

LinkedIn TALENT SOLUTIONS

GLOBAL RECRUITING TRENDS 2018

# DIVERSITY: THE NEW GLOBAL MINDSET

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6 TIPS FROM COMPANIES  
LEADING THE CHARGE



## INTRODUCTION

# A NEW CHAPTER FOR THE DIVERSITY MOVEMENT

There's a lot of hype around diversity these days, and for good reason — diversity has become more important to business success and more complex than ever before. Today companies see diversity as part of their very foundations, baking it in to everything they do, constantly trying to understand and leverage it. They also recognize that *inclusion* and *belonging* go hand-in-hand with diversity and that a new era of disclosure and scrutiny is changing the game.

To understand where diversity is headed, we surveyed nearly 9,000 recruiters and hiring managers from around the globe. We uncovered what's driving the movement, where companies struggle the most, and how they achieve success. This report combines our survey insights with examples of three companies embracing diversity in a very big way.

*“Diversity is the new Darwinism. Evolve or go extinct.”*

ARWA MAHDAWI

WRITER AND BRAND STRATEGIST



# YOU CAN'T HAVE DIVERSITY WITHOUT INCLUSION AND BELONGING

*Diversity*, the popular phrase of the 1980s, became *diversity and inclusion* as the movement matured, and today has expanded to *diversity, inclusion and belonging*. Here's why: *diversity* is being invited to the party, *inclusion* is being asked to dance, and *belonging* is dancing like no one's watching. Belonging is the feeling of psychological safety that allows employees to be their best selves at work. Even at the most diverse of companies, employees will disengage and leave if they don't feel included and accepted. The good news is that companies are focusing on all three, signaling an understanding that inclusion and belonging make diversity stick. Looking ahead, we'll see more companies disentangling the concepts and especially measuring *belonging*.

COMPANIES THAT ARE "VERY" OR "EXTREMELY" FOCUSED ON:



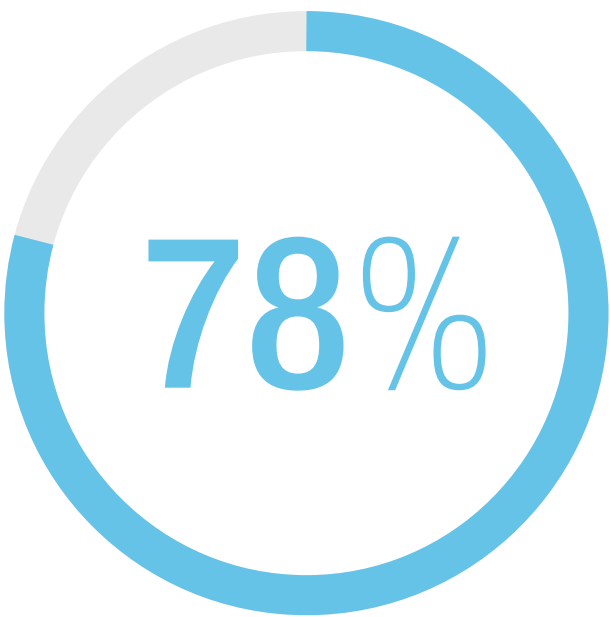




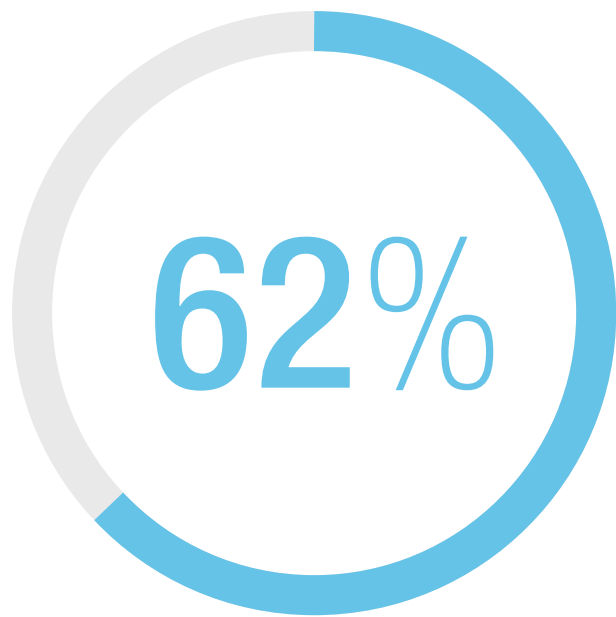
# THE PAYOFF — STRONGER CULTURE, BETTER PERFORMANCE, DEEPER CUSTOMER INSIGHT

Diversity used to be a box that companies checked. But today, diversity is directly tied to company culture and financial performance. Our data shows that 78% of companies prioritize diversity to improve culture and 62% do so to boost financial performance. Key forces are at play: changing demographics are diversifying our communities, shrinking talent pools for companies that don't adapt. Growing evidence that diverse teams are more productive, more innovative, and more engaged also make it hard to ignore.

