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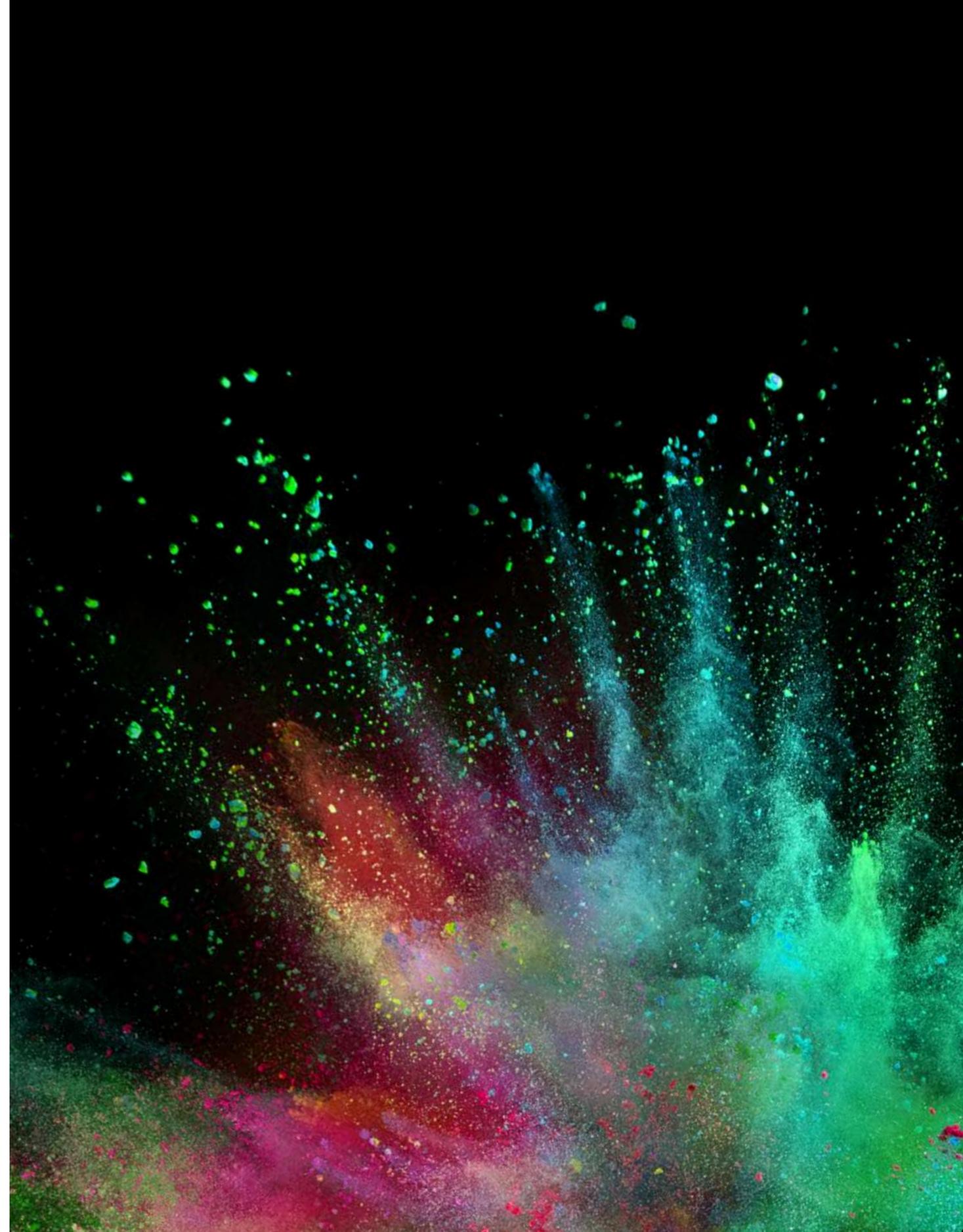
Building a Holistic View of Inclusion & Diversity

Mind the Gap Series — Part 2:

Insights from Global Employment Leaders

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Foreword

Movements such as #MeToo and Black Lives Matter and the impact of COVID-19 act as stark reminders of the challenges faced by employees inside and outside the workplace and underscore the importance of listening to individuals. More than ever, organizational culture is under the microscope, with inclusion and diversity (I&D) front of mind. The first installment of our Mind the Gap series reported on our survey of global compliance leaders, highlighting a lack of measurement of progress and a perception gap between statements and action, with companies sometimes perceived as paying lip service to I&D. In this second installment, we look at the employment perspective — exploring the steps global diversity and HR professionals are taking to accelerate I&D goals and overcome the barriers to change.

Our research of 900 employment leaders confirms that despite strenuous efforts to address underrepresentation — in particular of women and other members of underrepresented groups — and to promote inclusion, progress is slow and sometimes frustrating. Many organizations are less far along the path than they hoped and continue to work on long-held priorities such as raising awareness of I&D, recruitment and retention of diverse talent and increasing the

Susan Eandi,

Partner and Head of the North America Global Employment and Labor Law practice group, Palo Alto

Monica Kurnatowska,

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diversity of senior management (which in many organizations remains predominantly white and male). Furthermore, employees with disabilities remain heavily underrepresented in the workforce as a whole.

Findings suggest that three primary challenges threaten I&D progress: foresight, oversight and insight. Organizations have invested considerable efforts on the development of policies and training, which have not translated into inclusive cultures and actions globally or a material improvement in representation. Many organizations also lack an empirical view on what is truly accelerating I&D.

With I&D programs yet to deliver — even at a time when stakeholders are pushing organizations to go further, faster — culture and strategy are priorities for diversity leaders. Initiatives must be connected by an overarching plan, informed by data and driven by culture and employee experience if organizations are to effectively focus resources, measure progress and implement positive action measures. This report proposes key actions to help organizations strengthen performance, manage risk and accelerate progress.



Key Findings

1. Stubborn issues undermine optimism on I&D



92%

of diversity leaders say I&D programs are effective.



However, a majority are still focused on long-held priorities — raising awareness of I&D is a priority for **55%** of respondents.

2. Underreporting persists despite investments in training and policies — showing that culture lags intention



The number of policies and training grew significantly over the last three years, and **63%** have plans for further expansion.



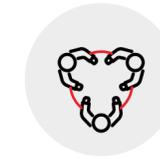
While encouraging a speak up culture remains a priority for **78%** of diversity leaders, **67%** fear that managers contain I&D-related complaints rather than using reporting mechanisms and **34%** believe that I&D issues are underreported.

3. Organizations struggle to take an evidence-based approach to I&D



75%

of diversity leaders believe they could do more to leverage data to direct resources to the most impactful I&D initiatives.



Fewer than **50%** use recruitment diversity data, pay data or employee feedback as a way of measuring the effectiveness of actions taken.



