Colorado Diversity and Inclusion Measure – Hospital Transformation Program

Clarification on Measure PH3

Date: January 13, 2021
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Purpose</td>
<td>3</td>
</tr>
<tr>
<td>II. Current Measure</td>
<td>3</td>
</tr>
<tr>
<td>III. Background on Diversity and Inclusion</td>
<td>3</td>
</tr>
<tr>
<td>IV. Practical Definitions for “Underrepresented Groups”</td>
<td>4</td>
</tr>
<tr>
<td>A. Association of American Medical Colleges Definition</td>
<td>4</td>
</tr>
<tr>
<td>B. National Institutes of Health Definition</td>
<td>4</td>
</tr>
<tr>
<td>C. National Science Foundation Definition</td>
<td>5</td>
</tr>
<tr>
<td>D. Additional Considerations for Defining Underrepresented Groups</td>
<td>5</td>
</tr>
<tr>
<td>V. Toolkit for Improving Diversity</td>
<td>6</td>
</tr>
<tr>
<td>A. Introduction to Toolkit</td>
<td>6</td>
</tr>
<tr>
<td>B. Framework and Strategies for Interventions</td>
<td>6</td>
</tr>
<tr>
<td>1. Source: <em>Guidance for Agency-Specific Diversity and Inclusion Strategic Plans</em></td>
<td>6</td>
</tr>
<tr>
<td>2. Source: <em>7 Steps to Reaching Your Workforce Diversity Goals.</em></td>
<td>7</td>
</tr>
<tr>
<td>C. Priorities and Areas of Continuous Improvement</td>
<td>8</td>
</tr>
<tr>
<td>1. Source: <em>Best Practices in Achieving Workforce Diversity.</em></td>
<td>8</td>
</tr>
<tr>
<td>2. Source: <em>Guidance for Agency-Specific Diversity and Inclusion Strategic Plans</em></td>
<td>8</td>
</tr>
<tr>
<td>D. Sample Metrics</td>
<td>10</td>
</tr>
<tr>
<td>1. Source: <em>Setting and Achieving Diversity Targets.</em></td>
<td>10</td>
</tr>
</tbody>
</table>
I. Purpose
The purpose of this memo is to better contextualize the current CO HTP measure on improving leadership diversity. This research memo can provide practical definitions and strategies for hospitals to consider when developing and describing their own hospital’s approach to measuring and achieving improved leadership diversity.

II. Current Measure
PH3 – Improve leadership diversity
Increase the percentage of management staff from underrepresented groups.

III. Background on Diversity and Inclusion
To achieve success and a competitive advantage, organizations should be able to draw on one of the most important resources – the skills of the workplace. In developing the necessary policies and procedures for a robust diversity program, a combination of required or voluntary initiatives create opportunities for cultural inclusion, acceptance, and support for all workers. Below are listed four concepts when understanding diversity in an organization: equal employment opportunity, affirmative action, diversity/inclusion, and sustainability:

- Equal employment opportunities (EEO) help create freedom from discrimination related to protected classes (i.e. race, color, sex national origin, religion, age, disability, and/or genetic information).\(^1\) Organizations, at the very least, must be compliant with the core EEO laws that are enforced by the Equal Employment Opportunity Commission (EEOC) and its state counterparts.\(^2\)
- Affirmative action plans define an employer’s standard for representation, which includes proactively recruiting, hiring, and promoting underrepresented groups.\(^3\)

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\(^1\) What is the difference between EEO, affirmative action, and diversity? Published by the Society of Human Resources Management (SHRM). Accessed online: https://www.shrm.org/resourcesandtools/tools-and-samples/hr-qa/pages/eeo-affirmative-action-diversity.aspx


• Diversity and inclusion initiatives are devised to improve acceptance of minorities within the workplace. Diversity initiatives are twofold: valuing diversity (through awareness, education, and positive recognition of the qualities, experiences, and work styles that make individuals unique) and managing diversity (expounding upon the experience and providing a business case for diversity in line with workplace goals).
• A focus on sustainability helps equip leaders with the ability to be accountable, measure results, refine approaches on the basis of such data, and institutionalize a diverse culture.

IV. Practical Definitions for “Underrepresented Groups”

In building a more representative workforce, organizations need to identify what type of diversity is a priority for the organization. Leaders and staff members can better support diversity goals when working under a clearly-defined, practical definition specific to the organization. Hospitals may reference the following definitions for underrepresented groups to develop their own diversity goals.

A. Association of American Medical Colleges Definition

Definition: Underrepresented in medicine means those racial and ethnic populations that are underrepresented in the medical profession relative to their numbers in the general population [or to local and national demographics].


Key Takeaways:
• This option offers a community-centric definition. The flexibility of this definition allows a hospital to focus their diversity efforts on the racial and ethnic populations, as well as other groups, most underrepresented within the hospital.
• A hospital may choose to define an “underrepresented group” by comparing the representation in the hospital to the numbers in the general population (based off a local, statewide, or national demographic) and establishing cutoff ratios.