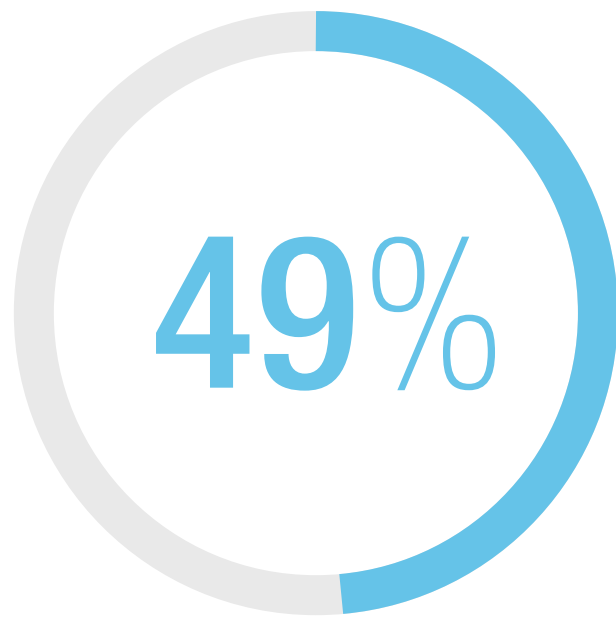
## TOP REASONS COMPANIES FOCUS ON DIVERSITY