Section 1:

Diversity Leaders' Perspectives on I&D Priorities

Research shows that while practical infrastructure is in place, diversity leaders remain in pursuit of culture change and face persistent issues with recruitment and retention of women and other underrepresented groups.

1.1 Organizations Expand Already Extensive Training Programs

In an attempt to promote good behavior and manage risk, many organizations have mandated a range of I&D training.

The overwhelming majority of diversity leaders surveyed say their organization currently mandates training on sexual harassment, mental health awareness and anti-racism. Education in emerging areas such as neurodiversity and conflict management are also offered as part of the I&D program in half of organizations, reflecting the evolution of diversity best practices.

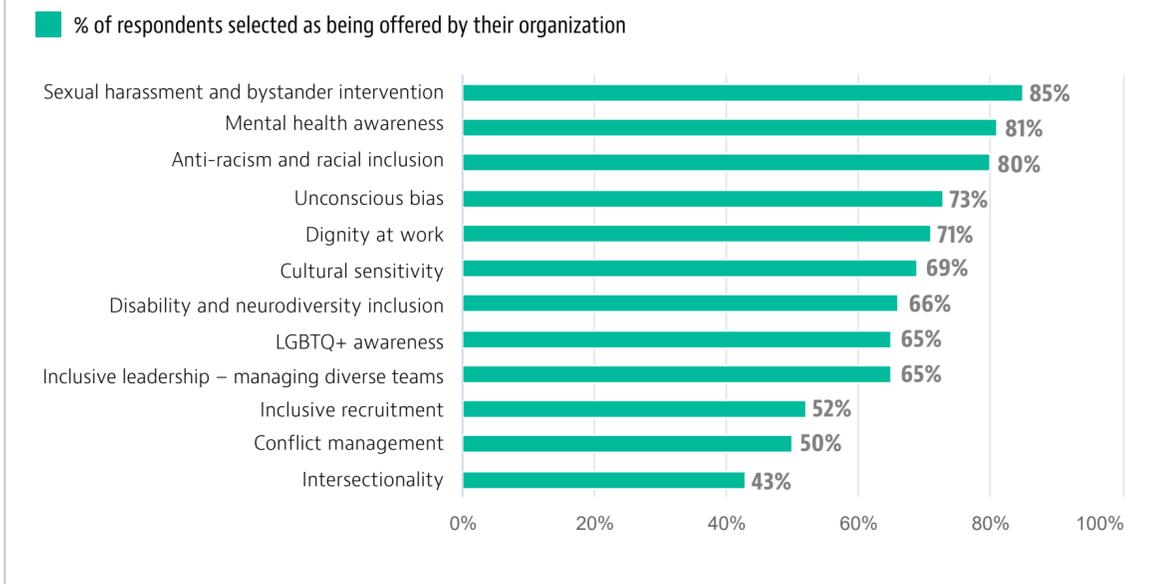
63% of diversity leaders also say they plan to further expand on the training offered by their organization as they seek to meet new needs. However, while the amount of training — and attendance — is quantifiable, the impact on culture is difficult to measure. Despite a wealth of training, many organizations have not yet fully embedded and consistently reinforced these learnings, compounding ongoing concerns about conduct and reporting. Learning is most impactful as part of a broader education program and when consistently reinforced. The slow rate of progression of women and employees from underrepresented ethnic groups also suggests that cultural attitudes are stubbornly slow to shift. The focus is now shifting to broader education as organizations tackle these longstanding issues.

The challenge of embedding learnings may also have been exacerbated by the pandemic and the subsequent shift to online delivery. Organizations should be wary of implementing training that feels overly formulaic or which has not been updated to reflect the pace of change, particularly when dealing with nuanced issues of bias, culture and conduct.

The Imperative for Education

Regulators, courts and tribunals increasingly expect frequent training on key topics such as harassment. However, cultural change requires education to achieve a behavioral and mindset change.

Type of I&D Training Offered



“That organizations have comprehensive training programs in place shows that they take their obligations seriously. But just offering training is not enough. Learning is most impactful when consistently reinforced — holding employees accountable where behavior falls short of expectations and rewarding those who uphold the organization’s I&D values. Diversity leaders must also be mindful of cultural differences when establishing global training priorities. Programs that are designed at a global level with little consideration for local nuance and specific diversity pain points are rarely well received on the ground.”

Jonathan Isaacs

Head of Baker McKenzie’s China Employment Practice, Hong Kong

“ As organizations implement an abundance of training around inclusion and diversity, they should look to diversity experts, who understand that to effectively tackle long-standing barriers to I&D, formulaic and fragmented initiatives are not enough to sustain progress. Education around inclusion & diversity needs to be deeply embedded over the long-term and focused on true culture change.

Anna Brown

Chief Inclusion & Diversity Officer

Section 1:

1.2 Organizations Respond to Evolving I&D Agenda with New Policies

In addition to education programs, policies are a critical tool for organizations to advance I&D efforts. Almost all diversity leaders surveyed report that their organizations have adopted basic policies on equal opportunity and equal pay — areas in which legal protections are longstanding and well-tested in many jurisdictions.

Many organizations report that requests to work remotely are on the rise. Unsurprisingly, the pandemic and advances in organizations' IT infrastructure mean that many organizations are adopting a hybrid working model and that flexible working is now among the most common employment policies offered by global organizations. Three years ago, only 27% of respondents had a flexible working policy in place, but today this figure is 93%.

These policies are broadly welcomed by employees, but it is not yet clear whether it will lead to a real change. Will employers be more open to flexible working in practice and will male employees also embrace it, so that flexibility ceases to be associated with working mothers and no longer contributes to the [motherhood penalty](#) that many commentators have observed?

Organizations are changing how they demonstrate sensitivity to employee needs in their efforts to change culture. As the lines between work and life continue to blur, a significant proportion of organizations are now designing policies to reflect the varied life experiences of their workforce, including around topics such as domestic abuse and fertility. In 2018, just 13% of organizations had a trans identity policy in place, today it is 83%. Similarly, 80% of organizations now have an established baby loss policy — up 68% compared to three years ago.

There is growing acknowledgement that policies around some of these more nuanced issues are an important part of the overall I&D philosophy. While some of these issues also affect men, many have particular impact on women. More work is to be done — attention has only recently turned to topics such as menopause and fertility, highlighting the need to better understand workforce demographics and ensure that programs are fully aligned with employee concerns.



“ It is striking to see the evolution of employment policies over a relatively short period. Organizations are seeking to support a wider range of employees and are clearly cognizant of how personal issues and professional development collide and the importance of being able to ‘bring one’s whole self to work.’ But the real test is whether these ‘on paper’ expectations and procedures translate into an inclusive culture that enables members of underrepresented groups in the workplace to thrive — diversity follows inclusion.”

