Measuring D.E.I: Metrics and Analytics

Theme: "HR Transformation: Embracing DEI, Metrics and Analytics".

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CONTACT DETAILS

Presentation outline

Section 1: Overview

- Objectives and Definitions (DEIB, Metrics and Analytics)

- Attributes of Metrics

Section 2: Why and How to Measure DEI using Metrics and Analytics

- Benefits of DEIB, Metrics and Analytics

- 10 Metrics for DEIB and 7 Strategic HR Metrics

Section 3: Conclusion

- Conclusion and Call to Action

Objectives

1. To understand the concepts of DEIB, Metrics & Analytics

2. To explore some benefits DEIB, Metrics & Analytics

3. To highlight some DEIB metrics and other strategic HR metrics

4. To recommend practical steps of transforming HR by embracing DEIB, Metrics and Analytics

Section 1

Overview of DEI: Metrics and Analytics

Diversity

Diversity

- "Diversity refers to the variety of identities, perspectives, and experiences that individuals bring to the workplace, contributing to a richer and more innovative organizational culture" Deloitte Insights, 2022.

- Diversity is "the presence of differences that include race, gender, religion, sexual orientation, ethnicity, nationality, socioeconomic status, language, (dis)ability, age, religious commitment, or political perspective" Harvard Business Review, 2023.
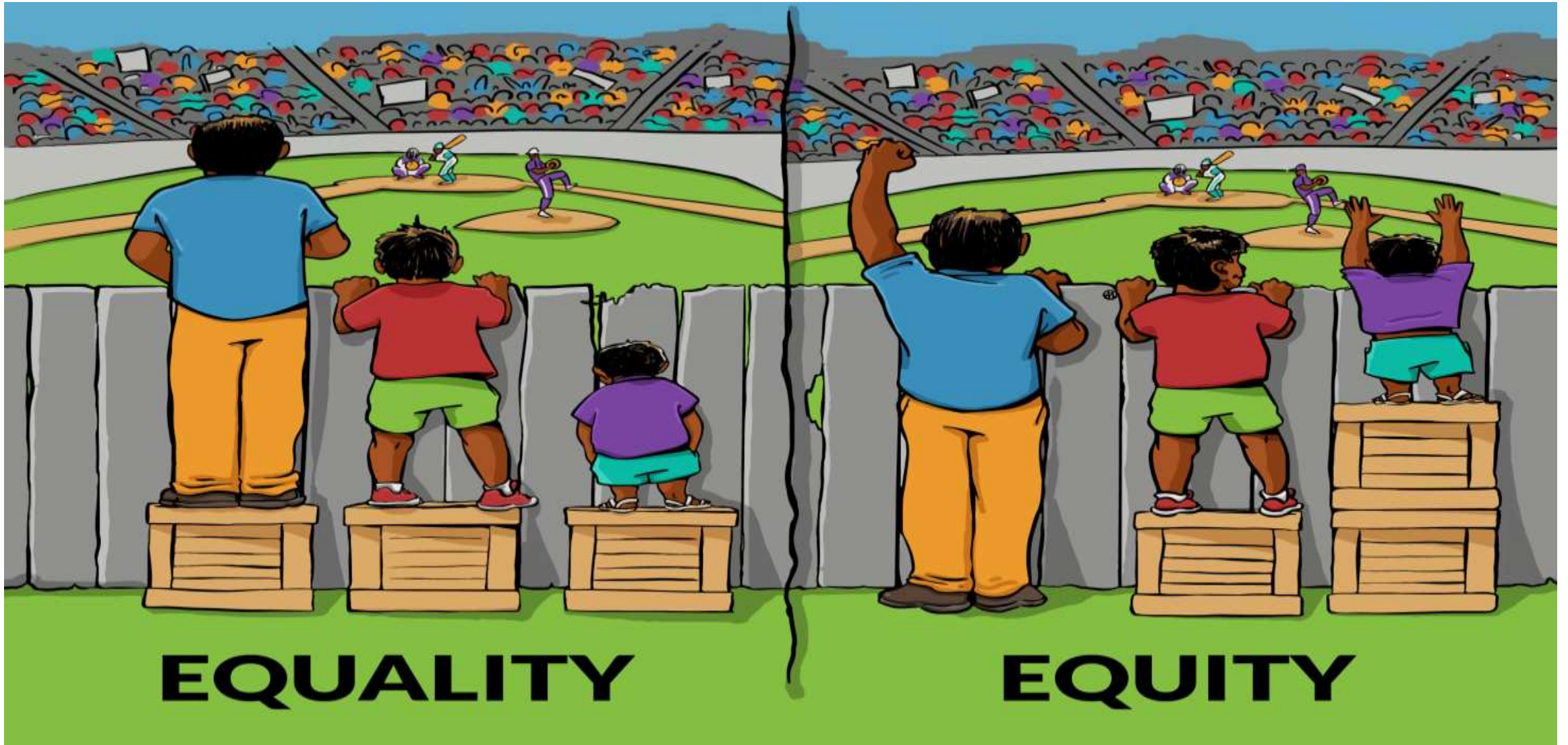
Equity

