



The Diversity, Equity & Inclusion imperative in mining and metals

The ongoing pandemic has rattled long-standing societal structures, labor markets and organizational workforces, with impacts seen across many industries, including the Mining and Metals (M&M) industry. As seen in Deloitte's [Tracking the Trends 2022](#), the mining industry is seeing a myriad of disruptive changes, including value chain realignments, shifts in operating models, and an increasing digitization of operations. Workforce and societal concerns have come to the forefront, with the rethinking of talent sourcing, reskilling, and training to optimize workforce spend and potential, a reinvigoration of the social purpose, and a

focus on decarbonization¹. M&M companies need to look for ways to thrive in this uncertain future—and they should consider unlocking the power of Diversity, Equity and Inclusion (DE&I) in the workplace as part of their path forward.

While DE&I maturity remains a challenge across many industries, it has proved to be a particularly enduring challenge in the M&M sector. Historically male-dominated and non-diverse, the industry is now working to address concerns with talent supply, organizational culture, and community engagement².

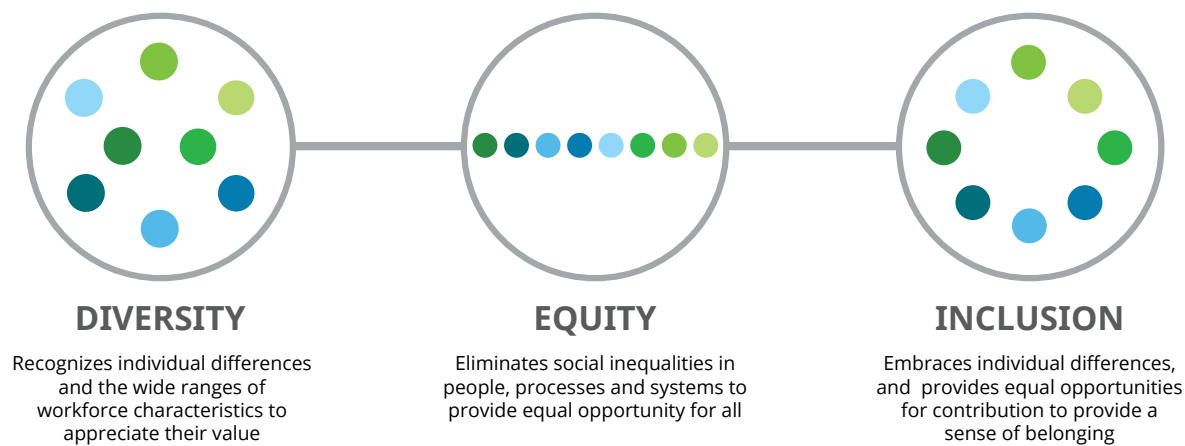
This three-part article series opens a much-needed discussion on DE&I, its current status in the M&M industry, and how to develop solutions within an industry that is already undergoing major changes. While M&M organizations are making progress in this domain and many have set up diversity targets and established partnerships, much still needs to be done to reach those ambitious targets and set the foundational culture and work environment that will allow companies to move from vision to reality. M&M organizations need to break down old systems, reprioritize their investments, revise their social strategy, and redesign their workplaces to improve DE&I and unleash its potential.

In this first article, we will discuss the basics of DE&I, what it means to employees, and the broader organizational implications. Only by coming to a collective understanding of the DE&I imperative can the M&M industry begin to reap its benefits.

What do we mean by DE&I?

Let's begin by level-setting what we mean by DE&I. "Diversity, Equity & Inclusion" are often communicated with a single label and as one area of focus. And while they are greatly connected, they are also importantly quite separate.

Figure 1: Defining DE&I



Source: Deloitte Analysis

Diversity of talent refers to a wide range of workforce characteristics, seen and unseen, such as age, gender, sexual orientation, nationality, ethnicity, language, education, religion, socioeconomic status, and disability. There is, moreover, a complex, cumulative way in which the effects of multiple forms of discrimination (such as racism, sexism, and classism) combine, overlap, or intersect, in the experiences of marginalized individuals or groups. This intersectionality of lived experiences explains how much of the underlying characteristics that make up a person are unseen and lie below the surface. It is that breadth and depth of experiences that moves a diversity of talent into a **diversity of ideas** as people with differing backgrounds bring varying viewpoints and expectations to the table—and protects against group think³.

Equity is about eliminating societal inequities in people, processes and systems that limit possibilities for marginalized individuals and groups. It is about providing equal access and opportunities, ensuring impartial, fair and equal possible outcomes for every individual⁴.

