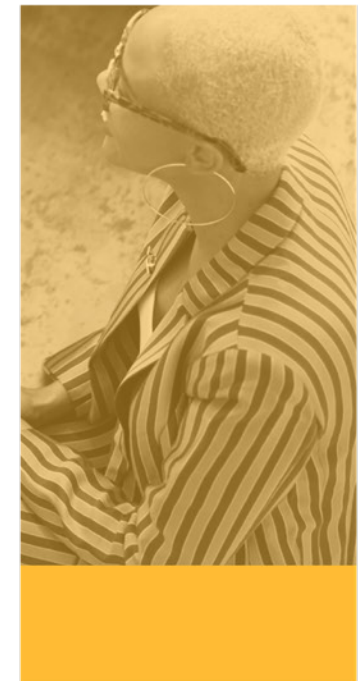
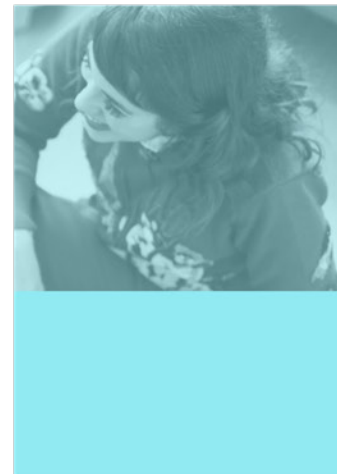
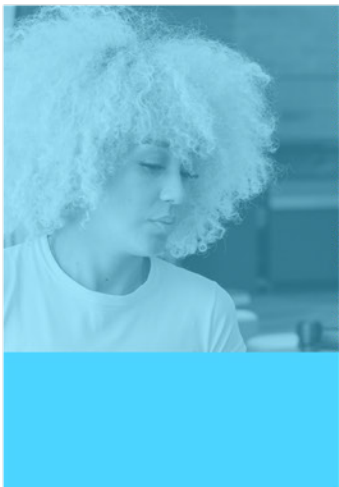


The State of Diversity, Equity, and Inclusion Efforts: **Progress, Priorities, and Opportunities**



Introduction

Over the past year, diversity, equity, and inclusion (DEI) has grown from being a buzzword that people discussed frequently into a business imperative. It is no longer just a concept that organizations say is important. From issues of racism in our society, to the challenges that families face as they balance childcare and remote work during a pandemic, the spotlight on the need for DEI has grown. Today, ensuring that a workplace is truly diverse, equitable, and inclusive is critical to employee experience and organizational success.

In our [2020 State of Recruiting Report](#), **50% of employers said DEI would be a high-priority this year**. But is this commitment coming to fruition? What actions are employers taking to make DEI a meaningful, measurable reality at their organizations? And how are employees feeling the impact of these efforts?

To find out, we surveyed over 500 HR decision-makers primarily from companies with over 200 employees across various industries, including technology, engineering, professional and financial services, insurance, and real estate. Additionally, to gauge whether or not employees are seeing the changes that companies say they are making, we surveyed more than 1,000 employed adults for their perspective.

In this report, you'll learn:

- The most commonly used DEI strategies and tactics
- Underutilized resources and approaches
- Areas and opportunities for improvement

Our findings point toward a promising future. Despite competing priorities, DEI is among the top 5 priorities for employers we surveyed. They are committed to finding the top strategies to implement DEI measures, evident in diversity recruiting efforts, like eliminating bias in job postings and using technology to evaluate applications at scale. And when it comes to their existing employees, employers are thinking outside the 9-to-5 box — flexible policies and accommodations stood out as a significant change employers made over the past year. These changes are only the beginning. Organizations are optimistic about their ability to achieve their DEI goals as they continue to grow their teams — after a year of layoffs and hiring freezes, 79% are actively hiring and 20% are planning to hire soon.

The benchmarks in this report are intended to capture current successes, challenges, and opportunities, as well as enable organizations to build a roadmap for strengthening their DEI initiatives. Though there has been progress over the last year, there's still a long road ahead.

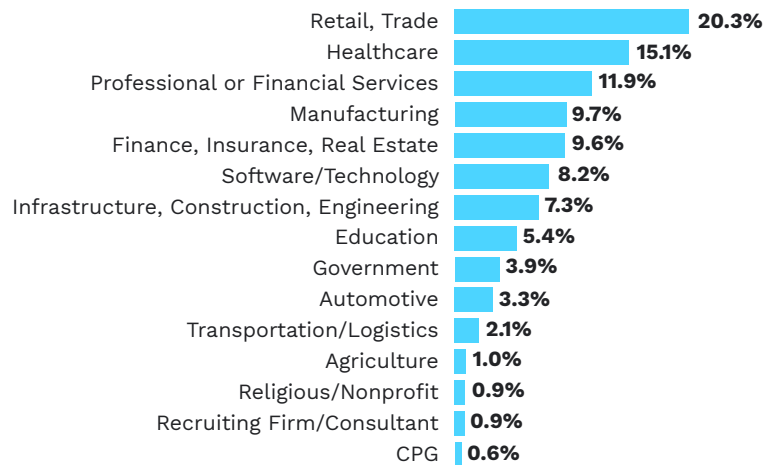
What's key to remember is that DEI is not a project or a problem to solve — it's an ongoing, ever-evolving effort that involves every individual at an organization and touches nearly every aspect of work. To see long-term change, we need to keep moving forward, measuring results, learning from past results, and course correcting as needed.



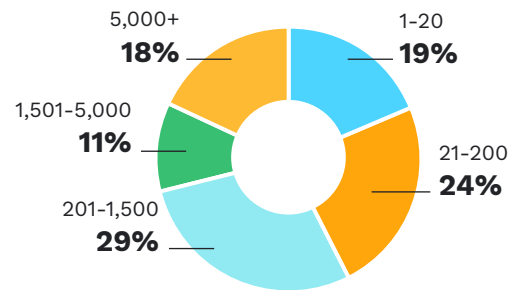
Demographics and Methodology

Zogby Analytics partnered with Lever to conduct an online survey of 513 HR decision-makers and 1,010 employed adults. The majority (89%) of HR decision-makers came from companies of 200 or more, in software/technology, infrastructure/engineering, professional/financial services and finance, insurance, and real estate sectors. The sample of employed adults came from somewhat smaller companies, with many from retail and healthcare industries; 62% of the sample were entry- and mid-level positions.

