When Women Thrive offers an evidence-based approach to improving diversity and inclusion. For our 2020 global report, we surveyed more than 1,150 companies in 54 countries, representing over seven million employees worldwide. Uncover the active measures you can take to ensure equality of opportunity, experience and pay — and nurture an inclusive culture.
Let's get real about equality
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Today’s leaders are quick to point out how focused they are on empowering women and how hard they’re working to build diverse teams, but it’s time to get real about it. We’re still a long way from gender equality.

Across industries and geographies, women continue to face challenges — from unfair treatment to unequal pay and limited access to opportunity for career development and advancement. These stubborn realities are why, six years ago, we at Mercer founded our When Women Thrive, Businesses Thrive research and consulting practice.

Since then, we’ve gone from proving the business case for gender equality to how to accelerate the trajectory and get it done. We’re continuing to invest in this research for our clients because diversity and inclusion are good not only for business but also for the society we share. Significantly, we’ve almost doubled the number of respondents participating in our 2020 research compared to our 2016 report. The research now represents 1,157 organizations with 7 million employees from 54 countries.

This surge in participation includes many organizations in emerging markets, demonstrating that gender equality is no longer just an issue for the mature economies — indeed, it has evolved into a global imperative. In this year’s research, 81% of our respondents across all regions rated diversity and inclusion as “important” or “very important.”

Still, we found that women’s representation has only slightly improved: 40% of the global workforce is female, up from 38% in 2016. Female representation in executive and senior management levels also saw a modest 3% uptick.

Progress, yes, but not enough. We know that diverse teams bring value to organizations, and a substantial and growing body of research shows that companies with a more equal gender balance substantially outperform those without. But study after study shows that women, people of color, LGBTQ+ people and those with disabilities remain vastly underrepresented in leadership roles and executive positions.

Only 33 companies on the Fortune 500 are run by women — that’s about 7%. In terms of board seats at those same companies, only about one-third are held by women and minorities. What will move the needle toward gender equality and true diversity and inclusion?

Our 2020 When Women Thrive research shows that three key components, when put together, will drive real change. Gender equality can thrive at organizations that:

1. **Use data-driven insights** to inform decisions and measure success, leveraging assessments such as Mercer’s Internal Labor Market Analysis® methodology and Mercer | EDGE.

2. **Set clear and visible goals** that ensure values don’t get diluted.

3. **Drive culture and tone from the top**: A deep leadership commitment to taking action and engaging employees is part of the solution.

Organizations agree on the imperatives of gender equality, diversity and inclusion, so why is progress so slow? I hold that there’s not enough accountability. We need leaders who not only believe in the business value of diversity and inclusion but also take responsibility for it, ensuring that it flows throughout the organization — not as a mandate, but as a powerful component of culture.

At Mercer, we routinely take a hard, objective look at ourselves,
our leaders, our processes and our programs to find opportunities for impact; for example, we did a business impact analysis and found that project teams with greater gender diversity had 28% higher win rates.

Policies, processes and programs need to be aligned and connected to eliminate bias — especially the unconscious bias that leads people to hire and develop people who look, talk and think like they themselves do.

These are challenging goals and aspirations, but the organizations that live up to them will empower themselves and their employees for a better future. Welcome to the brighter horizons outlined in our 2020 research!

Martine Ferland
President and Chief Executive Officer, Mercer
About this report

The Let’s Get Real About Equality: When Women Thrive 2020 Global Report builds upon our seminal 2014 and 2016 research that looked at the achievements made to date and the ground yet to cover. Learnings from this research help guide organizations in the steps they must take to successfully institutionalize the policies, practices and programs that will help ensure equality of opportunity, experience and pay — and ultimately nurture an inclusive culture.

Our 2020 research is notable for its remarkable size and geographic scope, placing it as one of the most comprehensive workforce gender equality studies in the world. We observed a substantial increase in participation from regions where the focus on diversity and inclusion (D&I) is still emerging, but emerging rapidly based on our findings.

Size

1,157 organizations

Scope

2.8 million women represented globally

Geographic scope

54 countries in Asia, Australia and New Zealand, Europe, Latin America, Middle East and Africa, North America

Our global and regional responses for each survey question are available for download at www.mercer.com/wwt-research. In addition to this global report, Mercer will publish 17 additional reports in 2020 to share insights and solutions relevant to particular geographies and industries.

About the When Women Thrive survey

Our 2020 global survey was conducted between September 23 and November 22, 2019. Respondents were surveyed on topics relating to:

- Engagement, accountability and leadership
- Organization design and governance
- Pay equity commitments and analysis
- Talent practices and career development
- Financial wellness, health and caregiving
- Organizational flexibility
- Policies and programs

Respondents provided workforce data aggregated by gender, age group and career level for a 12-month period, including starting and ending headcounts, hires, promotions and exits. In addition, US respondents provided race/ethnicity data by gender and career levels.

Data were analyzed using descriptive statistics and Mercer’s proprietary Internal Labor Market Analysis® (ILM) mapping, which has been a hallmark of the When Women Thrive research.
Defining diversity, inclusion and gender
For the purposes of the report, we define diversity as a variation in backgrounds, attitudes, values, beliefs, experiences, behaviors and lifestyle preferences with respect to gender; race; ethnicity; nationality; language; age; cognitive and physical abilities and characteristics; sexual orientation; education; religion; socioeconomic situation; marital status; social role; personality traits; and ways of thinking.

We define inclusion as practices that provide an equitable and fair distribution of resources, such as jobs, income and access to opportunities and information, which ultimately drive and support a culture where all members can thrive. Such acts and practices enable all members, including those from underrepresented groups, to be respected and appreciated for their unique contributions and to be fully integrated into the formal and informal networks of an organization.

Mercer encourages organizations to be inclusive of all genders, including cisgender women and men, transgender women and men, and non-binary individuals. Although some organizations are beginning to track the broader spectrum of gender identity in their workforces, most still exclusively track employee gender as male and female, which is reflected in the binary data collected in this research.

This research was conducted in collaboration with EDGE Certified Foundation.

EDGE Certification is the leading global assessment methodology and business certification standard for gender equality. Getting certified validates an organization’s ability to create an optimal workplace that benefits both women and men. EDGE Certification provides a competitive advantage by recognizing an organization as a gender-enlightened environment in which to work, invest and do business. Mercer is the exclusive Accredited Licensing Partner for EDGE in the US, UK and Latin America.
Let's get real about equality.
Five years later:
How do we boldly shape a
diverse global workforce and inclusive culture?

In the five years since Mercer conducted its ground-breaking research and published the landmark global report *When Women Thrive, Businesses Thrive*, “thriving” has embodied the spirit of an era indelibly marked by empowering movements. The pursuit of workforce D&I culture has become a front-and-center pursuit for organizations around the world.

With new and expanded research, *Let’s Get Real About Equality: When Women Thrive 2020 Global Report* takes a deep dive into where D&I is now and addresses the critical question, “What actions are needed to boldly shape the future?”

Worldwide, the research provides encouraging evidence of seismic shifts, significant developments and tangible traction as organizations take the steps necessary to make progress. Eighty-one percent of organizations reported that broadly improving D&I is “important” or “very important.” Also cause for celebration are concrete gains in hiring, promotion and retention rates of women across all career levels — significant achievements.

Gender equality, though, is only one dynamic in an increasingly ethnically, economically, generationally and educationally diverse workforce. It requires more holistic approaches and systemic changes to ensure that the workplaces of the future are fit for purpose. This means embedding practices that ensure a continued diverse talent flow throughout organizations along with policies that guarantee equal opportunity, experience and pay for all employees. It also means concertedly addressing and meeting the unique needs of women — from health and well-being, to financial wellness and caregiving — and embracing the perspectives, roles and support of middle and frontline managers (men and women).

Though optimistic, we are also realistic. Challenges and barriers remain. When we encourage organizations to “get real,” it’s a call to take specific actions that will, over time, systematically surmount challenges and knock down barriers. We are biased in favor of incremental steps toward progress over sweeping commitments or pledges that lack a concrete plan of action. After all, achieving equality of opportunity, experience and pay is hard work; let’s be smart about how we do it.

Let’s Get Real About Equality: *When Women Thrive 2020 Global Report* enables organizations to progress further from wherever their starting point may be. We provide guidance for those looking to get started and activate, those building on a strong foundation to accelerate or those ready to truly thrive.

At Mercer, our position on “thriving” has evolved along with the times and, fittingly, we are embracing the concept in a more inclusive way. Truly, when women thrive, businesses thrive; we now have more and more examples demonstrating that this is indeed the case. But today, women thriving transcends business. When women thrive, so do men, families, communities, countries and society as a whole. Collectively, by driving equality, we are creating a better, more equitable world for everyone.
Let's get real about equality

Pressure cooker
Over the past five years, important factors and forces have emerged and evolved, resulting in increased pressure on organizations for greater progress. This pressure is coming from many directions. So much so, few organizations are untouched in some way:

- **Environmental, social and corporate governance (ESG):** The rise in ESG investing has increased the focus on diversity as a way for stakeholders to measure the social impact of an investment.

- **Disclosure:** We've seen an increase in voluntary disclosure of gender representation by organizations, notably in the tech sector, and a growing recognition among business leaders that gender parity provides a competitive advantage. For example, in September 2018, media company Bloomberg announced the launch of its Gender Equality Index, a partnership with the UK government to track the performance of public organizations with a commitment to advancing women globally.

- **Shareholder activism:** Activism among shareholders is also on the rise, with resolutions promoting further progress and diversity gaining increasing support. For example, in January 2019, Arjuna Capital challenged 12 top banks and technology giants to reveal their median gender pay gap!

