Bridging the Gap

Understanding the
Employer-Employee Divide in DEIB

Bridging the DEIB Gap: A Study of Employer and Employee Perceptions

In a rapidly evolving workplace landscape, understanding the dynamics of Diversity, Equity, Inclusion, and Belonging (DEIB) is crucial. Indeed has been at the forefront of this exploration through its annual DEIB study. The third edition of this study was conducted in 2023 as an online survey, with a total sample size of 3005 (30% employers, 70% employees) across India. The survey, conducted in collaboration with YouGov India, explored the perspectives of both employees and employers on DEIB, aiming to uncover the gaps in perceptions and experiences within the workplace.

This comprehensive report delves into critical areas such as organizational pride, feelings of value and appreciation, and the effectiveness of DEIB policies. By identifying these gaps, the report sheds light on the current state of workplace inclusion and offers insights into how organizations can build a more inclusive and supportive environment for all.

DEIB: The Key to Inclusive Workplaces

In today's dynamic work environment, Diversity, Equity, Inclusion, and Belonging (DEIB) have become cornerstones of organizational success. A DEIB-focused workplace celebrates diversity, ensures equitable opportunities, and fosters a culture where all individuals feel valued, respected, and empowered to contribute fully. This inclusive environment not only promotes fairness and equality but also drives productivity and innovation.

However, to truly create workplaces where everyone feels valued and empowered, it's essential to understand the perspectives of both employers and employees. This flipbook offers valuable insights into the current state of DEIB in Indian workplaces, revealing critical gaps in our workplaces. It identifies the disparities in how pride, value, and loyalty are perceived at different organizational levels. The findings also highlight the importance of not just having DEIB policies in place but ensuring they are effectively communicated and implemented across hierarchies.

This report aims to serve as a catalyst for change, inspiring organizations to prioritize DEIB initiatives and build a more cohesive, innovative, and inclusive work culture. Together, let's build workplaces where diversity is celebrated, equity is upheld, and inclusion is embraced.

What Sparks Joy? Employees Reveal Top Workplace Motivators

Happiness in the workplace is fundamental to fostering a sense of belonging and overall well-being among employees. To uncover what makes employees feel happy, confident, and engaged, we asked an essential yet crucial question: What elements contribute to their overall workplace satisfaction?

The findings reveal that acknowledgement is vital to employee happiness. Recognition for their opinions, ideas, and contributions is essential for many employees. Interestingly, the data shows that **employees place greater importance on their opinions being welcomed by seniors (63%) than colleagues (58%).**

What makes employees feel happy, confident and lively at their workplace?

When my opinions & ideas are welcomed by the seniors in my team- **63%**

When my contribution to my team is acknowledged- **62%**

When my opinions & ideas are welcomed by my immediate colleagues- **58%**

When knowledge is exchanged across teams/colleagues- **55%**

When I see tangible growth in my work quality- **52%**

When different occasions are celebrated at the workplace- **48%**

When I have a friend at the workplace to share things with- **46%**

When there is no bias in project/work allotment- **39%**

When team outings happen- **36%**

When I can talk about my culture- **36%**

# The Comfort-Pride-Loyalty Triangle

To build on our understanding of workplace happiness and confidence, it was essential to explore how comfort levels within an organization influence employee loyalty and pride. So, we asked our respondents- **Can a feeling of comfort impact employees' feelings about their company?**

Data suggested a resounding yes. As employees progress in their comfort levels—from feeling at ease with a small part of their team to being comfortable with the entire organization—their loyalty and pride in their employer notably increase. Among employees who reported feeling comfortable with only a small part of their team, 48% expressed pride in their organization.

This percentage rises significantly as the comfort level expands, with 59% of those who feel comfortable with the whole company expressing organizational pride.
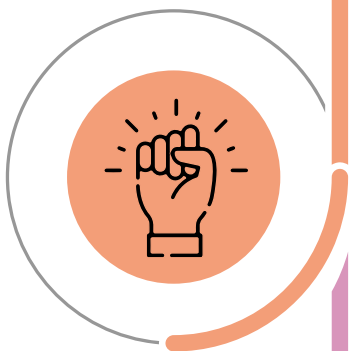
This trend can be explained by several factors.
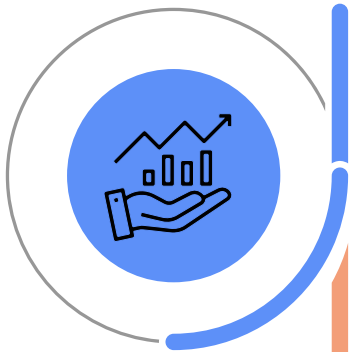
Increased Understanding