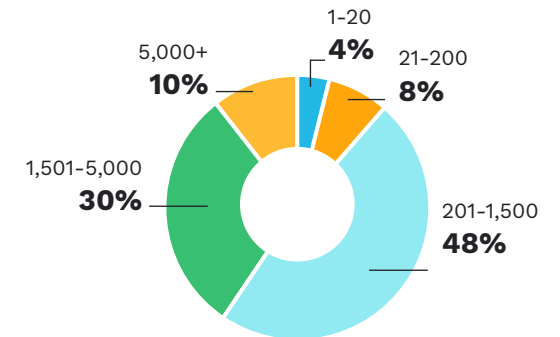
Employee industry



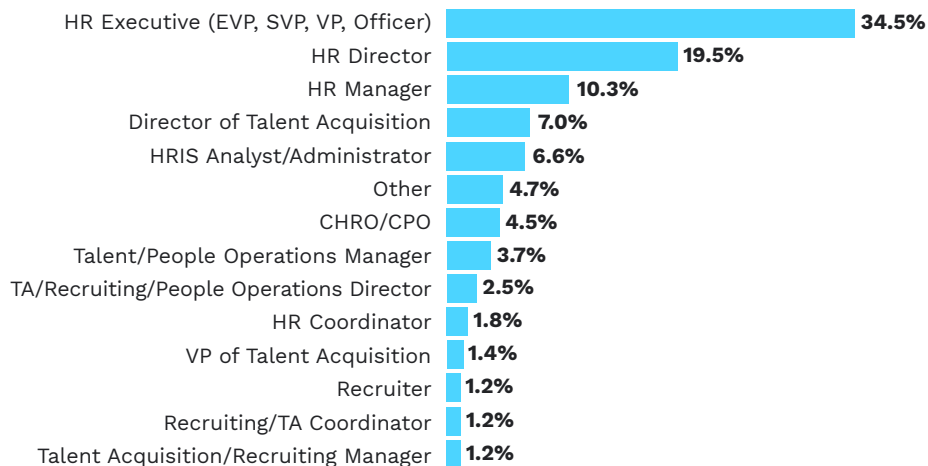
Employee company size



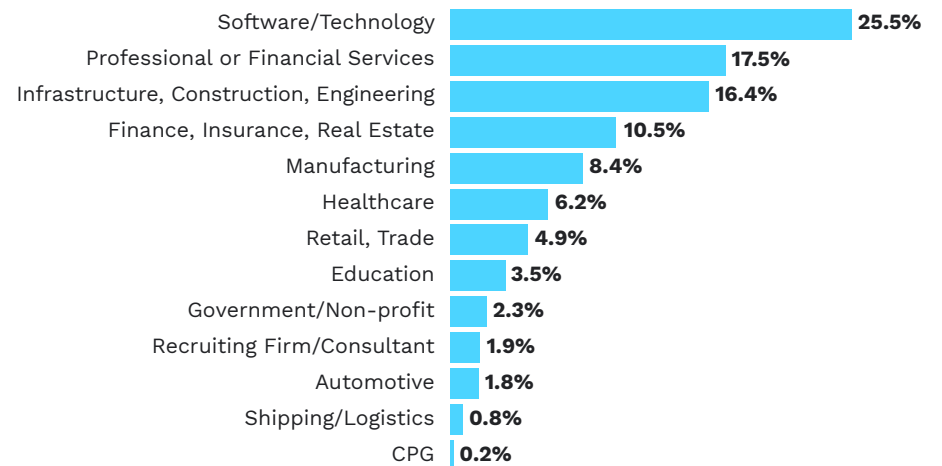
HR decision-maker company size



HR decision-maker roles



HR decision-maker industries



How Employers Are Addressing DEI

Before diving into the results, it's important to revisit the DEI acronym and align on what we mean when using the terms involved.

Diversity, at its core, comes down to representation. It is ensuring that individuals from different walks of life, with unique backgrounds and experiences, are consistently employed at a company. This includes looking at identity markers, such as race, ethnicity, gender, disability, sexual orientation, and religion.

Equity is about creating a fair playing field. It focuses on ensuring all individuals within an organization receive fair access, opportunity, and advancement. Equity efforts can include identifying and removing barriers, as well as making accommodations so every employee has an equal chance at succeeding.

And finally, **inclusion** focuses on creating an environment where employees feel welcomed, respected, and valued. An inclusive workplace invites everyone to participate and bring more of themselves into the workplace.



Companies Are Making Changes to Advance Diversity

Many organizations are on their way to improving DEI in their workplace. To achieve greater diversity in hiring, the most common tactic is using an online platform to evaluate applications at scale (45%), followed by eliminating bias in job postings (43%). Other approaches include posting jobs via non-traditional outlets (37%), replacing educational requirements with core competencies (36%), and standardizing interview questions (34%).

There's opportunity, however, to better leverage practices that could advance diversity. Only 16% of employers report creating community or vendor partnerships to source talent, while 29% offer bias training for recruitment teams, and 30% say they apply anonymized resume review.



Over the past 12 months, which steps have you taken to achieve diversity in recruiting?



Takeaway

“From Annie Lin, VP of People at Lever:

I don't believe there is a “right” answer here. All these options could be impactful, and it comes down to what makes the most sense for each specific team and organization. My speculation is that the top 3 and bottom 3 answers are what they are, because the bottom 3 are generally more extensive programmatic work involving more planning and orchestration, which is more challenging for resource-strapped Talent teams.

At Lever, our strategy has included a mix of these. We use our own product to evaluate applications at scale, we use “impact descriptions” instead of traditional “job descriptions” in order to diversify the top of funnel (which is a must-have if you want the rest of the your funnel to be diverse), we've expanded the outlets we use to share our openings

(including tapping into channels that reach a more diverse audience), and we've been thoughtful about making sure our interview panels represent the diversity of our teams.

This has worked for us to ensure diversity at different stages of the hiring process, but ultimately my recommendation for fellow People and Talent leaders is to think about what will have the best results for your team, and your company, using the resources you have. An exercise you could consider is putting these various ideas into a 2x2 grid, with one axis being “ease” (time, money, etc.) and the other being “impact” — and the sweet spot is the quadrant that is both high on ease and impact.



