WORLDWIDE ERC®

THE ROAD TO DIVERSITY, EQUITY, AND INCLUSION What Companies Are Doing, and Why







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Recent years have seen organizations across the globe place an ever greater emphasis on diversity, equity and inclusion within their workforces.

As our research shows, this focus has made its way throughout the human resources function, with a majority of senior HR leaders, corporate HR mobility specialists and global mobility service providers, across all regions and organization sizes, prioritizing, funding and implementing specific goals and initiatives in all major areas of human resources management.

To explore this transformation and how human resources teams are taking a holistic approach to workforce diversity, equity and inclusion, Worldwide ERC has gathered a panel of more than 600 senior HR leaders, as well as a select group of corporate HR mobility specialists and global mobility service provider leaders to provide insight into their diversity, equity and inclusion journey. Within, we cover the most pressing considerations for human resources leadership, such as: compensation, benefits, development and deployment.

As you consider these findings, please do not hesitate to reach out with any questions or inquiries.

Best Regards,

Laren C and



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03 Introduction

Introduction

The global workforce continues to experience transformation, constantly challenging talent mobility professionals at multinational firms to stay ahead of where work is taking place. One area in which this evolution has been especially true of late is diversity, equity, and inclusion (DE&I).

While multinational firms have long had to navigate diverse workforces as they expand further into emerging markets and deploy expatriate employees, the outcry against political upheaval and inequity in various nations has brought to light the nuances and complexities of managing these issues in different parts of the world.

In an attempt to understand how multinational firms are navigating DE&I policies, Worldwide ERC Research focused on what organizations are doing, what they are planning to do, and how they plan to achieve their diversity and inclusion goals. To obtain this data, the survey reached out to more than 600 senior HR leaders, as well as a subset of corporate mobility and mobility service provider leaders—representing a wide variety of industries, world regions, and company size. Highlights of the findings include:

Wide agreement exists globally on the benefits of DE&I. The data in this report—with 98% of respondents reporting a DE&I strategy in operation—clearly indicate that DE&I is not just a good idea, but is also a mandate for competing in the global market.

The definition of DE&I is local. Complicating the challenge to realizing DE&I on the global stage, the senior HR professionals in this survey describe the issue of DE&I as far more nuanced than is clear from any national or most international media sources. In a world of shifting cultural, ethnic, and socio-economic forces, a true understanding of DE&I is manifestly local. Snapshots of regions reveal few common themes with concerns for the underrepresented and historically disadvantaged seen through a lens as unique as the character of every culture.

Companies are taking concrete actions to support and promote DE&I throughout the organization. The research also clearly establishes the firms are making an authentic effort and commitment toward DE&I, setting metrics, and conducting regular audits. Senior HR leaders report implementing specific initiatives to address DE&I priorities across all HR-related areas. More than 88% of respondents report direct funding and resources committed to specific activities supporting the larger DE&I strategy.

Ultimately, organizations will lean on HR teams to recruit and retain gifted individuals into a workplace culture where they feel they belong. HR teams will, in turn, rely on mobility professionals for their expertise in deployment talent in support of their organization's DE&I goals. It is that familiarity with the global tapestry of cultural issues that make mobility professionals a strategic resource in a world attuned to DE&I.



05 DE&I Strategy and Priorities

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DE&I Strategy and Priorities

With nearly all participants possessing an existing DE&I strategy, even those few that did not have one in place indicated that they were working on the concept (84.6%). A successful DE&I strategy works to address the desires of all groups. In light of the worldwide reach of many organizations, senior HR leaders might have to create specific priorities that are more relevant to their industries, such as promoting more women in finance or LGBTQ individuals in manufacturing or pharmaceuticals. Consequently, to ensure that their strategies succeed, senior HR leaders first have to determine their priorities, before setting goals and initiatives to reach—or even exceed—those goals.

