

5 steps to building your first Diversity & Inclusion Report



What is a diversity and inclusion report?

Diversity and inclusion reports don't have a standard format; they can vary from fairly basic to quite complex. At the core, a company's diversity and inclusion report typically states the percent of women and minorities employed by the company, relative to the overall population. The general interpretation is that, the more women and minorities in a company, particularly in leadership and technical roles, demonstrates the company's ability to maintain fair and equitable business practices to attract, develop, and retain traditionally underrepresented groups.

Introduction

Nowadays it's popular for companies to release a Diversity and Inclusion (D&I) report. For the past few years, we've seen large companies release statistics about the demographics of their workforce.

These data-driven reports have caught the attention of major media outlets, particularly when they come from companies in the spotlight like Facebook, Google and Uber. Most companies start by releasing the data that they're required to collect. For example, American companies collect gender and race/ethnicity data in accordance with the U.S. Equal Employment Opportunity Commission.

Since most people want to work for a company that prescribes to be fair, employees and job candidates are starting to look for the data provided by Diversity and Inclusion reports. In turn, companies of all sizes and industries are feeling the pressure to produce the report. But compiling the data, writing the report, and releasing it to the masses (or even internally-only) is no easy feat.

In this guide, we'll walk you through the five key steps to build your company's first Diversity and Inclusion report that's right for you; one that you'll be proud to share internally and externally. Regardless of whether your company is where it wants to be or not, these tips will help you give a robust and fair depiction of your workforce through a broad diversity and inclusion lens. Committing to transparency is an example of brave leadership that employees and job candidates are beginning to expect from their employers.

The Diversity and Inclusion reports we see today are still a relatively new phenomenon. The first iterations just showed representation - how many men and women were in the company, and if they were concentrated in technical and leadership roles. While Google was praised for releasing these statistics in 2014; the history is that Google resisted for many years until they caved from the pressure from Rev. Jesse Jackson, local news media, activists and the Freedom of Information Act.

The initial versions of Diversity and Inclusion reports show that progress is slow. Some companies infamously attributed this slow progress to a “pipeline problem” (i.e. a lack of underrepresented talent), while others pointed more broadly to systemic externalities that were simply beyond their control. The media and activists were nonplussed -- it seemed as though companies were shirking their responsibility to create a balanced workforce. There's also been a backlash that the reports, focused only on representation, can cause more division. We now know that traditional diversity metrics alone, don't work because they're only focused on representation, ignore our unique combination of traits, and can ostracize white men.

The Diversity and Inclusion report has evolved; these five steps will help you use the diversity data you have in your HRIS, combined with inclusion data you can collect from Culture Amp, to release a more comprehensive and actionable report that speaks much louder when having conversations about equality in the workplace.

STEP 01

Understand why you want to publish a Diversity & Inclusion Report

Your first Diversity and Inclusion report is likely to get a lot of praise; but you must also be ready for (and expect) criticism. Truthfully, you'd be hard pressed to find any company that is proud of their D&I progress on all fronts. That's why it's critical that you and the leadership team are fully aligned on the why behind dedicating the resources to build your first Diversity and Inclusion report.

The first piece of advice we can offer is to make sure you have good reasons why you're releasing your first Diversity and Inclusion report.

Popular sentiments of “everybody else is doing it” and “people expect us to” are fine drivers to get the conversation started, but they shouldn't be the sole drivers. Rather, you should be ready to publish a Diversity and Inclusion report because you're ready to hold yourself accountable, no matter what the results are. When you start with why, you'll have a clearer sense about what you want to publish and how you want to communicate. Conversely, if your motivations aren't clear or if you copy and paste from a company much different than you, you may end up publishing a report that doesn't feel authentic or achieve your desired outcome.

Another reason it's important to have purposeful alignment is that, even if your results don't improve next year, you'll still feel motivated to publish your annual report. If you hadn't thought about the expectation that you release this report annually to show progress – it may be a sign that you need to consider your reasons again! This is because diversity and inclusion is an ongoing journey, not a one-and-done exercise.

