The PwC diversity journey
Creating impact, achieving results

Creating impact, achieving results, doing the right thing

Be yourself. Be different.

September 2016
Foreword

Introduction from Bob Moritz

Around the world, the war for talent is only becoming more competitive, with opportunities emerging for all kinds of talent pools. More diverse - and even unexpected - talent is all around us, coming from emerging and developed markets, traditional and start up companies, and different kinds of educational backgrounds. In today’s ever-changing global economy, acknowledging the changing landscape of talent, understanding their different goals and priorities, and shaping talent strategies to include them, are key for any business to succeed. Having a broad mix of diverse talent in your organisation isn’t just imperative to the future success of a business or broader society, it’s simply the right thing to do.

Focusing on the professional services industry, our only asset is our people. Their knowledge, their relationships in building trust while serving our stakeholders and clients, their ability to think differently to solve important problems, it’s the people who change the industry, the firms they work in, and through that work, make an impact on the communities and world around them.

At PwC, diversity and inclusiveness are huge priorities for us around the world. To have impact and serve our communities, our stakeholders and our clients, we need diverse talent. To solve the problems our stakeholders are facing, we need diverse talent. To build trust across different points of view, we need diverse talent. It’s imperative we attract, retain and develop diverse professionals to spur innovation, drive growth and sustain competitive advantage in the marketplace.

Our global diversity journey formally began 12 years ago, when PwC first began to focus on developing a globally consistent approach to diversity as a business imperative and enabler for our strategy. During the years since then we’ve experienced many high points and encountered just as many challenges. And while we’re proud of the progress we’ve made so far, we recognise that our journey is not complete, and it has been slower than we would have liked it.

We still have so much more we want to do to foster an even more diverse and inclusive workplace culture.

We’ve also learned a lot along the way – and we’ve applied these lessons to reshape and accelerate our approach to our overall human capital initiatives and processes, including how diversity ties into our overall business strategy, vision, and purpose. In this report, we share with you the story of our global diversity journey. I hope that by sharing our experiences, challenges and insights, we will learn from and engage with others about their own diversity and inclusion journeys. No one organisation has the sole right answer – and we hope that by sharing our thinking, we learn from others, knowing the best ideas come from having many voices in the conversation.

We also want more accountability, which is another reason we wanted to share where we are on our own journey. While we’ve made some strides around our global network, including appointing some more diverse leadership teams at the global and country levels, we have more work to do.

We believe transparency and accountability are two key pieces to driving better results, which is why we are sharing more about the PwC Diversity & Inclusion ecosystem and our Global Inclusion Index. We’re also sharing some case studies to highlight some practices from many PwC firms around the world, brought to life by many of our diversity leaders, advocates, and role models.

As I said at the beginning, embracing diversity and inclusion makes business sense, and even more importantly, we believe it’s the right thing to do. By sharing our thoughts, ideas, and programmes, we are hoping that we can contribute to a broader discussion, one from which we can all learn and benefit together, as we work collectively to make an impact around the world.

Bob Moritz
Chairman, PricewaterhouseCoopers International

Introduction from Agnès Hussner

It was back in 2001, the year I was appointed partner, that I was first asked to think about how we might enhance gender diversity at PwC. And if I’m completely honest, before this I hadn’t realised there was an important problem to be solved. Up until this point I had personally had a very fulfilling career and personal life throughout my 12 year career with PwC France, including having three children on my way to making partner. But when I paused to look around me, both in PwC France and Europe more broadly, it clicked, and I agreed to lead our European Women in PwC network.

This was just the start of my personal diversity journey. With time it became clear to me that our focus needed to go beyond gender to centre more broadly on valuing and embracing all types of difference. And that it is only through such a broad lens that we will be able to deliver our ambitious network strategy for the future. This was at the heart of the Diversity and Inclusion (D&I) strategy I focused on executing when appointed Global Diversity & Inclusion leader in 2013.

Throughout my career with PwC I’ve held various leadership roles, and whether they were client, business, or people related they’ve all made one thing clear to me: progress does not happen overnight. However, there are ways to move faster and this is why, with the strong support of the Global Leadership Team and our tenacious territory diversity leaders, we’ve been focused on applying accelerated D&I action across the PwC network.

During the course of our diversity journey we’ve learned a lot and we’ve applied these lessons to constantly reshape our approach. As a result, we feel today that we’ve reached a comprehensive and efficient approach that lays the foundations for the sustainable progress we aim to achieve in the future. This approach includes a number of milestone activities such as better aligning D&I with our network business strategy and enhanced leadership accountability with the introduction of our Global Inclusion Index.

We recognise a journey is what we’re on, and we know there’s a lot more to do. I’m excited to share externally the detailed story of this journey to date, the progress we’ve made and our many lessons learned. As we have and continue to learn from others, we hope this report will allow other organisations to benefit from our experiences.

This July, I was offered a new exciting career opportunity with my appointment as Global Human Capital Leader. D&I’s influence on, and alignment with our global people strategy was at the core of the decision I made. I’ve remained over the past three years and I will continue embedding it into our fundamental people strategy. To solve important problems we need diverse talent, and to attract, develop and engage that talent we must support every one of our people to build a rewarding career and achieve their full potential.

Agnès Hussner
Global Human Capital Leader

Introduction from Kevin Ellis

At PwC UK, we have been proactively working on our diversity and inclusion agenda since 2003, evolving our strategy through continuous learning along the way.

It has often been challenging and we still have more to do, but it’s also important to celebrate what we’ve achieved so far. This report is an excellent way of doing that, and I’m really proud that it includes three case studies from the UK, as well as featuring a profile of global role model Stephanie Hyde who is also a member of my executive team.

Taking an inclusive approach to the way we work is more important to the success and sustainability of our business than ever before. In a world of increasingly disruptive change where organisations need to continuously adapt, all aspects of diversity are important for our firm’s future.

We know from experience that in fast paced and sometimes pressured environments, that’s not always easy. We’ve learned that accountability, awareness and education, plus critical interventions based on robust data analytics are all crucial to success.

In the UK we have taken a lead on transparency by publishing our gender pay gap and our gender and ethnicity targets, including our progress against them, in our digital annual report. Doing so creates a sense of collective responsibility which is crucial to maintaining momentum.

By sharing our successes and learning with other PwC firms around the globe, the whole network has moved forward. We hope that by being transparent and sharing the PwC Diversity Journey more broadly, we can help achieve our purpose by supporting others to solve the continuing global challenge of equality and inclusion. We know that not only is it the right thing to do, but we will all be better for it.

Kevin Ellis
PwC UK, Chairman and Senior Partner

PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/ aboutus for further details.
# Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>02</td>
</tr>
<tr>
<td>Setting the scene – Diversity &amp; Inclusion at PwC</td>
<td>04</td>
</tr>
<tr>
<td>The PwC D&amp;I ecosystem</td>
<td>07</td>
</tr>
<tr>
<td>Data-driven decision making</td>
<td>08</td>
</tr>
<tr>
<td>Leadership commitment and accountability</td>
<td>10</td>
</tr>
<tr>
<td>Awareness and education</td>
<td>18</td>
</tr>
<tr>
<td>Critical interventions that work</td>
<td>34</td>
</tr>
<tr>
<td>Embedding D&amp;I within PwC's DNA</td>
<td>48</td>
</tr>
<tr>
<td>Our lessons learned</td>
<td>54</td>
</tr>
<tr>
<td>Contact us</td>
<td>56</td>
</tr>
</tbody>
</table>
Organisations talk about diversity, but do I not feel opportunities are really equal for all

An employer’s policy on diversity and inclusion is important to me when deciding whether or not to work for them

Organisations the world over are currently facing myriad challenges around talent – and becoming increasingly concerned about their potential competitive and financial impacts.

They include challenges such as:

- Responding to the vast numbers of millennials entering and reshaping the workforce;
- Addressing the low representation of women in management and leadership positions;
- Dealing with an aging workforce and talent pool;
- Finding the right talent to drive expansion in, and collaboration with new geographical markets;
- Overturning the restrictions on organisations’ growth resulting from the low availability of key skills;
- Managing a multi-generational workforce with evolving responsibilities for dependants (including employees with both children and elderly parents); and
- Responding to the rising consumption power of specific population segments by recruiting talent that mirrors the diversity of those customers.

These talent challenges clearly bring risks for businesses that fail to respond to them adequately. But at the same time they bring key opportunities for forward-looking organisations that position themselves to capitalise on the potential of a diverse workforce to drive higher business performance. Across all these opportunities, the common thread is the move to a more diverse world – and many organisations are already innovating to respond to this shift. A growing number of CEOs are concerned with the implications of talent diversity for their business, with 64% confirming they have a diversity and inclusion strategy in place and 13% planning to adopt one over the next 12 months. This suggests that many CEOs are waking up to the fact that they have immense talent pools under their noses, which they may have failed to fully leverage for too long. And they’re identifying significant benefits arising from diversity and inclusion in their organisations. In fact, 65% of CEOs whose organisations have a diversity and inclusiveness strategy say it has enhanced business performance, 77% say it has enhanced customer satisfaction, and 55% say it has helped them compete in new industries or geographies.

While it is clear that diversity has catalyzed onto the CEO agenda in recent years, the fact remains that many organisations are struggling to make it a reality – and few appear to be making visible progress. This sentiment is voiced loud and clear by the majority of over 10,000 working millennials across the globe, 71% of whom feel that, while organisations talk about diversity, the fact is that opportunities are not really equal for all. And organisational commitment to diversity – along with visible progress towards it – is becoming ever more vital: 86% of female and 74% of male millennials say an employer’s policy on diversity and inclusion is important to them when deciding whether or not to work for an organisation.

