



ASCEND CANADA'S
WHITE PAPER SERIES

Harnessing the Power of Data & KPIs
to Advance Diversity, Equity & Inclusion
in Organizations

Ascend Canada was founded in 2012 to advance the presence, visibility and influence of current and future Pan-Asian business leaders. Ascend's mission is to enhance Diversity, Equity and Inclusion (DEI) across corporate Canada by partnering and progressing with Canadian organizations to develop and advance talent.

Diversity can be defined as an individual's unique experiences, identities, and perspectives including an individual's race, ethnicity, gender identity, ability, sexual orientation, age, socioeconomic class and more. Equity, on the other hand, is about recognizing there is bias built into our organizations' systems that disadvantages certain groups, and taking action to level the playing field to ensure processes and programs result in equal outcomes for all. Equity is distinct from inclusion, because inclusion is about creating a culture where people feel they are welcomed and belong, and that their voice and opinions are valued, heard and respected. It is about the day-to-day behaviours an organization promotes and that an employee experiences on a day-to-day basis.

Nowadays, being a diverse, equitable and inclusive organization is not only an expectation, but also a critical factor to being innovative and competitive, attracting and retaining the best talent, and building trust and protecting your organization's brand. Here lies a unique opportunity for organizations to advance DEI in a meaningful and measurable way to positively impact employees, customers, and the broader community in which they operate.

Taking a data-driven approach to the focus of your organization's DEI strategy, setting goals and measuring results similar to other business Key Performance Indicators (KPIs) can be a valuable way to drive authentic progress within organizations.

Establishing strong metrics for DEI will ensure organizations are focusing on the right challenges and can quantify the ongoing success and impact of their DEI efforts. Ascend Canada's Three-Part Whitepaper Series, "*Harnessing the Power of Data & KPIs to Advance Diversity, Equity & Inclusion in Organizations*," provides practical insights to help business leaders tackle the challenges that organizations face in leveraging data to make informed decisions about where they focus their DEI efforts and setting effective KPIs that measure the progress made by their DEI investments.

The **first paper** will address the challenges in collecting employee diversity data – *How can organizations effectively collect the identity data that informs their DEI strategy*, and will set the foundation for them to track and measure their progress over time? The **second paper** will address ways to use DEI data and KPIs to drive equity in the employee life cycle – *What critical factors do leaders need to consider when setting KPI targets to address bias in the employee life cycle e.g. recruitment, promotion, and more?* The **final paper** will address setting and measuring KPIs to drive accountability for an organization's DEI progress– *How can organizations effectively embed DEI KPIs into their strategic and leadership goals to make a real impact?*

“COUNTING YOURSELF IN – GOOD PRACTICES IN COLLECTING EMPLOYEE DIVERSITY INFORMATION”

How can organizations effectively collect the identity data that informs their DEI efforts & strategy?

With the recent waves of collective awakenings towards equitable representation and access to equal opportunities in the corporate sector, there is a rising demand for organizations to understand and disclose, both internally and externally, their **employee diversity demographics** including representation, recruitment, advancement and other key KPIs.

While it is promising to see public and private sectors take action to become more transparent in their Diversity, Equity & Inclusion (DEI) efforts and impact, we know there is still more work to be done to drive real change. Having access to employee diversity data can be a powerful tool in advancing an organization’s DEI efforts. It enables organizations to take a data-driven approach to strategy and initiatives, supports securing leadership buy-in to take action, and allows organizations to identify and monitor systemic biases and barriers in key areas such as recruitment, advancement, performance, succession, attrition and more. Yet many organizations are not tapping into data to inform their DEI strategy and work.

Employee Diversity Demographic Data is self-disclosed information voluntarily shared by an employee related to their identity, including their race/ethnicity, gender identity, sexual orientation, ability, whether they are Indigenous, country of origin, religion and more.

When discussing how an organization can effectively and meaningfully harness data as part of a DEI strategy, many questions come to mind -

- How can we go beyond ‘counting people’ to use data and KPI’s to drive real change?
- How are companies using this information to identify barriers and biases in their talsevennt, culture and business systems - so they are focused on solving real challenges?
- How is progress being tracked and measured?
- How will they hold themselves as an organization and key decision makers accountable for realizing real change?

When companies invest in DEI, they must find a way to understand the diversity of their teams, where barriers and biases are coming into play in their employee lifecycle, and track and measure the progress made by their DEI efforts. Ascend Canada’s first whitepaper will elaborate on seven key factors to consider when collecting diversity data from employees to inform their DEI strategy and efforts, and drive ongoing progress against their goals.

1

TRUST

A common challenge in administering employee diversity surveys is low participation rates. This is ultimately a reflection of the level of trust, transparency and understanding your organization has fostered with employees - related to your DEI efforts, but also in general. Employees need to feel their leadership and management teams have integrity, and that their organization can be trusted to use their personal private information for good before they provide this sensitive information. Organizations that have already demonstrated a track record of their commitment to DEI to their people and cultivated a culture of trust and transparency are more likely to achieve higher participation rates when collecting identity data from their employees.

If an organization believes their culture is one that has not yet achieved a strong level of trust in leadership and management, they should reflect on whether it may be too soon on the organization's DEI journey to collect employee diversity information. Alternatively, they can consider whether it would be more effective to use a third party to administer the survey on the organization's behalf (Refer to Sec. 3: Ownership).

Fostering a culture of trust with employees is integral to collecting information about their identity. Without this, organizations will struggle to achieve strong participation rate - rendering the data they do collect are less reliable and accurate than it could be.