- **Regulation and quotas:** More countries, especially in Europe, now have gender quotas for senior executives and boards.

- **Pay-equity mandates:** And, of course, mandates to bridge pervasive pay gaps are high on the agenda. Governments, such as in the UK and France, have issued new reporting requirements on gender-pay differences, with 40 economies enacting 62 reforms that will help women realize their potential and contribute to economic growth and development globally. The pressure isn't coming just from legislation. In one globally galvanizing event, the champion US Women's National Team turned the World Cup soccer playing field into a global stage for equal pay when it filed a lawsuit against US Soccer for parity with male athletes' paychecks.

- **Millennial and Generation Z demands:** These generations have experienced an equality of opportunity and experience in education, sports and more. They expect it in the workplace as well, along with equal pay, and are vocal and active in ensuring they get it.

All of these developments come in an environment where the fundamental role of business is shifting. In August 2019, the influential Business Roundtable signed a pledge to redefine the purpose of a corporation from maximizing profits to committing “to lead their organizations for the benefit of all stakeholders — customers, employees, suppliers, communities, and shareholders.”

Larry Fink, Founder, Chairman and CEO of BlackRock, offered the same admonition to businesses: Look beyond quarterly results and collect information on how you are managing sustainability-related questions — including workforce diversity.

Add into the mix countless media headlines; increasing pressure from worker affinity, activist and advocacy groups; and demands from shareholders and stakeholders, and these voices will not be ignored. Plus — and this is a big plus — the business case has been proven, time and time again!

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3 The Business Roundtable comprises CEOs from a broad spectrum of nearly 200 leading organizations.

Brave new world

Encouragingly, our latest research illuminates optimism-inducing bright spots around the world and across organizations. From positive progress to tremendous gains, these areas demonstrate forward momentum with the potential for lasting impact. In other areas, we found clear learning curves and room to grow.

Over the years, Mercer has gained a better understanding of the evolving D&I universe. For a new organization just opening its doors, we can confidently advise them on the practices, policies, programs and processes necessary to sustain a diverse workplace with an inclusive culture.

For most other organizations, in real terms, reaching that mark will require pushing past parity in hiring, retention and promotion, and getting to root causes of differences in the career trajectories of women compared with men. It will necessitate perseverance over time. These efforts are playing out in a complex global ecosystem with multiple stakeholders under scrutiny — internally and externally — from employees and boards to activist groups and customers. Women representing 50% of the global workforce is still decades away. That’s one thing about math: It’s undeniable.

So how do we actually get to where we want to go? We lay it out in the three main sections of the report.

Out on the horizon yet within our grasp lies a Bright Future (see Section 3). The road has been partly paved by the progress we have made so far, and the signposts are promising. Here, we are learning from what is working and are applying it at warp speed.

- Hiring, promotion and retention of women are all on the rise.
- 81% of organizations say improving D&I is high on their agenda.
- 66% of organizations say senior executives are actively engaged in D&I.
- 72% of organizations are conducting pay-equity analyses.
- 48% of men are engaged in improving gender equality, up from 38% in 2016.
Vital to activating and accelerating progress is strategically aligning D&I goals with business objectives. Are D&I success measures in one silo and business success metrics in another? Are data and technology being harnessed and maximized across enterprises to empirically guide D&I strategies to increase the probability of success? In Section 4, we examine how to Walk the Talk.

Also crucial is cultural alignment. Are our policies saying one thing and our managers doing another? The importance of culture underpinned by core values, as well as processes, programs and accountability, cannot be underestimated. We have to Hardwire It into the organization to make it stick (see Section 5).

So, with all hands on deck and rowing together in the same direction, we can most certainly go further, faster. A coordinated effort among organizations, industries, communities and countries will move that proverbial needle to truly ensure equality of opportunity, experience and pay.

The six Ps of an effective gender diversity strategy

The six Ps identified in our 2016 research are as enduring and relevant today as they were when we published the original research. In order to achieve success, organizations need:

1. **Passionate leadership**
   Women thrive when leaders at all levels are passionately engaged.

2. **Personal commitment**
   Women thrive when both men and women are engaged and see gender equality as a win-win.

3. **Perseverance**
   Women thrive when an organization’s commitment to gender equality can sustain leadership changes and persevere over time.

4. **Proof of what’s helping and what’s hurting**
   Women thrive when organizations use data to understand where they have gaps and to build an evidence-based strategy to close them.

5. **Processes that actively support women**
   Women thrive when organizations ensure equity in their talent practices; for example, pay, promotion and performance management.

6. **Programs that support women’s unique needs**
   Women thrive when their unique health and financial needs are supported.

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Let's get real about equality
First, the good news: Parity in talent flows is now a reality. The latest global ILM map emerging from our research shows that the hiring, promotion and turnover rates (as a percentage of the existing headcount) for women are favorable or comparable to men. In other words, the average global organization has achieved essential parity in the talent flows that drive representation over the long haul.

**This is a brilliant bright spot.**

Plus, organizations globally are optimistic about their ability to attract, retain and advance women. Less than a third of organizations globally say that they are challenged by:

- Attracting: 32%
- Advancing: 32%
- Retaining: 20%
Let’s get real about equality

Mapping the ILM

Every organization operates an “internal labor market.” People are selected, learn and develop, perform, advance, and choose to stay or leave in response to the practices and circumstances they experience.

An organization’s internal labor market (ILM) dynamics constantly shape its workforce. Ideally, those dynamics are creating the workforce that best meets the business needs of the enterprise, including D&I. A succinct way of representing key D&I dynamics is an ILM map. Such a map is a “system at a glance” visualization of a workforce. A map arrays a workforce by career levels, each having different scopes of responsibility, authority and compensation. An ILM map also displays fundamentally important aspects of talent flows — specifically, the entry and exit of talent by career level and the rates of advancement from lower to higher levels. Visualizing this information by gender can deliver valuable insights.

Examples of insights available from ILM maps include:

- **Balance — or imbalance** — of representation of women and men by career level.

- The extent to which an organization “buys” its talent via hiring or “builds” its talent via promotion into higher career levels. Talent strategies that emphasize one over the other can play out in ways that affect gender equality.

- The presence of “choke points”; that is, bottlenecks where rates of advancement into a higher level shrink precipitously. Choke points can occur that disproportionately affect one gender, such as when the chances of promotion for women falls below that of men.

- **Unwanted differences** in talent losses by gender.

ILM maps help track change over time, both to mark progress and to forecast future workforce composition; for example, what will gender representation be five to 10 years from now given current rates of hire, promotion and turnover? The maps also are the starting point for next-step investigation into why unwanted gender differences exist, in order to identify where and what interventions are needed.

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Organizations are generally getting better at bringing women into their talent pipelines at all levels. Female hiring rates modestly exceed those for males across all career levels, with the notable exception of managerial levels, where the hiring rates are equal. This represents a positive shift from 2016, when we saw female hiring more focused at the top levels.

Promotion rates are comparable for men and women. The modest advantage in promotion for women across most career levels in 2016 data is no longer observed.

Turnover rates for women are equal to those for men at the bottom two levels, whereas they are modestly lower than those for men at the top three levels.

### Internal labor market talent flows

<table>
<thead>
<tr>
<th>Career level</th>
<th>Total hires</th>
<th>Average representation and total promotions</th>
<th>Total exits</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Female</td>
<td>Male</td>
<td></td>
</tr>
<tr>
<td>Executive</td>
<td>Females: 7%</td>
<td>Males: 6%</td>
<td>Females: 9%</td>
</tr>
<tr>
<td></td>
<td>23%</td>
<td>77%</td>
<td>Males: 11%</td>
</tr>
<tr>
<td>Senior manager</td>
<td>Females: 8%</td>
<td>Males: 6%</td>
<td>Females: 9%</td>
</tr>
<tr>
<td></td>
<td>29%</td>
<td>71%</td>
<td>Males: 10%</td>
</tr>
<tr>
<td>Manager</td>
<td>Females: 8%</td>
<td>Males: 8%</td>
<td>Females: 8%</td>
</tr>
<tr>
<td></td>
<td>37%</td>
<td>63%</td>
<td>Males: 9%</td>
</tr>
<tr>
<td>Professional</td>
<td>Females: 14%</td>
<td>Males: 13%</td>
<td>Females: 11%</td>
</tr>
<tr>
<td></td>
<td>42%</td>
<td>58%</td>
<td>Males: 11%</td>
</tr>
<tr>
<td>Support staff</td>
<td>Females: 16%</td>
<td>Males: 15%</td>
<td>Females: 14%</td>
</tr>
<tr>
<td></td>
<td>47%</td>
<td>53%</td>
<td>Males: 14%</td>
</tr>
</tbody>
</table>

**Overall representation:** 40% females | 60% males
Global gender gap in perspective: World Economic Forum 2020 report highlights

We saw some good news from the World Economic Forum’s latest research — and it may in part be driving the talent flow parity gains we see in the global ILM map.

Women around the world are enjoying increased levels of education and health. Educational Attainment and Health and Survival are much closer to gender parity at 96.1% and 95.7%, respectively. In fact, we may see the Educational Attainment global gender gap closed in just 12 years, mainly thanks to advancements in some developing countries. And closing the Health and Survival gender gap has already been achieved in 40 of 153 countries, according to the 2020 report.7

Pushing past parity

Gender parity in talent flows is a critical accomplishment of the past five years and, indeed, an indicator of progress. However, the research also reveals that we still are not where we want to be — and may not get there anytime soon at the rate we’re going.

Why? Overall, only 40% of the participating organizations’ workforce is female, up from the 38% observed in the previous When Women Thrive research. Although female representation in both the executive and senior-manager levels has increased by 3 percentage points from 2016 to the 2020 research, we still continue to see a dramatic reduction in the representation of women as career levels rise.

