



The Evolution of Talent Management Equity Practices

In 2019, Russell Reynolds Associates ran a survey among human capital and diversity leaders around the world to ask about the equity of their talent management practices across recruitment, retention, and development. In 2020, the same survey was re-run to gain an understanding of how these practices have evolved in the span of a year - and especially a year in which diversity, equity, and inclusion catapulted to the top of the list of leadership priorities. Given the scope of unprecedented challenges facing human capital and diversity leaders in managing talent in the aftermath of George Floyd's murder, coupled with the COVID-19 pandemic, we approached this research with the hypothesis that we would discover unusual shifts.

In the survey, we asked leaders to take inventory of their organizations' equitable talent management practices, rating statements associated with these practices on a scale of 1 to 5. Responses of 1 indicated the lowest level of equitable practices, while 5 indicated the highest.

Key takeaways from the survey:

1. Despite renewed focus on DE&I, not much changed between 2019 and 2020 in terms of equitable talent management practices
2. Efforts to source, select and promote talent saw the biggest drops in equity in 2020
3. The onboarding efforts by organizations saw a large increase in 2020

To better understand the survey data and give context to what is happening on the ground, Russell Reynolds Associates brought together a group of diversity leaders for a virtual panel discussion. During this conversation, which was moderated by Ruben Hillar (a member of the Leadership and Succession Knowledge Management and DE&I Advisory teams at Russell Reynolds Associates), Troy Riddle, Chief Diversity, Equity, and Inclusion Officer at NRDC, Jamaal Nelson, Chief Diversity, Equity, and Inclusion Officer at Audubon, and Irma Alvarez, Global Head of internal Diversity, Belonging, and Development at Russell Reynolds Associates discussed what has changed since 2019, which aspects of talent management have been impacted by the pandemic and remote work, and how future technologies will impact this work.

Top takeaways from the panel included:

1. Remote and virtual work may have made selection and assessment less equitable
2. Organizational focus on alternative ways to recognize and acknowledge employee contributions may explain why organizations paid less attention to promotions
3. Companies have focused on retention to mitigate higher than usual turnover rates and the reputational risk of having underrepresented minorities leave.
4. AI tools can support some of the tasks in talent management, but will not replace the critical thinking that drives equity
5. To drive DE&I as a priority amidst a sea of competing strategic challenges, it is essential to focus on culture

1. The biggest talent management practice changes from 2019 to 2020 were in the areas of recruitment. Sourcing new talent and selection of talent saw the largest drops, whereas onboarding increased

Recruitment: Leaders see higher levels of equitable practices associated with onboarding but declines in sourcing and selection



Russell Reynolds Associates Talent Management Equity Audit Database 2019-2020, n= 55

Respondents were asked to rate a number of statements about equitable talent management practices on a 1-5 scale, with 1 being low or no levels of equitable practices and 5 signifying high levels.

On the state of virtual hiring driving more intentional onboarding:

Irma Alvarez: From an onboarding perspective, the pandemic has been an equalizer of sorts. Organizations have had a common challenge. New hires are largely starting in a remote environment, so it's not surprising that there is such an emphasis on onboarding. The biggest factor is being deliberate, no longer leaving things up to chance or leaving it up to people to "bump into each other" in the hallways. Instead, we are really looking at what we wanted to teach people during onboarding. And so, the onboarding process, I think, has become an obvious investment that many of us are making—Russell Reynolds included.

Jaamal Nelson: One of the beautiful opportunities we now grapple with as an organization is how you create a culture of belonging in a virtual environment.

On what is lost in translation from in-person to virtual candidate selection:

Troy Riddle: The virtual environment has created an easy out for some decision making. People aren't required to show up, come together and focus on important hiring decisions in the same way. I think it's a lot easier to not focus on diversity because it's not necessarily convenient to have those discussions about the selection process when it's virtual and disconnected in many ways.

Ruben Hillar: One of our hypotheses was that the virtual environment—even though it's great for many things—may not be the best way to bring people who have disparate opinions together to decide. Virtual makes it a little bit harder to challenge each other because you don't know how tone and other elements are going to be perceived. There's no body language to read and people are busy checking email and looking at the phone while they are having a conversation. All those things probably make the selection process less equitable, because we are not challenging each other enough.