Equity

- "the process of ensuring that procedures, systems, and resource distribution in an organization are fair and impartial, while accounting for individual needs and barriers that might impede success." Harvard Business Review (2021)

- "the fair treatment, access, opportunity, and advancement of all individuals, while striving to eliminate barriers that have prevented the full participation of certain groups". World Economic Forum (2022)

Inclusion

Inclusion

- Inclusivity is the practice of ensuring that people of diverse backgrounds, experiences, and perspectives are fully involved and respected in all organizational processes and decision-making.

- Inclusivity refers to the creation of environments where every individual, regardless of their identity or status, feels valued, welcomed, and empowered to contribute to the organization's success.

Belongingness
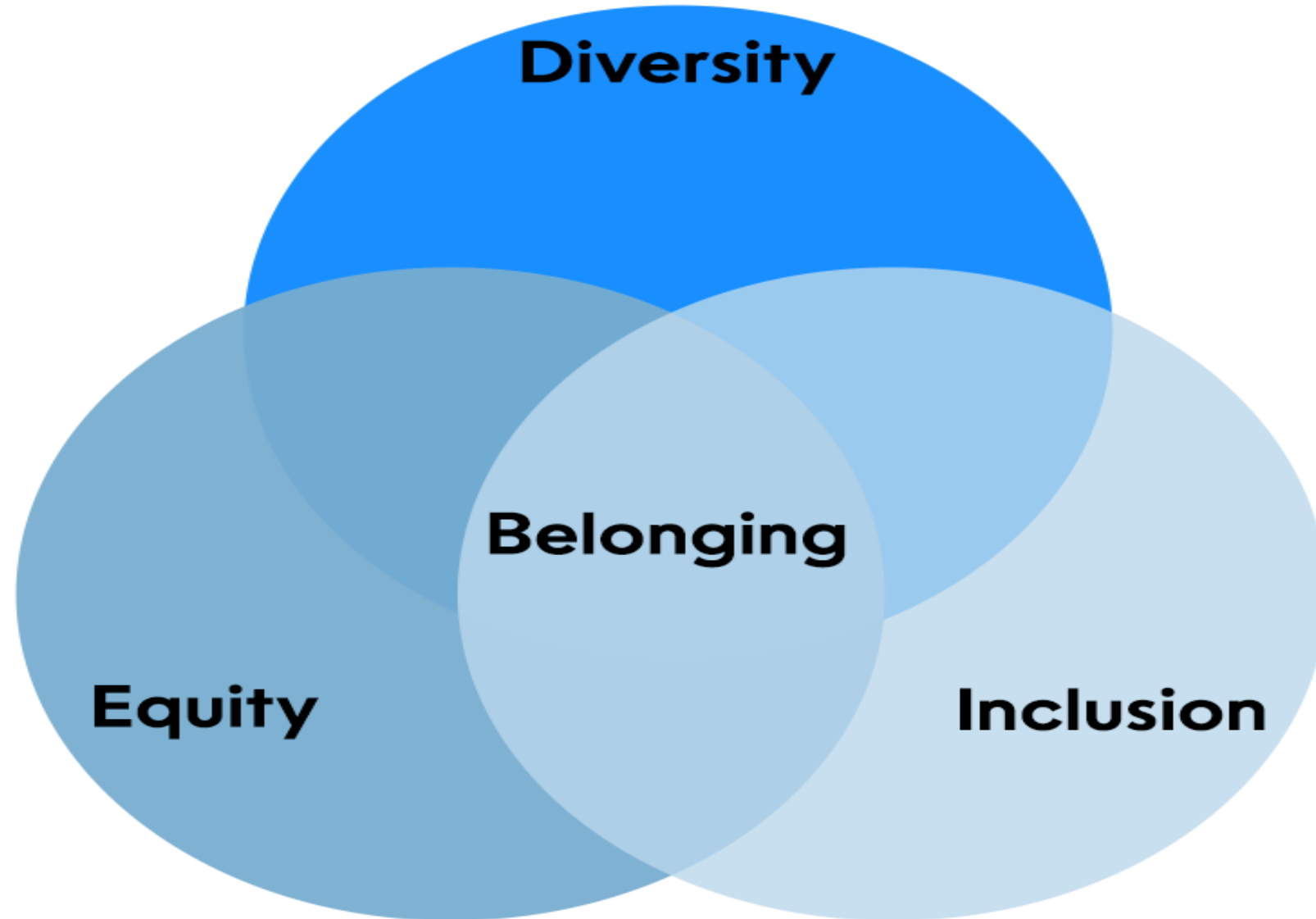
HR Metrics

- "HR metrics are statistical measures that provide insights into the management of an organization's human resources, enabling data-driven decisions to optimize workforce performance, productivity, and overall business success." - SHRM

- E.g. Time-to-hire/productivity, employee turnover rates, training and development costs, absenteeism, skills gap and employee engagement/experience levels.

Attributes of a Good Metric

01

Quality
✓ **Measures extent of error, deviation from standards, best practices or legal provisions**

02

Quantity
✓ **Measures numerical outputs per given time period**

03

Time
✓ **Speed of response and time taken to complete a task**

Attributes of a Good Metric

04

Cost
- ✓ **Considers budgets and efficient use of resources**

05

Customer Satisfaction
- ✓ **Measures intangible views, Opinions and feelings of clients**

06