At PwC® we know that if we are to solve important problems we need diverse talent – and we are committed to turning these talent challenges to business opportunities. However, we do recognise that there is no ‘quick fix’ response to getting this right. Attracting, advancing, developing, engaging and retaining a diversity of talent while fostering an inclusive culture – one where difference is valued and embraced – is not easy.

Making progress is challenging, and we don’t claim to have all the answers or to have yet achieved the progress we want. But we are committed to maximising the diversity opportunity. And we feel we have identified an approach that is accelerating our progress, meaning we have an interesting story to share. That’s our intention with this publication: to share our journey, while recognising that it is ultimately just that – a journey. And that we’ve done a lot but still have a lot more to do. Our hope is that other organisations can learn from what we are doing, albeit with the caveat that the right approach and solutions are always highly dependent on a particular organisation’s strategy, as well as its operational and cultural context.

We hope you find reading about our diversity journey as interesting as it has been for us to experience for ourselves.
Setting the scene – Diversity & Inclusion at PwC

For PwC, diversity is a priority across our network of firms because we need the best available talent to create value for our clients, people and communities. We hire and nurture professionals who take a variety of approaches to problem-solving, who are willing to challenge the status quo, who think differently from one another, and who come from many different backgrounds and cultures. We do this because to solve important problems we need diverse talent.

Our global diversity journey began 12 years ago, when the PwC network of firms first began to focus on a globally consistent approach to diversity as a business imperative and enabler for delivering our international business strategy. A lot has changed in the intervening years, particularly with regard to the decision-making that drives the operationalisation of our network approach and strategy.

Through this journey we have arrived at the PwC Diversity and Inclusion (D&I) approach and story that we share with you in this report. It has resulted in advances including our thorough D&I analytics structure; the PwC D&I ecosystem; and many successful interventions – all of which you will learn about in this report.

But first, let us set the scene so you can understand a little bit more about how we currently approach D&I at PwC.

Diversity deep dives

In 2010, we decided to take a step back, take stock and ask ourselves the question: “if we are doing all the right things and investing time, budget and energy, why are we not making more progress?” To help us answer this question we engaged an objective third party to conduct extensive deep dive diversity reviews in four PwC firms (from different continents, and diverse in size). This was a two-year process and included extensive interviews with PwC partners and people, data analysis, and reviews of PwC people processes.

We were able to use the findings of these deep dives to enhance our thinking and develop a fresh and accelerated approach to D&I.

Our D&I governance structure

At PwC, our network approach to D&I aligns with our unique governance structure. PwC is the brand under which the member firms of PricewaterhouseCoopers International Limited (PwCIL) operate and provide professional services. Together, these firms form the PwC network. The PwC network is not a global partnership, single firm or multinational corporation – and PwC member firms do not operate as a corporate multinational. The PwC network consists of firms which are separate legal entities.

PwC’s Global Diversity & Inclusion Leader, supported by a central D&I team, is responsible for articulating our network D&I strategy and developing policies, initiatives and support tools to achieve a common and coordinated approach to D&I across our individual firms. The Global Diversity and Inclusion Leader holds a seat on the Global Leadership Team, and we drive our network approach to D&I aggressively with our 21 largest PwC firms, which collectively represent just under 80% of our global headcount and just under 90% of our global revenues.

We also undertake a number of specific diversity activities with all PwC firms – examples include PwC’s Global Diversity Week and our role as a UN 10x10x10 HeForShe Impact champion – and encourage the adoption of our global D&I strategy and approach by all PwC firms.

While our structure may be very different from that of many of our readers’ organisations, we feel that much of what we have learnt on our D&I journey is transferrable, taking into account the unique strategy, operational and cultural context of each organisation.

The business case: Better business performance

At PwC the business case for diversity and inclusion is very simple. Firstly, we are absolutely convinced it is the right thing to do for our people and, secondly, we know it is critical we have diverse talent, views and thinking if we are to solve the world’s most important problems and be the world’s leading professional services network for our clients, people and communities.

Illustrated below are the PwC global D&I vision and business case, and how diversity, valuing difference and inclusion are defined at PwC.

Diversity, valuing differences and inclusion - what does it all mean?

Diversity at PwC

Bringing together the perspectives of individuals of all backgrounds, life experiences, preferences and beliefs to create better outcomes for our clients, our people and our communities.

Having diverse people

A PwC workplace that brings together the perspectives of individuals of all backgrounds, life experiences, preferences and beliefs.

Valuing differences

Collective and individual ability, having diverse people, to thrive in a talent-diverse environment where everyone’s perspectives are appreciated and respected.

A culture of inclusion

An environment where people can be their true selves, sharing their unique perspectives while knowing their contributions are valued.

The Global D&I Vision

To position PwC as the leading and most innovative firm in the world for diversity and inclusion, turning diversity from a business challenge into a business opportunity.

The business case: Better business performance

At PwC the business case for diversity and inclusion is very simple. Firstly, we are absolutely convinced it is the right thing to do for our people and, secondly, we know it is critical we have diverse talent, views and thinking if we are to solve the world’s most important problems and be the world’s leading professional services network for our clients, people and communities.

Illustrated below are the PwC global D&I vision and business case, and how diversity, valuing difference and inclusion are defined at PwC.

Diversity, valuing differences and inclusion - what does it all mean?

Diversity at PwC

Bringing together the perspectives of individuals of all backgrounds, life experiences, preferences and beliefs to create better outcomes for our clients, our people and our communities.

Having diverse people

A PwC workplace that brings together the perspectives of individuals of all backgrounds, life experiences, preferences and beliefs.

Valuing differences

Collective and individual ability, having diverse people, to thrive in a talent-diverse environment where everyone’s perspectives are appreciated and respected.

A culture of inclusion

An environment where people can be their true selves, sharing their unique perspectives while knowing their contributions are valued.

The Global D&I Vision

To position PwC as the leading and most innovative firm in the world for diversity and inclusion, turning diversity from a business challenge into a business opportunity.
Accelerating our approach

In 2013, we activated an accelerated approach to D&I and began to execute our strategy with the support of our territory diversity leaders and a 2+1 approach to dimensions of diversity.

**Territory diversity leaders**

The territory senior partners (chaipersons) of each PwC firm in countries across the world are firmly committed to diversity, and have each appointed a territory diversity leader (TDL) to take the lead on this in their firm. The TDL reports directly to his or her respective member firm senior partner, and has responsibility for driving localised diversity and inclusion strategies that complement our global D&I strategy, with a focus on implementing the actions needed to drive change locally. This approach supports our aim to drive a more robust and consistent approach to diversity and inclusion across our network of member firms. The TDLs of our 21 largest member firms, along with our Global Diversity and Inclusion Leader, make up our global diversity leadership team.

2+1 approach

Across the network, we have adopted a 2+1 approach to dimensions of diversity. This means we ask all our member firms to focus on two common dimensions of diversity – which are 1) valuing differences and 2) gender. Here’s why:

**Valuing differences** because every single one of us is different – be that because of how we look, how we think, how we speak, how we act, or where we come from.

**Gender** because 48% of our global workforce at all levels is female, but this proportion is not yet reflected in our leadership.

The PwC 2+1 approach to address dimensions of diversity

+ Ethnic heritage
+ LGBT
+ Generational
+ Disability
+ Thought and skill diversity

In addition, we ask each PwC firm to focus on at least one further dimension of diversity that is important locally. Different parts of the world have different talent priorities, and this approach lends itself to supporting a global diversity strategy that makes room for a ‘local flavour’.

Specifically, it signals a recognition that a global diversity strategy must make allowances for local and contextual factors, given that the challenges will be nuanced by geography.

For example, in Australia the +1 dimension of focus is cultural diversity, specifically Asian culture, given the high levels of Asian representation in the Australian talent pool and the influence that Asia has on PwC Australia’s business growth ambitions. Australia also focuses on LGBT and disability. In Brazil, the +1 focus is on disability, which responds to that country’s local talent and regulatory landscape. In China, the +1 focus is on generational diversity – specifically millennials, who now make up 82% of the staff population in the PwC China and Hong Kong firm, and who often value a modern Chinese organisational culture that blends Chinese tradition and values with a more western approach and style.

**The PwC D&I ecosystem**

Our network D&I strategy is operationalised and brought to life through our PwC D&I ecosystem. It is via this ecosystem that we are able to channel our efforts so they are centred on the areas deemed most important to our network and lead to the desired changes and impacts. As we noted earlier, there is no ‘quick fix’ solution for diversity, and to achieve sustainable progress it is vital to have a comprehensive change management approach that tackles behavioural, process and cultural transformation. Aligned with each section of our ecosystem we have put in place explicit priorities and actions to propel the targeted behavioural, process and cultural changes, as we focus on creating an even more diverse and inclusive leadership pipeline, workforce and culture.

**Data-driven approach informed by the facts of today**

A fundamental element of the ecosystem is our data-driven approach. We make decisions that are informed by the facts of today, thus confirming that we are 1) focusing our efforts on the right areas (actual rather than assumed challenges), and 2) having an impact that creates sustainable progress.

Our D&I ecosystem also recognises that leadership commitment and accountability, awareness and education, and critical interventions that work are all crucial to success. We drive explicit priorities and actions aligned with each of these areas.

Also central to the ecosystem is embedding D&I within PwC’s DNA. We are driving efforts with the intention that D&I becomes implicit and naturally embedded within our business, people and client strategies and processes.

In the remainder of this report we will take a more detailed dive into each component of the PwC D&I ecosystem. You will learn more about our diversity journey, our shift to data-driven decision making, and many of the critical interventions that are having a tangible impact across our network.
Data-driven decision making

In the 12 years since we initiated our global focus on diversity a lot has changed, especially with regard to the decision-making that drives the operationalisation and focus of our diversity strategy.

