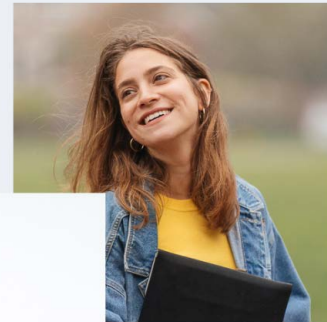**Handshake**

Diversity & Inclusion:
The Ultimate Guide for HR and Recruiting

Diversity and inclusion (D&I) is more than a "nice to have"—it's critical to building a competitive advantage in driving your company's bottom line and impact, and attracting the best talent.

As you read this, America is at the crux of a movement to ensure minorities, especially Black Americans, are treated with equity, mutuality, inclusivity, and respect. This comes at a time when the COVID-19 pandemic has already disrupted businesses, challenging HR teams to address new ways of working remotely, and be more in tune with providing solutions to the challenges our diverse communities face.

For employers, diversity and inclusion is about finding, building, and employing people with varying skill sets, from different backgrounds, and with vast experiences that contribute to the success of their business—with the purpose of incorporating multiple perspectives for better outcomes.

It's about including people from diverse backgrounds on your board and in your leadership team, meetings, and important decisions while recognizing the strength that diversity brings to your organization. **D&I is about adding more voices and perspectives to make better decisions, provide solutions that resonate with the community, and drive your mission forward.**

Diversity and inclusion is also essential for compliance and to meet equal employment opportunity (EEO) standards. To remain compliant in today's world, employers must ensure that equal opportunity exists in all aspects of employment phases, including but not limited to recruiting, hiring, promoting, training, and benefits, and that these business practices conform to guidelines set by the Equal Employment Opportunity Commission (EEOC).

Aside from not being compliant with federal laws, companies who put D&I on the back burner can lose out on the benefits of a diverse workforce.

This year's global pandemic has eliminated nearly all on-campus events (including the chance to meet with early talent in person), requiring recruiters to come up with creative solutions to digital recruiting. Thanks to COVID-19, it's also become increasingly competitive to source talent from underrepresented backgrounds. With a little creativity, all companies—from the Fortune 500 to small-to-medium sized businesses (SMBs)—can keep D&I at the forefront of their hiring process.

While larger, more established companies can afford the best technology to engage with talent from underrepresented backgrounds, SMBs may not, which could mean less access to underrepresented candidates and failure to comply with EEOC guidelines. Employers of all sizes need to consider how they can engage with these cohorts outside of meeting face-to-face or partnering with minority-serving institutions in person.

When in-person recruiting isn't an option and with compliance on the line, there's a lot to think about when it comes to recruiting for D&I:

1. Recruiting has to shift to digital.

Solutions like Handshake make it easy for all businesses to connect with more than 170 minority-serving institutions, including Historically Black Colleges & Universities (HBCUs), to promote their organization, highlight their D&I initiatives, and share testimonials.

Employers on Handshake can search for talent from underrepresented backgrounds quickly based on location, demographics, major, university, and so much more, making it painless to find talent from varying backgrounds in a scalable and personalized way.

2. Maintaining D&I practices is vital to your company's success, both now and in the future.

Whether they're currently hiring or not, companies that neglect to engage and nurture a qualified pipeline of talent from underrepresented backgrounds may not be set up to succeed down the line.

And study after study shows the value of D&I, including the financial benefits, less turnover, and increased employee happiness and engagement (we'll get into this later).

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Recruiting for diversity and inclusion is vital to the success of any business, which is why developing a strategy that responds to the needs of your future leaders (college students and recent grads) is so important. We'll walk you through each step of the process in Handshake's Ultimate Diversity & Inclusion Guide for HR and Recruiting.

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We'll explore everything you need to know to create a solid D&I recruiting strategy, including:

What is diversity and inclusion?

We all know inherently that building a diverse workforce is *the right thing to do*, but why does it make a difference?

To better understand, let's take a look at what diversity and inclusion really means in the context of an organization. D&I is about honoring and recognizing the many forms of diversity that exist in our society. It's about embracing our unique backgrounds and perspectives. It highlights our individuality and brings us together at the same time. Organizations are responsible, then, for ensuring that our global fabric is mirrored internally. How?

For starters, it's about hiring and including people from all backgrounds in your company culture, from the entry-level all the way up to your leadership team and board of directors, and in the important decisions that impact your employees, customers, and business.