Trend Analysis
- ✓ **Compares data sets for different periods against standards**

Other Key Considerations in Metrics Selection

1 Strategic Alignment and Clarity

2 Metrics must lead to Strategic Insights

3 Integration of HR Metrics

4 Stakeholder's interests and views (relevance & Impact)

Transforming HR...

HR Analytics

- "The practice of using data analysis techniques and tools to extract **insights** and knowledge from HR data to support **data-driven decision-making** that is not intuitive in the human resources function".

- It involves collecting, organizing, and analyzing large sets of employee-related data to identify patterns, trends, and correlations that can be used to form HR strategies, policies and tactics (Van. Vulpen E. 2020)

- includes data on *employee performance, workforce demographics, turnover rates, engagement levels, absenteeism, leave* and others

4 Types of Analytics

- Descriptive

- Predictive

What Happened?

What will happen?

Why did it happen?

How can we make it happen?

- Diagnostic

- Prescriptive

HR Metrics Vs Analytics

Difference Between HR Analytics and HR Metrics

HR Metrics VS Analytics

ASPECT	HR METRICS	HR ANALYTICS
Definition	Quantitative measures used to track and assess specific HR activities	Uses data, statistical methods, and predictive models to gain insights
Focus	Primarily on past and current data to monitor performance	Focuses on patterns, correlations, and predictive trends to guide future actions.
Purpose	Measure effectiveness and efficiency of HR operations (Systems & processes)	To derive insights and support strategic decisions that drive organizational goals.
Example	Time to hire, cost per hire, Employee turnover rate, absenteeism rate	Predictive turnover analysis, workforce planning, talent optimization