Unfortunately, equalization of hire, promotion and exit rates for men and women alone will not change the trajectory for achieving parity anytime soon; simple math makes that clear. If these talent flows were to remain constant over the next 10 years, we predict that female representation at the professional level and above will realize only a modest 3-percentage-point increase in this decade to come.

Let’s put this another way: The average organization committed to reaching gender parity in the next decade (a frequently cited goal) simply isn’t going to get there merely by doing what it has been doing. Discouraging? Yes, absolutely, as so many organizations have taken significant steps to progress this goal. The math indicates that reaching gender parity anytime soon will require a systematic over-indexing of women over men in hiring, advancement and retention.

This is likely not a palatable or realistic game plan for the vast majority of organizations.

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Those organizations that are prepared to make bold moves, such as over-indexing, should be ready for significant challenges. Leaders need to be deeply and uniformly committed, transparent about goals, and candidly ready to address the inevitable question from male employees: What about us?

What’s more, an organization’s practices, programs and policies all need to be carefully aligned to support the effort and help ensure an inclusive environment where there isn’t just equal representation, but also equality of opportunity, experience and pay at all levels. Finally, in some jurisdictions, these tactics would need to be carefully assessed by appropriate legal counsel to ensure they are structured and administered in full compliance with the law.

The bottom line? Changing the math isn’t going to be easy.
Let’s get real about equality

Parity in perspective: Haig Nalbantian, Co-Founder, Workforce Sciences Institute, Mercer

“We observe in the new data a move to full parity in hiring, promotion and turnover rates — that is, ‘talent flows’ — between women and men in the organizations covered. That’s an achievement to be celebrated. However, parity in these talent flows does not automatically translate into equality in representation in leadership or across career levels. Unfortunately, most organizations are up against the weight of history, when past imbalances in hiring, promotion and turnover have left them with an insufficient internal pipeline of women to produce equitable representation in middle and upper levels within a reasonable period of time, even if they maintain parity in the key talent flows.

If your goal is full equality in representation, you may have to embrace more aggressive solutions that focus exclusively on women. One approach to hasten progress is ‘over-indexing’; that is, making a concerted effort to overcorrect for past imbalances in hiring, promotion and turnover going beyond simple parity until true equality is achieved.

Another more nuanced approach is to proactively manage the careers of talented women. Use hard data from statistical modeling to identify empirically what it takes to be successful in your organization, not just individual characteristics or behaviors, but ‘situational’ factors such as the roles, the jobs, the parts of the business, the people employees work with or for. We find in our work with clients that such situational factors strongly predict whether employees will advance or receive high performance ratings. In effect, some employees are better positioned to succeed than others.

All too often, women are less likely than their male counterparts to be in such favorable situations. By proactively managing the careers of high-potential, high-performing women, you can help ensure that systemic barriers to their success are overcome. The advantage of this approach relative to over-indexing is that it is inherently aligned with the underlying talent dynamics and rewards in the organization, thereby reflecting business imperatives. Hence, it is more likely to be embraced by leadership and all employees, which is a prerequisite for success.

In the past, organizations were too circumspect and risk-averse to embrace any solution that openly offered special consideration for any one group. But this is changing.

Today’s CEOs and boards are serious about equality in the workforce; they increasingly want to be able to report publicly that they’ve achieved true gender parity in pay, representation and equality of opportunity. In pursuit of this goal, they are more willing to be both bold and flexible.
Beyond gender: racial and ethnic reality in the US

Although gender diversity is a global issue, diversity encompasses many other dimensions such as ethnicity and culture. In this report, we are able to address one additional dimension of diversity: race/ethnicity in the US. As the World Economic Forum’s Global Gender Gap Report 2020 indicates, figures for workforce participation are not improving when women of color are included.\(^3\)

Mercer’s research findings demonstrate that the Black/African American and Hispanic/Latino populations (overall and just for women as well) are underrepresented at every career level above the support staff level when compared to their representation in the general population.\(^3\)

Also concerning is that the representation of people of color (both men and women) decreases incrementally as career levels rise. This pattern holds true for all racial/ethnic groups, except for Asian/Pacific


When Women Thrive 2020 global report

...)

Islanders, for whom representation is most highly concentrated at the professional level.

The most dramatic decrease in representation is among Black/African American employees who make up 12% of support staff positions, but only 2% of executive level positions.

When looking at just women of color, Asian/Pacific Islander and Black/African American women have higher representation at the executive levels compared to other groups of color (8% and 6%, respectively). Further, Asian/Pacific Islander women are better represented at every level above the support level relative to other women of color.

When specifically comparing Black/African American men and women, representation of women is higher than men at every career level except at the executive level. This is a notable difference from the gender representation observed for all other racial/ethnic groups, in which men of color are better represented than their female counterparts.

The When Women Thrive 2020 research found that US organizations have more difficulty attracting and advancing people of color (men or women) than women generally. Attraction was the most commonly identified challenge (46%), whereas 39% said advancement was a challenge. Retention continues to be an area where organizations feel the most confident.

There is certainly room to grow to close the representation gaps:

- **13%**: Although close to half of US organizations (42%) have documented commitments to racial or ethnic equality publicly, **only 13% offer programs specifically targeted at women of color**.

- **23%**: Though 66% of organizations track representation and 53% track rates of hiring, promotion and exits by race or ethnicity and career level, **only 23% of US organizations routinely review performance ratings by race or ethnicity to ensure against any adverse impact**.

- **38%**: Only **38% of US organizations routinely review engagement responses by race or ethnicity**.

- **23%**: Only **23% of organizations in US have high-potential programs for people of color**.

If these US findings are any indication of the global status (and shortfalls) of representation — and we suspect they are — this area is in critical need of even greater effort to address.
Let’s get real about equality

Racial and ethnic representation in perspective:
Rayna Edwards, Workforce Strategy Consultant, Mercer

“Gender representation is on the upswing. However, if we slice those data in an intersectional way — that is, looking not only at gender, but also at race/ethnicity — we see a different story emerge. The progress that has been made by women over the past few decades has overwhelmingly been made by white women. It is clear in these results: as we move up the career hierarchy, we lose diversity, and this happens disproportionately more often with race/ethnicity than with gender.

In most cases, the combined effect of being a woman and a racial/ethnic minority has a more negative impact on careers than being a woman alone.

We also note a concerning disconnect between what organizations say and what they do. When organizations tell us they find it more difficult to attract, retain and advance people of color, we would expect that they would have policies and practices in line to bridge that gap. Yet few organizations in the US offer programs specifically targeted toward women of color, and less than half have publicly documented commitments to racial and ethnic equality.

The business case for diversity and inclusion is no secret. Increasing demands for transparency and equality by consumers, clients, employees, boards and investors have brought diversity and inclusion to the forefront. Successful organizations will look unflinchingly at their diversity and inclusion data, create goals and metrics grounded in those data, and hold themselves accountable to achieving those goals. They will see both gender and racial/ethnic equity as a business imperative.

Further, it will become increasingly important for organizations everywhere to start collecting and examining their data in an intersectional way. This will be easier in the US, where race/ethnicity is tracked as a reporting requirement. However, global organizations that get ahead of the curve by thinking creatively about how to identify and track the unique racial/ethnic challenges in geographies outside the US will prove to be more competitive in the years to come.

This admittedly will be a challenge. Certain countries have blocked collecting data on race/ethnicity because of potential misuse. But context matters, as we always say. In today’s environment, not knowing what’s happening from a race/ethnicity perspective can significantly impact what organizations can do to both remove barriers for racial/ethnic groups and drive equality. This can lead to functioning in a ‘blind’ of neutrality when in fact there is a world of inequality. Is that sustainable?”
Get real. Get smart.

Get real.
Regardless of what stage an organization is at, Mercer has defined active measures it can take to advance a diverse workforce and inclusive culture.

Get smart.
To make true and lasting progress, actions must be specific, measurable, actionable, relevant and time-based.

Here’s how to put the findings and learnings from this section into action:

**Activate**
(for organizations just getting started)
- Develop an ILM map using career levels to examine your representation, hiring, promotions and exits by gender and race/ethnicity
- Leverage external labor market data and benchmarking to add context

**Accelerate**
(for organizations with a good foundation)
- Apply advanced analytics to identify drivers or root causes of and barriers to hiring, promotions and turnover (e.g. reveal criteria for promotion from professional to manager level)

**Thrive**
(for organizations that have made significant progress)
- Use models to project the composition of your future workforce
- Determine what actions need to be taken in order to achieve gender and/or racial/ethnic balance within your targeted time frame
Walk the talk

Across regions and sectors, organizations are actively laying the building blocks for advancements in a diverse workforce and inclusive culture. It’s worth repeating: Improving workforce diversity and inclusion is high or very high on the agenda of 81% of organizations surveyed.

So much positive intent and good work — yet we’re still at only at 40% representation of women in the workforce and far less in leadership positions. Why is that?

The research demonstrates that, though progress has been made with specific programs, policies and practices, these alone are not enough to drive real and lasting progress. Further advances require addressing important structural issues: the absence of a comprehensive D&I strategy, a shortage of metrics for adequately measuring achievements, and the need for accountable employees — especially middle and frontline managers at the core of the organization.

Arguably most important, a diverse workforce and inclusive culture are still not widely viewed as a vital part of the business strategy of an organization. Making these changes will be both uncomfortable and disruptive. But organizations that want to be relevant and thrive must acknowledge the changing environment and adapt.

