

DIVERSITY & INCLUSION: 2018 REPORT





A Global Executive Search Report IIC Partners Executive Search Worldwide ©2018



Diversity And Inclusion Highly Valued By Most Companies, But Sourcing Talent Remains Key Challenge.

According to a survey of 461 global business leaders conducted by IIC Partners Executive Search Worldwide, companies recognize the advantages and benefits of a diverse and inclusive workforce, but struggle to tap adequate sources of talent. 63 percent of senior executives say diversity and inclusion is either very important or extremely important, however, this same majority report their workforces have average or below average diversity.

When asked where companies look to procure diverse talent, 67 percent of senior executives said Human Resources departments and 25 percent said internal talent acquisition teams shoulder this responsibility. 7 percent of senior executives said they engage executive search firms to identify and hire diverse talent for leadership roles. Many companies have exhausted their 'go-to' talent pipelines and must take new approaches to achieve their diversity and inclusion goals. Senior executives say the three largest barriers for identifying diversity candidates include:

#1 Unconscious Bias

Finding Diverse Talent

#3 Limited Pool of Diverse Talent In The Industry

"Many companies have exhausted their 'go-to' talent pipelines and must take new approaches to achieve their diversity and inclusion goals..."

Ruth Curran, Global Chair of IIC Partners and Managing Partner of MERC Partners located in Dublin, commented on this trend. "Clearly, companies know that diversity and inclusion programs create a stronger workforce and want to expand these initiatives, but appear at times unable to penetrate the market to find and source this talent.

Executive Search firms serve as trusted advisors and can provide access to larger talent pools across all functions, industries and cultures. Executive search consultants offer a more objective and independent point of view and present a wider scope of diverse candidates for consideration" Curran said.



The supply and demand challenge for creating a diverse and inclusive workforce is further compounded by the fact that 48 percent of companies do not request a diverse slate of candidates when hiring for senior executive roles. Over half (57 percent) of companies have not set any goals for hiring diversity candidates or if they have set goals they will not meet them by their target date.

Christine Hayward, Executive Director of IIC Partners, added, "An overwhelming 87 percent of senior executives agree that diversity and inclusion creates a stronger workforce. Companies are very aware that diversity and inclusion positively impact a business, but are struggling to champion and implement it as a best practice. The lack of benchmarking and goal setting indicates an absence of ownership within the organisation at the leadership level. This responsibility can fall to Human Resources departments, Chief Talent Officers or an external executive search advisory partner. Like any strategic initiative, companies will need to identify a leader or partner to spearhead diversity and inclusion programs to see results," Hayward said.

About IIC Partners

IIC Partners Executive Search Worldwide (www.iicpartners.com) is a top ten global executive search organisation with 50 offices in 33 countries. All IIC Partners member firms are independently owned and managed and are clear leaders in local and national markets, allowing solutions for client's organisational leadership, assessment and talent management requirements. For more information, please visit www.iicpartners.com or contact Christine Hayward, Executive Director, at chayward@iicpartners.com.

"The lack of benchmarking and goal setting indicates an absence of ownership within the organisation at the leadership level. This responsibility can fall to Chief Talent Officers or an external executive search advisory partner..."









of senior executives in the Americas said there is no diversity at the Board level.



25%

of senior executives in EMEA said there is <u>no diversity</u> at the Board level.



View diversity & inclusion as a social responsibility.



74%

of senior executives report less than 40% of senior leadership teams are diverse.



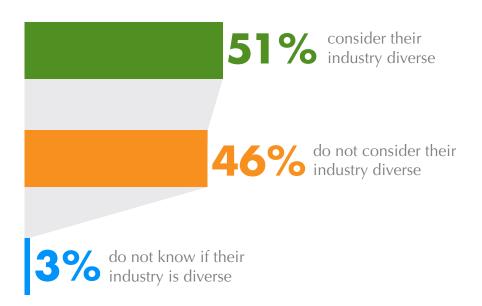
of senior executives believe you <u>cannot have</u> diversity without inclusion. of senior executives believe you cannot have inclusion without diversity.







Only 51% of Senior Executives View Their Industry As Diverse.



Top 5 Most Diverse Departments Within Organisations.