As employees move up the hierarchy, they gain a broader perspective. This allows them to appreciate the organization's goals, values, and achievements beyond their immediate team's function.
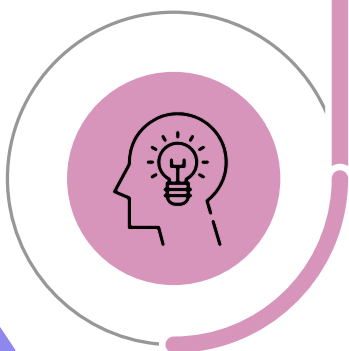
Exposure to Leadership

Hierarchical ascent often brings greater interaction with leadership teams. Observing strong leadership and a well-functioning organization can cultivate a sense of pride in being part of a successful entity.
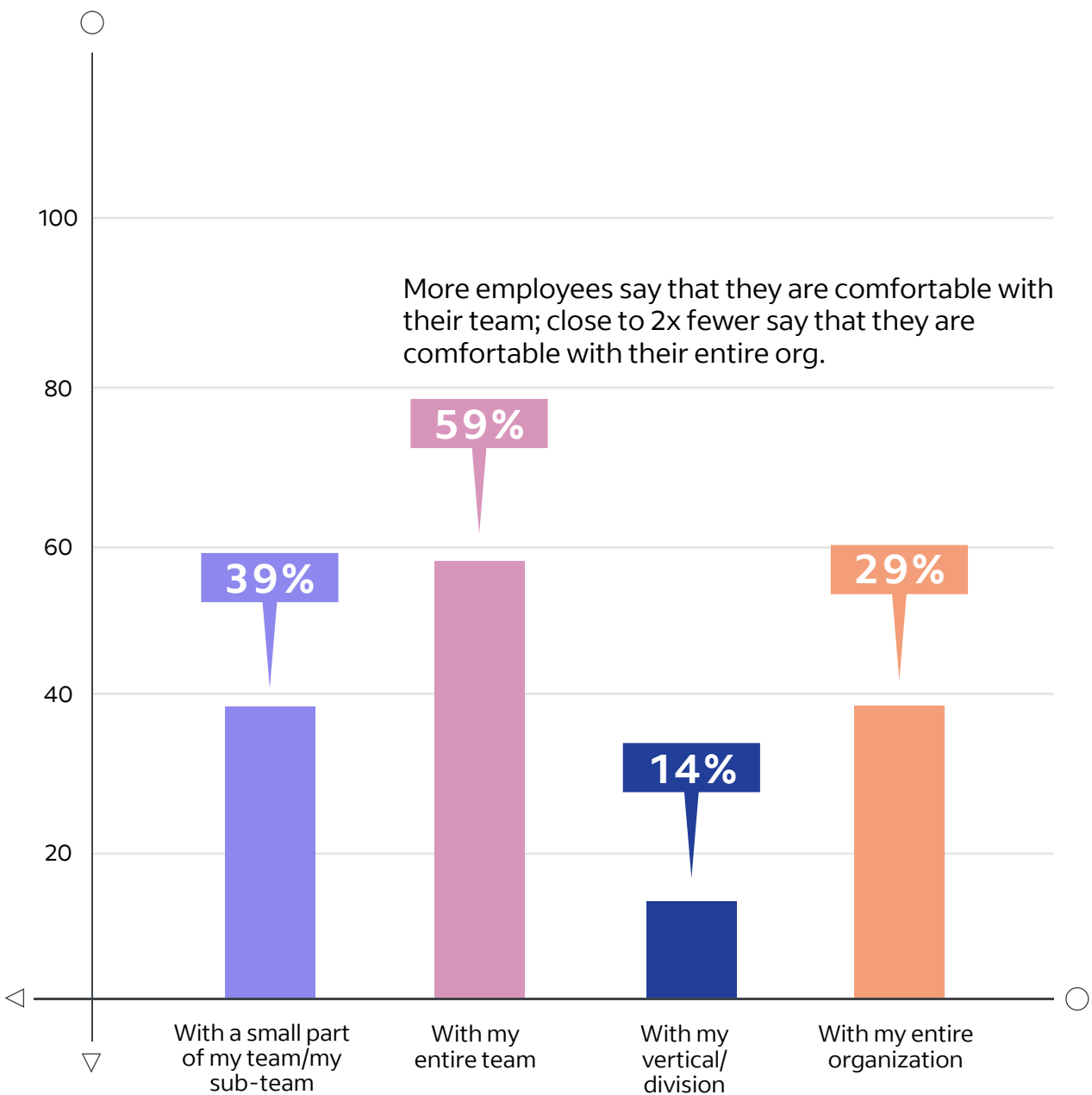
Investment and Influence

Higher positions often come with increased responsibility and decision-making power. This sense of ownership and investment in the organization's success strengthens loyalty and pride.