2

PURPOSE

If your organization is planning to collect this diversity data from employees, a critical early step is to establish a clear purpose of how this information will be used to advance your DEI efforts and address the biases and barriers faced by equity-deserving groups within the organization. Consider the benefits collecting this information will have for not only the organization, but also the individual themselves. Being able to articulate the purpose of collecting this personal data to employees is a critical foundation to securing their trust - and ultimately, the high completion rates you want to achieve.

3

OWNERSHIP

Deciding whether the organization will collect and own this data in-house or leverage an external consultant is an important decision to make. We recommend considering the following aspects in making this decision whether to own in-house or engage external support:

- **Culture:** Is the organization still working on building trust with their employees, or is a high level of trust already established? Would employees be more likely to share honestly if there was a third party involved?
- **Capabilities:** Does the organization have the right technology, tools and skills to collect, interpret, protect, and take action on this data if the data is managed in-house?
- **Access:** What, if any, benefits would the organization's DEI strategy experience with having continuous access to up-to-date information? How quickly does the organization need this information?
- **Use:** How does the organization hope to use the data, and what level of flexibility is needed with the data ongoing? For example, if you want to be able to use this employee demographic data to review the equity of your recruitment or talent processes, having more flexibility to work with the data will be important.

4

PRIVACY

At the heart of any data collection strategy is data privacy - in order to collect authentic identity data about employees, there must be a comprehensive plan on how to maintain privacy, confidentiality, and data security.

From a risk and compliance perspective, collecting diversity information about individuals means organizations will have access to highly sensitive personal employee information and must adhere to applicable local privacy legislation. Additionally, there is no faster way to detract from an organization's DEI efforts and lose employee trust than failing to collect and use employee identity information in a confidential manner that protects people's anonymity. Collaborate with legal and privacy experts to ensure your organization has created a tight governance structure to determine who has access to the data, how to use and report on this information, and how the organization will maintain data confidentiality and security. Then, share these protection measures transparently with employees when you communicate about the survey to cultivate trust and transparency with employees - and ultimately, help to maximize participation rates.

5

SCOPE

Another key factor for organizations to consider when collecting employee diversity data is to determine the type of information that they will collect from employees. There are a number of key considerations:

- Your organization's DEI strategy and goals
- The demographics of your organization, country, and the local area(s) in which you operate
- Legislative or client/customer requirements (for example, a need to comply with employment equity)

Keep in mind both current needs as well as potential future requirements. Today, your organization may only need to know about an employee's gender identity and whether they are Indigenous, have a disability or are a person of colour. However, as organizational DEI efforts advance, your organization may benefit from knowing additional factors such as sexual orientation, religion, whether they immigrated to Canada and when, their ethnicity/race and more. While you never want to collect excessive information you will not use, it is wise to future-proof your approach to enable longer-term efforts instead of re-surveying people every time you add a new question - and have poor reliability in your data as a result.

In addition, keep in mind if you are a part of a global organizations that some demographics are relevant and able to be collected in Canada, but not in other countries globally. If you are in this situation, do your research and collaborate with privacy experts before landing on what questions you will ask at a global level.

6

PARTICIPATION

When collecting employee diversity data, individuals may have concerns about disclosing this information with employers which may present a barrier to achieving the strong participation needed to have reliable information. To help address these concerns and maximize participation, when introducing this diversity data survey an organization should transparently share the below -

- The organization's DEI strategy, goals and commitments
- The organization's purpose in collecting employee diversity information – how will having access to these insights drive positive change and impact?
- The benefits to not only the organization, but also the individual themselves - for example, to ensure programs and policies reflect employees' needs, the chance to provide input into programs that may impact them, and receiving information about events and initiatives they would be interested in
- How employee identity data will be collected, used, who will have access to their individual data, protected and held in a confidential manner

If your organization has established the right high-trust culture, an authentic and meaningful DEI purpose and plan, and has put in place the strong privacy protection measures most people will be willing to share their personal diversity information.

7

SUSTAINABILITY

Once organizations have launched their employee diversity data survey, create a plan to integrate it into existing processes to maximize ongoing awareness and participation. Tactics such as incorporating into onboarding for new hires and regular reminders aligned to internal promotions or at other key moments, in the employee lifecycle will help ensure response rates remain high and the information accurate.

In addition, consider implementing a regular reminder process for people to complete or refresh their personal diversity information. Having a plan for reminders or updates is important as some people may not feel comfortable sharing information at the time they are originally surveyed, however their comfort level may change over time as they gain trust in your organization. In addition, identity is not static – for example, people may acquire a disability or discover their true sexual orientation or gender identity. It's important to give people ongoing opportunities to complete their profile or refresh their data- rather than survey them once and never reaching out again.

As discussed in this whitepaper, there are multiple considerations to plan for when organizations set out to collect employee identity data. Paper One “*Counting Yourself In – Good Practices in Collecting Employee Diversity Information*” provided seven considerations organizations can leverage to effectively collect the identity data that informs the development of a DEI strategy, initiative, and KPIs. The **Ascend Canada White Paper Series: Harnessing the Power of Data & KPIs to Advance Diversity, Equity & Inclusion in Organizations** aims to provide practical insights that help business leaders tackle the challenges that organizations face in collecting employee identity data, making data-driven DEI decisions, and setting effective KPIs that measure the progress made by their DEI investments. The next paper in the three-part series will address ways to use DEI data, insights and KPIs to drive equity across the complete employee life cycle including recruitment, advancement, pay and more.

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RESOURCES:

- Meaningful Metrics for D&I
- Applicant-Diversity-Survey-Statement-of-Collection_Final-07.July_.2020.pdf (mcmaster.ca)
- Respectful Collection of Demographic Data | by Sarai Rosenberg | Managing on the Margins | Medium
- Inclusive Forms - UBC Equity & Inclusion Office
- Employment equity - Canada.ca



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