Historically it is fair to say we took a ‘leading practices’ approach. Under this approach we would support our member firms with tools, guidance and infrastructure, with a view to putting in place programmes that were most widely advocated as leading practices in the external market, such as mentoring, employee resource groups/networks and support for working mums. Five years ago, we decided to step back, take stock, and ask ourselves this question: “If we are doing all the right things and investing time, budget and energy, why are we not making more progress?”

Why were we not making more progress?

Stepping back to take stock and answer that searching question resulted in us making a definitive transition from a ‘leading practices’ approach to a ‘data-driven’ approach. Case studies 1 and 2 demonstrate clearly why this shift was needed – and why decision making fuelled by data is now fundamental to, and at the core of, everything we do on D&I at PwC.

Lessons learned

Case study 1 – Blinded by assumptions

Historically, there was a general perception at PwC that we needed to fix our leaking pipeline of female talent by driving programmes focused on the retention of women and on support for new mothers. However, when we applied rigorous analytics the data told us something very different. In fact, it revealed that:

• Across the network, more women leave than men at our most junior grades only – and at this point in their lives very few of these women are at the stage of starting a family.

• At all other grades, more men actually leave than women. But we were replacing both our male and female leavers with predominately male experienced hires.

This data-driven approach enabled us to debunk a common myth: that the equal gender representation at the graduate hire stage was not reflected at the top because, at some point during their career, our women were leaving to have families.

In response to this insight, we have switched from a strategy focused on staunching a leaking pipeline of female talent, to an approach today under which we have identified diverse experienced hires as a critical KPI for global D&I acceleration.

Lessons learned

Case study 2 – Blinded by best practice

A PwC member firm beginning its diversity journey made a conscious decision to focus the bulk of its energy and resource on establishing a programme to support new mums returning to the workplace. This decision was taken based on external market trends, and the fact that a neighbouring PwC member firm recommended it as one of its established practices.

However, when we looked at this programme through a data-driven lens, it quickly became clear that the impact opportunity of such a programme in this PwC firm was very limited. In fact, the data told us that:

• Only a very, very small percentage (less than 2%) of its population were post-maternity returners.

• More importantly, this population’s turnover rates were actually lower than the wider employee population.

Through these insights, the data-driven approach enabled us to debunk the myth that a recommended leading practice from one PwC firm (or an externally lauded practice) will automatically address another PwC firm’s unique challenges or create the required impact.

The outcome has been that rather than driving a strategy which centres ‘leading practices’ at its core, we take an approach today under which we use data-driven insights to identify areas of focus and target resources to create the optimal impact and achieve the best results. We are also focused on transitioning from a culture of sharing ‘leading practices’ to one of sharing PwC ‘proven practices’. At the heart of this culture is a commitment to adopting critical interventions that achieve results, and sharing only those critical interventions that have had an impact: proven practices.

Through this journey we have arrived at the PwC D&I approach and story that we share with you in this report. We have established a rigorous D&I analytics process that allows us to understand our D&I realities and pinpoint where we have explicit diversity challenges – showing us where to focus our energies and whether we are making progress.

Without doubt, our switch to a data-driven approach has been one of our biggest lessons learned as we’ve travelled to this point on our D&I journey. If your organisation is just starting out on its diversity journey, or is doing a lot but achieving little, a data-driven approach and decisions informed by the facts specific to your organisation’s current state may be the answer. Certainly this approach is at the very core of the PwC D&I ecosystem.
Leadership commitment and accountability

To drive change and make real diversity and inclusion progress, our experience shows it’s imperative to have the right levels of leadership commitment and accountability. This is why this is a central component of our D&I ecosystem. Over the past three years we’ve accelerated efforts in this area dramatically, undertaking milestone activities including 1) an overhaul of our governance structure, 2) standing leadership updates, and 3) the adoption of our Global Inclusion Index.

Getting diversity governance right

We began by overhauling our governance structure through a systematic three-step process. First, we identified a stand-alone global diversity and inclusion leadership position that holds a seat on the Global Leadership Team. Second, we identified territory diversity leaders (TDLs) in all firms in our global network. And third, we replaced our existing Global D&I Council with a newly created Global D&I Leadership team.

A position similar to the TDL already existed in many PwC firms, with notable examples including the UK and US. However, for many network firms this represented the first time they had appointed a dedicated diversity leader. The creation of these roles across the PwC network allowed for a common diversity leadership role in each of our firms, and opened up the opportunity for us to drive a global strategy more closely aligned with implementation in each PwC firm. At the same time, the transition from a Global D&I Council (made up of senior leaders and diversity SMEs), to our Global D&I Leadership team (made up of the 21 TDLs from our largest PwC firms), gave us the opportunity to be more inclusive and considered in establishing our network priorities and actions. This, in turn, strengthened our ability to align our D&I actions at a global and local level, with a focus on driving effective action in PwC firms.

The Global D&I Leadership Team meet in person every nine months, with virtual meetings held every six weeks. At the in-person meetings we take the opportunity to refocus our global strategy and identify annual priority actions, while the virtual meetings focus on continuing the execution of our D&I strategy to create and sustain our energy and momentum.

The TDL is a representative of the business, with the ability to influence and leverage:

- Market, Industry and Business Unit Leaders on a cross-Line of Service basis;
- Finance from a budgeting perspective;
- Resourcing management (or the local equivalent) from a workforce planning perspective; and
- Human Capital from a diversity and inclusion perspective.

The role requires a minimum of 10% of the TDL’s time, and each TDL has territory objectives for the role incorporated into their annual performance plan.

Successful TDLs engender and embed a diverse and inclusive culture in their firm; one where all talent have the opportunity to reach their career potential, and where continual reinforcement of this culture creates an enhanced experience for our people and clients. The TDL is expected to lead on diversity locally in line with PwC’s network D&I strategy, and the TDLs of our 21 largest member firms play an active role on our Global D&I Leadership Team.

Appointment of territory diversity leaders

One of the many steps we took to accelerate our D&I journey during 2013 was to re-engineer our diversity governance. To create a framework that would enable greater levels of leadership commitment and accountability for D&I, we asked the territory senior partners (chairperson of each PwC network firm) to appoint a territory diversity leader (TDL).

We knew that establishing these roles across the PwC network would enable us to have a common diversity leadership role in each of our firms, together with the opportunity to drive a global strategy that was more closely aligned with implementation on the ground in each territory.

Each senior partner was asked to identify an influential partner to take on the critical role of supporting their firm’s D&I strategy, with a focus on implementing an action plan. To ensure the TDLs can make as big a difference as possible, they report directly to their firm’s senior partner and make standing updates to its leadership team.

The TDL is a representative of the business, with the ability to influence and leverage:

- Market, Industry and Business Unit Leaders on a cross-Line of Service basis;
- Finance from a budgeting perspective;
- Resourcing management (or the local equivalent) from a workforce planning perspective; and
- Human Capital from a diversity and inclusion perspective.

The role requires a minimum of 10% of the TDL’s time, and each TDL has territory objectives for the role incorporated into their annual performance plan.

Voice of the diversity leader

Bernice Kimacia, Country Senior Partner, PwC Rwanda and TDL, PwC Africa

Having set up PwC’s office in Kigali six years ago, more recently I assumed the roles of Territory Human Capital Leader and the Territory Diversity Leader for Africa.

It’s also important to remember that diversity goes beyond gender. Throughout my professional life I’ve sought opportunities to help colleagues – women and junior talent in particular – achieve their full potential. As Territory Diversity Leader I support our member firms in Africa to identify and remove potential barriers to all dimensions of inclusiveness, a critical business imperative for a region in which skills are scarce. A record 38% of partner admissions in 2015 in PwC Africa were women.

In my journey to partnership I have appreciated the fact that PwC does not have a “one size fits all” approach to our talent agenda, and has been supportive of my unique personal circumstances and career aspirations. I want all our people to feel the same about every aspect of their lives. We’re all different – and all included.
Voice of the diversity leader

Marcus Laithwaite, Assurance Partner and TDL, PwC Australia

As a straight, white male, it’s fair to some people ask, “Why is Marcus responsible for the firm’s diversity and inclusion strategy?” My appointment in July 2014 was a conscious decision by our executive board. The reality is that 80% of our Australian partnership are male, and mostly heterosexual and Anglo-Saxon.

By adopting the Male Champions of Change methodology, we believe our firm will have a greater opportunity to effect change, with a senior straight, white, male partner bringing the rest of the partnership on board and along the journey. As diversity leader of our Australian firm, I sit on our executive board, and report directly to PwC Australia senior partner Luke Sayers on our diversity strategy and its progress.

I strongly believe that our executive board means we can embed diversity and inclusion as a central component in all our strategic decision-making. Part of my role is enabling our people, who may previously have viewed diversity as a ‘nice-to-have’, to recognise it’s actually a critical business imperitive – one that provides our firm and the PwC network with a significant competitive advantage.

When people from different backgrounds and different points of view work together, we can create the highest value – for our people, our clients and society.

I feel that my passion for diversity, combined with being a straight, white male who is the global relationship partner for one of our firm’s most important audit clients, puts me in a unique position when it comes to shifting mindsets in this regard. Bringing our people with us on this inclusion journey is both immensely rewarding and a necessary ingredient for success.

This is a leadership role that I truly relish. It provides me with constant exposure to the most open-minded, and throws up experiences very different from those I’ve had in my previous leadership positions: experiences like working through our gender and cultural partner admission targets, and bringing in outside thinking and accountability through our external Diversity Advisory Board.

I’m extremely proud of the progress we’ve made to date. However, it is much more we can and want to do. That’s why we continue to work towards making our firm an even more inclusive workplace.