Customer Spotlight

Consider an equity statement. A simple, yet prominent message that articulates why your organization is a place where all can succeed can change how applicants view your organization. An equity statement on your career page is a small change that can transform your recruitment strategy, according to Dean Delpeache, Sr. Manager of Talent Acquisition at [Fiix Software](#).

Delpeache uses [LeverTRM](#) to capture and track candidate data throughout the recruiting process, and the results have been highly informative for Fiix's DEI strategy. Fifty-two percent of applicants that come into Fiix's pipeline indicate that the equity statement is one of the reasons why they applied to the job, and, 7% of people say they may not have applied if they didn't see it.

Fiix Software's Equity Statement:

We recognize that people come with a wealth of experience and talent beyond just the technical requirements of a job. If your experience is close to what you see listed here, please still consider applying. Diversity of experience and skills combined with passion is a key to innovation and excellence. Therefore, we encourage people from all backgrounds to apply to our positions. Please let us know if you require accommodations during the interview process.



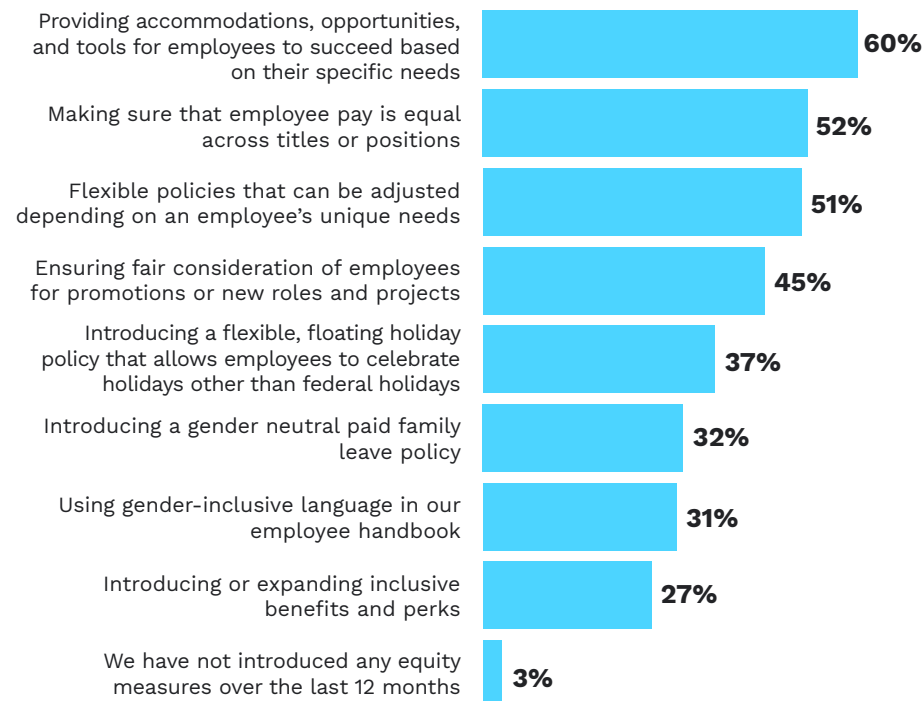
The Pandemic Shaped Companies' Approaches to Equity

Long-term DEI success requires more than just hiring the right people. Setting people up for success and ensuring that everyone is treated equally is essential. So, what are employers doing to ensure all their people have equal access and opportunity? Given the challenges that the COVID-19 pandemic introduced — childcare, internet connectivity, etc. — it's no surprise that employers have had to consider individuals' unique needs to ensure equity.

In our survey, 60% of employers say they provided accommodations, opportunities, and tools for employees to succeed based on their specific needs, and more than half (51%) say they introduced flexible policies. Meanwhile, 52% also worked to make sure employee pay was equal across titles or positions.

Though employers have taken steps toward establishing equity, there's room for improvement. Namely in the areas of expanding benefits and perks, which only 27% of employers say they have introduced, using gender inclusive language in their employee handbooks (31%), and offering gender neutral paid family leave (32%).

What equity measures have you introduced over the past 12 months?



Takeaway

“From Annie Lin, VP of People at Lever:

My takeaway from the results here is something I've always believed in: **to make DEI a real part of a company's culture, look for opportunities to embed it into each part of the employee lifecycle and each element of how the organization operates.** Compensation, policies, benefits/perks, hiring, and day-to-day tools and accommodations are all fantastic places to start. Instead of (or in addition to) asking, “What (separate) DEI programs should I stand up?,” ask “How can I make my existing processes, programs, and policies more inclusive?” This is work that's hard and often behind the scenes, but it's also work that will have the most sustained and widespread impact.



Inclusion Efforts Are Becoming More Formalized

Employers also made strides in transforming their inclusion initiatives. More than half (51%) have formalized a DEI strategy for their organization, while 47% have created or reviewed their existing DEI policies and have communicated them to employees. In addition, 44% have made actionable changes to hiring policies.

Meanwhile, the tactics that aren't being utilized as much by employers include things like requiring DEI training for employees (22%), updating the code of conduct (23%), and providing time off for volunteering work (28%).

What inclusion measures have you introduced over the past 12 months?



Communication Efforts Around DEI

Communicating with employees about DEI is critical — not only does it demonstrate to employees that companies are actively working to drive change, but it also ensures that workers aren't misinformed or feeling disconnected, especially in a hybrid or remote work environment.

To convey their ongoing DEI initiatives to employees, employers are adding descriptions of their DEI efforts to their homepage (64%), sharing changes across company-wide channels (51%), and updating their employee handbooks to reflect changes (45%).

How are you currently communicating your efforts around DEI to employees?



Customer Takeaway

“ From Kristin Zwickau, VP of Talent Attraction, [Veeva](#):

To be quite honest, using all of these channels for efforts is key for success. I believe that companies can do their best to move the needle, all day long, but if the employee base isn't committed to these changes as well, you can't make change. When recruiting talent, and retaining talent, it's important to ensure that you're looking for people that are ready to embrace change and will help in activation of change at your company. From a recruiting standpoint, it's important to think through how you can broaden your talent pool, that isn't from a job board, or posting on a 'diverse jobs' website. For example, I'm a female, so I can bring in pools of females easier than males, but my male colleagues can introduce me to their pools of males. The team's community involvement and promotion is crucial to success.