This translates to moving beyond pledges and onto action and accountability. It will require taking an honest look at data to understand where there are gaps in opportunity, experience and pay. Only then can an organization fully own D&I and walk the talk, through the business principles they know best: cogent strategy and bottom-line results.
Game plan required

There’s what we say we will do. And then there’s actually what we do. Ideally, they match up; too often, they don’t. It’s called the “say-do” gap, and we were surprised to discover a number of them in our latest research.

Although improvements in talent flows demonstrate that leadership in most large organizations is engaged with D&I challenges, we found minimal evidence-based, strategic planning to back up or propel a concrete forward strategy. Optimism and confidence about improvements in representation, hiring, promotions, retention and pay equity also don’t appear to be backed up by an uptick in using data analytics to drive decision-making and measure outcomes.

<table>
<thead>
<tr>
<th>What organizations say</th>
<th>What organizations do</th>
<th>Why the gap matters</th>
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</thead>
<tbody>
<tr>
<td>81% of organizations globally say they’re focused on improving D&amp;I</td>
<td>Only 42% of organizations report having a documented, multi-year D&amp;I strategy</td>
<td>The lack of a strategy makes it difficult ensure the most impactful steps are taken to drive process — or to measure it.</td>
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<tr>
<td>66% of organizations say senior executives are actively engaged in D&amp;I</td>
<td>Only 50% of organizations globally set quantitative goals or targets for D&amp;I outcomes such as representation, engagement and pay equity</td>
<td>The values associated with D&amp;I are not fully owned in the business units focused on P&amp;L. Most organizations also don’t connect D&amp;I with other areas that motivate business decisions, such as corporate responsibility or social impact.</td>
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<tr>
<td>Globally, 33% of organizations have a chief diversity or inclusion officer. Of those, the vast majority (63%) report to HR, with the remaining reporting to the CEO or a senior executive. In many regions, D&amp;I is driven by HR due to its role in attracting and retaining talent</td>
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Accountability in perspective: Jill Zimmerman, Global Chief Talent & Inclusion Officer, Mercer

“Many years ago, at a different company, I was leading our talent acquisition team. We set out to diversify our workforce at all levels by changing our sourcing, recruiting and hiring strategy. And we were successful. Fast forward two years, however, and most of that diverse talent was leaving that company. Why?

It turned out we hadn’t been looking at the whole picture. We did focus on diversifying our hiring at all levels, but we did not also look at the balance of our promotions or retention at all levels. Often companies look solely at representation instead of the entire pipeline of talent: the in-flow, up-flow and out-flow at all levels. This can be misleading, as it was in the story shared above, where the focus was solely on the in-flow of diverse talent.

When I came on board at Mercer, I had the data available to take a more comprehensive, data-driven approach to accurately measure and diversify our workforce — using our ILM Analysis to build a new quarterly dashboard for leaders. Our ILM Analysis shows the entire makeup of our workforce by level. We used that ILM data and analysis to create our data-driven diversity strategy — to identify common choke points where diversity would fall off, to pinpoint the key types of roles that tended to lead to advancement, to understand the composition of our workforce and to recognize opportunities for improvement.

Organizational leaders receive D&I dashboards that include the in-flow, movement and out-flow of our talent in different groupings for each level of the organization sliced by gender and race/ethnicity. The dashboards also break down key metrics such as which type of roles are likely to lead to advancement to higher level roles. In our case, to be in a people-manager role or client revenue-generating role was to advance your career. In other companies I have worked in, to be in a P&L role was to advance your career.

The data can be misleading if you simply look at representation at a certain job level; it is important to also look at the diverse representation in specific roles that lead to advancement.

Working with corporate HR, their business leadership teams and HR business partners, our leaders review their quarterly dashboard and use the data (the hiring, advancement, retention and representation
in key roles) to identify specific data-driven actions (up to three) that will make a difference in the composition of the workforce. Those actions are then communicated back to the organization, and leaders are held accountable by our CEO for moving the needle on them. We use that same dashboard quarterly to track progress. It’s measured. It’s shared. And it’s transparent. Once you have a dashboard in place, establish the transparency and accountability to track not just the data, but real, ongoing actions and outcomes that are owned by the business — and you will be well on your way.”

Example gender diversity dashboard
Black box
Perhaps because D&I remains outside the purview of business performance, many organizations do not place a value on investing in or disclosing D&I commitments and data. Clearly, greater public disclosure and transparency can accelerate change and advance accountability.

Here’s what the research showed:

- Only 50% of organizations globally are publicly documenting commitments to gender equality, which is flat from 2016.

- Globally, 45% of organizations make no public disclosures, although there are significant regional variations.

- Less than half of organizations actively seek external recognition for D&I efforts. In North America, organizations are notably less likely to seek that recognition than in other regions.

What data are being shared? For those that do disclose, women in senior leadership (46%) tops the list of data shared, followed by pay equity disclosures (27%). And beyond gender, organizations are even less likely to publicize their progress — only 11% globally disclose representation of historically underrepresented employee groups.

Speaking out. Stepping in. Owning up.
Perhaps most critical among the eyes keeping close watch on what organizations are doing to improve workforce diversity and cultural inclusion are the millennials and Generation Xers (with Gen Z quickly following).

Research shows these cohorts, which now dominate the workforce, are willing to act on principle and hold organizations accountable. These purpose-driven generations set a high bar for both consumer and employment decisions. One study shows that three out of four millennials would take a pay cut to work for a responsible organization.6 They also prefer responsible brands.7 More broadly, a recent study showed that two-thirds of US consumers expect organizations to take a stand on social and political issues.8

The implication for global employers is clear: These generations are opting to work for organizations with clear value systems and corresponding behaviors, around inclusion, transparency, fairness and sustainable business practices. They will be paying close attention to what their leaders and managers say — and will expect that to be consistent with what they ultimately do. Our research bears out this premise: 65% of organizations are feeling pressure from their employees to improve D&I outcomes.

Increasingly, we can expect to see more millennial and Generation X employees speak up and demand visible change in the workplace — and workforce.

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7 Ibid.
Fostering equitable workplaces is an aspiration shared by leaders across industries and geographies. Yet workplace gender equality is a systemic issue that is influenced by public policy, education and culture around gender roles — forces that often feel outside organization control. The stakes are high, and organizations sometimes feel they have limited ways to influence and shape these external forces. Put more starkly:

Leaders don’t want to be held accountable for making progress in terms of gender equity if they are not confident that they have the power to succeed.

Having a systematic and structured approach helps leaders move past emotion into action. By identifying and sharing where we stand, we can expose the underlying causes, develop communication strategies and invest resources accordingly. Instead of letting outside influences restrict us, we can reverse that paradigm inside the organization and create an ecosystem that will in turn push and transform those external forces.

Accountability and transparency will enable the different stakeholders — employees, investors, consumers and business partners — to not only understand how they will benefit, but also to contribute to support the organization’s goals for equity and, ultimately, ensure its success.”
Get real. Get smart.

Get real.
Regardless of what stage an organization is at, Mercer has defined active measures it can take to advance a diverse workforce and inclusive culture.

Get smart.
To make true and lasting progress, actions must be specific, measurable, actionable, relevant and time-based.

Here’s how to put the findings and learnings from this section into action:

**Activate** (for organizations just getting started)
- Collect data: Track and regularly monitor outcomes, such as representation, hires, promotions and exits by gender and career level
- Identify drivers of those outcomes, such as ascension into key roles, impact of leaves of absence, part-time status, reporting relationships, etc.

**Accelerate** (for organizations with a good foundation)
- Publicly document your organization’s commitments to gender equality and broader D&I

**Thrive** (for organizations that have made significant progress)
- Regularly monitor key D&I metrics to measure progress, identify gaps and develop mitigating solutions.
- Be transparent about progress on key D&I metrics, both internally and externally
- Get EDGE certified
Take it from the top

In organizations where a diverse workforce and inclusive culture is flourishing, there's usually only one way to look: Up! Senior leaders are a key driver of D&I outcomes, particularly as it relates to demonstrating passionate leadership, personal commitment and perseverance.

Our latest research suggests gains in many of these areas.

Who’s getting onboard?

Direct involvement in D&I initiatives and programs

Since our 2016 report, we’ve seen a 5-percentage-point improvement in board engagement globally (57%)

Board

North American organizations report the lowest levels of board involvement, at 45% versus 57% globally

Senior executives

Globally, 66% of organizations say that senior executives are actively engaged in D&I initiatives and programs, up 9 percentage points from our previous research

Encouragingly, senior executives are helping to support cultural transformation in multiple ways:

- Publicly position D&I as a business imperative (internally and externally)
- Sponsor or regularly meet with various employee resource groups/affinity groups
- Direct the implementation of diversity metrics and programs
- Serve as members of the diversity council

At the same time, senior leaders could do more in other areas to demonstrate their commitment to fostering D&I in their organizations. One powerful way is by acting as personal sponsors or mentors to individuals. Notably, just 38% of executives globally are taking on this role. By contrast, sponsorship is high in North America (52%) and Australia/New Zealand (54%), which correlates to the more mature D&I models in those regions.
Let’s get real about equality

About targets
Despite a marked increase in leadership commitment to accelerating workforce diversity and inclusion, organizations show little appetite for setting targets for D&I initiatives:

- Globally, our research showed a low prevalence (32%) of individual leaders in the organization having formal quantitative goals or targets tied to D&I, dropping to just 25% in North America.

- Globally, only 17% of executive compensation targets are tied to D&I initiatives.

These findings may be linked to a reluctance to adopt representation quotas or targets, which is often how organizations think about measuring progress in D&I outcomes. The lack of goals and targets can stifle progress, so organizations should consider meaningful alternatives. For example, instead of measuring gains solely in terms of representation, consider measuring the impact of policies, programs and practices that improve the overall equality of opportunity, experience and pay — as we outline in the next section, Hardwire It!

