

# Diversity Recruiting: Overview of Practices and Benchmarks

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## Introduction

A challenge, often faced each year by companies recruiting on college campuses, is the difficulty in identifying and successfully recruiting diversity candidates. Not too long ago the search for diversity candidates was high profile with on-campus recruiting events tailored to specific target populations. While national diversity associations still hold annual recruiting events for their members, on-campus events have changed due to state policies and legal decisions by state and federal courts. Also the scope of diversity recruiting appears to have shifted from targeting specific populations to more inclusive strategies.

Little information exists on the basic elements of diversity recruiting on college campuses. A set of questions was developed for CERI's annual college hiring survey that attempted to capture the current practices and benchmarks being employed by organizations in their diversity recruiting programs. This report begins by examining how organizations define diversity. In the other sections, topics cover the degree to which diversity recruiting is integrated into college relations/recruiting programs; the relationship of diversity hiring goals to total annual hiring targets; and benchmarks for measuring the success of diversity recruiting.

## How does your organization define diversity?

A diverse workforce is viewed as critical in today's globally competitive organization. Simply the demographic profile of the U.S. has been shifting, often dramatically, in terms of culture, age and education. Approximately 50% of the respondents (2020) who completed this section of the survey provided a response to the query on how their organization currently defined diversity.

The responses were sorted according to themes reflected in the statements. After several iterations four general themes emerged. A fifth category, designated "other," captured the responses that did not fit into any of these themes:

- The individual differences that makes each candidate unique.
- The creation of an inclusive and respectful environment where all candidates are considered.
- Diversity reflects a core value in the organization.
- Organization has no formal definition for diversity; the focus is on finding the best candidate for each position.

One-third (33%) of the definitions clustered in the *unique candidate* category and about one-quarter (25%) grouped in the *inclusive environment* theme. The remaining responses were spread equally across the remaining themes.

Table 1. Classification of Diversity Definition by Theme (%)

Categories	Responses	Percent of Total
Unique Candidates	317	33

<b>Inclusive &amp; Respectful Environment</b>	231	24
<b>Core Organizational Value</b>	154	16
<b>Do not define diversity – seek the Best Hire</b>	142	15
<b>Other definitions</b>	124	13
<b>Total</b>	968	

Once the responses were sorted into a theme group, the responses were again examined to see if their definition made specific reference to characteristics in the candidates they were seeking, such as ethnicity, gender, age, or socio-economic status, for example. Overall, 38% of the responses made reference to a specific characteristic(s). The unique candidate group revealed the highest level of referencing characteristics at 66% with the most common descriptors being women, African-American and Hispanic students. For the other themes specific references were made by less than 30% of respondents

Table 2. Reference to Specific Candidate Characteristics by Definition Category (%)

<b>Response</b>	<b>Total</b>	<b>Reference (%)</b>	<b>No Reference (%)</b>
<b>Difference in Candidates</b>	317	66	34
<b>Inclusive Environment</b>	231	29	71
<b>Core Value/Enhance Company</b>	154	25	75
<b>No Definition/Best Hire</b>	142	19	81
<b>Other</b>	124	18	82
<b>Total</b>	968	38	62

### College Recruiting Programs

Slightly more than 55% of 2020 employers opted for phrase, “our organization does not have a defined diversity program.” Three quarters of employers with fewer than 100 employees did not have defined programs. On the other hand, only 23% of large companies with more than 4000 employees did not have defined programs. Only 8 percent of respondents reported that they had diversity hiring targets. However, slightly more than 22% of large organizations did set annual diversity recruiting targets. One-third of these organizations (55% of large organizations) have established diversity guidelines to follow throughout their recruiting and hiring process.