Driving the strategy for participants was often cross-function working groups of HR and business leadership—with HR, CEOs, and boards of directors, in that order, leading the effort. In addition, the majority (88.2%) of participants had created specific resources and funding to support the strategy and its requisite activities. In many organizations, the presence of mobility specialists should prove advantageous to both supporting the DE&I strategy, as well as monitoring its effectiveness. With the experience held by mobility specialists in navigating diverse cultures for successful employee assignments, leadership should cultivate their participation in DE&I matters.

Survey results indicated that the top four priorities for senior HR leaders differed by region. Overall, however, these priorities, in descending order, were the following: age, gender, ethnicity, and disabilities. When asked to rank the importance of their priorities, the results indicated the top four to be: experience, followed by age, company culture, and disabilities.

Organizational Priorities by Participant Results

Age	58.7%
Gender	53.6%
Ethnicity	52.6%
Disabilities	50.7%
LGBTQ	46.8%
Company Culture	44.7%
Race	44.6%
Experience	40.1%
Geography	33.1%
Religion	28.5%
Military Veterans	16.5%
Other	4.5%

Organizational Priorities by Participant Ranking



Regional differences proved interesting. When asked about the top three priories for DE&I, all factors were present, in varying order, with the exception of military veterans and religion. By category of priority, the participants reported the leading priority by region:

Gender, with a focus on fairly integrating men and women into the workforce and ensuring that job opportunities are available to all, was the top priority for several regions, including Africa (84%), Western Europe (74%), and North America (66.7%).

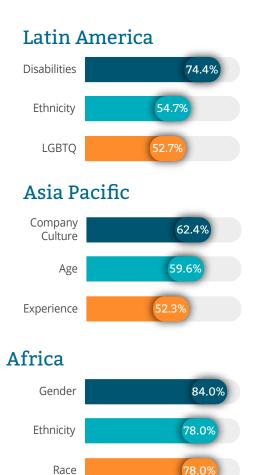
Many organizations strive to successfully utilize the full range of experiences and knowledge of employees in various age groups—from older employees who likely held various positions at different levels in the company, to the youngest employees at the onset of their careers—as well as integrate the various age groups. Consequently, age was the top concern for employers both the Middle East (92%) and Eastern Europe (51.3%).

In Latin America (74.7%), employers focused on incorporating employees with various disabilities into roles that best fit their talent and skills. Both the individual and company can benefit when the employer strives to match employee talent and experience with the most suitable job, without the factor of disability preventing employees from reaching their potential.

Company culture, always a significant factor in Asian organizations, proved to be the leading priority in the Asia Pacific region (62.4%). These employers often place group values above the individual.

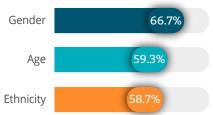
For companies in Southeast Asia (64%), leaders placed employee experience in the top ranked priority. Such experience can encompass on-the-job know-how, education, managerial proficiency, and other factors.

Regional Results for Top 3 Categories

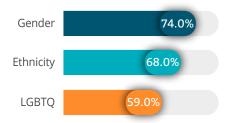


Race

North America



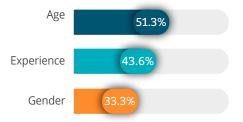
Western Europe



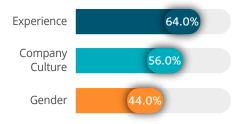
Middle East



Eastern Europe



Southeast Asia







What became evident through the survey is that senior HR leaders embraced DE&I—not at a high, abstract level, but rather by implementing specific initiatives in place to address their priorities across all HR-related areas. By focusing on the HR function, leaders could ensure the spread of the company's message about DE&I. They indicated that identifiable initiatives existed for the following key HR functions: Compensation, Benefits, Recognition, Development, Talent Deployment, Talent Acquisition, Onboarding, and Retention.

When participating organizations had undertaken initiatives to review their DE&I policies and practices across HR, the following trends resulted:

• Development ranked high as the most popular HR field to review DE&I policies and practices, with a focus on company culture, disabilities, gender, and geography.

• Development also shared the highest ranking with Talent Deployment regarding ethnicities and shared the lead with Recognition on race.

• Compensation ranked highest with a focus on both age and experience.

• Onboarding had the highest percentage for both LGBTQ and military veterans.