Our Chief Diversity Officer is absolutely amazing and is so engaged with our Veeva communities. He's been working with the various communities to listen to their voices, and pushes to have their voices heard through content development and activation within Veeva. For example, we're working on a video about 'technology in the black community', highlighting our employee voices in the industry. It's important to remember that lots of companies are trying to highlight their various employee voices and we're all trying to find our way.



Improvement Needed Around Communicating DEI Efforts

Despite employers' best efforts, communication around a company's DEI strategy isn't reaching employees as effectively as companies would hope. A quarter of employees say their company hasn't implemented any equity measures, and 24% say the same about inclusion initiatives. Though messaging around diversity has been more effective, 16% of employees say their employer hasn't communicated to them about it.

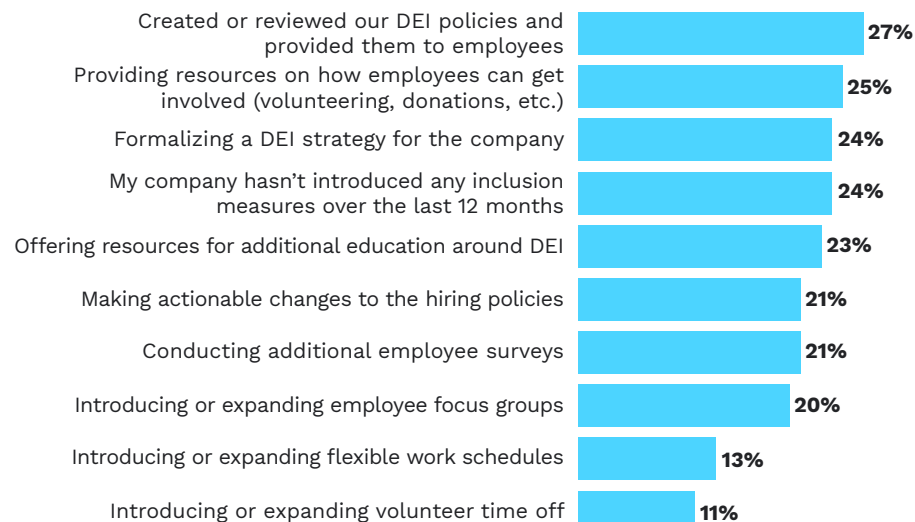
24%

of employees say the company hasn't done anything this year to improve DEI —

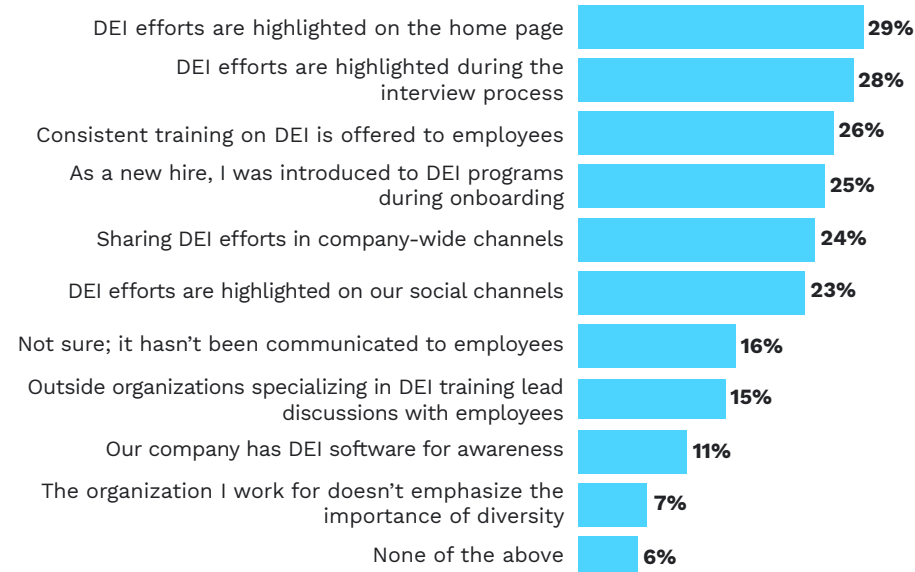
this number is even higher at companies with fewer than 20 employees and among those working in professional or financial services.



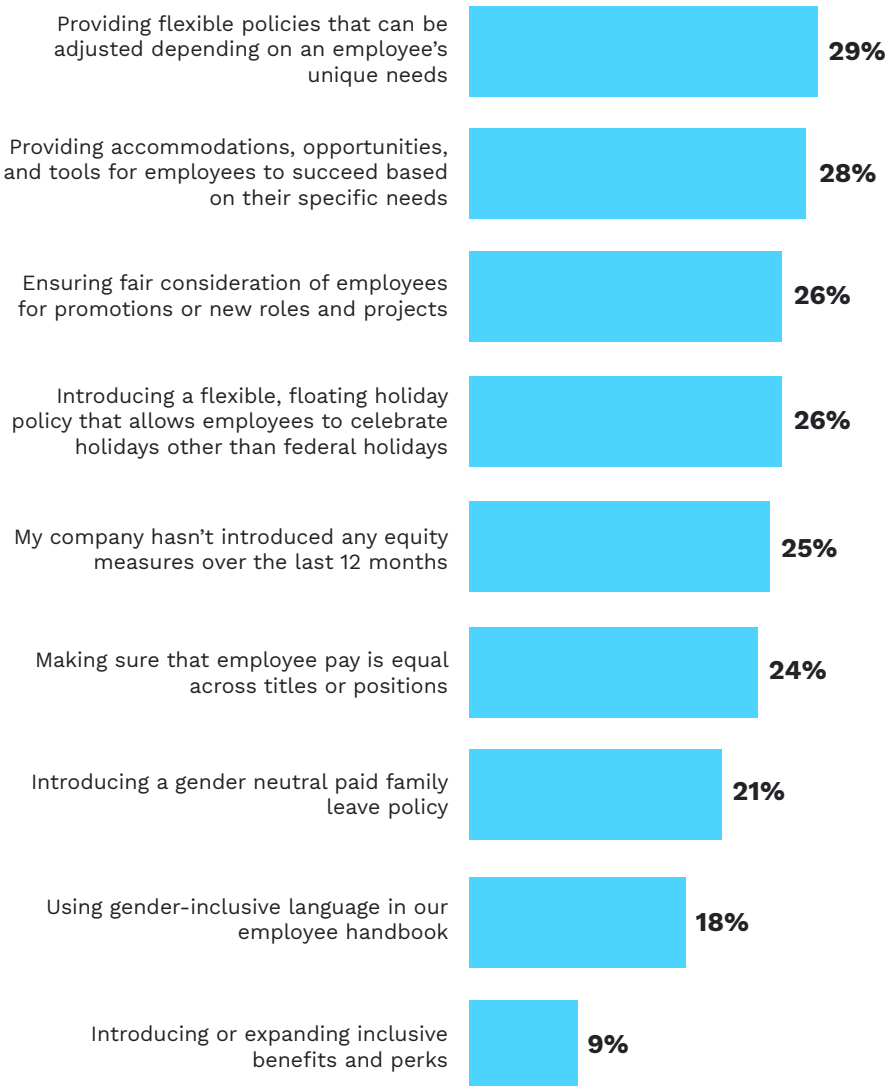
What inclusion measures has your company introduced over the past 12 months?