to improve culture



to improve company performance



to better represent customers

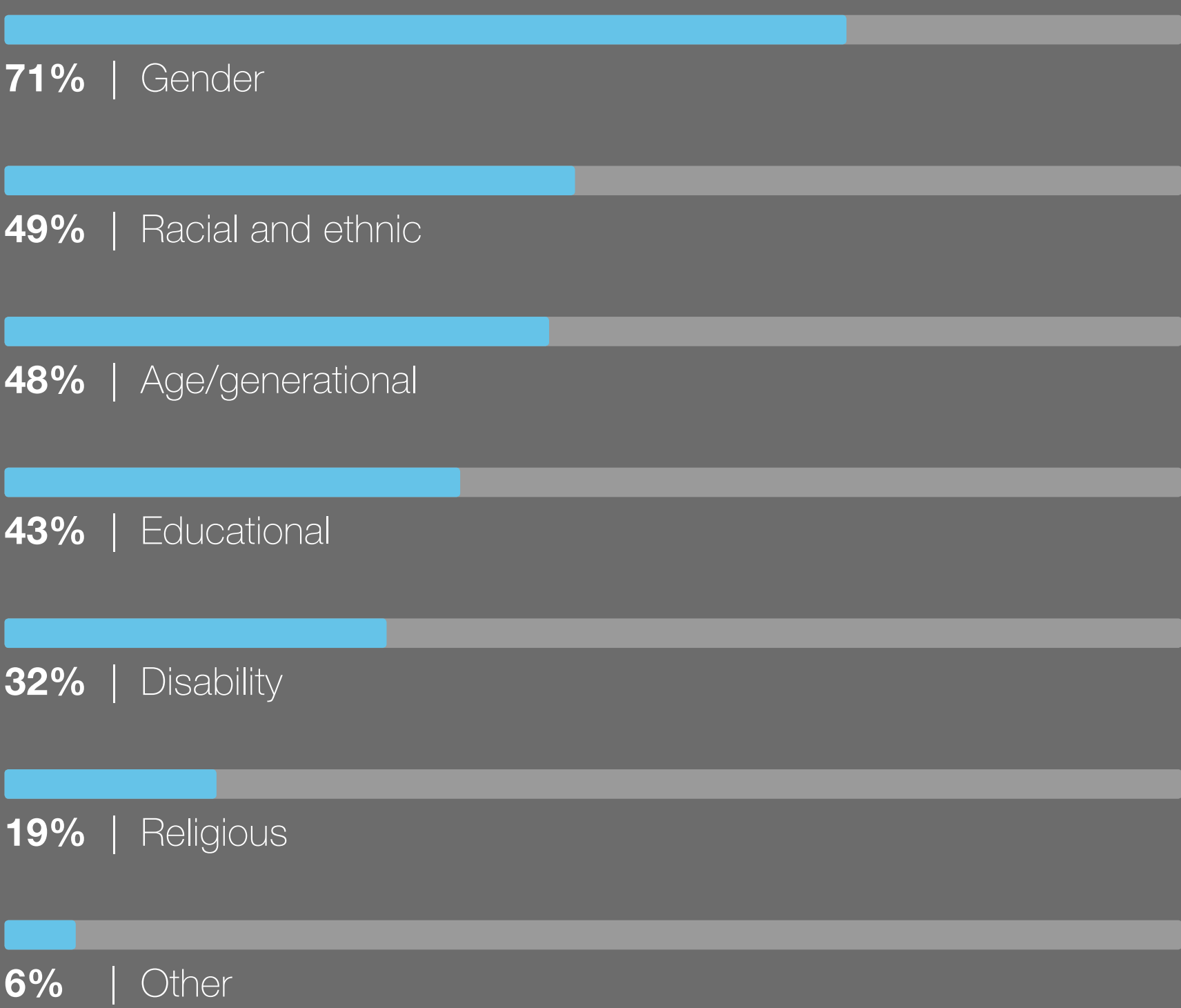


# GENDER AND RACE ARE THE RED-HOT TOPICS

Diversity in the workplace has different meanings across the globe. Gender is easy to track, so it's often the lowest-hanging fruit for companies. The undisputed proof of women's value in the workplace and grim representation of females at big-name companies also keep gender in the spotlight.

While much of the conversation revolves around gender, organizations are focusing on racial and ethnic diversity too. And as Baby Boomers stay in the workforce longer, companies are recognizing the value of engaging this large and experienced talent pool. We'll see with [Walgreens on page 9](#) that more untapped populations such as disabled workers and veterans can also be big opportunities for companies that put them to work. "Other" areas such as gender identity and sexual orientation get less attention in part because they're harder to track. But as LGBTQ+ professionals self-identify more confidently at work, we'll see companies investing more in including them.

# WHERE COMPANIES FOCUS THEIR DIVERSITY EFFORTS



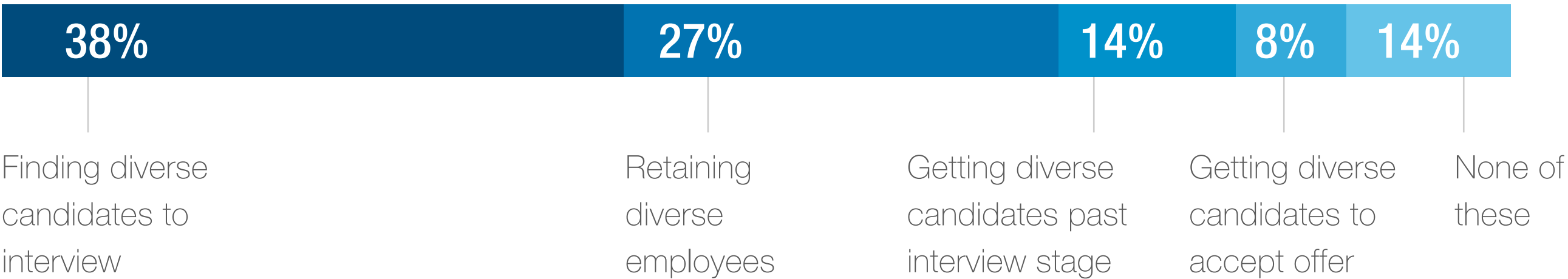




# STRUGGLING TO FIND DIVERSE TALENT: PERCEPTION OR REALITY?

Very few companies have cracked the code on diversity. Despite all of the buzz, most organizations still fall short of their goals and the public’s expectations. Our data shows that the main reason why is that recruiters and hiring managers can’t find enough diverse candidates. But this may be a problem of perception — many female engineers and black product managers exist, for example, but companies may not be looking in the right places. The next-biggest challenge is retaining those diverse hires once they’re there. This is more of a culture issue as employees who don’t feel included and accepted won’t last. Relative to finding and retaining them, moving diverse candidates through the interview process is easier.

## BIGGEST BARRIERS TO IMPROVING DIVERSITY





# YOU HAVE TO LOOK INWARD BEFORE ADDRESSING THE PIPELINE

There’s no point trying to attract diverse talent if your culture doesn’t embrace diversity. Taking a hard look at your culture is a critical first step. Top ways companies espouse diversity are by respecting differing opinions and encouraging people to be themselves. The executive tone is also key: while diversity used to be an HR-owned strategy, now CEOs are championing the issue, integrating it into their company missions, and diversifying their own C-Suites.



