



D&I PULSE SURVEY 2022

EXECUTIVE SUMMARY

TABLE OF CONTENTS

- KEY SURVEY FINDINGS
- INSIGHTS INTO THE ALDA D&I PULSE SURVEY RESULTS
 - DIVERSITY & INCLUSION PRACTICES
 - OVERALL
 - SMALL ORGANIZATIONS
 - COMMUNICATION OF DE&I
- KEY IMPLICATIONS FOR ALDA

KEY SURVEY FINDINGS

ALDA DIVERSITY & INCLUSION (D&I) PULSE SURVEY WAS LAUNCHED IN MARCH OF 2022. 47 ORGANIZATIONS PARTICIPATED AND WE FOUND THE FOLLOWING KEY FINDINGS AND TRENDS:

- **D&I PRIORITIZATION**
 - SURVEY RESPONDENTS HAVE INDICATED THAT D&I ARE EITHER “IMPORTANT PRIORITIES” OR “AMONG OUR HIGHEST PRIORITIES” IN CLOSE TO 65% OF PARTICIPATING ORGANIZATIONS THIS IS DOWN A BIT FROM 2020 SURVEY WHERE 80% OF PARTICIPANTS FELL INTO THOSE CATEGORIES.
 - THE COMPANIES THAT INDICATED D&I WAS IMPORTANT OR AMONG HIGHEST PRIORITIES WERE MORE LIKELY TO REPORT A TRENDING UP IN REPRESENTATION AND WERE MORE LIKELY TO BE MEASURING AND INCLUDING DE&I METRICS IN INCENTIVE PLANS.
- **ORGANIZATIONS ARE MAKING PROGRESS ON FEMALE DIVERSITY IN EXECUTIVE AND MANAGEMENT ROLES.**
 - 70% OF ORGANIZATIONS REPORT THAT THEY ARE TAKING SPECIFIC ACTIONS TO INCREASE FEMALE REPRESENTATION IN EXECUTIVE AND MANAGEMENT POSITIONS AND THESE ACTIONS MAY BE PAYING OFF AS TWO THIRDS OF SURVEY RESPONDENTS REPORT AN INCREASE IN FEMALE REPRESENTATION IN EXECUTIVE AND MANAGEMENT ROLES. IN THE ORGANIZATIONS THAT HAVE TAKEN ACTION, 81% REPORT AN INCREASE OF WOMEN IN MANAGEMENT AND EXECUTIVE ROLES.
 - TURNOVER IS STABILIZING - A LARGE PERCENTAGE REPORTED TURNOVER FOR FEMALES IN LEADERSHIP ROLES IS ABOUT THE SAME OR LOWER (83%). FOR THOSE ORGANIZATIONS REPORTING SLIGHTLY OR SIGNIFICANTLY HIGHER TURNOVER (17%), THEY ALL PLACED DE&I AS IMPORTANT OR HIGHEST PRIORITY. THE APPROACHES USED MOST WIDELY BY COMPANIES EXPERIENCING AN INCREASE IN TURNOVER ARE WORK FLEXIBILITY, ENGAGEMENT/PULSE SURVEYS AND PAY INCREASES.

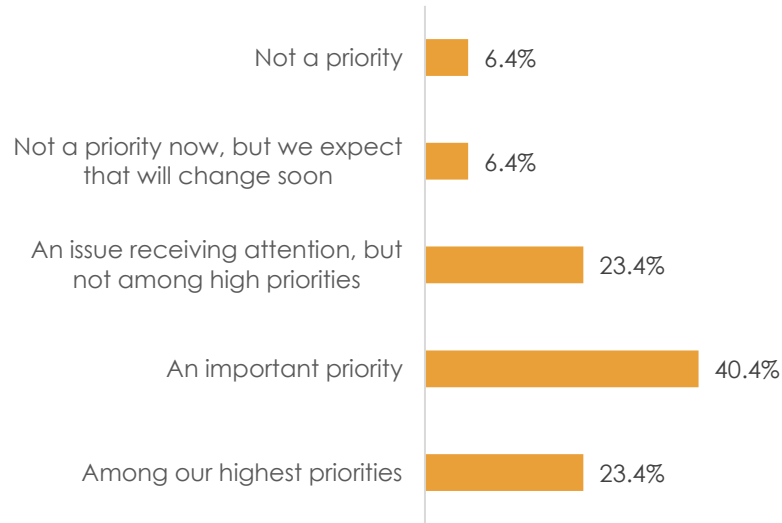
KEY SURVEY FINDINGS (CONTINUED)

- ORGANIZATIONS MAY NEED INCREASED FOCUS ON UNDERREPRESENTED MINORITIES
 - SLIGHTLY OVER ONE THIRD OF ORGANIZATIONS (37%) REPORT AN INCREASE IN MINORITY REPRESENTATION AT EXECUTIVE AND MANAGEMENT LEVELS AND LESS THAN HALF (45%) HAVE TAKEN ACTION TO INCREASE REPRESENTATION. IN THE COMPANIES THAT HAVE TAKEN ACTION, HALF HAVE SEEN AN INCREASE IN UNDERREPRESENTED MINORITY REPRESENTATION.
 - ALMOST THREE QUARTERS (73%) OF NON-US-BASED FIRMS HAVE NOT TAKEN SPECIFIC ACTION TO INCREASE MINORITY REPRESENTATION IN LEADERSHIP ROLES. THIS MAY BE DUE TO DIFFERING DEFINITIONS OF MINORITY FOR PURPOSES OF DIVERSITY OR THAT THEY HAVE PRIORITIZED INCREASING FEMALE REPRESENTATION AS A START IN THEIR DIVERSITY JOURNEY.
 - ALMOST TWO THIRDS OF NON-US-BASED ORGANIZATIONS REPORT THAT UNDERREPRESENTED MINORITIES IN LEADERSHIP ROLES HAVE REMAINED STABLE WITH JUST OVER 1/3 REPORTING AN INCREASE IN REPRESENTATION.
- DIVERSITY, EQUITY & INCLUSION MEASUREMENT
 - SLIGHTLY LESS THAN HALF (45%) OF THE SURVEY ORGANIZATIONS MEASURE DE&I OUTCOMES. THE TWO MOST WIDELY USED MEASURES OF ARE NUMBER OF DIVERSE HIRES (76%) AND NUMBER OF PROMOTIONS OF DIVERSE CANDIDATES (62%), A SLIGHT CHANGE FROM THE 2020 SURVEY WHERE THE SECOND MOST USED MEASURE WAS NUMBER OF DIVERSE JOB APPLICANTS. THERE APPEARS TO BE A SLIGHT SHIFT TOWARDS LOOKING AT INTERNAL TALENT PIPELINE AND PROMOTING DIVERSE CANDIDATES THROUGH THAT PIPELINE.
- DE&I PRIORITIES & ACTIONS
 - SMALLER COMPANIES ARE HAVING DIFFICULTY GETTING STARTED
 - WE ASKED THE SMALLER ORGANIZATIONS (LESS THAN \$50M) HOW THEY WERE FEELING ABOUT DE&I. ONLY 1/3 HAVE DE&I POLICIES AT THIS TIME AND THREE QUARTERS SAY THEY ARE DOING VERY LITTLE AND NOT SURE WHERE TO START OR ARE DOING SOME BUT COULD DO MORE. THE COMPANIES IN THIS CATEGORY RANGE IN SIZE FROM 8 TO 230 EMPLOYEES WITH AN AVERAGE OF 100 EMPLOYEES.
 - LARGER COMPANIES ARE STAYING FOCUSED
 - OVER 90% OF SURVEY PARTICIPANTS WITH REVENUES OVER \$200M STATE THAT DE&I IS IMPORTANT OR AMONG HIGHEST PRIORITIES AND OVER 70% MEASURE OUTCOMES.