HR Metrics VS Analytics

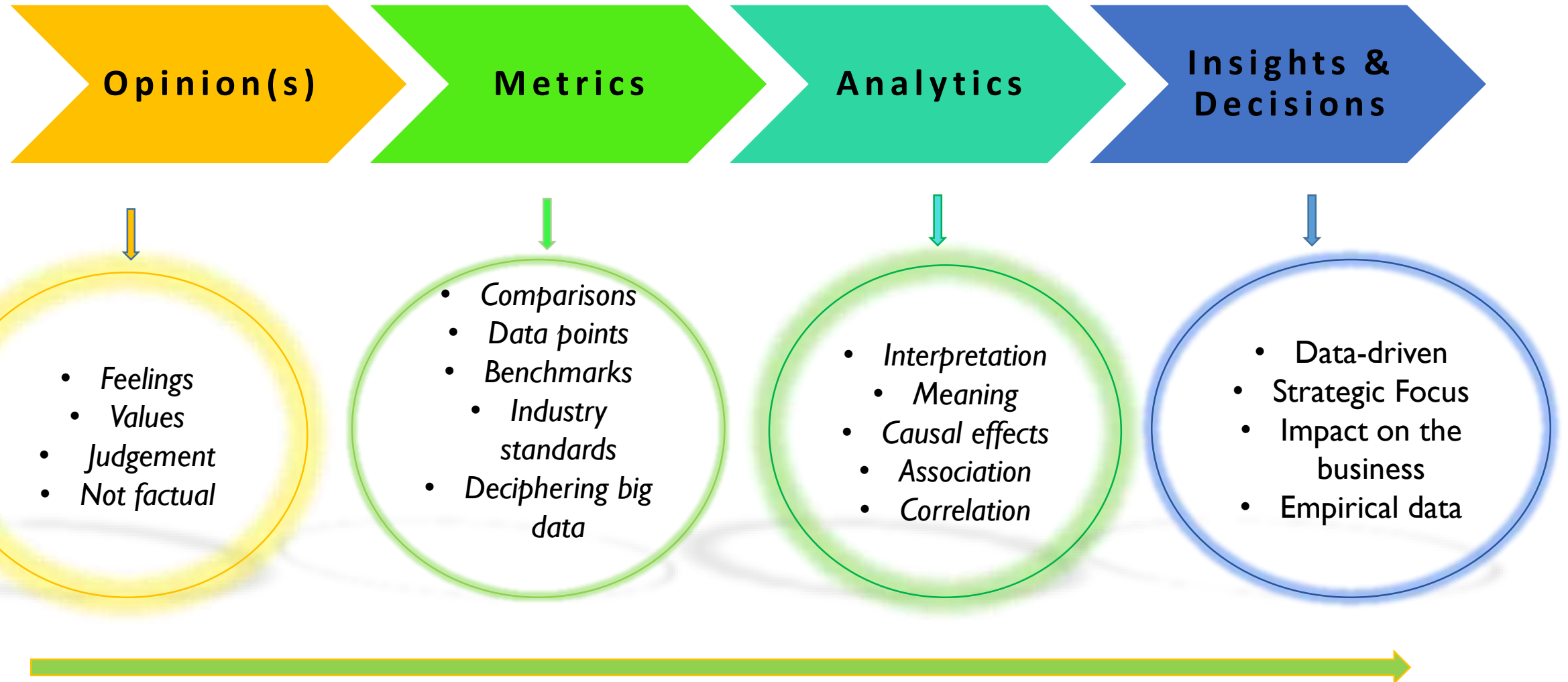| ASPECT	HR METRICS	HR ANALYTICS
Data Complexity	Typically straightforward and often manually calculated.	Complex & advanced data analysis techniques such as regression and machine learning.
Decision-Making	Supports tactical decisions based on current conditions.	Informs strategic decisions by identifying trends and opportunities for improvement
Required Tools	Simple dashboards, spreadsheets, basic reporting tools.	Advanced analytics tools, statistical software (e.g., SPSS, R, Python), and predictive models.
User	Mainly HR managers and operational teams	HR leadership, data scientists, and strategic planners

Summary of Section 1

Opinion(s)	Metrics	Analytics	Insights & Decisions

- *Feelings*
- *Values*
- *Judgement*
- *Not factual*

- *Comparisons*
- *Data points*
- *Benchmarks*
- *Industry standards*
- *Deciphering big data*

- *Interpretation*
- *Meaning*
- *Causal effects*
- *Association*
- *Correlation*

- Data-driven
- Strategic Focus
- Impact on the business
- Empirical data

Section 2

Why and how to measure DEI using Metrics and Analytics

Benefits of DEIB

Collaboration and Synergy

2
Harvard Business Review (2023).

Performance: Profits Innovation and Growth

Gallup Research – Inclusion – 59%

Innovation and Creativity

6
Deloitte: Recruitment, Promotions and Pay equity

1
Employee Engagement

3
Mckinsey Research: Diversity in leadership – 25%

Employee Retention

5
Deloitte Research: Inclusion – 1.7 times more Market Innovation leaders

Strategic Talent Management

Benefits of DEIB

Harvard Business Review (2023).