- 1 Human Resources
- 2 Operations
- **3** Accounting & Finance
- 4 Customer Service / Support
- **5** Administration



say diversity & inclusion are extremely important or very important.

agree that diversity and inclusion create a stronger workforce.



Top 4 Drivers of Diversity & Inclusion Programs.











Attract & Retain Talent

#3

Enhance External Reputation

#2

Drive Business Results

#4

Increase Employee Engagement

63%

report diversity in their own workforce is average or below average.



Top 3 Ways Diversity & Inclusion Impact A Business.

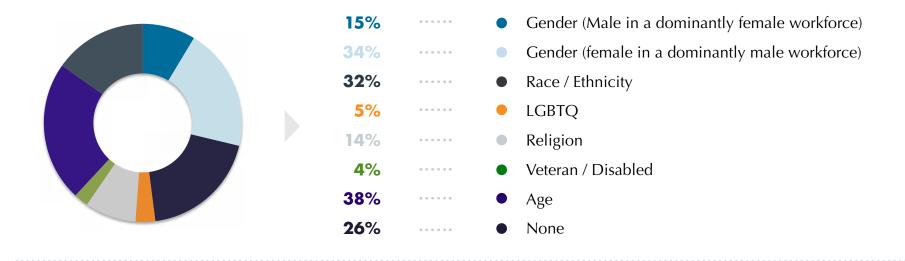




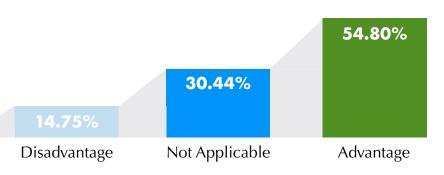


Diversity Of Respondents.

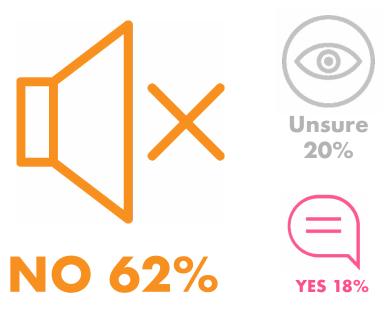
Respondents were asked about their own personal diversity in the workplace and asked to choose all characteristics that apply to them.



Does Your Diversity Serve As An Advantage or Disadvantage?



6 Out Of 10 Senior Executives Say The #MeToo Campaign Has Had NO IMPACT In Their Workplace.



32%

32% of companies reported their workforce was 40% - 60% female.



of individuals say their workplace is doing enough to address & enforce anti-discrimination policies.



Less Than Half

are satisfied with their company's diversity & inclusion programs.



48% Satisfied



42% Dissatisfied



9% Unsure



of senior executives look to Human Resources and Internal Talent Acquisition Teams to source diversity candidates.



Stakeholders Driving Diversity & Inclusion.

C-Suite / Senior Leadership Team



45%

Human Resources



25%

Board Of Directors



20%

Headquarters



5%

Government Regulation



4%

Shareholders / Public



2%



Only 52% of senior executives ask for a diverse slate of candidates when hiring.





Nearly 1 in 3
senior executives
do not ask for a
diverse slate of
candidates.



20% of senior executives are unsure if they ask for a diverse slate of candidates.

Top 5 Challenges for Creating A Diverse & Inclusive Workforce.

- #1 Unconscious Bias
- #2 Finding Diverse Talent
- #3 A Limited Pool of Diverse Talent In The Industry
- #4 Attracting Diverse Talent
- #5 Retaining Diverse Talent

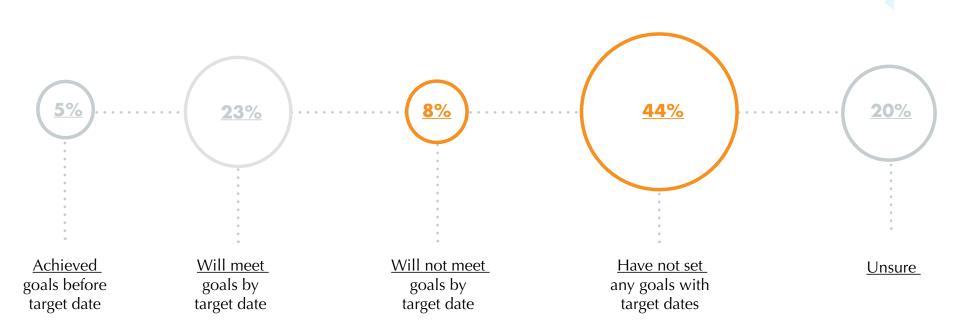


1 in 3 Senior Executives Are Not Leveraging Diversity & Inclusion In Their Strategy For Attracting and Retaining Talent.