Monica Kurnatowska
Partner, Employment & Compensation, London

Section 1:

The Evolution of I&D Employment Policies

Over the last three years, organizations have accelerated the scope of their I&D policies. Where policies were once limited to basic topics such as equal opportunity and pay equity, an increasing number of organizations have expanded these to include flexible working, trans identity, adoption and fertility. Today, menopause and neurodiversity represent new areas of focus for organizations as they seek to align their efforts with greater understanding of their workforce's needs.

Pre-2018



49%

of organizations have an equal opportunity policy in place.



31%

have a policy for equal pay in place.

2018-2020



42%

of organizations bring in a flexible working policy.



39%

implement an equal pay policy.



34%

create trans identity and adoption policies.

2021



42%

of organizations expand policies to include neurodiversity.



40%

bring in a baby loss/miscarriage policy.



37%

implement a menopause policy.

Looking Ahead



74%

of organizations that have not already developed a menopause policy will do so in the coming two years.



22%

also plan to bring in a domestic abuse policy.



20%

will implement a neurodiversity policy where this is not already in place.

Section 2:

Long-held Priorities Highlight Stubborn I&D Issues

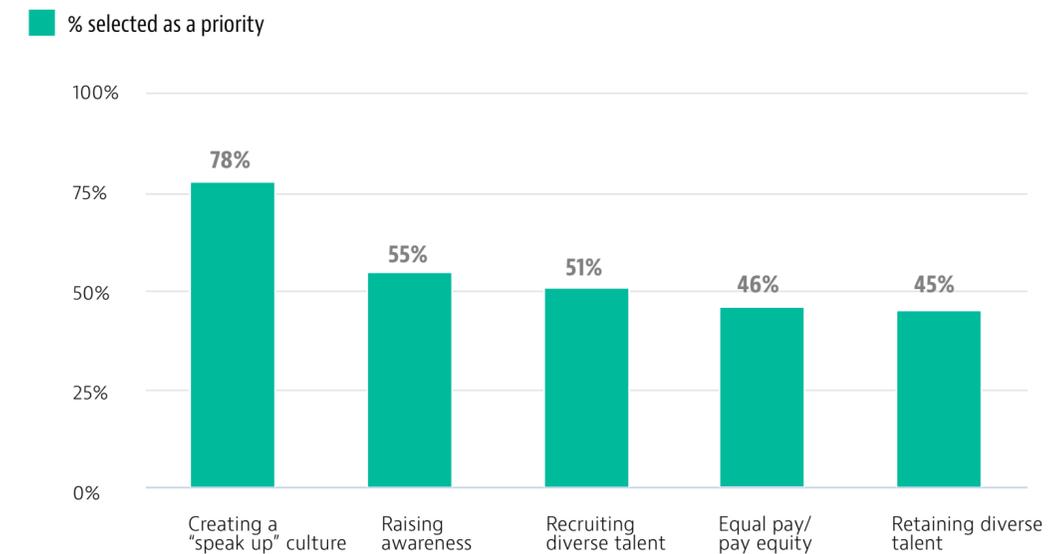
Despite efforts to expand training and policies, diversity leaders suggest that key I&D issues remain pertinent still today. Long-held priorities and persistent challenges indicate that these initiatives alone are not enough to achieve true progress. Findings suggest that raising awareness of I&D remains a priority for over half of diversity leaders today, and 39% suggest this will still be a priority even in two years' time.

2.1 Recruiting and Retaining Diverse Talent

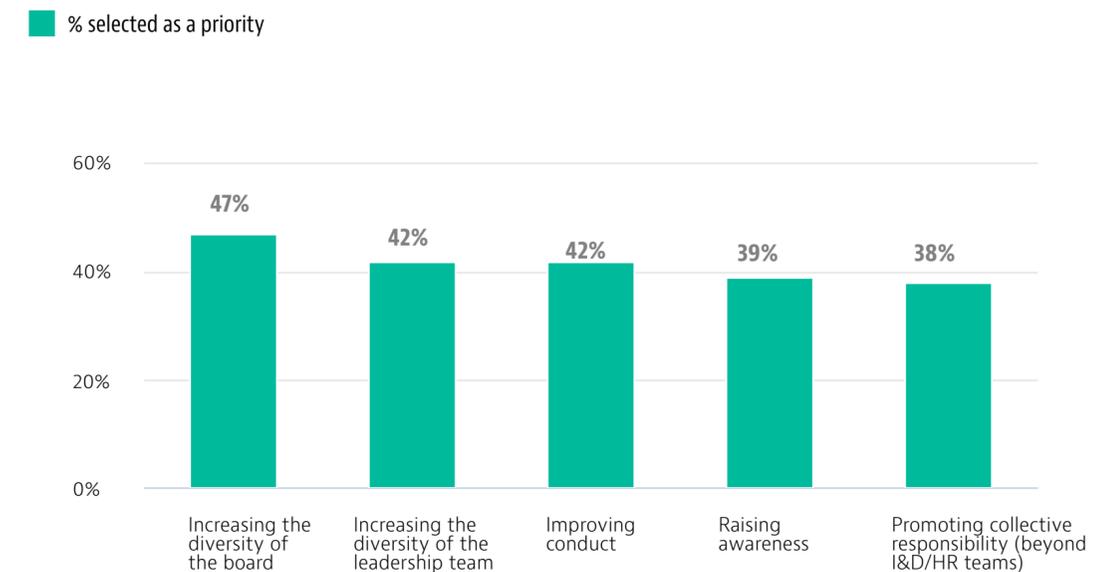
51% of diversity leaders identify recruiting diverse talent as a priority. However, recruitment initiatives alone are not enough to balance the workforce population. The fact that 45% of organizations are also prioritizing retention of underrepresented groups suggests they are facing a talent drain. This emphasizes the importance of culture — ensuring that the working environment enables diverse talent to thrive and progress.

An inclusive environment is one where all employees feel they belong, that they are valued for their own uniqueness, that their employer cares about their individual strengths and experience and that there is truly a level playing field when it comes to opportunities and promotion.