Employee comfort across organizational levels

This graph illustrates the distribution of employee comfort across different organizational levels.

More employees say that they are comfortable with their team; close to 2x fewer say that they are comfortable with their entire org.

39%
59%
29%
14%

| 100 |
| 80 |
| 60 |
| 40 |
| 20 |

With a small part of my team/my sub-team   With my entire team   With my vertical/ division   With my entire organization

Employee Comfort & Brand Advocacy

This graph explores how likely employees with various comfort levels are to recommend their organization to others.

	48%	52%	53%	59%
	With a small part of my team/my sub-team	With my entire team	With my vertical/ division	With my entire organization
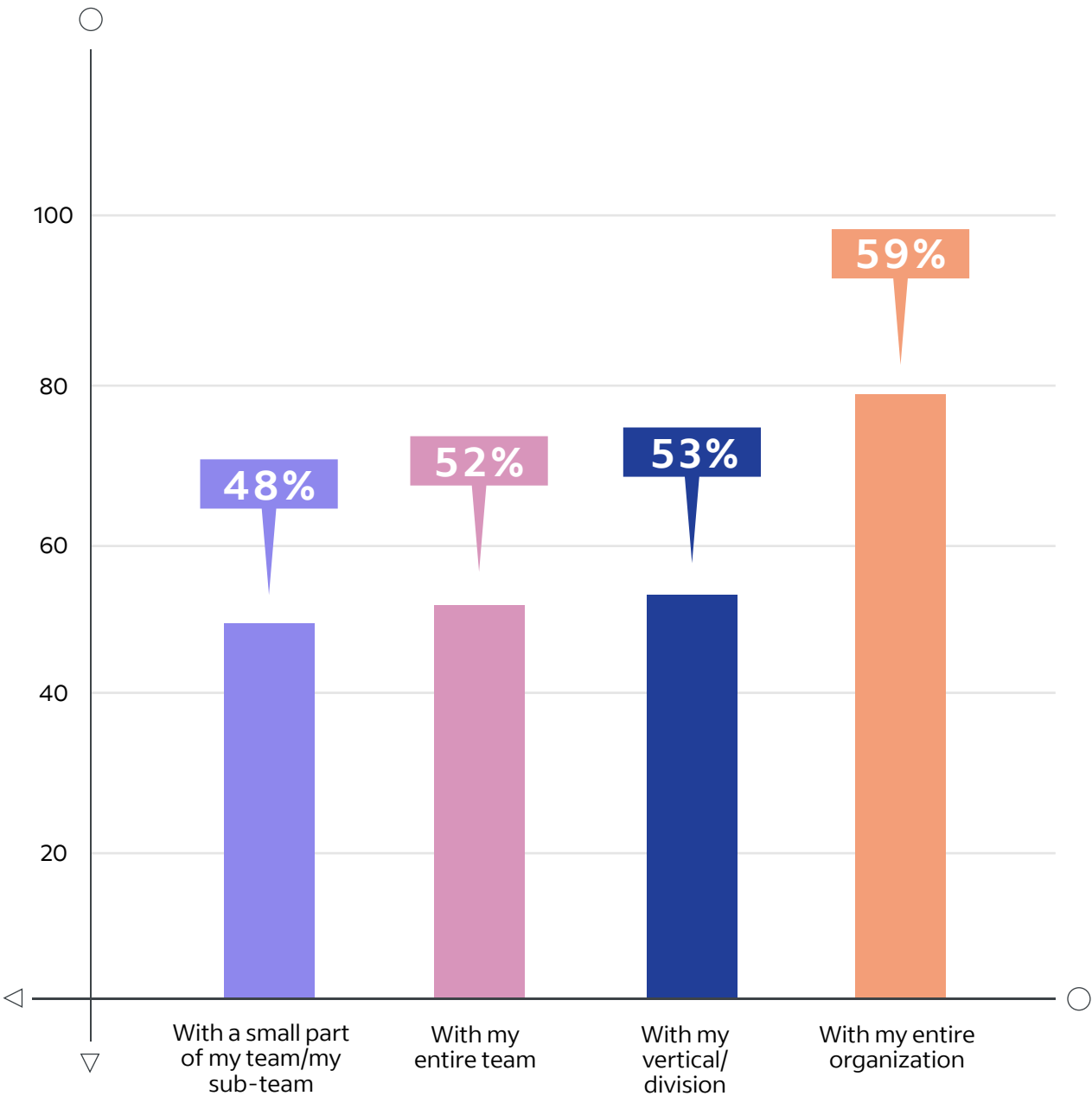
Why Employee Comfort is a Strategic Imperative