2. Organizations paid less attention to promotions in 2020 as they shifted focus to other ways of acknowledging employee value

Development: Equitable practices associated with development stayed at similar levels to 2020, though promotion-related ones declined



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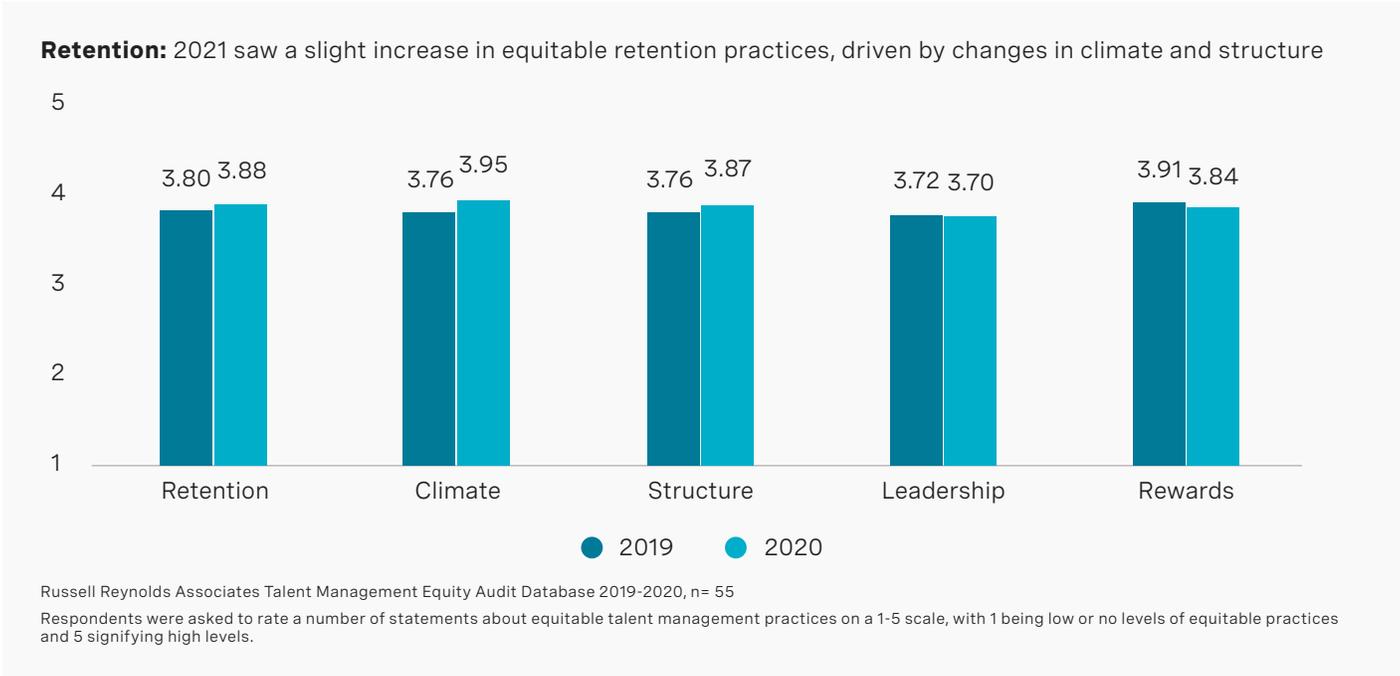
On why the dip in focus on promotions in 2020 could be for the better:

Irma Alvarez: There is a fundamental shift that’s happened during the pandemic, in terms of how people think about their own contributions to the firm and what success looks like in their role. I wonder if there’s a change or an evolution of what people consider to be success, or how much is enough. It seems that they’re expecting organizations to recognize their value differently and acknowledge their contributions differently [than through a promotion].

Troy Riddle: Affinity biases are real, and at NRDC, we’re currently in the performance management and promotions process. Promotions have historically been more about tenure and likeability within the organization than about being deserving of promotion. One of the things that we’re doing this year is disrupting that process and requiring a couple things of all people who are participating in the process. For one, we’re requiring people to take or re-take two courses on implicit bias. We’re also looking at each program and department for people who may have been overlooked for promotion in the past. We’re requiring managers to attest to having conversations with their staff so they know what their employees’ aspirations are. We are being very intentional about promotions and trying to identify people who are deserving, but somehow have been overlooked in the process. If you don’t disrupt the process, you’re not going to see the kind of the equitable results that you would want.