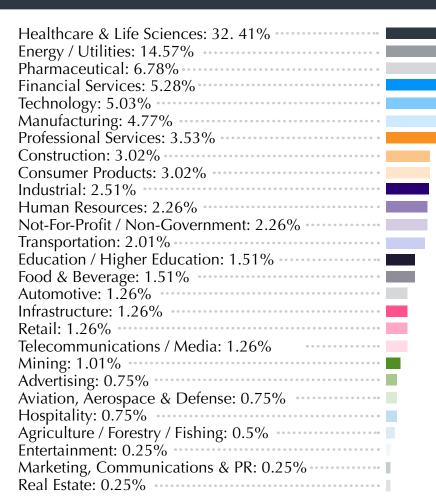


of senior executives have <u>not set goals</u> for hiring diversity candidates <u>or will</u> <u>not meet</u> goals by the target date.



APPENDIX - DEMOGRAPHICS / 20



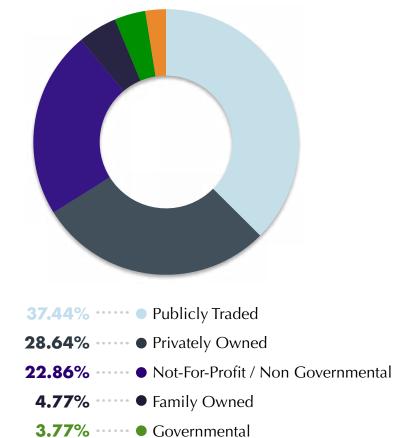




36 countries represented

2.51% ···· • Other







Average age: 51

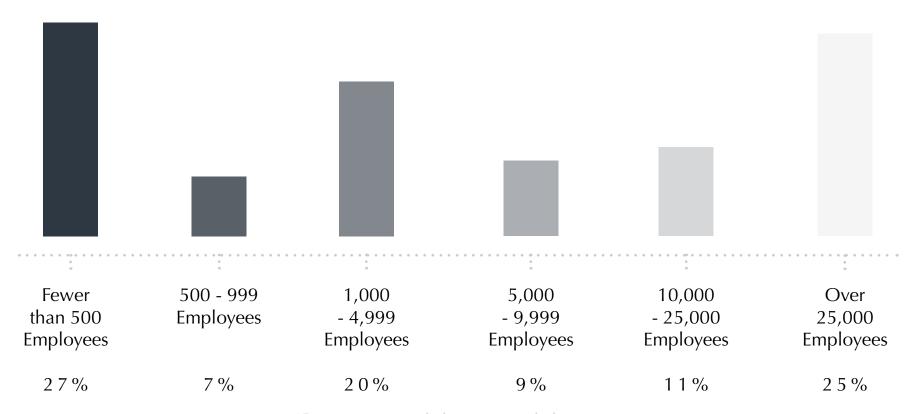


60% of respondents were male



40% of respondents were female





^{*}Percentages rounded to nearest whole percent.



IIC Partners (www.iicpartners.com) is one of the top 10 executive search organisations in the world. The network of "Independent International Consultants" is made up of 44 independently owned and managed executive search firms representing 50 offices in 33 countries, all considered to be leaders in the geographic and industry markets they serve.

IIC Partners' global capabilities include board and leadership advisory, organisational assessment, talent mapping, interim management, diversity & inclusion and succession planning services to strengthen, elevate and accelerate senior leadership teams. For more information on IIC Partners, please contact Christine Hayward, Executive Director of IIC Partners, on chayward@iicpartners.com.

Visit <u>IICPartners.com</u> for more information.

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