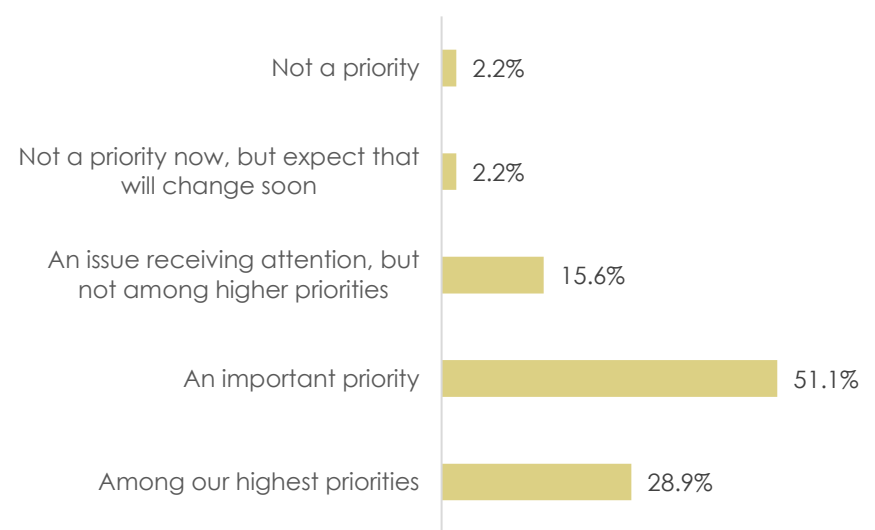
PRIORITIES, GOALS, MEASURES AND PROGRAMS & POLICIES

D&I PRIORITIES

2022 Pulse Survey



2020 Survey

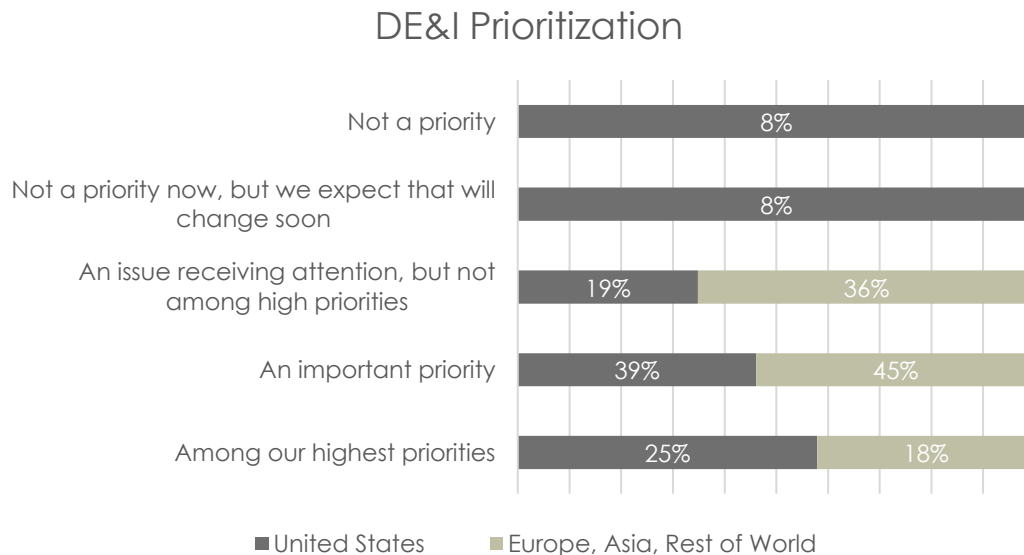


- **PRIORITY:** CLOSE TO ONE QUARTER OF THE RESPONDENTS HAVE D&I AMONGST THEIR HIGHEST PRIORITIES
 - AMONG HIGHEST PRIORITIES IS CLOSE TO THE SAME PERCENTAGE IN BOTH SURVEYS.
 - SHIFT IN INDICATING THAT D&I IS AN IMPORTANT PRIORITY. A LOWER PERCENTAGE OF ORGANIZATIONS PRIORITIZED THIS – DOWN BY 10 PERCENTAGE POINTS.
 - A HIGHER PERCENTAGE OF ORGANIZATIONS INDICATED THAT IT IS AN ISSUE RECEIVING ATTENTION BUT NOT AMONG HIGH PRIORITIES (23% VS 16% IN 2020).
 - THIS MAY BE DUE TO SHIFTING GROUP OF SURVEY PARTICIPANTS. SLIGHTLY LESS THAN HALF OF THE COMPANIES PARTICIPATING IN 2022 PULSE SURVEY PARTICIPATED IN 2020 D&I SURVEY.

D&I PRIORITIES & OVERALL TRENDS

Does prioritization vary by US based vs outside US?