STEP 02

Build your report with diversity data

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Using Culture Amp's
Diversity and
Inclusion Survey, you
can collect data on:

- Race/ethnicity
- Sexual orientation
- Disability
- Socioeconomic status
- Veteran status
- Parental status
- Native Language proficiency
- Age

Readers of your report will expect you to share diversity statistics from your organization, particularly around gender and race/ethnicity. I haven't seen a diversity report that doesn't address gender, so suffice to say - you need to start there. At face value, this seems like an easy statistic to pull from your HRIS. However, diversity's challenges lie in its nuance; the correct diversity report is not as simple as just sharing the percent of men and women.

Gender

When sharing your gender statistics, report on Men, Women, and Non-Binary/Non-Conforming employees. If your HRIS does not have a field for Non-Binary/Non-Conforming people, you may be missing out on reporting this marginalized group. Even if you are sure you do not have Non-Binary/Non-Conforming employees - I encourage you to explicitly list that you have zero. By doing so, you are communicating to your readers that, while you do not have any Non-Binary/Non-Conforming employees, you believe that gender extends beyond just Men and Women.

Other Demographics

Gender tends to dominate diversity conversations because the stereotypes holding women back are well known. However, it is critical that you include all aspects of diversity to ensure that you are reporting on other marginalized groups.

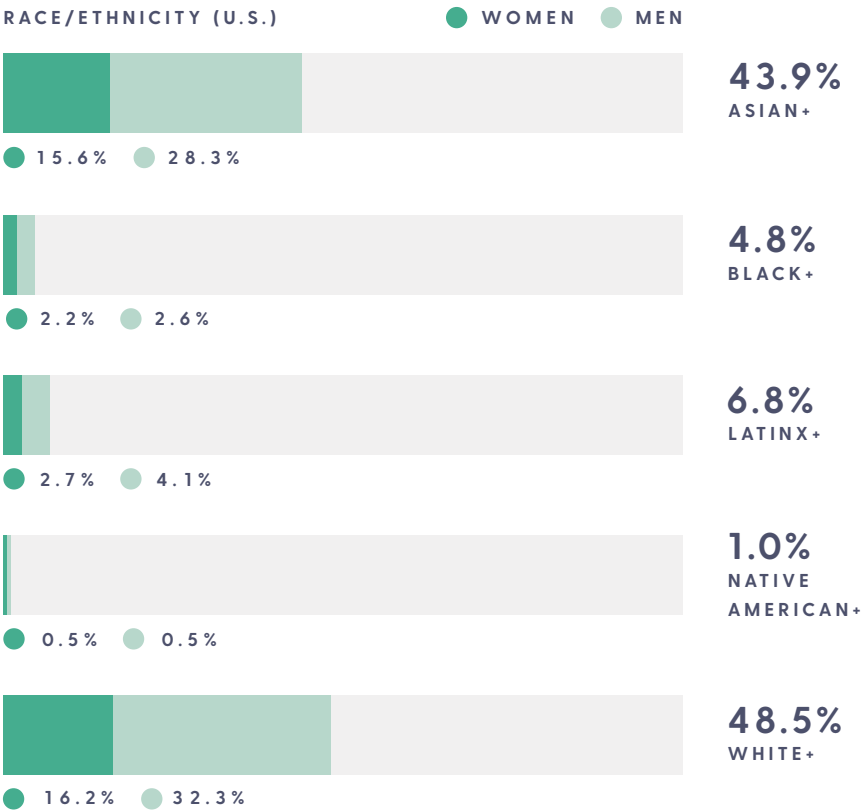
Make sure everybody feels included in your diversity initiatives by ensuring you are capturing all of the facets of diversity that contribute to innovation and belonging.

Intersectional context

Most importantly, you need to provide context to your audience about your diversity data through an intersectional lens. A common example to consider intersectionality would be to report on employees' gender and race simultaneously, vs. separately. Where possible, choose to paint an accurate picture about the state of women from racial/ethnic minority backgrounds to see if intersectional marginalization could be hampering efforts to improve diversity at senior levels.

Google's Intersectional Diversity Breakdown in the US in 2018

Combining gender identity and race/ethnicity data provides more insight than keeping the data separate.



Think critically about what other intersections of data are most relevant. For example, many companies split their gender statistics by technical roles and leadership roles - this is because women are often excluded from high-paying technical positions and are blocked from leadership opportunities.

Twitter's Leadership Representation

In Twitter's D&I Reports, they highlight the percentage of various groups in leadership positions.