The new normal
Cultural change that goes beyond policy or programmatic changes to support equality of opportunity and treatment across the board will also require a change-management effort led from the top.

Clearly, new competencies are needed for today’s changing and challenging environment. Leaders must be able to connect the dots between social issues and business solutions and recognize that the two need not be mutually exclusive. They must take a holistic view of the needs and desires of all stakeholders in order to uncover market opportunities, attract customers and open the door to innovative ideas.
Get real. Get smart.

Get real.
Regardless of what stage an organization is at, Mercer has defined active measures it can take to advance a diverse workforce and inclusive culture.

Get smart.
To make true and lasting progress, actions must be specific, measurable, actionable, relevant and time-based.

Here’s how to put the findings and learnings from this section into action:

Activate
(for organizations just getting started)
Senior leaders model inclusive behaviors, learn more about their own bias and privilege, and lead D&I initiatives

Accelerate
(for organizations with a good foundation)
Senior leaders take personal ownership of D&I and integrate it into their business strategy; new leadership competencies are defined and modeled

Thrive
(for organizations that have made significant progress)
Senior leaders are held accountable for progress toward meaningful goals to improve workforce D&I
Despite the advances we have seen so far, some of the heaviest lifting lies ahead. To advance, women need the right roles, opportunities, pay, benefits, flexibility and organizational environment that are most predictive of success.

How do we get there?

In this section, we turn our focus back to the six P’s — specifically programs, process and proof — and how we can hardwire changes into the organization that ultimately support a more diverse workforce and inclusive culture. It starts with better engaging the middle and frontline managers (both men and women) who shape and influence the daily life of employees — and critically, can play a pivotal role in connecting them with the right resources and experiences within the organization.

We must also recognize that women have unique needs with regard to health, financial wellness and caregiving that organizations can and should support.

Managers: making a difference

Our research shows that, in increasing numbers, leaders are getting engaged with organizational efforts to improve D&I outcomes. But the momentum can often stop there, reaching the middle, slowly, and not spreading further throughout the organization.

In some cases, changes in policy and process — along with setting representation targets — have curtailed progress when the underlying culture remains unchanged. Organizations need to engage middle and frontline managers who are critical to administering D&I practices, managing people across the talent lifecycle and setting the culture, to ensure that inclusive values are adopted as corporate ones.

In fact, the data show that managers are significantly less involved in supporting D&I efforts than senior executives, which is a major barrier (and missed opportunity) to achieving progress.

We’ve also seen limited progress globally in introducing more managerial training to support employees. Only 33% of organizations train managers to support employees through parental leave and return-to-work, and just 34% train them to support their employees’ use of flexible work options.

Who’s getting onboard?

| Middle managers | Increasingly involved in D&I activities (53%, up from 39% in 2016), with very few differences regionally |
| Frontline managers | 46% involvement globally — but just 37% in North America |
Let's get real about equality

Accelerating culture change:
Angela Berg, Global Diversity & Inclusion Consulting Leader, Mercer

“People don’t leave companies, they leave managers. A broad range of data support this often-repeated statement, but interestingly, managers are often one of the later stops organizations make when they are on a journey of cultural transformation. Though hardwiring programs, policies and processes is a critical part of that change process, managers are ultimately on point to implement them in the workplace through everyday interactions with employees — and can have critical impact on D&I outcomes.

Parental leave is a good example of how this plays out. Over the past several years, many organizations have adopted generous parental leave policies that provide time off for both parents. However, uptake of the benefit is often low. Why? The missing piece is training managers to support the policy. Often, managers simply don’t understand how the policy works, so they are unable to guide their employees on how to apply it and how it would impact pay, benefits and so on. In other cases, managers fail to receive support or guidance on how to staff while employees are out on leave. In both cases, the net result is managers who aren’t able to actively support the transition to leave — and employees who are reluctant to take advantage of the benefit.

As organizations work to ensure equality of opportunity, experience and pay, consider the role of the manager as an accelerator and provide the right training and support to ensure that the manager is fully equipped to play that role.

Train managers to effectively conduct pay conversations, to give employees (all employees — not just women!) the confidence that they are paid equitably. Ensure that managers are prepared to connect employees to the many benefits and programs available to support employees’ health and well-being. Actively coach managers on how to hire, train, mentor and provide feedback in an unbiased way.

Culture change is hard and takes time, but managers can be an organization’s greatest asset to enable the transformation.”
Men: in the middle

Men are essential to the pursuit of gender parity. Not only does it need to be said, but also reflected in what we do. Necessary actions range from listening to men’s perspectives to engaging men as change agents, managers and partners in developing and embedding solutions. As integral as men are to successfully achieving D&I goals, sadly, they are not participating in the prevailing dialogue: D&I conferences are still composed of mostly women.

More open communication is needed to address any reluctance and/or uncertainty about how to address or achieve the aims of D&I. This is particularly true in those situations when outcomes are viewed as zero-sum, such as in low-growth industries or situations involving quota schemes.

Yet despite this, many men are showing their willingness to embrace the ambitions of D&I. Globally, 48% of organizations report that men are actively involved or engaged in D&I programs or initiatives, compared with 38% in 2016.

Men’s roles in perspective: Ray Arata, JD, and Ed Gurowitz, PhD, Co-Founders and Partners, Inclusionary Leadership Group

“As we move to close the gender gap, we shouldn’t be afraid to expect more and ask more from men. Once they are aware of inequality at work, men want to fix it. They want to be educated on what it means to be vulnerable and authentic and human, in a way that isn’t charged or laying blame at their feet. And they want to make positive changes that drive equality. Most men are simply looking for good leaders to show them how.

As we look at these data, one thing is clear: It’s men who have to step forward to remove the remaining organizational barriers to D&I, because it’s men who put those barriers there — however unintentionally — and it’s men who still control those levers of power.

When confronted with the reality of inequity — not blamed, but made aware of it — men will start to change their behaviors and advocate for change.

Men want to have these conversations, so leaders should not shy away from them. Male leaders, especially, should take the opportunity to lead by example. Focus on vulnerability and accountability, which we define as taking full responsibility for words, choices and actions and their consequences, whether intended or not.

“Once men understand that their privilege is an accident of birth, they can recognize it as a powerful tool. In our practice, we ask them, ‘You’ve got privilege, why not use it for good? We’re not asking you to give it up. We’re asking you to use it.’ The response is overwhelmingly positive.”

Increasingly, large organizations are offering paternity leave to new fathers, yet relatively few are taking it up. Research by Mercer finds that though 80% of large global employers do explicitly offer paternity leave (paid or unpaid), 23% of new fathers in G7 countries like the US are declining to take it.19

This is extraordinarily self-defeating. A benefit that is most likely to be taken up by just half of the workforce helps to ingrain bias and skew the playing field between men and women in the workplace. Not surprisingly, the Mercer research found that parental leave is proving to be the key to addressing the gender pay gap. Because working mothers are still doing the bulk of parenting work at home, their upward mobility in the workplace is hindered and they fall behind.

In addition, men, their partners, their children and their organizations are all more likely to thrive if men spend time with their children in the period following their arrival.

Father-and-baby bonding during leave helps a dad’s ability to care for children in the long-term and become a more involved parent. It also has a positive impact on men’s relationships with their spouses or partners. It’s clearly beneficial for women, too, who see a decline in overall levels of post-partum depression and sick leave and an increase in well-being when their male partners take parental leave. Plus, paternity leave helps to mitigate the “motherhood penalty” when male spouses take leave. A recent study found women’s salaries on average are approximately 7% higher for every month of leave their partners take.

Critically, organizations may reap the highest rewards by encouraging men to take parental leave. Between 89% and 99% of employers say leave has no negative effects on productivity, profitability, turnover and morale. And according to studies in both Scotland and the US, fathers and parents of both sexes who took parental leave were more likely to stay with their organizations.

In order to put principles into actions, however, senior male managers have to lead by example if they want their employees to follow.

Get real. Get smart.

Get real.
Regardless of what stage an organization is at, Mercer has defined active measures it can take to advance a diverse workforce and inclusive culture.

Get smart.
To make true and lasting progress, actions must be specific, measurable, actionable, relevant and time-based.

Here’s how to put the findings and learnings from this section into action:

**Activate**  
(for organizations just getting started)
Educate middle and frontline managers on why D&I is critical for organizational success; share D&I data, discuss opportunities for improvement and train them on how to support employees who take leave, work flexibly, etc.

**Accelerate**  
(for organizations with a good foundation)
Equip managers to support D&I by attending training, sharing learning, modeling inclusive behaviors, mentoring or sponsoring an underrepresented employee, or participating in BRGs

**Thrive**  
(for organizations that have made significant progress)
• Partner with managers in developing solutions to D&I challenges
• Integrate cultural competencies and inclusive behaviors into job descriptions and performance measures
## Pay equity progress

We’ve seen tremendous progress globally in pay equity — another bright spot, because an increasing number of organizations are adopting more disciplined methods to ensure its achievement. We know from the research and from our work with hundreds of clients globally that these organizations do better from a talent-flow and representation perspective.

We’ve also seen a substantial increase globally — from 60% in 2016 to 74% in 2020 — in pay equity being included as part of the compensation strategy. In this respect, Europe has seen the most dramatic increase, with the number of organizations including pay equity as a compensation metric rising to 80% from 57% in 2016. This is likely due to regulatory disclosure laws.

Although regulation drives pay equity efforts in certain regions, organizations continue to see pay equity as an important human capital issue. Our research showed that ensuring fair pay relative to contributions is the primary objective of analyzing pay equity for 85% of organizations; 68% focus on fair pay largely to attract or retain the best talent.