## HOW COMPANIES SUPPORT DIVERSITY, INCLUSION, AND BELONGING INTERNALLY



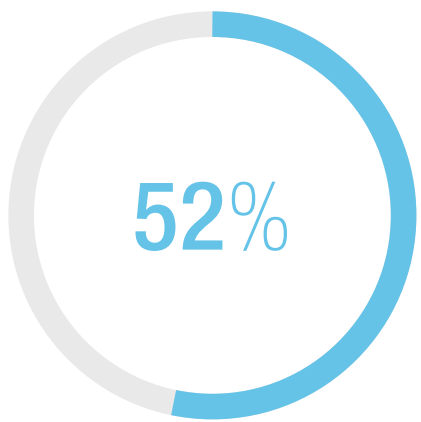


# WITH THE RIGHT CULTURE IN PLACE, THE REST IS SHOW AND TELL

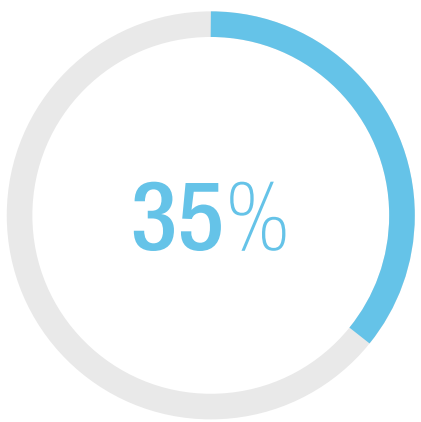
Once you’ve built an inclusive culture, recruiting diverse talent is so much easier. For showcasing diversity to candidates, companies feature diverse employees in recruitment materials and interview panels. They also talk up their employee resource groups (ERGs) and recruit at historically diverse schools, trade schools, and community colleges. Interviewers trained in unconscious bias are yet another way companies show candidates they value a fair process.



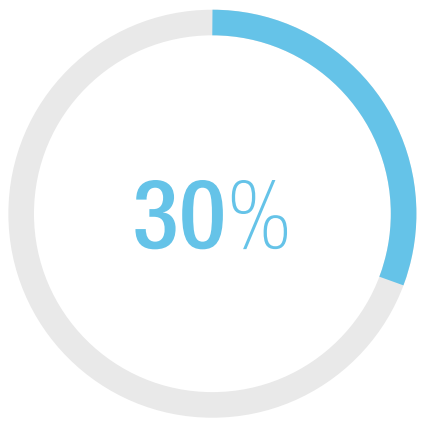
# HOW COMPANIES SHOW CANDIDATES THAT THEY VALUE DIVERSITY



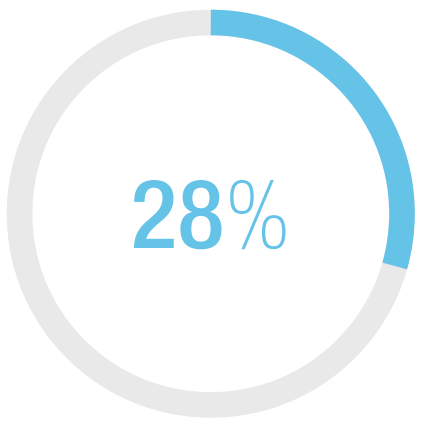
Use diverse employees in web and print materials



Present diverse interview panels



Talk about ERGs



Recruit at schools with diverse student bodies



# WALGREENS SETS THE DIVERSITY BAR HIGH WITH 9 BUSINESS RESOURCE GROUPS

A modern interior space with a curved red wall and a blue floor. A woman is sitting in a chair reading a book, with a small table and a blue ottoman nearby. In the background, two people are standing near a large window.



**STEVE PEMBERTON**  
FORMER CHIEF DIVERSITY  
OFFICER, WALGREENS



# HOW BUSINESS RESOURCE GROUPS MAKE A DIFFERENCE AT WALGREENS

## DRIVE REVENUE THROUGH DEEPER CUSTOMER INSIGHTS

Walgreens Pride Alliance gave key input for a store re-opening in an LGBT area of San Francisco. The result was a greeting card section that better reflected the local customer, with new signage and cards celebrating events like same-sex marriages and transgender coming-outs. Customers loved it — there was double-digit sales growth upon re-opening.

## SHOW DIVERSE CANDIDATES CAREER PATHS AT THE COMPANY

Walgreens Veterans Network teams up with recruiters at job fairs and local events to strike common ground with veterans and help them envision paths at Walgreens. Once on board, their relationships continue through mentoring, networking and professional development.

## ADVOCATE FOR INCLUSIVE PRACTICES

Walgreens Disability Inclusion Network partnered internally to recommend new disability-inclusive technology and policy. Not only a win for disabled employees, it has helped Walgreens score 100% on the 2017 Disability Equality Index (DEI), further attracting and engaging disabled talent.

## SPONSOR QUALITY PROGRAMS

At its annual TEDx Walgreens, the company's Next Gen Empowerment Network (WNEXT) gathers hundreds of employees and local business leaders to share ideas on topics like entrepreneurship and healthcare. BRGs geared toward women, Asians, and Latinos also sponsor events to foster inclusion and belonging.





CASE STUDY

# LEVER’S SECRET TO DIVERSITY IS SWEATING THE SMALL STUFF

You might expect Lever’s 150+ employees to be majority-male just like so many other startups in Silicon Valley. But the company’s gender balance is impressive: females represent 50% of its workforce, 53% of management, 43% of engineers, and 40% of the board. The company has slowly chipped away at its diversity challenges, breaking them into doable pieces from day one. Individually these tactics reduce bias or increase inclusion in a small way, and collectively they create a rich and diverse culture. Lever outlines its comprehensive approach in a [diversity and inclusion playbook](#), but the next page has a sampling of the company’s approach.