Employee comfort isn't just about creating a pleasant work environment, it's a strategic investment with significant business benefits. We have already seen a clear link between an employee's comfort level with the organization and their loyalty; individuals who are comfortable across different organizational levels demonstrate higher levels of loyalty towards their employer.

This echoes the **'Loyalty Effect'** which emphasizes the critical connection between a loyal employee base and a loyal customer base. After all, engaged and enthusiastic employees (who are more likely to feel comfortable) are better equipped to deliver exceptional customer service, ultimately driving organizational success.

However, employee comfort goes beyond simple familiarity. Freedom to express ideas, opinions, and even constructive criticism is paramount and is a key factor contributing to employee psychological safety.

When employees feel free to express themselves, they can bring their authentic selves to work, fostering a stronger sense of belonging and connection to the organization. On the flip side, **feelings of judgment from colleagues (43%), burnout or work-life imbalance (38%), lack of role clarity (33%), and criticism from direct managers (32%) can significantly undermine this sense of inclusion.**

Additionally, reducing workplace discrimination is essential for creating a psychologically safe environment. There is still a lot of room to grow for employers when it comes to tackling discrimination in their firms. A whopping **50%** of **employees surveyed reported facing or witnessing workplace discrimination,** indicating a significant barrier to comfort and inclusion.

While both genders face discrimination in the workplace, women bear a disproportionate burden. **Our data reveals a stark reality: women employees are subjected to a higher incidence of gender and sexual discrimination(12%) compared to their male counterparts(9%)**. The consequences of this are far-reaching, with women experiencing significantly greater adverse effects on their mental (37%) and physical health (33%), in addition to a loss of productivity.

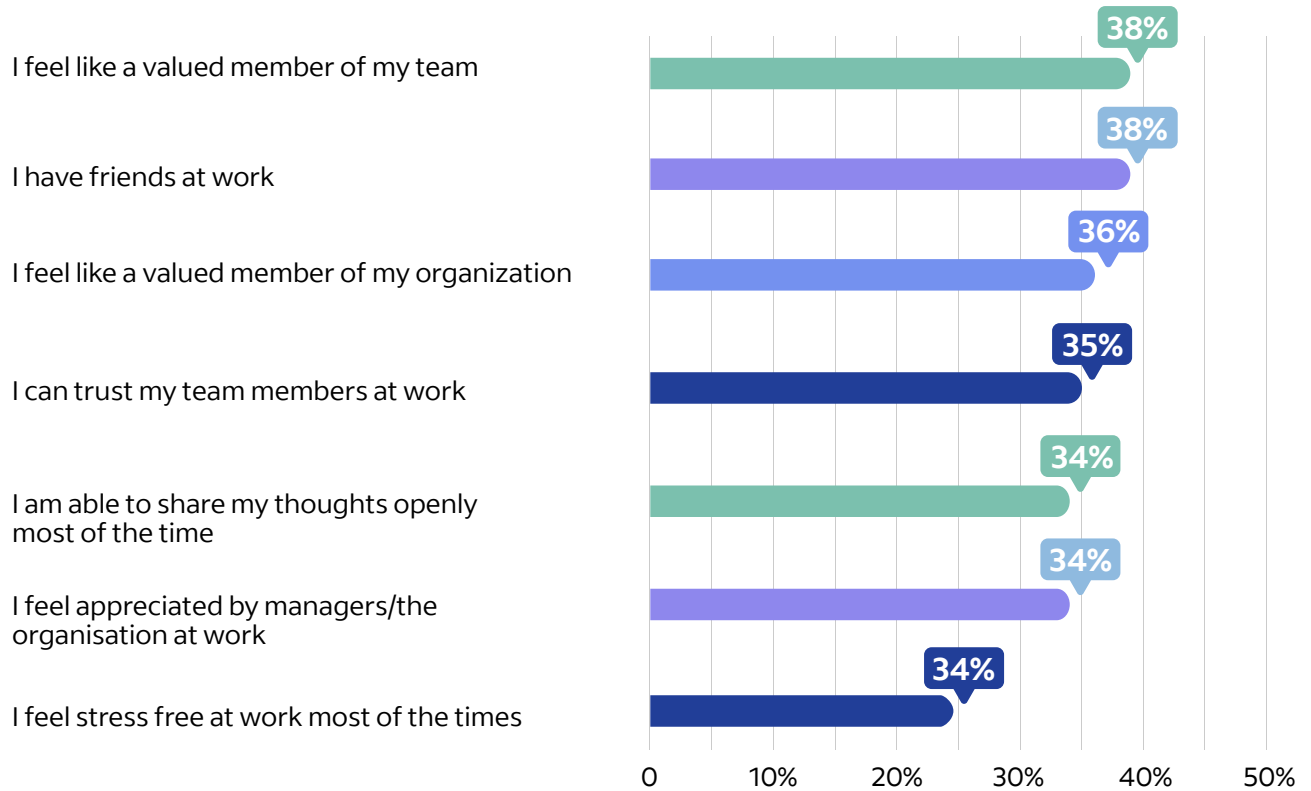# Divergent Perceptions: Bridging the Gap Between Employees and Employers