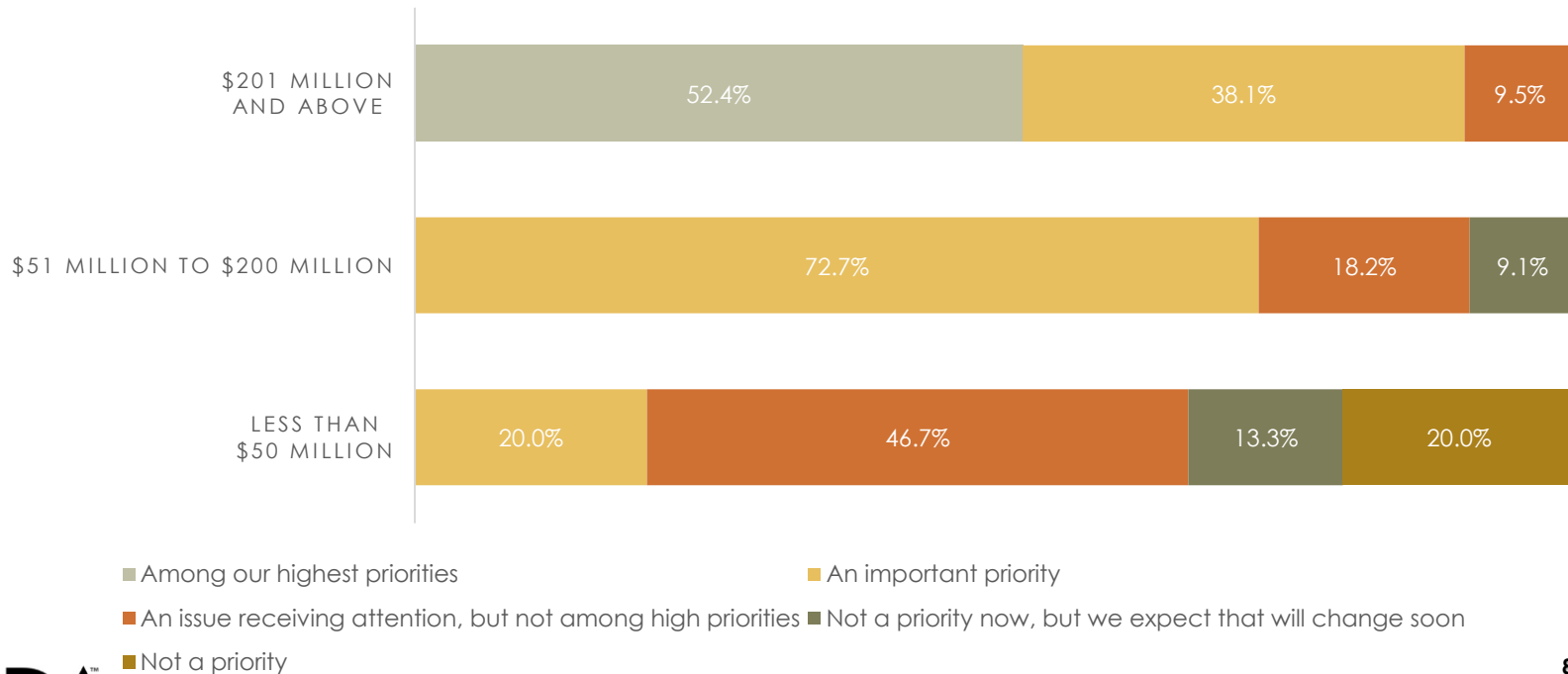
- One third of survey participants have headquarters outside of the US.
- Prioritization differs only slightly with close to 65% in both US and non-US having D&I as important or among highest priorities.
- In the organizations based outside of the US, there were no participants who indicated that D&I wasn't a priority



D&I PRIORITIES & OVERALL TRENDS

Does prioritization vary by size?

- The larger organizations, those over \$201 million, have higher percentages of participants who state that D&I is among their highest priorities or an important priority. All of the organizations who have D&I among highest priority are in the \$200m+ category. In the largest revenue category, \$750m+, close to 90% of participants have D&I as an important or among highest priorities.
- Of those in the largest revenue category, 80% report an upward trend in representation of women.
- In the organizations under \$200 million, they are mostly split between trending up and remaining stable

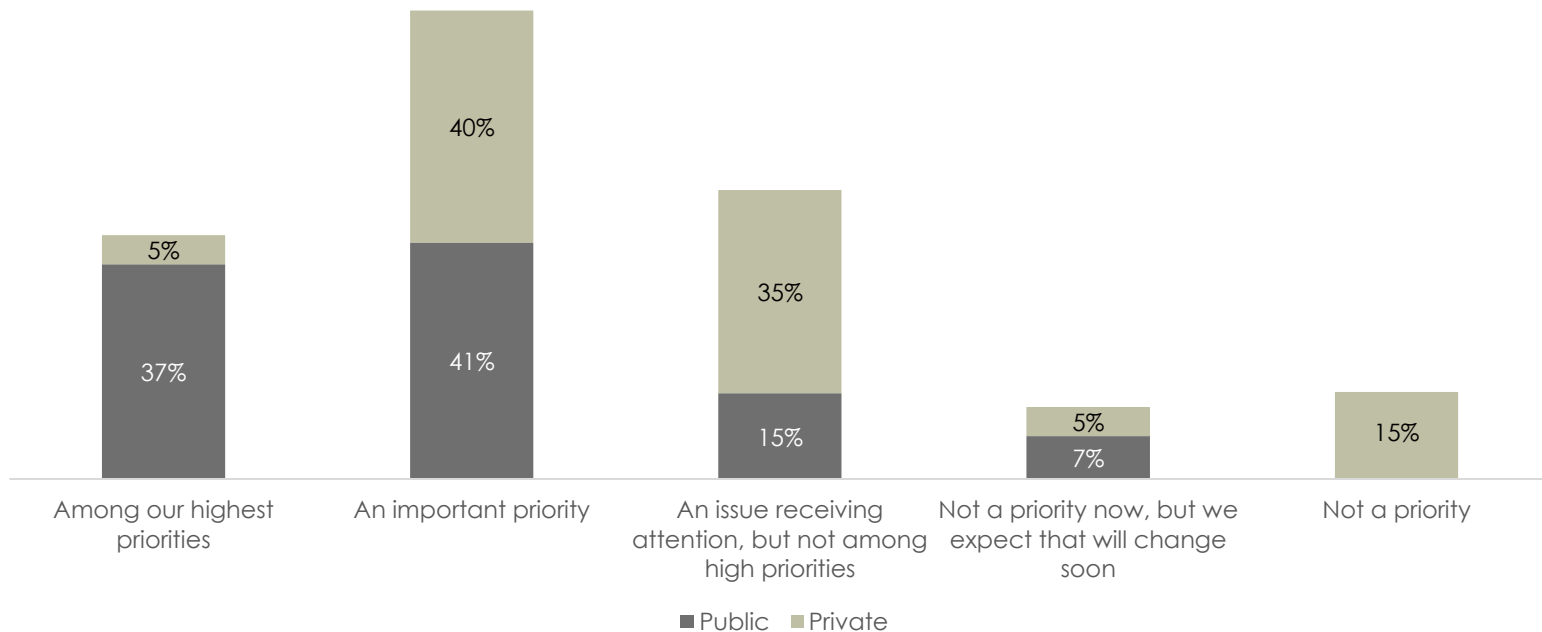


D&I PRIORITIES & OVERALL TRENDS

Does prioritization vary by ownership?