Workforce Representation	Actual Dec 2017	Actual Dec 2018	Actual May 2019
Women Leadership	32.5%	35.8%	36.7%
*Black Leadership	3.5%	4.7%	5.8%
Latinx Leadership	2.6%	2.7%	3.2%

*U.S. Only based on employee identification. Data effective as of may 20, 2019. Regular, full-time employees. Leadership includes Directors and above.

STEP 03

Build your report with inclusion data

Many Diversity and Inclusion reports focus on the demographic makeup of the organization, but don't scratch the surface when it comes to measuring or reporting on inclusion. To measure inclusion, you need to compare the employee experiences of people and identify if a disparity exists - and to what degree. To date, there have not been enough tools to measure organizational-level Inclusion relative to measuring diversity. That's where the Culture Amp Diversity and Inclusion Survey shines. Using a survey like ours, you can measure the employee experience across intersectional identities.

Consider this evolution of reporting in a similar frame as the diversity statistics:

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Do you see how inclusion metrics are different than diversity metrics?

Diversity metrics are measuring the balance of representation in the workforce. Inclusion metrics measure the degree to which a group of people has an equal experience at work

Gender

In your Diversity and Inclusion report, your readers will want to know: is the employee experience the same for men as it is for women? Share the percent of men that believe are engaged at work - then share the percent of women and non-binary/non-conforming employees that feel the same way. Is there a disparity in the employee experience?

Think about the other aspects of an inclusive culture. In an inclusive environment, you would expect that all genders would want to stay at the company, so compare the scores between: "I rarely think about looking for a job at another company" for all genders.

In an inclusive culture, all genders should feel the same degree of belonging ("I feel like I belong"), psychological safety ("I can voice a contrary opinion without fear of negative consequences") and fairness ("My job performance is evaluated fairly").

Inclusion metrics are just as meaningful as diversity metrics; and are the missing piece behind Diversity and Inclusion reports. Featuring inclusion metrics in your first Diversity and Inclusion report provides vital context to the employee experience at your organization.

Other demographics

Using a tool like Culture Amp’s Diversity and Inclusion Survey, you can measure the sentiment of belonging, psychological safety, a growth mindset, compensation and other aspects of a fair workplace across a range of demographics. Your goal is to identify areas of strength, where scores are the same; as well as areas for improvement, where the scores are lower for marginalized groups.

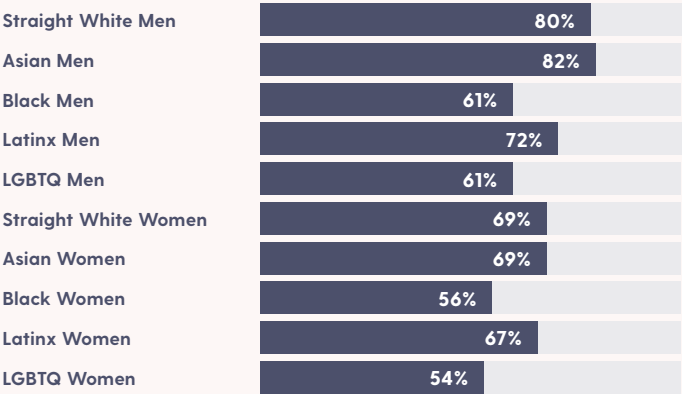
You can, and should, report on Inclusion metrics across a range of demographics, for example, by race/ethnicity, sexual orientation, disability, socioeconomic status, and native language proficiency. By addressing identities beyond race and gender, you are communicating to your readers that your definition of diversity and inclusion is more than just race and gender.

Intersectional context

Addressing intersectionality from an inclusion lens is complex, but in doing so, you explicitly recognize the challenges and nuances of creating an inclusive culture. There are over a thousand intersectional data cuts if you are looking across several demographics; we don’t suggest you try to list them all. However, once you think critically about your results, you may want to use our D&I Survey to highlight areas where there is a disparate employee experience.

Here is an example of how we show intersectional results for a question on voice: “I can voice a contrary opinion without fear of negative consequences”:

“I can voice a contrary opinion without fear of negative consequences”



What this data shows is that, for Straight White Men – often the majority group – 78% agree that they can voice a contrary opinion. The level of comfort decreases if you are a non-White man or a woman. If you are a Black woman, you have the least likely to be able to voice a contrary opinion without fear of negative consequences.