• Talent Deployment ranked highest for religion.

While having policies and practices in place is an excellent start, that initial step is not enough. With regards to DE&I, as it holds true for all other company policies, regular reviews are necessary to ensure that those policies and practices remain viable. Outdated or irrelevant policies may cause more harm than good, in terms of lowering employee morale and engagement. The frequency of such reviews differed by HR function:

• With regard to annual reviews, Compensation led, and Retention lagged.

- For a review held every other year, the opposite was true: Retention led, and Compensation lagged.
- Very few participants conducted a review on an ad hoc basis.

	Annual	Every Other Year	Ad Hoc
Compensation	75%	19%	6%
Benefits	66%	28%	6%
Recognition	62%	25%	12%
Development	60%	29%	11%
Talent Deployment	61%	26%	13%
Talent Acquisition	63%	26%	11%
Onboarding	62%	24%	14%
Retention	58%	30%	11%

Metrics are always beneficial to determine the success (or failure) of company efforts, no matter the objective. DE&I is no exception, as organizations continue to strive to make data-driven decisions, rather than relying on guestimates. With all the information available in today's corporate arena, DE&I should take advantage of the data to support company goals. Survey participants implemented a variety of methods to measure the success of their DE&I initiatives in these HR areas, using whatever tool best suited the organization. The functional leaders for each method were the following:

• Compensation ranked highest in the use of HRIS data to track the progress of key initiative methods (for example, compensation by gender, applications and hiring for certain roles by veteran status, job performance success by ethnicity, and career advancement by age).

• Development led in using employee feedback through surveys or focus groups (for example, employees' perception of the organization's dedication to a diverse workforce).

• Benefits and Recognition shared the top rank through the use of benefits or resources (such as employee uptake of wellness benefits).

	HRIS Data Tracks Metrics	Employee Feedback	Use of Benefits or Resources	Other
Compensation	63%	46%	31%	5%
Benefits	42%	52%	35%	5%
Recognition	42%	48%	35%	6%
Development	43%	54%	30%	9%
Talent Deployment	46%	49%	28%	10%
Talent Acquisition	42%	46%	30%	10%
Onboarding	45%	46%	28%	9%
Retention	42%	44%	29%	10%

Without goals that are practical, measurable, and focused, no strategy can succeed or even be improved. Specifically, with regards to DE&I goals, the vast majority of organizations (92%) had measurable goals in place to achieve their strategy. This high percentage was a clear indication of leadership's commitment, as well as the importance they place on such efforts. Three-quarters (74%) of participants had specific goals by priority groups.

Compensation

Compensation consists of cash and noncash remuneration provided by the employer to employees for services rendered. As a key component of the HR field, compensation is a major factor in the attraction, engagement, and ongoing retention of talented individuals whether working in a domestic location or assigned to a foreign country. A well-designed, competitive compensation package rewards good job performance and reinforces desired behaviors. For best results, compensation principles guide the design, implementation, and administration of the company's pay plan. An appropriate strategy then ensures that the pay program supports the organization's mission, goals, business objectives, and culture.

While other matters can influence an employee's perception of the company, compensation, in conjunction with the entire rewards package, is one of the initial factors that a candidate considers. With employees scattered around the world, the pay package must meet the needs of its diverse workforce, taking into account the specific markets, demographics, diversity, local culture, and so on.

Organizations have undertaken DE&I initiatives to review compensation policies and practices in these areas, with age and experience sharing the highest ranking:

Category	Yes	No	Not Sure
Age	70%	20%	10%
Company culture	57%	33%	10%
Disabilities	62%	26%	12%
Ethnicity	54%	33%	14%
Experience	70%	20%	10%
Gender	56%	32%	12%
Geography	48%	37%	14%
LGBTQ	46%	40%	14%
Military Veterans	43%	41%	16%
Other	30%	46%	24%
Race	51%	36%	13%
Religion	41%	42%	17%