Table 3. Type of Diversity Program, Overall and Organizational Size (%)

<b>Definitio</b>	<b>Numbe</b>	<b>Percentag</b>	<b>9 or</b>	<b>10 – 100</b>	<b>101 – 500</b>	<b>501-4000</b>	<b>&gt;4000</b>
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n	r	e All	fewer employees	employees	employees	employees	employees
My organization does not have a defined diversity program for college recruiting.	1141	56	75	72	59	44	23
My organization has diversity guidelines (expectations) but does not set specific hiring targets	720	36	22	25	36	45	55
My organization sets actual diversity hiring targets annually.	159	8	3	3	5	10	22

When we examine diversity programs by economic sector, the results show:

- Agriculture, Real Estate & Leasing (small numbers of respondents), Information Services, Arts& Entertainment, and Administrative Services are more likely not to have defined diversity programs for college recruiting.
- Government, Health Care, Educational Services, and Retail are more likely to have diversity guidelines.
- Accommodations (Hospitality), Government, Manufacturing, and Educational Services are more likely to have actual diversity hiring targets.

Table 3. Diversity Programs by Economic Sector (%)

Definition	AG	OIL	UTIL	CONS	MANU	WHOL	RETAIL	TRANS	INFS	FIN/IN
				T	F	E			ER	S
My organization does not have a defined diversity program for college recruiting.	75	50	52	53	51	67	44	56	71	55
My organization has diversity guidelines (expectations) but does not set specific hiring targets	19	35	44	40	37	29	46	36	26	36
My	6	15	4	7	12	5	9	8	3	9

organization sets actual diversity hiring targets annually.										
Number of Respondents	32	20*	27	73	343	42	54	66	66	162
Definition	RES/LS	PROF SV	ADMS V	EDU C	HEALT H	ARTS&EN T	ACCO M	NONPRO	GOVT	
My organization does not have a defined diversity program for college recruiting.	89	66	72	44	51	72	44	59	35	
My organization has diversity guidelines (expectations) but does not set specific hiring targets	6	30	20	46	46	28	32	36	50	
My organization sets actual diversity hiring targets annually.	6	5	8	10	3		24	6	15	
Number of Respondents	18*	493	39	131	90	32	25*	160	136	

\* Small number of respondents in cell statistics may not be valid.

## Relationship between Diversity Initiatives and College/University Relations/Recruiting Programs

Nearly three quarters of these organizations reported that their college hiring diversity initiatives were integrated into their overall college hiring and university relations programs. The distribution between integrated programs and stand alone programs was similar across organizational size.

Table 4. Integrated or Stand Alone Diversity Programs (%)

Options	Percentage All	9 or fewer employees	10 - 100 employees	101 - 500 employees	501-4000 employees	>4000 employees
Our diversity initiatives are an integrated part of our college and university hiring program.	74	63	74	69	69	82
Our diversity hiring program is a separate function from our college/	26	37	26	31	31	18

Agriculture employers were more likely to have diversity programs separate from their college and university hiring program – 43% had separate programs. Arts & Entertainment also had more employers selecting the separate option but the number of observations contributing information was small.

### New Hiring Targets Earmarked for Diversity Candidates

These organizations indicated that approximately 30% of their total college hiring targets for 2012-2013 was designated as diversity hires. A comparison across organizational size found a very consistent pattern with between 25% and 30% of total targets being designated for diversity recruitment. The one exception was in the very small organizational size group (9 or fewer employees) where over 60% of total targets were diversity hires. The number of responses in this group is small compared to the total number of responses this group who contributed hiring information. Caution should be used in interpreting the implications of this finding, as the contributors may be a very unique subset of the total respondents from very small employers. Also the number of total hires is small, between one and five new hires, which can shape the percentage calculations.

Table 5. Percentage of Total College Hiring Targets Designated as Diversity Hires (%)

	Percentage All	9 or fewer employees	10 – 100 employees	101 – 500 employees	501-4000 employees	>4000 employees
<b>Mean</b>	31	62	31	30	25	29
<b>Median</b>	25	70	22	25	20	30

Sectors with the highest targets for diversity hires included Retail (49% -- mean), Non-profits (44% -- mean), and Professional & Scientific Services (40% -- mean). Oil, Utilities, Construction and Transportation had the lowest percentage of total hires targeted for diversity candidates at 20% or less.

### Basis for Targets

When asked what parameters determine the basis for their diversity targets, these respondents indicated that the targets were generally established for the entire hiring class and not shaped by degree or job function. Between 62% and 74% (depending on size) based their targets on the overall class. Slightly less than 20% employed both degree level and job function to establish targets. Fewer organizations used degree level or job function exclusively.