Regulatory & Legal Provisions

Builds Public and Stakeholder Trust

7

Fosters a Positive Work Culture

8

Catalyst Research: Inclusion improved well being and productivity and teamwork by 20%

Mitigates Legal and Compliance Risks

9

Benefits of HR Metrics

1

Measuring Performance

2

Evaluate effectiveness of HR Interventions

5

Ensure Compliance

3
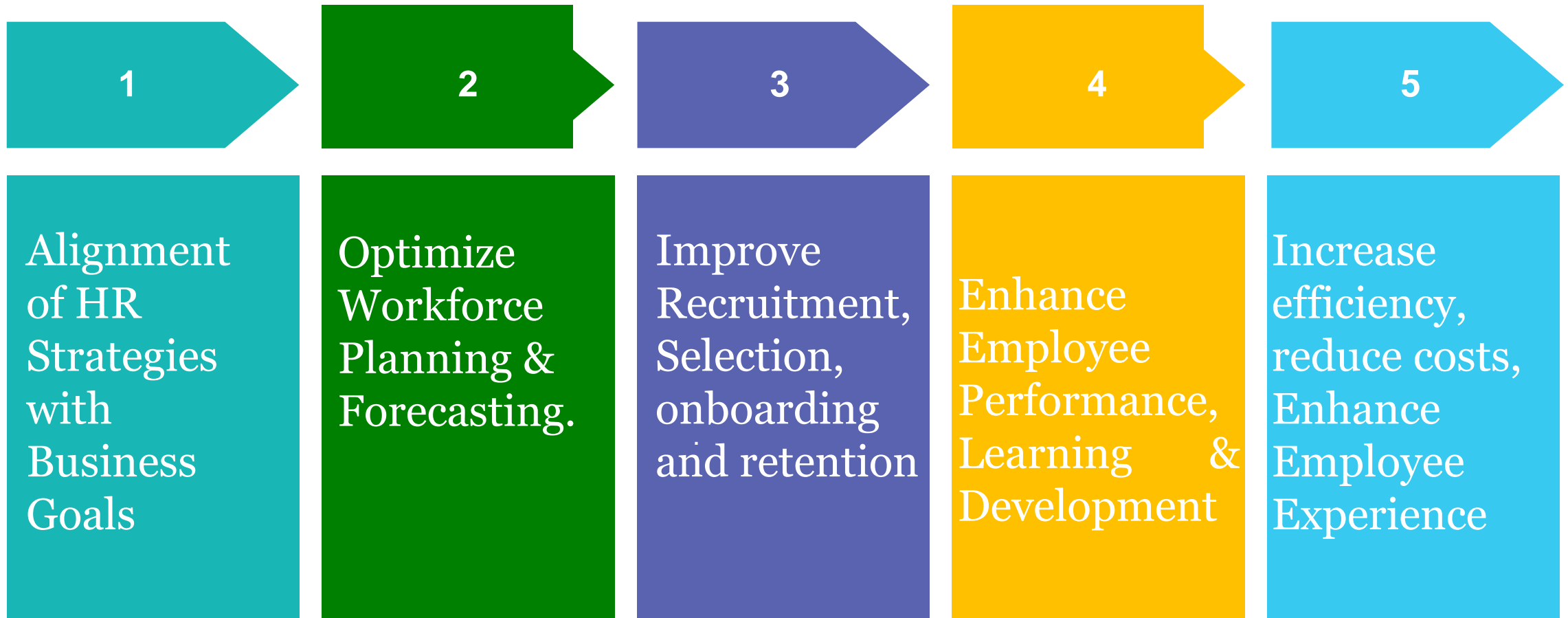
Identify opportunities for improvement

4

Benchmark against best practices and industry standards

Benefits of HR Analytics

1	2	3	4	5
Alignment of HR Strategies with Business Goals	Optimize Workforce Planning & Forecasting.	Improve Recruitment, Selection, onboarding and retention	Enhance Employee Performance, Learning & Development	Increase efficiency, reduce costs, Enhance Employee Experience

DEIB Vs Legal and Regulatory Provisions

1. The Constitution of Zambia (Amendment Act No. 2, 2016) Non-discrimination: Prohibits discrimination on grounds like race, sex, tribe, etc. Affirmative Action: Allows policies to promote equality for marginalized groups.

2. Employment Code Act No. 3 of 2019 Prohibits Discrimination: (Part VII, Section 108) In hiring, pay, promotion based on race, gender, etc. Section 109 - Equal Pay for Equal Work: Ensures pay equity for similar work.

3. Persons with Disabilities Act No. 6 of 2012 Promotes Inclusion: Mandates accommodations for employees with disabilities.

Linking DEIB to the Law

4. Gender Equity and Equality Act No. 22 of 2015, Gender Equality: Enforces gender parity in leadership, employment. Violence Prevention: Prevents gender-based violence in workplaces.