- Public companies in this survey prioritize D&I among highest(37%) or an important priority(41%) at a higher rate than private companies (5% and 40% respectively).
- A higher percentage of public companies report that female representation is trending up and 85% are taking action to increase representation.

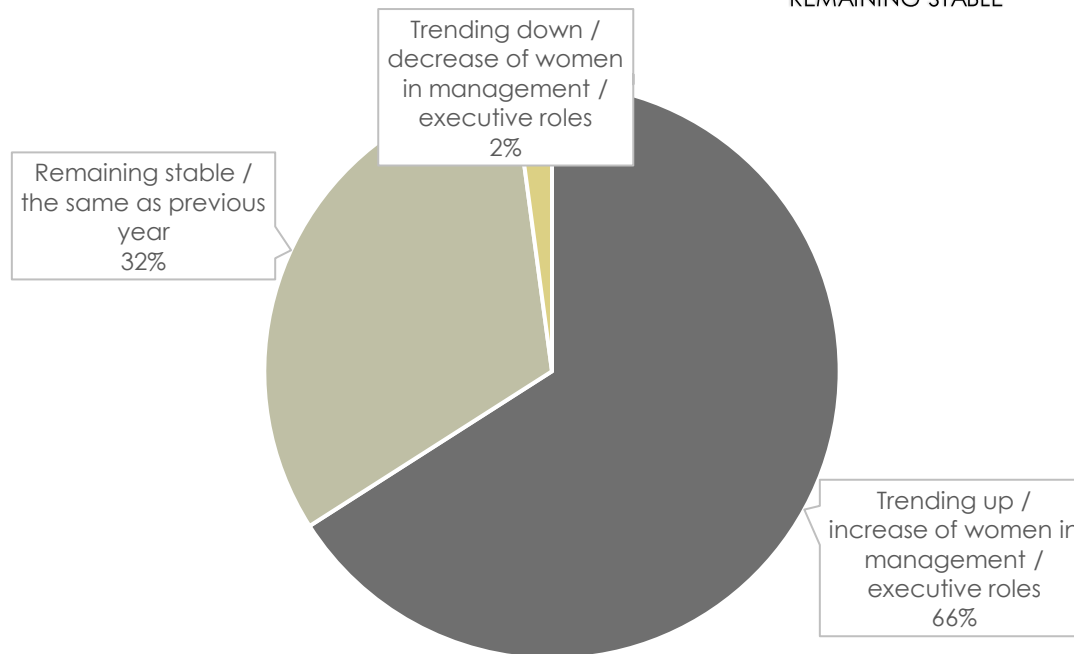
TO WHAT EXTENT IS DEI A PRIORITY?



DIVERSITY TRENDS - GENDER REPRESENTATION

How is your organization trending year over year in the representation of women in management/executive roles?

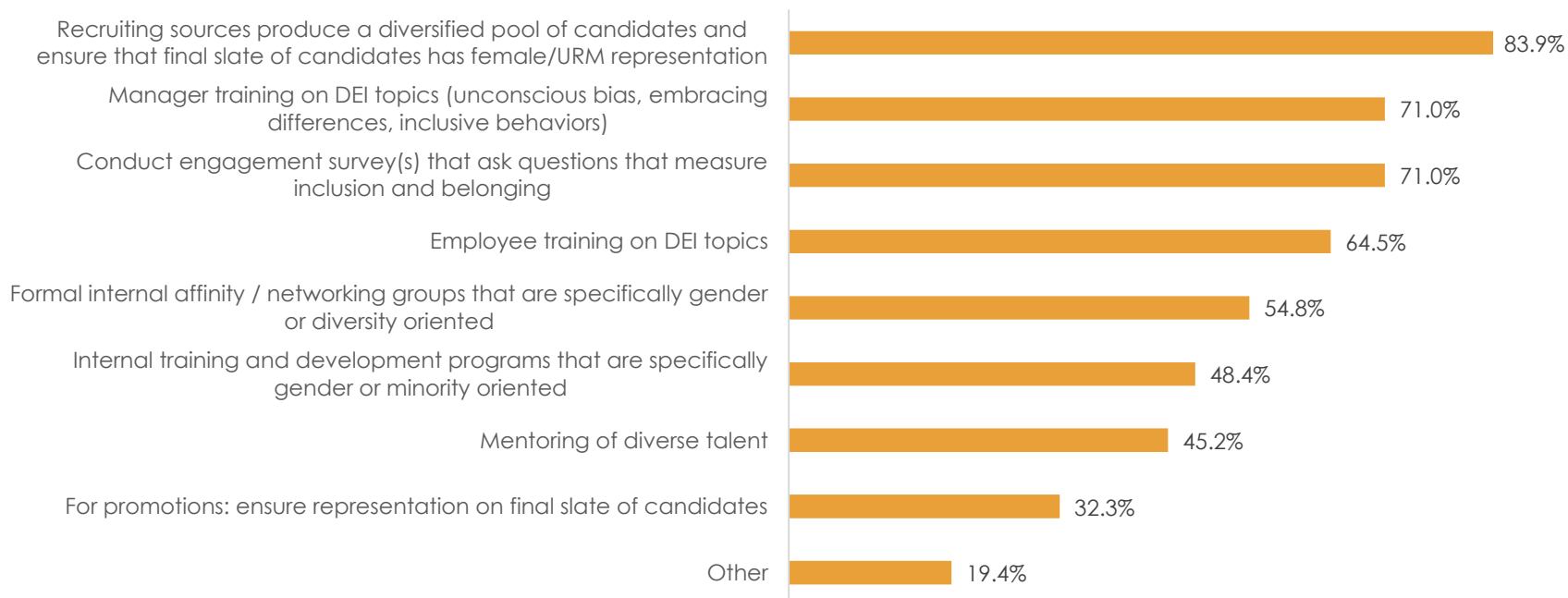
- **TRENDS:** TWO THIRDS (66%) OF ORGANIZATIONS REPORT AN INCREASE OF WOMEN IN MANAGEMENT/EXEC ROLES
 - OF THOSE IN THE LARGEST REVENUE CATEGORY, 80% REPORT AN UPWARD TREND IN REPRESENTATION OF WOMEN
 - AMONGST THE ORGANIZATIONS UNDER \$200 MILLION, THEY ARE MOSTLY SPLIT BETWEEN TRENDING UP AND REMAINING STABLE



GENDER DIVERSITY REPRESENTATION ACTIONS

What has your company been doing to increase gender diversity?