While fostering employee comfort and addressing discrimination are crucial for a thriving workplace, a key question remains: to what degree do employees and employers actually see eye-to-eye on these issues?

Interestingly, our research suggests significant disparities in perception between these two crucial stakeholders. Specifically, when it comes to feeling proud and valued within the organization, employees and employers appear to hold vastly different perspectives.
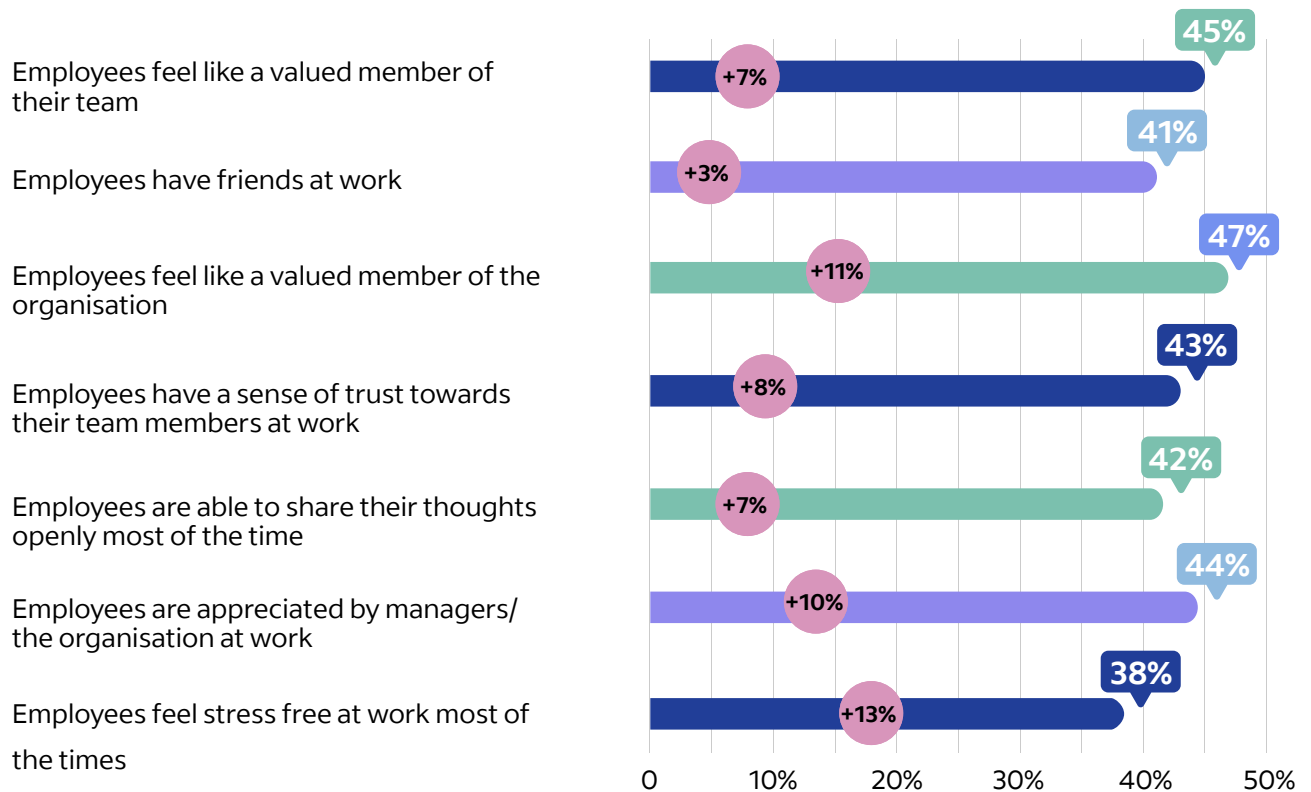
Factors like feeling appreciated and recognized as a valuable member of the team reveal a noticeable gulf between the two groups. For instance, **while 47% of employers agree that employees feel valued, only 36% of employees share that sentiment**, a gap of 11%. This discrepancy is further highlighted when looking at feelings of appreciation from managers and the organization, with a 10% difference between employer (44%) and employee (34%) agreement.