*“A lot of small tactical things make a much bigger difference than the executive strategy of committing to this big [diversity] goal by 2020.”*



**SARAH NAHM**  
CEO, LEVER



# LEVER'S BITE-SIZED DIVERSITY TACTICS ADD UP

## USE INCLUSIVE JOB DESCRIPTIONS

Lever cut the “requirements” section knowing women only apply when they meet 100% vs. men who apply with just 60%. It also explicitly states that it’s building a diverse and inclusive workforce.

## EXCLUDE PHOTOS FROM APPLICATIONS

This ensures candidates aren’t unconsciously judged by how they look.

## BAN “CULTURE FIT” REJECTIONS

Lever pushes employees and customers to get more specific and define what they mean by “poor culture fit.”

## GIVE EMPLOYEES A VOICE

Lever empowers employees to share their stories through blog posts and videos, helping to engage talent. CEO Sarah Nahm is also an outspoken champion for diversity.

## COMMIT TO FAIR COMPENSATION

Lever has developed a comp philosophy to help minimize negotiation. It benchmarks what each role is worth and doesn’t over-rely on a candidate’s past salary.

## SUPPORT ACTION-ORIENTED EMPLOYEE GROUPS

Lever’s employee groups for women (Leverettes) and LGBTQ (LeverHues) foster belonging and help drive meaningful action.





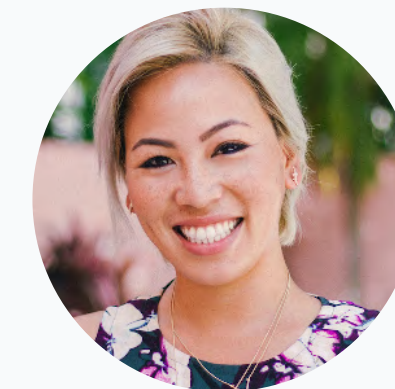
## CASE STUDY

# PANDORA ACHIEVES NEAR 50-50 GENDER SPLIT

Similar to Lever, Pandora doesn't have a separate diversity strategy — rather, diversity is embedded in everything the company does. It proudly recruits for “culture add” rather than “culture fit.” While “culture fit” can lead to too many like-minded employees and complacency, “culture add” can lead to unique skills, viewpoints, and ultimately innovation. Pandora's impressive diversity stats include 49% female overall, 38% female leaders, and interns who are 40% female and 65% non-white.



*“You can build a diverse pipeline all you want, but if your employees don’t understand its value, then those underrepresented candidates will never get hired.”*



**LISA LEE**  
DIRECTOR OF DIVERSITY  
AND INCLUSION, PANDORA



# PANDORA'S DIVERSITY MINDSET IN ACTION

## TARGET SPECIFIC GROUPS WITH BRANDED DIGITAL CONTENT

Pandora creates content for specific groups (e.g., females, students at historically African-American schools) and serves it on LinkedIn through targeted sponsored updates.

## SPONSOR LIVE EVENTS

Pandora recently sponsored Coalesce Chicago's 5th anniversary party, for example. Featuring live music from diverse artists, hiring managers and recruiters were able to network with talent in a casual space.

## OFFER BIAS AND ASSUMPTION TRAINING

Pandora has built its bias and assumption training into manager development. This elevates its importance and increases the likelihood of changing behavior.

## ADD PURPOSE TO EMPLOYEE GATHERINGS

Rather than another happy hour about nothing, money goes toward causes such as black history month and women's leadership so that the events better align with Pandora's values.

## ADVOCATE FOR COMMUNITIES

Pandora has employee resource groups for underrepresented groups, women and LGBTQ+ and fosters an environment in which they are encouraged to speak up and effect change.

## SHARE EMPLOYEE STORIES AT SCALE

Pandora has its own podcast. From the new dad talking paternity leave to the LGBTQ+ employee on coming out, it's a safe place where employees share how personal circumstances shape their work.







## CONCLUSION

# 6 DIVERSITY TIPS TO LIVE BY

Diversity is complex. There's no easy shortcut to achieve it, and it doesn't happen overnight. Check your practices against these dos and don'ts from Walgreens, Lever, and Pandora and you'll start moving in the right direction.



### **Do use inclusive language in your job descriptions.**

This will broaden the appeal of your opportunities and let you reach more diverse talent.



### **Do empower employees to tell their stories.**

The storytelling exercise itself will boost engagement with employees while growing your reach with diverse candidates in an authentic way.



### **Do promote inclusion and advocate change with ERGs.**

You have much more diversity power when you can lean on the natural momentum of grassroots groups.



### **Don't have a diversity "strategy."**

Think of it as a mindset instead. Start small to effect change. Weave it into everything your company does, little by little.



### **Don't invest without buy-in from the top.**

You won't go far if your leaders aren't sold on the value of diversity. The bottom line will always grab their attention so make your case with numbers.