Top Five I&D Priorities (Current)



Top Five I&D Priorities (in Two Years)



Section 2:

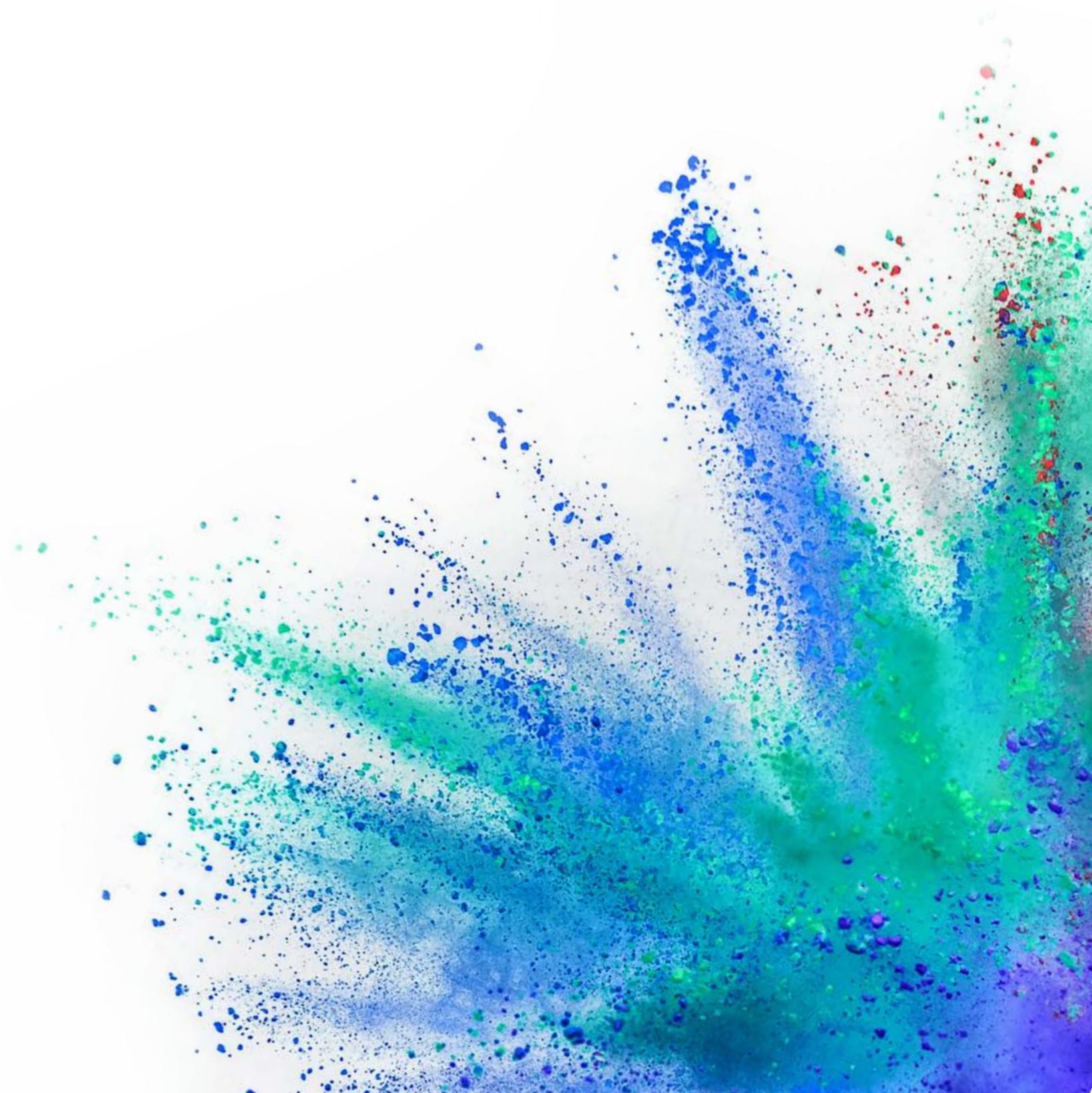
2.2 Creating a “Speak Up” Culture

Organizations have long sought to ensure that complaints are escalated appropriately, particularly by investing in whistleblowing systems and management training. However, creating a “speak up” culture is still a top priority for organizations, which underscores the importance of “inclusion” alongside diversity. How do organizations ensure that women, employees with disabilities and those from underrepresented ethnic groups progress through the ranks? Do companies act in line with their value statements when it comes to judging those who speak up or when faced with challenging situations on the ground? The real challenge, which goes beyond policy, is achieving the cultural change needed to allow full psychological safety — where everyday challenge is the norm.

2.3 Achieving Pay Equity

While the US, UK and European Union (EU) have had equal pay laws in place for more than 50 years, pay equity remains a seemingly intractable problem. Most global organizations in our research have had an equal pay policy for at least two years, but diversity leaders recognize that they have yet to achieve it, with 46% citing pay equity as a top priority.

As pressure from internal and external stakeholders grows, and as we look ahead to a new Pay Transparency Directive on the horizon in the EU, we anticipate this topic will remain front of mind. Increasingly, employers are now implementing equal pay audits and examining their pay processes through a diversity lens.



Section 2:

2.4 Increasing Leadership Diversity

Our survey confirms that improving the diversity of the board and leadership team will also be a top priority. This suggests that established initiatives to support the progression of women and other underrepresented groups into leadership have not been fully effective and may also explain why efforts to raise awareness of I&D and create inclusive workplace cultures have faltered.

A number of countries now have quotas for the representation of women on boards, including Germany, France, Italy, Spain and Norway. Regulators are also taking an increasing interest in this topic, most particularly in the financial services industry.

For example in July 2021, the New York Department of Financial Services (DFS) wrote to CEOs of regulated banks, [highlighting the importance of I&D](#) and noting that the higher the representation of women and people of color, the higher the likelihood of outperformance. The DFS made clear that it expects firms “to make the diversity of their leadership a business priority and integrate it into their corporate governance” and to “pay close attention to their talent pipeline of future diverse leaders, in addition to the diversity of their affiliates,” noting that regulated institutions should view diversity like other strategic priorities, including by communicating its importance to all stakeholders, providing a plan for how it will be achieved and explaining that plan, setting measurable goals and tracking progress toward those goals.

In a similar vein, the UK Financial Services Authority recently issued a consultation paper on proposals. If adopted, regulated firms would be required to disclose progress against diversity targets for their board and senior leadership on a “comply or explain basis.”

“ In building a speak-up culture, it is critical to foster the kind of environment where people are comfortable to challenge and raise issues — not just those who are affected but also bystanders. We also focus on ensuring that those in leadership challenge behaviors so that it trickles down and permeates throughout the organization. This is key to our employee value proposition, and our legal and HR teams are working very closely together to ensure that it is fully part of the fabric of who we are as a company.”

Landé Belo

Director, Senior Employment Counsel, Kantar

“ Inclusion is the lesser understood component of I&D, and our data clearly demonstrates that there is further to go to ensure all employees can thrive at work. Ongoing talent retention issues and challenges establishing a ‘speak up’ culture suggest that employees from underrepresented groups don’t yet feel that they truly belong in many organizations. Whistleblowing hotlines and policies cannot be effective if employees don’t have the confidence to speak up on an everyday basis or to report poor conduct. Inclusion is a key aspect to ending talent turnover and creating respectful workplaces everywhere.”

