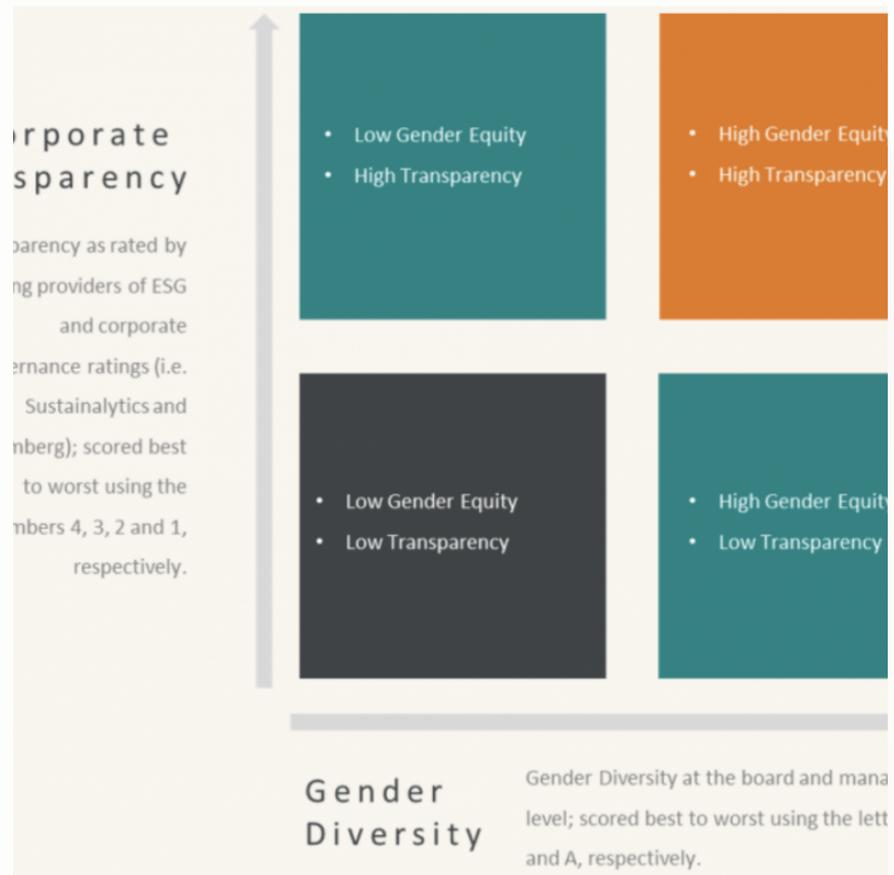


How to measure the ROI of diversity programs

Posted by Janelle Metzger

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It's evident there is financial gain to be had by encouraging diversity and inclusion in your workforce. The Wall Street Journal reports that the most diverse companies (12%) outperform the least diverse firms (8%) when it comes to share price and operating results.

However, creating a diverse business requires more than just good intentions - it takes strategic program implementation, accountability and setting realistic KPIs. Here's how to properly measure diversity programs to create a more competitive and culturally-rich workplace.

First, define the type of return you hope to achieve.

It's easy to implement a few programs as quick wins, but first it's important to assess the current state of diversity and inclusion at your organization. Uncover the problem areas and apply data at all stages - surveys, focus groups, exit surveys, Glassdoor and LinkedIn reviews, analyst ratings and more. Then, define the type of return you hope to achieve. Common KPIs are:

- Reducing employee turnover
- Increasing employee satisfaction
- Increasing retention levels
- Growing leadership diversity
- Reducing unconscious bias

Focus on holistic program development and consistent accountability.

Data enables you to create accountability and establish a baseline through which success or opportunities for improvement can then be quantified. It also allows you to create links between programs developed and overall business performance. Remember that diversity isn't just an HR initiative. As you're developing programs, remember that it's important to create a cross-functional task force that acts as a complementary partner in developing, implementing, sustaining and reporting on programs.

Return on Diversity (ROD) framework

Many corporate D&I programs simply fail to deliver tangible business results and stock performance. Many times, this is due to misalignment between KPIs and performance. Aneuvia's proprietary Return on Diversity framework addresses these issues

to deliver greater workplace diversity, investment performance for companies.

ROD Framework_with Branding

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Our integrated approach provides actionable insights to C-suite and Board members on how to raise diversity across the board for better business outcomes. Using our proprietary ROD framework, we score companies on two variables: gender diversity and transparency. Based on this score, a targeted subset of companies are selected to comprise our high-conviction portfolio.