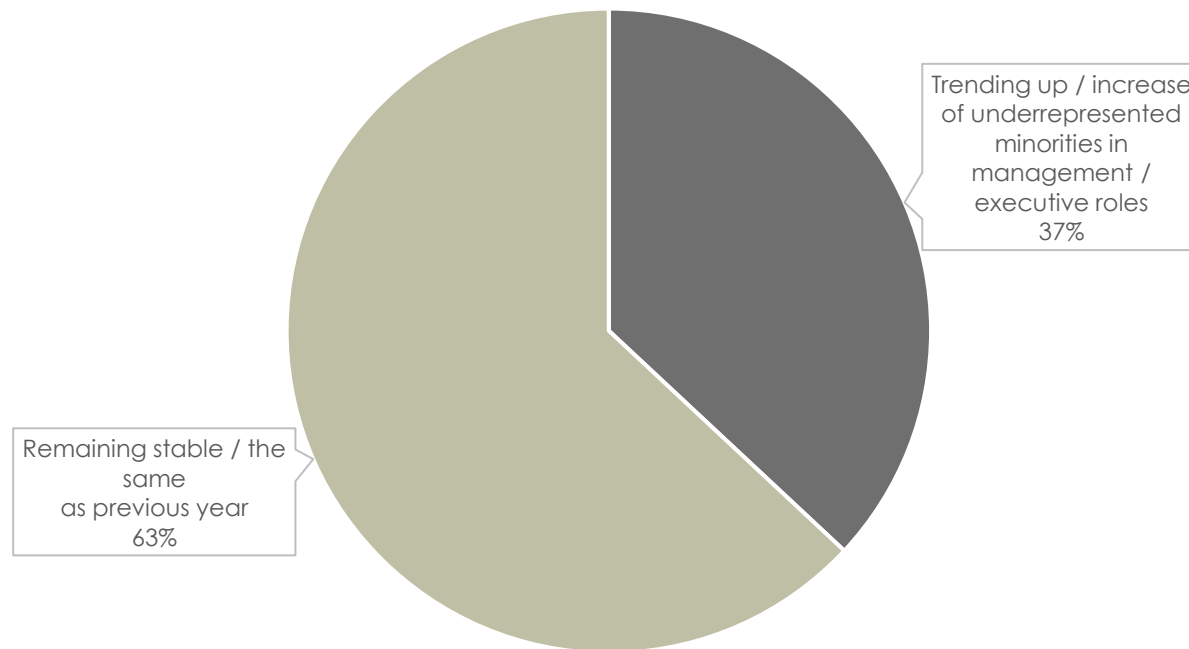
- **ACTIONS:** NEARLY 70% HAVE TAKEN SPECIFIC ACTIONS TO INCREASE FEMALE REPRESENTATION
 - THE MOST WIDELY USED ACTION IS FOCUSING ON DIVERSITY IN PRODUCING A DIVERSE FINAL SLATE OF CANDIDATES
 - MANAGEMENT TRAINING AND ENGAGEMENT SURVEYS ARE ALSO USED BY 71% OF PARTICIPANTS WHO HAVE TAKEN SPECIFIC ACTIONS



MINORITY REPRESENTATION TRENDS

How is your organization trending year over year in the representation of minorities in management/executive roles?

- **TRENDS** SLIGHTLY OVER ONE THIRD (37%) OF ORGANIZATIONS REPORT AN INCREASE OF MINORITIES IN MANAGEMENT/ EXEC ROLES
 - IN THE LARGEST ORGANIZATIONS, OVER \$200M, CLOSE TO HALF (43%) REPORTED TRENDING UP

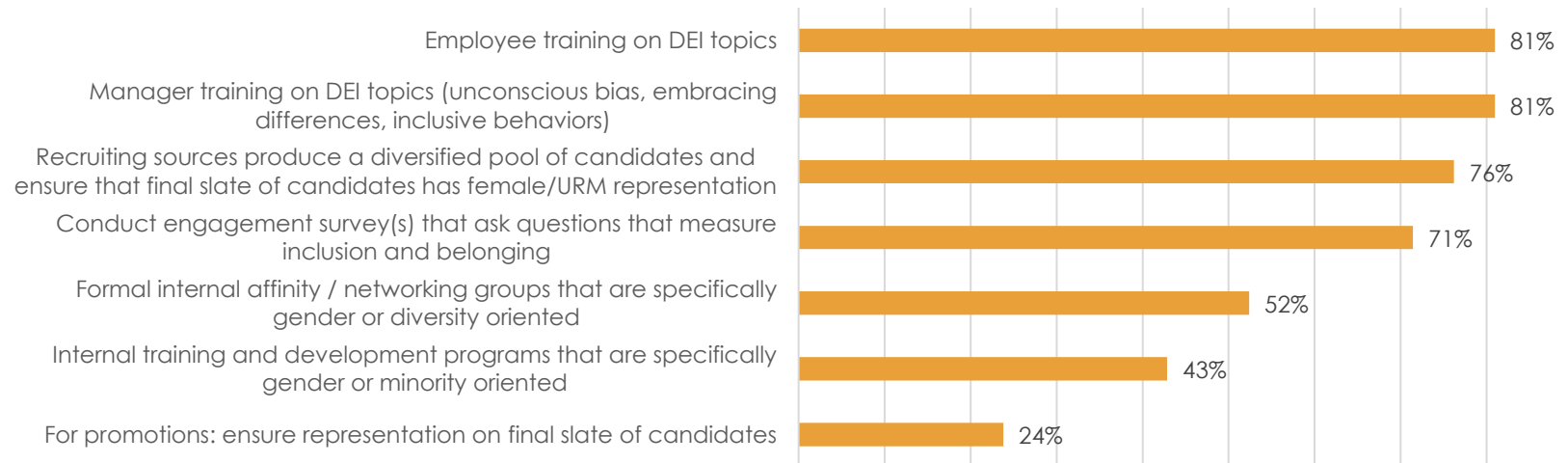


MINORITY REPRESENTATION ACTIONS

What has your company been doing to increase racial/ethnic diversity?

