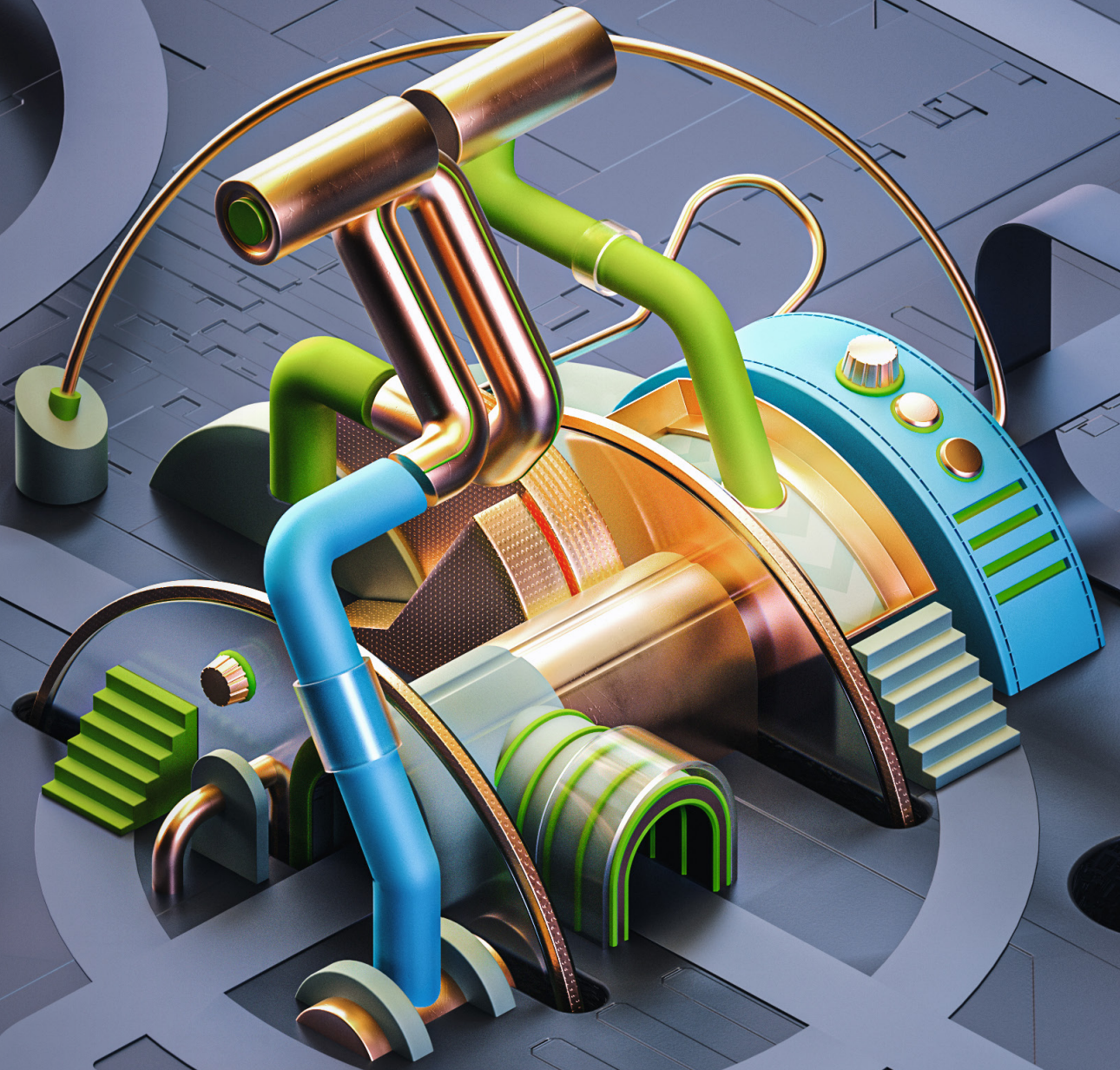


**Deloitte.**  
Insights

# Tech Trends 2021



# DEI tech: Tools for equity

## THE TECH LEADER'S ROLE

Work with DEI and business leaders to address complex workforce challenges with tech-enabled solutions.



## DEI WORKFORCE OUTCOMES

DEI tech can support workforce outcomes across recruitment and advancement, leadership and culture, and measurement and analytics.



## DEI TECH CONSIDERATIONS

Partnerships, responsible data practices, and feedback mechanisms are important elements in tech-enabled DEI workforce strategies.