Consider that a company might have 50% men and 50% women and Non-Binary employees – a common gender diversity goal. However, if the employee experience is disparate like in the example above; women, particularly Black and Latinx women, are not going to experience the culture the same way. In this example, a company could be excelling at diversity, but struggling with inclusion.

STEP 04

Set diversity and inclusion goals

Once you've decided what diversity and inclusion metrics you want to share in your first Diversity and Inclusion report; you get to hold yourself accountable to your company and the public by setting goals. No matter where you are on your D&I journey, setting a goal for where you want to make measurable progress is a worthwhile endeavor.

Above all, your diversity and inclusion initiatives should be authentic to your organization – don't let anybody, including myself, tell you what they should be! Here are some questions I often ask people to help them discover their goals:

001

What's the right time frame for each goal?

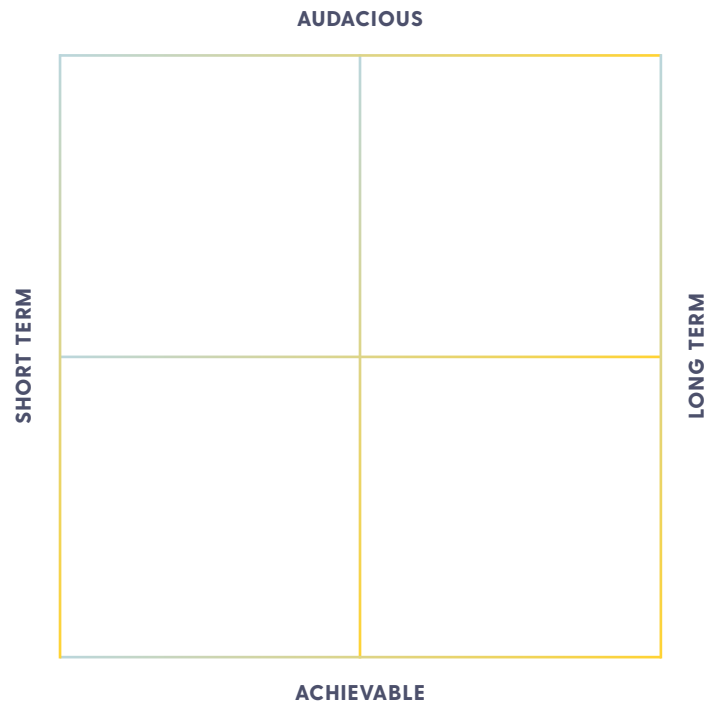
Keep in mind that diversity and inclusion work is hard work. While many organizations expect their sales metrics to move “up and to the right,” quarter after quarter, diversity and inclusion progress is not always linear. The work is often invisible and “shortcuts” rarely exist. Depending on what needle you are moving, it could be that a one year goal is too ambitious, but a five year goal may feel too far out. Depending on your size and speed, figure out the time frame for each goal.

002

Should my goal be achievable or audacious?

Consider how your business sets its existing goals; are they more likely to be quick, achievable targets or long-term ambitions? Neither is right or wrong. Rather, pick a goal or set of goals that is aligned with your current business context. If you want to prove that you can make progress quickly to get momentum, set an achievable goal. If you would rather set an audacious target that will require commitment on all fronts, set an audacious target.

Here is a typical D&I Goal Setting Matrix



Setting an appropriate goal is important to driving action. This matrix can help you plot your targets in a way that is aligned to how your organization operates.

003

What benchmarks are helpful in setting goals?

The ability to provide benchmarks can provide critical context, especially since your report may be educating your reader on the topic. From a diversity perspective, ask yourself if you should be benchmarking to the community you serve, the make-up of the cities where you recruit talent, or another measure. Comparing to another company that is based in a different geography is rarely a proper comparison.

From an inclusion perspective, Culture Amp's Diversity and Inclusion Survey comes with a global benchmark to provide context on every question in the template. Keep in mind you should see how your scores compare to the benchmark by demographic. If the feeling of belonging is above benchmark at an overall level; check to make sure that there isn't a disparity between any demographics, too!

004

Have you considered a target that is about a process, not an outcome?

Process improvements demonstrate your willingness to roll up your sleeves. For example, you could set a target to capture more inclusive people data, such as capturing Non-Binary/Non-Conforming gender distinctions in your HRIS and ATS if you don't have them yet. Using your first Diversity and Inclusion report to showcase how you plan on increasing visibility/accountability in the future is a valid goal!

