Advance DEI initiatives to achieve greater long-term organizational success

DEI programs still need improving

- Only 11% of HR professionals say their workforce is more diverse than it was two years ago.
- However, organizational leaders rank their DEI initiatives as very effective.
- Just 31% agree or strongly agree that DEI plays a role in strategic planning.
- 59% of companies are in less mature stages.
- 28% are advanced.
- 21% are intermediate.
- 10% are beginning.
- 11% are undeveloped.

Are organizations being proactive at cultivating a more diverse workforce?

- 69% of HR professionals say their workforce is more diverse than it was two years ago.
- However, only 58% say their workforce reflects the demographics of today’s marketplace.

Organizations lack diversity in the leadership ranks

- 35% say that ethnic/racial minorities make up no more than 20% of their organization’s leaders.
- However, ethnic/racial minorities make up about 40% of the US population.
- 23% say women represent no more than 20% of their organization’s leaders.
- However, women represent nearly half the US workforce.

Is DEI included in business strategies?

- 65% agree or strongly agree that DEI plays a role in strategic planning.
- 57% agree or strongly agree that DEI framework is formally integrated into business strategies.

Do organizations measure and analyze DEI?

- Only 38% establish and measure DEI analytics and reporting to a high or very high degree.
- Just 46% agree or strongly agree they know how effective DEI programs are.
- Only 50% use basic metrics such as gender and ethnicity to measure the current state of DEI.

DEI Maturity Stages

- Expert
- Advanced
- Intermediate
- Beginning
- Undeveloped

HR Research Institute

State of the Industry Research
The "Future of Diversity, Equity and Inclusion 2021" ran December 2020 and January 2021. We gathered 374 usable complete and partial responses, primarily from HR professionals in virtually every industry vertical. Respondents were from all over the world, but the majority of them were from North America, especially the United States.

The HR Research Institute tracks human resources trends and best practices. Learn more at hr.com/featuredresearch

Do organizations offer DEI-related training?

Of those organizations that offer training, the most widely provided are:

- Inclusion awareness training
- Performance management training
- Inclusive recruitment policies training
- Anti-racism training

85% of organizations offer DEI-related training to at least some employees.

42% offer training to all employees.

How do DEI high performers* standout from the crowd?

DEI high performers are far more likely to:

- Have DEI framework formally integrated into business strategies (92% vs 20% DEI lower performers)
- Ensure healthcare and EAP providers reflect the gender, race/ethnicity and language spoken of the workforce (64% vs 29% DEI lower performers)
- Have a formal budget allocated to closing pay gaps (56% vs 11% DEI lower performers)

Consider These Strategies

- Determine how best to gauge organizational pay equity
- Get commitment and support from the top
- Offer training programs to reinforce cultural values and minimize lawsuits
- Take a good look at your organization’s performance management system, especially if it is used to make promotion and pay decisions
- Analyze leadership initiatives and recruiting processes to support women and ethnic/racial minorities
- Seek opportunities to drive innovation and encourage diversity of thought
- Decide how your organization should approach DEI metrics
- Stay up-to-date on global regulations, policies and procedures

Many are not addressing pay inequity

- Strongly agree that pay is equitable in their organization (22%)
- Say their organization has a formal budget allocated to closing pay gaps (33%)
- Say they don’t measure pay gaps or pay equity at all (13%)

Only 22% strongly agree that pay is equitable in their organization.

Just 33% say their organization has a formal budget allocated to closing pay gaps.

13% say they don’t measure pay gaps or pay equity at all.

About the Survey

*DEI High Performers: Respondents who rate their organization’s DEI initiatives as effective (that is, an 8, 9, or 10 on a 10-point effectiveness scale).