

EQUITY, DIVERSITY, AND INCLUSION UPDATE

September 2021

- In September 2019, Council approved a Recommendation Report (HUR19019) directing staff to engage in further work to advance the EDI priorities for the City of Hamilton.

Scope of Work in 2020 Included:

- Employment Equity Survey Launch and Data Collection
- Voluntary Demographic Data Collection for Applicants
- New Hire Demographic Data Collection
- Analysis of Data and Establishment of Comparator Data Metrics
- Creation and Training of EDI Steering Committee
- Redesign of Interview Guides and Training for Hiring Managers

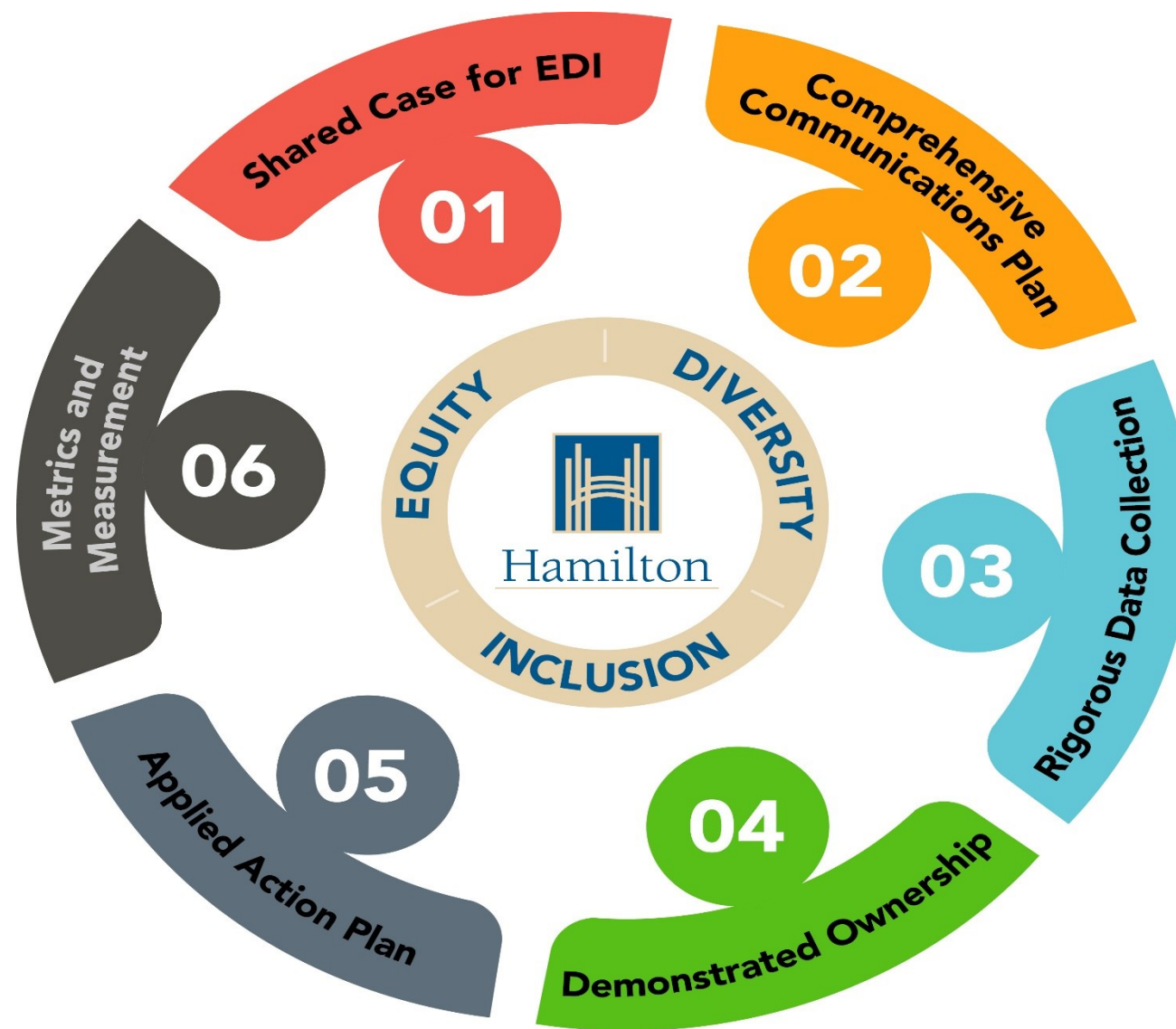
- In mid-2020, the consultancy work was now clearly defined and the Request for Proposal process was initiated.
- Ernst & Young (EY) was the successful bidder through the competitive Procurement process and work commenced in early 2021.