Also note that, although globally pay equity tends to be framed as a gender issue, it’s not only women whose pay may need to be remedied. Men who are underpaid can benefit from a corrective adjustment as well.

### What organizations are doing

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Importantly, conducting pay equity analysis using a robust statistical approach (the gold standard) is trending strongly, with 56% of organizations doing so, up from 35% in 2016</th>
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<tbody>
<tr>
<td>Scope</td>
<td>84% of organizations that analyze pay report that if an employee is eligible for an increase, the adjustments typically address both base and variable pay</td>
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<tr>
<td>Remediation</td>
<td>Only 44% of organizations globally have a formalized process for remediating pay inequities</td>
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<td>Oversight</td>
<td>HR and the C-suite are actively engaged in pay equity efforts, but only 58% of organizations engage the board in fair pay discussions (we expect boards to increasingly make D&amp;I a priority and become more involved in oversight)</td>
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Pay equity in perspective: Brian Levine, PhD, Pay Equity Leader, Strategy & Analytics, Mercer

“Pay equity was once just focused on ensuring that people in the same job and in the same role were paid equivalently. We now see a greater realization that equity is not simply about pay within a role. Organizations need to provide equitable opportunity for employees to advance, and to grow, and to earn more through that advancement. This shift is reflective of an increased pressure on organizations to disclose their work, but also continued priority by organizations to improve diversity and ensure access to the best talent.

Pay equity is a foundation. Our past research has found that good practices related to pay equity translate into good, effective, fair processes across the board, by focusing managers on equity — and so they are very effective in helping organizations build D&I throughout the hierarchy. This makes pay equity an ideal place for organizations to start when they are trying to effect broad change.

There is only going to be increased demand for organizations to be transparent about pay equity and related efforts.

Organizations need to look deeply and broadly at the issue to respond and drive related successes — analysis done right will be insightful and actionable, revealing short- and longer-term actions to close gaps, and, yes, to support the right reporting when the time comes.”
Get real. Get smart.

Get real.
Regardless of what stage an organization is at, Mercer has defined active measures it can take to advance D&I outcomes.

Get smart.
To make true and lasting progress, actions must be specific, measurable, actionable, relevant and time-based.

Here’s how to put the findings and learnings from this section into action:

**Activate**
(for organizations just getting started)
Analyze pay equity annually using a rigorous, multi-variate regression analysis

**Accelerate**
(for organizations with a good foundation)
Adopt an end-to-end pay-equity strategy that includes analyses, a formal process and a budget for remediating any inequities, and training for managers on your compensation philosophy and how to confidently handle pay conversations

**Thrive**
(for organizations that have made significant progress)
Be transparent about your pay practices and the results of your pay-equity analyses, both internally and externally with appropriate legal guidance
**Getting ahead**

In addition to working toward pay parity, organizations need to commit more widely to equality of opportunity. This enables women and other underrepresented groups to get the career advancement and promotions that can help make all levels and branches of an organization more diverse.

Our research and consulting experience show that women in people-manager roles with P&L responsibility and experience in different parts of an organization are more likely to advance. These findings are consistent with the 2016 report, which found, among other things, that having more women in P&L roles is strongly linked to greater gender diversity throughout the organization.

The vast majority of organizations report that women in their organizations have equal access to the specific roles or positions that are more likely to lead to advancement into senior management or leadership positions. Interestingly, that optimism is not supported by data.

Despite progress in the diversification of the talent flow, there is still a distinct lack of female mobility into P&L roles and people-management roles, as well as other geographic and business units.

The research also showed a shortage of sponsorship and mentorship programs, which have the potential to level the playing field between men and women in programs that recognize high-potential talent. Globally, only 35% of organizations have high-potential programs for women, and just 30% in North America.

In addition, our findings reveal a lack of data being collected to truly understand the root causes of a deficiency in female advancement. Globally, organizations report a low amount of tracking of key metrics by gender, with just 28% reviewing performance ratings by gender and 44% examining engagement survey responses by gender.

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<td>79%</td>
<td>Only 64% track gender representation and 58% track hiring, promotion and exits by gender</td>
<td>Not tracking reliable performance measures is a glaring gap that undermines the efforts even of those organizations that are making laudable progress</td>
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<td>Only 52% say women are equally represented in people-manager roles and only 44% say they are equally represented in P&amp;L roles</td>
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<td>71%</td>
<td>Only 41% track internal mobility by gender</td>
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Let's get real about equality

“The innovators in equity in career development and advancement are organizations that have two characteristics. The first is that they go public with their efforts — success or failure — not just to the board or the executive team, but also to their stakeholders, including employees, investors and customers.

The other is that they don’t ever do just one single thing. They try multiple things. They understand that to move the needle, they cannot take only one shot at the problem, and that it will take time and patience before they see tangible progress. To maintain momentum and achieve change that sticks, they’ll need to put several plays into the field at once. Deploying interventions in two or three areas will have more impact than an organization trying just one thing.

For organizations just getting started, our advice is to look carefully at what’s happening in their own organization in terms of equal access for men and women.

Take note of who’s got access to the springboard jobs that accelerate the capabilities of individuals and their potential to move up. Determine whether you are keeping the right people and how that is different by gender. And closely examine things like pay equity and fair opportunity. Those are table stakes that must be met for the employer to be credible.”
More flexibility, please

Clear links exist between the comparatively small number of women in key organizational roles and the lack of flexible working arrangements in many organizations, which often impedes upward mobility.

An important area for organizations to prioritize in order to hardwire D&I into their cultures is flexible working arrangements. Employees across demographic groups value opportunities to work flexibly and require that organizations respect their desire to balance work with other interests and responsibilities.

Ultimately, we need all organizations to respond to employee demands for flex-time and family leave, which are significant to not only millennials and Generation Z, but also to experienced workers, who frequently have care responsibilities.14

One of the biggest challenges facing employers is managing performance in a flexible workplace where many workers are struggling with competing demands.

The majority of employers aren’t presently meeting flexible workforce demand and, “where flexible policies exist, data shows they are generally two-dimensional, limited to where and when people can work.”15

Organizations should look at workplace flexibility across multiple dimensions: “When work is done, where work is done, how work is performed and rewarded.”16 Research shows that a well-implemented workplace flexibility framework has a clear link to improved physical and mental well-being for employees.17

How much is flexibility valued? A 2016 report by My Family Care and Hydrogen — including survey responses from more than 2,300 employees and more than 440 employers in the UK, Europe, Middle East and Asia Pacific — found that 53% of people would rather work flexibly than receive a 5% salary increase; 45% of those would sacrifice pay rises of 10% to have flexible working opportunities.18

The difficulties in acting on these imperatives are clear from the data: Two-thirds of organizations globally report that they offer a variety of flexible work arrangements, but only 45% of organizations say that part-time employees have the same opportunities to advance as full-time employees and only 44% say they value employees who work remotely equally.

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17 Ibid.  
18 Ibid.
Flexibility is a key issue for the modern, multi-generational workforce. People of all ages — including experienced workers — are willing to trade compensation for flexibility. Developing a culture of acceptance for the use of this benefit will remove a considerable impediment for career development and advancement. Effective training for managers — in combination with modeling desired behaviors — will drive acceptance and use.

— Ilya Bonic, President, Career and Head of Mercer Strategy, Mercer

A significant number of organizations are confident that they’re not discriminating against workers who use flexible benefits. Well over half (61%) globally say that employees who take family leave, time off or flexible working options advance at the same rate as their peers. And more than two-thirds (67%) of organizations say their culture is equally supportive of men taking family leave, time off and flexible working options as it is of women. This optimism is hard to verify and often conflicts with anecdotal stories from employees.
Yvonne Sonsino, Global Co-Leader, Next Stage, Mercer

“Flexible work is finally moving in the right direction. We can tell by looking at one critical question in this research: ‘We value people’s contribution according to results, not number of hours worked.’ The results here show us moving from an old model of ‘presenteeism,’ where contribution was measured by hours in the workplace, to new ways of measuring effort and impact. This is an important shift that will make possible a more flexible global work environment, which will be particularly impactful for both women and older workers.

In years past, managers did not trust teams to work remotely or at different hours and still get their work done. This lack of trust correlated with two factors: a low level of familiarity with flex-working and a difficulty in measuring results. The more comfortable organizations become with measuring success and results, the more likely they will be to stop measuring output by punches on the time clock, the more familiar they will become with flexibility, and the more it will flourish.

The benefits of flexibility are clear. Workers at every age, of every gender and in every region are demanding it. They want to better balance the needs of family units, manage their own career goals, attend to caring responsibilities or education, and fit their lifestyle around work. At the same time, the labor pool is shrinking and changing. People are living longer. Birth rates are lower.”

“Flexibility is an economic imperative as organizations try to attract and keep their labor force. Organizations must become more flexible to stay competitive.”
Spotlight: The rise of experienced workers

Ageism is one of the last D&I frontiers, and is still a bit of a blind spot for many organizations, but flexibility can help us make inroads, says Yvonne Sonsino, Partner at Mercer.

The one labor pool that is actually growing in most developed nations is that of older, more experienced workers. Nine out of 10 workers over 50 years old tell us they also want to work differently in the future, but they need a lot more encouragement and support from leadership and line managers to take advantage of flexible work options. It’s very early days still, but if these trends hold true, and with the shifting attitudes of managers and leaders, the growth of flexibility will prove to be critical in engaging the experienced workforce.