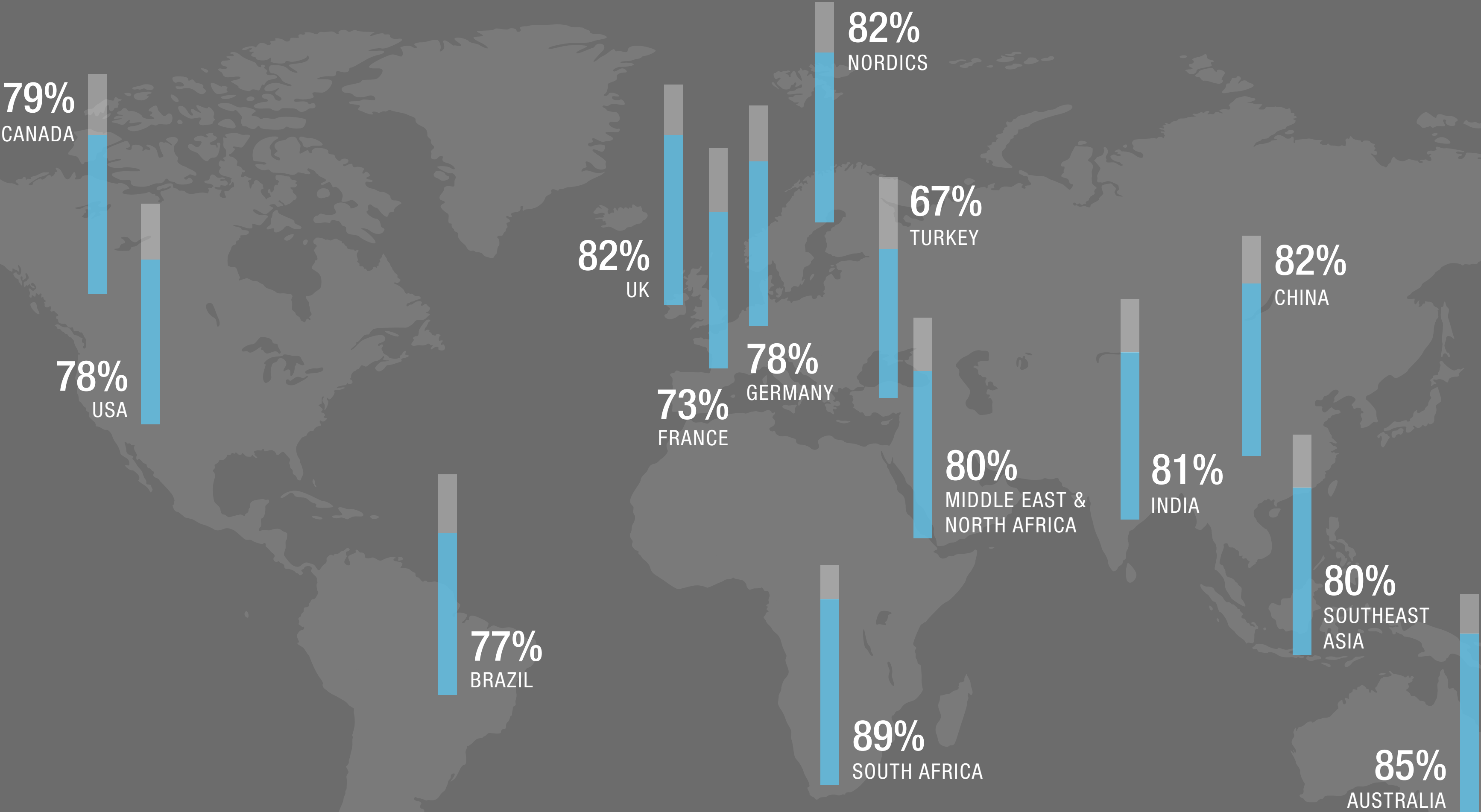
### **Don't perpetuate the appeal of "culture fit."**

Change the bar with which you assess talent from "culture fit" to "culture add" to better create a culture of differences.



# IMPORTANCE AROUND THE WORLD

Percentage of talent acquisition leaders  
and hiring managers who say that diversity  
is the top trend affecting how they hire