(Gender Equality in Section 15, Prevention of Gender-Based Violence in Section 17 and Representation and Participation in Section 23)

5. Anti-Gender-Based Violence Act No. 1 of 2011, Workplace Safety: Protects from harassment and abuse in workplaces.

6. National Gender Policy (2014) Promotes Gender Mainstreaming: Enhances women's participation in leadership.

10 Key DEIB KPI's

1. Workforce Diversity Representation (%)

Measures the **percentage** of employees from **diverse** groups compared to the overall workforce.

$$= \frac{\textit{Number of employees from diverse groups} \times 100}{\textit{Total No. of employees}}$$

10 Key DEIB KPI's

2. Equitable Hiring Rate (%)

Measures the **percentage** of **new hires** from underrepresented or minority groups

$$= \frac{\text{Number of hires from underrepresented groups} \times 100}{\text{Total No. of new hires}}$$

10 Key DEIB KPI's

3. Diversity Hiring Score (%)

Identifies which **recruitment channel** (e.g. Job boards, referrals, social media) are most successful in attracting diverse candidates

$$= \frac{\text{Hires from diverse sources} \times 100}{\text{Total hires}}$$

10 Key DEIB KPI's

4. Training Completion Rate for DEIB Programs (%)

Measures **participation** and **completion** of DEIB focused training programs

$$= \frac{\text{Employees who completed DEIB trainings} \times 100}{\text{Total employees expected to complete training}}$$

10 Key DEIB KPI's

5. Gender Pay Gap (%)

Indicates the **pay disparity** between **male** and **female** employees

$$= \frac{\text{Average male salary} - \text{average female salary} \times 100}{\text{Average male salary}}$$

10 Key DEIB KPI's

6. Internal Mobility/Promotion Rate for Underrepresented Groups (%)

Tracks whether **diverse employees** are being promoted at the **same rate** as their peers

$$= \frac{\textit{Number of promoted employees from diverse groups} \times 100}{\textit{Total number of Promoted employees}}$$

10 Key DEIB KPI's

7. Inclusive Employee Engagement (%)

Reflects how **included employees** feel within the organization

$$= \frac{\textit{Employees who feel included and engaged} \times 100}{\textit{Total number of surveyed employees}}$$

10 Key DEIB KPI's

8. Leadership Diversity Representation (%)

Tracks the **percentage of leaders** from underrepresented groups in senior roles

$$= \frac{\textit{leaders from diverse groups} \times 100}{\textit{Total leadership positions}}$$

10 Key DEIB KPI's

9. Turnover Rates for Diverse Groups (%)

Tracks **turnover among diverse groups** to identify potential inclusion or belonging issues

