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Diversity, Equity, and Inclusion at XYZ, Inc.: A Case Study

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Company Profile

XYZ, Inc. is a 100+ employee company with offices in multiple US cities specializing in raising funds and partnering with developers to build high-quality, equitable, affordable housing with ethical profits for investors.

Overall Approach

It was essential to assess the quality of diversity, equity, and inclusion dynamics at a company with such a forward-thinking mission. In order to gather comprehensive data, we conducted quantitative anonymous surveys, qualitative focus groups, and qualitative one-on-one interviews.

Quantitative Method

The quantitative data collection strategy revolved around a 19-question, anonymous self-report employee survey distributed via online link to all employees for 1 week. The survey consisted of the following components:

- 11 self-report questions based on personal experience in the workplace
- Self-report questions asked participants to assess the frequency of their experience regarding DEI-related factors on a scale of 10% to 100%, with 10% meaning “almost never” (10% of the time) and 100% meaning “always” (100% of the time).
- 8 demographic questions for segmentation:
 - Gender
 - Race/Ethnicity
 - Generation
 - LGBTQ+ Identity
 - Disability Status
 - Veteran Status
 - Managerial Status (Manager vs. Individual Contributor)
 - Company Function
- Achieved 76% response rate: 84/110 employees – which indicates robust data.

Qualitative Method

The qualitative data collection strategy revolved around four data collection approaches: one-on-one interviews, focus groups, company materials review, and write-in responses to one open-ended question at the conclusion of the anonymous quantitative survey.

Employee voices were captured in the following ways:

- 11 one-on-one interviews with each leadership team member
- Review of company materials
- Write-in response question at end of employee survey
- 8 focus groups separated by managerial status
 - 3 groups with people managers

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- 5 groups with individual contributors
- Participants self-selected into groups via calendar tool
- Notably, only 43% of men joined the focus group sessions, in contrast with 70% of women
- Internal communications
- Demographic data
- External marketing materials

Data Gathered: Demographic Breakdown

Segment	All of XYZ, Inc.	Survey	Focus Groups	Focus Groups + Interviews
All	110	84 (76%)	58 (53%)	69 (63%)
Women	41 (37%)	31 (37%)	28 (48%)	31 (45%)
Men	70 (63%)	45 (54%)*	30 (52%)	38 (55%)
White Folx	98 (88%)	70 (85%)	53 (92%)	62 (90%)
BIPOC (Black, Indigenous & People of Color)	13 (12%)	7 (6%)**	5 (8%)	7 (10%)
People Managers	39 (35%)	29 (35%)	24 (40%)	35 (51%)
Individual Contributors	71 (65%)	53 (65%)***	36 (60%)	36 (52%)

Missing data points were as follows:

*Gender identity: 8 people indicated “do not wish to disclose.”

**Ethnicity: 7 people indicated “do not wish to disclose.”

***Management status: 2 employees did not answer.

Demographic Comparison: XYZ, Inc. vs. USA

We ran a comparison of company demographics for race/ethnicity to national demographics, based on USA census data.

Segment	XYZ, Inc.	USA
White	88%	63%
Black	4%	13%
Hispanic or Latinx	2%	15%
Asian	4%	6%
Two or More Races	3%	3%
Women	37%	51%
Men	63%	49%

Method of Analysis: Three Main Factors

We clustered the quantitative survey questions into three groups, as shown below.

Authentic Self: Employees feel they are treated like people.	Inclusion: Employees feel the environment allows individual experiences to be heard.	Opportunity: Employees feel they can be successful.
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Overall Themes: Bright Spots

The survey results were generally positive, with room for growth. XYZ, Inc. has a culture of belonging, cultural cohesion, and generational inclusion. Employees described a culture of kindness and respect, a feeling that their work environment is “like a family.” No overt attempts to exclude specific groups were reported. For many, XYZ, Inc.’s inclusivity is a “night and day” difference from former employers. Employees appreciate the “**All are Welcome Here**” sign in the main office. Women appreciated the flexibility XYZ, Inc. provided for their schedules.