3. Companies have focused on retention to mitigate higher than usual turnover rates and the reputational risk of having underrepresented minorities leave



Troy Riddle: Post George Floyd, Black and Brown staff have been very vocal about their experiences, and I believe this is generational to some extent. I come from the generation where you just kind of accepted that racism and bias are a part of life, and you learn to navigate it. The younger workforce does not share that perspective and they’ve been very, very vocal about their experiences within organizations, which has forced organizations to focus on retention. No organization wants to report that they’ve lost 50% of their Black or Brown staff. I think just vocalizing their experiences provided a wakeup call to organizations that they need to be intentional about retaining diverse talent. It’s not cool in this moment to have Black flight or Brown flight from an organization; organizations know that their reputations are at risk. In this climate, I think organizations are being forced to be intentional about retention.

Jaamal Nelson: As I compare succession planning with retention, I am seeing a lot of energy around retention. I’m not seeing as much around intentional growth paths for BIPOC, highly skilled, underrepresented individuals. So perhaps the next frontier in the work is for organizations to grapple with what needs to happen for us to identify the top talent from underrepresented groups and intentionally develop policies and procedures to position these folks to make it to the highest positions of leadership. And what are the ways in which dominant culture exist in our organizations that reinforce the “snow-cap” dynamic?



4. AI tools can support some of the tasks in talent management, but will not replace the critical thinking that drives equity

Irma Alvarez: We sometimes think automation and routinizing things will make us faster—but you still need to pump the brakes and slow down to think critically about all that data that’s coming at you. One interesting way in which I hope technology changes us for the better is thinking about equity. For example, there’s a lot of technology now around equitable job description text. There are companies who have embraced virtual hiring tools even before the pandemic. And there’s machine learning and big data that can help us see what’s happening with these processes that we know are broken. I’m excited about applying those tools—but again, if we still apply the nuance, the critical thinking and, frankly, the stories behind some of those data points that really matter.

Troy Riddle: I’m a little bit skeptical about AI. I think it’s helpful, but that human, critical thinking piece must remain in place. AI reflects the person who creates it, so if that person is biased, the tool is going to be biased. It will require a critical lens to identify and name that, because our biases operate automatically. I don’t know that we will ever be able to fully rely on AI for this work until we are sure that every creator of it has a level of awareness with respect to their own biases and how to disrupt them, so that it doesn’t show up in the end product.

5. To drive DE&I as a priority amidst a sea of competing strategic challenges, it is essential to focus on culture

Jaamal Nelson: The most innovative organizations out there are really adaptable and skilled at leaning into a learning culture. When you’re in a situation that we find ourselves in now, with high turnover at the highest levels of leadership and a ferociously competitive talent market—in the context of this new focus on DE&I and belonging—the question is how to do all of that well. It’s more than strategy, it’s more than a memo that is released at the end of a horrific event that our thoughts and prayers are with you. It’s culture. And as we continue to think through what it means and what it feels like to work in our organizations, I think we’re going to see a lot of heavy lifting to reinforce it through strategy, training, policies, and procedures.

Irma Alvarez: When you get “diversity” right and you bring in more diverse perspectives, it takes some time. If the organization isn’t ready to embrace that diversity, it’s going to make everything else harder in the short term. We value diverse teams, but it can sometimes take longer to come to a decision and to get the work done. And again, we know that the outcome is better, but that doesn’t necessarily make it seamless or easier.

Troy Riddle: The work has to be approached from all angles. If the “E”(equity), “I” (inclusion), and “B”(belonging) are not right, you’re going to always be chasing the “D” (diversity) because you’ll have a revolving door within your organization. The “E-I-B” to me represent the culture of the organization. If you don’t deal with the culture, it doesn’t matter how strategic you are in this work, it is not going to yield the results that you are looking for.



Looking Ahead

What is next for talent management leaders who are interested in keeping DEI as a priority?

