



Manufacturing a Workplace Built on Diversity, Equity, Inclusion, and Belonging



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Introduction

In recent years, diversity, equity, inclusion, and belonging (DEI&B) have gone from being corporate social responsibility buzzwords to integral parts of the business strategy of many organizations around the world. In fact, a 2020 Mercer study found that 81% of global organizations report that DEI&B is high on their priority list.¹ A separate study by Deloitte showed that 96% of CEOs consider it a strategic priority.²

Leaders in the manufacturing industry should take note of this information as the sector is significantly underrepresented in terms of diversity in the workforce. According to the U.S. Bureau of Labor Statistics, in 2020, only 10% of those employed in the industry were Black and a mere 30% were women.³ To make matters worse, the women who do work in the sector are 1.8 times more likely than men to leave due to a lack of work-life balance and the need for flexible schedules.⁴

While current events have significantly sped up the pace at which DEI&B is instilled in the workplace, there's still a lot of work to be done to advance these core values. In this eBook, you will discover the benefits of fostering a culture that is built on DEI&B and how human capital management (HCM) and workforce management (WFM) technology can facilitate these efforts.

96% of CEOs consider DEI&B a strategic priority.





Improving the Recruitment Process

The manufacturing industry has long experienced a skills gap. An increase in retirements without a much-needed influx of new, younger recruits is hindering the sector's growth. Either your organization has been impacted by the talent shortage or it will likely experience it in the near future. By failing to take advantage of the availability of talent in minority groups, manufacturers are creating a problem that is twofold. First, they are missing out on prime candidates who are ready to work and willing to learn. In addition, a 2020 Monster survey indicated that 83% of Gen Z candidates believe that a company's commitment to DEI&B is important when deciding where they want to work,⁵ so manufacturers are potentially driving the next generation of workers away from the industry, thereby exacerbating the problem.

A best-in-class recruitment solution that uses artificial intelligence (AI) to evaluate skills and experience can reduce bias to ensure all candidates have equal opportunity. Furthermore, talent experts recommend that organizations rethink the prerequisites for positions (such as a college degree) to determine if they are necessary to perform the jobs.⁶ Removing such requirements can help widen the talent pool and bring in a wave of new applicants. With the help of HR technology and by reimagining the recruitment process, manufacturers can ensure they are not only attracting new talent into their organization but also building a more diverse workforce in the process.

83% of Gen Z candidates believe that a company's commitment to DEI&B is important when deciding where they want to work.





Removing Favoritism in Shift Selection

It's imperative that manufacturers provide equal opportunities in every area of the business, whether it's determining schedules, assigning available overtime hours, or awarding time off. This might seem like a strategy that all organizations would embrace; however, this is not always the case. According to recent research, 77% of white employees agree that all employees are treated fairly and only 56% of Black employees believe this.⁷

With the help of modern WFM technology, manufacturers can remove potential favoritism from time and attendance processes to ensure that employees are treated equally and fairly where staffing is concerned. With automated scheduling, employers can assign shifts that follow organizational and labor rules without managers' intervention. The same can be applied to overtime: When a shift becomes available, all eligible employees are notified, and they receive the hours on a first-come-first-serve basis. Additionally, some of the most advanced solutions leverage AI to automate the time-off request process. When an employee requests time off, the system can run all associated rules and accrual balances, and if the request complies, it will be automatically approved or declined if it breaks any rules. Managers will not have to manually approve time-off requests, and all employees will have equal opportunity for days off.

77% of white employees agree that all employees are treated fairly and only **56%** of Black employees believe this.





Educating the Workforce with Ongoing Training

DEI&B initiatives include opportunities for training, advancement, and career development. Unfortunately, many Black employees do not feel this is currently the case — while 67% of white employees agree there are opportunities for all employees to be successful, only 50% of Black employees believe this.⁸ Manufacturers need to consistently provide training opportunities for their people in order to promote equal growth opportunities for all. Investing in training can also help manufacturers upskill their workforce to combat the skills gap they currently face.

A modern learning solution offers consumable, on-demand content, allowing you to build the right learning strategy for your organization while effectively reaching your employees. It also equips you to quickly deploy a training academy and is easily configurable to meet your unique business needs, such as diversity training. The platform should facilitate knowledge sharing and enable team members to track progress and motivate each other with collaboration tools. Empowering your people with equal opportunities to continuously advance their careers can help increase engagement and retention.

While **67%** of white employees agree there are opportunities for all employees to be successful, only **50%** of Black employees believe this.





Listening to the Voice of Employees

Even if an organization has already implemented or is in the process of implementing DEI&B initiatives, determining the success of those initiatives can be challenging. Very often, leadership is unable to accurately gauge the sentiments of the frontline workforce. This is understandable given the fact that employees may be reluctant to share their honest feedback with senior leadership. However, it is critical to collect these valuable insights so management can make meaningful changes to improve their DEI&B initiatives, overall company culture, and employee performance. In fact, research has shown that employees who feel heard are 4.6 times more likely to feel empowered to do their best work.⁹

A sentiment analysis tool can help manufacturing leaders gain unbiased insight into how employees genuinely feel. Some of the most valuable insights come in the form of open-ended responses; however, reading through responses to understand general themes is time-consuming and can even be impossible for larger organizations. To combat this issue, manufacturers must leverage an HCM solution with AI and natural language processing to effectively collect, analyze, and interpret employee responses. This allows business leaders to quickly understand the sentiments of their workforce and their perceptions of the company's DEI&B initiatives, and it demonstrates to employees that their voices are heard and accepted.

Employees who feel heard are **4.6** times more likely to feel empowered to do their best work.





The Numbers Speak for Themselves

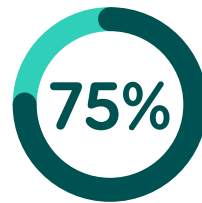
While many benefits of implementing DEI&B initiatives are found beneath the surface, there are also significant financial returns to be achieved. According to *Harvard Business Review*, creating a workplace with a high sense of belonging yields:



A **56% increase**
in job performance



A **50% drop**
in turnover risk



A **75% reduction**
in sick days¹⁰

Given the challenges the manufacturing industry currently faces, these are numbers that can't be ignored. **It's estimated that nurturing belonging at work results in a total annual savings of more than \$52 million for a 10,000-employee organization.**¹¹

In addition to the hard dollar savings, financial gains can come in the form of an increase in innovation and brand appeal, both of which lead to increased revenue. According to the *2021 Deloitte Global Human Capital Trends* report, organizations with above-average diversity achieve stronger financial performance due to innovation-fueled revenue.¹² A heightened focus on diversity can also have a direct impact on sales, with 83% of consumers citing that they prefer diverse brands.¹³ Even in business-to-business manufacturing environments, diversity is becoming a larger part of the conversation when deciding on suppliers.





Conclusion

HCM and WFM technology offer a unique way for manufacturers to create a more diverse, equitable, and inclusive workplace. However, truly capitalizing on all the associated opportunities and benefits requires buy-in from the top down. Initiatives designed to promote DEI&B will continue to fall short unless there is a shared mindset across the organization about its importance and the value it brings to the business.

To learn more about how HCM and WFM technology can facilitate DEI&B in your manufacturing organization, please visit [UKG.com](https://www.ukg.com).



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Our purpose is people

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