Table 5. Parameters Used to Establish Diversity Hiring Targets (%)

	Percentage All	9 or fewer employees	10 – 100 employees	101 – 500 employees	501-4000 employees	>4000 employees
<b>Per degree level</b>	2	10	3	3	1	
<b>Per function for which the candidate is</b>	14	9	14	14	6	17

<b>being hired</b>						
<b>Both degree and function</b>	17	19	14	19	18	14
<b>Overall hiring class (not specific to degree or function)</b>	67	62	69	64	74	69

Comparison across economic sector revealed that most of the sectors focused on the overall hiring class as their parameter. Some exceptions were observed: for Oil 60% indicated that their parameter was both degree and function, and for Professional & Scientific Services 19% selected both degree and function and 16% opted for function.

### Success in Achieving Diversity Hiring Targets

Respondents were asked to indicate how successful their organizations were in achieving their hiring targets based on the parameters chosen to set the targets. The mean scores suggest that these organizations achieve moderate success in the diversity hiring. Small employers (101 – 500 employees) and large employers reported the highest level of success with 40% indicating they were *quite to very successful*. The one group that reported slightly less success were mid-size companies with only 25% rating their diversity programs as *quite or very successful*.

Table 7. Success of Diversity Program (% and mean)

	Percentage All	9 or fewer employees	10 – 100 employees	101 – 500 employees	501-4000 employees	>4000 employees
<b>Not Successful</b>	4		7	3	4	3
<b>Somewhat Successful</b>	26	25	29	21	38	20
<b>Moderately Successful</b>	35	19	34	36	34	38
<b>Quite Successful</b>	24	34	21	27	16	28
<b>Very Successful</b>	11	22	10	13	8	12
<b>Mean</b>	3.1	3.5	3.0	3.3	2.9	3.2

Sectors reporting higher level of success than the overall mean of 3.1 included Accommodations (Hospitality) and Administrative Services, both with a mean of 3.6, Oil (mean = 3.4), and Retail, Health Care, and Non-profits, all with a mean of 3.3. Sectors that felt that their diversity recruiting efforts were not as successful as the other sectors were Agriculture, Utilities, Educational Services, Arts & Entertainment, and Government – all with a mean of 2.8.

### Cost of a Diversity Hire Compared to a Non-diversity Hire

The Institute is frequently asked if organizations find it more costly to recruit diversity candidates than non-diversity candidates. According to the vast majority (above 85%) of these respondents, the cost of hiring diversity and non-diversity candidates are about the same. Very few indicate that it costs less to make a diversity hire than a non-diversity hire.

Table 8. Cost Comparison between Diversity Hire and Non-diversity Hire (%)

	Percentage All	9 or fewer employees	10 – 100 employees	101 – 500 employees	501-4000 employees	>4000 employees
<b>Cost More per Hire</b>	13	7	13	7	11	19
<b>Cost the Same</b>	86	93	85	92	89	80
<b>Cost Less per Hire</b>	1		2	1		1

If the cost per diversity hire is more, what is the percentage above the cost of a non-diversity hire:

- Mean: 26%
- Median: 31%

If the cost per diversity is less, what is the percentage below the cost of a non-diversity hire:

- Mean: 30%
- Median: 28%

### Activities that Comprise Diversity Recruiting Strategy

Employers can utilize a variety of activities in their diversity recruiting strategies. The most frequently selected options are partnering with core campuses by connecting with academic units or involvement with professional student organizations. Another important strategy is to leverage the diversity and affinity groups within their organizations to be proactive in identifying diversity talent. Employers are less likely to attend diversity conferences whether they are national or regional in scope, partner with scholarship programs, or partner with leadership, tutoring or other targeted group programs.

When organizational size is taken into consideration, the mix of strategies varies according to size. Very large companies, those with staff and financial resources, tend to be involved in all these options. Nearly 30% report that attending national diversity conferences is an essential part of their diversity strategy. (Mid-size employers are more likely to attend regional diversity conferences.) Large organizations really focus on building connections to important academic programs and working with student professional organizations with nearly 50% say these options are essential elements of their programs. Only about 20% are strong supporters of scholarship and leadership programs.