Employee sentiment towards current organization

Statement	Value
I feel like a valued member of my team	38%
I have friends at work	38%
I feel like a valued member of my organization	36%
I can trust my team members at work	35%
I am able to share my thoughts openly most of the time	34%
I feel appreciated by managers/the organisation at work	34%
I feel stress free at work most of the times	34%

0   10%   20%   30%   40%   50%

Employer perception of employee sentiment

Statement	Value	Difference
Employees feel like a valued member of their team	45%	+7%
Employees have friends at work	41%	+3%
Employees feel like a valued member of the organisation	47%	+11%
Employees have a sense of trust towards their team members at work	43%	+8%
Employees are able to share their thoughts openly most of the time	42%	+7%
Employees are appreciated by managers/the organisation at work	44%	+10%
Employees feel stress free at work most of the times	38%	+13%

0   10%   20%   30%   40%   50%

13

Closing the Divide: Ensuring a Sense of Belonging in the Workplace

To bridge the gap and foster a sense of belonging at the workplace, organizations must create environments where creativity is encouraged and ideas, opinions, and criticism are freely expressed. According to our findings, almost 64% of employees reported that their organizations have encouraged creative and innovative thinking to ensure they feel like a part of the company. The freedom to share ideas and opinions openly also emerged as a crucial factor- 61% highlighted the ability to express themselves freely within the organization and 58% emphasized the importance of open exchanges of differing ideas. Clearly, these elements are essential for employees to bring their authentic selves to work.

Pay disparity and inadequate compensation are significant contributors to a lack of belonging among both male (32%) and female (26%) employees. However, women say that limited opportunities for creative thinking (25%) and a perceived lack of collaboration (26%) are other key factors hindering their sense of belonging in the workplace.

Recognizing this, organizations are increasingly prioritizing the creation of an environment where innovation, open communication, and the freedom to make mistakes are seen as valuable aspects of the learning and growth process. Integrating Diversity, Equity, Inclusion, and Belonging (DEIB) into organizational efforts is crucial in achieving this goal.

Actions Organizations Take to Strengthen Employee Belonging
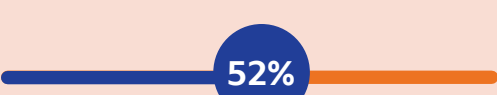
Creative/innovative thinking is encouraged

64%

I can express ideas, opinions, and criticism freely with anyone in the organization

61%

There is open exchange of differing ideas

58%

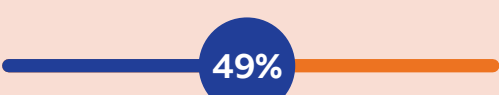Creates spaces for colleagues to come together and interact without work as the background

52%

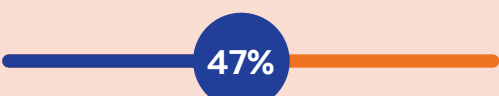High visibility on what other teams do

50%

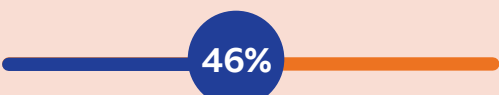Has people from my background/people like me in leadership roles