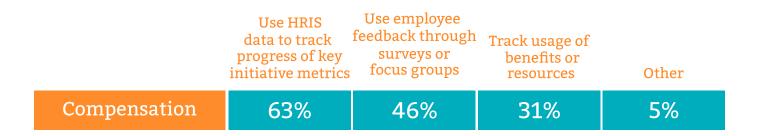
Frequency of policy and practice review:

	Annual	Every Other Year	Ad Hoc
Compensation	75%	19%	6%

Respondents offered the following actions to ensure that their policies and practices are creating a diverse, equitable, and inclusive workforce:

- Amended pay scales so pay is equal for all, regardless of age, gender, and so on.
- Conduct equal pay policy and regular reviews.
- Ensure that an equality impact assessment on new policies and practices takes place.
- Provide greater compensation for under-represented groups.
- Conduct an annual review of compensation levels by various groupings.
- Review policies and actual data to ensure equity.

Methods used to measure the success of initiatives:



Benefits

Similar to compensation, employee benefits also play a significant role in attracting, motivating, and retaining talent. Specific benefit offerings typically include health and wellness plans, life insurance, pension, profit sharing, vacation pay, unemployment insurance, and similar items. With regards to employee mobility, other benefits might come into play, resulting in more complicated situations. For example, differing home and host country regulations might require special handling of benefits, for example, pension plans.

With diverse groups within the workforce, companies need to address any unique benefits appropriate to specific groups—for example, employees with disabilities. Such attention and focus that goes beyond legal requirements can go far to gain employee commitment and boost productivity. These efforts ensure that employees feel that their needs have been acknowledged and considered.

Organizations have undertaken DE&I initiatives to review Benefits policies and practices in these areas, with age and experience showing the highest ranking:

Category	Yes	No	Not Sure
Age	64%	26%	9%
Company culture	59%	31%	10%
Disabilities	57%	32%	11%
Ethnicity	52%	36%	12%
Experience	63%	26%	11%
Gender	52%	35%	13%
Geography	48%	38%	14%
LGBTQ	43%	45%	12%
Military Veterans	44%	41%	15%
Other	31%	46%	23%
Race	51%	36%	13%
Religion	42%	43%	15%

Frequency of policy and practice review:

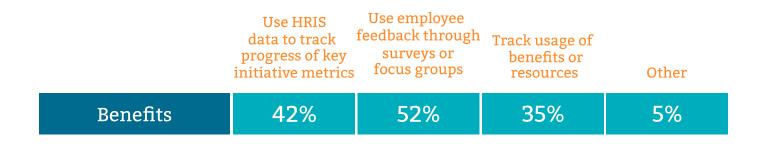
	Every Annual Other Year Ad Hoc		
Benefits	66%	28%	6%

Respondents offered the following actions to ensure that their policies and practices are creating a diverse, equitable, and inclusive workforce:

• Provide a range of benefits to reflect the diversity of the workforce.

• Allow each employee to choose company-paid benefits up to the same spending cap for everyone.

Methods used to measure the success of initiatives:



Recognition

Recognizing and rewarding employee efforts—whether on a project basis or for an individual's overall reliability and professionalism—can take many forms. For example, the reward might include cash or noncash motivational elements to support the company's business strategy. Recognition acknowledges the contributions of employees and plays a role in maintaining (and hopefully, increasing) their engagement and commitment to work to the best of their ability.

With the ongoing growth in mobility of the workforce across world regions, diverse cultures place significance on certain types of rewards over others. For example, while cash might be desirable in some locations, other cultures might look more favorably on noncash rewards, such as access to family-oriented activities.

Organizations have undertaken DE&I initiatives to review Recognition policies and practices in these areas, with age and experience showing the highest ranking:

Category	Yes	No	Not Sure
Age	67%	23%	11%
Company culture	58%	31%	11%
Disabilities	58%	27%	15%
Ethnicity	54%	34%	12%
Experience	63%	25%	12%
Gender	52%	35%	13%
Geography	49%	36%	15%
LGBTQ	48%	37%	15%
Military Veterans	47%	36%	17%
Other	34%	43%	23%
Race	54%	32%	15%
Religion	47%	38%	15%

Frequency of policy and practice review:

	Annual	Every Other Year	Ad Hoc
Recognition	62%	25%	12%

Methods used to measure the success of initiatives:

	Use HRIS data to track progress of key initiative metrics	Use employee feedback through surveys or focus groups	Track usage of benefits or resources	Other
Recognition	42%	48%	35%	6%

Development

Employee development and training programs traditionally strive to help employees achieve their true potential, thereby providing an advantage to both individuals and the company. Such programs may take the form of skills training, cross-functional and job-sharing programs, and seminars/conferences on the topic of company culture, DE&I, and so on.