Leticia Ribeiro

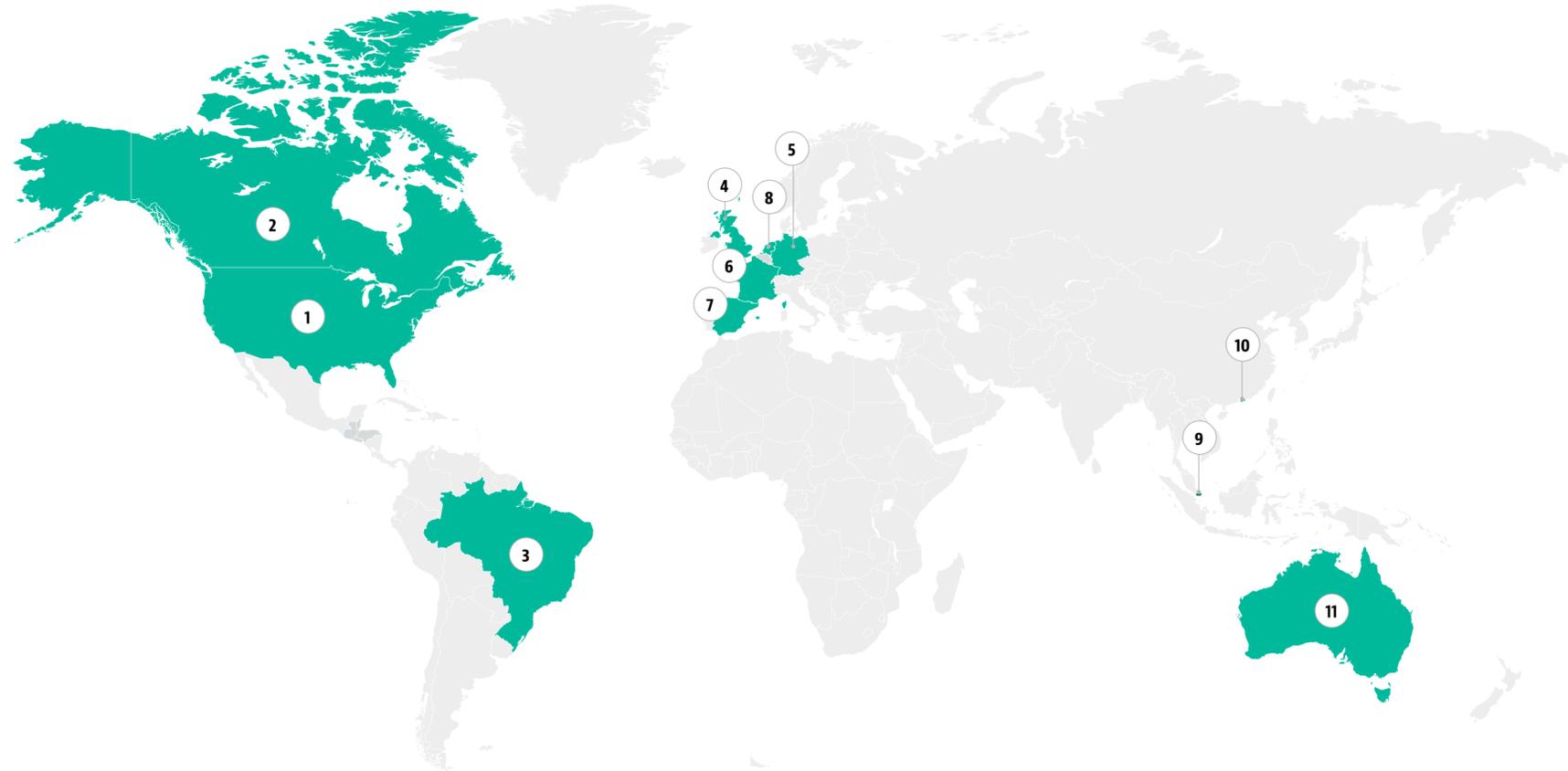
Partner at Trench Rossi Watanabe*, Sao Paulo

**Trench Rossi Watanabe and Baker McKenzie have executed a strategic cooperation agreement for consulting on foreign law*

Section 2:

Big Spenders — Where Is Investment in I&D Greatest?

On average, organizations in the Netherlands are making the biggest investments in I&D — some USD 1.4 million more per organization per year than Canadian companies, which are the lowest investors. However, expressed as a percentage of company turnover, organizations in Australia are making the greatest investment, and those in the UK the least. Overall, I&D investment represents only a small fraction of organizational turnover.



Key	
I&D investment (mean per organization in USD million) % of average turnover	
1	USD 4.1 million 0.052% United States
2	USD 3 million 0.040% Canada
3	USD 3.3 million 0.041% Brazil
4	USD 3.8 million 0.045% United Kingdom
5	USD 3.9 million 0.046% Germany
6	USD 4.3 million 0.052% France
7	USD 3.8 million 0.047% Spain
8	USD 4.4 million 0.053% Netherlands
9	USD 3.9 million 0.049% Singapore
10	USD 3.8 million 0.051% Hong Kong
11	USD 4.2 million 0.056% Australia

Section 3:

Addressing I&D Challenges

As organizations struggle to improve performance, our data uncovers three critical challenges that could be holding back success. Having a holistic view is essential to strengthen I&D, accelerate progress and manage risk.

3.1 Foresight — Looking Ahead to Anticipate Change

Research findings show that organizations are struggling to keep up with stakeholder expectations and employee needs. 57% of diversity leaders say it is a constant challenge to ensure that policies on I&D evolve with employee needs and best practice. A further 65% say that their company values demand action that goes further than what is legally mandated or permitted.

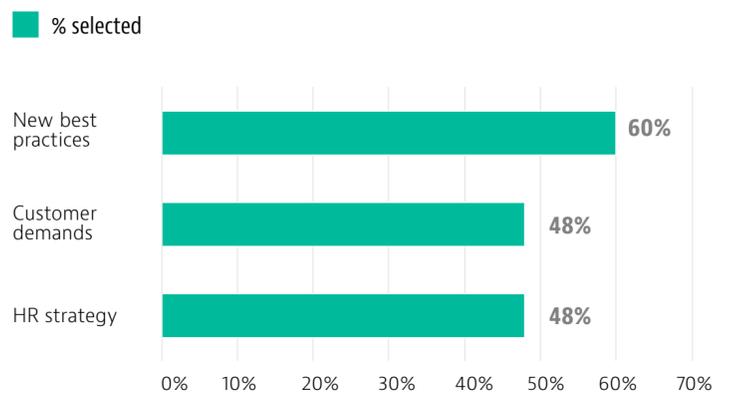
This trend is consistent with our previous research among compliance leaders, in which 77% of respondents reported increasing stakeholder focus on I&D and 31% agreed that their organization was facing rising pressure from stakeholders to go further than legally mandated standards and targets on matters of diversity. However, our research indicates that cultural change is hard to achieve and that rather than getting ahead of expectations and setting a clear strategy, action is sometimes reactive. While flexing to the changing environment is important, organizations find themselves in danger of diluting I&D messages by adopting multiple initiatives without strategic intent.

The drive to go further presents challenges for organizations. In most countries, the law only allows limited scope for positive or affirmative action, and the limits are somewhat ill-defined. There is a growing appetite for organizations to take at least some risk in this regard, with 41% confirming they intend to apply positive action.