Why is diversity and inclusion so important?

When employers take a D&I-first approach to recruiting, they reap the benefits of "happy, productive employees, and successful companies," a Forbes writer explains. The Center for Talent Innovation confirms that employees are 39% more likely to be engaged if they work for a company with inclusive leadership. If employee engagement isn't enough to convince you of the importance of D&I, it may interest you to learn that diverse companies tend to make more money than their homogeneous counterparts.

According to a <u>McKinsey & Company study,</u> employers in the top quartile for racial/ethnic diversity are <mark>35% more likely to have higher financial returns than respective national industry medians.</mark> When comparing companies in the same industry and in the same country, McKinsey's study found that **diversity was the competitive differentiator.**

Diversity holds extra importance in the context of recruiting because it's something candidates immediately recognize when interacting with hiring managers and recruiters. Early talent wants to join a company where they can bring their whole selves to work and want to know that their perspectives will be valued and included.

<u>Sixty-seven percent of students & recent grads</u> on Handshake agree that they would only work for an employer that's built an inclusive company culture and provides a sense of belonging to employees from all backgrounds. So if a candidate <u>can't see diversity within your organization</u>, they may feel unseen and isolated, which could potentially drive them away from working with your business.

By making D&I an integral part of your recruiting process, you can demonstrate to candidates how you value diversity, encourage different ways of thinking, and foster an inclusive environment for all. Your company then becomes an attractive option for anyone.

Another benefit of a diverse workforce is breaking through limited groupthink, which can restrict a team's ability to come up with creative and innovative solutions. A diverse team with different ways of thinking will come up with multiple viable solutions to keep your company moving forward.

Financially, your customers help drive your business, so it would also make sense to represent them in your workforce. Chances are that you serve a variety of customers, and they want them to see themselves represented in your company, too.

How diversity and inclusion evolved with Gen Z

With a new generation (Gen Z) of talent ready for work, the definition of diversity and inclusion continues to evolve. <u>Nearly half of US Gen Zs identify as non-white</u>, leaving this generation of rising talent to be the most diverse yet. But they don't view diversity in terms of just gender or race.

To Gen Zs, diversity includes race, gender, orientation, and identity, with the first three being a top priority when considering diversity in the workplace, <u>according to a Deloitte study</u>. That same study reveals that Gen Z defines D&I more holistically; their definition includes tolerance and openness, celebrating individuality, and embracing more diverse ways of thinking.

A general sentiment around D&I from Gen Z's perspective is becoming more apparent: minorities in this generation don't feel like they're represented enough in marketing. Gen Z wants to feel included; and companies that make conscious efforts to put their diversity on display both internally and externally can attract Gen Z and ultimately diversify their workforce and talent pipeline.

What does diversity and inclusion mean to you?

Part of any strategy worth its weight comes with asking tough questions and considering that you may be falling short in some areas. The same is true with diversity and inclusion. To impart meaningful change, you must first revisit how you define D&I in your organization and measure whether your efforts are actually working, which begs the question, "How do you define diversity in your organization?", and more importantly, how do you practice it?

The answer starts with your hiring approach, including your employer brand, and trickles all the way down to how you ensure that your organization creates a diverse and wholly inclusive environment.

For a moment, we invite you to visit your careers page through an under-represented candidate's lens. Does the imagery represent someone like them? How about the language in your job descriptions, including requirements for open roles?

When reading about your company's unique value propositions, do they feel supported, included, heard? How are other companies in your space doing?

Revisiting how you define diversity and inclusion comes at an inflection point—one where your assumptions are thrown out the window in exchange for empathy and listening. Once you see your employer brand in this new lens, you can lean on your employees and candidates to supplement the listening component with their responses.

Tip: Look at any existing data you may have, like how hiring, compensation, promotion, and retention compares across different demographics. Handshake has you covered on the sourcing front —get in touch to learn how you're doing.

How to promote diversity & inclusion in the workplace

After you define what D&I means at your organization and establish your baseline, it's crucial to understand where you're high performing and where you could improve. Take a look at this list of questions to ask yourself when evaluating your D&I strategy:

1. Are we incorporating D&I in our employer brand?

If you want to tell a story about D&I at your company to prospective candidates, <u>your employer brand is the best place to start</u>.