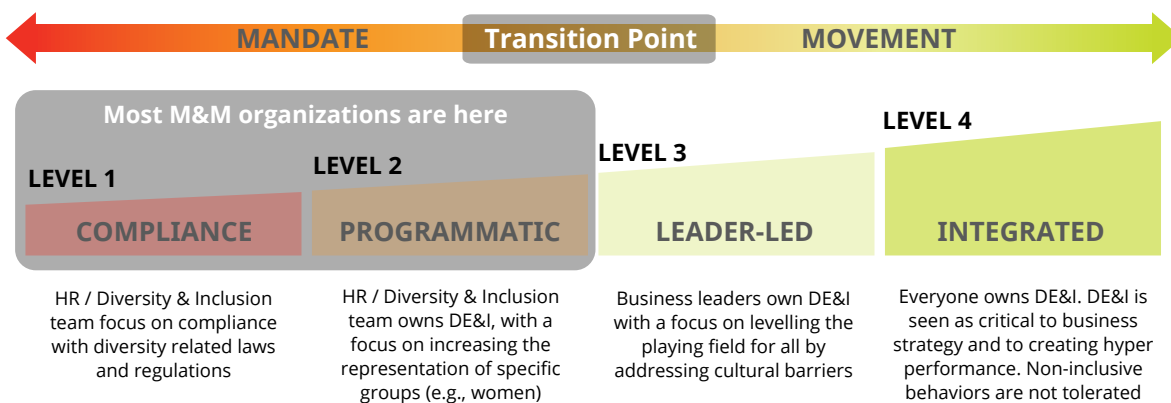
Inclusion refers to the practice of making all members of an organization feel welcome and giving them equal opportunity to connect, belong, grow, and contribute to the organization, while feeling comfortable and confident being their authentic selves. It constitutes an environment where all individual differences are embraced⁵.

What is the DE&I reality in M&M?

Though the M&M industry has improved diversity efforts over the last few years, with many having set diversity of talent targets and mobilized HR initiatives, the M&M sector remains largely low in DE&I maturity. When considering M&M companies' DE&I maturity against Bersin by Deloitte's Diversity & Inclusion model⁶, we see that most organizations adopt compliance-oriented or programmatic approaches and seek to meet compliance requirements and

target numbers, rather than working on inclusion and its larger leadership and cultural implications. As a result, the sector suffers some of the worst gender representation across both its operations and its executive teams. For example, as of 2021, only 15% of executives in mining companies were women⁷. Despite diversification efforts, women fill less than one-fifth of leadership roles across global mining companies⁸.

Figure 2: M&M companies' DE&I maturity against Bersin by Deloitte's Diversity & Inclusion Maturity Model



Source: Deloitte Analysis

Moreover, many M&M companies do not track visible minority representation or do not publicly disclose the numbers. This lack of transparency results in low accountability for M&M leaders and allows many DE&I issues to go undisclosed and unaddressed.

These long-standing issues persist in part because of the approach taken to remedy the situation. Too often, DE&I is introduced via talent measures and quotas. While quotas can be used to help reach diversity of talent, this action should not be standalone and should

come with specific actions to understand the pathways and barriers to reaching DE&I goals. Permanent policies, cultural changes, and long-term strategies should be enabled to achieve these targets.

Let's discuss barriers to DE&I across various minority groups as to illuminate some of the complexities of intersectionality that must be considered when discussing DE&I matters in the industry. The use of personas allows us to quickly grasp the ways by which barriers are multifactorial.