Employers must be mindful of considerations around experienced workers and the need to ensure that they can also see career mobility. This is likely to involve a review of performance ratings and promotions, as Mercer’s systematic review of work with client organizations finds a consistent pattern of experienced workers receiving lower performance ratings and lower promotion rates, on average, than their younger colleagues.19

Because experienced workers are largely ignored — or misperceived — in strategic workforce plans, organizations are failing to capitalize on the value that workers with decades of experience can deliver.

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Get real. Get smart.

Get real.  Regardless of what stage an organization is at, Mercer has defined active measures it can take to advance D&I outcomes.

Get smart.  To make true and lasting progress, actions must be specific, measurable, actionable, relevant and time-based.

Here’s how to put the findings and learnings from this section into action:

**Activate**  
(for organizations just getting started)

Ensure women and underrepresented employee groups are appropriately represented in formal development programs; e.g. leadership development, high-potential, mentoring programs

**Accelerate**  
(for organizations with a good foundation)

Use data to identify what it takes to advance in your organization; e.g. the roles, jobs and parts of the business, the people to work with or for

**Thrive**  
(for organizations that have made significant progress)

Proactively manage the careers of high-potential, high-performing women and underrepresented employee groups to ensure they’re positioned to succeed
Care beyond career

Though benefits that apply universally can help engage all employees, evidence suggests that programs targeting women’s unique needs can have a powerful impact on gender diversity in the workforce. To date, however, we found a substantial lack of progress in addressing the holistic and unique caregiving, health and financial wellness needs of women — which, candidly, was a disappointment in our latest research.

Staying healthy

Organizations are more committed to gender-based health initiatives than to financial ones, but no progress has been made in either case since the last report, and relevant initiatives are still not tracked.20

24% state that women have access to affordable contraception and reproductive care in all geographies

25% track gender-specific health needs

27% provide health education to women, up from 24% in 2016

31% gather information on employees’ caregiving needs and obligations (e.g. childcare, elder care)

34% offer health programs beyond the core health plan, specific to women’s needs (infertility coverage, domestic violence support, breast cancer diagnosis/treatment and menopause)

67% say their culture is equally supportive of men using family leave, time off and flexible working options as women

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Let's get real about equality

Health in perspective: Dr. Lorna Friedman, Global Health Leader, Multinational Client Group, Mercer

“Maintaining and accessing health and well-being resources is a significant determinant of whether women stay in the workforce. There are a number of differences between men and women when it comes to health and well-being. Importantly, around the world, women still assume the double burden of being professionals and family caregivers, which reduces their time and resources for healthy behaviors and accessing care.22

Women have unique healthcare needs and are more likely than men to experience a range of health issues. Like men, women suffer from chronic diseases like cardiac illness, but gender bias in treatment protocols leaves them vulnerable to poor outcomes.23,24 Not only are women often denied access to quality care, they are also discriminated against in the delivery of this care.25 Gender is undeniably a social determinant of health. Finally, women face biases that are detrimental to access and outcomes in traditional arenas of reproductive and sexual health.

Cultural stigma and constraints particular to women often also prevent them from seeking and acquiring the mental healthcare they need.26 Women are less likely to use mental health services when they face economic or structural barriers.27 Technology-based solutions can help break down barriers to accessing mental health care by providing information and accessible services. New digital platforms and products have the potential to improve access to care by delivering timely, on-demand care anywhere. To ensure that future innovations help erase the stigma associated with seeking sexual, mental and reproductive health assistance, we must make sure that digital platforms are built and influenced by women who understand that stigma.”

21 OECD. Gender, Institutions and Development Database, 2014.
Financially fit

The gender gap is especially notable when financial wellness is concerned. Globally, only 9% of organizations track financial wellness by gender, and just 8% monitor savings and deferral and investment rates by gender. Many organizations are missing an opportunity to contribute to women’s financial security — just 8% offer customized education and training to female employees, and 11% track the use of available financial resources and tools by gender. Greater use of these tools could deliver a big boost in female employees’ financial courage and confidence.

The intersection of health and wealth for women

A recent study found that women in particular have more unpaid responsibilities, such as caring for children and relatives. The demands on their time can be compounded by their multiple roles as both users of healthcare themselves and as “chief medical officers” of their families. In one survey, 77% of women don’t do what they know they should do to stay healthy; 62% said they lack the time to do so.28

Workplace and employment discrimination can be compounded by health and care needs, especially for women, putting their employment at risk. For example, one in five mothers in the UK reported harassment or negative comments from employers or colleagues related to pregnancy or flexible work.29

Meanwhile, links between different kinds of work-induced stress and health needs are significant. Data also suggest that health costs are connected to financial insecurity, and this figure is higher for women (64%) than for men (55%).30

In addition to having specific healthcare needs, women have unique financial needs. Women are financially stressed: 43% of women responded that they’re stressed about their financial situation. Financial stress can shape the path of a woman’s career. Women who are financially stressed are more likely to leave their current place of employment.

Being financially savvy matters for women. How women perceive their financial knowledge is also an important indicator of career decisions. Research has shown that perceived knowledge is more important than actual knowledge. Women who are financially savvy are more likely to try to advance themselves in their current organization.

- Higher financial courage leads to higher engagement, which leads to higher financial wellness.
- Financial courage has more bearing than actual financial knowledge on a woman’s ability to improve her financial situation.
- Women spend more time worrying about money, especially short-term expenses.
- Women are less prepared for retirement.
- Women are less likely to have used a financial advisor or participated in an employer-offered financial education program.31

Women who have more stress about money also tend to report more frequent engagement in unhealthy or sedentary behaviors to manage that stress; consequently, they are significantly more likely to rate their health as fair or poor, according to the American Psychological Association. By helping women reduce money stress, employers may not only improve productivity, but also reduce healthcare costs and absenteeism related to physical illness.32

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28 Center for Talent Innovation, 2015.
Get real. Get smart.

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Get smart.
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Here’s how to put the findings and learnings from this section into action:

**Activate**
(for organizations just getting started)
Provide differentiated communication and training about available benefits and recommended actions for unique employee segments

**Accelerate**
(for organizations with a good foundation)
- Offer innovative point solutions geared toward improving women’s health and financial wellness
- Adopt plan designs that support the unique needs of different cohorts (i.e. inclusive benefits)

**Thrive**
(for organizations that have made significant progress)
- Regularly measure the use and outcomes of health and financial wellness programs by employee segments to track progress
- Adjust programs as needed to match the demographics and health and financial status of the population
Technology: The missing link
Broadly improving D&I is high on the agenda for the vast majority of organizations globally. In virtually all aspects of D&I efforts — from data analysis, candidate sourcing and selection, learning and development, talent management, employee communication, and health and well-being — technology can drive systematic and scalable change and truly transform organizations. This represents a significant area of opportunity and attainable intervention for many organizations looking to make progress.

— Carole Jackson, Diversity & Inclusion Research and Consulting, Mercer

Just as organizations leverage technology to improve the efficiency and effectiveness of other strategic business initiatives, technology should be used to enhance D&I by delivering real-time data and insights and empowering leaders to make better people decisions.

— Carole Jackson, Diversity & Inclusion Research and Consulting, Mercer
The rise of a transformative market

In 2018 and 2019, Mercer partnered with RedThread Research to investigate the D&I technology market and understand how organizations leverage technology to enhance their D&I efforts.

The market for D&I technology has been gaining traction over the past 18 months. The report found that the largest percentage of D&I solutions focus on talent acquisition (43%), supporting organizations with candidate sourcing and selection. Yet numerous technologies exist that can help drive a more inclusive culture and more equality in opportunity, experience and pay.

We believe D&I technology has the potential to be a disruptor to the structural biases (intentional or not) that hide in our processes and behaviors. Applied correctly, technology can enable scalable, consistent decision-making while also alerting users to previously hidden patterns of bias. Much of the technology on the market is designed to change the processes that enable bias or identify that bias exists. Another benefit that customers see in D&I technology is the increased understanding of the current state of D&I throughout the organization. With greater visibility, leaders can better measure and monitor the impact of D&I initiatives.

On the other hand, the use of technology to address D&I issues comes with latent risks, such as the potential for bias in artificial intelligence (AI) algorithms. Research shows people often misunderstand AI and overestimate the power of using such technology in their decision-making.

Being an informed consumer of these AI technologies is a critical step in ensuring unbiased assumptions and objective outcomes.

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Here’s how to put the findings and learnings from this section into action:

**Activate**
(for organizations just getting started)
- Analyze workforce data to identify your greatest D&I challenge; e.g., hiring, advancing, retaining, analytics, pay equity, performance management

**Accelerate**
(for organizations with a good foundation)
- Evaluate D&I technology solutions to assess how they can help you implement more consistent, scalable and less-biased processes
- Become an informed consumer of AI technologies

**Thrive**
(for organizations that have made significant progress)
- Implement a D&I technology strategy and measure the impact the solution has on your D&I outcomes
A look back and a call forward

Five years ago, in this report, we began an important conversation about equality.

At the time, we thought that conversation, and our work, would focus primarily on pursuing gender equality in business. We thought we would show leaders how enabling women to succeed and achieve parity at work would positively impact outcomes for companies. And we did.
We went on to work collaboratively with businesses across industries to execute strategies that would accelerate gender equality in the workplace. As a result — as shown in this year’s report — we are now able to identify the strategies companies need to move the needle on gender equality. Passion, personal leadership and perseverance — matched with analytics, proof, culture and the right mix of programs — have emerged as true accelerators of gender equality.

What we could never have known in 2015 was how transformative this conversation — and the work it would inspire — would be, not only to our client companies, but to society at large. We knew we’d prove that when women thrive, businesses thrive. What we discovered is that when women thrive, the world thrives.

