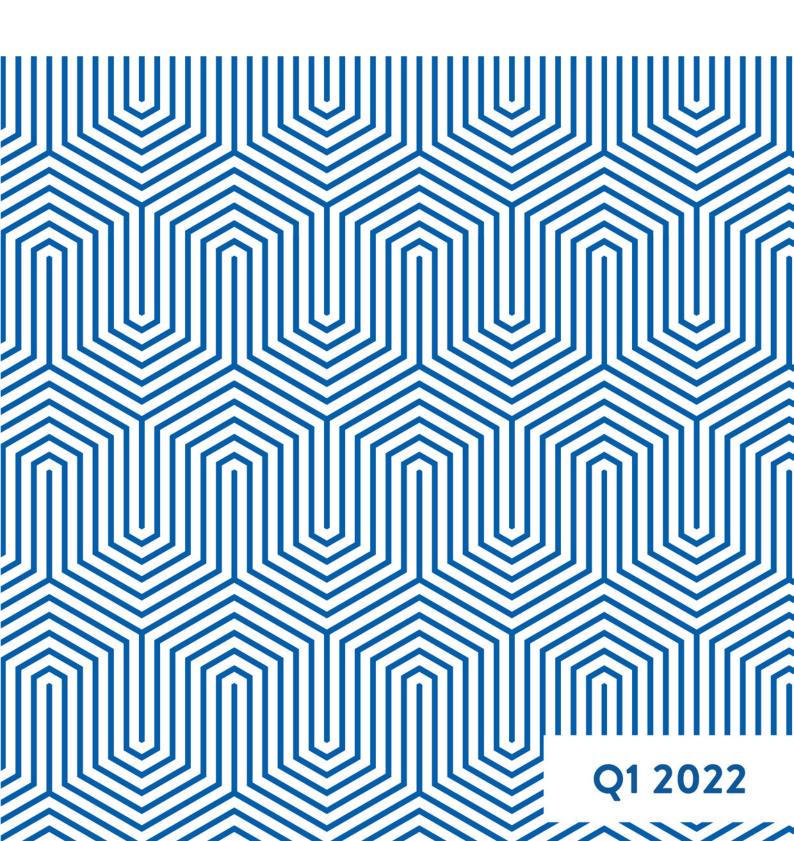


### **DIVERSITY, EQUITY, & INCLUSION PULSE CHECK**

Creating Moments of Deep Insight



# INTRODUCTION

In recent years, Diversity, Equity & Inclusion (DE&I) has taken renewed importance as businesses strive to create an inclusive environment that benefits employees, society and customers. Despite this renewed focus, many organizations are still unsure of how to effectively implement DE&I initiatives.

To help address this issue, in late 2021 <u>CMP</u> conducted the second annual pulse check on DE&I in the workplace. This subsequent report provides an overview of current DE&I trends and offers recommendations for businesses looking to create a more inclusive environment.

# WHAT IS MOST IMPORTANT FOR EMPLOYEES?

When it comes to diversity and inclusion, employees have high expectations. They want their workplace to be a place where they feel respected and valued for who they are. Organizations that prioritize these values will be more successful in creating a positive work environment for all employees.

According to our survey, employees feel there are three topics that rise above as critical aspects of organizational culture: diverse and inclusive leadership, initiatives to increase fairness and investment in development. So, in order to create a more equitable and inclusive workplace, organizations need to focus on these key areas.

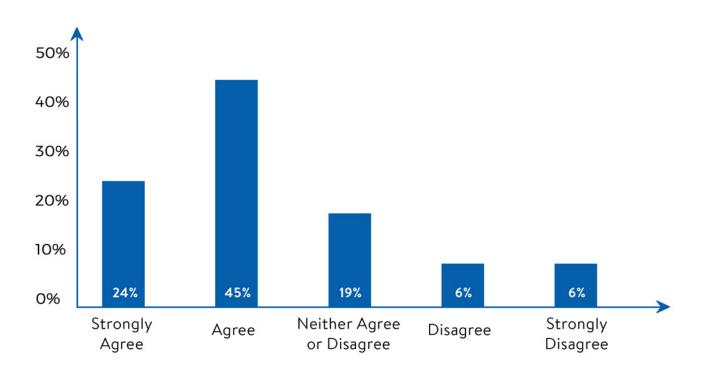


#### What aspect(s) of organization culture are most critical to you (select all that apply)?

**Diverse Lens**. Unique Results

# **OVERCOMING DIFFERENCES**

As many know, working with people of different backgrounds is not only rewarding but necessary to generate new insights and the breakthrough solutions needed in a dynamic market. Greater difference creates greater friction, but on the other side is a more adaptive organization. According to our pulse check, over 45% of individuals agreed that employees of different backgrounds interact well within their organizations. In fact, over 24% strongly agreed this was present.