How does your company communicate its efforts around diversity?



What equity measures has your company introduced over the past 12 months?



Customer Takeaway

“ From Kristin Zwickau, VP of Talent Attraction, Veeva:

It really all comes down to communication — from both employers and employees. We're not perfect and as companies are working through identifying what works and what doesn't for themselves and their employees, we're learning as we go to some extent. As an employer, it is important that you ensure you publish what you're doing, and ensure your employees are reading it. One thing I advocate for employees everywhere, is to speak up. If you feel as though your company is not doing something around DEI correctly, or you didn't feel included in a specific situation, it's important that you find your voice to share with your HR team, your manager, or the colleague that made you feel excluded. It's easier said than done to have a voice as an employee at a company, but if you do not speak up, and nothing changes, it is on you. If you want to see change, you have to help create the change. However, if you speak up and nothing changes, it may not be the right place for you to stay.

One thing we do at Veeva that I think works well, is each month, our CEO sends email updates about how the company is doing in regards to DEI, and we highlight different speakers each month from different communities within Veeva about what they've been up to. Having the CEO share updates monthly is much more different than hearing from our community members, and makes a big impact on our communication efforts. If the top down is not bought in, how can you change anything?



HR Teams and Managers Share the Responsibility of Keeping Employees Informed

In addition to providing proactive communication, most employers reported that managers and HR teams are sharing the burden when it comes to DEI inquiries from employees. 67% of organizations instruct employees to discuss questions with their direct manager, and 73% urge employees to reach out to the HR team.

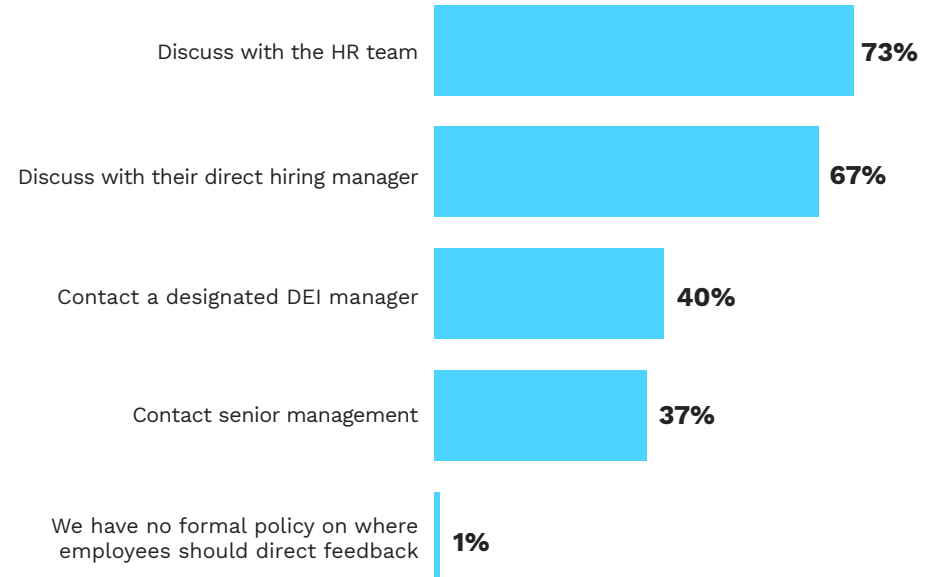
Employee + Industry Highlight

Employees surveyed in the software/technology, insurance, and real estate industries actually inquire about their company's DEI policies the most often.

We additionally found that employees at midsize companies are the most likely to reach out with questions or concerns.

Employees across majority of industries agreed that discussions with a direct manager are preferred when sharing feedback or concerns.

If an employee has feedback or a concern about DEI at our company, we encourage them to:

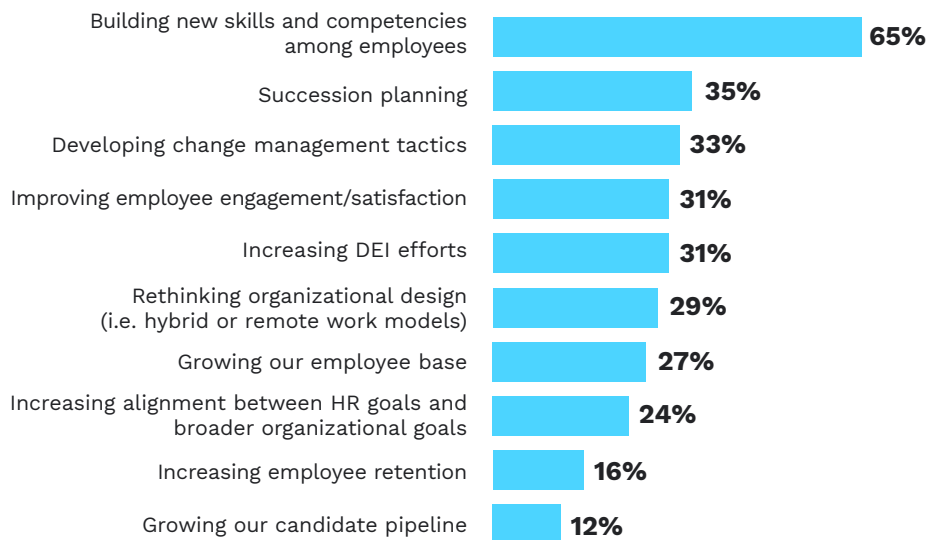


Top Challenges to Increasing DEI

The COVID-19 pandemic has rocked nearly every industry. As a result, employers had to make many unprecedented changes — and fast. Every process, from hiring and onboarding, to team building and employee development shifted online, creating strategic and technological challenges for HR teams.