Generation:

Based on robust, representative data, *no differences* were found among generational segments. People of all ages seem to feel included across the employee lifecycle.

Age Group	# Respondents	% of Respondents
Baby Boomers (1946-1963)	2	2%
Generation X (1964-1979)	20	24%
Generation Y (1980-1995)	49	59%
Generation Z (after 1996)	3	4%

Overall Themes: Opportunities for Growth

Our findings indicated room for improvement at XYZ, Inc. in representation, philanthropy, and inclusion.

BIPOC:

- Clear lack of representation of BIPOC employees across the matrix
- Multiple examples of unconscious bias around perceived difficulty in finding diverse applicants
- Work socializing often revolves around fraternity-style golf outings and drinking games where the traditions of wealthy white men are unconsciously prioritized as measuring tools for assessing friendliness and “fun to work with” traits.

Women:

- Gaps in representation of women and BIPOC across XYZ, Inc.
 - Employees are aware of these gaps
 - Opportunity for more representation in both groups at all levels
- Women expressed some feelings of guilt for needing flexible work hours
 - Concern that balancing work hours with family/caretaking schedules leads to not being taken seriously by coworkers
- Opportunity for stronger ally-ship from men at XYZ, Inc.

Volunteerism:

- Desire for more opportunities to give back to the community XYZ, Inc. serves

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Cultural Exclusion:

- People in regional offices report experience of not feeling as connected.
- White sales associate men in “Home-Office-City” feel like the “in-group” vis-à-vis all others.
- Opportunities for social engagement after-hours center around bars/drinking.

Survey Results Segmented by Function

	Overall average	Average scores by organization/function				
	TOTAL	Acquisition, Executive Admin	Special Assets, Portfolio Mgmt, Asset Mgmt, Fund Mgmt, Risk Mgmt	Credit and Underwriting, Construction Mgmt	Accounting, HR & IT, Legal, Marketing	Syndication and Investor Relations
Cluster / # Responses	84*	15	28	10	16	9
Authentic Self: Employees feel they are treated like people.	2.5	2.7	2.6	2.1	2.4	2.4
Inclusion: Employees feel the environment allows individual experiences to be heard	2.3	2.6	2.5	2.2	2.1	2.3
Opportunity: Employees feel they can be successful.	2.3	2.5	2.4	2.0	2.2	2.3

Women at XYZ, Inc.: General Themes

The quantitative data is consistent with themes in the qualitative data. Women did not say that gender or motherhood status directly hurt their career, but many reported they felt the need to work harder to be perceived as equal.

Specific concerns included:

- Being judged for “not working as hard” when they had to go home early to take care of their kids
- Choosing to stay quiet in committee meetings; feeling that they will not be heard if they speak up
- Perception of gender stereotypes entering the workplace, including cultural experiences and organizational decisions

Bright Spot: As an unexpected side effect of the COVID-19 pandemic, many women reported feeling more comfortable working from home and changing schedules to accommodate family needs.

This data indicates an opportunity to truly engage men as allies for women at XYZ, Inc.

Women at XYZ, Inc.: Specific Quotes from Female Employees

Women found social barriers more often than systemic ones. Overall, women reported lower scores than men, as indicated by the table below.

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Cluster / # Responses	Overall Average	Average scores by gender	
	TOTAL	Men	Women
83-100% = 2.5-3.0 = ■			
67%-82% = 2.0-2.4 = ■			
10%-66% = 0.0-1.9 = ■			
Cluster / # Responses	83*	45	31
Authentic Self: Employees feel they are treated like people.	2.5	2.6	2.4
Inclusion: Employees feel the environment allows individual experiences to be heard	2.3	2.5	2.1
Opportunity: Employees feel they can be successful.	2.3	2.4	2.2

*7 participants declined to answer

Administrative Support	71%
Exec./Sr. Officials & Mgrs.	17%
Professionals	35%
Sales Workers	20%

Women's Survey Results by Function

DEI scores vary across departments for women.