#### Employees of different backgrounds interact well within your organization.



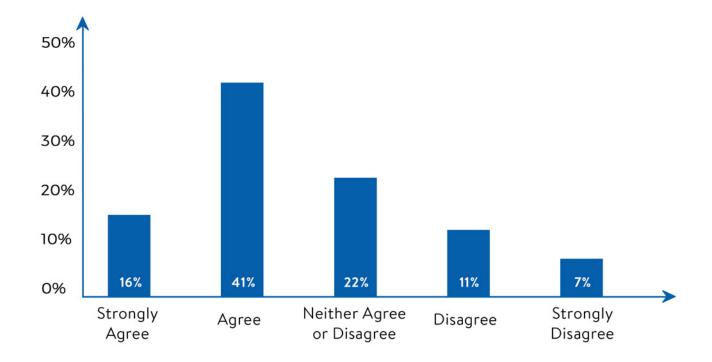


# **ENGAGEMENT AND INCLUSION**

Did you know that disengaged workers cost U.S. corporations <u>\$350 billion each year</u>? This makes sense, considering employee engagement is critical for retaining talent, as well as increasing employee satisfaction. Disengaged employees are not only more likely to leave their jobs, they are also inclined to perform poorly and lack initiative.

A <u>Journal of Applied Social Psychology</u> article that examines the role of diversity and inclusion in employee engagement, notes "diversity practices are associated with a trusting climate that, in turn, is positively related to employee engagement. Furthermore, the relationship between diversity practices and trust climate was moderated by inclusion."

When reflecting on their level of engagement within their organization, many pulse check participants answered that they felt fully engaged. Just over 16% strongly agreed with that statement. However, nearly 18% do not feel engaged or committed to their current company.



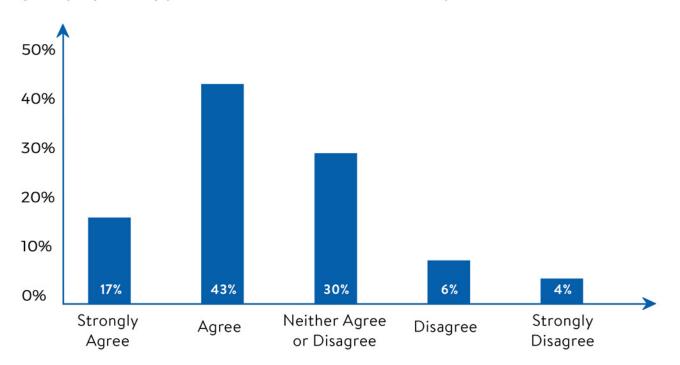
#### I feel fully engaged in my organization?





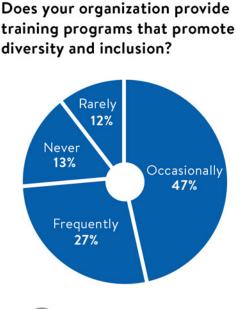
# A PROGRESS REPORT

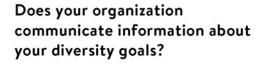
Bold leadership is crucial when it comes to creating a diverse organization that values inclusion, fairness and empathy. Employees want leaders who will stand up for them, as well as what they believe in. Many companies understand the importance of this and are working toward a more inclusive environment. For instance, almost 60% of our pulse check respondents indicated their company actively promoted a diverse and inclusive workplace.

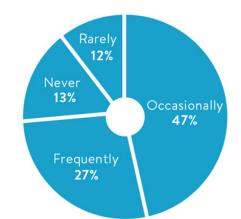


My company actively promotes a diverse and inclusive workplace.