= $\dfrac{\text{Number of employees from diverse groups who left} \times 100}{\text{Total employees from diverse groups at the start of the period}}$
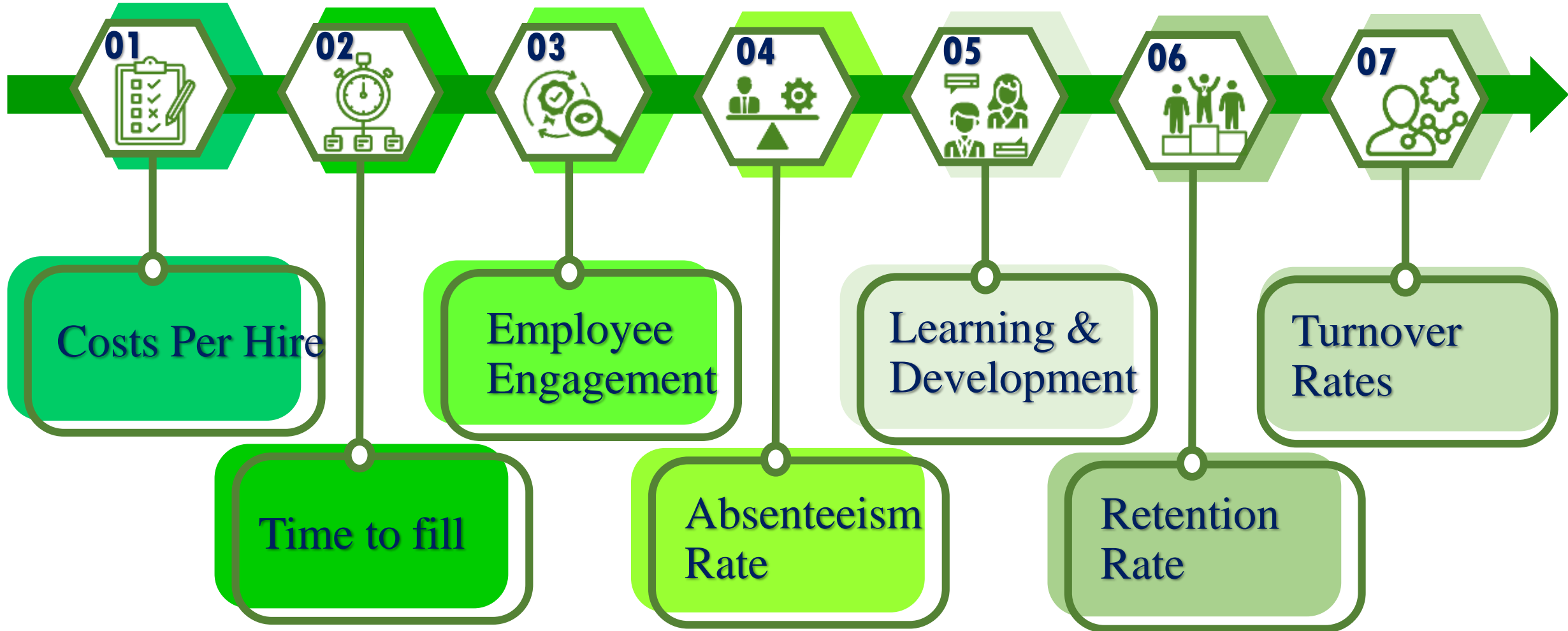
10 Key DEIB KPI's

10. Retention Rates for Underrepresented Groups (%)

Indicates the success of **retaining diverse talent** over a given period

$$= \frac{(No\ of\ Employees\ in\ a\ group\ at\ the\ end\ period - No.\ of\ employees\ from\ diverse\ groups\ who\ left)}{Total\ employees\ from\ diverse\ groups\ at\ the\ start\ of\ the\ period} \times 100$$