These unforeseen changes have made it even more difficult for companies to prioritize DEI efforts, as organizations see a greater need to ensure continuity. When asked about their top three priorities for this year, organizations reported building new skills and competencies among employees (65%), succession planning (35%), and developing change management tactics (33%). However, increasing DEI efforts emerged as a top priority for about a third of employers (31%).

Which of the following do you consider your top 3 priorities this year?



Obstacles to the Momentum of DEI Efforts

For almost half of the employers surveyed (44%), the biggest hurdle preventing them from meeting their DEI goals is finding the time to dedicate to it with their existing work. However, 43% also say it's difficult to find diverse talent or interest from diverse candidates, and 32% cite budget limitations.

What are the biggest challenges you face in meeting DEI goals?



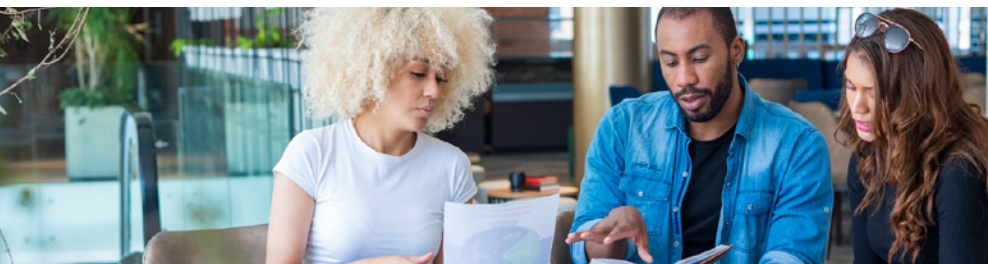
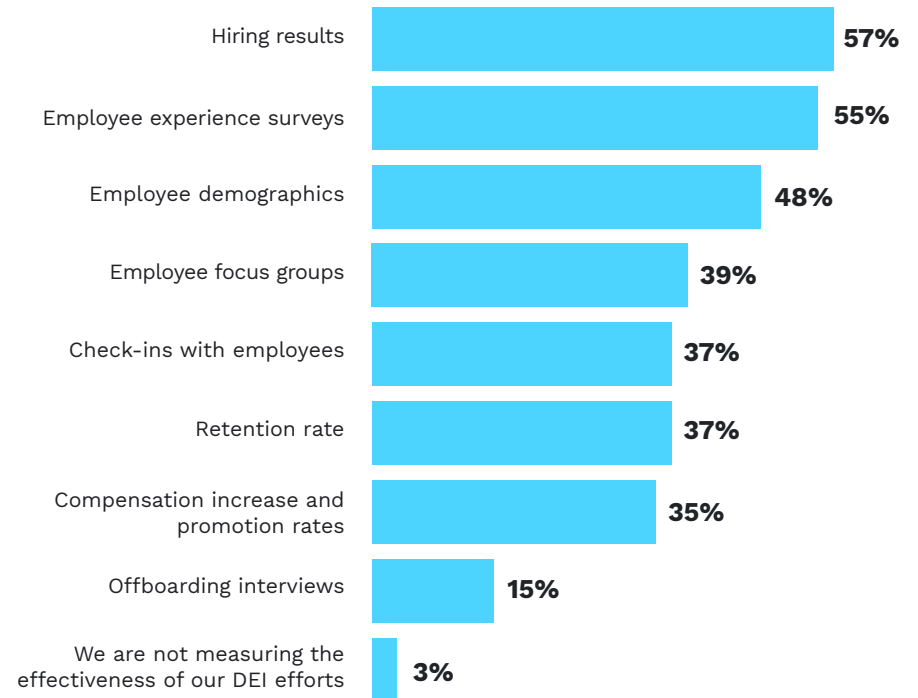
How Employers Measure DEI Success

Without measuring the effectiveness of DEI efforts, there's no way to confirm whether or not true change is taking place. Evaluating company progress can be tricky because DEI permeates every part of employee experience. So, while changes may be working effectively in one area, there may be a need for improvement in another.

For example, while recruiting efforts may yield a diverse pool of candidates, diversity could be lacking when it comes down to actual hires. Or, despite a diverse workforce, employees may not feel included or heard. That's why it's vital to measure DEI in a number of different ways.

Today, HR decision-makers use metrics, including hiring results (57%), employee demographics (48%), and employee experience surveys (55%) to evaluate the effectiveness of their DEI work. However, there are metrics that employers should consider more heavily, namely insight from offboarding interviews (15%), compensation increase and promotion rates (35%), and retention rates (37%).

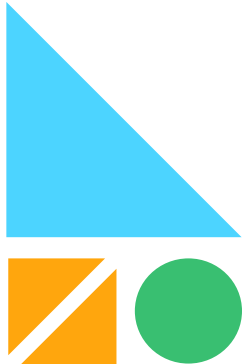
What metrics do you use to measure the effectiveness of your DEI efforts?



Takeaway

“ From Annie Lin, VP of People at Lever:

These are all excellent metrics to use. DEI is about both the actual state of the work environment (can be measured through hiring results, pipeline diversity, employee demographics, comp and promotions, etc.) and how people feel about that environment (can be measured through employee surveys, offboarding interviews, retention rates, etc.) — and the tangible impact these can have on the organization. I would push employers to have a pulse on all of these metrics, as they do measure different dimensions of DEI. I would also add one more: diversity of your candidates. Recruiting is one of the most important leverage points when it comes to diversifying your team, and tracking (and setting concrete goals around) your pipeline diversity is essential to ultimately improving the diversity of your employee base.



Customer Spotlight

Technology can help organizations overcome common DEI challenges by diagnosing problems in the hiring process. Using the reporting tool within [LeverTRM](#), Fiix Software identified that a particular department had a 50:50 female to male split when moving candidates through the interview stages. At one point, the proportion shifted, and while 50% of interviewed males were being hired, the percentage of women being hired dropped to 12%.