# SURVEY METHODOLOGY

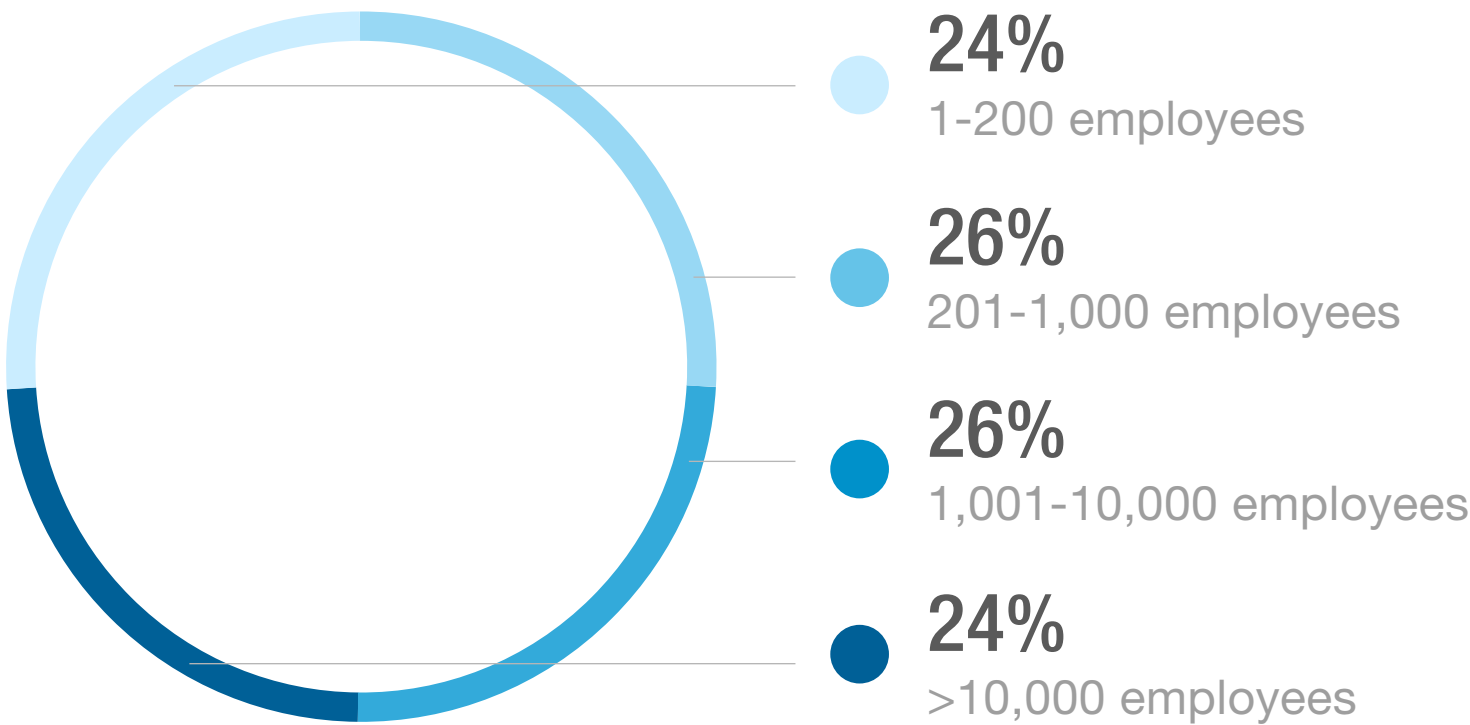
We surveyed 8,815 talent acquisition professionals and hiring managers.

- Talent acquisition professionals work in a corporate HR department and must have some responsibility for the hiring process.
- Hiring managers must have some authority over hiring decisions for their team.

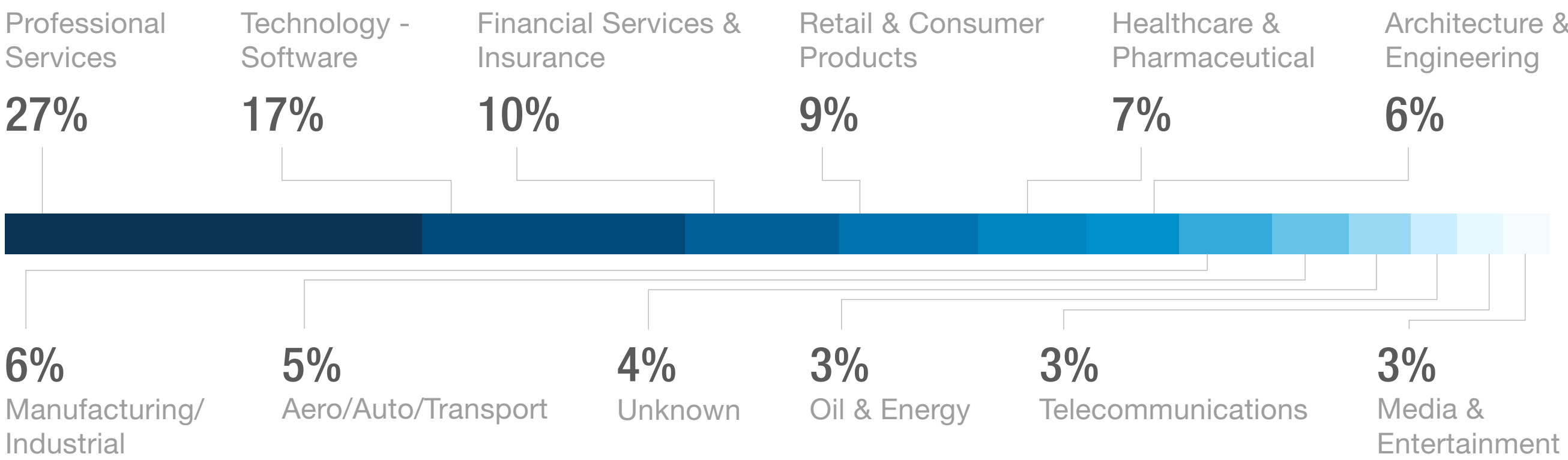
These survey respondents are LinkedIn members who were selected based on information in their LinkedIn profile and contacted via email between August 24th and September 24th, 2017.