B. National Institutes of Health Definition

Definition: Individuals from groups that are underrepresented in the biomedical, clinical, behavioral and social sciences, such as:
• Individuals from racial and ethnic groups that have been shown to be underrepresented in health-related sciences on a national basis;
• Individuals with disabilities, who are defined as those with a physical or mental impairment that substantially limits one or more major life activities;
• Individuals from disadvantaged backgrounds; and
• Women from the above fields also face particular challenges at the graduate level and beyond in scientific fields.


Key Takeaways:
• This option offers a broader understanding of underrepresented groups that include individuals with disabilities, individuals with disadvantaged backgrounds, and individuals with intersectional identities, in addition to commonly discussed groups (i.e., individuals from specific racial and ethnic groups).
• A hospital choosing this definition may need to also reference the practical guidance in this notice on how these groups are further defined.

C. National Science Foundation Definition

Definition: Women, persons with disabilities, and three racial and ethnic groups—blacks, Hispanics, and American Indians or Alaska Natives—are underrepresented in science and engineering (S&E).


Key Takeaways:
• Hospitals may choose to apply this definition, as it focuses on groups that have historically been underrepresented in the science and engineering fields.

D. Additional Considerations for Defining Underrepresented Groups

• A broad definition of diversity may make it more difficult to drive results. When crafting new initiatives, hospitals can consider focusing on groups that are not already well-represented within a hospital’s ranks and build the pipeline for groups that may not necessarily be easiest to reach.
• Assessing diversity and establishing benchmarks can include looking at each level (early, mid-managers, and senior level) within a hospital and
evaluating which characteristics (and the corresponding backgrounds, experiences, perspectives, and ideas) are lacking.

- Collecting data on underrepresented groups can be difficult, since members of these groups are, unsurprisingly, numerically underrepresented. Data collection for minority group members may require greater resources and more time-intensive methods.

V. Toolkit for Improving Diversity

A. Introduction to Toolkit

Hospitals that choose to focus on this diversity measure may have to set meaningful goals and create processes for changing their workforce infrastructure and culture. It is critical to develop and employ best practices to increase a richness in diversity in the workforce, advance competitiveness, better understand underserved populations or health disparities, and enhance public trust.

While hospitals may have to be creative to tailor their plans to their needs, plenty has been developed already in the field of diversity research. The toolkit in this section offers an environmental scan of different models and ideas, as organized by the following attributes:

- **Framework and Strategies for Interventions**: The approaches an organization takes to achieve a goal.
- **Priorities and Areas of Continuous Improvement**: The areas of focus and the measurable steps incorporated in an intervention, with the intention of continuous learning and improvement in the short-term, mid-term, and long-term.
- **Sample Metrics**: The tools to establish baselines and to measure progress toward a priority.

The following toolkit summarizes useful resources for understanding how to reasonably affect change toward a diverse workforce.

B. Framework and Strategies for Interventions

1. **Source: Guidance for Agency-Specific Diversity and Inclusion Strategic Plans**.


   a. **Key Takeaways**:

   - The purpose of this document is to provide agencies with direction and specific guidance to coordinate and plan their diversity and
inclusion efforts. In each section, each goal is listed along with its associated priorities and action items.

- The below steps provide agencies with direction to “recruit, retain, and develop a diverse, high-performing Federal workforce that draws from all segments of society and values fairness, diversity and inclusion.” The document further outlines accompanying priorities, actions, possible measurements, and sample practices.

### b. Framework or Strategy Proposed

- **Establish the Strategic Direction** - Align the workforce planning process with the agency’s strategic plan, annual performance and business plans and work activities.
- **Analyze the workforce** - Includes three parts: (1) Conduct an analysis of the current and future workforce for the mission critical occupations in coordination with HR, EEO and Diversity and Inclusion to then conduct a barrier analysis. (2) Project attrition rates for the next 3-5 years. (3) Project promotion opportunities to fill gaps for positions requiring experience.
- **Develop the Competency Action Plan** - Analyze the future skills and competencies needed for mission critical occupations.
- **Implement Workforce Plan** - Includes three parts: (1) Conduct a comparative analysis between the current supply and demand (projected need) to determine projected requirements. (2) Use analysis to develop actions in outreach, recruiting, hiring, retaining, developing and promotion activities. (3) Establish internal controls or checks for fairness and advancing inclusion in workforce policies and practices.
- **Evaluate and Measure** - Assure linkage of workforce planning to accountability system and processes.

#### 2. Source: 7 Steps to Reaching Your Workforce Diversity Goals.


- **a. Key Takeaways**
  - The online article outlines a broader strategy toward diversity and inclusion and includes meaningful insights under each step.

- **b. Framework or Strategy Proposed**
  - Identify the make-up of your organization
  - Set the right roles and responsibilities
  - Look for diverse sourcing channels
  - Partner with different communities for diverse outreach
• Implement bias-free recruiting practices
• Provide a discrimination-free workplace
• Constantly monitor, evaluate, and optimize your efforts

C. Priorities and Areas of Continuous Improvement


a. Key Takeaways

• This resource attempts to summarize creative strategies to be successful in increasing the richness of the workforce. The best practices outlines areas of focus to be able to value and recognize diversity, and therefore maintain a competitive advantage.

• The United States Department of Commerce and Vice President Al Gore’s National Partnership for Reinventing Government (NPR) sponsored this benchmarking study. The resource also includes the surveys, evaluation materials, and scorecard used in the benchmarking study of over 600 organizations recognized for their efforts in achieving workforce diversity. The study narrowed down analysis to 65 organizations determined to be “world class” based on the identified critical success factors.

b. Priorities or Areas of Continuous Improvement Proposed

• The study team identified the following critical success factors:
  ✓ Leadership and management commitment;
  ✓ Employee involvement;
  ✓ Strategic planning;
  ✓ Sustained investment;
  ✓ Diversity indicators;
  ✓ Accountability, measurement, and evaluation; and
  ✓ Linkage to organizational goals and objectives

2. Source: Guidance for Agency-Specific Diversity and Inclusion Strategic Plans.

a. Key Takeaways

- The purpose of this document is to provide agencies with direction and specific guidance to coordinate and plan their diversity and inclusion efforts. In each section, each goal is listed along with its associated priorities and action items.
- The below objective falls under a larger OPM goal of workforce diversity and recruitment. The guidance first outlines the objective, then provides the accompanying priorities, actions, possible measurements, and sample practices.

b. Priorities or Areas of Continuous Improvement Proposed

- Objective: Promote diversity, inclusion, and equity in leadership development programs.
  ✓ Review leadership development programs, determine whether they draw from all segments of the workforce, and develop strategies to eliminate barrier(s) where they exist.
  ✓ Enhance mentoring programs within agencies for employees at all levels with an emphasis on aspiring Executive level employees.
  ✓ Develop and implement a succession planning system for mission-critical occupations that includes broad outreach to a wide variety of potential leaders.


careers with special emphasis on increasing recruitment efforts at colleges and universities with predominately racially/ethnically diverse student enrollments.

✓ Offer internships, residencies and fellowships to racially/ethnically diverse students and provide mentoring to help prepare them for success in the job market.

✓ Recruit racially/ethnically diverse individuals at every level, being transparent about hiring criteria, so as to increase current representation in management but also to develop a pool of qualified candidates for the future.

✓ Direct executive recruiters to identify and present racially/ethnically diverse candidates for management positions. Have them share criteria they use to recommend candidates for senior-level positions.

- **Promotion** (including some of the following actions)

  ✓ Publicize career advancement opportunities, such as continuing education, professional development organizations, networking events and vacancies inside the organization, in a manner that appeals to everyone, especially racially/ethnically diverse individuals.

  ✓ Encourage retention, development and advancement of racially/ethnically diverse individuals. Identify potential candidates to support and create clear pathways for advancement from entry- to mid-level positions and from mid- to senior-level positions.

  ✓ Conduct regular reviews of organizational compensation programs to ensure salaries are equitable and nondiscriminatory.

- **Support** (including some of the following actions)

  ✓ Support and assist the development of mentoring programs within healthcare organizations specifically focused on developing long-term relationships between senior healthcare managers and racially/ethnically diverse candidates.

  ✓ Advocate for governmental and private philanthropic programs that increase funding to underwrite advanced education, information dissemination and employment opportunities for racially/ethnically diverse individuals.

  ✓ Provide scholarship support for employed diverse executives to participate in leadership development programs.

**D. Sample Metrics**

1. **Source: Setting and Achieving Diversity Targets.**

a. **Key Takeaways**

- The document explores how to establish realistic, achievable, and relevant goals tied to accountability to drive change and results. The research shares the goals and priorities of several major corporations, as well as general best practices and sample metrics for diversity and inclusion.

b. **Sample Metrics**

- Hiring, retention, promotion, and lateral mobility numbers
- Velocity of movement (how long it takes to hire, promote, or move laterally)
- Percentage of development, succession, and talent plans that include underrepresented groups
- Velocity of development plan completion (how long does it take to implement plans)
- Percentage of sponsorship and/or mentorship program participants who are from underrepresented groups
- Number of mentees with positive movement as a result of program
- Percent of the talent pipeline that is diverse
- Employee resource groups ROI impact (e.g. # of recruits, # of referral conversions, sales, market development, community giving, supplier diversity support, retention impact (turnover reduction))
- Employee engagement scores or survey results parsed by race, gender, and other underrepresented categories

2. **Source: Best Practices in Achieving Workforce Diversity.**


a. **Key Takeaways**

- This resource attempts to summarize creative strategies to be successful in increasing the richness of the workforce, and can be adopted in any workplace. The resource outlines some sample metrics to assess effectiveness and to evaluate whether outcomes support organizational objectives and targets.
- The United States Department of Commerce and Vice President Al Gore’s National Partnership for Reinventing Government (NPR) sponsored this benchmarking study. The resource also includes the surveys, evaluation materials, and scorecard used in the benchmarking study of over 600 organizations recognized for their
efforts in achieving workforce diversity. The study narrowed down analysis to 65 organizations determined to be “world class” based on the identified critical success factors.

b. Sample Metrics

- Employee attrition rates
- Workforce satisfaction
- Market share within new customer bases
- External awards and recognition for diversity efforts
- Workplace climate satisfaction