These initiatives support the motivational impact of compensation and benefits offered to the employee. In some ways, development programs are perhaps more important in terms of global mobility. By including expatriates, remote workers, and all employees, wherever located, in available training programs, no one feels excluded or forgotten. With modern technology, employees can access HR activities from anywhere in the world.

Organizations have undertaken DE&I initiatives to review Development policies and practices in these areas, with age showing the top ranking, followed by experience and disabilities, with a shared ranking:

Category	Yes	No	Not Sure
Age	69%	21%	10%
Company culture	62%	28%	10%
Disabilities	63%	26%	11%
Ethnicity	55%	32%	13%
Experience	63%	25%	12%
Gender	57%	29%	14%
Geography	52%	33%	15%
LGBTQ	46%	40%	14%
Military Veterans	46%	38%	17%
Other	36%	43%	21%
Race	54%	32%	14%
Religion	48%	35%	17%

Frequency of policy and practice review:

	Every			
	Annual	Other Year	Ad Hoc	
Development	60%	29%	11%	

Respondents offered the following actions to ensure that their policies and practices are creating a diverse, equitable, and inclusive workforce:

- Offer skills and leadership development programs in partnership with local universities.
- Take a skills inventory to ensure individuals receive necessary development, irrespective of profiles and demographics.
- Seek out developmental opportunities for socially disadvantaged employee categories

Methods used to measure the success of initiatives:

	Use HRIS data to track progress of key initiative metrics	surveys or	Track usage of benefits or resources	Other
Development	43%	54%	30%	9%

Talent Deployment

Knowing how to best allocate skills and talents throughout the organization—at headquarters or satellites around the world—is crucial in operating the company at optimal levels to meet business goals. This area of HR faces the challenging responsibility to move appropriate talent where needed—in effect, placing the right employee in the right job at the right time in the right place.

With individual skills taken into consideration, HR can assign individuals to meet specific needs for either a short period on a quick project (e.g., technology update) or for an extended time where the task is more complex (e.g., launching a new product or service). Deployment depends on what the company needs in a specific location, the employee's willingness to respond to that need, and whether or not the company even has the required talent on hand.

Organizations have undertaken DE&I initiatives to review Talent Deployment policies and practices in these areas, with age and experience showing the highest ranking:

Category	Yes	No	Not Sure
Age	67%	22%	11%
Company culture	57%	33%	10%
Disabilities	59%	27%	14%
Ethnicity		32%	14%
Experience	61%	28%	11%
Gender	55%	31%	14%
Geography	50%	35%	15%
LGBTQ	48%	38%	14%
Military Veterans	46%	37%	17%
Other	36%	41%	23%
Race	52%	32%	16%
Religion	49%	35%	17%

Frequency of policy and practice review:

	Annual	Every Other Year	Ad Hoc
Talent Deployment	61%	26%	13%

Talent Acquisition

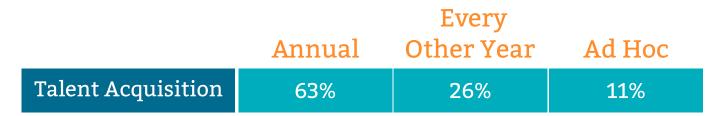
Acquiring the right skills and individuals who fit the organization is crucial to achieving a company's business goals. Candidates should not only possess the necessary skills for the position, but should also be willing to further their talent and contribute positively to the company. This effort requires talented recruiters and hiring managers who have proven ability to seek and hire diverse individuals.