Cluster / # Responses	Overall average	Average scores by organization/function				
	TOTAL	Acquisition, Executive Admin	Special Assets, Portfolio Mgmt, Asset Mgmt, Fund Mgmt, Risk Mgmt	Credit and Underwriting, Construction Mgmt	Accounting, HR & IT, Legal, Marketing	Syndication and Investor Relations
Cluster / # Responses	31*	6	9	3	9	0
Authentic Self: CREA Employees feel they are treated like people.	2.4	2.8	2.3	1.9	2.3	N/A
Inclusion: Employees feel the environment allows individual experiences to be heard.	2.1	2.5	2.3	1.9	1.8	N/A
Opportunity: Employees feel they can be successful.	2.2	2.5	2.3	1.7	2.1	N/A

*4 participants declined to answer

BIPOC at XYZ, Inc.

The lack of BIPOC hiring was particularly stark, as reflected clearly in the data:

Race/Ethnicity	# Survey Respondents	Percentage of Respondents
White	70	85%
Hispanic or Latinx	2	2%
African American	1	1%
Caribbean	1	1%
Arab	1	1%
South Asian	2	2%

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- **Bright Spot:** No mentions of overtly racist interactions among employees/with clients.
- **Opportunity:** Because of how little BIPOC representation there is, the cohort from this group was very small (7/83 respondents).
 - Of the voices heard in focus groups, BIPOC respondents constituted only 8%.
 - There is significant opportunity to attract diverse employees.

Racial/Ethnic Diversity Data for Comparison

- A consistent theme heard in both focus groups and interviews was, “The reason we don’t hire diversely is because we don’t have a diverse applicant pool. “Home-Office-City” is a white place.”
- Despite a common misconception, “Home-Office-City” is *very* diverse.
- The data shows that “Home-Office-City” actually has a higher proportion of Black people than New York City.
- “Home-Office-City” is almost 4x more diverse than the employee population of XYZ, Inc.

Race/Ethnicity	XYZ, Inc. Diversity	Home-Office-Metro Area Diversity	Home-Office-City Diversity	NYC Diversity (for scale)
White	88%	77%	61%	43%
Black	4%	16%	28%	24%
Hispanic or Latinx	2%	7%	10%	15%
Asian	4%	4%	3%	14%
Two or More Races	3%	3%	3%	4%

LGBTQ+ at XYZ, Inc.

- Bright Spots:
 - Survey respondents who identified as LGBTQ+ showed slightly more positive answers vis-à-vis other employees (This finding is exploratory, not statistically significant.)
 - This indicates that XYZ, Inc. has made significant progress towards making this group feel represented and included.
 - All LGBTQ+ participants expressed feeling welcome and supported and had generally positive things to say.
- Opportunity: Almost all LGBTQ+ people in the company are cisgender white gay men.
- Opportunity to increase representation within this group (beyond cis gay white men).
- Not enough survey data points to make conclusive inferences.
- XYZ, Inc.’s LGBTQ+ cohort feels included but lacks diversity.

Segment	# Respondents	Percentage of Respondents
LGBTQ+	9	11%

Specific Recommendations: People

Our primary recommendations involved representation, allyship, commitment, and philanthropy:

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1. Talent management to **increase representation**
 - Recruit for **diverse identities**
 - **Demonstrable support** at all levels for flexible scheduling/work options for people with families
 - Make **training and company events** equally accessible to employees in regional or remote offices
2. Build capabilities around **ally-ship**
 - Encourage all employees, particularly **white male employees**, to build their capabilities in allyship
 - Better Man Conference
 - Provide opportunities for greater understanding and awareness to foster authentic support for diverse communities
 - Inclusion training
3. **Leadership** commitment
 - **Participate in initiatives** such as CEO Action and OUT Leadership
 - Create **DEI leadership committee** of employees from multiple levels to ensure DEI efforts continue after succession of current CEO/leadership team
 - Messaging around commitment needs to come from leaders besides the current CEO (who founded the company)
4. Employee **volunteerism** and community engagement
 - **Recruit foundation advisors/board members** from the communities XYZ, Inc. serves
 - Give employees concrete ideas and scheduled opportunities to volunteer in communities XYZ, Inc. serves as well as with other good causes
 - **Present quarterly reports to employees and clients** showing XYZ, Inc.'s tangible community impact using numbers-based KPIs
5. **Clarify ownership** of DEI, social impact, philanthropy, and volunteerism

Specific Recommendations: Brand

Explore re-branding to re-cast XYZ, Inc.'s brand by strengthening the connection between the company's mission of social justice and both the client and employee experience in both deed and creed.

