individuals in the workforce. For example, many mothers, and especially those with young children, were forced to consider leaving the workforce entirely as they struggled to balance duties at home and work obligations.

It's paramount that businesses continue to discuss DEI issues by assessing where and how they can improve and make commitments toward those areas. These are important, yet delicate issues relevant to every organization, and having the right insights and data to inform these discussions is critical. The following report explores this topic in more detail as we present the second issue of our annual trends report, which we hope can help your organization navigate this topic!

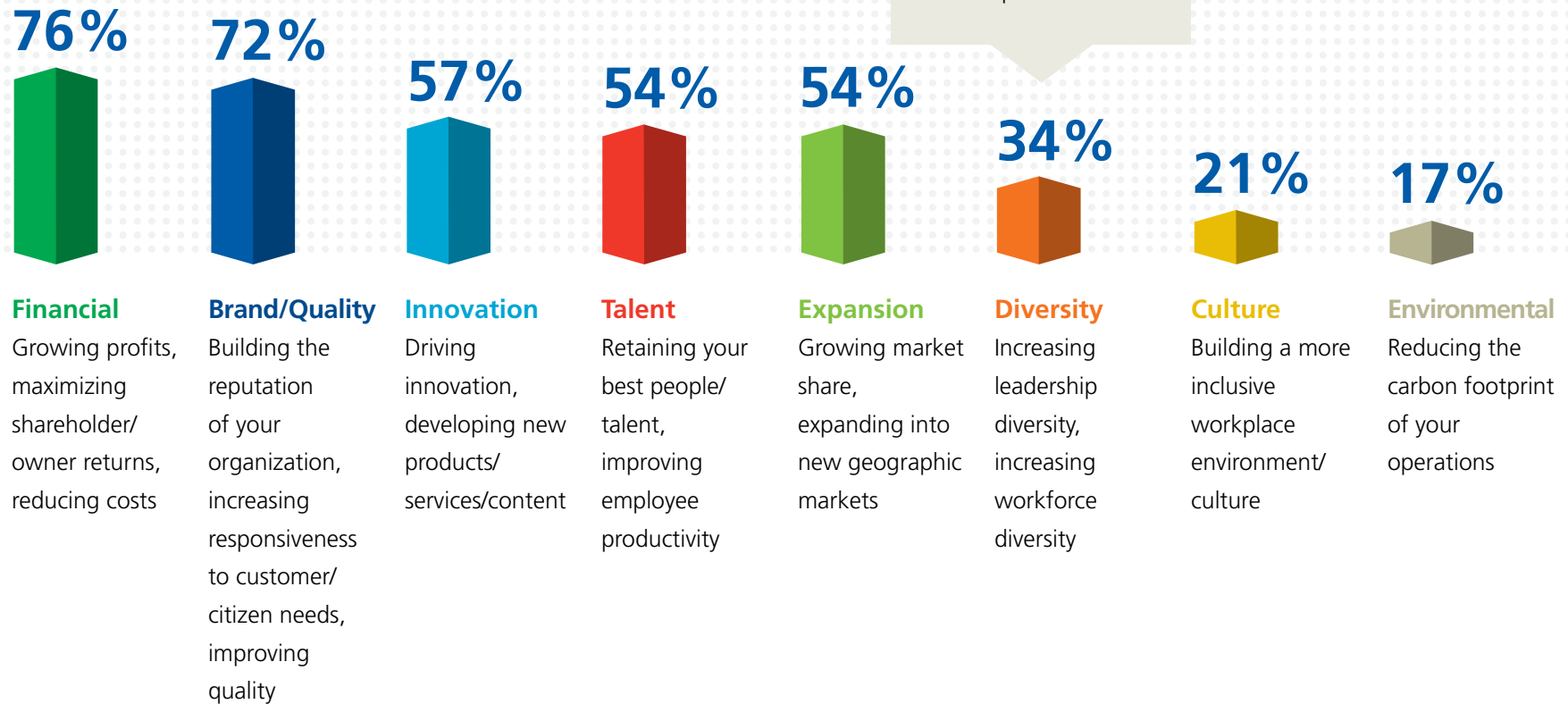
Representation of Corporate Pipeline by Gender and Race²

% of employees by level at the start of 2020



Leadership Priorities³

Diversity, Equity and Inclusion has become one of the **top priorities** for corporate leaders



Diversity Leadership Roles are on the Rise⁴

Growth of job titles globally over 5 years (2020 vs. 2015)

Head of
Diversity
+107%

Director of
Diversity
+75%

Chief
Diversity
Officer
+68%

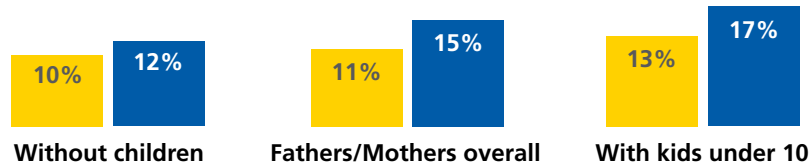
COVID's Impact on Women in the Workforce⁵

Mothers, and particularly mothers with young children, are far more likely to consider leaving the workforce entirely.

Employees considering career changes since the start of the COVID-19 crisis

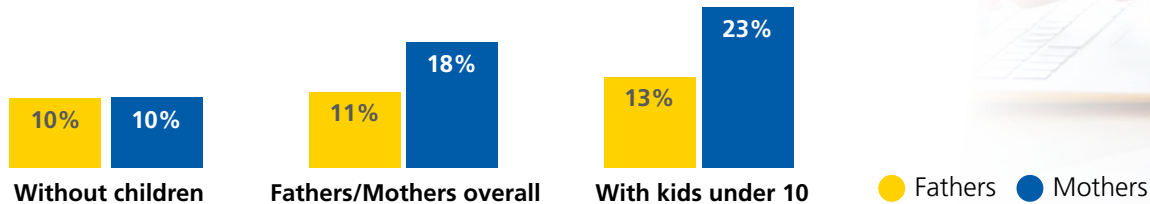
Considering downshifting their careers, but not leaving the workforce

(e.g., reducing hours, moving to part-time, or switching to a less demanding job)



Considering leaving the workforce

(e.g., taking a leave of absence or leaving the workforce entirely)



Disabilities and Inclusion



One billion people, or **15%** of the world's population, experience some form of disability, and disability prevalence is higher for developing countries.⁶

One-fifth

of the estimated global total of those with disabilities, or between 110 million and 190 million people, experience significant disabilities.⁷



Disability in the Workplace⁸



30%

of the professional workforce fits the current federal definition of having a disability — and the majority are keeping that status a secret.

39% of employees have disclosed their disability to their manager

24% of employees have disclosed their disability to their teams

21% of employees have disclosed their disability to HR

4% of employees have revealed their disability to clients

The Case for an Inclusive Culture⁹

Organizations with inclusive cultures are:



2x

as likely to meet
or exceed
financial targets



3x

as likely to be
high-performing



6x

more likely to be
innovative and agile



8x

more likely
to achieve better
business outcomes

9. Juliet Bourke, *Which Two Heads Are Better Than One? How Diverse Teams Create Breakthrough Ideas and Make Smarter Decisions* (Australian Institute of Company Directors, 2016). https://www2.deloitte.com/content/dam/insights/us/articles/4209_Diversity-and-inclusion-revolution/DI_Diversity-and-inclusion-revolution.pdf



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