005

Have you considered goals that goes beyond optics?

A good piece of advice is to center your goal on the demographic groups that are most likely to experience oppressive work environments. Be aware that targets can be gamed.

Diversity example: If it's just "increase women", you may only see an increase in white women, or an increase in women in support roles.

Inclusion example: If it's just "increase in belonging scores", you may see it go up at an overall level; but due to large increases for men while potentially lower scores for women.

If you are setting measurable goals related to diversity metrics and/or inclusion metrics - make sure they are as nuanced as the people they are intended to serve.

STEP 05

Announce your report with care

Diversity and inclusion work is always a collaborative effort. Make sure you don't build your D&I report in a silo! As you draft your report, it makes sense to have a team of supporters with various strengths and viewpoints. When it comes to announcing your report to your employees, take a deep breath and consider some of these tips:

001

Rarely does leadership like to be surprised; particularly when it comes to D&I!

Having a trusted executive sponsor be involved in the creation of the report is incredibly valuable; they can be the liaison to the entire executive team.

002

The HR leadership team should be briefed on the findings and consulted.

The report will likely generate conversation; so the HR team should be comfortable discussing the results.

003

As a hot topic in the media, your diversity and inclusion report may attract press and marketing.

Make sure you are ready to answer questions. Certainly, if you have a PR team, they will want to review the results to be ready to talk to the media.

004

It's bad form for employees to be left in the dark.

You don't want your own employees to learn about the D&I report from an external source before you have a chance to tell them! Company-wide communications about the release of the report is a good suggestion. Best practice is to have the authors of the report share the results at an all-hands meeting (or similar) and be able to answer questions and take feedback.

005

Lastly, make sure your company's job applicants can easily find and view the report.

Putting it on your careers page will reach them at the right time and place where they would expect to find it.

A final note on vulnerability as strength

The best message you can send with your Diversity and Inclusion report is one of vulnerability and honesty about where you're at.

It's okay to speak to your diversity results that aren't favorable - every company has work to do. For example, Uber's report from 2019 showed they made progress in diversifying their leadership team in some aspects, but "need to focus on women (-1.8 percentage points), Black/African American (from 0% to 0.8%), and Hispanic/Latinx (also from 0% to 0.8%) employees in tech leadership roles. To help address this gap, in addition to providing mentoring and coaching programs, [they've] launched targeted sponsorship programs in tech and plan to scale these types of programs globally.

Sure, Uber would have a hard time admitting they have a perfect track record. Frankly, most tech companies would be best served by leaning into their vulnerability as strength. It's well known that tech companies are striving to be more inclusive. Any attempts to paint a different picture than reality will likely be called out by the public, or even by employees!

THREE EXAMPLES

Diversity and Inclusion Reports

01

Small company: Helpscout

I love Helpscout's annual Diversity and Inclusion report. Leah Knobler, Talent and Culture Lead, presented diversity and inclusion metrics in a thoughtful, curated and well-designed way. They set goals, leveraged benchmarks for context, and leaned into discomfort where they had to have a tough conversation. And – they provided resources throughout. Ultimately, their report provides a blueprint for companies, small and large, and the D&I community is stronger because of it.

02

Mid-size Company: Square

Square has achieved major success; no doubt in part to their commitment to Diversity and Inclusion. That's not to say Square hasn't struggled! Their 2017 report didn't waste any time; the team was up front with their strengths and weaknesses, used benchmarks for context, and went beyond the normal metrics. Square was happy to report that attrition rates for marginalized groups was lower than majority groups. I also like how they defined the terms and groupings they used (since companies define groups differently). Well done!

03

Large Company: Uber

You can download Uber's report from their diversity homepage. Everybody loves a comeback story – and Uber's 2019 Diversity and Inclusion report gives me hope that Bo Young Lee, the Chief Diversity and Inclusion Officer, is changing hearts and minds at Uber, a company with a damaged reputation. Although Inclusion metrics are missing, the honesty and transparency laid out in the report was admirable. I enjoyed reading out Uber's Gender Transition Guidelines, Pay Equity Pledge, Career Prep Program and other initiatives.



Take the next step

Want to measure how inclusive your organization is? Request a demo to see our research-backed survey templates in action and to learn how you can tap into the expertise and experience of the Culture Amp community.

[Request a demo](#)