Companies that recruit early talent on Handshake use their Employer Page to tell this story. They feature employee resource groups (ERG) that highlight their diverse workforce, deploy ambassadors to pair prospects with like-minded alumni, share photos of underrepresented employees, and write out their mission statement as it relates to their dedication to D&I.

Students want to see and hear from students that look like them. So anything you can do to highlight D&I on these pages is a step towards boosting your credibility and brand.

Tip: <u>Handshake Premium partners</u> can deploy a dynamic Employer Page that features relevant testimonials. So if an engineering student from Howard University views your Employer Page, for example, they'll see testimonials from other students at Howard first.

2. Are we removing biases from the interview process?

Whether conscious or unconscious, we all have biases, but it's important to do as much as you can to prevent them from entering the interview process.

According to a 2018 Muse User Survey, 55% of job candidates consider job descriptions to be among the most helpful things when deciding if a company is a good fit for them. Pay close attention to the words you use in job postings to not turn off certain demographics. Words like "competitive" and "dominant", for example, are associated with male stereotypes, and could involuntarily disclude a segment of your talent population.

Check out the four main takeaways from our blog on 70 inclusive language principles that'll make you a more successful recruiter:

• **Review resumes unbiasedly.** Name, school, racial, or gender biases could come into play and you could miss out on a great candidate.

• **Standardize the interview process.** Have a clear and consistent script and rubric that focuses on job responsibilities to remove any external biases.

• **Provide skills-based assessments.** Give candidates assessment tests to see how their skills match up to your job requirements instead of assuming certain backgrounds won't meet your preferred criteria.

• **Keep your diversity goals top of mind.** Keep your goals in mind and actively encourage underrepresented candidates to apply.

3. Are we communicating in an inclusive manner?

Being inclusive is more than just highlighting women in leadership positions or creating ERGs for groups of people. It's also about interpersonal communication.

As the <u>most diverse generation yet</u> and the one most likely to have people who identify as non-binary or third gender, the way you address inclusion in your outreach is vital. Are you asking candidates which pronouns they prefer? And are you leading through example by sharing your own pronouns in your email signature?

Are you using outdated terminology? And are you stressing the importance of diversity and inclusion in your job postings and in regular communication with potential employees?

> **Tip:** Handshake Premium partners can p<u>ersonalize their outreach to early talent at scale</u> based on 19 attributes like first name, major, student group, skill, and more.

4. Does your "ideal candidate" criteria limit your ability to recruit underrepresented candidates?

A majority of companies approach university recruiting in the same way: source talent from a core group of schools and filter for attributes like grade point average (GPA) to assess skills and potential. This not only impacts the diversity of your talent pipeline, but also the quality of your organization's business decisions.

<u>The Whirlpool Corporation</u> recognizes this challenge and has diversified its talent criteria to incorporate a more innovative, skills-driven approach.

Instead of finding students using limiting criteria, Whirlpool looks at majors and skills, and leans on candidate assessments to provide a holistic view of qualified talent. Whirlpool's recruiting team extends its efforts beyond a core group of schools by connecting with underrepresented students on Handshake who attend schools the team can't physically visit in person.

By focusing on student skills instead of GPA, and a nationwide platform instead of their alumni network, Whirlpool increased their percentage of minority hires from 35% to 40% year over year. Tim Streeter, Global Head of Talent Acquisition at Whirlpool, sums it up best:

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> "Three years ago, our intern class came from only 10-12 schools. This summer, our 100 interns will come from 37 schools. I attribute that entirely to the power of Handshake."

5. Do your core schools reflect the diversity you want in your organization?

If you only pick out candy from a Skittles bag, it's always going to taste the same. But what if you introduce a bag of M&Ms to the mix? This might be an oversimplified analogy but it drives the point home: recruiting from the same core schools is going to limit your talent pipeline.

Want to increase diversity? Instead of filling roles with the same students from your core school network, focus first on mapping your ideal talent profiles, then finding talent that fits this criteria. Which schools do these students attend? Use that information to then expand your school network to include the institutions where talent from underrepresented backgrounds reside.

On Handshake, you can connect with more than 1,000 partner colleges and universities online, including 170+ minority-serving institutions such as women's colleges, hispanic-serving institutions, and historically Black col-leges and universities (HBCUs), plus student diversity groups.