Scope of Work Included:

- Review of EDI related work done by the City since 2014
- Employee Cultural Assessment Survey
- Focus Group Sessions
- Systems Review
- Stakeholder Interviews
- Senior Leadership Team Equitable Leadership Assessments

- Data from all inputs provided insight into our organization's opportunities and strengths
- Messaging consistent and aligned from all input methods
- Critical to provide financial and human resources to ensure focus on implementation timelines and deliverables
- Recognized need to develop a Business Case to articulate how EDI is essential for the City of Hamilton, as well as the impact of not proceeding as outlined in proposed Implementation Plan

- All data is representative of the actual feedback gathered from stakeholders at the City of Hamilton and financial impacts are based on our actual employee responses and survey information results
- The EDI Framework is a customized approach specific to the City of Hamilton
- The EDI Framework will be the organizational standard which will be adopted and refined by all departments to meet their specific needs relating to corporate goals, objectives, programs, and service delivery





CONSULTANT ENGAGEMENT

EDI Business Case – Ernst & Young

September 2021

Your EY team



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Background & Context

The City of Hamilton partnered with EY to enhance it's EDI Framework, create an EDI Framework and Implementation Plan, create an EDI Training and Education Strategy, and determine the appropriate KPIs/KBIs to measure impact and ensure success

Desk-Based Analysis	Survey	Interviews	Focus Groups	Deliverables
 <p>210 +</p> <p>Pieces of supporting documentation reviewed and analyzed using EY's GES Framework</p>	 <p>2321</p> <p>Survey respondents (43%) to</p>	 <p>10</p> <p>Conducted to further understand the current state of EDI within the organization</p>	 <p>30+</p> <p>Employees participated in interviews and focus groups to gain qualitative insights</p>	<ul style="list-style-type: none">  EDI Roadmap and implementation plan for EDI Framework  Training and Education Strategy and learning materials  Final summary of EDI Framework and key recommendations

Key Activities and Deliverables



Summary of Assessment and EDI Framework

Bridging the gap between who you are and who you want to become

EDI ASSESSMENT- KEY TAKEAWAYS: The City of Hamilton is unclear on its current state yet **aligned on its target state**; there are several opportunities to consider in order to bridge the gap

WHO YOU ARE

Your workforce is motivated, however, there is no clear alignment on your current EDI culture

- The City of Hamilton exhibits moderate cultural health with equal positive and negatives traits being used to describe the current state of the organization
- There is no clear alignment on who you are today

WHO YOU WANT TO BECOME

Leadership is aligned that innovation and quality will be key to be an equitable, diverse and inclusive organization

- Leadership is aligned that innovation and quality must be the City of Hamilton's primary archetypes, as they represent traits that are supportive of fostering an equitable, diverse and inclusive culture
- Employees are aligned that being transparent, collaborative and accountable are traits to KEEP and START, while also highlighting specific changes required related to being overworked, stuck in our ways and not taking responsibility

In order to position itself as an inclusive organization

The City of Hamilton needs to identify opportunities to propel itself towards leadership's strategic EDI vision while addressing the cultural behaviour changes prioritized by employees. Some opportunities to consider are listed below.

Initiatives: Create more **structure and consistency** to drive EDI benefits and alignment

1. Develop EDI business case to align leadership on the importance and benefits of EDI
2. Develop an organization-wide EDI communication plan
3. Support merit-based career progression through more structured performance management

Behaviours: Increase **collaboration, recognition and accountability** to foster a more inclusive culture

4. Communicate the EDI commitment from the Senior Leadership Team
5. Leverage your ability to collaborate to team in a more inclusive manner
6. Leverage the motivation of your team's desire to grow to better recognize and promote employees

EDI Timeline

Below provides a summary view of the proposed timeline to complete the City of Hamilton's EDI transformation.

Systemic Initiatives

Date	Title	Description
July 2021-March 2022	Create EDI Business Case	Develop EDI business case to align Leadership on the importance and benefits of EDI
Jan 2022-Dec 2022	Organization-wide EDI Communications Campaign	Develop an organization-wide communications plan that includes an EDI calendar, campaign and community events
June 2022-March 2023	Structured Performance Management	Support merit based career progression through more structured performance management

EDI Cultural Behaviours

Oct 2021- March 2023	Leverage your ability to collaborate to team in a more inclusive manner	Actively seek out opportunities to involve others and regularly seek feedback on how to team more inclusively. This includes the following behaviour sprints: incorporating inclusive language, encourage feedback and break down silos
Jan 2022- Jan 2023	Leverage the motivation of your team's desire to grow to better recognize and promote employees	Lead with an open-mind to drive more employee recognition. This includes the following behaviour sprints: increasing recognition and fostering a work environment where varying opinions are welcome
March 2022- Aug 2022	Communicate EDI Commitment from Leadership Team	Improve Senior Leadership's communication to better cascade priorities to various levels within the organization

EDI Timeline Continued

Below provides a summary view of the proposed timeline to complete the City of Hamilton's EDI transformation.

EDI Training and Education Strategy

Date	Training	Description
Jan 2022-March 2022	Baseline EDI Training	Topics include: Intersectionality, inclusive language, conflict resolution, allyship and bystander intervention
Jan 2022-March 2022	Bias Awareness Training	Topics include: Uncovering unconscious bias – understand the various bias and how they might affect decision-making and interactions at work (ex. Name, Gender, The Halo Effect Bias, Similarity Bias etc.)
March 2022 – June 2022	Inclusive Leadership Training	Topics include: Inclusive leadership behaviours, learning to listen and listening to learn, supporting employees undergoing a gender-affirming transition, empowering women and empowering minorities
June 2022-Sept 2022	Cultural Awareness Training	Topics include: Cultural sensitivity, tools to reduce cross-cultural misunderstanding and encourage cross-cultural working relationships and community relations
Oct 2022-Dec 2022	Talent Management	Topics include: How to consider EDI within key talent processes; sourcing talent, attracting talent, hiring, training talent, performance management, succession and leaves of absence
Jan 2023-March 2023	Baseline EDI Training	Repeated Annual Training - Intersectionality, inclusive language, conflict resolution, allyship and bystander intervention
Jan 2023-March 2023	Bias Awareness Training	Repeated Annual Training - Uncovering unconscious bias – understand the various bias and how they might affect decision-making and interactions at work (ex. Name, Gender, The Halo Effect Bias, Similarity Bias etc.)
May 2023-Aug 2023	Anti-Racism / Anti-Oppression Training	Topics include: anti-racism, privilege and race fluency, oppression and micro-aggressions

Initial Insights on EDI- Equity

Findings confirm need for greater focus on Equity, Diversity and Inclusion (EDI)

NEED FOR MORE EQUITY



30% of EDI survey respondents believe the City **does not provide equitable opportunities** for all employees

While **women** constitute **~50%** of the City's workforce, they occupy **37%** of supervisor and above roles, a **13% gap**.

The most successful organizations in the world recognize that **equity:**

- Motivates employees and increases productivity
 - Improves retention rates
 - Attracts top talent

Initial Insights on EDI- Diversity

Findings confirm need for greater focus on Equity, Diversity and Inclusion (EDI)

OPPORTUNITY TO BE MORE DIVERSE



44% of EDI survey respondents believe the City **does not have a diverse workforce**

11% of the City of Hamilton's workforce identify as visible minorities. Hamilton's labour market availability of visible minorities is **17.6%**.