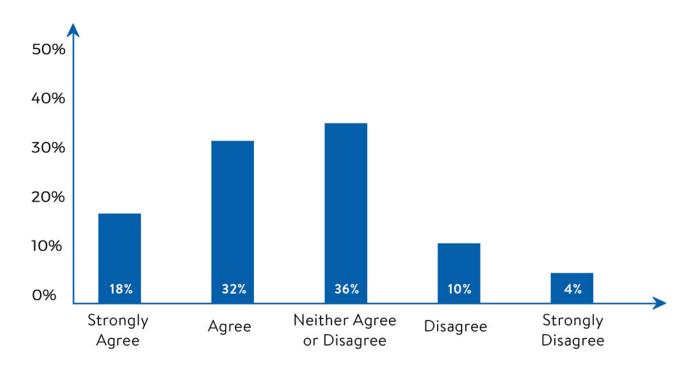
Despite these triumphs and initiatives, there is still a gap in training, communication and even progress. For example, survey participants reported that their organizations only occasionally provided diversity and inclusion training programs. Moreover, less than 30% of respondents said that their company has frequent communication about diversity and inclusion.







When it comes to our survey participant's perception of company progress on diversity, inclusion and social equity issues, there are mixed responses. The majority answered that they neither agreed nor disagreed with the statement that their organization was progressing. On the other hand, just over 32% agreed—with an additional 18 % strongly agreeing—that progress was present. These findings suggest that although there is more work to be done to create a truly inclusive workplace, an increasing number of organizations are moving the needle on DE&I.



#### Your company is making progress on diversity, inclusion and social equity issues.



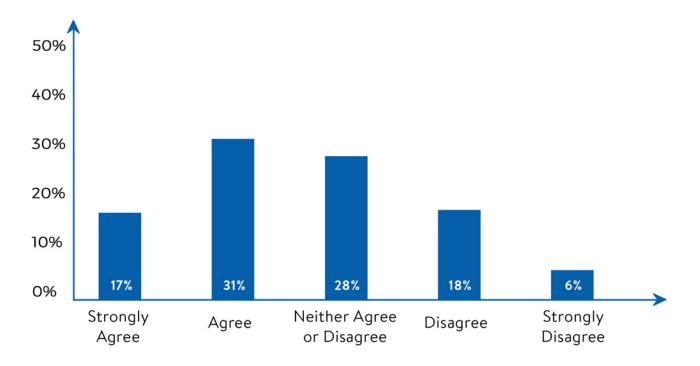


# A PROGRESS REPORT

When considering diversity, equity and inclusion, career development is critical. Career development is an important investment for companies as it increases employee motivation, productivity and capability. It allows organizations to tap into the full potential of each team member, while also creating an environment of trust and accountability.

CMP's survey results indicate that organizations are increasingly investing in employee development. In fact, nearly 50% of respondents said there were clear career development paths for all employees at their organization.

There is a career development path for all employees at the organization.





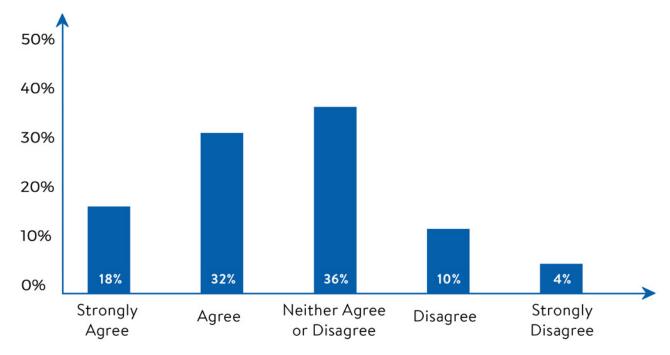
XMP

# **ENGAGEMENT AND INCLUSION**

When employees feel valued and respected in the workplace, they are more productive and engaged. This can lead to a positive work environment where employees feel comfortable sharing their ideas and working together toward a common goal. Additionally, feeling included in the workplace can boost employee morale and contribute to an individual's emotional wellbeing.

More than 60% of pulse check participants answered that, within their organization, everyone is treated fairly regardless of their background, race, gender or ethnicity.

# Within the organization, everyone is treated fairly regardless of their background, race, gender or ethnicity.



Inclusion is key to creating fairness in the workplace. Additionally, there may be numerous implications of an unfair work environment beyond what was previously understood. Consider what the UNC Kenan-Flagler Business School writes:

"Lack of fairness in the workplace creates implications far beyond the emotional wellbeing of employees. Studies show that when employees feel unfairly treated, they are less productive, more likely to engage in deceptive behavior and less likely to stay with the company long term."