Companies have risen to that challenge. They have committed to bringing equality not only to their employees, but to their entire value chain. These organizations are investing, executing and reaping the benefits of equality not only in their own workforces, but in their entire ecosystem — from female suppliers or farmers, to distributors and shop owners. Boards and shareholders are also applying new, external pressure for accountability, which is becoming an accelerator for equality inside and outside companies.

The effect has been a profound and sustaining change. When companies strive toward equality, they influence and change the societies around them.

The intersection of business change and societal change will be critical to meeting the challenges we still face. This year’s report makes clear that we still have much work to do. If business leaders want to achieve equal representation of women in the workforce, with equal participation in the economy, at equal pay, they will need to lead the way. That last mile will require creating even more purposeful and disruptive changes, not just within company walls, but in society.

It won’t be easy, but we’re confident that business leaders are up to the task. We certainly saw that this year in the excitement, hope and energy they brought to the When Women Thrive breakfast session at the World Economic Forum in Davos in January. We saw the largest-ever percentage of male leaders joining the influential female leaders on our panels and in our audience. There was also a broader diversity of voices and geographies, including from Latin America, Asia, the Middle East and Africa.

We also take this opportunity to thank Pat Milligan, When Women Thrive founder, for her profound support and commitment to gender equality — and driving important thought leadership on this imperative. Her passion has inspired many individuals and organizations to undertake and persevere in the pursuit of gender equality.

We have a huge amount of confidence that organizations globally will continue with this same level of passion and commitment, and we look forward to what the next decade has in store.

The future is very bright.
Let’s get real about equality
Participating organizations

Mercer extends a sincere thanks to the nearly 1,200 organizations that participated in our research. Those listed below have agreed to be recognized in this report. This is not a comprehensive list of all participants, as some organizations chose not to be recognized.

- A&L Goodbody
- a1 Telekom Austria
- Abastible
- ABB
- Abbvie
- ABC Deterjan San ve Tic. A.Ş.
- Abilities
- AC Nielsen do Brasil LTDA
- Accenture
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- African Solution
- AGCO Corporation
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- AIG Seguros
- Air Liquide España
- Airbus
- Ak-Kim Kimya San. ve Tic. A.Ş.
- Al Masaood
- Albemarle
- Alberta School Employee Benefit Plan
- Aldar PJSC
- Alfa
- Alinta Energy
- Allianz Life Insurance of North America
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- Alternatif Bank A.Ş.
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- Amadeus IT Group S.A.
- Amazon Logistics
- AMP Capital
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- Anthem Inc.
- Applied Viability
- Applus+
- ARAUCO
- ARaymond
- ARC Resources Ltd.
- Arca Continental
- Arcosa Inc.
- Argus Data Insights
- Arkas Holding A.Ş.
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• Independence Blue Cross
• India Infoline Finance Limited
• Indra
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• Ingredion Argentina SRL
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• Insight
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- Medix
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- Melia Hotels International
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- Mercedes-Benz Türk
- Mercer
- Merck
- Mesa Mesken A.Ş.
- MetLife
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- MHI Vestas Offshore Wind
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- Millward Brown Colombia SAS
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- Minerals Technologies Inc.
- MIRA
- MMC Corporate
- MMD Steel Limited
- Moda Health
- Mondelez S.A. (Pty) Ltd.
- Money Square
- Moonee Valley Racing Club
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- Mountain West Group
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- mPharma
- MSTS
- MSU Energy
- Multinet
- Multiplex
- MVP Tech
- Myer
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- National Oilwell Varco
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- NEC Iberica
- Nestlé Portugal
- NEWSAN
- NH Hotel Group
- Nidec Corporation Human Resources Promotion Office
- Nielsen Mexico Services
- Nikken Sekkei Co., Ltd.
- Nippon Sheet Glass Co., Ltd.
- Nippon Special Ceramics Co., Ltd.
- Nippon Steel Kowa Real Estate Co., Ltd.
- Nokia Solutions and Networks
- Nomura Asset Management
- Nomura Securities Co., Ltd.
- Northern Ireland Water
- NorthShore University
- HealthSystem
- Northview Apartment REIT
- Novartis İlaç Türkiye
- NovAtel Inc.
- Novaventa S.A.S.
- Novo Nordisk
- NPCC
- Obra Social Luis Pasteur
- Oerlikon
- Oliver Wyman
- OLX India Pvt. Ltd.
- OneDigital
- ONEOK, Inc.
- Orange Business Services
- Orbia
- Organización Terpel S.A.
- Pacífico Seguros
- Panduit China
- Paradigm Electronics Inc.
- Parfois
- Parker Hannifin
- Parkland Fuel
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- Western Union Mexico
- Westminster Savings Credit Union
- WEX Inc.
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- Wizink
- Wolox
- Wuhan Mamei Education
- Xerox
- Yamana Gold
- Yara International ASA
- Yaşar Holding A.Ş.
- Yobel SCM
- YPF
- Yves Rocher
- Zebra Technologies
- Zurich Brasil
- Zurich Seguros
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# Glossary of terms

**Adjusted pay gap**

Adjusted pay gap is the estimated difference in pay between two groups after accounting for factors such as job, level in the organization, etc. Gaps that remain after accounting for such factors may indicate the presence of pay inequities in an organization.

**Bias**

Bias refers to the practice of favoring a person or a group of people based upon attributes such as gender, race or ethnicity, religion, sexual orientation, age, or any other class.

**Business resource groups (BRGs) or employee resource groups (ERGs)**

BRGs and ERGs are communities of employees organized around a common dimension (e.g. those who share similar backgrounds, experiences or interests) to network, share views, learn from others, further professional growth and development, and drive business.

**Diversity**

Diversity refers to a variation in backgrounds, attitudes, values, beliefs, experiences, behaviors and lifestyle preferences with respect to gender; race; ethnicity; nationality; language; age; cognitive and physical abilities and characteristics; sexual orientation; education; religion; socioeconomic situation; marital status; social roles; personality traits; and ways of thinking.

**Environmental, social and governance (ESG) investing**

Environmental governance investing is a part of a responsible investment approach that includes ESG factors and broader systemic issues — for example, climate change and sustainable development — along with active ownership (stewardship). These considerations can have a material impact on financial performance, and their inclusion is more likely to lead to sustainable investment outcomes in the future.

**Equality, equity or parity and gender balance**

Equality, equity or parity is the state of being equal across all aspects in an organization (e.g. pay, promotions and fair treatment of people), representation of men and women at all levels, and like pay for like work, without any bias.

Mercer POV: Equality, equity and parity can be used interchangeably. The term “gender balance” refers specifically to the pursuit of achieving a 50:50 ratio between women and men.

**Equal pay**

Equal pay is achieved when the raw gender pay gap, the difference in average pay of women and average pay of men across the entire organization, is zero.
| **Experienced worker** | Experienced workers are mature workers aged 55 and older.  
Mercer POV: “Experienced worker” is preferred terminology to “older” or “seasoned” worker references, as these terms have inherent bias and negative connotations. |
| **Gender** | Mercer encourages organizations to be inclusive of all genders, including cisgender women and men, transgender women and men, and non-binary individuals. Although some organizations are beginning to track the broader spectrum of gender identity in their workforces, most still exclusively track employee gender as male and female, which is reflected in the binary data collected in this research. |
| **Inclusion** | Inclusion refers to practices that provide an equitable and fair distribution of resources, such as jobs, income and access to opportunities and information. Such acts and practices enable all members, including those from underrepresented groups, to be respected and appreciated for their unique contributions and to be fully integrated into the formal and informal networks of an organization. |
| **Internal Labor Market (ILM) Analysis** | Mercer’s ILM Analysis is a proprietary tool that provides a fact-based platform for human capital decision-making. At a basic level, it examines the flow of people into, through and out of an organization to answer fundamental questions about a firm’s workforce: who gets hired, who performs well, who advances and who stays. |
| **Intersectionality** | Intersectionality is the complex and cumulative way that the effects of different forms of discrimination (such as racism, sexism, classism, socioeconomic status) combine, overlap and intersect. |
| **Pay equity** | Pay equity is the state of receiving equal pay for equivalent work. |
| **Raw pay gap** | The raw pay gap or “unadjusted pay gap” refers to the actual difference in pay between two groups, such as between men and women. Raw pay gaps can be influenced by many factors such as job, level in the organization and location.  
Mercer POV: “Unadjusted pay gap” is interchangeable with “raw pay gap.” |
| **Unconscious bias** | Unconscious or implicit bias is the subliminal tendency to favor certain people or groups of people based upon learned stereotypes.  
Mercer POV: “Unconscious bias” is interchangeable with the term “implicit bias.” |
World Economic Forum

The World Economic Forum engages the foremost political, business, cultural and other leaders of society to shape global, regional and industry agendas. Its activities are shaped by a unique institutional culture founded on the stakeholder theory, which asserts that an organization is accountable to all parts of society.

The Forum carefully blends and balances the best of many kinds of organizations, from both the public and private sectors, international organizations and academic institutions. Mercer and the World Economic Forum have forged a long-standing partnership and host cutting-edge events at annual meetings in Davos, Switzerland. The events bring together global thought leaders who aim to explore disruptive strategies that are creating more sustainable futures.
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About Mercer

Mercer builds brighter futures by redefining the world of work, reshaping retirement and investment outcomes, and unlocking real health and well-being. Mercer’s more than 25,000 employees are based in 44 countries and the firm operates in over 130 countries. Mercer is a business of Marsh & McLennan (NYSE: MMC), the world’s leading professional services firm in the areas of risk, strategy and people, with 75,000 colleagues and annualized revenue approaching $17 billion. Through its market-leading businesses, including Marsh, Guy Carpenter and Oliver Wyman, Marsh & McLennan helps clients navigate an increasingly dynamic and complex environment.