Handshake Talent Network

1K+

partner schools and universities

170+

minority-serving institutions, including HBCUs

150+

diverse groups, including NSBE and SWE

Handshake Premium partner, <u>Under Armour</u>, <mark>went from recruiting at 12 schools in the mid-Atlantic to nearly 500 colleges nationwide.</mark> Thanks to this strategic expansion, their four-person campus recruiting team is no longer limited to recruiting at schools they can only visit in person. As a result, Under Armour diversifies their entry-level class and workforce to mirror the fabric of the communities they call home.

Under Armour's success story isn't exclusive. To find the best candidates from underrepresented backgrounds, filter from more than 6M active students on Handshake using attributes like location preferences, major, skills, and more.

> **Tip:** Handshake Premium partners can save these Segments so they can easily revisit them later, and send proactive and personalized messages at scale using Campaigns. <u>Learn more</u>.

Once you identify your talent profiles, work with your recruiting team to incorporate a digital approach that allows you to reach schools across the nation. By communicating with students who meet your talent profile first, you've almost instantly gained access to a diverse group of candidates who meet your job qualifications, as opposed to falling back on your core group of schools.

6. Do you have employee resource groups (ERGs) to support employees?

Employee resource groups are self-identified groups of employees who share similar characteristics, like being Muslim or working remotely. Inclusion is about supporting your employees through ERGs, ambassador programs, and an openness to discuss important issues.

While they are integral to a successful D&I strategy, ERGs are especially important because they allow like-minded groups of people to come together, share stories, and tackle societal challenges within and outside of your company.

The Tech Connection, a diversity recruitment platform, <u>highlights one of the main benefits of these groups</u>: creating a safe place at your company for growth, understanding, compassion, and empathy. When you provide this kind of environment, you offer employees the chance to build a positive relationship between the company and among each other. ERGs create a space where people who share something in common (ethnicity, gender, interests), can go to support each other and feel included in your organization.

7. Do you offer an ambassador program to pair prospects with like-minded alumni?

<u>Ambassador programs</u> give candidates a look inside your company through an authentic and meaningful experience. This is especially important because candidates want to know what it's like to work at your company from someone who looks like them, has a similar background, and is in the role they want.

It's vital that you connect potential employees with similar current employees so you can highlight diversity at your company and showcase your efforts in being more inclusive.

Tip: Make sure your ambassadors are outgoing and enthusiastic about your company. This fall, consider repurposing your on-campus recruiting team to help you engage talent virtually. These representatives can plug into traditional ambassador roles on Handshake, participate in your virtual events, reach out to qualified candidates proactively, and more.

8. Are you engaging candidates (and employees) from underrepresented backgrounds with the right kind of content?

It's one thing to say in your mission statement that you support diversity and encourage inclusion, but it's quite another to live out diversity and inclusion. ERGs, ambassador programs, and a more open approach to recruiting are all great starts, but content is a powerful tool, too. Are you using it effectively?

A Handshake study found that 95% of students prefer personalized engagement from employers, which starts with your recruiting outreach. On Handshake, you can send personalized messages based on interests, extracurriculars, name, school, and more. This can go a long way in making potential candidates feel included and valued.

Another way to engage candidates and employees is to weave diversity into important events. Does your company host recurring all-hands meetings? Do you host leadership panels? How about events to celebrate cultural or religious holidays, like Diwali or Rosh Hashanah? These are valuable opportunities to embrace the various cultures that make up the company, and also offer up opportunities to invite diverse members of the team to speak.

When you include underrepresented team members and have them share their experiences or opinions through a company-wide event, like a leadership panel, you highlight how much you value diversity, inclusion, and various ways of thinking.

Diversity & inclusion during the COVID-19 pandemic

The COVID-19 (Coronavirus) pandemic has had a tragic impact on the world, but it has also affected businesses in some less obvious ways. For example, one downside is that it has brought diversity and inclusion efforts to a halt in many companies, which could have devastating long-term effects.

Keeping D&I top of mind can be tough when businesses have to focus on adapting to a remote workforce, maintaining productivity, instilling a sense of community within the workplace, and caring for their employees' wellbeing.

A common question on every employer's mind these days is, "How do we connect with talent from underrepresented backgrounds that may not have the resources to find a job as they did on campus?" One answer is to look at school and club affiliations, and explore joint programming.

As employers, you can support these students through networks like Handshake, by guiding them to the right resources, and making them feel more comfortable interacting in an all-digital context. Diverse representation through your ambassador program is another way to engage these students. By highlighting people that come from those backgrounds, students see themselves represented, increasing their likelihood of accepting a potential job offer.