- **ACTIONS:** LESS THAN HALF (45%) OF THE ORGANIZATIONS HAVE TAKEN ACTION TO INCREASE UNDERREPRESENTED MINORITY REPRESENTATION.
 - FOR US-BASED FIRMS IT'S EVENLY SPLIT BETWEEN TAKING ACTION AND NO SPECIFIC/TARGETED ACTIONS
 - FOR THE NON-US BASED COMPANIES, ALMOST THREE QUARTERS (73%) REPORT THAT THEY HAVE NOT TAKEN ANY SPECIFIC ACTIONS, MOST LIKELY DUE TO THE DIFFERENCES IN DEFINING MINORITY POPULATIONS AND DIFFERING ATTITUDES ABOUT DIVERSITY

Actions to increase representation of minorities



WHAT ARE THE ORGANIZATIONS DOING WHO ARE TRENDING UP?

Trending up in female representation in management/executive roles

- OF THE 66% TRENDING UP, 80% ARE TAKING SPECIFIC ACTIONS TO INCREASE GENDER DIVERSITY
- ORGANIZATIONS THAT HAVE TAKEN ACTIONS TO INCREASE GENDER DIVERSITY HAVE TAKEN, ON AVERAGE, 4 ACTIONS, RANGING FROM 1 TO A HIGH OF 9 ACTIONS.

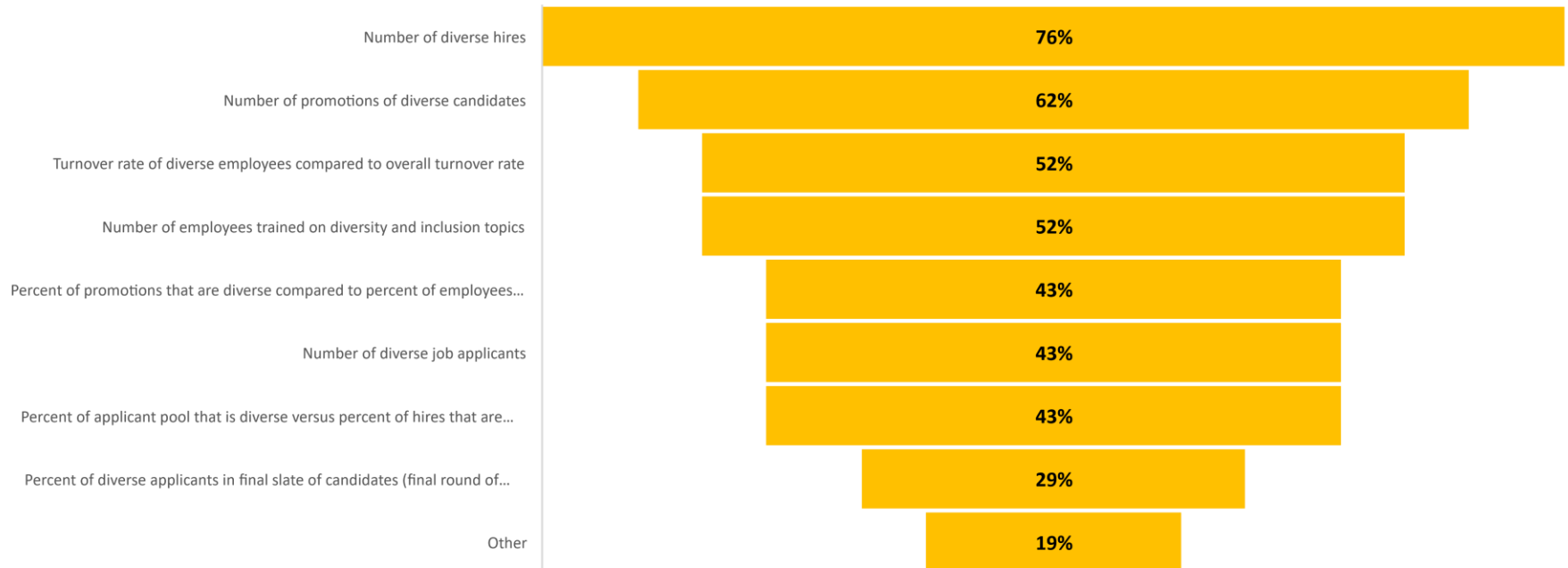
Trending up in minority representation in management/executive roles

- OF THE 37% TRENDING UP, 60% ARE TAKING SPECIFIC ACTIONS TO INCREASE RACIAL/ETHNIC DIVERSITY
- ORGANIZATIONS THAT HAVE TAKEN ACTIONS TO INCREASE RACIAL/ETHNIC DIVERSITY HAVE TAKEN, ON AVERAGE, 5 ACTIONS, RANGING FROM 3 TO A HIGH OF 8 ACTIONS.

DEI MEASURES

- **MEASURES:** THE TOP MEASURES CONTINUE TO BE “LAGGING”, MEASURING AFTER THE FACT VERSUS MEASURING ACTIONS THAT CAN “LEAD” TO AN INCREASE IN GENDER AND RACIAL/ETHNIC DIVERSITY.
 - THE ORGANIZATIONS THAT HAVE D&I AS HIGHEST OR AN IMPORTANT PRIORITY ARE ALL MEASURING DE&I. ONLY ONE ORGANIZATION THAT HAS D&I AS AN ISSUE RECEIVING ATTENTION BUT NOT AMONG HIGH PRIORITIES IS MEASURING AND USING ONLY ONE MEASURE (NUMBER OF DIVERSE HIRES).
 - MEASURING DIVERSITY HIRES AND PROMOTIONS ARE THE TOP MEASURES USED BY THE ORGANIZATIONS THAT MEASURE DE&I.
 - THE LEAST USED MEASURE, DIVERSE FINAL SLATE OF CANDIDATES, IS A LEADING MEASURE AND MAY HAVE LOWER ADOPTION BECAUSE LACK OF AWARENESS OR MORE DIFFICULT TO COLLECT DATA.