TREND 9

# DEI tech: Tools for equity

## Elevating the tech leader's role in propelling workforce imperatives

Even before social justice protests drew the world's attention in the summer of 2020, business leaders understood the case for diversity, equity, and inclusion (DEI). But those events spurred many organizations to elevate DEI as a business imperative. In fact, 96% of CEOs now consider DEI to be a strategic priority.<sup>1</sup> And striving for social justice is hardly the only reason: An earlier study showed that organizations with inclusive cultures are twice as likely to meet or exceed financial targets as those without, three times as likely to be high-performing, six times more likely to be innovative and agile, and eight times more likely to achieve better business outcomes.<sup>2</sup>

Workforce DEI programs and policies encourage and support representation and participation of

all people within an organization. Definitions of *diversity*, *equity*, and *inclusion* vary based on an organization's focus and culture, but generally, a diverse workforce includes a wide mix of demographics, skills, and experiences, while equity provides all workers with fair access, opportunity, resources, and power to thrive. An inclusive culture supports fairness, equity, and respect, giving workers a sense of belonging and being valued and empowered.

Diversity, equity, and inclusion are important to current as well as potential employees worldwide. A 2020 Lenovo/Intel global employee study suggests that an organization's DEI policies and performance are significant factors in a candidate's decision to apply for or accept a job.

More than half of employees across all markets said that DEI performance is "extremely" or "very" important when deciding where to apply and whether to accept an offer. This percentage is even higher for employees in China (89%), Brazil (88%), and the United States (75%).<sup>3</sup>

Though most organizations view DEI as important, there's a lot of work ahead. In Deloitte's external [2020 Human Capital Trends](#) survey, 79% of participants said fostering a sense of belonging in the workforce was important to their organization's success, and 93% agreed it drives organizational performance. Unfortunately, only 13% of respondents said their organization is "very ready" to address the trend.<sup>4</sup>

We expect enterprises looking to close this readiness gap to increasingly use technologies to support DEI outcomes across all aspects of the employee journey—from talent sourcing and selection through employee experience, compensation, retention, and development.

## Technology's role in supporting the DEI workforce strategy

Early DEI workforce initiatives focused on the individual—mentoring, sponsorship, training, and development. In recent years, a growing number of enterprises have adopted a more holistic view, with organizationwide workforce initiatives supported by leader-sponsored strategies that encompass policies, processes, and culture to address individual and organizational biases and inequities.

While HR professionals often lead DEI workforce strategies, technology leaders can

play a critical role as strategic partners by designing, developing, and executing tech-enabled solutions to address increasingly complex challenges. They can help identify areas that lack diversity or equity by reengineering the way data is collected, managed, analyzed, and reported. Technology leaders can also provide the technical expertise and strategic vision required to integrate solutions that span the workforce life cycle, eventually embedding them into the organization's technology stack and processes to drive DEI across the workplace.

**Diversity, equity, and inclusion are important to current as well as potential employees worldwide.**

These tools could be seamlessly integrated into the work and collaboration software that workers and managers use every day, allowing workers to opt in to technology solutions that nudge behaviors toward equity in moments that matter. For example, a manager who is preparing to conduct annual performance reviews may receive a notification to enroll in a microtraining on unconscious bias.

AI capabilities can help leaders understand individuals' behaviors and how they change over time, helping them reinforce and optimize behaviors that promote DEI. A growing number of vendors offer point solutions to support elements of an organization's DEI strategy, and human capital management suites offer cloud-based analytics and dashboards that can be customized to support DEI across the talent life cycle, providing a more holistic view of the organization's progress and opportunities.

## DEI tech designed to address workforce challenges

DEI technology solutions may use AI/ML and advanced analytics to provide granular insight into such areas as talent acquisition, advancement, well-being, and retention. Others offer feedback and coaching capabilities for leaders and decision-makers. All seek to make decision-making less prone to human errors and biases while improving organizational performance and innovation. Here are just a few examples of how organizations are using technology tools to support DEI outcomes.