Leveraging AI

Some organizations are also exploring use of artificial intelligence (AI) to assist in seeking out diverse candidates. As organizations step up their activity in order to accelerate change, this is likely to become more prevalent, but can be high risk from both a discrimination and privacy perspective, depending on the nature of the tool.

Factors that Determine Priority Actions



With longstanding issues, increasing stakeholder demands and finite resources, what are the most effective ways for organizations to set and achieve their I&D goals?

Here are three key ways:

1. Data-Led Strategy

A clear and data-informed strategy is vital if resources are to be focused where they are most needed, and all the more so if that strategy includes taking positive action. The line between positive action and discrimination is a fine one, and successful application of positive action measures requires, among other things, evidence of need and proportionality.

2. Positive Action

From lower risk measures such as targeted recruitment, diverse interview panels and mentoring circles through to higher risk options such as diverse short lists — positive action can help move the needle.

3. Focus on Culture

While positive action measures will be an increasingly important device in the tool box, organizations must not lose sight of the need to focus on culture.

“ I&D professionals need to help their organizations gain a deep understanding of the needs and experiences of underrepresented groups and to combine this with a focus on data and on understanding where the key pinch points are in order to set realistic targets and develop and refine their strategy. Considerations of diversity and inclusion need to be built into the fabric of the business at all levels and leaders need to understand what it means to act as a truly inclusive leader.

There is definitely a place for positive action, but the impact will always be limited unless employers also make structural changes to their organization, tackle some of the deep rooted attitudes and make the workplace a place where members of underrepresented groups feel they belong. As well as focusing on recruitment, measures such as reverse mentoring and mentoring circles, which aim to break down barriers can be very effective and help develop inclusive organizations.”

Sarah Gregory

Partner, Inclusion & Diversity, London

“ Organizations are experiencing deja vu, with the same I&D issues arising over and over again. Comprehensive training and policies are the foundations of a good program, but without a clear overarching strategy, with an emphasis on cultural change, combined with appropriate funding directed to the areas of greatest need, diverse leadership and robust measurement it is difficult to make real progress.”

Monica Kurnatowska

Partner, Employment & Compensation, London

Key Actions

- Audit key I&D gaps and gather information on employee preferences and future trends upfront — using insights to inform an overarching I&D strategy that tackles problem areas.
- Monitor developments in key markets and where HR or I&D presence is lacking locally, to keep up to date with the changing landscape of legislative changes and best practice.
- Secure senior buy-in and focus finite resources on agreed priorities.
- Review and refresh strategic activity — including policies and education — systematically and at agreed milestones before undertaking new initiatives.



Section 3:

3.2 Oversight — Lacking Consistency and Controls

Organizations operating across multiple jurisdictions find managing local laws and cultural differences difficult — unsure of what nuances to consider when implementing I&D programs and how global policies should be tailored.

66% of diversity leaders agree that different legal requirements in some jurisdictions make it difficult to implement company policies consistently, and 62% say the same about varying cultural expectations. As a result, 47% say that ensuring policies are understood by the organization is a key challenge.

Vulnerable to Risk

A global workforce that is unclear on key I&D policies and expectations leaves organizations vulnerable to risk:

- 67% of diversity leaders agree that managers often attempt to contain I&D related complaints
- 34% of diversity leaders fear that I&D issues are being underreported

These findings align with the views of compliance leaders who participated in the first installment of the Mind the Gap Series. 67% of those respondents reported concern that groups outside the corporate center are not always compliant with global I&D policies.

High Growth, High Risk

This trend was apparent in all organizations, but was most notable in those in high growth mode — those with turnover growth of 20% or more. These organizations, in particular, reported a range of challenges, including a rise in investigations and litigation. Although many high growth organizations had devoted considerable resource to I&D programs, almost a third reported collaboration and coordination as a “weak spot.”

Leadership Is Integral

The impulse of leadership to sideline rather than address relevant complaints underscores the need for education and cultural change highlighted by our research and indicates a wider lack of accountability for I&D across organizations.

To combat this, promoting collective responsibility for I&D is a medium-term priority for 38% of organizations, and 35% plan to implement I&D-specific KPIs for company management and board leaders in pursuit of culture change.

“The strong similarities between these findings and our previous research suggest that Diversity and Compliance & Investigations teams are tackling a number of the same issues, which could be better managed together. In particular, oversight is a shared concern which plays to compliance strengths — auditing policies, ensuring tools and systems are fit for purpose, monitoring behaviors and reporting on risk are all common tasks for Compliance. As I&D activities become increasingly central to overall corporate governance, organizations will have to demonstrate the effectiveness of their efforts with greater rigor. Rather than duplicating efforts, Compliance and Diversity teams should join forces – utilizing the lessons of how to implement effective corporate compliance to improve I&D performance.”

Yindi Gesinde

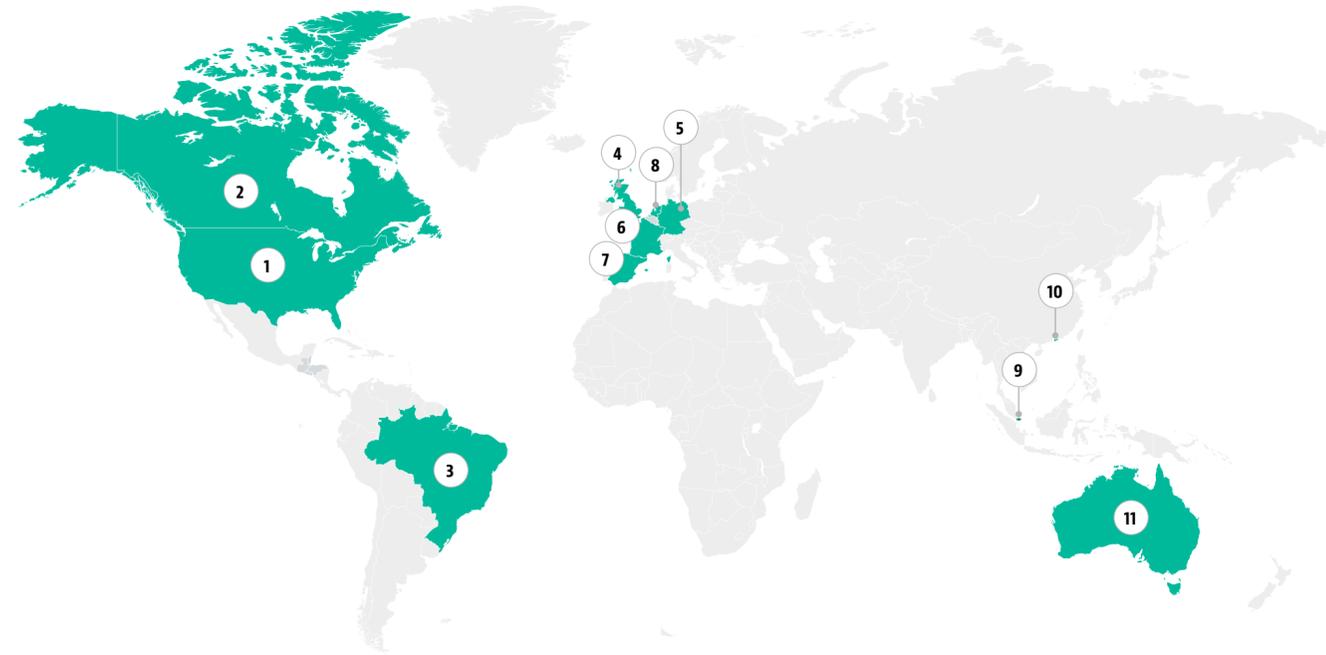
Partner, Compliance & Investigations, London