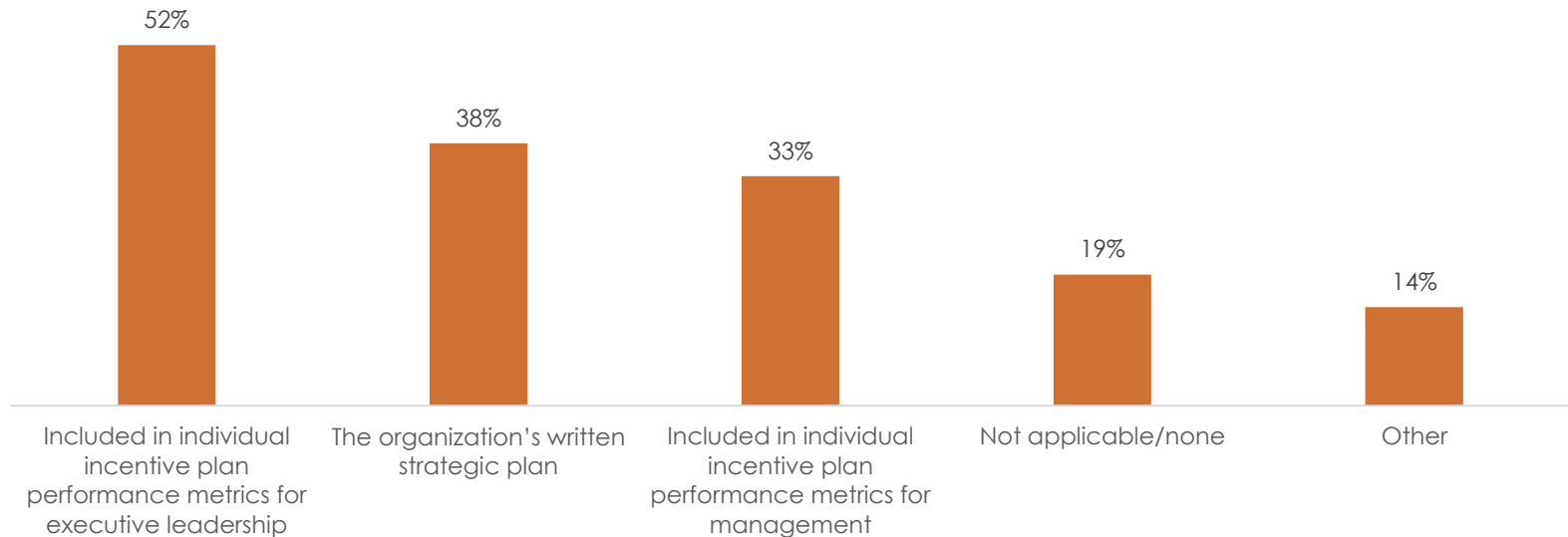
DE&I Measures Used by Participants



DEI PRIORITIES & MEASURES

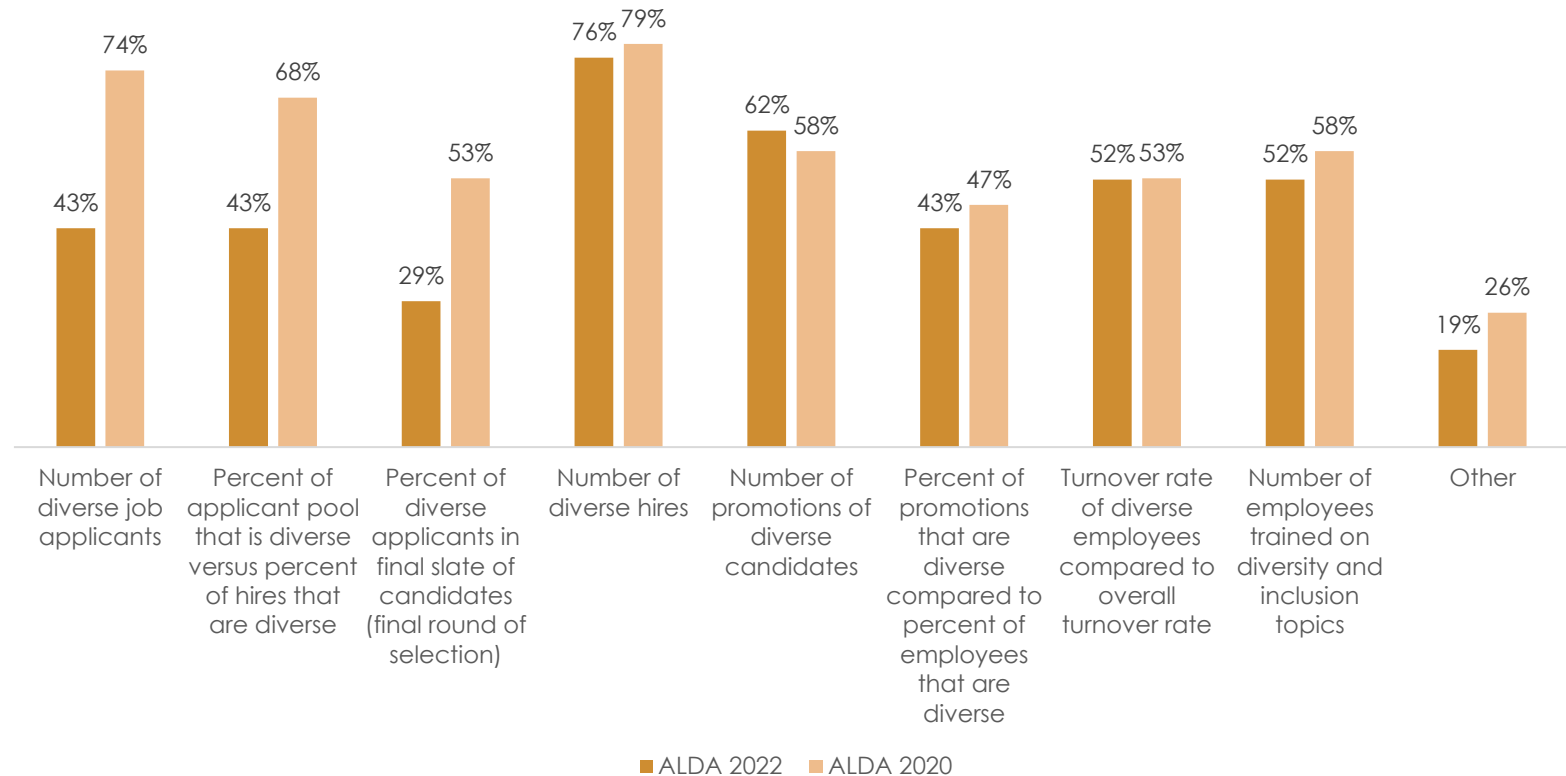
- ▶ **Measures:** 45% (21 firms) measure DEI program outcomes. Measurement increases in the size groupings with 72% of \$200m+ measuring outcomes and 36% in the \$51-200 and just 13% of the firms with less than \$50m.
 - ▶ 52% include DEI measures in their executive leadership incentive plans and an additional 19% are thinking of adding into plans and 1/3 include in incentive plan for management.
 - ▶ In firms that measure DE&I, just over one third include these measures in the organization's written strategic plan.
 - ▶ For those that have DE&I in executive incentive plans, 70% report modest positive improvement in D&I efforts, 10% have seen significant impact on advancing D&I efforts and 20% report that it is too early to determine impact.