Recent research conducted by McKinsey shows that companies that invest in D&I are better positioned to "create more adaptive, effective teams and are more likely to recognize diversity as a competitive advantage," which is why it's crucial that businesses don't let D&I fall to the wayside.

Beyond the success of the business, D&I is important because it is critical to recovery, resilience, and reimagination. A secondary effect of working remotely is that it erodes inclusion. By keeping D&I front and center, you can minimize risks around exclusive behavior that isolate certain groups of people. You've worked hard to build an inclusive culture, so it's important to maintain that.

Measuring the ROI of D&I

With the C-suite always evaluating its decisions through an ROI lens, it's important to understand how D&I ties into that. To overcome any barriers to diversity and inclusion, you'll need to get leadership buy-in and support throughout the entire process (e.g. hiring, culture, engagement).

1. Leadership buy-in.

This is all about showing leadership the value D&I adds to the business and explaining how it will be quantified. You'll want to involve not only the C-suite, but any additional relevant stakeholders, too. To measure success, you'll need to assess where you currently stand (establishing your baseline) through employee surveys focusing on inclusion and culture, online employer ratings, and a comprehensive analysis of the demographic and hiring data within your organization.

You'll also want to do a deep dive into things such as retention, promotions, pay parities, and what your talent pipeline looks like. Leverage metrics such as how long it takes to hire, promote, and move up in your company, succession plans for underrepresented employees, and employee engagement scores by race, gender, and other attribute's today's generation, Gen Z, defines as diversity.

Next, identify where you can improve and agree upon a way to measure and quantify the changes you make. By connecting these improvements to metrics, you're well on your way to securing leadership buy-in.

Tip: If you're having a hard time understanding your baselines (e.g. what percent of job, employer page views, or applications come from underrepresented groups or minority-serving institutions), Handshake has the data. Get in touch with one of our experts to see where you stand, along with your opportunities for growth.

2. Diversity in leadership.

We've shared how candidates want to experience your workplace through the eyes of someone with similar characteristics and how employees want to see themselves represented in your company. This is why diversifying your leadership team is a must, and it begins at the entry level.

Not only does it show a commitment to diversity and inclusion, it can be em-powering for minorities within your organization.

It gives diverse candidates someone like them to look up to and reinforces the idea that they, too, could be a leader at your company. It also provides a conduit for meaningful mentorship opportunities.

3. Pipeline diversity.

As part of quantifying D&I, you'll likely review your talent pipeline and the candidates who make it up. Does your pipeline have representation? Or does your early talent funnel appear homogeneous, and come from the same few schools? If it's the latter, you may want to consider diversifying your pipeline:

• **Seek out talent from dozens or even hundreds of schools instead of a select few.** This will yield more underrepresented candidates from differing backgrounds and unique experiences. You obviously can't visit each school in person, but with tools like Handshake, engaging early talent through digital outreach has never been easier.

• **Ask your employees from under-represented backgrounds for help.** Are you looking for female engineers or Black executives? Current employees who fall into these categories likely know people just like them who may be a great fit for your company.

• **Highlight D&I in the hiring process.** No one wants to feel like they will be the only person who looks like them or comes from their background at your company. To remedy this, ensure you have representation on your interview panels, discuss the importance of diversity during the hiring process, match potential talent with ambassadors, and use your Employer Page to exemplify D&I in your mission statement.

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With obvious business benefits such as innovation and employee satisfaction, D&I is a no brainer. But it is so much more—it's an opportunity for you to show your customers, your employees, and candidates that you value their uniqueness. D&I shows employees that, no matter where they come from or what they look like, you support them and are excited to have them on board. By providing ERGs and showing diversity in leadership, you motivate and inspire your team.

So, the remaining question is, are you ready to uplevel your D&I?

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Unlock your D&I potential by recruiting talent from underrepresented backgrounds from any school in the country. Discover how by getting in touch.

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About Handshake

Handshake is the college career network of the future, built to transform the recruiting experience for college students, career centers, and employers. Our mission is to democratize access to opportunity: to help every college student find the right job for them, no matter where they go to school, what they're majoring in, or who they know.

With 1,000+ US universities, 6 million+ active students and alumni, and 500,000+ employers (including 100% of the Fortune 500), Handshake is designed to transform the college to career journey for students, recruiters, and career centers. Discover and hire the right candidates for your team today.