50%

Has policies that support open conversations about hiring/promoting/work culture

49%

Plenty of time/spaces to interact with other teams

47%

I am able to be my authentic self

46%

Has pay scales basis years of experience

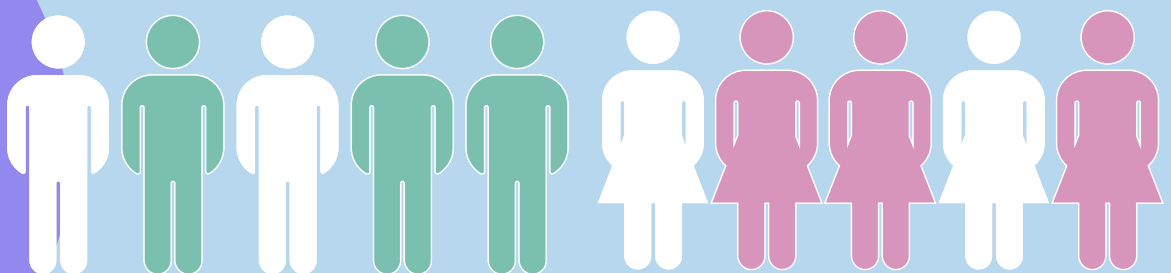**39%**

Embracing DEIB: A Path to Inclusive Workspaces

Diversity, Equity, Inclusion, and Belonging (DEIB) policies are essential in creating an inclusive work environment where every employee feels valued and connected. These policies are crucial for ensuring that all employees can bring their authentic selves to work, free from discrimination and bias.

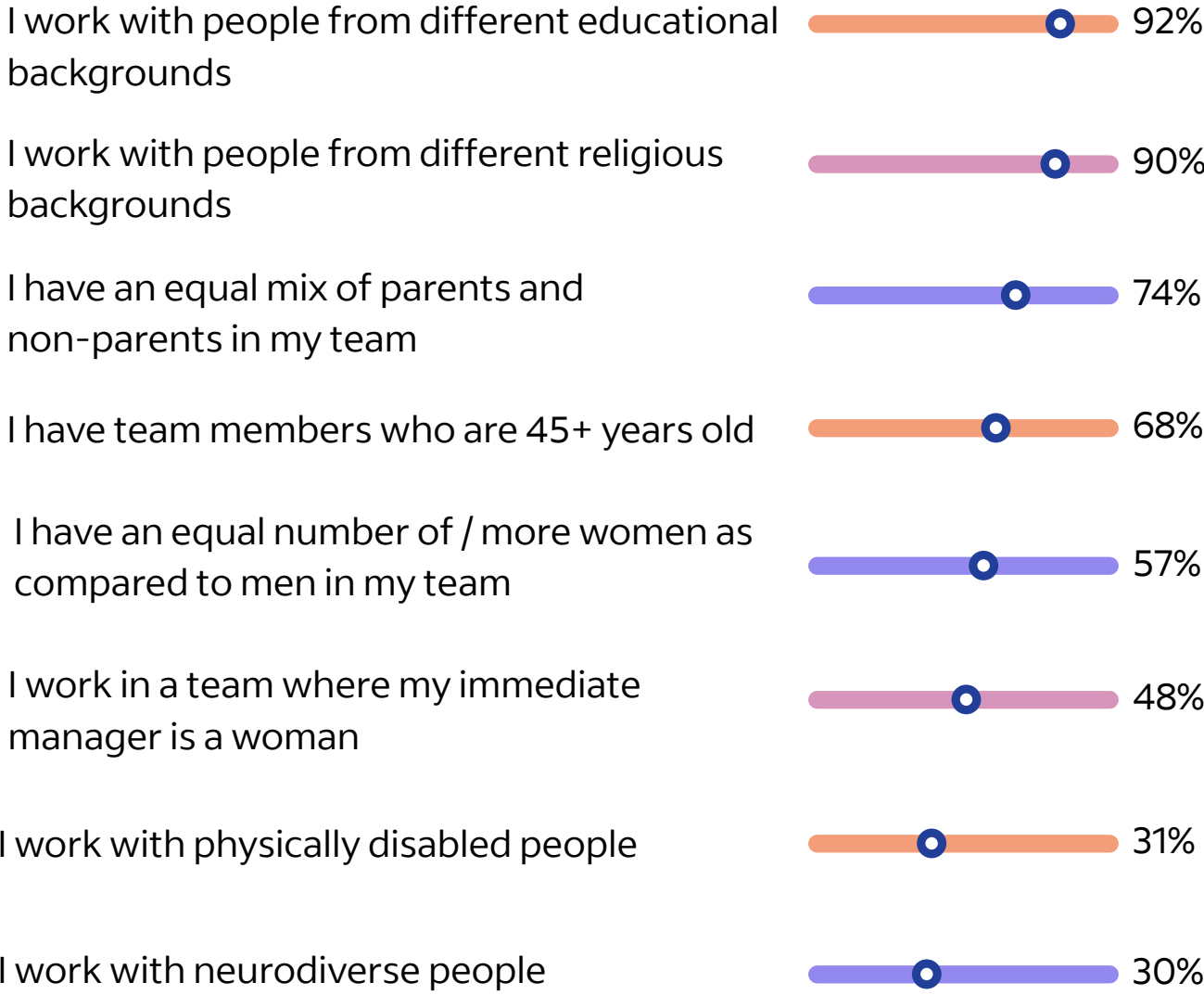Yet, the question remains: How diverse are our workspaces?