Standing leadership updates

With the wholehearted support of our Global Chairman, we set out to create a D&I framework that would ensure the frequent engagement and constant attention of our most senior leaders across the network. A key aspect of this framework is the provision of regular standing global D&I updates to our Global Leadership Team and Strategy Council. The Strategy Council is made up of the senior partners of our 21 largest member firms – and it allows us to take a two-pronged approach to leadership engagement, under which we report out to the Council at a network level while the TDLs report directly to their senior partner at a firm level.

These standing leadership updates go beyond standard reports and are focused on stimulating action and commitment from our leaders. For example, it was during our initial update to the Strategy Council three years ago that we achieved agreement from each senior partner that they would champion the undertaking of rigorous diversity analytics in each of their firms. Today this process continues to be conducted annually, and played a pivotal role in the creation of our Global Inclusion Index. And to further support this element of our D&I ecosystem, we agreed to add a new question – “I am satisfied with territory leader actions to build a diverse and inclusive work environment” – to our annual global people survey in 2015.

Building on our network leadership updates, PwC firms initiate leadership engagement and commitment activities locally that fit with their own local culture and structure. In PwC US, for example, the TDL – Mike Dillon – sits on the US Leadership Team. The US firm has also identified partners to lead on diversity in each Line of Service, who report directly to their respective Service Leaders. This enables the execution of action plans that are fully aligned with each business area.

Meanwhile, PwC UK has established a firm-wide Talent & Diversity Council that includes two UK Leadership Team members – Head of People Laura Hinton, and Managing Partner Warwick Hunt. They are joined by the Head of Partner Affairs and the three Line of Service People Partners. Each Line of Service has established its own framework on D&I governance, with many business units – Advisory Deals, for example – choosing to set up a business unit-focused Diversity Council.

And in PwC Australia, the TDL – Marcus Laithwaite – sits on the Australian Leadership Team, as he notes in his profile (see previous page). Together with the Senior Partner, he has also taken the ground-breaking step of establishing the firm’s Diversity Advisory Board comprised of members external to PwC. The Board’s mission is to support the PwC Australian Leadership Team with their diversity and inclusion commitments and accountability.

You can learn more about the Diversity Advisory Board in the accompanying case study.

Tangible impacts:

The DAB has been instrumental in enhancing our leadership’s understanding of – and commitment to – diversity and inclusion. It also provided our firm to be a leader. For example the DAB rejected our initial gender targets of 36% women in our leadership team in 2015. As a result, PwC has committed to a new target of 40:40:20, with 40% female representation in leadership. PwC has also committed to a gender-balanced slate of candidates for all senior leadership roles.

The impact of these targets was evident this July, in our first admission cycle since they were set. We’re pleased to report that 40% of our partner admissions in this cycle are female, an increase of 27% on previous year admissions, and that 15% are racially and ethnically diverse.

Creating impact, achieving results

PwC Australia case study

Diversity Advisory Board (DAB)

Diversity dimension of focus: Thought diversity

The DAB has launched its first external Diversity Advisory Board (DAB) in early 2015. Its creation underlines our firm’s deep commitment to creating a more diverse and inclusive workforce and our determination to uphold our diversity and inclusion strategy.

The DAB is made up of seven individuals who are all independent of PwC, come from diverse backgrounds, and are acknowledged as leading diversity experts from the Australian marketplace.

The remit of the DAB is to hold PwC Australia’s Executive Board accountable to the firm’s D&I Strategy. The DAB does this by working closely with our Diversity Leader and providing advice and guidance on all aspects of D&I. The external members are:

• Paul Zahra, former Chief Executive and Managing Director of David Jones Limited
• Graeme Innes AM, former Disability Discrimination Commissioner and Australian Human Rights Commissioner
• Dawn Hough, Director, Pride in Diversity
• Prof. Robert Wood, Director, Centre for Ethical Leadership
• Naren Young, Director PwC Indigenous Consulting and former CEO of Diversity Council Australia
• Julie McKay, Former Executive Director, UN Women Australia
• Tim Sorphonhamusuane, Australian Race Discrimination Commissioner at Australian Human Rights Commission

Meetings of the DAB are held every two months. They are chaired by the CEO of PwC Australia, Luke Sayers, and attended by our Diversity Leader, Marcus Laithwaite. As well as taking part in the DAB’s regular meetings, each member of the DAB coaches a member of our firm’s Executive Board. The DAB provides us with an ‘outside-in’ perspective, bringing the right levels of thought diversity to challenge accepted thinking and hold us accountable for our actions.

Go forward, the focus in FY17 will be on expanding the remit of the DAB and working more closely with our Business Leadership Teams. DAB member Paul Zahra, the openly gay former Chief Executive and Managing Director of David Jones Limited, has said that he wants to “get PwC to a place where the Diversity Advisory Board is no longer necessary.”
The Global Inclusion Index

Having put in place the structure we needed to build the right leadership commitment and engagement, we turned the focus onto accountability. During a carefully planned process lasting six months, we established an innovative ‘full-circle’ framework that would provide a clear picture of our current diversity reality, our annual diversity progress, and where we should be focusing future action. This framework, based on a combination of quantitative and qualitative measurements, was scrutinised and approved by our Global Leadership Team and Strategy Council. The result was our Global Inclusion Index.

During the task of identifying the components that should go into our Global Inclusion Index, a key influence on our decision-making was the rigorous annual diversity data analytics process that we referred to earlier. This process involves measuring a total of 28 gender data points every year, across the full gamut from campus hires to attrition and from mobility every year, across the full gamut from campus hires to attrition and from mobility and from mobility to partner admission. Using a detailed analysis of three years’ worth of data across all these measures, we identified seven key metrics that we felt are most relevant to our global focus, we strongly encourage our network firms to put processes in place to replicate the gender diversity metrics across other dimensions of diversity, provided this is legally allowed in their countries. Using the measures available at firm level, Inclusion Index scores are identified annually for our 21 largest PwC firms, and the combined average of these scores provides our annual Global Inclusion Index score. The Inclusion Index scores are also used as a performance indicator during the annual performance reviews of the senior partners of the 21 network firms that produce them. Overall scores are available globally and at the territory level, and this is then mirrored for each of our three core regions: Europe, Middle East, and Asia. The coming years will be to operationalise the Index in all PwC firms.

Find out more about the PwC Global Inclusion Index in our featured case study.

PwC global case study

The critical year-end performance indicators that we at PwC calculate annually have long included our revenue, People Engagement Index and Brand Health Index. For the past three years these have been joined by our Inclusion Index scores, as we focus on driving leadership accountability and executing a diversity strategy centred on data-driven decisions and measurable progress. The PwC Global Inclusion Index is a composite index comprised of two core buckets: a gender diversity score and an inclusion score – each accounting for 50% of the total Index score. Based on a combination of quantitative (people analytics and annual global people survey results) and qualitative measures (namely the maturity model), the Index provides a score out of 100 for each of PwC’s 21 largest member firms. These scores are then averaged to generate our Global Inclusion Index score.

Our gender diversity score focuses on pipeline structure, pipeline management, and any differences in the perceptions of women and men at PwC. Pipeline structure specifically measures changes in the shape of our pyramid through three people data measures, such as the percentage of female partners.

Pipeline management puts a laser focus on our impact throughout the pipeline, measuring a total of seven KPIs. These KPIs have been methodically selected from among the 28 measures used in our comprehensive annual diversity analytics process, as those which we feel are most instrumental to driving change at a network level. They include the percentage of female partner admissions and experienced hires.

The final measure in the gender score is people perception. For this we look specifically at whether our women and men score differently on their levels of engagement and the core D&I questions included in our annual global people survey. The inclusion score also features a people perception measure, through which we measure our people’s perception of our diversity efforts. The overall PwC partner and people survey results for the following questions are included: 1) PwC is an inclusive work environment where individual differences are valued and respected, and 2) I’m satisfied with territory leader actions to build a diverse and inclusive work environment.

PwC Global Inclusion Index: A composite index with two buckets

Gender diversity score

(50% of the index)

Inclusion score

(50% of the index)

Pipeline Structure

(15% of the index)

Pipeline Management

(25% of the index)

Female/Male Perception

(10% of the index)

Maturity Model

(40% of the index)

People Perception

(10% of the index)

To measure the change in the shape of our pyramid = the results

To measure what we do to monitor the pipeline = the efforts

To measure if there is a difference of perception between women and men

To assess the actions undertaken by the territory = firm programmes and action plans

To measure the perception of our people about what we do

3 KPIs - for example

• % female partners

7 KPIs - for example

• % female partner admissions

3 KPIs - for example

• % difference female/male engagement

5 core categories

• Territory self-assessment tool of 36 D&I measures

2 KPIs - for example

• People survey results

• People analytics

People survey results

Self-assessment tool

Creating impact, achieving results

14

15

The PwC diversity journey

223,468 people

Global Inclusion Index

The PwC diversity journey

People analytics

People survey results

Self-assessment tool

Creating impact, achieving results
The final component of the inclusion score and overall Index is our maturity model. This is a self-assessment tool which requires TDLs to self-assess against measures identified under five core categories, which we have identified as critical to driving cultural transformation and being distinctive with regard to D&I at PwC. TDLs complete this self-assessment using an online tool. It asks them first to self-assess their alignment against each sub-category of the model, and then to provide quantitative examples verifying their alignment ranking and illustrating progress in each of the areas. Once this process has been completed, an independent assessment review takes place to ensure the objectiveness, accuracy and consistency of the maturity scores across our 21 largest PwC firms. Each member firm is then allocated a maturity classification and score.

In essence, the maturity model assesses the elements and action plans in the diversity programme within each PwC firm. Firm action plans should respond to the learnings unearthed via the annual Inclusion Index and our rigorous data analytics process. In this way, we make sure that core priorities centre on a data-driven approach aligned with current realities, and that energy and resources are targeted where they will have greatest impact.