- Work with the culture carriers in the organization to embed DEI in the business
- Collaborate with DEI subject matter experts (internally and externally) to strategically integrate DEI concepts across processes, paced based on resources and buy-in
- Build executive accountability for results in recruitment, development, and retention

Substantive change to ensure diverse top talent are recruited and rewarded will require intentionality to mitigate bias in every aspect of the talent management cycle.



Authors

Enrique Cabrera Caban is a member of Russell Reynolds Associates' Leadership & Succession practice. He is based in San Francisco.

Guylaine David is a member of Russell Reynolds Associates' Leadership & Succession practice. She is based in Paris.

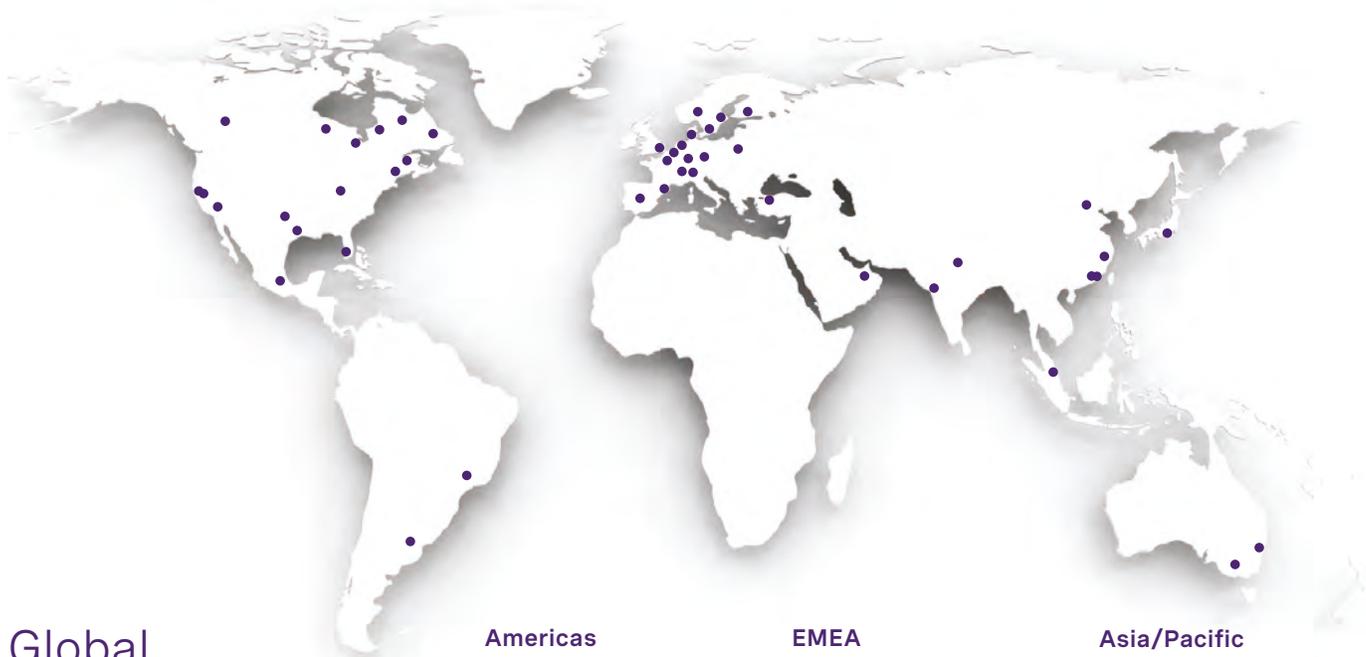
Ruben Hillar is a member of Russell Reynolds Associates' Leadership & Succession practice. He is based in Washington, DC.

Yen Ling Shek is a member of Russell Reynolds Associates' Leadership & Succession practice. She is based in San Francisco.

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Russell Reynolds Associates is a global leadership advisory and search firm. Our 470+ consultants in 47 offices work with public, private and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today's challenges and anticipate the digital, economic and political trends that are reshaping the global business environment. From helping boards with their structure, culture and effectiveness to identifying, assessing and defining the best leadership for organizations, our teams bring their decades of expertise to help clients address their most complex leadership issues. We exist to improve the way the world is led.

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