Small employers (organizations with fewer than 500 employees) use a limited number of these strategies. Primarily they rely on partnerships with faculty (directly back to their advisor) and student organizations.

Table 9. Activities that Organizations Use in their Diversity Programs (%)

	Not a Part of Strategy	Some Extent	Moderate Extent	Quite an Extent	Key Part of Strategy
<b>Attend Diversity National Conference(s)</b>	61	14	11	6	8
<b>Attend Regional Diversity Conference(s)</b>	56	16	16	7	5
<b>Partner with Academic Units at Core Schools</b>	28	19	26	17	10
<b>Partner with Student Organizations</b>	30	19	23	18	10
<b>Partner with Scholarship Programs</b>	58	17	13	7	5
<b>Sponsor Programs (leadership, tutoring) Targeted Groups</b>	56	14	15	11	4
<b>Leverage Internal Affinity/Diversity Groups</b>	38	17	21	16	8

Categories were collapsed into two groups: one included *not a part to some extent*, and the second group included *moderate to key strategy*. Comparisons by economic sector revealed:

- Oil (62%), Information Services (46%), Administrative Services (38%), Manufacturing (33%) and Accommodations/Hospitality (33%) included attending national diversity conferences as an important strategy.
- In addition to the sectors noted in bullet one, Information Services, Financial Services/Insurance, and Government used regional diversity conferences among their diversity program strategies.
- Most sectors partnered with academic units to identify diversity talent. Sectors, where this strategy was least likely to be chosen, included Agriculture (33%), Construction (39%), Non-profits (37%), Educational Services (40%) and Professional & Scientific Services (41%).



- Involvement in student organizations was a strategy by employers in nearly all sectors employed. The exceptions were Agriculture (25%), Arts & Entertainment (25%) and Educational Services (32%).
- Generally less than one-third of employers in each economic sector participated in scholarship programs. The one exception was the Oil sector where 86% of respondents checked they were using this approach in developing diversity talent.
- Leadership programs were more actively pursued by Agriculture, Oil, Utilities and Accommodations/Hospitality (50%) than employers from other sectors.
- Leveraging internal diversity/affinity groups was employed throughout all sectors but appeared to fall into two clusters. The first clustered around one-third of the employers in each sector using this option. The second cluster found more than 50% of employers in the sector using this option which included: Agriculture, Utilities, Manufacturing, Transportation, Financial Services/Insurance, and Non-profits.

### **Key Benchmarks for Monitoring Diversity Program Success**

Benchmarks are helpful in that they allow an organization to compare how they did against a large national sample. The sector information may not be an accurate reflection of all comparable organizations due to sample size limitations. This factor needs to be considered when comparing these benchmarks against an organization's yearly performance.

Two benchmarks were included in this study: the **full-time offer acceptance rate** which is based on the total number of diversity offers extended and the total number accepted; and the **diversity composition** of the total hiring class for 2011-2012. The full-time acceptance rate could be compared against the same benchmark for non-diversity hires.

**Benchmark – Acceptance Rate:** The acceptance rate (the number of acceptances received divided by the number of full-time offers extended) for your diversity candidate pool from the past academic year 2011-2012.

- Mean: 67.5%
- Median: 80%
  - Sectors noticeably below the mean: Agriculture (55%), Information Services (32%), and Administrative Services (40%).
  - Sectors noticeably above the mean: Wholesale Trade (82%), Utilities (80%), and Non-profits (73%).

**Benchmark – Acceptance Rate Comparison:** The acceptance rate (the number of acceptances received divided by the number of full-time offers extended) for your non-diverse candidate pool from the past academic year (2011-2012).

- Mean: 72%
- Median: 80%
  - Sectors noticeably below the mean: Administrative Services (40%), Information Services (52%), Government (64%), and Transportation (64%).

- Sectors noticeably above the mean: Agriculture (82%), Oil (80%), Professional & Scientific Services (80%), and Accommodation/Hospitality (80%).