Finally, the average results of all five components are calculated to provide a percentage value Inclusion Index score.

**Example 1 - D&I Strategy measures:**
- D&I strategy fully aligned and integrated with firm strategy
- Dimensions of focus clearly aligned with network ‘2+1’ model
- Action plans centred on addressing findings unearthed in annual diversity data analysis process
- All D&I programme and activities have associated KPIs to demonstrate progress
- Leverages network D&I tools
- Shares local best practices to support “build it once” approach

**Example 2 - Talent progression measures**
- HC processes (e.g. performance management process) are consistently reviewed with interventions established to mitigate for any potential blindspots
- Monitoring processes in place to respond actively to network diversity acceleration KPIs (promotions, potential, ratings)
- TDL sits on the firm Talent Council
- Diversity less applied to local in and outbound global mobility strategy

**Tangible impacts:**
As well as helping us to accelerate our diversity progress, the introduction of our Global Inclusion Index has had a powerful impact in driving leadership commitment and accountability for D&I at PwC. Since the index was established three years ago, we have seen:

- Formal integration of the Inclusion Index as a performance measure in the annual performance process of the territory senior partners of our 21 largest member firms.
- Our Global Inclusion Index score has increased by 6 percentage points, from 62% to 68%. During this time the Inclusion Index scores of 19 of our 21 largest member firms have also increased.
- We have increased our female partner admission by 3 percentage points.
- We have increased the proportion of our female experienced hires to female campus hires by 11 percentage points.
- Our maturity model – the firm assessment to measure action in driving D&I cultural transformation towards a position of diversity distinction – has increased globally by 17 percentage points.
- Our people perception scores have also increased:
  - “PwC is an inclusive work environment where individual differences are valued and respected” – up by 2 percentage points over the three years.
  - “I’m satisfied with territory leader actions to build a diverse and inclusive work environment” – up by 1 percentage point since first asked in 2015.
The PwC diversity journey

undertaking unconscious bias training
Council PwC firm to commit
territory senior partners of each Strategy
this process in our firms, asking the
journey, and this was combined with
network was a core component of this
diversity demographics within our
and education. Creating awareness of the
Strategy Council in diversity awareness
between 2011 and 2013 we specifically
fundamental step in this journey, and
Building leadership insight was a
insight
workplace we believe it is critical to
create the right levels of D&I awareness
and education. This is why these are a
central component of our D&I ecosystem.
Over the past three years we’ve
continued to accelerate our efforts in this
area as we focus on engaging the hearts,
minds and hands of all our people and
inspire personal and team actions and
accountability for change.

Building leadership insight

Building leadership insight was a
fundamental step in this journey, and
between 2011 and 2013 we specifically
engaged the Global Leadership Team and
the Strategy Council in diversity awareness
and education. Creating awareness of the
diversity demographics within our
network was a core component of this
journey, and this was combined with
unconscious bias training. We mirrored
this process in our firms, asking the
territory senior partners of each Strategy
Council PwC firm to commit to
undertaking unconscious bias training
with their local leadership teams.

After this initial period of building insight
with our mission critical leaders we felt we
had created the foundations for more
wide-scale D&I awareness and education
that would be buoyed with leadership
commitment and the right signals and tone
from the top. So, in 2013, we began to
focus on more wide-scale D&I awareness
and education that would touch all our
people. Our approach was to drive some
critical interventions globally in
combination with the identification of
awareness and education as key levers that
would be implemented with appropriate
interventions driven at the firm level.

An annual Global Diversity Week (GDW)
campaign is a cornerstone element of these
activities, aiming to reach everyone across
the PwC network and help them
understand, explore, engage and commit
to diversity. We are excited to launch our
third annual GDW in tandem with the
release of this publication. You can learn
more about GDW in our featured case study.

In 2014 we took a significant step in our
diversity journey, as PwC firms worldwide
celebrated our inaugural Global Diversity
Week (GDW). PwC’s wide-scale inclusion
intervention that aims to touch every PwC
professional across the PwC global
network. Two years on, we’re now about to
embark on our third annual GDW.

GDW is about creating widespread
awareness of diversity as a PwC priority,
leading to understanding and action –
including committing to personal actions to help
make PwC an even more inclusive place to
work.

During GDW 2014 – whose core theme
was Creating value through diversity. Be
yourself. Be different – our network and
territory leaders communicated and
engaged with all our people. A particular
focus was making the business case for
diversity and inclusion real. We also
formally launched our PwC diversity
brand: Be yourself, be different. And in line
with this we invited our people across the
world to share what was different about
them. They also had an opportunity to
contribute ideas to shape our future
diversity focus.

For GDW 2015 we chose the theme of From
awareness to action, and set out once again
to create wider understanding of the PwC
D&I strategy and business case. We also
asked our people to engage in supporting
global gender equality, launching our
HeForShe microsite – heforshe.pwc.com
– which enables our people to pledge to
become ‘HeForShe’ and sign up for
individual actions to foster change. This
underlines our belief that global gender
equality unlocks everyone’s full potential,
everyone’s success is connected, and that
real change happens at the individual
level. Finally, we gave our people the
opportunity to go public with their
commitments to personal and team
inclusiveness actions via a live virtual
commitment wall.

To underpin our GDW themes and
activities – and help our people better
understand, value and embrace difference
as they transition from personal
understanding to personal action – we
provide a wide range of global ‘valuing
difference’ resources. These tools include:

- **PwC-specific implicit association
tests.** These tests improve our people’s
self-awareness, allowing them to gain a
better understanding of their own
attitudes and preferences towards
different kinds of people with different
attributes (for example women
and men with family and career).

- **Myth-busters quiz.** This helps our
people learn about and debunk
common myths and stereotypes across
all dimensions of diversity.

- **Global Open Minds eLearn
programme.** This learning tool
provides our people with a greater
understanding of what unconscious
biases are, and how they can potentially
manifest themselves in the workplace.

- **Annual inclusion planner.** A
personal tool made up of 52 inclusion
‘nudges’ – simple awareness or
behavioural actions that can help our
people become more aware of any
The PwC diversity journey

Our people making the pledge during GDW alone.

For PwC Mexico and our stakeholders and communities. In this video introducing HeForShe and explaining why it is important and the workforce in Mexico at large, we wanted to make male-dominated. With rising numbers of women entering PwC

The corporate culture in Mexico has traditionally been very

In total, 30 speakers – including 17 partners – were involved in
diversity portal during GDW, with the

• HeForShe

• HeForShe

• HeForShe

• HeForShe

• HeForShe

To create energy and get our people involved, we also launched a Mexican-specific Diversity Challenge. Our partners and people were asked to illustrate how they live diversity at work or in their personal lives, and how their differences bring value to the business. Over 1,800 people took up the challenge, with 94 video submissions – including many from our partners.

We also wanted to create lots of awareness and discussion. So we hosted numerous panel events throughout our offices, focused on the following themes:

• Female leadership

• Diversity in business

• Confidence and generations

• Closing the confidence gap

• HeForShe

In total, 30 speakers – including 17 partners – were involved in these panel events, and they were attended by almost 300 staff, with many more joining via webcast.

The territory top-up approach to GDW here in PwC Singapore enables us to engage with many of the innovative global activities, while in parallel driving a more focused approach aligned with our local inclusion priorities.

We’ve had great success with gender in Singapore, reaching the milestone this year of 29% of our partnership being female. Culturally, Singapore is characterised by a unique ethnic, religious and linguistic mix, and we’re very proud of our heritage as a multi-ethnic society. Also, Singapore as a country recognises the importance of its role as an international hub both in the region and globally, and works hard to promote this position. For this reason cultural diversity is paramount for our firm. As a result it made perfect sense for our Singapore firm to centre our GDW activities around cultural diversity. Creating a culture where all our people embrace cultural diversity can sometimes be a sensitive undertaking, and we’ve found it’s often best received when delivered through activities and events that are fun.

For example, during GDW we hosted a lunchtime event attended by 200 people to celebrate that we are all ‘same, same but different’. The event used humour to help people become more self-aware about stereotypes, with the invited speaker being a comedian known as the ‘Master of Accents’. He delivered an underlying message that people can often unconsciously judge others based on their accent or the country they’re from.

Singapore is also a food-crazy nation with a unique culinary culture, so we hosted a food festival as well, enabling our people to sample dishes from six countries during lunchtimes. Additionally, staff from our Chinese, French, Indian and Japanese desks hosted cultural displays including samples of food, drinks and activities for our staff to try.

The copious feedback we received from our people confirmed that they’d thoroughly enjoyed all the events – and that these had succeeded in shining a spotlight on the importance of understanding, valuing and embracing difference.

GDW 2016’s theme is Valuing difference. Driving inclusion. And this year we’re excited at the prospect of generating greater energy, awareness and engagement than ever across the PwC network, as we highlight that valuing difference not only drives business success but also contributes to a vibrant, sustainable, and peaceful global community.

However, we know that blindspots are resilient, and embracing difference is a muscle we must constantly flex. So during GDW 2016 we will not only encourage our people to continue to use our global valuing difference resources, but we will also stream live unconscious bias training across the globe featuring one of the world’s leading experts in this area, Harvard neuroscientist and professor, Dr. Mahzarin Banaji.

Tangible impacts:

GDW is having a clear impact – including providing PwC leaders with the opportunity to demonstrate their commitment to diversity and inclusion and drive wide-scale awareness of D&I as a PwC strategic priority. It has also brought a number of further benefits, including:

• Engaging our people across the globe in diversity.

• With the launch of our PwC HeForShe microsite in 2015, some 8,330 PwC men and women made the HeForShe pledge during GDW alone.

• While there is not necessarily a direct causal link, we have also noticed an improvement in the perceptions of our people across the globe:

  i. 77% of our people agree that “PwC is an inclusive work environment where individual differences are valued and respected” – up by 3 percentage points since 2013.

  ii. The proportion agreeing “I’m satisfied with territory leader actions to build a diverse and inclusive work environment” has increased by 1 percentage point since this was first asked in 2015.

Being able to value and embrace difference is a critical skill that needs to be developed in all our people. We recognise that being open-minded and aware of personal preferences and blindspots are critical levers to the manifestation of such behaviours and as such we drive a laser focus on awareness tools and education that centre on blindspots and unconscious bias. Examples include tools such as the PwC Implicit Association Tests and Mythbusters quiz referenced in our GDW case study. In addition to rolling out our innovative global initiatives, we have also seen PwC firms approach this challenge in creative and innovative ways. A prime example is PwC UK’s Open Mind behavioural change programme, which you can learn more about in the featured case study.
The PwC diversity journey

18,397 people

Open Mind behavioural change programme

Diversity dimension of focus: Valuing difference

PwC UK launched our long-term Open Mind behavioural change programme with unconscious bias e-learning in March 2011. The goal of Open Mind is to make individuals across the firm more aware of the blindspots we all have. This programme has succeeded in major behavioural change across the firm, helping to drive an even more inclusive environment at PwC UK.

The Open Mind programme consists of a wide range of activities and interventions, including a film illustrating an open-minded conversation on performance management, a film that traces the equality journey, leadership communications, an explanation from a psychologist to show how unconscious bias affects decision-making, and actions people can take to become even more open-minded.

The messages, techniques and materials from Open Mind have been integrated into the firm’s people management processes. For example, in briefings to prepare for the firm’s people management processes.

At the heart of our Open Mind behavioural change programme is our ambition to engage all of our people on this journey. And to make sure this is the case, our Open Mind: diversity is good for growth eLearn is a core element of our onboarding programme for graduate and experienced hires. The Open Mind programme has succeeded in major behavioural change across the firm, helping to drive an even more inclusive environment at PwC UK.

Across the UK firm, Open Mind has helped to drive a future-open-minded culture at PwC UK, which now has a 50:50 gender balance and where our efforts to drive an even more inclusive workplace.

The Open programme has been the creation of three modules.

Open Mind: be yourself, be different

Includes psychological tests and interactive videos to create scenario-based understanding of unconscious bias and its impact.

Laser focus on the PwC D&I business case.

Open Mind: diversity is good for growth

Includes psychological tests and illustrative videos to create scenario-based understanding of unconscious bias and its impact.

Laser focus on the PwC D&I business case.

Open Mind: be yourself, be different

Includes psychological tests and interactive videos to create scenario-based understanding of unconscious bias and its impact.

Laser focus on the PwC D&I business case.

The Open programme has been the creation of three modules: an overview of the three modules is outlined below.

1. Open Mind: be yourself, be different
   - Includes psychological tests and interactive videos to create scenario-based understanding of unconscious bias and its impact.
   - Laser focus on the PwC D&I business case.

2. Open Mind: diversity is good for growth
   - Includes psychological tests and illustrative videos to create scenario-based understanding of unconscious bias and its impact.
   - Laser focus on the PwC D&I business case.

Tangible impacts:

Across the UK firm, Open Mind has helped to drive an open-minded culture at PwC UK. The firm has succeeded in major behavioural change across the firm, helping to drive an even more inclusive environment at PwC UK.

• We are seeing clear improvements in the perception of our people across the UK firm with 81% of our people agreeing that “PwC is an inclusive workplace where individual differences are valued and respected”.

• We have increased the diversity of our graduate hires, with female and BAME* representation reaching 43% and 34% respectively in 2016 compared with 37% and 25% in 2012.

• Open Mind eLearn has been recognised as a leading practice-winning the 2015-30% Club award for Everyday Inclusion. Many clients have purchased the licence to use the Open Mind eLearn, demonstrating that the training has not only been impactful for PwC, but also that other organisations are now following our successful lead.

Engaging men through HeForShe

Earlier in this report, we introduced you to our 2+1 approach to dimensions of diversity. We’ve identified gender as a common priority across the PwC network, because while 48% of our global workforce at all levels is female, this proportion is not yet reflected in our leadership. We are eager to encourage an inclusive rather than segmented approach in our inclusion efforts, as our experience has shown that interventions approached in this manner deliver better results.

To make progress on gender diversity we know it is not enough to just engage our women, but that we must also engage the other 52% of our global workforce: our men. We know that the more men and women play an active role in each other’s success, the greater the chance we all have to reach our full potential. And when everyone is at their full potential, we all benefit, both as individuals and as an organisation.

In 2015, we engaged with the UN HeForShe solidarity movement for global gender equality as a HeForShe corporate IMPACT 10X10X10 partner. Since then we have embraced HeForShe as one of the cornerstone activities of our global gender diversity strategy, utilising it as a key vehicle to drive many of our global awareness and education activities. You can learn more about our activities in this area in our featured case study on HeForShe.
Finding the right HeForShe drivers at PwC Japan

5,293 people (integrated firm)

The corporate culture in Japan has traditionally been male-dominated. As a country, however, we are faced with a rapidly aging population, which means boosting rates of female labour force participation is critical to Japan’s economic sustainability. This is why Prime Minister Shinzo Abe has brought the issue to the fore. His economic growth policy sets a goal to fill 30% of leadership positions in Japan with women by 2020. So it won’t come as a surprise that Shinzo Abe is one of the ten heads of state who signed on as a UN HeForShe IMPACT champions. And he is joined by Japan’s Nagoya University as one of the ten university IMPACT champions.

These realities also ring true for PwC Japan: 30% of our workforce and 7% of our partners are female. Our alignment with HeForShe provides us with a fantastic opportunity to engage our workforce and our leadership on this critical reality for both our firm and our economy at large. However, we knew that we had to approach HeForShe in a way that would work for our culture. We began with an awareness session with our collective leadership team of 15 men but we quickly realised that we needed to find a more personalised and culturally sensitive way to move forward.

To do this, we held robust HeForShe and broader gender diversity one-on-one conversations with some of our leadership team. We let each conversation follow its own path, so we were truly engaging on a personal and authentic level with each of our leaders. The process was ultimately very powerful. While some leaders took just one conversation, with others the conversations were much harder and more frequent. But in the end the effort was worth it: some of the most challenging discussions led to the creation of some of our strongest HeForShe advocates.

Once we completed this process, we knew that we had created the right levels of leadership insight, commitment and tone at the top to bring HeForShe to all of our people in PwC Japan. As part of this journey we’ve created a translated version of the global HeForShe microsite, customised posters and awareness materials, and launched a HeForShe video featuring many of our leaders speaking ‘from the heart’ about the importance of HeForShe. This video has been shown to all of our people during our ‘All Staff Meetings’. We’ve also created a group of HeForShe Champions in each of our business lines, focused on delivering tailored actions in their business areas and creating authentic awareness via their personal stories and experiences.

Building the right levels of leadership insight took time, but it was worth it. We are pleased that almost a quarter of our male staff have already made the HeForShe pledge and we are now preparing for the next phase in our HeForShe journey – building HeForShe insight with our clients and communities.

Apart from PwC’s commitment to get 80,000 PwC men to take the HeForShe pledge over three years, and to roll out a globally consistent mechanism for progressing both talented men and women to senior leadership, PwC committed to develop an innovative Gender IQ online training module. In collaboration with the UN, the Gender IQ module was released in September 2016 to a global audience, and is now accessible and free to anyone in the world at heforshe.pwc.com or at heforshe.org. In just over half an hour, participants learn about how gender informs our identities, the societal and business costs of gender inequality, and actions that can be taken to become agents of change. The online training is intended to educate and empower everyone as advocates of equality.
Multicultural skills training was developed in 2013, beginning with a focus on diversity awareness. This was followed by a programme with the goal of creating a talented attraction, retention and learning between 26 different cultures. This programme has six components, as illustrated below.

The awareness element has had a particularly powerful impact. The feedback on this training from both our leaders and non-Western talent has been very positive, indicating that our people have gained a true understanding of ‘why we tend to misunderstand each other’. These insights have proven to be quite a strong building block in our journey from awareness to action. We have also learned that small factors can have a big impact on cultural awareness. Examples include that the food we serve in our staff restaurant, making prayer rooms available on office premises, and recognising all holy days rather than just Dutch national holidays. All of these show how we’re ‘walking the talk’.

The PwC diversity journey

**Cultural Awareness Programme**

Diversity dimension of focus: Ethnic heritage

In countries across the world, ongoing demographic and social change is constantly increasing the diversity of PwC’s workforce. A good example of this trend is in the Netherlands, where the number of non-Western immigrants graduating from Dutch universities has increased rapidly over the past few years. This demographic shift in available talent led PwC Netherlands to introduce our Cultural Awareness change programme, with the goal of creating a talented attraction, strategy and culturally inclusive culture that means we don’t miss out on or lose valuable talent.

A simple starting point for us was understanding that the changes in the Dutch talent mix created new cultural challenges for our firm, and that we needed to help our people become aware that they are all relatively “unaware” of non-Western cultures.

Beginning in 2013, we introduced our comprehensive Cultural Awareness change programme with a view to achieving better attraction, retention and engagement of non-Western talent. The change programme has six components, as illustrated below.

The next evolution of this change programme sees us introduce a communications campaign, providing our people with the tools to progress from cultural awareness to include action. A successful pilot has already taken place in 2016.

Multicultural skills training was developed in conjunction with a third party provider and rolled out to everyone in the firm during 2014 and 2015. This is now formally included in our standard L&D curriculum.

**Tangible impacts:**

The Cultural Awareness change programme is already having a clear impact on PwC Netherlands’ talent pool, bringing a number of benefits:

- We have seen a 3% increase in retention rates of our non-Western talent.
- Satisfaction levels with PwC as an employer among our non-Western talent, as measured through our annual people survey, have increased by 8%.
- The past 2 years we achieved our highest inclusion score to date, with 77% of our people saying they believe PwC is an inclusive environment where individual differences are valued and respected — a rise of six percentage points since 2013.
- In the past three years we have more than tripled the number of non-Western talent choosing PwC as their employer of choice.

Meanwhile in PwC China and Hong Kong, the +1 focus is on generational diversity – and specifically on millennials (born between 1980 and 1995), who now make up 52% of the staff population in China, and who often value a modern Chinese organisational culture that blends Chinese tradition and values with a more western approach and style. We know that our millennial talent has the confidence and conviction to speak up within the nuance of their cultural landscape. PwC China and Hong Kong introduced a change programme entitled The PwC Experience – A Breakthrough. You can learn more about this programme in our featured case study.

**PwC China and Hong Kong case study**

**The PwC Experience – A Breakthrough**

Diversity dimension of focus: Valuing difference and generational diversity

Like all PwC firms worldwide, our China and Hong Kong Assurance practice operates in an increasingly challenging market environment, including a fiercely competitive war for talent. These external forces translate into challenges in attracting, retaining, and engaging our people. When we asked our people what they wanted from us, they said they were looking for an inclusive environment that embraces open, honest, and effective communication. To create such an environment, we launched a broad cultural transformation effort for all levels of our Assurance practice.

We called this programme The PwC Experience – A Breakthrough. In launching it, our overall goal was to change and improve the way we interact and communicate with our people and our clients, in order to turn an already very good firm into a truly great one and prove our distinctiveness in the market. First introduced in 2010, the programme is still going strong today – and has had a profound impact.

While this transformation effort is broad in scope, it has a number of more specific diversity objectives. One of the most important is to engage more effectively and increase the retention and engagement levels of our millennial talent, who make up an ever-increasing proportion of our workforce – 82%.

Another is to create and embed a more inclusive culture, through behavioural shifts targeted at driving behaviour that is open to new ideas and embodies respect for each other.

To deliver these objectives, The PwC Experience – A Breakthrough includes several strands. As a means of driving accountability, every partner has made personal commitments to start and stop doing particular behaviours. A further element is our regular engagement forums including an online (‘Breakthrough Blog’) and offline (‘Dialogue with Leaders’), which provide forums for our people to raise their own ideas and questions, and hear from leadership on a regular basis.

This intervention has helped create a dynamic and engaged environment where our millennial talent has the confidence and conviction to speak up.

Alongside these elements, one of the programme’s most impactful initiatives – launched in 2012 – is ‘Breakthrough Ideas’, which took our interaction and communication to the next level. This has enabled diverse teams of staff across all grade levels and geographical locations to provide proposals and solutions to our Assurance Executives on some of our most persistent challenges, thus engaging our millennials more deeply in our decision making and fostering innovative and diverse thinking. Their ideas have since then been brought to life across the Assurance practice and contribute to success as improved people engagement. The ‘Breakthrough Ideas’ members also continue to play a key role at the ‘sounding board’ for some of the major issues in the practice to make sure plans and actions are relevant to our people with diverse backgrounds.

With the programme’s success, we are looking to evolving it into a firm-wide approach to communication and staff engagement.

**Tangible impacts:**

In the six years since it was launched, The PwC Experience – A Breakthrough programme has had a huge and highly beneficial impact on the Assurance practice at PwC in China and Hong Kong. While there is not necessarily a direct causal link here, there are some of the key improvements we have seen in our people and diversity metrics since we introduced the programme:

- This year we achieved our highest inclusion score to date, with 76% of our people saying they believe PwC is an inclusive environment where individual differences are valued and respected — a rise of 22 percentage points since 2011.
- We’ve seen a 22 percentage point rise in our People Engagement Index since 2010, with a 2015 score of 72%.
- We have seen voluntary turnover levels decrease across our Assurance practice, in particular for our top-rated staff, and staff below manager level compared with 2010.
- We’ve also seen the programme’s success with clients reflected in higher Brand Health Index (BHI) rating and improved results from our Client Feedback Programme.

You can learn more – A Breakthrough. You can learn more about this programme in our featured case study.
12 PwC Global Code of Conduct.
Building relationships and advocacy

Relationships are an important aspect of any work culture. And while cultivating strong networks and having more senior sponsors as advocates are critical steps to foster progression and development in any organisation, they are perhaps even more important in a partnership structure. Mentoring and sponsorship relationships occur in all business environments, but neuroscience research suggests we all have unintentional natural preferences that often lead us to favour people who are ‘most like ourselves’. And this can often mean that women and minority groups can be left out of natural mentoring and sponsorship activities.

As a result, it’s no surprise that mentoring and sponsorship have become ‘trendy’ interventions in the world of diversity. However, at PwC our global approach is that we advocate for mentoring and sponsorship to be a natural part of how we operate day-to-day. At the same time, we also advocate more formal mentoring and sponsorship programmes as part of our D&I education activities where they will have the most meaningful impact. Our overall view is that mentoring is best utilised for more junior talent or ‘reverse-mentoring’ activities, while sponsorship is more critical for partner and leadership pipeline development. For example, a sponsorship component is baked into the pipeline development. For example, in PwC UK’s BreakThrough programme (you can learn more in the next chapter) and PwC Netherlands’ Cultural Awareness change programme (as featured in the previous chapter).

PwC Belgium, PwC Germany and PwC Netherlands have joined forces on a female mentoring programme which brings together high potential female senior managers and directors. To further enhance the cross-border mentoring that takes place between the female mentees, female board members at client organisations are also identified to mentor the programme participants. The aim is to enhance their profiles, business acumen, relationships and provide them with guidance and advice to support them to proceed towards partnership. Similarly, PwC India is one of four Indian-based organisations taking part in a cross-mentoring programme that engages high-potential female talent with leaders from other organisations as mentors, providing specific guidance and advice to support them in reaching the next level in their careers.

In PwC UK, a reverse mentoring programme has been established pairing partners in the Advisory practice with junior level staff who are different from them in terms of gender or ethnicity. The programme aims to create reverse learning and understanding of the experiences and challenges that both parties face in their day-to-day activities, and more specifically to help both become more open-minded and understand difference. Meanwhile, PwC Germany has established the UpTalk programme focused on providing high-potential female talent with personalised advice on how to advance their careers, from experienced partners in a different Line of Service from which they operate. You can learn more about PwC Germany’s UpTalk programme in our featured case study.

In individual PwC firms across the world, significant levels of mentoring and sponsorship activities are in place as core elements of local D&I programmes. For example in PwC US, every partner is asked explicitly to sponsor diverse talent towards partnership as a core part of their development goals. Furthermore, sponsorship activities are actively embedded into critical succession planning interventions in other firms across the network, with examples including PwC UK’s BreakThrough programme (you can learn more in the next chapter) and PwC Netherlands’ Cultural Awareness change programme (as featured in the previous chapter).

PwC, the leading private professional services firm, is committed to providing equal opportunities and has a strong track record of promoting diversity and inclusion. At PwC we believe in the power of diversity and its positive impact on our business and our clients. Diversity and inclusion are core values that we upheld and promoted across the firm.

At PwC Germany we work hard to develop authentic and successful leaders. These efforts include our UpTalk female mentoring programme, in which we take active steps to help our female millennials refine and develop leadership skills that both reflect their true selves and also resonate with colleagues of all ages and genders.

Established in 2008, UpTalk is a firm-wide initiative for female senior consultants, who are typically three to four years away from becoming Partners with PwC Germany. The programme aims to provide our high-potential women with personalised advice on how to advance their careers, with each of our female participants allocated an experienced partner (male or female) from a different PwC Line of Service (LoS) for one year, enabling them to share professional experiences, advice and feedback.

While UpTalk is a mentoring programme, we decided to use the term ‘counselling’ to describe the relationship, in order to differentiate it from the mentors assigned to employees as part of their career development or performance evaluation. Each pairing of ‘counsellor’ and ‘counselee’ meet at least four times within the programme’s one-year term. As well as helping to develop the careers and leadership skills of high potential junior women, the programme also aims to improve communication between different levels of seniority and sharing of experiences across PwC Germany’s LoSs. At the same time, the participants develop and widen their own personal networks across the firm.

On top of these benefits, we have also seen the partners involved in UpTalk transform into committed diversity advocates and change agents. Their feedback often includes the message that their UpTalk experiences have given them a much better understanding of the experiences of our female talent and the challenges they experience at work, both in terms of career progression and family life. This programme is just one of many interventions we undertake focused on fostering an inclusive culture that embraces and values difference.

Tangible impacts:
In the seven years since it was launched, UpTalk has had a very positive effect on the career progression and retention of our high-potential women in PwC Germany. In total it has directly benefited 150 of our key members of female talent since 2008.

• In 2015, 63% of our UpTalk participants were promoted from Senior Consultant to Manager, compared with an overall female promotion rate from Senior Consultant to Manager of 29%.
• We also see enhanced loyalty from our UpTalk alumni, with turnover rates as low as 4% after one year and 5.3% after two years.
• We are proud that one of the first Senior Consultants who participated in the programme was promoted to Director in 2014.

Some of the best illustrations of the success of UpTalk are to be found in the comments of women who have undertaken the programme.

One participant tells us: “I was hired as a female mentor. Most of the time my superiors were male, so I learnt the chance to discuss and support my career with a female superior.”

Another adds: “It was an enriching experience. I would do it again right away – and I would recommend it to everyone.”