AREA	DESCRIPTION	OPPORTUNITIES
<b>Recruitment and advancement</b>	Tools can help identify, recruit, develop, and advance a more diverse talent pool.	<ul style="list-style-type: none"> <li>• Identify and address biased language in job postings using natural language processing (NLP)</li> <li>• Nudge recruiters at key points in the hiring process to increase awareness of potential bias using AI</li> <li>• Access pools of qualified, diverse candidates through candidate search platforms</li> <li>• Objectively identify “optimal” candidates for jobs or promotions using AI, machine learning, and automation<sup>5</sup></li> </ul>
<b>Leadership and culture</b>	Tools can help leaders build inclusive cultures, including engagement and retention of diverse talent.	<ul style="list-style-type: none"> <li>• Support efforts to build inclusion and belonging within work groups using organizational network analysis and community-building social platforms</li> <li>• Encourage more objective performance reviews using NLP and ML</li> <li>• Gain insight into behavior changes needed to develop inclusive leaders using behavioral assessment tools and learning platforms</li> </ul>
<b>Measurement and insights</b>	Data and analytics tools can be used to establish organizational baselines, measure progress, and deliver actionable insights.	<ul style="list-style-type: none"> <li>• Monitor DEI KPIs, including compensation and advancement equity, using advanced analytics, data visualization, and interactive dashboards</li> <li>• Match people to diverse workplace opportunities and coaches using data insights</li> <li>• Predict which workers are likely to leave using predictive forecasting models to proactively intervene</li> <li>• Evaluate qualitative and quantitative outcomes of DEI efforts using advanced analytics</li> </ul>

## Considerations for using technology to drive DEI outcomes

Some organizations consider a DEI effort to be a short-term initiative to “fix” a specific workforce challenge instead of a long-term strategy with a road map to improve overall performance and innovation. Here are a few lessons shared by organizations committed to achieving the long-term benefits of their workforce DEI strategies:

- **Partner across the organization.** An empowered executive DEI leader, sponsored by the CEO, is important to developing and executing an effective DEI strategy. The DEI leader should partner with tech leaders to select and implement technology tools that will support the strategy by generating meaningful metrics, insights, and data.

- **Include plans and infrastructure to support corrective actions.** Before collecting sensitive data, be sure you have a clear plan for what you will do with that data, including the types of possible actions you may take based on a range of potential findings. Having knowledge of inequities without following through on planned remediations may create legal liabilities for the organization. It is important to work closely with legal and human resource advisors when considering such data collection and/or analytics initiatives.
- **Take advantage of existing data.** Many organizations have a vast amount of useful workforce data stored in siloed databases. This data can be used to identify opportunities and create a historical baseline that can be used to evaluate the outcomes of the DEI strategy. (The [Machine data revolution](#) chapter

discusses how organizations are addressing data challenges.) It is important to consult with legal and privacy teams to understand whether, and how, previously collected data may be leveraged for various purposes. Also consider using publicly available data sources. For example, one US government agency created a tool using open-source and purchased data to identify locations for recruiting diverse candidates.

- **Tread carefully with gathering new data.** Organizations should consult with their legal and privacy teams to understand what, if any, notices to/consents from employees may be appropriate, as well as how they can use and safeguard any personal data that is collected. Since some people may be uncomfortable sharing DEI-related information, allow workers to opt in, with the assurance that participation is optional, and be transparent about how the information will be used. Consider

masking information so that it cannot be connected to an individual, while still providing aggregate information that's useful for decision-making. Deloitte's [Tech Trends 2020](#) provides more insights into how to [ethically use technology](#) to maintain employee trust.

- **Solicit diverse feedback on DEI tools.**

With many new technologies entering the DEI technology market, some tools, especially those with AI/ML capabilities, may reinforce or introduce new biases. When considering new DEI technologies, encourage and act on feedback from diverse teams that can think critically about the tool to detect unexpected problems and understand others' sensitivities.<sup>6</sup>

## The way forward

DEI technology tools can deliver meaningful insights, metrics, and data that can provide the objectivity and credibility needed to propel DEI strategies forward. But even the best tools rely on humans to follow through with meaningful action. Technology, used appropriately, can support human objectivity, consistency, and fairness, but it will work only when backed by ongoing leadership commitment to building a diverse workforce, equitable environment, and inclusive culture.



## OUR TAKE

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Deloitte as a firm has championed DEI for years, but until recently, we had not deeply explored how technology and data-driven insights can help us deliver more diverse, equitable, and inclusive experiences across Deloitte's talent life cycle.

The unique societal moments of 2020 inspired us—as they did leaders at many other organizations—to openly discuss our commitment to workforce DEI as top priorities for the firm and to follow through by taking actions that accelerate our progress.

The sponsorship and commitment of Deloitte's board and executive committee—specifically US board chair Janet Foutty and US CEO Joe Ucuzoglu—provided the support we needed to make significant progress quickly. We challenged ourselves to balance the risks that





could result from unconscious inequities that could be uncovered through talent data transparency with the risks of *not* being transparent, which could threaten our people's engagement and productivity.