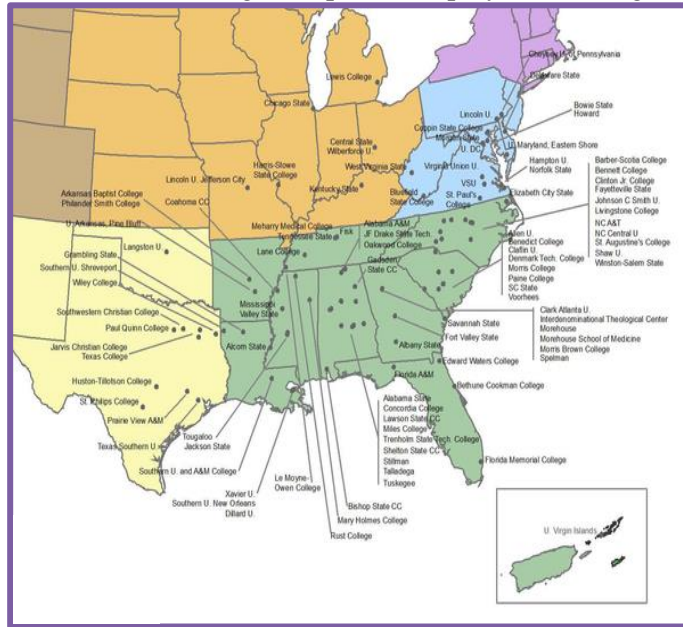
- Reframe videos and publicity materials to spotlight the **community impact and social good** brought about by XYZ, Inc.'s work each year
- Include **references to KPIs and summaries of quarterly community impact reports** in all publicity materials
- Align XYZ, Inc.'s internal and external branding around **measurable community impact**

Deep Dive on Representation: Collateral

- Website content and videos, primarily for conferences, center on white male experiences. Limited examples of women or BIPOC.
- Careers page, Facebook and Twitter have slightly more, though still limited, representation of women and BIPOC.
- Conference videos focus too frequently on inside jokes. Words, jokes, and images communicate an insider-style environment that alludes to the "all-white male fraternity" experience.
- Golf emerges as a clear visual theme. (Nothing wrong with golfing as a hobby, but the representation is almost exclusively white, cis-gender men.)

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- Alcohol also emerges as a theme in the videos, including examples of employees drinking at



work and intoxicated at the office.

- How does XYZ, Inc. want to be viewed in the marketplace?

Strategies for Greater Representation

- In response to questions about recruiting for diversity, some respondents said, “We only recruit from ‘Big Midwest School of Business.’ Maybe we could recruit from ‘Local HBCU.’”
- While ‘Local HBCU’ is one option, there are many others to explore.
- There are over 100 HBCU’s across the country.
- In addition, there are many other universities and colleges (aside from the HBCU’s) with highly diverse student populations, as indicated in the figure below.

Deep Dive on Representation: Recruiting

In the post-COVID world, there are now opportunities to:

- Attend virtual recruitment fairs at colleges all over the country.
- Hire diverse, remote employees without pressure to offer relocation benefits.
- Recruit from more HBCU’s or schools with higher overall diversity.
- With so many colleges and universities going virtual, we are no longer bound to geographic limitations for recruitment.
- Today’s virtual workplace has opportunities for broader recruiting.

Diana File is an expert in all things data science, particularly around human behavior. She has driven record-breaking results in collaboration, inclusion, and profit for large enterprises like NASDAQ, Verizon, and the military, plus dozens of small businesses and start-ups around the world. She's smart, passionate about DEI, and rigorously methodical about putting hard numbers on the soft guesses most DEI professionals consider to be "unmeasurable."