Based on this insight, Dean Delpeache, Sr. Manager of Talent Acquisition at Fiix Software, knew the company had to make changes, so he and his team went back to the drawing board to understand the cause of the problem. Though Fiix assumed its job descriptions were inclusive, they needed an upgrade. **By eliminating gendered terms, the company increased its hiring of under-represented groups by 63% in 2 years company-wide.**



How Employers Are Looking at Future DEI Efforts

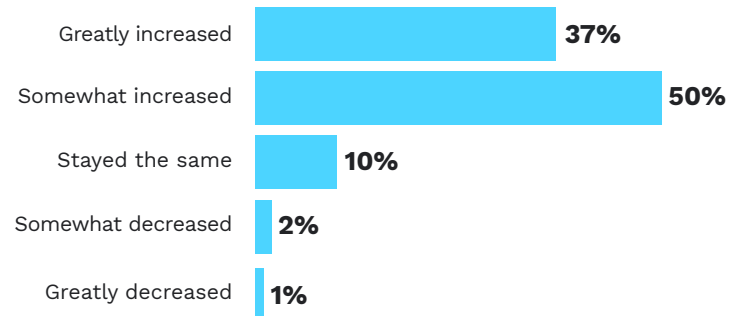
As employers continue on their journey to continuously increase and improve DEI, they report that they've made progress — 87% of HR decision-makers say their efforts around DEI have increased at least somewhat over the past year.

DEI Is a Journey, Not a Destination

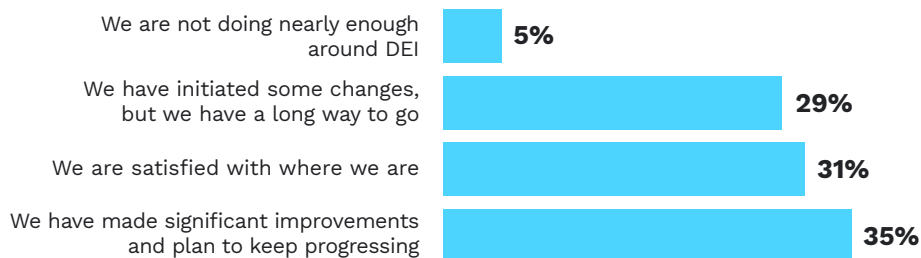
But DEI isn't a problem that can be solved overnight — it requires consistent commitment from everyone within an organization to drive change. As a result, about a third of employers (29%) say while they've initiated changes, there's a long way to go.

Nevertheless, most organizations are optimistic about their ability to achieve measurable DEI success — 93% are somewhat or highly confident they'll reach their goals.

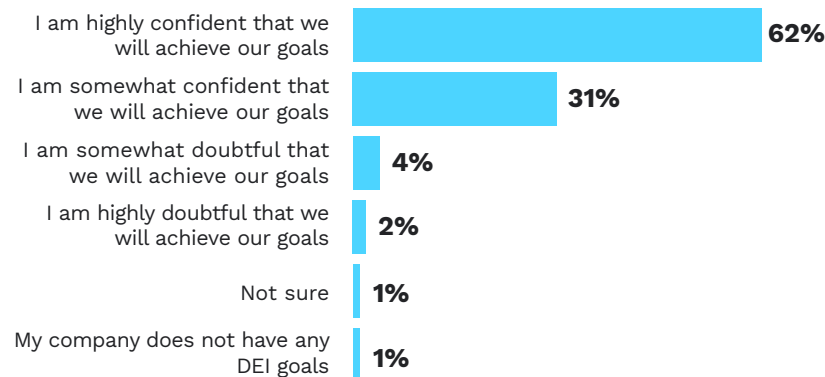
In the last 12 months, have DEI efforts at your company...



How would you evaluate your DEI efforts?



How optimistic are you about your ability to achieve your DEI goals?