Key Actions

- Be wary of implementing volume online training without an overarching strategy and a clear plan to tailor and embed learnings over the long-term. Consider a holistic program of education, high quality, interactive training and in-person sessions and follow up or focus on high quality in-person training in local markets.
- Collaborate with compliance colleagues to ensure I&D activities align with compliance programs and overall corporate governance — demonstrating sensitivity to cultural and regulatory differences.
- Prioritize the cultural as well as procedural aspects of complaints reporting and handling — conflict avoidance is often a big issue. Encourage individuals to speak up and help managers to direct issues appropriately to demonstrate accountability and reinforce a culture of inclusivity.

I&D Risk — Where Does Underreporting Represent the Greatest Challenge?

Organizations in Hong Kong are the most concerned about underreporting of discrimination, harassment and I&D-related challenges. French diversity leaders are least likely to believe there is underreporting of I&D issues, which is perhaps indicative of a robust union culture and workforce protection in the jurisdiction.



Key

Agreement regarding underreporting of discrimination, harassment and I&D-related challenges in some parts of their business/some jurisdictions (% of respondents)

1	33%	4	37%	7	37%	10	52%
	United States		United Kingdom		Spain		Hong Kong
2	30%	5	36%	8	33%	11	43%
	Canada		Germany		Netherlands		Australia
3	29%	6	27%	9	38%		
	Brazil		France		Singapore		

“Underreporting is likely to stem from conflict avoidance among managers rather than a lack of reporting infrastructure at the organizational level. This is a trend we see in relation to anti-bribery and employee performance as well as I&D. Over-emphasis on friendship and keeping the peace creates compliance issues that are very difficult to manage.”

Michael Michalandos

Partner and Head of Baker McKenzie's Asia Pacific Employment & Compensation Group, Sydney

Section 3:

3.3 Insight — Understanding What Strengthens I&D

Research confirms that organizations are devoting significant resources and budget to I&D programs, but surprisingly few are taking a data-informed and evidence-based approach. Measurement is not a current focus for many diversity leaders, and over the coming two years only 45% will prioritize assessing the performance of the training, policies and initiatives they have implemented.

While 92% of diversity leaders say they believe that I&D programs are effective, persistent issues such as the struggle to recruit and retain diverse talent and create a “speak up” culture undermine this optimism. The reality is that a significant number of organizations don’t have a sufficiently granular assessment of where the problems lie in the employee lifecycle — where they are struggling to recruit, where they lose women and employees from underrepresented ethnic groups and why and where barriers to progression exist. And while there are estimated to be over 1.3 billion people across the world living with some form of disability, many employers have no — or only a limited — picture of the number of employees with disabilities in their organization.

McKinsey’s Women in the Workplace 2021 report¹ noted that there is still a “broken rung” at the first step up to manager. Others have suggested that there is not one, but many broken rungs. How many companies have identified the broken rungs in their organization, identified which groups are most affected by the breaks and how, or quantified the effectiveness of measures taken to date to mend them?

¹ <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace>

What are the most effective ways for organizations to understand what strengthens I&D?



Rethinking Measurement

Our research suggests that more often than not organizations rely on suites of policies and training and simple metrics, such as the diversity of senior management, as a proxy for overall success. Less than half of organizations use recruitment diversity data, pay data or employee feedback as a way of measuring performance.



Leveraging Data

75% of diversity leaders believe they could do more to leverage data to direct resources to the most impactful I&D initiatives. Employers cannot rely on lack of data as a reason not to act — the absence of women, employees from underrepresented ethnic groups and employees with disabilities is in many cases obvious, but a better, more informed use of data could be a critical tool in unlocking success.



Trust Is Central

Employee trust will be key to unlocking this critical data. Yet 50% of diversity leaders say that employees are currently reluctant to share personal information — locking organizations into a cycle of poor accountability.

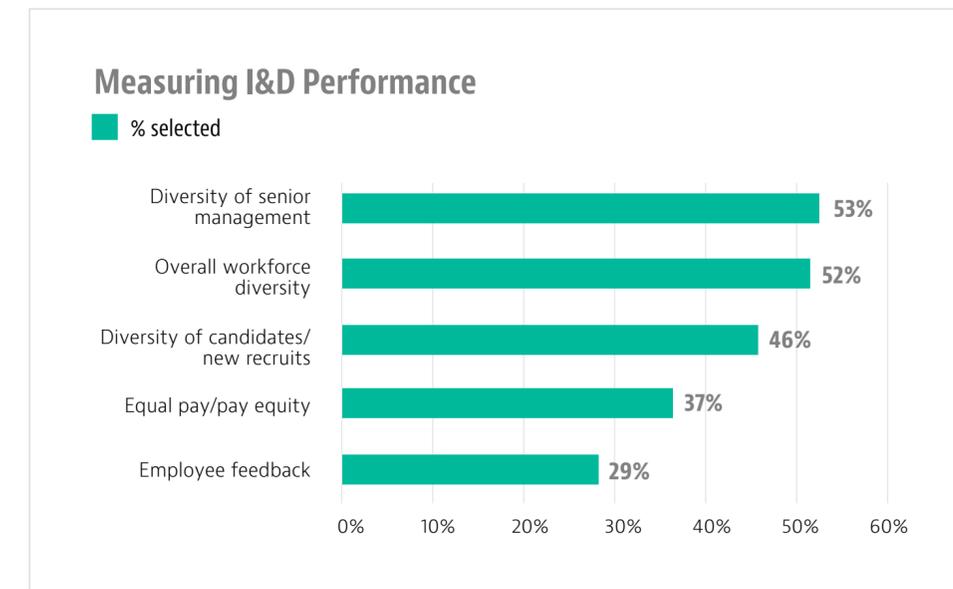
79% add that there is more to do to build trust and demonstrate to employees that organizations can gather data responsibly and leverage insights for the benefit of diversity.