Measures are included in.....



HAVE DEI MEASURES CHANGED SINCE 2020 SURVEY?

In what ways are your DE&I program outcomes measured?

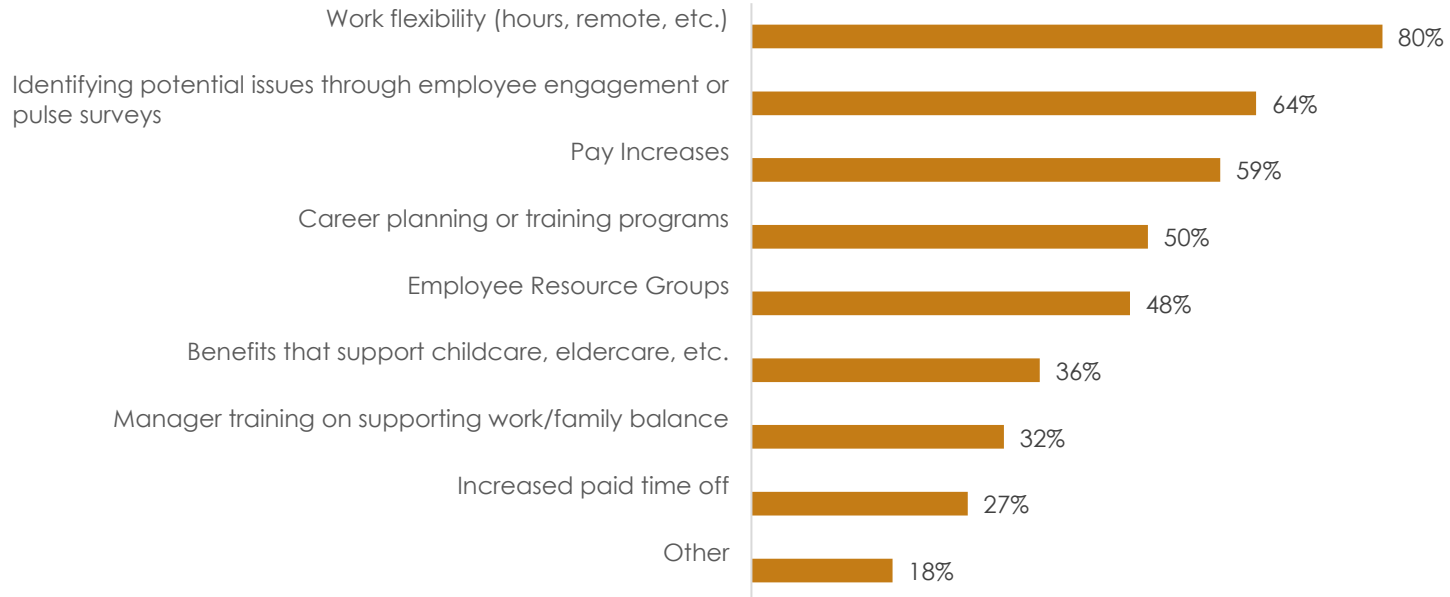


Note: Composition of survey participants changed from 2020 full survey to 2022 pulse survey.. The biggest changes are less use of applicant diversity measures.

TURNOVER OF FEMALES IN LEADERSHIP ROLES

- ▶ **Turnover:** at the time this survey was taken, 83% of survey participants report that turnover of female leadership is about the same or lower than last year. Just under 15% report slightly or significantly higher turnover of female leadership over the past year.
 - ▶ For those reporting same or lower turnover, a myriad of approaches have been used to reduce turnover. See chart below
 - ▶ There is not a significant difference in the approaches used to reduce turnover by revenue/size.
 - ▶ Other approaches to reducing turnover included: additional bonuses given, engagement and well-being/wellness programs, increased communication, mentoring/sponsors, and career pathing programs.

Approaches to reducing turnover



THE UNDER \$50M ORGANIZATIONS

How are they feeling about DE&I?

Questions asked to subset of survey participants with under \$50m in revenue.

- **EFFORT, POLICIES AND TOOLS:**
 - 15 ORGANIZATIONS – AROUND 1/3 OF SURVEY PARTICIPANTS FALL INTO THIS CATEGORY
 - 1/3 HAVE DE&I POLICIES
 - THREE QUARTERS SAY THEY ARE DOING VERY LITTLE OR SOME BUT COULD DO MORE
 - MOST USED TOOLS ARE:
 - ROLE MODEL – WE HAVE A DIVERSE WORKFORCE
 - OUTREACH BY CEO TO NEW EMPLOYEES
 - SOCIAL EVENTS/CONFERENCES TO CELEBRATE DIVERSITY

COMMUNICATION OF DE&I

MONITORING RESPONSES TO DE&I EFFORTS

- ▶ The most widely used method used to monitor employee's responses to DE&I efforts is the through engagement surveys with 67% of all participants utilizing this tool.
- ▶ The methods did not vary much by revenue size by revenue/size although smaller firms tended to use company-wide meetings more frequently (42%) and larger firms relying more heavily on employee focus groups (53%)



KEY IMPLICATIONS FOR ALDA

- FULL BENCHMARKING STUDY:
 - THERE IS VALUE AND INTEREST; WILL CONDUCT AGAIN IN 2023
 - WILL WORK TO IDENTIFY MOST RELEVANT DATA SETS
- OTHER INITIATIVES:
 - CONTINUE TO OFFER VIRTUAL EDUCATIONAL OFFERINGS
 - DEVELOPING SHARED RESOURCE PAGE
 - INTEREST IN HUMAN CAPITAL & ENVIRONMENT/SUSTAINABILITY SURVEYS