The most successful organizations in the world recognize that **diversity:**

- Spurs innovation
 - Enhances workforce performance
- Creates a healthy and respectful workplace

Initial Insights on EDI- Inclusion

Findings confirm need for greater focus on Equity, Diversity and Inclusion (EDI)

OPPORTUNITY TO BE MORE INCLUSIVE



22% of EDI survey respondents felt they **did not belong or feel valued** as a member of the City of Hamilton workforce

‘Lack of Inclusion’ was ranked as one of the highest **culture risks** in all of the City’s departments, excluding City Council. There is opportunity to mitigate this risk by being more inclusive, **15% of the City’s workforce identify “Inclusive” as a START trait.**

The most successful organizations in the world recognize that **inclusion:**

- Improves employee engagement
- Improves decision-making/ problem solving
- Strengthens the City’s reputation

The Cost of the Status Quo- Attrition

ATTRITION

\$3.0 - 9.9m

The range shows the cost of 30% of voluntary attrition due to EDI compared to 100% of voluntary attrition due to EDI
Cost of voluntary attrition in FY20.*

*FY20 rates are lower than previous years, which may be associated to COVID-19

FY20 #of employees that left CoH: 445

Average employee exit costs: \$22,019 (including recruitment, onboarding, work back log, training etc.)

30% of attrition due to EDI: $134 \times \$22,404 = \mathbf{\$3.00M}$

100% of attrition due to EDI: $445 \times \$22,404 = \mathbf{\$9.97M}$

The Cost of the Status Quo- Human Rights Complaints

HUMAN RIGHTS COMPLAINTS

\$0.62m

Cost of FY20 fees associated with Human Right Tribunal Cases and internal investigations.

Since 2017, 23 cases related to inclusion, discrimination, accessibility or inequality have been brought before the Ontario Human Right Tribunal (OHRT), and 128 internal investigations have been conducted costing the City of Hamilton ~\$2.0M

The Cost of the Status Quo- Disengaged Workforce

DISENGAGED EMPLOYEES

\$25.5 - 34.0m

The range shows the cost of 22% of workforce disengaged due to EDI compared to 30% disengaged due to EDI

Annualized losses associated with your self-identified disengaged workforce.

Agreed cost of disengagement: 30% of the average employees annual salary (\$77,684)

22% of disengaged work force related to EDI:
1093 employees x 30% of avg salary= **\$25.5M**

30% disengaged work force related to EDI:
1463 employees x 30% of avg salary= **\$34.0M**

Outline of EDI Business Case

- ▶ EDI Review and current state assessment
 - Current state assessment of the City of Hamilton's existing organizational and community-facing EDI initiatives
- ▶ The case for change
 - Identification of key drivers for change and their alignment with the City Council's term priority, City wide EDI commitments and strategic imperatives
- ▶ ROI of a strong EDI agenda
 - City of Hamilton Workforce: how EDI can improve employee experience, reduce organizational costs and attract top talent.
 - City of Hamilton: how EDI can be used to attract newcomers and economic growth
- ▶ Risks of inaction
 - Forecasting and analysis of potential risks associated with inactivity (i.e., legal costs, recruitment delays associated with culture, etc)
- ▶ Next Steps
 - Recommendations related to resourcing model, organizational training and City objectives



RECOMMENDATION REPORT

September 2021

Key EDI Deliverables 2022 - 2023

- To successfully move forward on our EDI journey, the following are key deliverables:
 - Finalize Business Case
 - Develop EDI Communications Strategy and Implementation Plan
 - Structured Performance Management
 - Engage Organizational Teams on EDI Content
 - Incorporate Inclusive Language
 - Increase Recognition
 - Source and Implement EDI Training
 - Data Measurement, Metrics and Analytics

- EDI Project Manager
 - Engagement Survey Results
 - Employment Equity
 - New Hire and Applicant Data
 - Retention and Promotion Data
- EDI Business Partner
 - Strategic Liaison
- Training Coordinator
 - Source and Implement Training Plan