With the emphasis on global mobility and the expanded pool of diverse candidates, finding the right individual becomes even more difficult. But without capable hiring managers and progressive programs to entice talented workers, the company will be unable to successfully compete with industry peers.

Organizations have undertaken DE&I initiatives to review Talent Acquisition policies and practices in these areas, with age and experience showing the highest ranking:

Category	Yes	No	Not Sure
Age	60%	28%	13%
Company culture	53%	34%	12%
Disabilities	55%	30%	15%
Ethnicity	52%	33%	15%
Experience	59%	27%	14%
Gender	53%	33%	14%
Geography	49%	36%	15%
LGBTQ	47%	38%	15%
Military Veterans	47%	37%	16%
Other	36%	41%	23%
Race	50%	35%	16%
Religion	48%	36%	17%

Frequency of policy and practice review:



Methods used to measure the success of initiatives:



Onboarding

Once the right talent is recruited, the onboarding process takes place. Acquainting new employees with the company culture and their place in the overall organization goes a long way to help the individual succeed in the new job.

Onboarding specialists represent the face of the company. As such, they should be well-versed in company policies and practices, able to respond to newcomer concerns and questions. With a diversity of new hires, a crucial element of onboarding is reassuring the individual that the company supports and promotes DE&I. Further, new hires—particularly those working in foreign cultures—should understand that they, too, besides the company itself, have an obligation to support the company's DE&I philosophy and commitment.

Organizations have undertaken DE&I initiatives to review Onboarding policies and practices in these areas, with age and experience showing the highest ranking:

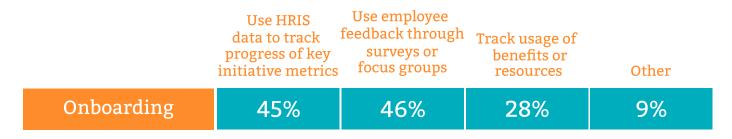
Category	Yes	No	Not Sure
Age	63%	24%	13%
Company culture	55%	31%	14%
Disabilities	57%	30%	13%
Ethnicity	53%	33%	14%
Experience	58%	26%	15%
Gender	53%	34%	14%
Geography	51%	33%	16%
LGBTQ	49%	36%	16%
Military Veterans	48%	38%	14%
Other	36%	42%	23%
Race	53%	31%	16%
Religion	46%	35%	19%

Frequency of policy and practice review:

	Every Annual Other Year		Ad Hoc
Onboarding	62%	24%	14%

One respondent offered the following actions to ensure that their policies and practices are creating a diverse, equitable, and inclusive workforce:

• This area sometimes can negatively affect older candidates or those with low technological skills, as we are now much more digital and rely on colleagues to use various platforms and sources of technology regularly. Methods used to measure the success of initiatives:



Retention

Attracting the right talent, although crucial, is still only one step of the overall HR process. Proactive and supportive programs that have the ability to entice employees, not only to do the best job possible, but also to remain with the company are essential.

One way to provide evidence of the company's commitment to its workforce is to introduce DE&I policies that support a variety of employee lifestyles, ethnicities, demographics, and other factors, no matter where assigned. Earlier global mobility experience often risked the loss of talented individuals on completion of their overseas assignment. In light of the diversity of the workforce today, HR has more and better options to offer employees in an attempt to retain their skills and commitment, rather than lose such valuable individuals to the competition.

Organizations have undertaken DE&I initiatives to review retention policies and practices in these areas, with age and experience sharing the highest ranking:

Category	Yes	No	Not Sure
Age	56%	29%	15%
Company culture	53%	34%	13%
Disabilities	52%	34%	14%
Ethnicity	50%	34%	16%
Experience	56%	28%	16%

Gender	50%	35%	15%
Geography	48%	36%	16%
LGBTQ	43%	40%	17%
Military Veterans	42%	41%	18%
Other	35%	42%	23%
Race	49%	36%	15%
Religion	43%	39%	18%

Frequency of policy and practice review:

	Every				
	Annual Other Year Ad Hoo				
Retention	58%	30%	11%		

Methods used to measure the success of initiatives:

	Use HRIS data to track progress of key initiative metrics	Use employee feedback through surveys or focus groups	Track usage of benefits or resources	Other
Retention	42%	44%	29%	10%



Conclusion

Senior HR leaders continue to embrace and support DE&I efforts to make their companies attractive to talent, not only initially, but also to encourage individuals to think long-term—in effect, to build a career with the organization. An essential piece of the employer's policy puzzle is consideration of the employee's perspective. Without understanding what employees want or need, policy implementation can easily fall flat. Efforts to create an open and fair work environment have results that prove advantageous to both the company and the workforce, in terms of public image, employee engagement, customer satisfaction, and so on.

But it takes a monumental, company-wide effort—in terms of budgeting, time, and talent—to focus policies and practices on the need to achieve DE&I goals. For example:

- Compensation programs should ensure that pay is fair, equitable, and non-discriminatory through careful review of local market data.
- Benefits can introduce programs that address the unique needs of employee groupings—for example, introducing an on-site community for people with specific physical disabilities.
- Recognition could endeavor to acknowledge the contributions of all employees, perhaps through culture-specific awarding of gifts.
- Development might introduce programs geared to certain groups that share common issues, for example, technology seminars for older employees.
- Talent Deployment could assign a diversity of employees to participate in various teams and projects.
- Talent Acquisition might broaden the scope of their search resources to find qualified candidates who contribute to the diversity of the workforce.
- Onboarding can emphasize the company's DE&I policies and practices, thereby ensuring that new hires begin the job in the right mindset.
- Retention can initiate focused programs that reflect the interests of specific employee groupings (e.g., military veterans), thereby indicating the company's commitment to their needs.

Grasping what employees want or need is the first step toward successful policy implementation. Leadership should consider what creates a compelling place for desirable talent to work. Further, what differentiates the company from its industry and marketplace competitors? And how do employees in all different subgroups perceive and value the rewards package of compensation, benefits, and the overall employee experience?

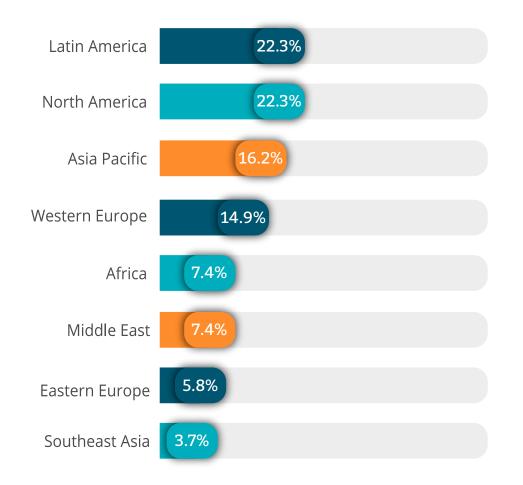
The bottom line is that, in all HR fields and every level of the organization, the company should encourage employee support of, and participation in, its DE&I goals and mission. With the right creativity and commitment, senior HR leaders will continue the movement to further integrate these goals into every facet of the organization's operation—thereby enhancing their public image while offering an attractive place to work.



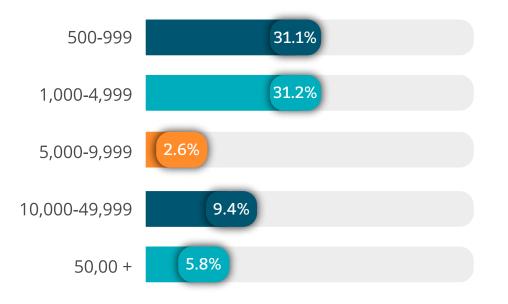
Methodology and Demographics

Methodology and Demographics

To better understand and gain insight into how senior HR leaders have focused on DE&I in their workforce, WorldwideERC launched a survey. The survey data comes from a global panel of 673 senior HR leaders, whose companies are located in the following world regions:



Along with their geographic diversity, senior HR leaders serve companies of varying sizes, indicated by the following employee headcounts:



Not only do these respondents hail from diverse regions across the globe, they represent a variety of industries:

