Bio THE RIGHT
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FIRST ANNUAL REPORT

Measuring *Diversity* in the
BIOTECH INDUSTRY:
Building an Inclusive Workforce

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BIO is excited to launch our first annual report, "Measuring Diversity in the Biotech Industry: Building an Inclusive Workforce," to share data, best practices and next steps on diversity and inclusion (D&I) with our member companies. This report builds on the past three years of work by BIO's Workforce Development, Diversity and Inclusion Committee, including the launch of our Right Mix Matters campaign in 2019. BIO is committed to providing practical tools to help the industry assemble boards and leadership teams as diverse as the customers and patients it serves. Our overarching objective is to advance an even more globally competitive biotech industry.

In May 2017, BIO adopted five principles that continue to guide our member companies:

- BIO believes that our members' products and services should be intended to address the needs of a diverse population.

- BIO believes that diversity in all aspects of business operations will optimize the continued growth and success of the biotechnology industry.

- BIO will champion workforce development, diversity and inclusion (WDDI) as a way to attract, develop and retain the employee talent pool within the globally competitive biotechnology industry.

- BIO will lead by example and be outward-facing in our diversity efforts and will incorporate diversity and inclusion into all aspects of BIO operations: in communications and membership engagement, at BIO events through programming and education, and in the composition of the Board of Directors and its committees.

- BIO will engage with external partners to broaden the reach and incorporation of diversity throughout the biotechnology ecosystem.

One year later, BIO adopted goals to achieve significant increases at the functional leadership level, in the C-Suite and on boards by 2025. Our initial tools were designed to help companies reach these goals and accelerate gender, racial, ethnic and LGBTQ representation. They include: the BIO Boardlist, an online portal of curated talent usable for board searches, and the BIO D&I Toolkit, which provides proven HR best practices that can be incorporated into any HR program.

Diversity and inclusion are integral parts of our event portfolios as well. We are committed to developing programs that convene speakers across demographics, geographies, small and large companies, government, academia, patients, service providers, investors and the many facets that make our industry thrive. This effort is reflected most notably at BIO's International Convention—the largest gathering in the world focused on biotechnology.

This report is just the beginning. As we move toward achieving the goals and principles we've set, we will continue to implement new strategies and advance policies that fulfill our mission to heal, fuel and feed the world.

Sincerely,

Joanne M. Duncan

METHODOLOGY

The research in this report comes from a survey written by the Center for Talent Innovation (CTI) in partnership with BIO, and informed by a literature review of existing diversity and inclusion (D&I) industry studies. The survey was conducted online by CTI using the online survey software Opinio, from May to June 2019, with 107 respondents. Each respondent was from a separate BIO member company and completed the survey as a representative of their company.

In the featured charts, percentages may not always add up to 100 because of computer rounding or multiple responses from respondents. For the purposes of this report, the terms organization and company are used interchangeably to represent survey respondents.

This report analyzes data across three samples to provide an overview of D&I in the biotechnology industry.

1. Part I presents data from 98 respondent companies. This reviews all the data collected, including companies that were unable to answer more detailed questions about representation metrics. Most respondents do not have formal D&I programming suggesting that respondents may not have answered questions because their D&I efforts are in early stages.

2. In Part II, data is included from the 50 respondent companies that answered all questions about gender representation metrics. This sample is narrower but more complete, allowing a better understanding of the characteristics of companies with more or less gender representation, sample size allowing.

3. In Part III, data was reviewed from the 33 respondent companies that answered all questions about race/ethnicity representation metrics. This sample is also narrower and more complete, allowing a better understanding of the characteristics of companies with more or less racial or ethnic representation, sample size allowing.

ACKNOWLEDGEMENTS

BIO would like to thank the research team at the Center for Talent Innovation (CTI), a critical expert and partner for this report, as well as staff members who contributed to the distribution of the survey, writing and design of the report. We are grateful to the committed leaders in the industry who serve on the BIO's board-level Workforce Development, Diversity and Inclusion (WDDI) Committee.

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Part I:
Full Sample

In 2019, BIO partnered with the Center for Talent Innovation (CTI), an industry- leading non-profit think tank devoted to diversity and inclusion (D&I), to better understand the state of D&I within BIO's member companies and to create a baseline for the advancement of D&I in the broader biotechnology industry. This report analyzes the findings from that study, including data on representation, D&I priorities and current D&I efforts and effectiveness.

The first section, Part I, includes data from the 98 respondent companies. This section reviews all collected data, including data from companies that did not answer questions on detailed representation metrics. Part II contains only findings from companies that responded to the representation metric questions about gender, and Part III contains only findings from companies that responded to the representation metric questions about race and ethnicity.

Baseline findings on representation show that responding companies have not achieved gender parity. At the organizational level, there is a slight underrepresentation of women (45%) with stark declines at higher levels (on average 30% of executives are women, 18% of board members are women and 16% of CEOs are women).

Findings on representation for race and ethnicity also reveal opportunities to expand the biotechnology workforce. Companies were asked to consider their U.S. locations only when answering metrics questions about race and ethnicity. As with the gender metrics, responding companies are not representative of the U.S. population, according to the latest U.S. Census estimates. Responding organizations reported an average of 32% people of color* at the organizational level, while 15% of executives, 14% of board members and 12% of CEOs are people of color. Finally, underrepresentation is more evident for Black and Latinx employees and there was no significant reported representation for Native American, Alaskan Native, and Native Hawaiian and Pacific Islander people at the organizational, executive, and board levels.

Pre-revenue, smaller, and private companies all showed positive outcomes for representation. Pre-revenue organizations are more likely than profitable organizations to have executive levels that are at least 25% people of color (29% of pre-revenue organizations vs. 12% of profitable organizations), and are also more likely to have a female CEO (22% for pre-revenue vs. 9% for profitable). Small organizations are more likely to have a female CEO compared to large organizations (20% of small organizations compared to 9% of large organizations). Privately-held organizations are more likely to have a person of color as CEO (19% of privately-held organizations vs. 6% of publicly-held organizations).

*Includes Black, Latinx, Asian, Native American/Alaskan Native, Native Hawaiian/Pacific Islander and 2+ races

Eighty percent of respondents indicated that employees demonstrate commitment to creating an inclusive environment at their organization, and 73% say leaders consistently demonstrate the same commitment to creating an inclusive environment. However, only 16% of companies have goals to promote or develop women and 12% of companies have goals to promote or develop people of color, while only 11% have incorporated diversity targets for women into their hiring processes, and 10% for people of color.

Programs and policies about accountability and reporting of harassment or bias exist in most organizations (82%), making them much more common than trainings and official D&I programming, which exist in just over half of organizations (52%). Additionally, 41% of organizations do not collect common diversity data such as employee demographics or discrepancies in performance rankings, pay and promotion.

From start-ups to large multinational companies, organizations report D&I initiatives at different scales and at different points along CTI's research-based, proprietary D&I maturity curve. **(See Figure 10)**. Moving forward, CTI encourages BIO members and the broader biotechnology industry to assess D&I efforts and identify approaches suited for their companies. For organizations earlier in the D&I maturity curve (in the 'diagnose' phase), opportunities exist to better measure current D&I metrics and to set goals against them, while those later in the curve (in the 'act' phase) can benefit from implementing diverse hiring tactics (e.g., blinded resume reviews, diverse slate hiring) and official D&I programming (e.g., leadership trainings, sponsorship programs). These efforts can serve to drive increased representation.

DEMOGRAPHICS OF RESPONDENTS

Companies that participated in the study are all members of BIO and represent a variety of corporate demographic factors. Sixty-four percent have less than 100 employees and the remaining 36% have more than 100 employees, while 10% have more than 10,000 employees **(Fig. 1a)**. Five (5) global geographies are represented in the sample. Responding companies are based in the United States (across 19 states), Canada, Europe, Asia and Australia; the majority of responding companies have headquarters in the United States and 48% have multinational operations **(Fig. 1a)**.

In terms of revenue, 54% of responding companies are pre-revenue and 46% are profitable, including 21% with $100 million or more in revenue **(Fig. 1b)**. Market cap distribution is more disparate, only 16% of companies have a market cap of less than $10 million and 23% have a market cap of more than $2 billion. **(Fig. 1b)**. Of the responding companies, 54% are publicly-held and 46% are privately-held **(Fig. 1b)**.

In terms of organizational focus, 92% of responding companies indicated biopharma as their primary focus area, followed by 4% that indicated "other" (including diagnostics and specialty chemicals), 3% food and agriculture, and 1% industrial and environmental.

This sample represents a variety of company types, and the state of both Human Resources (HR) and D&I endeavors across these companies is similarly varied. A majority (66%) have a dedicated human resources (HR) staff **(Fig. 2)**. But fewer (17%) have a D&I program, e.g., D&I department, dedicated staff, or funding for D&I initiatives **(Fig. 3)**.

Fig. 1a. Size and location of respondent companies
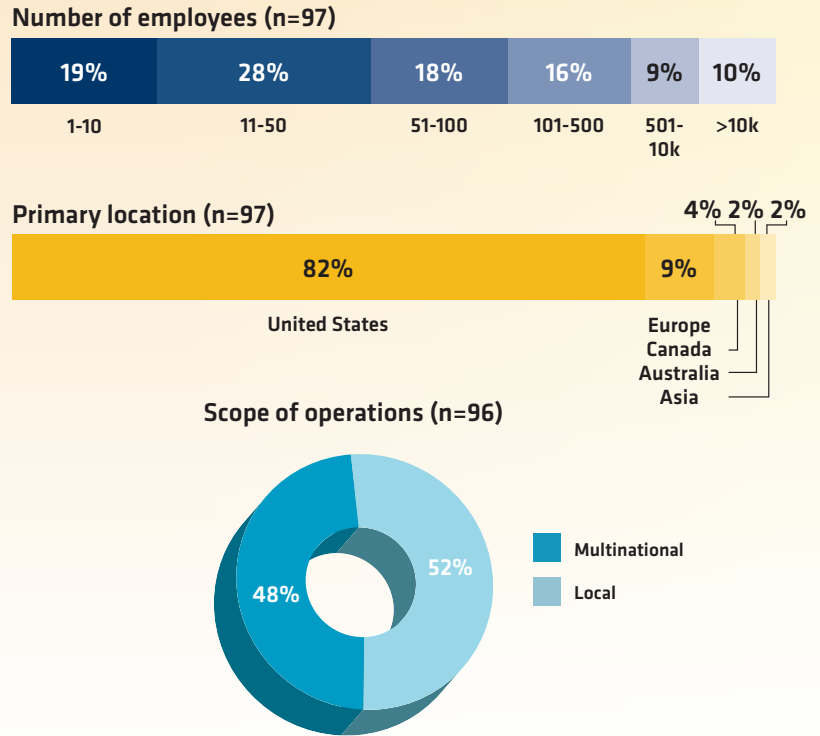
Number of employees (n=97)

1-10	11-50	51-100	101-500	501-10k	>10k
19%	28%	18%	16%	9%	10%

Primary location (n=97)

United States	Europe	Canada	Australia	Asia
82%	9%	4%	2%	2%

Scope of operations (n=96)

- 48% Multinational
- 52% Local

Fig. 1b. Financial profiles of respondent companies

Revenue (n=91)

Pre-revenue	$1 - <$1M	$1M - <$100M	$100M - <$2B	$2B or more
54%	4%	21%	8%	13%

Market cap (n=75)

Less than $10M	$10M - <$300M	$300M - <$2B	$2B - <$10B	$10B or more
16%	44%	17%	7%	16%

Holding (n=97)

- 46% Private
- 54% Public
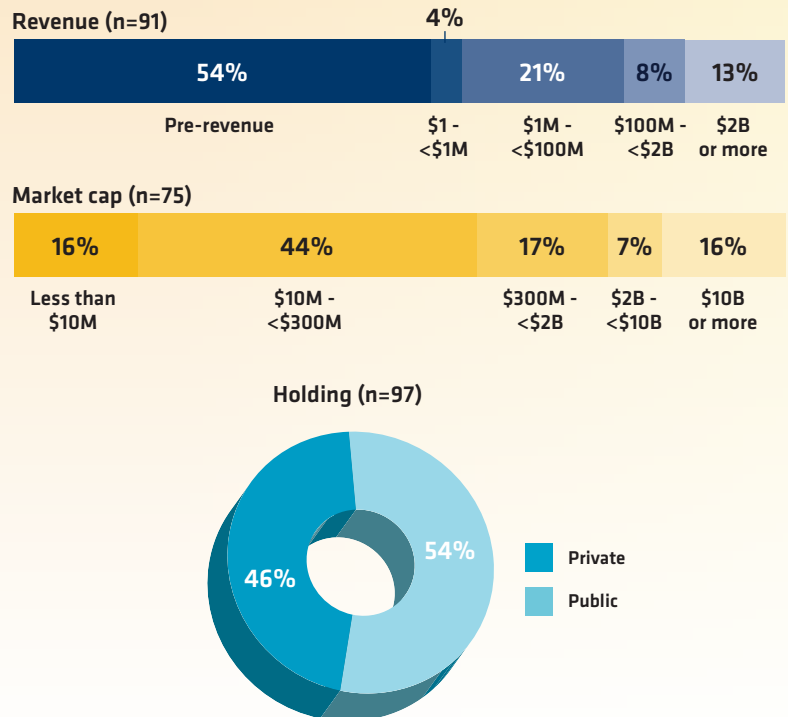
Note: Sample size for each question will vary as not all respondents answered every question

Fig. 2. Organizations with HR staff

All respondents (n=97)

66%

By number of employees (n=96)

47% <101

100% 101+

By scope of operations (n=96)

76% Multinational

58% Local

Holding (n=97)

40% Private

88% Public

By revenue (n=91)

47% Pre-Revenue

86% Profitable

Fig. 3. Organizations with D&I Programs

All respondents (n=96)

17%

By number of employees (n=95)

3% <101

41% 101+

By scope of operations (n=95)

29% Multinational

6% Local

Holding (n=96)

7% Private

25% Public

By revenue (n=90)

0% Pre-Revenue

33% Profitable

HR (n=96)

25% Have HR

0% No HR

Note: Sample size for each question will vary as not all respondents answered every question

A profile of companies likely to have HR emerged in the data:

- Large companies of more than 101 employees are more than twice as likely to have a dedicated HR staff than companies of 100 employees or less (100% vs. 47%, **Fig. 2**)

- Multinational companies are more likely than companies with operations only in one country to have HR staff (76% vs. 58%, **Fig. 2**)

- Publicly-held companies are more likely than privately-held companies to have dedicated HR staff (88% vs. 40 %, **Fig. 2**)

- Finally, profitable companies are more likely to have a dedicated HR staff than pre-revenue companies (86% vs. 47%, **Fig. 2**)

The survey results suggest that in biotechnology, D&I programming is still burgeoning. Although about half the respondents (46%) **(Fig. 6)** report that D&I is a stated value at their company, just 17% of companies have a D&I program in place **(Fig. 3)**.
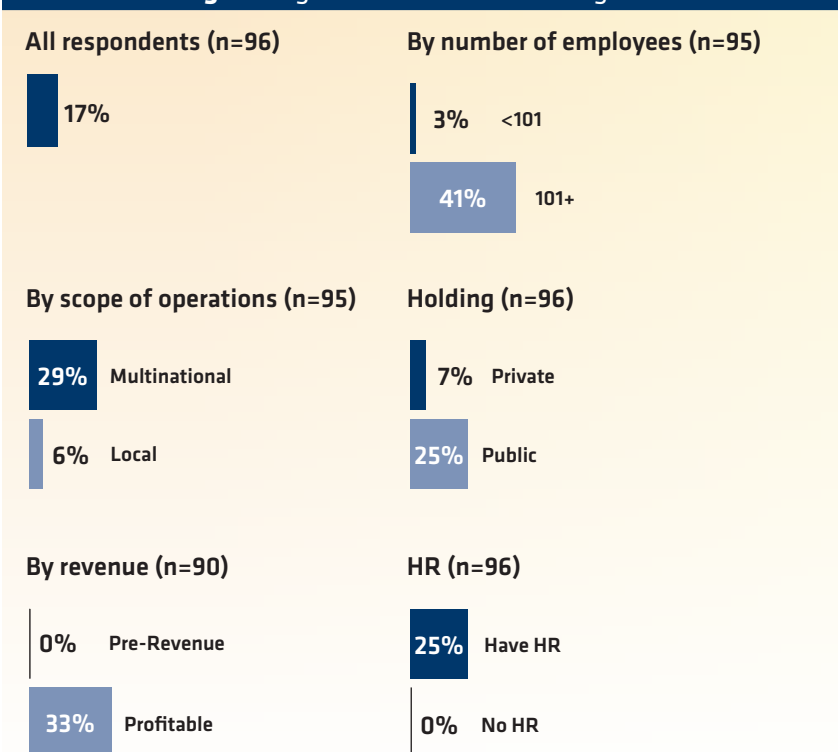
Organizations that are large (41% vs. 3%), multinational (29% vs. 6%), publicly-held (25% vs. 7%), or profitable (33% vs. 0%) are more likely to have D&I programs than small, local (no offices outside of country of headquarters), privately-held, or pre-revenue companies respectively **(Fig. 3)**.

Notably, just 25% of companies with HR staff currently have D&I programming. This may suggest that D&I is still considered "nice-to-have," rather than an essential business function with bottom-line impact.

REPRESENTATION IN BIOTECHNOLOGY COMPANIES

CTI and BIO collected representation data at the employee, executive and board levels to better understand the current demographics of member companies. Responses to questions on representation indicate that the numbers of women and people of color (non-white people) decrease at higher levels.

At the average company, 45% of total employees are women, 30% of an executive team are women, and 18% of the board are women **(Fig. 4a)**.

Three percent of organizations have no female employees, 20% of organizations have no women at the executive level, and 32% of organizations have no women at the board level. In parallel, 75% of organizations are majority male at the executive level, and 93 % have majority male boards.

- Large organizations are more likely than smaller organizations to have executive levels that are at least 25% female (75% vs. 44%).

- Organizations with a dedicated HR staff are also more likely to have executive levels that are at least 25% female (61% vs. 38%).

- Twenty-nine percent of organizations with HR staff have boards that are at least 25% female compared to 18% of organizations without HR staff.

Fig. 4a. Representation by gender

Average composition of total employees, executive level and board

Total employees (n=60)

| 45% | 55% |

Executive (n=65)

| 30% | 70% |

Board (n=60)

| 18% | 82% |

■ Female ■ Male

CEO demographics by gender (n=70)
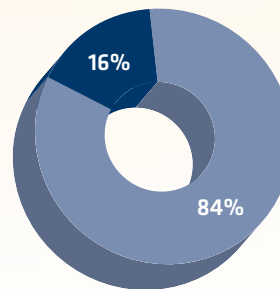
16%

84%

■ Female
■ Male

Note: Sample size for each question will vary as not all respondents answered every question

Representation of people of color falls further behind representation of women. At the average company, 32% of total employees are people of color, 15% of the executive team are people of color, and 14% of the board are people of color **(Fig. 4b)**.

Notably, 12% of organizations have no people of color on staff. These organizations are small, do not have HR, are typically pre-revenue, and privately-held. Fifty-six percent of organizations have no people of color at the executive level, and 64% of organizations have no people of color at the board level.

- Pre-revenue organizations are more likely than profitable organizations to have executive levels that are at least 25% people of color (25% of pre-revenue organizations vs. 6% of profitable organizations).

- Eighty-four percent of CEOs of responding companies are male, and 88% are white **(Fig. 5)**.

- Small organizations are more likely to have a female CEO compared to large organizations (20% of small organizations compared to 9% of large organizations).

- Pre-revenue organizations are also more likely to have a female CEO compared to profitable organizations (22% of pre-revenue organizations vs. 9% of profitable organizations).

- Privately-held organizations are more likely to have a person of color as CEO (19% of privately-held organizations vs. 6% of publicly-held organizations).

Fig. 4b. Representation by race and ethnicity

Average composition of total employees, executive level and board

Total employees (n=42)

59%	32%	10%

Executive (n=41)

82%	15%	4%

Board (n=42)

68%	14%	17%

White | People of color | Not disclosed

Race and ethnicity	Total emp.	Exec	Board
White	59%	82%	68%
Black	4%	1%	1%
Hispanic/Latinx	5%	3%	3%
Asian	22%	9%	11%
Native American/Alaskan Native	0%	0%	0%
Native Hawaiian/Pacific Islander	0%	0%	0%
2+ races	1%	1%	0%
Race not disclosed	10%	4%	17%

Fig. 5. CEO Demographics

By race and ethnicity (n=58)

3% 3%
5%
88%
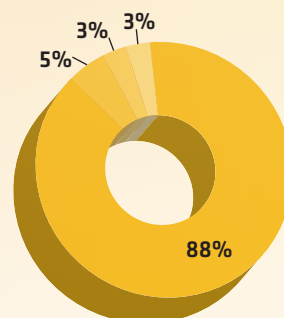
White | Asian
Black/African American | Hispanic/Latinx

Note: Sample size for each question will vary as not all respondents answered every question

D&I APPROACHES

Organizations reported on their stated priorities, measurable outcomes and immediate goals across five categories.

- **Commitment to D&I:** These questions probed an organization's diversity goals and their commitment to those goals, from the individual to the organizational level.

- **Business priorities:** These questions gave a better understanding of an organization's public stance on diversity and how it's perceived to impact the bottom line.

- **Diversity metrics:** Companies were asked whether or not they make diversity metrics available to their boards or to the public.

- **Goals to promote and develop:** This area of the survey queried the level to which organizations translated commitment to diversity into measurable goals to promote or develop women and people of color.

- **Hiring targets:** Companies were similarly surveyed about whether or not they set clear targets for hiring of women and people of color.

COMMITMENT TO D&I

Companies reported relatively high levels of commitment and stated value. Eighty percent of respondents indicated that employees demonstrate commitment to creating an inclusive environment at their organization and 73% said leaders consistently demonstrate the same commitment to creating an inclusive environment **(Fig. 6)**. About half (46%) said D&I is one of their organization's stated values or priorities, and almost one-third (32%) have a stated goal regarding creating an inclusive environment **(Fig. 6)**.

Certain practices associated with established D&I programming were also examined. Twenty-eight percent of organizations have leaders that regularly talk about diversity. More than 40% of respondents do not collect data on D&I, such as employee demographics or discrepancies across compensation, promotions and performance rankings **(Fig. 13)**. Practices like these can be useful in establishing D&I as a priority within an organization.

Fig. 6. Commitment to D&I
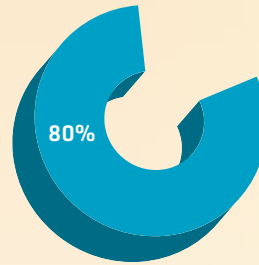
80% say employees at their organization demonstrate a commitment to creating an inclusive environment (n=82)
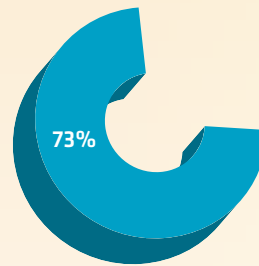
73% say leaders at their organization consistently demonstrate a commitment to creating an inclusive environment (n=82)
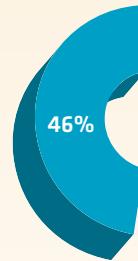
46% say diversity and inclusion is one of their organization's stated values and/or priorities (n=80)

32% say their organization has a stated goal regarding creating an inclusive environment (n=80)

28% say leaders at their organization regularly talk about diversity (n=82)

Note: Sample size for each question will vary as not all respondents answered every question

Fig. 7. Which of the following statements are true at your organization?

(Percent selecting answer choice)

39% My organization has a public commitment to diversity (n=80)

30% D&I efforts have positively impacted business results in the past (n=82)

10% My organization publicly communicates information about its diversity goals (n=80)

Fig. 8. Which of the following statements are true at your organization?

(Percent selecting answer choice)

16% My organization has set goals to promote/develop women (n=80)

12% My organization has set goals to promote/develop people of color (n=80)

12% My organization considers diversity when selecting third party suppliers/ vendors (n=82)
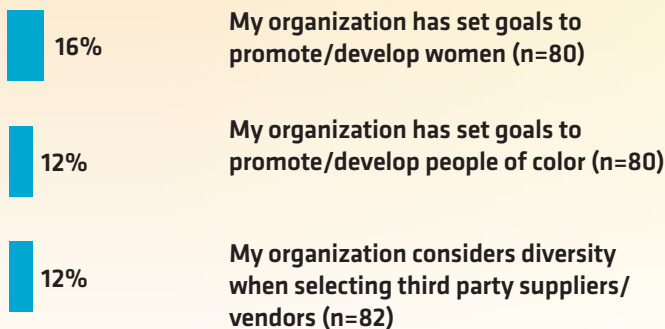
BUSINESS PRIORITIES AND DIVERSITY METRICS

Past CTI studies have found that public commitment to inclusion can have potential, outsized, positive impact on the business of an organization. Examples include:

Among respondents who are aware of their company responding to societal incidents of racial discrimination or bias, the majority (69%) say the response made them view their company in a more positive way.[1]

Seventy-two percent of LGBT* allies (those who support and accept the LGBT community and/or advocate for equal rights and fair treatment) say they are more likely to accept a job at a company that's supportive of LGBT employees, and 71% of LGBT individuals and 82% of allies say they are more likely to purchase a good or service from a company that supports LGBT equality.[2]

Nearly one-third (30%) of respondents report that D&I efforts have positively impacted business results in the past. Indeed, D&I is acknowledged as a business priority for many BIO member companies—39% of organizations report having a public commitment to diversity **(Fig. 7)**. Still, just 10% publicly communicate diversity goals, and only 2% solicit feedback from customers on their diversity practices **(Fig. 13)**.

GOALS TO PROMOTE AND DEVELOP DIVERSE TALENT

Organizations may not communicate D&I goals to the public because D&I goals themselves are somewhat scarce: 16% of organizations set goals to promote or develop women and 12% have goals to do the same for people of color **(Fig. 8)**.

Supply chain dynamics also come into play when considering diversity goals. Supplier diversity professionals cite struggles gaining buy-in from leadership and convincing individual departments that supplier diversity can be a sizable value-add, even though more than two out of three organizations with supplier diversity programs find them to be very effective or somewhat effective.[3] Twelve percent of respondents take diversity into account when selecting suppliers or vendors **(Fig. 8)**.

*LGBT, which stands for Lesbian, Gay, Bisexual, and Transgender, has expanded to LGBTQ+ in recent years to include queer/ questioning people and beyond. The data referenced here used LGBT, but data gathered from the survey fielded for this report will be marked "LGBTQ+".

Note: Sample size for each question will vary as not all respondents answered every question

HIRING TARGETS

While hiring goals are not an endpoint for D&I efforts, they are a first step towards measurability and accountability. They also represent a potential area of opportunity and improvement for many organizations, as only 11% of responding companies have hiring targets for women and 10% have hiring targets for people of color **(Fig. 9)**.

Notably, organizations that have more resources (e.g., are larger, multinational or profitable) are more likely to have hiring targets for women and/or people of color.

Hiring targets are an important step to achieving an organization's diversity goals and attracting talent. In their 2017 report on gender balance in the Massachusetts life sciences sector, Liftstream and MassBio found that about one-third of women surveyed would not join an organization that had an all-male board, an all-male management board, or if they were only interviewed by men. And if all three of these conditions were present, almost half (46%) said they would not join.[4] These results suggest that diversity can be a powerful factor for potential new hires.

Fig. 9. Which of the following statements are true at your organization?

(Percent selecting answer choice)

11%	**My organization has hiring targets for women (n=80)**
10%	**My organization has hiring targets for people of color (n=80)**
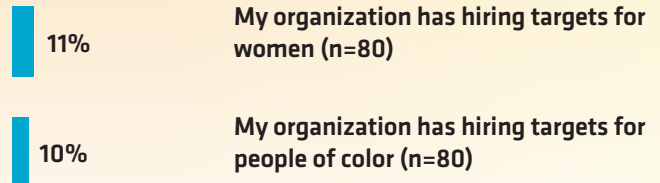
Note: Sample size for each question will vary as not all respondents answered every question

D&I INITIATIVES

BIO member companies represent not only a variety of company profiles but also a wide range of approaches to D&I within their organizations.

From start-ups to large multinational companies, organizations reported D&I initiatives at different scales and at different points along CTI's research-based, proprietary D&I maturity curve. Organizations at the "educate" stage are assessing the benefits of D&I concepts at work. Those at the "diagnose" stage have secured enough buy-in to collect data and investigate their cultures. Those in the "act" phase are rolling out targeted pilot programs, and those at the final "scale" stage are expanding D&I programs until their concepts are embedded into company processes.

The most common initiatives reported involve accountability and reporting for discrimination, bias or harassment. Two-thirds of companies in the sample hold individuals accountable for harassment regardless of seniority or performance (66%, **Fig. 11**). Additionally, 64% provide clear channels for reporting experiences of discrimination or bias, 61% have anti-bias or discrimination policies, and 46% hold individuals accountable for bias regardless of seniority or performance **(Fig. 11)**.

Initiatives around networking, reviews and hiring are also quite common among sample companies. Forty-two percent offer networking opportunities for employees across the organization, 36% have opportunities for women or people of color to network with senior leaders, 35% have 360-degree performance reviews, and 34% require diverse slates of candidates for all open positions **(Fig. 11)**. There is a slight drop when companies are hiring for senior positions, with just more than one-quarter (26%) requiring a diverse slate of candidates for senior positions. Twenty-six percent of companies convene diverse hiring committees, and 24% train managers to behave inclusively. An outlier in the networking, reviews and hiring bucket is blinded resume reviews, a de-biasing hiring practice that just 3% currently employ **(Fig. 11)**.

Fig. 10. D&I Maturity Curve

Training and "official" programs around D&I skills remain relatively rare. Although 44% offer leadership development programs, half of those, just 22% of the sample, offer unconscious bias training. Eighteen percent implement mentorship programs, and 12% train managers and employees to hire diverse teams.

Just 9% have sponsorship programs, despite evidence that men and women with a sponsor are 23% and 19% respectively more likely to be satisfied with their rates of advancement.[5]

Finally, 10% of companies say they do none of the above activities to support D&I efforts **(Fig. 11)**.

Note: Sample size for each question will vary as not all respondents answered every question

Fig. 11. Which of the following does your organization use to support its diversity and inclusion efforts? (n=89)

Category	%
Holds individuals accountable for harassment regardless of seniority or performance	66%
Provides clear channels for reporting experiences of discrimination or bias	64%
Anti-bias or discrimination policy	61%
Holds individuals accountable for bias regardless of seniority or performance	46%
Leadership development programs	44%
Networking opportunities for employees across the organization	42%
Opportunities for women or people of color to network with senior leaders	36%
360-degree performance reviews	35%
Requires a diverse slate of candidates for all open positions	34%
Requires a diverse slate of candidates for senior positions	26%
Diverse hiring committees	26%
Training for managers on how to behave inclusively	24%
Unconscious bias training	22%
Mentorship programs	18%
Training for managers and employees on hiring diverse teams	12%
Sponsorship programs	9%
Blinded resume reviews	3%
None of the above	10%

Legend:
- Accountability and reporting
- Networking, reviews & hiring
- Training & official D&I programming

Note: Sample size for each question will vary as not all respondents answered every question

In addition to responding to the surveyed list of D&I initiatives in **Figure 11**, companies shared more specific information on their D&I activities. These responses unveiled a wealth of options and approaches. Selections are included below:

ACCOUNTABILITY AND REPORTING

> It starts at the top and carries down through the entire organization.

> We're embedding bias awareness into our talent review processes.

> We have anti-discrimination and harassment policies, along with clear lines of reporting any suspected discrimination or harassment.

> Our employee handbook is reviewed with every employee.

> A zero-tolerance harassment policy.

> We have corporate norms and policies for how our employees behave and operate in the workplace. This starts at the top and carries down through the entire organization. Any inappropriate or potentially illegal behavior is not condoned or allowed.

Leadership mentoring and development programs that are specifically designed to support underrepresented talent.

All resumes are reviewed for skill set and no attention is paid to gender or race.

If a diverse candidate is available in a team that will benefit from diversity, and all other qualifications are equal, that candidate is usually selected.

With a diverse team we have a diverse network.

We participate in and sponsor a diversity conference and career fair.

We make sure that all positions have a diverse slate of candidates and it has made a huge difference in our hiring practices. Plus, we have a female CEO and that also contributes to diversity in our hiring. Many people come from our own networks.

Post open positions on various diversity websites. Corporate membership in the HBA. Sponsor our associates for the Women in Board Readiness Program. Strong commitment to D&I.

We had an expansion and hired 400 employees. We not only had a diverse slate to interview, but a diverse slate to interview each candidate. That led to 51% of employees hired being [underrepresented minorities] and over 50% female.

Brought in external consultant to lead a two hour 'Inclusive Leadership Workshop' for all people managers.

Our company-wide diversity & inclusion strategy specifically calls out that everyone should own and be accountable for D&I.

We select top female performers for special training and mentoring.

Engage employee resource groups with senior-level sponsors.

EMPLOYEE RESOURCE GROUPS

Employee resource groups (ERGs), which are also known as affinity groups or employee networks, began forming in the 1960s to create networking opportunities for people of color and women. Today, they are common at larger companies and include many more groups of employees such as LGBTQ+ individuals, employees with disabilities, intersectional identities and more.

Employees may join ERGs to connect with people of similar backgrounds. These groups can serve as places to find career resources, networking opportunities, or mentorship. Organizations can also leverage ERGs to gain insight into diverse markets, develop their pipeline of future leaders, and improve recruitment and retention of diverse talent.

For the companies in this study, ERGs are still relatively uncommon. Seventy-three percent of responding companies do not have ERGs or affinity groups **(Fig. 12)**. This is likely due to the high numbers of smaller companies in the sample, as 92% of small companies do not have ERGs. The following types of organizations are also less likely to have ERGs: local organizations (93%), privately-held organizations (87%), pre-revenue organizations (97%), and organizations without HR (89%).

Of organizations that do have ERGs or affinity groups, all of them have groups for women. The next most common type of group is for LGBTQ+ individuals, followed closely by groups for people of color. Groups for veterans and people with disabilities are less common, but still fairly prevalent. Finally, about one-third of organizations with ERGs have groups for millennials, and almost one-quarter have groups for other employees.

Fig. 12. Does your organization have employee resource groups (ERGs) or affinity groups specifically for...?

(Percent selecting answer choice) (n=62)

My org. does not have ERGs or affinity groups	73%
Women	27%
LGBTQ+ individuals	21%
People of color	19%
Veterans	16%
People with disabilities	15%
Millennials	10%
Other*	6%
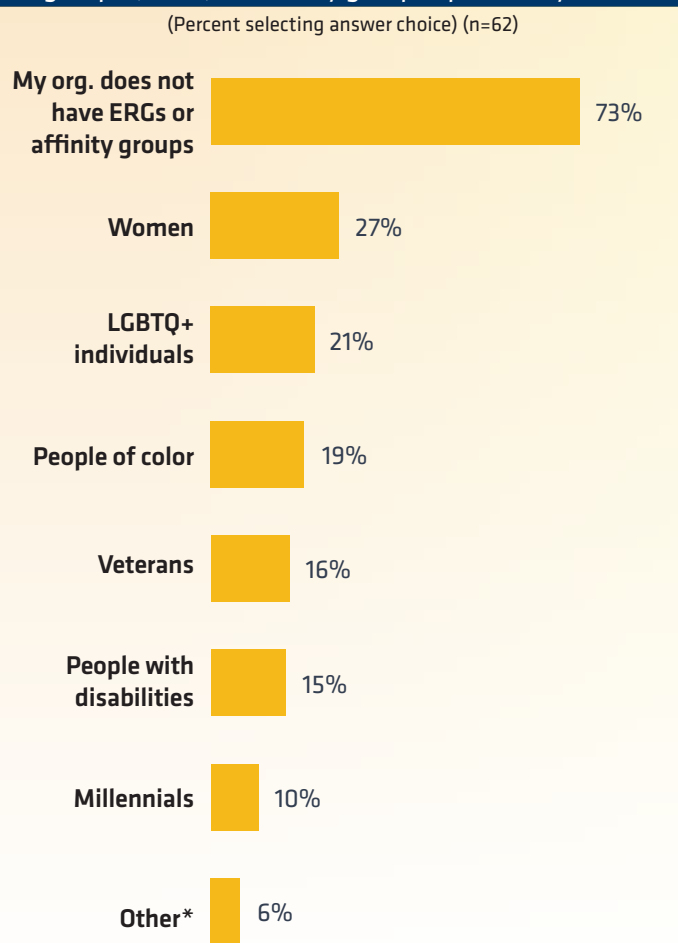
*Other includes early-career professionals, parents, interfaith and Native American

Note: Sample size for each question will vary as not all respondents answered every question

D&I DATA COLLECTION

Collecting and tracking data on recruiting, retention, career progression and other measurable aspects of talent management is critical to understand and measure the efficacy of D&I efforts. While some companies in the sample collect employee data around D&I, progress still needs to be made on this front.

The most common type of data collected is employee demographics (51%). For a breakdown of what those demographics entail, see **Fig. 14**. Forty-four percent collect data on discrepancies in compensation by gender, race, ethnicity or another dimension **(Fig. 13)**. In past studies, CTI has found that a commitment to pay equity boosts the number of females in STEM who advance and intend to stay at their companies by 113%, and measuring compensation discrepancies is a critical first step toward pay equity.[6]

Thirty percent of companies gather data on discrepancies in promotions and 18% in performance ranking by gender, race, ethnicity or another dimension **(Fig. 13)**. Just 2% gather feedback from customers on diversity practices.

Overall, 41% of companies don't gather data on any of the listed areas, though large organizations are much more likely than smaller organizations to gather and analyze D&I data **(Fig. 13)**.

In terms of what data is collected, more than half of responding companies collect employee demographics **(Fig. 13)**. Of the companies that collect data on demographics, a strong majority ask about gender and race (95% and 85%, respectively, **Fig. 14**). Companies are also likely to collect data on age (64%) and veteran status (64%) **(Fig. 14)**.

More than half of these companies ask employees to disclose disability status (59%, **Fig. 14**).

Fig. 13. Which of the following types of data does your organization gather and analyze?

(Percent selecting answer choice) (n=80)

	<101 employees	101+ employees	Total
Employee demographics	32%	86%	51%
Compensation discrepancies*	28%	72%	44%
Promotion discrepancies*	18%	52%	30%
Performance ranking discrepancies*	8%	34%	18%
Feedback from customers on diversity practices			2%
None of the above			41%

■ <101 employees   ■ 101+ employees
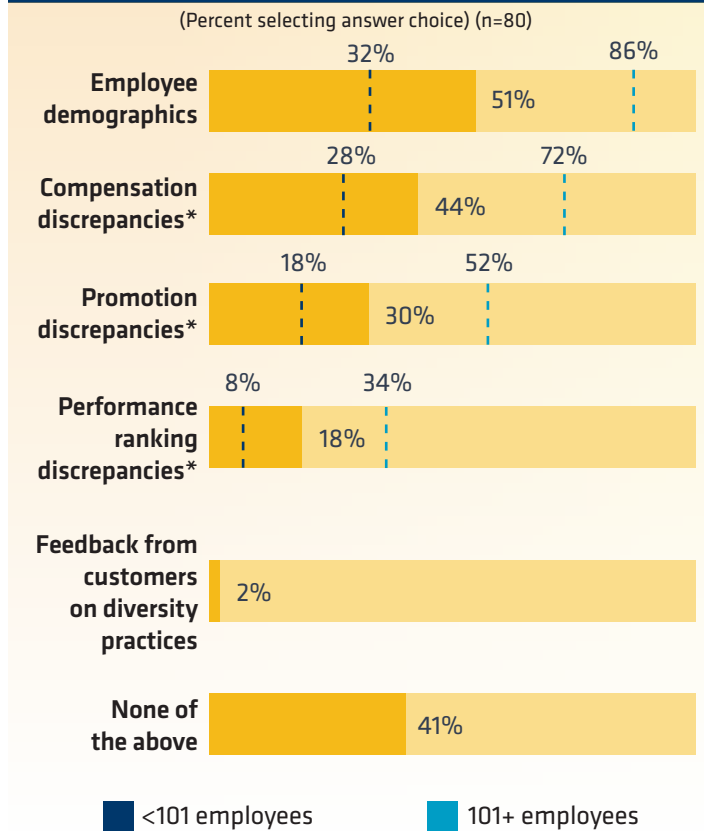
*by gender, race, ethnicity, or other dimensions

Fig. 14. Which demographics does your organization ask employees to disclose?
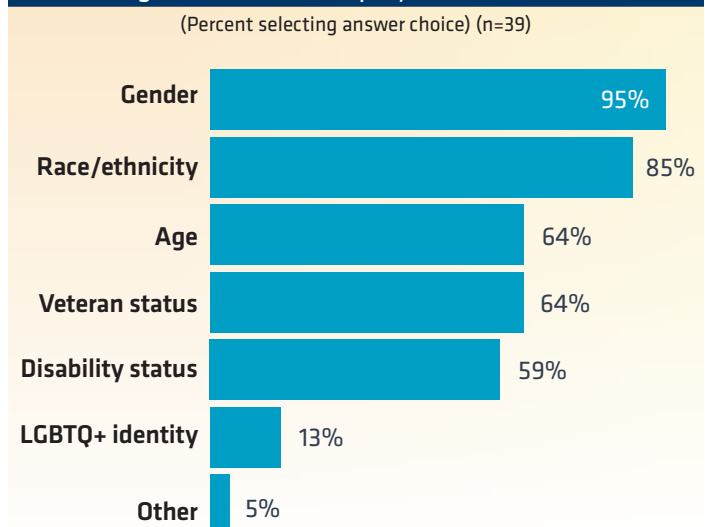
(Percent selecting answer choice) (n=39)

Gender	95%
Race/ethnicity	85%
Age	64%
Veteran status	64%
Disability status	59%
LGBTQ+ identity	13%
Other	5%

Note: Sample size for each question will vary as not all respondents answered every question

Of companies that collect employee demographics, discrepancies were found in what types of companies collect this information in particular:

- 72% of large companies ask employees to disclose their disability statuses, compared to only 36% of companies with 100 employees or fewer.

- Just 25% of companies without HR staff collect information on the disability status of employees compared to 68% of companies with HR staff.

Finally, just 13% of organizations ask employees to disclose LGBTQ+ status **(Fig. 14)**. This could be due to the vast variability of laws and legislatures regarding the status of LGBTQ+ people.

Part II:
Gender Metrics Sample

In this section, data is included from the 50 respondent companies that answered all gender representation metrics questions. This sample is narrower, but more complete, allowing a better understanding of the characteristics of companies with more or less gender representation, sample size allowing.

Compared to the broader sample of 98 companies, more small companies of 100 employees or less are represented in this gender sample (73% vs. 64 %), and more pre-revenue companies are represented as well (62% vs. 54%). Just 5% of the Part II sample has a market cap of $10 billion or more compared to 16% of the wider sample. The split between publicly and privately-held companies is more skewed toward public companies in this sample (60% vs. 54%). Similarly, a large preponderance, 92% of the respondents (the same as the full sample) represent the biopharma sector.

This sample provides an understanding of gender representation in the 50 responding companies. As in the broad sample, there is a slight underrepresentation of women at the organizational level (46%), with stark declines at higher levels (on average 28% of executives are female and 19% of board members are female). As a further example, only 16% of CEOs of the companies represented in the sample are female.

Seventy-four percent of companies represented in this section said that employees at their organizations demonstrate a commitment to creating an inclusive environment, which is lower compared to 80% of the Part I sample. They are also less likely than the Part I sample to say that D&I efforts have positively impacted business results in the past (24% Part II vs. 30% Part I). Six percent of this sample have set goals to promote and develop women, and 4% have goals to promote and develop people of color. These both show a drop from Part I, in which 16% set goals for women and 12% set goals for people of color. Hiring targets for women (6%) and people of color (6%) are low compared to Part I as well (11% for women and 10% for people of color).

In terms of D&I initiatives, Part I companies are more likely to convene diverse hiring committees (26% vs. 18% of Part II). Part II companies are more likely, however, to hold individuals accountable for bias (58% vs. 46% of Part I) and harassment (76% vs. 66% of Part I) regardless of seniority or performance. Part II is also more likely to have clear channels for reporting, 73% compared to 64% of Part I.

Finally, companies in Part II are less likely to have ERGs or affinity groups and to collect D&I data. Eighty-seven percent of this sample had no ERGs or affinity groups, compared to 73% of the Part I companies. Forty-seven percent collect no D&I data— such as employee demographics or discrepancies in performance rankings, pay and promotion—compared to 41% of Part I.

DEMOGRAPHICS OF RESPONDENTS

Companies in this section also represent a range of corporate demographic factors, and have a greater representation of small companies than the full sample. Seventy-three percent of responding companies have less than 100 employees and the remaining 27% have more than 100 employees, while 0% have more than 10,000 employees **(Fig. 15a)**. Four (4) global geographies are represented in the sample, with responding companies based in the United States (across 13 states), Europe, Asia and Australia; the majority of responding companies have headquarters in the United States and 47% have multinational operations **(Fig. 15a)**.

In terms of revenue, 62% of responding companies are pre-revenue and 38% are profitable, with 12% earning $100 million or more in revenue **(Fig. 15b)**. Market cap is similarly distributed, with 17% at a market cap of less than $10 million and 17% at a market cap of more than $2 billion. **(Fig. 15b)**. Of the responding companies, 40% are privately held and 60% are publicly held **(Fig. 15b)**.

Fig. 15a. Size and location of respondent companies
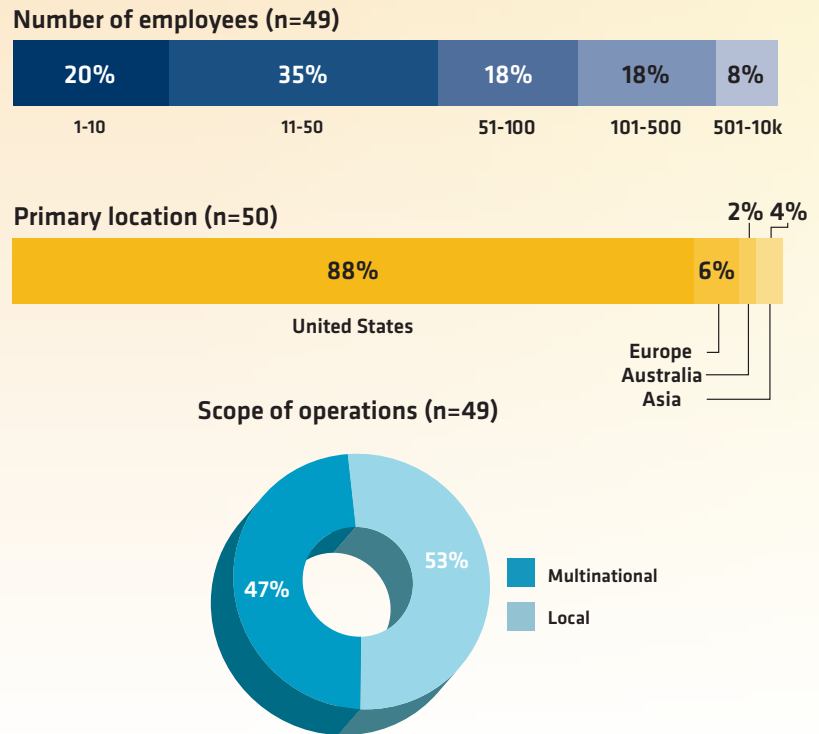
Number of employees (n=49)

20%	35%	18%	18%	8%
1-10	11-50	51-100	101-500	501-10k

Primary location (n=50)

2% 4%

88%	6%
United States	

Europe
Australia
Asia

Scope of operations (n=49)

47% 53%

- Multinational
- Local

Fig. 15b. Financial profiles of respondent companies

Revenue (n=50)

4%

62%	6%	20%	8%	
Pre-revenue	$1–<$1M	$1M–<$100M	$100M–<$2B	$2B or more

Market cap (n=42)

12% 5%

17%	45%	21%		
Less than $10M	$10M–$300M	$300M–<$2B	$2B–<$10B	$10B or more

Holding (n=50)

40% 60%

- Private
- Public
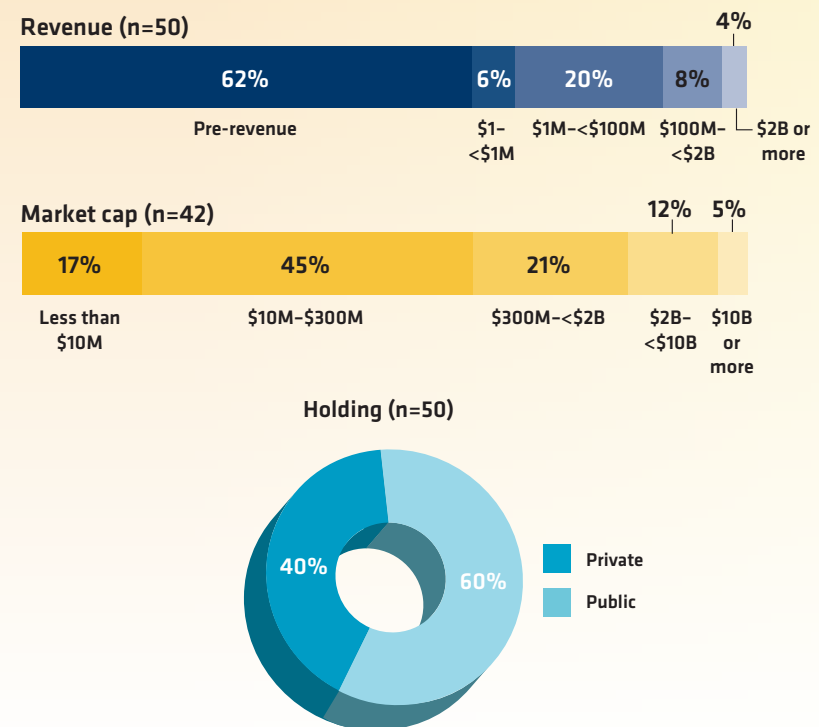
Note: Sample size for each question will vary as not all respondents answered every question

Fig. 16. Percentage of organizations with HR staff (n=50)
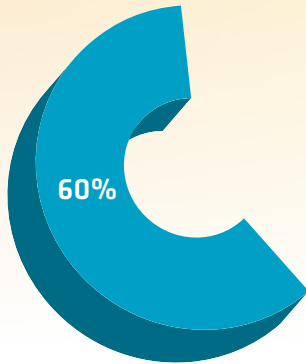
60%

In terms of organizational focus, 92% of responding companies indicated biopharma as their primary focus area, followed by 6% "other" and 2 % food and agriculture.

A majority (60%) of organizations in this sample have a dedicated human resources (HR) staff **(Fig. 16)**. But similar to the broad sample, far fewer (10%) have a D&I program, e.g., D&I department, dedicated staff or funding **(Fig. 17)**.

Fig. 17. Percentage of organizations with D&I programs (n=49)

10%

Note: Sample size for each question will vary as not all respondents answered every question

REPRESENTATION BY GENDER

All of the companies in this section filled out gender representation data. On average, 46% of all an organization's employees are female, 28% of the executive team is female, and 19% of a the board is **(Fig. 18)**. These averages are consistent with the broad sample of companies.

This sample of companies matched the broad sample on other measures of gender representation as well. Two percent of organizations in this sample have no female employees, 22% of organizations have no females at the executive level, and 30% of organizations have no female board members. Eighty percent of organizations are majority male at the executive level, and 94% have majority male boards.

As in the broader sample of companies, the CEOs of organizations in this sample are mostly male (84%) **(Fig. 19)**.

Fig. 18. Representation by gender
Average composition of total employees, executive level and board

Total employees (n=50)

46%	53%

Executive (n=50)

28%	72%

Board (n=50)

19%	81%

■ Female   ■ Male

Fig. 19. CEO Demographics
Percentage of companies with CEO in given demographic

By gender (n=50)
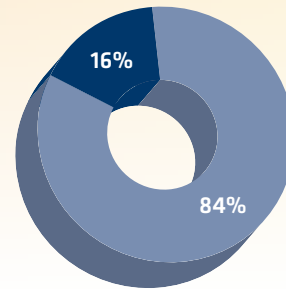
16%

84%

■ Female
■ Male

Note: Sample size for each question will vary as not all respondents answered every question

D&I APPROACHES

COMMITMENT TO D&I

The sample of companies who completed all gender metrics follows the same pattern as the broad sample when it comes to commitment to D&I. Seventy-four percent of respondents indicated that employees demonstrate commitment to creating an inclusive environment at their organization and 76% said leaders consistently demonstrate the same commitment to creating an inclusive environment **(Fig. 20)**. About half (45%) said D&I is one of their organization's stated values or priorities, and more than one-third (35%) have creating an inclusive environment as a stated goal **(Fig. 20)**.

Looking more closely at specific behaviors related to D&I, 26% of organizations have leaders that regularly talk about diversity and almost half (47%) do not collect data on D&I, such as employee demographics or discrepancies across compensation, promotions and performance rankings **(Fig. 26)**.

BUSINESS PRIORITIES AND DIVERSITY METRICS

Almost one-quarter (24%) report that D&I efforts have positively impacted business results in the past, slightly less than in the broad sample (30%). Other metrics on D&I as a business priority remain consistent between the two groups. In this sample, 37% of organizations have a public commitment to diversity, 8% publicly communicate diversity goals **(Fig. 21)**, and 0% gain feedback from customers on their diversity practices **(Fig. 26)**.

Fig. 20. Commitment to D&I*

74% say employees at their organization demonstrate a commitment to creating an inclusive environment (n=50)

76% say leaders at their organization consistently demonstrate a commitment to creating an inclusive environment (n=50)

45% say diversity and inclusion is one of their organization's stated values and/or priorities (n=49)

35% say their organization has a stated goal regarding creating an inclusive environment (n=49)

26% say leaders at their organization regularly talk about diversity (n=50)

*This chart is in the same order as Part I to highlight differences in this sample

Fig. 21. Which of the following statements are true at your organization?

(Percent selecting answer choice)

37% My organization has a public commitment to diversity (n=49)

24% D&I efforts have positively impacted business results in the past (n=50)

8% My organization publicly communicates information about its diversity goals (n=49)

Note: Sample size for each question will vary as not all respondents answered every question

GOALS TO PROMOTE AND DEVELOP DIVERSE TALENT

Organizations in this sample are less likely to have specific D&I goals: Only 6% of organizations in this sample set goals to promote or develop women compared to 16% in the broad sample. Just 4% in this sample do the same for people of color compared to 12% in the broad sample **(Fig. 22)**.

In this sample, organizations are also slightly less likely (8%) to take diversity into account when selecting suppliers or vendors **(Fig. 22)**. This is compared to 12% in the broad sample.

HIRING TARGETS

Organizations in this sample are also slightly less likely than the sample in Part I to have implemented hiring targets for women or people of color – only 6% have hiring targets for women and 6% have hiring targets for people of color **(Fig. 23)**.

The differences between the initiatives offered by Part I and II samples do not indicate vastly different approaches to D&I. Part I companies are more likely to convene diverse hiring committees (26% vs. 18% of Part II). Part II companies are more likely, however, to hold individuals accountable for bias (58% vs. 46% of Part I) and harassment (76% vs. 66% of Part I) regardless of seniority or performance. Part II companies are also more likely to have clear channels for reporting, 73% compared to 64% of Part I. **Figure 24** lists initiatives in the same order as Part I, in order to graphically highlight where Part II data deviated.

Fig. 22. Which of the following statements are true at your organization?

(Percent selecting answer choice)

6%	**My organization has set goals to promote/ develop women (n=49)**
4%	**My organization has set goals to promote/ develop people of color (n=49)**
8%	**My organization considers diversity when selecting third party suppliers/ vendors (n=50)**

Fig. 23. Which of the following statements are true at your organization?

(Percent selecting answer choice)

6%	**My organization has hiring targets for women (n=49)**
6%	**My organization has hiring targets for people of color (n=49)**

Note: Sample size for each question will vary as not all respondents answered every question
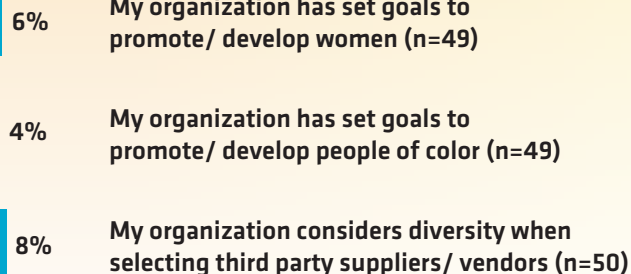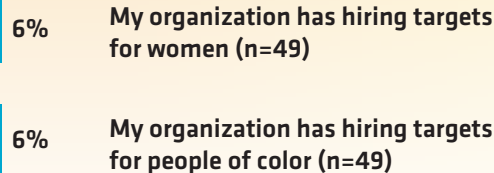
D&I INITIATIVES

Fig. 24. Which of the following does your organization use to support its diversity and inclusion efforts? (n=50)*

Holds individuals accountable for harassment regardless of seniority or performance	76%
Provides clear channels for reporting experiences of discrimination or bias	72%
Anti-bias or discrimination policy	62%
Holds individuals accountable for bias regardless of seniority or performance	58%
Leadership development programs	40%
Networking opportunities for employees across the organization	42%
Opportunities for women or people of color to network with senior leaders	32%
360-degree performance reviews	34%
Requires a diverse slate of candidates for all open positions	30%
Requires a diverse slate of candidates for senior positions	26%
Diverse hiring committees	18%
Training for managers on how to behave inclusively	22%
Unconscious bias training	20%
Mentorship programs	14%
Training for managers and employees on hiring diverse teams	10%
Sponsorship programs	6%
Blinded resume reviews	2%
None of the above	6%

■ Accountability and reporting　■ Networking, reviews & hiring　■ Training & official D&I programming

*This chart is in the same order as Part I to highlight differences in this sample

Note: Sample size for each question will vary as not all respondents answered every question

Fig. 25. Does your organization have employee resource groups (ERGs) or affinity groups specifically for...?

(Percent selecting answer choice) (n=39)

My org. does not have ERGs or affinity groups	87%
Women	13%
LGBTQ+ individuals	8%
People of color	8%
Veterans	3%
People with disabilities	5%
Millennials	3%
Other	3%

Fig. 26. Which of the following types of data does your organization gather and analyze?

(Percent selecting answer choice) (n=49)

Employee demographics	45%
Compensation discrepancies*	39%
Promotion discrepancies*	29%
Performance ranking discrepancies*	14%
Feedback from customers on diversity practices	0%
None of the above	47%

*by gender race, ethnicity or other dimensions

Note: Sample size for each question will vary as not all respondents answered every question
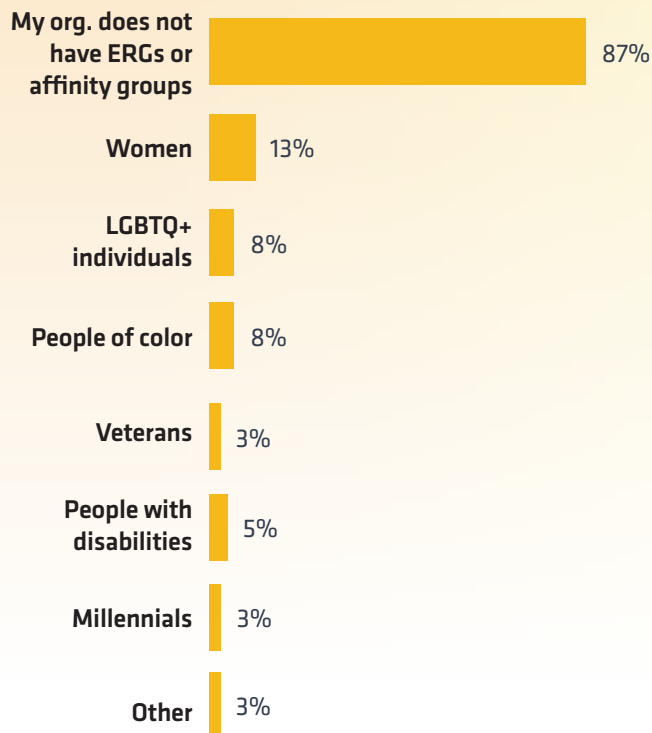
EMPLOYEE RESOURCE GROUPS

For the companies in this sample, ERGs are even more uncommon than in the broad sample. Eighty-seven percent of respondent companies do not have ERGs or affinity groups **(Fig. 25)**.

D&I DATA COLLECTION

Organizations in this sample are also slightly less likely than in Part I to gather and analyze data related to D&I, but both samples follow similar patterns. The most common type of data collected is employee demographics (45%). Thirty-nine percent collect data on discrepancies in compensation by gender, race, ethnicity or another dimension **(Fig. 26)**.

Twenty-nine percent of companies gather data on discrepancies in promotions and 14% in performance ranking by gender, race, ethnicity or another dimension **(Fig. 26)**. None of the companies in this sample gather feedback from customers on diversity practices.

Overall, almost half (47%) of companies in this sample do not gather data on any of the listed areas **(Fig. 26)**.

Part III:

Race and Ethnicity

Metrics Sample

OVERVIEW

In this section, data is included from the 33 respondent companies that answered all questions on race and ethnicity representation metrics. This sample is also narrower and more complete, allowing a better understanding of the characteristics of companies with more or less racial or ethnic representation, sample size allowing.

Compared to the broader sample of 98 companies, more companies of 50 employees or less are represented in this race and ethnicity sample (58% vs. 46%), and more pre-revenue companies are represented as well (64% vs. 54%). Just 4% of this race and ethnicity sample has a market cap of $10 billion or more compared to 16% of the wider sample. The split between publicly and privately-held companies (52% public vs 48% private in this sample) is similar to the split in the broader sample (54% public vs. 46% private). Similarly, a large preponderance, 91% of the respondents (compared to 92% in the full sample) represent the biopharma sector. This group of companies is also less likely to have HR staff than the Part I sample (58% vs. 66%) and less likely to have D&I staff as well (9% vs. 17%).

This section very closely matches the larger sample in terms of representation of people of color. Companies were asked to only consider their U.S. locations when answering metrics questions about race and ethnicity. Compared to U.S. Census estimates for the overall U.S. population, there is an underrepresentation of people of color (33%) in this sample, with especially low representation of Black employees (3%) and Latinx employees (6%) and an overrepresentation of Asian employees (23%). There are stark declines at higher levels (on average 15% of executives and 13% of board members are people of color). As a further example, only 9% of CEOs of the companies represented in this sample are people of color.

In terms of D&I initiatives, Part III companies are less likely than the Part I sample to require diverse slates of candidates for all open positions (24% vs. 34%) and for senior positions specifically (15% vs. 26%). They're also unlikely to convene diverse hiring committees, with 9% of the Part III sample doing so, compared to 26% of Part I. The Part III sample is more likely to hold individuals accountable for bias (64% vs. 46%) and harassment (85% vs. 66%) regardless of seniority or performance. The Part III sample is more likely than the Part I sample to have anti-bias or discrimination policies (70% vs. 61%) and clear channels for reporting (76% vs. 64%).

Eighty-five percent of companies in this section have leaders that consistently demonstrate a commitment to creating an inclusive environment, which is high compared to 73% of Part I respondents. This sample is less likely than Part I to have D&I as a stated organizational value or priority, with 34% compared to 46% of Part I.

Twenty-four percent of the Part III sample said that D&I efforts have positively impacted business results in the past, lower than 30% of Part I companies. Companies in Part III are less likely to set goals to promote and develop women (6% vs. 16% of Part I) and people of color (3% vs. 12% of Part I). They also are less likely to set hiring targets for women (6% vs. 11% of Part I) and people of color (6% vs. 10% of Part I). This group of companies is more likely to not have ERGs; 88% have none compared to 73% of Part I companies. Finally, 48% of Part III respondents collected no D&I data vs. 41% of Part I companies.
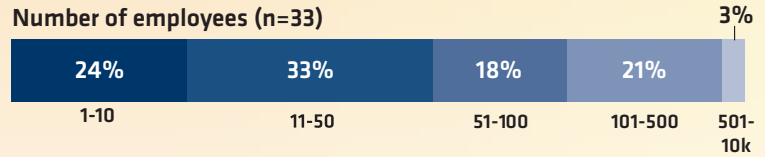
DEMOGRAPHICS OF RESPONDENTS

This section includes data from the 33 companies with operations in the U.S. that answered all questions on racial and ethnic representation at the organization-wide, executive and board levels.

These companies are more likely to be small, pre-revenue and without HR/D&I staff than the Part I sample. Seventy-six percent had 100 employees or less and the remaining 24% have more than 100 employees, with 0% with more than 10,000 employees **(Fig. 27a)**. All companies represented in this sample are headquartered in the U.S. (across 13 states).

Forty-one percent of these companies have multinational operations **(Fig. 27a)**. Sixty-four percent are pre-revenue, and 46% are profitable, with 12% having $100 million or more in revenue **(Fig. 27b)**. Market cap distribution ranges from 8% of companies with a market cap of less than $10 million to 16% with a market cap of more than $2 billion. **(Fig. 27b)**. Forty-eight percent are privately-held and 52% are publicly-held **(Fig. 27b)**.

Fig. 27a. Size and location of respondent companies
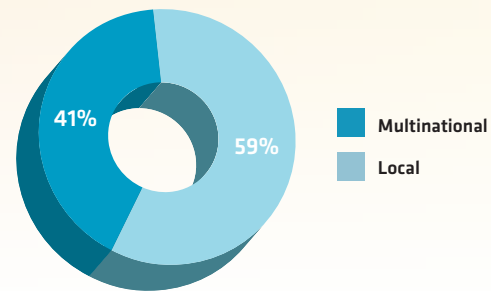
Number of employees (n=33)

24%	33%	18%	21%	3%
1-10	11-50	51-100	101-500	501-10k

Primary location (n=33)

100%
United States

Scope of operations (n=32)

41% — 59%

- Multinational
- Local

Fig. 27b. Financial profiles of respondent companies

Revenue (n=33)

64%	3%	21%	9%	3%
Pre-revenue	$1–<$1M	$1M–<$100M	$100M–<$2B	$2B or more

Market cap (n=26)

8%	54%	23%	12%	4%
Less than $10M	$10M–$300M	$300M–<$2B	$2B–<$10B	$10B or more

Holding (n=33)

48% — 52%

- Private
- Public
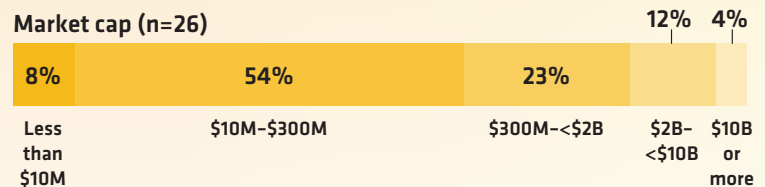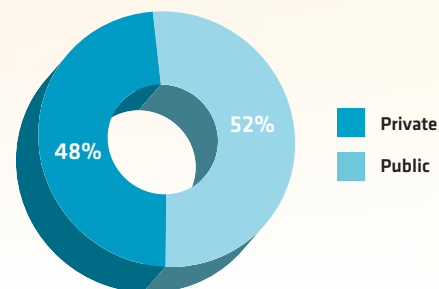
Note: Sample size for each question will vary as not all respondents answered every question

Ninety-one percent of the 33 companies in this section indicated biopharma as their primary focus area, followed by 9% "other" (including diagnostics and specialty chemicals), with 0% food and agriculture, and industrial and environmental.

Fifty-eight percent of the companies in this sample reported dedicated HR staff, compared to 66% of the wider sample **(Fig. 28)**. Mirroring the wider sample, companies with a dedicated D&I program, (D&I department, dedicated staff or funded programming) are less common. Nine percent of this sample have a D&I program **(Fig. 29)**, despite about one-third (34%) reporting that D&I is a stated value **(Fig. 32)**.

Fig. 28. Percentage of organizations with HR staff (n=33)

58%
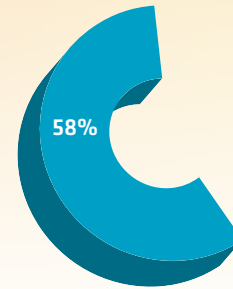
Fig. 29. Percentage of organizations with D&I programs (n=32)

9%

Note: Sample size for each question will vary as not all respondents answered every question

REPRESENTATION BY RACE AND ETHNICITY

In this section of the report, each company filled out all race and ethnicity metrics questions. The responses to these questions indicate that representation of people of color decreases at higher levels.

Overall, representation of people of color falls behind representation of women. At the average company, 33% of an organization's employees are people of color, 15% of the executive team is comprised of people of color, and 13% of the board is made up of people of color **(Fig. 30)**.

Notably, 9% of this sample have no employees of color, 58% of this sample have no people of color at the executive level, and 67% have no people of color as board members. The CEOs in this sample are majority white at 91% **(Fig. 31)**.

Fig. 30. Representation by race and ethnicity (n=33)

Average composition of total employees, executive level and board

Total employees

| 59% | 33% | 8% |

Executive

3%

| 82% | 15% |

Board

| 68% | 13% | 19% |

■ White　　■ People of color　　■ Not disclosed

Race	Total emp.	Exec	Board
White	59%	82%	68%
Black	3%	1%	1%
Hispanic/Latinx	6%	4%	3%
Asian	23%	9%	9%
Native American/ Alaskan Native	0%	0%	0%
Native Hawaiian/ Pacific Islander	0%	1%	0%
2+ races	1%	1%	0%
Race not disclosed	8%	3%	19%

Fig. 31. CEO Demographics

Percentage of companies with CEO in given demographics

By race/ethnicity (n=33)

3%　3%　3%

91%

■ White

■ Black

■ Hispanic/Latinx

■ Asian

Note: Sample size for each question will vary as not all respondents answered every question

D&I APPROACHES

Fig. 32. Commitment to D&I*

76% say employees at their organization demonstrate a commitment to creating an inclusive environment (n=33)

85% say leaders at their organization consistently demonstrate a commitment to creating an inclusive environment (n=33)

34% say diversity and inclusion is one of their organization's stated values and/or priorities (n=32)

31% say their organization has a stated goal regarding creating an inclusive environment (n=32)

24% say leaders at their organization regularly talk about diversity (n=33)

*This chart is in the same order as Part I to highlight differences in this sample

Fig. 33. Which of the following statements are true at your organization?

(Percent selecting answer choice)

41% My organization has a public commitment to diversity (n=32)

24% D&I efforts have positively impacted business results in the past (n=33)

6% My organization publicly communicates information about its diversity goals (n=32)

Note: Sample size for each question will vary as not all respondents answered every question

COMMITMENT TO D&I

Companies reporting on race and ethnicity have leaders who are committed to D&I. Eighty-five percent say leaders consistently demonstrate commitment to creating an inclusive environment **(Fig. 32)**, compared to 73% of the full sample **(Fig. 6)**. That being said, about one-third (34%) say D&I is one of their organization's stated values or priorities, which is lower than the 46% of the Part I sample. Respondents in this sample and the broader sample report that their organization demonstrates a commitment to creating an inclusive environment (76% vs. 80% respectively) and stated that creating an inclusive environment is a goal (31% vs. 32% respectively) **(Fig. 32)**.

Twenty-four percent of organizations have leaders that regularly talk about diversity. Despite this stated commitment, 48% of respondents do not collect data on D&I and few look at discrepancies across compensation, promotions and performance rankings **(Fig. 38)**.

BUSINESS PRIORITIES AND DIVERSITY METRICS

Aligning with the Part I sample, nearly one-quarter (24%) of companies report that D&I efforts have positively impacted business results in the past. Indeed, D&I is acknowledged as a business priority for many BIO member companies—41% have a public commitment to diversity **(Fig. 33)**. Still, just 6% publicly communicate information about diversity goals **(Fig. 33)**.

GOALS TO PROMOTE AND DEVELOP DIVERSE TALENT

In a drop from the Part I sample, 6% of companies in this sample have goals to promote or develop women (compared to 16% in the Part I sample), and 3% have goals to do the same for people of color (compared to 12%) **(Fig. 34)**. Nine percent of respondents take diversity into account when selecting suppliers or vendors (compared to 12%) **(Fig. 34)**.

HIRING TARGETS

In this sample, 6% of companies report hiring targets for women, and 6% report hiring targets for people of color **(Fig. 35)**.

Much like Part II, the differences between the initiatives offered by Part I and III samples do not indicate vastly different approaches to D&I. Part III companies are less likely than Part I to require diverse slates of candidates for all open positions (24% vs. 34%) and for senior positions specifically (15% vs. 26%). They're also unlikely to convene diverse hiring committees, with 9% of the Part III sample compared to 26% of Part I. The Part III sample is more likely to hold individuals accountable for bias (64% vs. 46%) and harassment (85% vs. 66%) regardless of seniority or performance. The Part III sample is more likely than Part I to have an anti-bias or discrimination policy (70% vs. 61%) and clear channels for reporting (76% vs. 64%). As in Part II, **Figure 36** lists initiatives in the same order as Part I, in order to graphically highlight where Part III data deviated.

Fig. 34. Which of the following statements are true at your organization?

(Percent selecting answer choice)

6%	My organization has set goals to promote/develop women (n=32)
3%	My organization has set goals to promote/develop people of color (n=32)
9%	My organization considers diversity when selecting third party suppliers/vendors (n=33)

Fig. 35. Which of the following statements are true at your organization?

(Percent selecting answer choice)

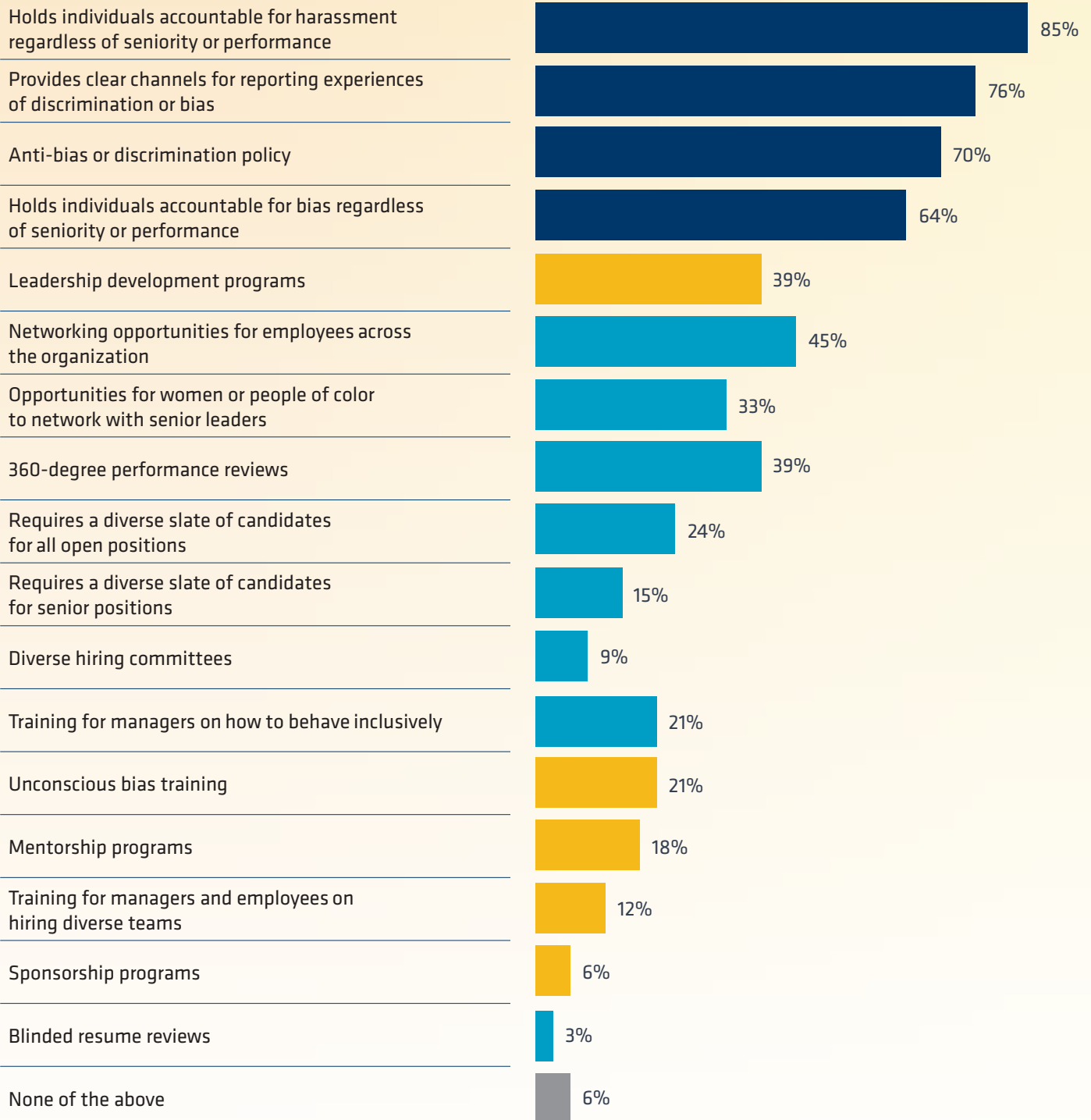|	
6%	My organization has hiring targets for women (n=32)
6%	My organization has hiring targets for people of color (n=32)
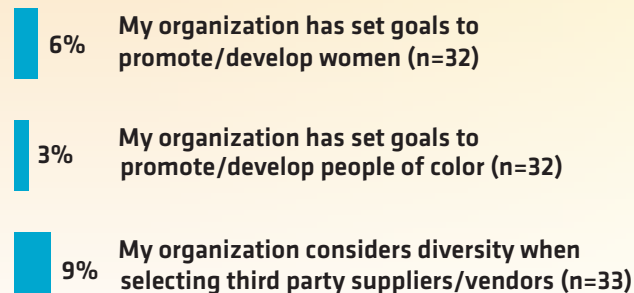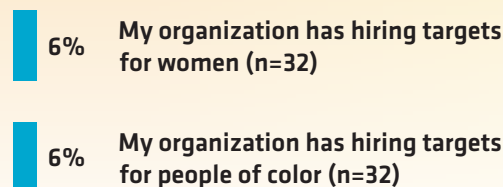
Note: Sample size for each question will vary as not all respondents answered every question

D&I INITIATIVES

Fig. 36. Which of the following does your organization use to support its diversity and inclusion efforts? (n=33)*

Initiative	Percentage
Holds individuals accountable for harassment regardless of seniority or performance	85%
Provides clear channels for reporting experiences of discrimination or bias	76%
Anti-bias or discrimination policy	70%
Holds individuals accountable for bias regardless of seniority or performance	64%
Leadership development programs	39%
Networking opportunities for employees across the organization	45%
Opportunities for women or people of color to network with senior leaders	33%
360-degree performance reviews	39%
Requires a diverse slate of candidates for all open positions	24%
Requires a diverse slate of candidates for senior positions	15%
Diverse hiring committees	9%
Training for managers on how to behave inclusively	21%
Unconscious bias training	21%
Mentorship programs	18%
Training for managers and employees on hiring diverse teams	12%
Sponsorship programs	6%
Blinded resume reviews	3%
None of the above	6%

■ Accountability and reporting   ■ Networking, reviews & hiring   ■ Training & official D&I programming

*This chart is in the same order as Part I to highlight differences in this sample

Note: Sample size for each question will vary as not all respondents answered every question

EMPLOYEE RESOURCE GROUPS

Employee resource groups, which are also known as affinity groups or employee networks, are uncommon in this sample. Eighty-eight percent of respondent companies do not have ERGs or affinity groups **(Fig. 37)**. Twelve percent have ERGs for women, 8% have ERGs for people of color or LGBTQ+, 4% have ERGs for millennials or people with disabilities and no companies in this sample reported having ERGs for veterans or other groups **(Fig. 37)**.

D&I DATA COLLECTION

Employee demographic data is the most common type of D&I data collected for companies in this sample (42%). For a breakdown of what those demographics entail, see **Fig. 14**. Thirty-nine percent of the companies in this sample collect data on discrepancies in compensation by gender, race, ethnicity or another dimension **(Fig. 38)**.

Thirty-three percent of companies in this sample gather data on discrepancies in promotions and 18% gather data on performance ranking by gender, race, ethnicity or another dimension **(Fig. 38)**. Zero percent gather feedback from customers on diversity practices.

Overall, 48% of companies in this sample don't gather data on any of the listed areas **(Fig. 38)**.

Fig. 37. Does your organization have employee resource groups (ERGs) or affinity groups specifically for...?
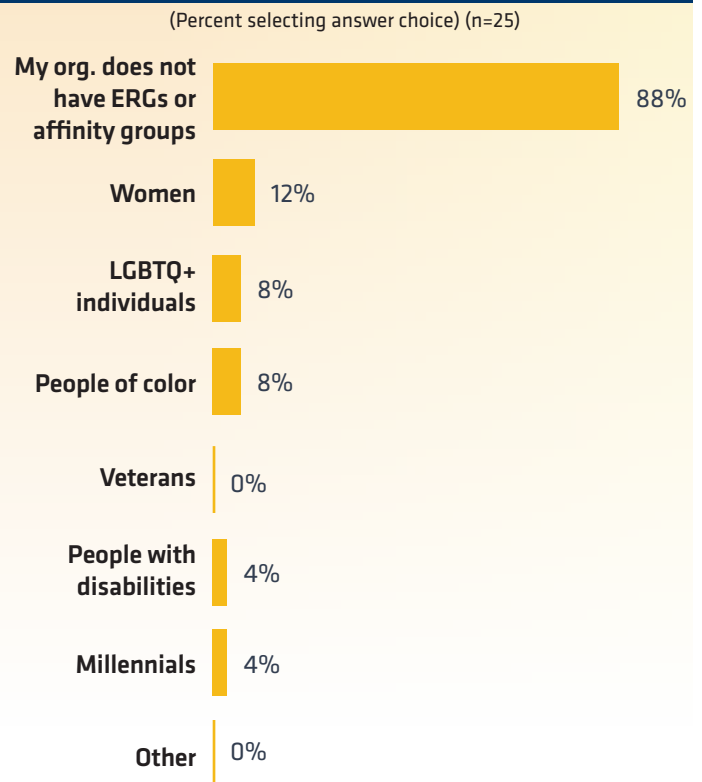
(Percent selecting answer choice) (n=25)

Category	Percent
My org. does not have ERGs or affinity groups	88%
Women	12%
LGBTQ+ individuals	8%
People of color	8%
Veterans	0%
People with disabilities	4%
Millennials	4%
Other	0%

Fig. 38. Which of the following types of data does your organization gather and analyze?

(Percent selecting answer choice) (n=33)

| Category	Percent
Employee demographics	42%
Compensation discrepancies*	39%
Promotion discrepancies*	33%
Performance ranking discrepancies*	18%
Feedback from customers on diversity practices	0%
None of the above	48%

*by gender, race, ethnicity or other dimensions

Note: Sample size for each question will vary as not all respondents answered every question

RECOMMENDATIONS

BIO asserts that D&I is a business priority, not simply a "nice-to-have" add-on. Organizations of all sizes can positively impact D&I when it is pursued with genuine intention, effort, communication and investment. Below are recommendations based on the expertise and experience gained by CTI research and advisory services.

Where an organization is on CTI's research-based, proprietary D&I maturity curve will guide what level, type and sequence of action the company should take to improve diversity and inclusion in its organization.
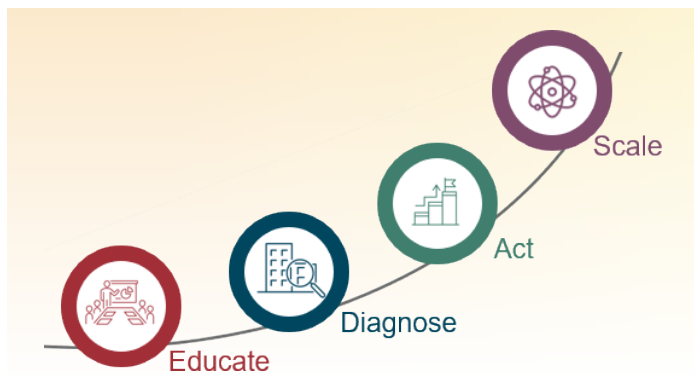
- **Educate:** Ensure the benefits of D&I are understood across the organization

- **Diagnose:** Gather data to define the current state of D&I and make the case for action

- **Act:** Launch pilot programs to assess impact, gain buy-in and adjust implementation parameters

- **Scale:** Grow pilot programs to broad use and embed D&I principles with individuals and in the organization

As such, the first step for any company with a desire to make progress in D&I should be a self-assessment to understand the organization's current placement on the D&I maturity curve. There may be instances where an organization is in the 'act' phase for one element of D&I while still in the 'educate' phase for other elements of D&I. These nuances should be taken into account when implementing the following recommendations.

REPRESENTATION

- **Establish metrics and parameters:** Decide which representation metrics to track in the near- and long-term, and gain buy-in on the most important of those metrics and the targets for the metrics.

- **Collect, track and share data:** In order to make meaningful progress on representation, a critical step is collecting and tracking data over time. Additionally, sharing this data internally and externally keeps organizations accountable to maintaining progress. The following data collection points are recommended:

  - Gender demographics
  - Race/ethnicity demographics
  - LGBTQ+ demographics
  - Disability demographics
  - Age demographics
  - Veteran status

- **Focus on the Board:** Given extremely low gender and race/ethnicity representation at the board level, it is imperative to put a disproportionately high focus on recruiting diverse board members, using, for example, targeted talent networks instead of relying on word-of-mouth and personal connections.

PROCESSES AND PROCEDURES

- **Hold ongoing leadership development and inclusive behavior trainings:** Company-wide and leader-specific D&I programming focused on supporting diverse talent can help shift the majority culture to be more inclusive.

- **Communicate clear, consistent procedures:** Regularly communicate reporting channel options and what to expect after submitting a report. Employees who can rely on a uniform process are likely to trust their options and report liabilities.

- **Invest in pay equity:** Competitive candidates and high potential employees of all types value investments in equitable pay. CTI research shows that a commitment to pay equity is linked to increases in the likelihood of women in STEM advancing and staying at their companies.

HIRING, PROMOTION AND REVIEWS

- **Widen the "funnel" to find prospective candidates:** Many groups are underrepresented throughout the talent pipeline. Recruiting from a wider range of schools and job market platforms can foster a much more inclusive hiring process.

- **Hold blinded resume reviews:** Research shows that race, gender, and even a candidate's name can lead to bias in hiring processes. Removing this information keeps the focus on other qualifications.

- **Establish diverse-slate hiring:** Require a diverse set of candidates for each open position, augmented by a diverse hiring committee. Some organizations request a written explanation when a qualified underrepresented candidate is not selected.

- **Take measures to de-bias reviewing:** Introduce standardized performance indicators into the performance review process to eliminate bias and subjectivity.

- **Deepen understanding of intersections between career progress and D&I:** Establish methods to track representation data throughout the outreach, review, promotion, compensation and exit processes to identify key problem points.

NETWORKING

- **Provide networking opportunities for diverse talent:** Strategically schedule substantive events like internal conferences, meetings or hackathons where high-performing talent can showcase skills and achievements for senior leaders.

- **Create sponsorship programs:** While mentors help employees navigate a workplace, sponsors boost careers through advocacy. Formalized sponsorship programs create opportunities for diverse talent to advance.

ACCOUNTABILITY AND "PR"

- **Set goals—then collect, track and share data:** Whether piloting a leadership development program or establishing an ally program, success must be measurable. Communicate specific goals to ensure accountability, and track the effectiveness of D&I initiatives through time. If data does not show progress, take the opportunity to tweak approach instead of abandoning the initiative outright.

- **Maintain buy-in:** Regularly report on the successes and learnings from D&I initiatives to continue buy-in, support and advocacy of increased D&I investment in the organization.

BIO's resources can support further development in D&I for member organizations

Bio THE RIGHT
mixmatters

The future of biotech is brighter when your team has the right mix.

At BIO, we represent pioneers in the world's most innovative industry. It's our job to support and advocate for our members as they pursue cutting-edge scientific and technological advancements – from finding new ways to treat cancer to enhancing the very food we eat.

Vist **RightMixMatters.org** for tools to access new and future diversity and inclusion tools.

BIO Boardlist
An online portal of curated talent that connects a diverse pool of highly qualified leaders with opportunities to serve on private and public company boards.

BIO Diversity & Inclusion (D&I) Toolkit
A set of practical tools that supports company leaders, employees, and HR professionals in the development of programs, procedures, and best practices to build diverse leadership in C-suites and on company boards.

Appendix

FULL DATA FOR ALL STUDIED POPULATIONS

Demographic data			
	Sample 1: All respondents	**Sample 2: Companies that completed all the gender metrics**	**Sample 3: Companies that completed all the race/ethnicity metrics**
Sample size	98	50	33
Company size (# employees)			
< 10	19%	20%	24%
11-50	28%	35%	33%
51-100	18%	18%	18%
101-500	16%	18%	21%
501-10,000	9%	8%	3%
> 10,000	10%	0%	0%
Revenue			
Pre-revenue	54%	62%	64%
$1 to < $1M	4%	6%	3%
$1M to < $100M	21%	20%	21%
$100M to < $2B	8%	8%	9%
$2B or more	13%	4%	3%
Market cap			
Less than $10M	16%	17%	8%
$10M to < $300M	44%	45%	54%
$300M to < $2B	17%	21%	23%
$2B to < $10B	7%	12%	12%
$10B or more	16%	5%	4%
Holding			
Public	54%	60%	52%
Private	46%	40%	48%
Geographic scope of operations			
Local	52%	53%	59%
Multinational	48%	47%	41%
Sub-industry			
Biopharma	92%	92%	91%
Food and Agriculture	3%	2%	0%
Industry and Environment	1%	0%	0%
Other	4%	6%	9%
HR/D&I Staffing			
Have HR staff	66%	60%	58%
Have D&I staff	17%	10%	9%

Note: Sample size for each question will vary as not all respondents answered every question

Representation data (gender and race/ethnicity)

	Sample 1: All respondents	Sample 2: Companies that completed all the gender metrics
Gender: Percentage of women		
Average % of Org	45%	46%
Average % of Exec	30%	28%
Average % of Board	18%	19%
Overall % of CEOs	16%	16%

	Sample 1: All respondents	Sample 3: Companies that completed all the race/ethnicity metrics
Average composition of organization		
White	59%	59%
People of color	32%	33%
Black	4%	3%
Hispanic/Latinx	5%	6%
Asian	22%	23%
Native American/Alaskan Native	0%	0%
Native Hawaiian/Pacific Islander	0%	0%
2+ races	1%	1%
Not disclosed	10%	8%
Average composition of executive team		
White	82%	82%
People of color	15%	15%
Black	1%	1%
Hispanic/Latinx	3%	4%
Asian	9%	9%
Native American/Alaskan Native	0%	0%
Native Hawaiian/Pacific Islander	0%	1%
2+ races	1%	1%
Not disclosed	4%	3%

Note: Sample size for each question will vary as not all respondents answered every question

Average composition of board

White	68%	68%
People of color	14%	13%
Black	1%	1%
Hispanic/Latinx	3%	3%
Asian	11%	9%
Native American/Alaskan Native	0%	0%
Native Hawaiian/Pacific Islander	0%	0%
2+ races	0%	0%
Not disclosed	17%	19%

Overall % of CEOs

White	88%	91%
People of color	12%	9%
Black	5%	3%
Hispanic/Latinx	3%	3%
Asian	3%	3%
Native American/Alaskan Native	0%	0%
Native Hawaiian/Pacific Islander	0%	0%
2+ races	0%	0%

Note: Sample size for each question will vary as not all respondents answered every question

D&I Approaches

	Sample 1: All respondents	Sample 2: Companies that completed all the gender metrics	Sample 3: Companies that completed all the race/ethnicity metrics
Overall commitment to D&I – Agreement with the following:			
Employees at their organization demonstrate a commitment to creating an inclusive environment	80%	74%	76%
Leaders at their organization consistently demonstrate a commitment to creating an inclusive environment	73%	76%	85%
D&I is one of the organizations stated values and/or priorities	46%	45%	34%
Org has stated goal regarding creating an inclusive environment	32%	35%	31%
Leaders at their org regularly talk about diversity	28%	26%	24%
Business Priorities and Diversity Metrics – Agreement with the following:			
My organization has a public commitment to diversity	39%	37%	41%
D&I efforts have positively impacted business results in the past	30%	24%	24%
My organization publicly communicates information about its diversity goals	10%	8%	6%
Goals to Promote Diverse Talent – Agreement with the following:			
My organization has set goals to promote/develop women	16%	6%	6%
My organization has set goals to promote/develop people of color	12%	4%	3%
My organization considers diversity when selecting third party suppliers/vendors	12%	8%	9%
Hiring Targets – Agreement with the following:			
My organization has hiring targets for women	11%	6%	6%
My organization has hiring targets for people of color	10%	6%	6%

Note: Sample size for each question will vary as not all respondents answered every question

D&I Initiatives

	Sample 1: All respondents	Sample 2: Companies that completed all the gender metrics	Sample 3: Companies that completed all the race/ethnicity metrics
Overall D&I Initiatives – Percentage of organizations with the following:			
Blinded resume reviews (i.e. names are removed from resumes before consideration)	3%	2%	3%
Requires a diverse slate of candidates for all open positions	34%	30%	24%
Requires a diverse slate of candidates for senior positions	26%	26%	15%
Diverse hiring committees	26%	18%	9%
Unconscious bias training	22%	20%	21%
Training for managers and employees on hiring diverse teams	12%	10%	12%
Training for managers on how to behave inclusively	24%	22%	21%
Mentorship programs	18%	14%	18%
Sponsorship programs	9%	6%	6%
Holds individuals accountable for bias regardless of seniority or performance	46%	58%	64%
Holds individuals accountable for harassment regardless of seniority or performance	66%	76%	85%
Leadership development programs	44%	40%	39%
Anti-bias or discrimination policy	61%	62%	70%
Establishes clear channels for reporting experiences of discrimination or bias	64%	72%	76%
Networking opportunities for employees across the organization	42%	42%	45%
Opportunities for women or people of color to network with senior leaders	36%	32%	33%
360-degree performance reviews	35%	34%	39%
None of the above	10%	6%	6%

Note: Sample size for each question will vary as not all respondents answered every question

D&I Initiatives

	Sample 1: All respondents	Sample 2: Companies that completed all the gender metrics	Sample 3: Companies that completed all the race/ethnicity metrics
Employee Resource Groups (ERGs) – Percentage of organizations with ERGs for the following groups:			
Women	27%	13%	12%
People of color	19%	8%	8%
LGBTQ+ individuals	21%	8%	8%
Millennials	10%	3%	4%
People with disabilities	15%	5%	4%
Veterans	16%	3%	0%
My org. does not have ERGs or affinity groups	73%	87%	88%
Other	6%	3%	0%
D&I Data Collection – Percentage of organizations that gather and analyze the following type of data:			
Employee demographics	51%	45%	42%
Discrepancies in performance rankings	18%	14%	18%
Discrepancies in compensation	44%	39%	39%
Discrepancies in promotions	30%	29%	33%
Feedback from customers on our diversity practices	2%	0%	0%
None of the above	41%	47%	48%

Note: Sample size for each question will vary as not all respondents answered every question

ENDNOTES

1. Ella Bell Smith, Sylvia Ann Hewlett, Trevor Phillips, Ripa Rashid with Melinda Marshall and Tai Wingfield, *Easing Racial Tensions at Work* (New York: The Center for Talent Innovation, 2017).

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3. CVM, a Supplier.io company, "The 2019 State of Supplier Diversity—Supplier Diversity Programs," www.cvmsolutions.com, 2019, https://info.cvmsolutions.com/download-the-2019-state-of-supplier- diversity-reports.

4. Stasiak L, Simpson K, "Opening the Path to a Diverse Future," Liftstream, 2017, https://www.massbio.org/discover/diversity/massbio-report.

5. Sylvia Ann Hewlett with Kerrie Peraino, Laura Sherbin, and Karen Sumberg, *The Sponsor Effect: Breaking through the Last Glass Ceiling* (Cambridge: Harvard Business Review, 2010).

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