Clearly, there is a range when it comes to diversity. While working with people from different educational backgrounds (92%) and different religious backgrounds (90%) is more commonplace, the numbers don't appear as strong in other facets of diversity. Only 57% of employees agree that they see an equal number of women and men in their teams. Even fewer (48%) say that their immediate manager is a woman.

There is a significant disparity in openness towards LGBTQ+ colleagues between genders as well. While 7% of women express a willingness to work alongside LGBTQ+ individuals, this figure drops to a mere 1% for men.

% Of Employees Who Agree To Having The Following Facets As Part Of Their Immediate Team

I work with people from different educational backgrounds — 92%

I work with people from different religious backgrounds — 90%

I have an equal mix of parents and non-parents in my team — 74%

I have team members who are 45+ years old — 68%

I have an equal number of / more women as compared to men in my team — 57%

I work in a team where my immediate manager is a woman — 48%

I work with physically disabled people — 31%

I work with neurodiverse people — 30%

However, it is clear that employers believe in the importance of diversity, with 6 in 10 employers emphasizing the significance of having a DEIB policy. Despite the challenges companies face while implementing DEIB policies, the strong organizational belief in these policies is a promising start.

The DEIB Implementation Gap: Challenges and Solutions

Even as DEIB policies gain well-deserved traction in workplaces, significant gaps are seen in deployment and awareness —fewer employees are aware of these formal policies compared to the number of employers who claim they exist. This highlights the critical need for organizations to go beyond policy development and prioritize clear communication and effective implementation, to ensure that all employees benefit.

Organizations also face a complex balancing act when it comes to prioritizing DEIB initiatives within the broader HR landscape. When asked to prioritize HR mandates, pay equity (44%) often takes precedence over ensuring a better share of voice for DEIB initiatives within and outside of the organization (23%). Similarly, strategies like diversity-focused job descriptions (27%), diversifying roles at all levels (26%), and applying the Rooney Rule for minority representation (12%) are seen as less critical compared to pay equity in fostering psychological safety.

Addressing these challenges requires a multifaceted approach. Organizations must anticipate resistance to change, a common hurdle faced by those implementing DEIB policies. Additionally, leaders in the planning stage should be prepared to address potential commitment issues among senior leaders. By proactively addressing these concerns and building a culture of open communication, organizations can pave the way for the successful implementation of DEIB initiatives and reap the benefits of a diverse and engaged workforce.

In conversation with

Rajeev Sharma

Sashi Kumar

DEIB Report **2024**

Building an Inclusive Workplace: A Roadmap to Success

The journey towards a truly inclusive workplace is an ongoing process, but the rewards are undeniable. By fostering a sense of belonging, creating a culture of open communication, and implementing effective DEIB strategies, organizations can unlock employee potential, drive innovation, and achieve sustainable success.
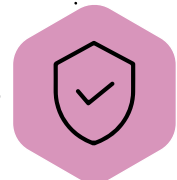
Here are some key best practices to guide you on this journey:

Diversify recruitment practices to attract a diverse pool of candidates.

Secure unwavering buy-in from senior leaders. Their visible support sets the tone for the entire organization.

Clearly communicate DEIB policies, initiatives, and progress updates to all employees. Prioritize transparency and open dialogue.

Create a work environment where employees feel safe to express themselves freely, ask questions, and make mistakes without fear of judgment.

Provide ongoing training on unconscious bias, inclusive communication, and bystander intervention.

Empower and support employee-led Employee Resource Groups (ERGs) that foster a sense of community and belonging for specific identity groups.
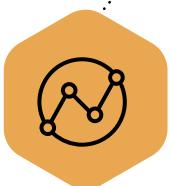
Hold leaders accountable for achieving DEIB goals. Regularly measure progress to identify areas for improvement.

Recognize and celebrate the unique contributions and experiences of all employees.

Conclusion

Building an inclusive workplace is not just about checking a box – it's about creating a culture where everyone feels valued, respected, and empowered to reach their full potential. By bridging the gap between policy and practice, organizations can create a workplace where everyone feels a sense of belonging and empowerment, creating a culture that benefits from the collective strength of a diverse workforce.