# AGEISM: ANOTHER FORM OF DIVERSITY

Part of an organization's strength comes from retaining a diverse environment that encompasses all forms of diversity. A large component of diversity that is oftentimes overlooked is age bias or ageism. Ageism can manifest in a number of ways, such as through assumptions about someone's abilities or competencies based on their age, or through differential treatment in the workplace based on age. Similar to other forms of diversity and inclusion, age bias in the workplace often goes unnoticed or unchallenged because people are hesitant to speak up about it.

We asked pulse check participants about their experiences with age-based discrimination, considering both young and old workers. Interestingly, the vast majority responded that neither old nor young employees often experienced age-based discrimination in the workplace; however, the likelihood of experiencing this bias did increase with older employees.

44% of participants answered that older workers were sometimes discriminated against because of their age, as opposed to 39% of young workers. Similarly, only 7.2% of participants said younger workers were always or often discriminated against because of their age, compared to almost 9% of older employees.



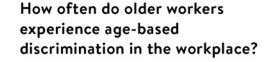
Rarely/Never

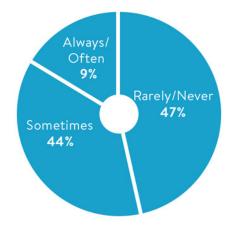
54%

Often

7%

Sometimes **39%** 





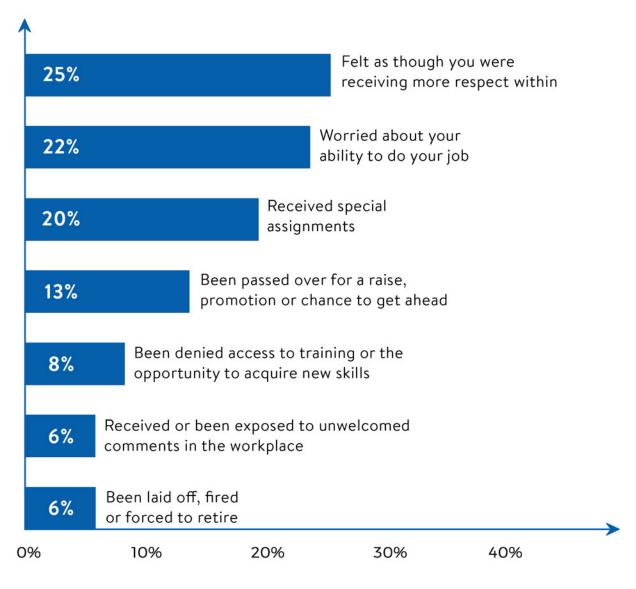
More than 20% of survey respondents answered they experienced the following because of their age, just in the past year:

- Felt as though they were receiving more respect within the company
- Worried about their ability to do their job
- Received special assignments



Additionally, almost 13% said they had been passed over for a raise, promotion or chance to get ahead due to their age.

### Have you experienced any of the following because of age in the past year?



# TAKING ACTION

When organizations take action to promote diversity with inclusion, it leads to a smarter and more productive work environment for everyone. Additionally, organizations create an environment where all employees feel welcome and respected. Businesses that embrace diversity and inclusion see countless differences in their practices, employees and profits.

Implementing diversity and inclusion is an active process that involves recognizing differences, engaging with one another openly and seeking to understand and embrace differences. Key actions our pulse check participant's workplaces promote include:

- Passed and implemented job protection policies
- Encouraging shared leadership and collaboration
- Trainings and workshops
- Diversity offices and councils



# CONCLUSION

Diverse and inclusive environments are not only better for the people in them, but they also have a direct impact on business performance. It is important that you take steps to promote diversity and inclusion. Be bold in promoting these values among your employees and all stakeholders.

For more information on building DE&I leadership commitment see:

Forbes article: <u>Coaching for Sustained Change: Leading Diversity</u>, Equity and Inclusion Forbes article: <u>Helping Clients Realize Sustainable Change Through Targeted Coaching</u> Forbes article: Narrowing the Latino Career Chasm With Culturally Relevant Coaching