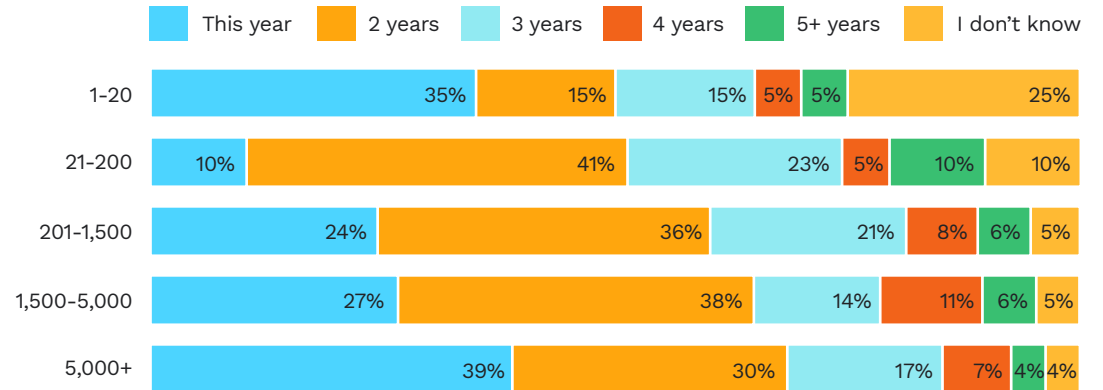


Establishing a Realistic DEI Timeline

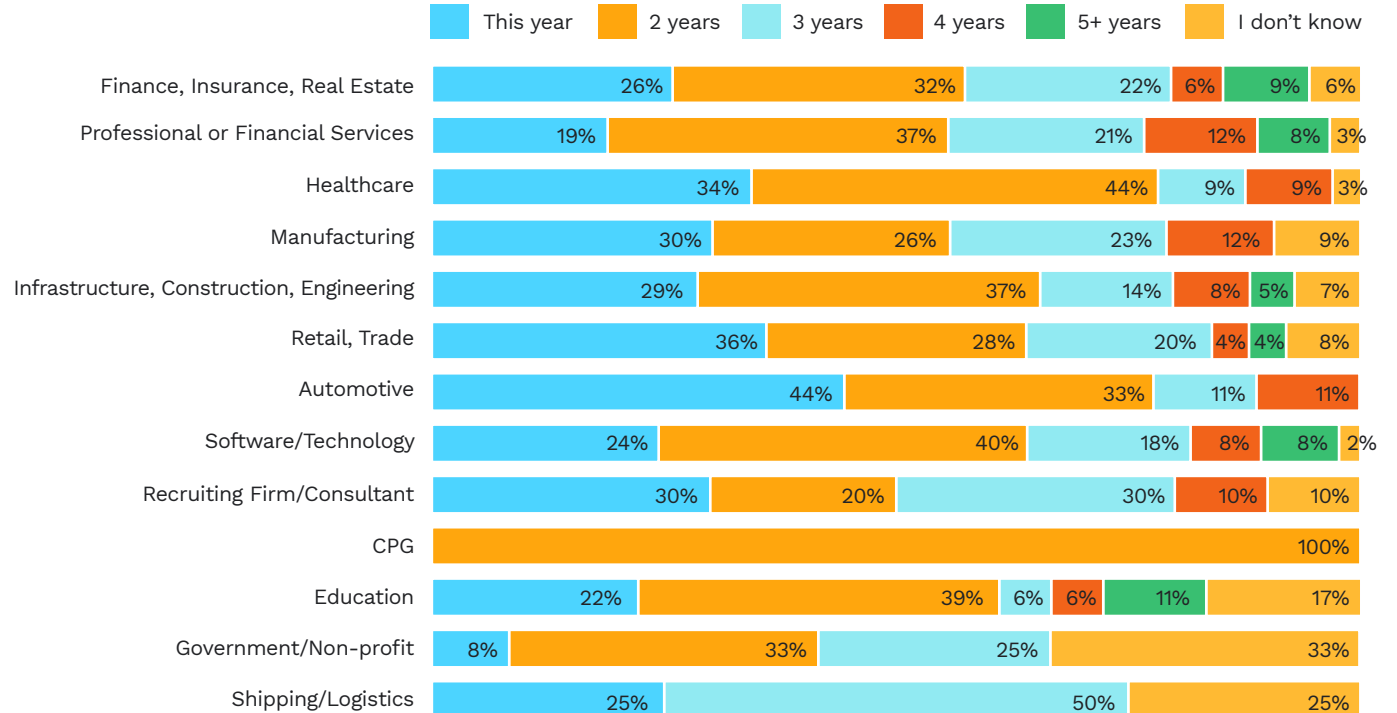
How long will it take to achieve DEI goals? While over a third of HR decision-makers overall say they'll be able to reach their goals within two years, responses vary across industries and depend on company size.

Midsized companies (21 to 200 employees) were particularly optimistic (41% said they'd reach their goal within two years). Certain industries showed similar optimism — about 44% of employers in healthcare and 40% in software/technology plan to reach their goals over the next two years. While those in manufacturing are more cautious — just under 26% think they'll reach their DEI goals in the same time frame.

When do you think you will reach your DEI goals? (by company size)



When do you think you will reach your DEI goals? (by industry)

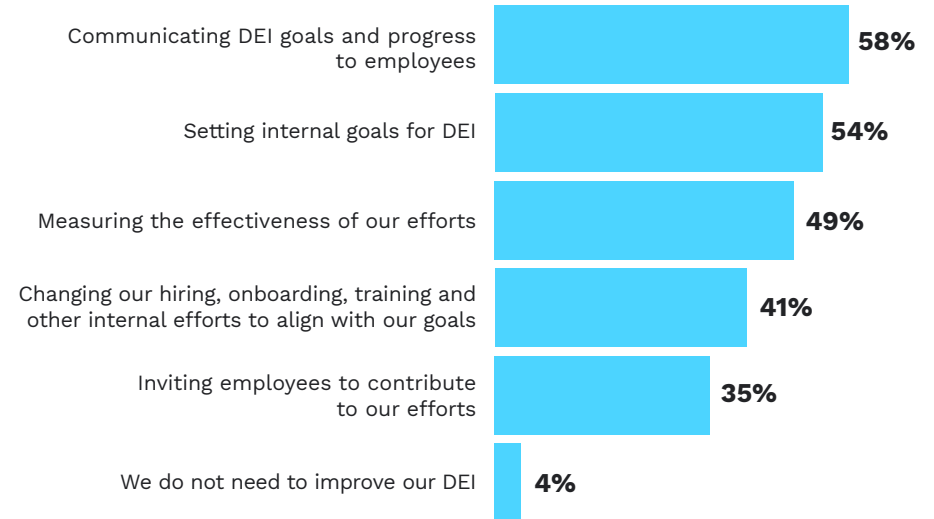


There Are Clear Next Steps

To achieve results, HR decision-makers know there are specific processes they need to improve. More than half (54%), say they need to both set internal goals for DEI and better communicate DEI goals and progress to employees (58%). Another 49% say they need to measure the effectiveness of their efforts.

Yet when it comes to priorities for the year ahead, measurement did not make the top 3. Only 39% say they plan to measure the success of ongoing DEI initiatives, which is significantly lower than establishing internal alignment around DEI (52%) and adapting more diverse hiring tactics (50%). This indicates that while companies understand that measurement is vital, they might need some help capturing these metrics.

What are the biggest areas for improvement when it comes to DEI?



Communication is especially challenging for larger companies.

65% of employers with more than 5,000 employees cited this as an area where their company has the most room for improvement, compared to only 54% of companies with 21 to 200 employees.



DEI is an Ongoing Transformation

The results of this survey show that companies are committed to DEI improvements, but meaningful change will take time and require the right tools. Technology can help organizations embed DEI into every aspect of the employee experience, identify areas for improvement, and measure success along the way.

We've seen first-hand that transformations are already underway as companies take steps to not only hire more diverse teams, but also create inclusive environments and ensure equity in every corner of employee experience. So here's to how far we've come and how far we can go in the year ahead.

About Lever

Lever is a leading Talent Acquisition Suite that makes it easy for talent teams to reach their hiring goals and to connect companies with top talent. Lever is the only platform that provides all talent acquisition leaders with complete ATS and robust CRM capabilities in one product, LeverTRM. The Lever Hire and Lever Nurture features allow leaders to scale and grow their people pipeline, build authentic and long-lasting relationships, and source the right people to hire. Lever Analytics provides customized reports with data visualization, see offers completed and interview feedback, and more, to inform strategic decisions between hiring managers and executives alike.

Our platform also enables companies to hire with inclusivity in mind, helping eliminate any hiring bias. Lever supports the hiring needs of 4,000 companies around the globe including the teams at Netflix, Atlassian, KPMG, and McGraw-Hill Education. **For more information, visit www.lever.co.**