7 Strategic HR Metrics

01 Costs Per Hire

02 Time to fill

03 Employee Engagement

04 Absenteeism Rate

05 Learning & Development
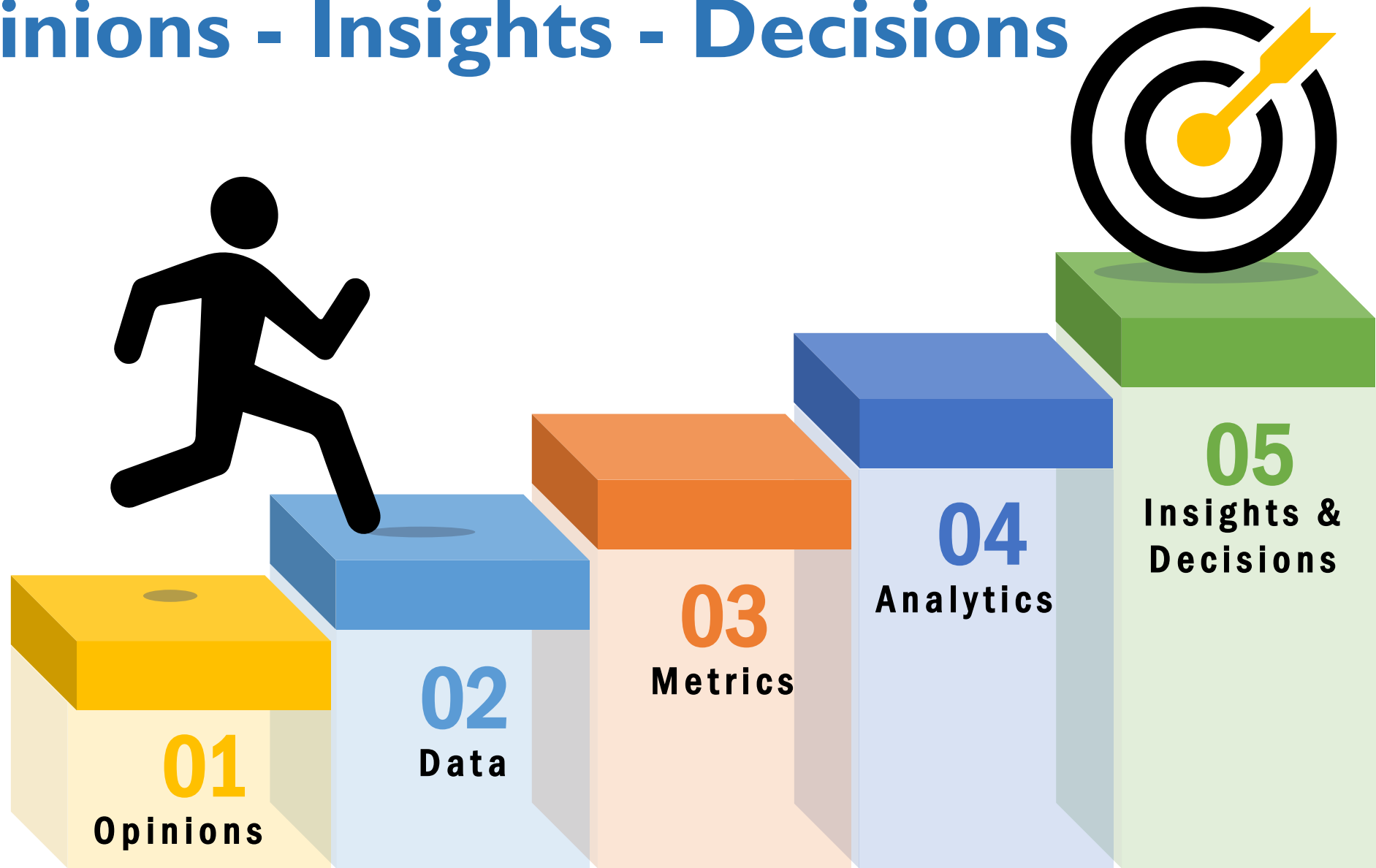
06 Retention Rate

07 Turnover Rates

Section 3

Conclusion and Call to Action

Conclusion

What, Why and How is DEIB, Metrics and Analytics?

Opinions - Insights - Decisions

01 Opinions

02 Data

03 Metrics

04 Analytics

05 Insights & Decisions

Action Steps
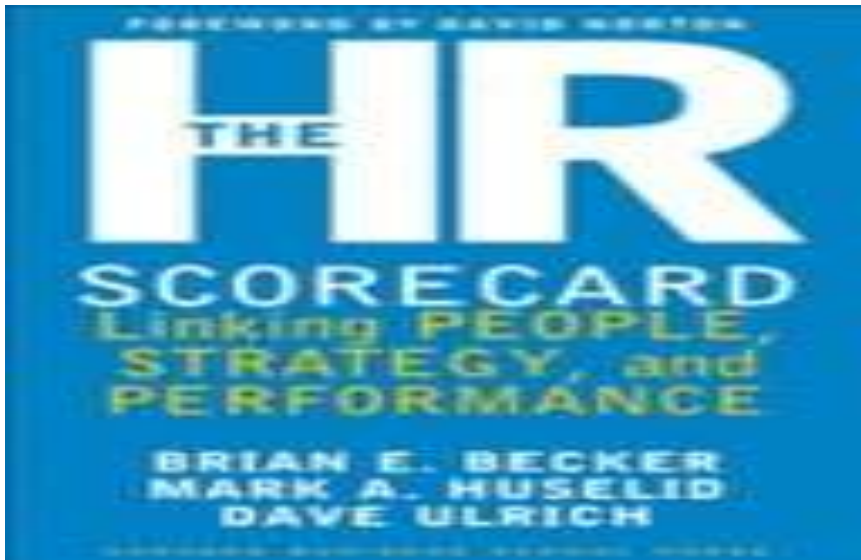
1. *Enhance the use of Data and Metrics and increase the number of metrics progressively*
2. *Implement & integrate HR metrics & analytics from basic to advanced tools (all reports)*
3. *Monitor progress, learn lessons and seek continuous improvement*
4. *Invest time in personal development in AI (DEIB, metrics & analytics)*

Final Motivation

*To be conscious that you are ignorant of the fact is a great step to knowledge"......****Benjamin Disraeli****.*

"Leadership develops daily, not in a day – 'Law of Process"...... ***John C Maxwell****.....the same applies to knowledge.......*

"Better than knowledge is applied knowledge"........ *Personal initiative* *and* *going the extra mile* *are important keys to success"......****Napoleon Hill***

THE END!

THANK YOU!

FOR YOUR

ATTENTION!

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