**Benchmark – Composition of Diversity Hires in Total New Hires:** Based upon the total number of new college hires made in 2011-2012 academic year, the percentage of diversity hires among the total group of new hires was:

- Mean: 32%
- Median: 28%

These figures are close to the projected hiring targets for diversity candidates among total hires that were discussed previously.

- Sectors noticeably below the mean: Information Services (12%), Oil (15%), Construction (17%), Transportation (18%), Administrative Services (15%), Financial Services/Insurance (20%) and Accommodations/Hospitality (22%).
- Sectors noticeably above the mean: Non-profits (47%), Retail (45%), and Professional & Scientific Services (39%).

Size of organization comparisons revealed only slight differences. The acceptance rates for both diversity and non-diversity were fairly similar across the five groups. Diversity acceptance rates (mean) ranged from 64% to 70% with organizations with 10 to 500 employees at the lower end. Non-diversity acceptance (mean) rates ranged from 66% to 75% with organizations with 10 to 100 employees at the lower end. Composition of hiring class revealed about one-third were diversity hires. Mid-size organizations (501 to 3999 employees) reported the lowest percentage of diversity hires at 24%. Very small organizations reported nearly 46% of all hires were diversity hires. This last figure has to be used with caution due to the small number of observations (less than 30) and low number of hires per organization made by these organizations.

### **Organizations that Designate Recruiting at Historically Black Colleges and Hispanic Designated Institutions**

Some organizations indicated that they recruited at Historically Black Colleges & Universities and at Hispanic serving colleges and universities as part of their recruiting program. Several differences were found for the organizations recruiting at these designated institutions:

- More likely to have diversity guidelines (56%) and diversity targets (20%).
- Diversity recruiting efforts more likely to be integrated into college relations efforts (87%).
- More likely to attend national (41%) and regional (54%) diversity conferences.
- More likely to reach out to student organizations (60%) and sponsor leadership programs (40%).
- Higher acceptance rates for full-time offers with those attending HBCU (73%) and Hispanic serving institutions (77%).

A few differences were found between organizations who recruited at HBCU campuses and Hispanic serving campuses:

- Organizations at Hispanic serving institutions felt their diversity efforts were quite to very successful (44%) compared to organizations at HBCU (36%).
- Organizations at Hispanic serving institutions were more likely to work with student organizations (62%) than those at HBCU (58%).
- Organizations at Hispanic serving institutions reported slightly higher composition of diversity hires in their total college hires (31%) than organizations at HBCU (28%).

## **Final Thoughts**

The responses gathered from employers paint a general picture of what the current situation is with regards to diversity recruiting across colleges and universities in the U.S. Slightly more than 40% indicated that their companies and organizations expressed diversity initiatives through guidelines and specific hiring targets. The definitions of diversity run from specific candidate characteristics to inclusive statements. Large companies are more likely to have diversity policies that are embedded in their college relations programs.

Organizations achieve their diversity targets through a variety of strategies though working with student organizations, leadership programs, and academic departments being preferred. Organizations reported good success with their diversity efforts but still face challenges in meeting their targets. For many recruiters the challenge is not enough diversity candidates available for their talent pipelines.

One observation that stood out is the shift in how diversity is being defined. The focus on specific affinity groups, such as African-Americans, Hispanics, and women is giving way to a more inclusive definitions. In a summary of comments by Ginni Rometty, CEO of IBM, Fortune provided this excerpt in the fall of 2012. Diversity to the IBM CEO meant more than women or ethnic affiliation, "I think this is a time of great inclusion," she said. "It's geographic, it's approach, it's your style, it's your way of learning. The way you want to contribute, it's your age. It is really broad."

The definition of diversity is likely to expand even more with the emergence of neurodiversity, a term coined by sociologist Judy Singer from her work with autistic individuals. The argument is that individual's with different mental capabilities are going to be sought for their creativity and innovative abilities despite lacking some of the social skills so in demand today. Steve Silberman (Wired, April 2013 in Neurodiversity Rewires Conventional Thinking About the Brain) contends that cognitive abilities are gaining traction as a critical organizational resource.