Figure 3: M&M workforce personas depicting barriers to DE&I



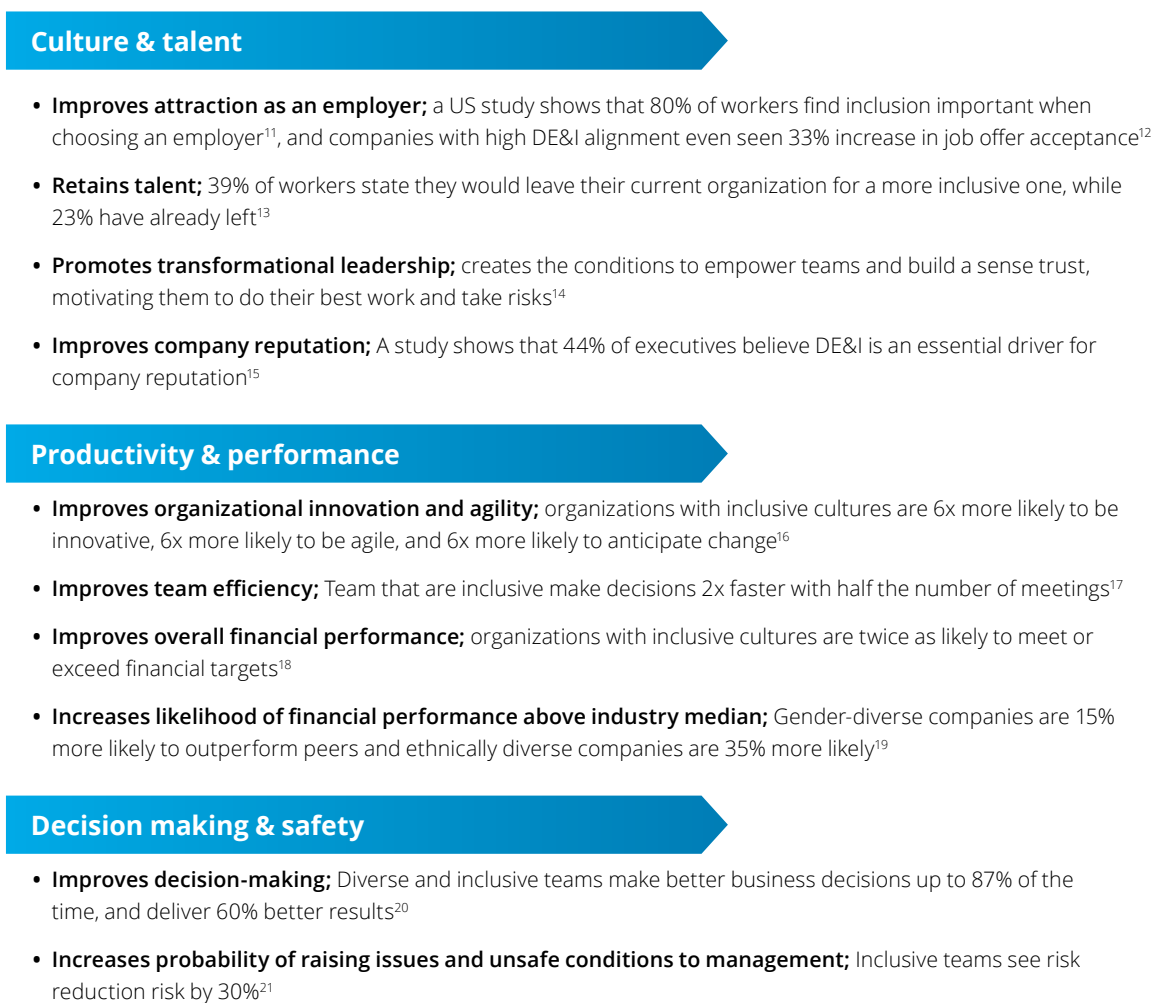
*Note: Personas are fictional, based on consolidation of reflections from research⁹

Why should DE&I be a priority for M&M organizations?

DE&I has been proven to yield significant benefits including enhanced employee engagement, a stronger brand, and improved performance¹⁰. Diversity alone is not enough—companies require an equitable and inclusive culture that allows for different viewpoints and respects the diversity. Multiple studies demonstrate

that there are quantifiable benefits across multiple business domains to having a diverse, equitable and inclusive culture. Let's look at some sample benefits of DE&I across three business dimensions: culture & talent, productivity & performance, and decision making & safety.

Figure 4: How DE&I can benefit M&M companies



The benefits of DE&I are clear, and the science behind the numbers have been present for a few years. Lack of DE&I in organizations has opposite and detrimental consequences to an organization's workforce such as increases in bullying, lowered employee satisfaction

and engagement, increase in stress, increase in turnover, decrease in team performance and productivity which all, ultimately, impacts the bottom line.

What should M&M organizations be doing next?

As the M&M industry is currently undergoing major internal changes, such as talent shortages, shifting skills demands, and a heightened focus on demonstrating Environmental, Social, and Governance contributions to stakeholders, it is also facing external societal unrest in the face of sexual harassment and systemic racism. These forces are driving a transformational environment within M&M organizations, making it an ideal moment for them to act on DE&I.

Now is the time for M&M organizations to reshape their social value proposition with a focus on driving DE&I. As we move past the pandemic and companies seek to thrive in the new normal, M&M companies need to

consider the internal factors and changes that must be made to improve DE&I in the workforce, and the external factors, partnerships with other organizations and stakeholders that can improve and build a long-term strategy for improvement.

DE&I success in M&M companies requires the development of transparent and inclusive workforce strategies and innovative work and workplace approaches that can lead to sustainable wins and changes. Stay tuned for Part 2 and 3 of this series, where we will discuss the internal and external art of the possible for bringing true DE&I to M&M companies and the industry at large.

Contact us:

Andrew Swart

Global Mining & Metals Leader

Deloitte Touche Tohmatsu Limited

aswart@deloitte.ca

Janine Nel

Partner, Consulting

Deloitte Canada

jnel@deloitte.ca

Marcelo Cordova Alvestegui

Partner, Consulting

Deloitte Chile

macordova@deloitte.com

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End notes:

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