## COMPANY SIZE



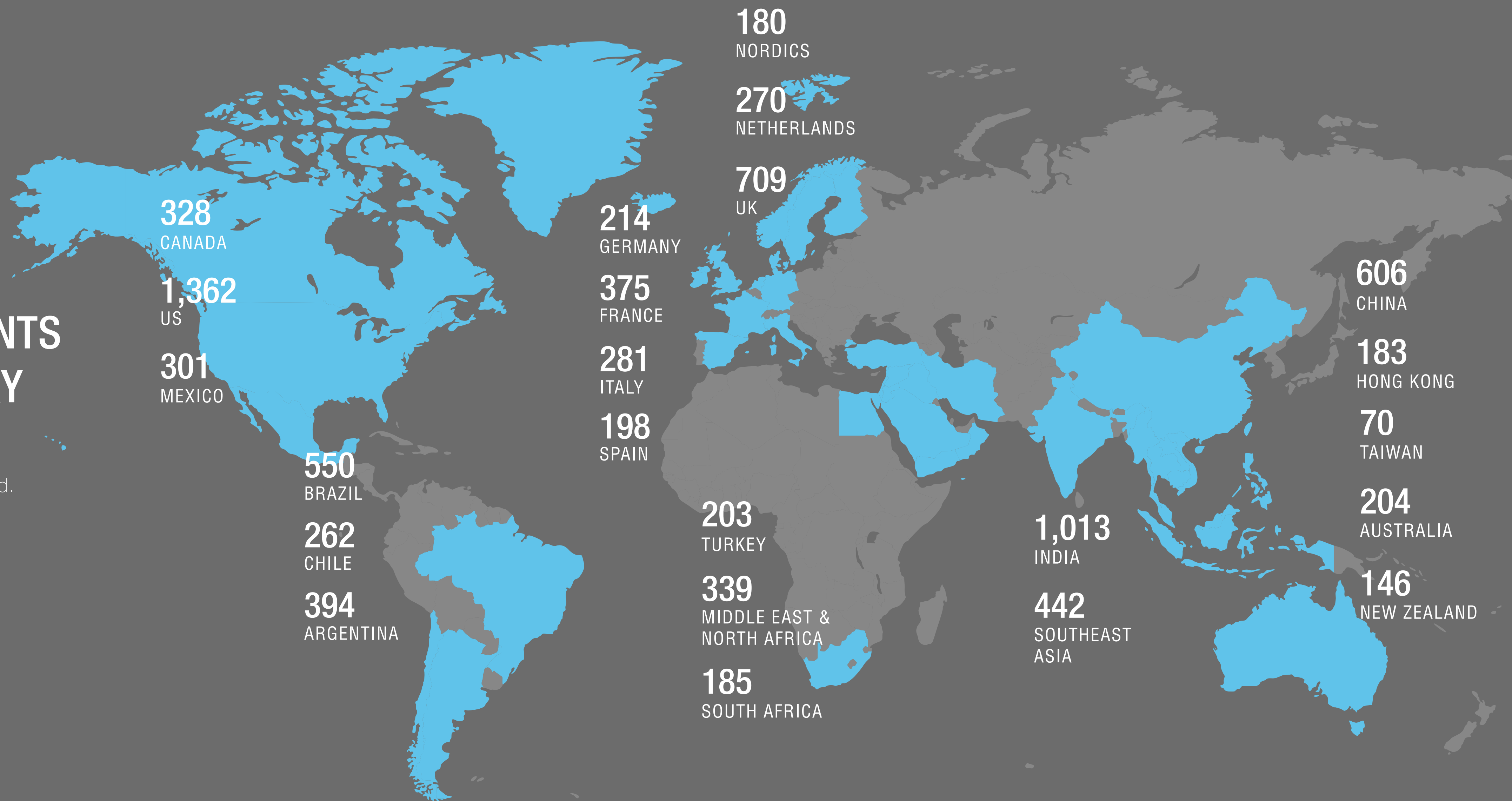
## INDUSTRY





# RESPONDENTS BY COUNTRY

8,815 talent acquisition  
professionals and hiring  
managers were surveyed.





INFORMATION SOURCES

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Walgreens

Lever

Pandora



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# ABOUT LINKEDIN TALENT SOLUTIONS

LinkedIn Talent Solutions provides the data and tools talent professionals need to identify and engage talent with the highest potential and empower their organizations.

**LinkedIn** TALENT SOLUTIONS