“Principles governing the collection and processing of personal information sit at the intersection of employment, data privacy and human rights law. For global organizations, taking an empirical approach to I&D measurement has been fraught with potential risk, cost and complexity. However, just because data collection isn’t possible everywhere doesn’t mean organizations should not do so anywhere. By taking a country-by-country approach — gathering data appropriately where possible and handling privacy considerations in accordance with local law — organizations can begin to build a measurement infrastructure over time that will deliver valuable insights and information to support their I&D programs.”

Julia Wilson
Partner, Employment and Global Lead
HR Data Protection, London

Key Actions

- Audit what you currently capture and what gaps exist. Systematic data collection and measurement of progress at key stages of the employee lifecycle will help ensure finite resources are focused on the areas of greatest challenge and on the measures with the best success.
- Strategize ways to build trust in the reasons for and approach to data collection. Carefully consider communications, taking into account cultural issues as well as legal ones, and involve employee networks in the conversation.
- Be aware of local rules on data collection and employee privacy considerations — conducting a risk analysis and piloting measurement in more flexible jurisdictions.
- Consider qualitative as well as quantitative approaches to measurement — demonstrating accountability on I&D promises and building trust.



Conclusion

I&D training and policies alone are not enough to help organizations keep pace. Rather, diversity leaders need to fully understand the challenges that are hindering their existing I&D efforts in order to focus programs on what creates a truly inclusive global workforce.

Mirroring the findings of our previous compliance-focused report, real success relies on cultural change, on understanding the needs and challenges of specific groups and on collaboration across all organizational touchpoints. In addition, taking strategic action to anticipate an evolving I&D landscape, developing an I&D education program to accelerate cultural change and leveraging an evidence-based approach to measuring I&D performance are key action points to achieving tangible change.

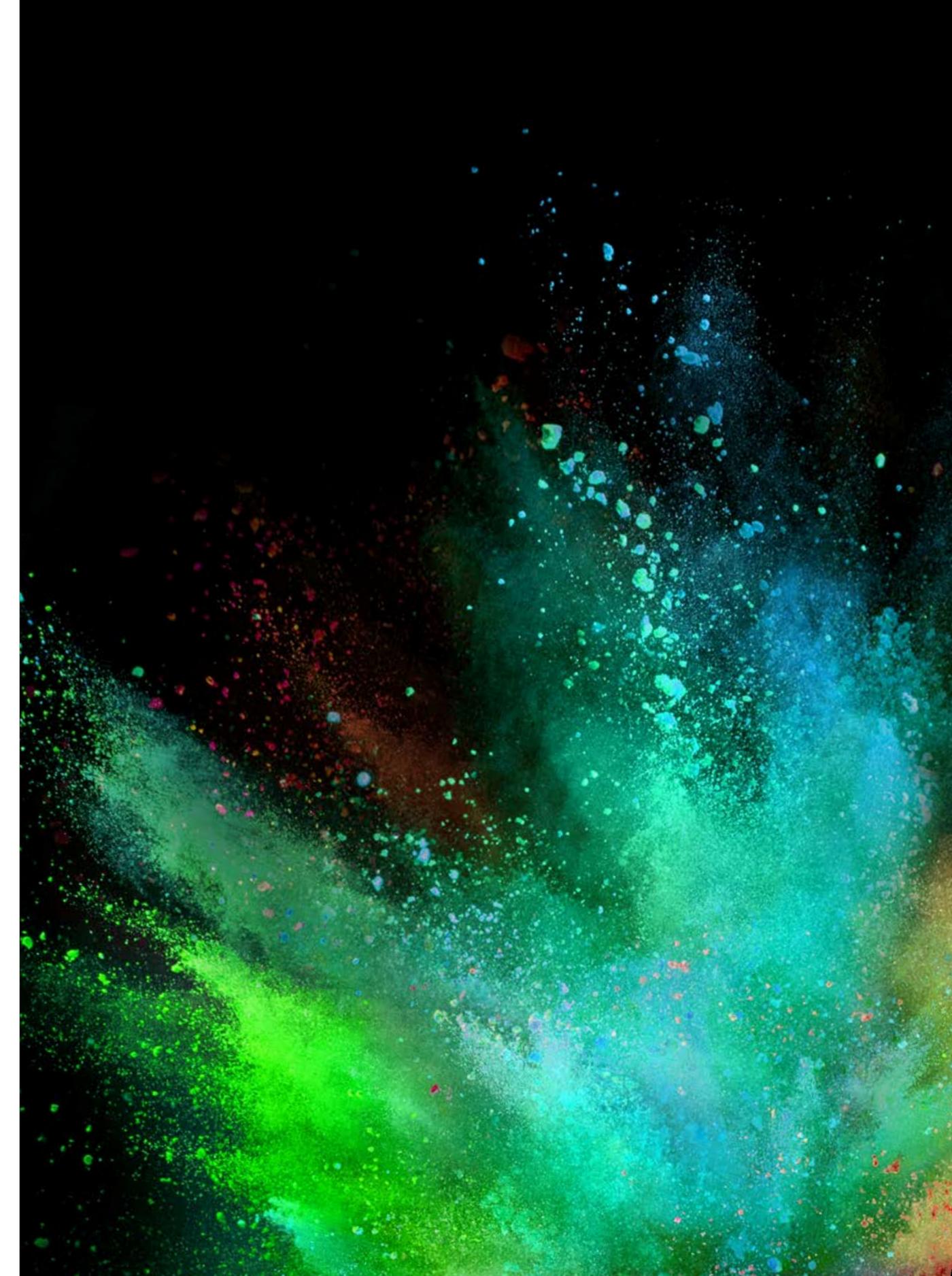
Genuine progress requires both societal and attitudinal change. While employers may not be able to change society, there is still much they can do to transform cultural norms and behaviors in their own organizations.

“Building a holistic perspective on I&D is essential for global organizations. In an environment characterized by change, understanding the direction of travel of regulations and monitoring market trends positions organizations to better prepare for new requirements and take a more agile approach to implementing policies and education.

With that said, it's important critically assess the inevitable 'next big thing' before changing direction. Understanding the impact of key initiatives — what truly works to improve representation and create inclusive workplaces — provides the certainty needed to focus I&D programs.”

Susan Eandi

Partner and Head of the North America Global Employment and Labor Law practice group,
Palo Alto



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Research methodology

Part 2 of the Mind the Gap Series is based on an independent opinion survey of 900 employment leaders in global organizations including a representative sample in EMEA, Asia Pacific and the United States and six sector groups: Industrials, Manufacturing & Transportation (IMT); Consumer Goods & Retail (CG&R); Financial Institutions (FI); Healthcare & Life Sciences (HLS); Energy, Mining & Infrastructure; Energy, Mining & Infrastructure (EMI); and Technology, Media and Telecommunications (TMT).

* Trench Rossi Watanabe and Baker McKenzie have executed a strategic cooperation agreement for consulting on foreign law.



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