Beyond executive sponsorship, an effective DEI strategy requires collaboration across the organization. Deloitte's IT function is partnering with the businesses, the talent organization, and the DEI team to appropriately incorporate data and technology tools as one component of Deloitte's holistic workforce strategy.

One of our goals is to leverage technology to better understand our workforce and make more-informed decisions. To do this, we needed access to talent data beyond what's required for regulatory reporting. Historically, we've had a wealth of data available in different systems, but it was not integrated in a way that was easy to access. So, Deloitte is implementing a people analytics program to consolidate talent data and

generate insights to help create a more diverse, equitable, and inclusive workplace.

We're also collecting and securing more self-reported information about our people's diversity, both visible and invisible. Individuals now have the option to self-identify their background and other attributes, as well as to opt in to communications from affinity groups and other networks that can help them engage and network across the firm.

We plan to move from using data for hindsight insights to predictive analytics that support decision-making. For example, we would like to know the key pieces of historical data that indicate that a person is likely to leave the firm. By monitoring this data for our current workforce, we could aim to identify those who may be flight risks so that we have an option to take appropriate preemptive actions.

New collaboration tools can also help to build inclusion in a virtual environment. Fortunately,

Deloitte was on the verge of implementing videoconferencing when the pandemic began. The visual nature of video calls helps people see the diversity in their teams and encourages inclusion and equitable opportunities for participation. Of course, there's room for improvement. For example, our IT function has taken on the challenge to improve our people's online visual images. We're working on an app that will automatically adjust web cameras and lighting to accurately capture a more diverse range of skin and hair tones and help everyone look their best.

During recent months, Deloitte has made significant progress in collecting and safeguarding appropriate workforce data and analyzing it for meaningful, actionable insights across the talent life cycle. We're also adopting and refining technology tools to support a more inclusive culture. There's much work ahead, but we're dedicated to helping build a more diverse, equitable, and inclusive society for the benefit of all.

# EXECUTIVE PERSPECTIVES



**STRATEGY //** A growing number of CEOs have set ambitious goals for DEI but have struggled to measure progress.

Emerging DEI tools can help CEOs make the cultural shifts needed to reduce bias and create inclusive workplaces. For this to be successful, CEOs should fully understand DEI tech capabilities and require CIOs and diversity leaders to design purposeful constraints so that tools are used for good. In some cases, organizations with advanced DEI analytics have struggled to act on their new insights and created more complex problems. With this in mind, CEOs should work with stakeholders to develop tailored strategies and informed teams for each inclusion issue they'd like to address.



**FINANCE //** More than ever, leaders are answering to the public for the organization's vision of social responsibility.

Accordingly, many forward-thinking CFOs are taking a stronger role in defining what that vision is, since talent remains a top-five priority for them. With new workforce entrants aware of employers' commitment to DEI, social responsibility may soon play a stronger role in retaining talent. CFOs may be less concerned than others with the granular details of inclusion technologies used to monitor recruiting bias, but they should keep a keen eye on tools that can help train and develop a diverse workforce with needed skill sets. Especially in the current virtual environment, CFOs can also capitalize on remote work models to identify and recruit diverse candidates who would normally be unavailable.



**RISK //** In the arena of social issues, many often see technology as being biased. However, the fundamental issue

with workplace bias lies not with software tools but with the biased humans who build or use them. Tools such as those discussed in this chapter can provide the nudges or insights needed to reduce human bias. They can also manage the data that can help hold an organization accountable to its vision of diversity, equity, and inclusion. When chief risk officers (CROs) manage the inherent risks of transparency, data gathering and analysis from such tools may help organizations measure progress on DEI. Risk leaders can then look for ways to use predictive risk analytics to intervene before issues arise.

# ARE YOU READY?



## KEY QUESTIONS

1

Which tools and platforms are you evaluating to support your overall organizational DEI efforts?

2

How can your DEI technology efforts focus on spanning the employee life cycle rather than standalone initiatives such as reducing recruitment bias?

3

How are DEI and tech leaders collaborating to implement technology that will provide meaningful DEI outcomes?

## LEARN MORE



### Diversity, Equity, and Inclusion in Tech collection

*Explore* how organizations are pursuing and achieving DEI goals within their technology organizations.



### Integrating tech and well-being

*Read* how tech leaders can adopt and integrate new tools into employee well-being strategies.



### HR technology's role in activating a diversity and inclusion strategy

*Learn* how HR technology can provide the data and tools to improve workforce inclusion.

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*Our insights can help you take advantage of emerging trends. If you're looking for fresh ideas to address your challenges, let's talk.*

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# ENDNOTES

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