You can’t be what you can’t see
Our people across the world tell us consistently that one of the best things about working at PwC is the colleagues with whom they get to work and build relationships. Despite this positive reinforcement, we know it is critical that we create a people environment where all of our people can look up and around them and identify people who are like them, or who resonate with them. As such we make it our business to actively role model diverse talent, partners and leaders across the network so that all our people ‘can see what they can be’.

These role-modelling activities form the final pillar of our broad awareness and education goals and activities highlighted in this report. We have featured many fantastic role models throughout this publication, be they diversity leaders, advocacy advocates, or diverse role models. The diversity role models profiled on the following pages – Ignacio, Pauline, Manoj and Marta – represent, respectively, thought and skill, female leadership, ethnic and cultural diversity.
The PwC diversity journey

While also enabling ourselves to have the most fulfilling possible family life at home.

Continually to create a culture where others can do the same. It’s only through this balancing work priorities, leadership responsibilities and family life – and I strive to do this by the firm’s outstanding support and mentoring programmes.

Currently, I’m undertaking the exciting task of building a team of diverse skills to grow our data analytics assurance business. In my view, diversity of skills is a major strength for any business – and diversity itself is about respect and openness. We all know that when you encounter something new or different, it’s all too easy to feel afraid or defensive. We need to control those feelings.

My approach is to stay focused on the objectives, listen closely, and give people the chance to demonstrate value through delivery. And as I build my career in PwC’s Assurance practice, I hope to be a role model to talent outside PwC’s usual scope, by demonstrating there are different pathways to success here.

Not that being a working parent is ever easy. All women need to understand that with being a mother of triplets under the age of 10, I’m keenly aware of the need to strike the right balance between my work and family life. And I’ve been helped to do this with the firm’s outstanding support and mentoring programmes.

I’ve always made an effort to share my experiences of the challenges involved in taking a back seat in your career for a short while before returning to focus on it. You might have to give up your “me” time to be with the family, or you may have to take a back seat in your career for a short while before returning to focus on it.

I’ve always made an effort to share my experiences of the challenges involved in balancing work, priorities, leadership responsibilities, and family life – and I strive continually to create a culture where others can do the same. It’s only through this type of environment that we as parents can make the best possible decisions at work, while also enabling ourselves to have the most fulfilling possible family life at home.

Voice of the diversity role model

Ignacio Madrid, Risk Assurance Services Principal, PwC Mexico

When I joined PwC Mexico in February 2015 as a Data Analytics Partner in Risk Assurance Services, I was the first candidate that the firm’s Assurance practice had recruited at partner level for over 20 years. This combined with my educational background in Industrial Engineering and vast work experience with technology firms, means I have very different skills and experience from my colleagues – but I’ve found them very welcoming and ready to value the contrasting perspectives, skills and relationships that I bring.

Currently, I’m undertaking the exciting task of building a team of diverse skills to grow our data analytics assurance business. In my view, diversity of skills is a major strength for any business – and diversity itself is about respect and openness. We all know that when you encounter something new or different, it’s all too easy to feel afraid or defensive. We need to control those feelings.

My approach is to stay focused on the objectives, listen closely, and give people the chance to demonstrate value through delivery. And as I build my career in PwC’s Assurance practice, I hope to be a role model to talent outside PwC’s usual scope, by demonstrating there are different pathways to success here.

Not that being a working parent is ever easy. All women need to understand that with being a mother of triplets under the age of 10, I’m keenly aware of the need to strike the right balance between my work and family life. And I’ve been helped to do this by the firm’s outstanding support and mentoring programmes.

I’ve always made an effort to share my experiences of the challenges involved in taking a back seat in your career for a short while before returning to focus on it. You might have to give up your “me” time to be with the family, or you may have to take a back seat in your career for a short while before returning to focus on it.

I’ve always made an effort to share my experiences of the challenges involved in balancing work, priorities, leadership responsibilities, and family life – and I strive continually to create a culture where others can do the same. It’s only through this type of environment that we as parents can make the best possible decisions at work, while also enabling ourselves to have the most fulfilling possible family life at home.

Voice of the diversity role model

Pauline Ho – People Partner, PwC Malaysia and Vietnam

As the first female PwC Assurance Leader in PwC Malaysia for the past four years, and recently taking on the role as the first People Partner for PwC Malaysia and Vietnam coupled with being a mother of triplets under the age of 10, I’m keenly aware of the need to strike the right balance between my work and family life. And I’ve been helped to do this by the firm’s outstanding support and mentoring programmes.

Not that being a working parent is ever easy. All women need to understand that they have opportunities, but that there will be sacrifices along the way. For example, you might have to give up your “me” time to be with the family, or you may have to take a back seat in your career for a short while before returning to focus on it.

I’ve always made an effort to share my experiences of the challenges involved in balancing work, priorities, leadership responsibilities, and family life – and I strive continually to create a culture where others can do the same. It’s only through this type of environment that we as parents can make the best possible decisions at work, while also enabling ourselves to have the most fulfilling possible family life at home.

Voice of the diversity role model

Manoj Santiago, Private Clients Partner, PwC Australia

I’ve been with the Australian firm for 21 years and a partner for nearly ten – and during that time I’ve had the opportunity to work in a wide range of areas, from management consulting to tax to audit. I’m now a Private Clients Partner and have recently become managing partner for our thriving Greater Western Sydney office.

I was born in Sri Lanka, and my family migrated to Australia when I was 11. As a result I support Australia at cricket against anyone except Sri Lanka. As a leader and diversity advocate at PwC, what I find most encouraging is that it’s an environment where people are willing to learn and not afraid to challenge – which is a really good combination. I’m a strong believer that when you’re trying to drive change, it’s important to give voice to people who have questions as much as those who are ‘on board’ and eager to move ahead.

I remember on my first day with the firm, I was one of 44 18-year-olds in a room, and they showed us a chart of how we could all get from where we were (on the bottom left corner of the chart) all the way to partner. It never occurred to me that I wouldn’t make it there if I wanted to. I want it to be the same for everyone, including my kids: we need to be the place where anyone can achieve their potential – whether as partner or anything else.

Voice of the diversity role model

Marta Milewska, Transfer Pricing Partner, PwC Mexico

As a 35-year-old Polish woman, it’s fair to say that I’m a little unusual among the PwC partners in Mexico. I’m the youngest partner in the firm, the only Pole, and the first woman to become a partner in Transfer Pricing. But the fact that I’ve risen to this level at such a young age says a great deal about PwC’s readiness to recognise and promote talent – regardless of background and gender. Here, you can make it to the top wherever you’re from – and I’m living proof of that.

My route to PwC was also unusual. Having studied Spanish at University in Poland, I went to Spain for a scholarship programme. After that ended I was eager to work in a Spanish-speaking country, and managed to get a six-month placement with PwC Mexico, providing services to expats.

My department was next to Transfer Pricing, and I asked if I could move across.

Twelve years later – including the past two years as a partner – I’m still here. One of the things I love about Transfer Pricing is its international nature makes it such a diverse area of the practice, with team members from all over the world and with a wide array of skills.
Critical interventions that work

To drive change and make real progress on diversity and inclusion, our experience shows it is imperative that we marry the right levels of leadership commitment and accountability and awareness and education with process interventions that work. This is why critical diversity interventions form a core component of the PwC D&I ecosystem.

Critical interventions have long been a part of PwC’s diversity efforts at both the network and firm levels. But over the past three years we have redefined our approach, reflecting the fact that feedback and data are now essential in identifying where critical interventions need to be established. This means listening to the needs, expectations and feedback of our people and utilising data analytics – for example our Global Inclusion Index metrics – to identify where we may have challenges, and where we can have the most impact to foster progress.

This is a step away from what was more traditionally an externally driven ‘leading-practice’ approach to diversity interventions. It also means that centrally we push for consistency and cohesiveness in our approach to diversity analytics and feedback channels, while asking PwC firms to focus on tailored action plans that respond to these channels. This means we no longer focus on driving a global programme that advocates that all PwC firms adopt the same interventions, but, instead, within their action plans, network firms adopt critical interventions that respond to the unique data findings, feedback and nuances of their local environment and culture.

The importance of data at all stages

While feedback and data are fundamental in identifying what these critical interventions should be, they are also vital in identifying that they are critical interventions that work. We are focused on creating a diversity programme culture in which aligning and measuring core KPIs is an inherent part of the introduction or existence of any diversity intervention. To reinforce this, we have made a focus on KPIs one of the explicit measures associated with the D&I strategy category of PwC’s D&I Maturity Model, a core component of our Global Inclusion Index as featured in the ‘Leadership commitment and accountability’ chapter of this report.

In cases where the KPIs do not identify progress, our ethos is to performance improve, or, disband the efforts concerned, so that all valuable resources are laser-focused on D&I activities that do or will have an impact. Where they do show progress, we identify them as a PwC ‘proven practice’ and share the intervention more widely. This enables PwC firms worldwide to learn more about what is working and creating impact in other firms, and hence adapt and leverage these interventions rather than recreating the wheel.

Throughout this publication you will note that all of our featured case-studies have associated tangible impacts. And this publication aims to share our D&I journey externally, while also further reinforcing a critical interventions model that works.

Voice of the diversity role model

Caio Carvalho, Senior Consultant, PwC Brazil

I’ve been with PwC for eight years, and when I came to the firm in 2007 I was the first person with visual disability to join the technical team. I was about to finish law school, and with PwC’s support I also got a degree in accounting. When I joined the firm there wasn’t a specific hiring process for people with disabilities. But the firm interviewed, evaluated and hired me anyway, based solely on my capabilities. I was told: “We still don’t really know how to work with people with disabilities, but we’re eager to learn.”

As soon as I arrived, I could tell that PwC’s culture was very inclusive. While other organisations are still sensitising their professionals to develop an inclusive culture, PwC is professionalising this culture that was already there. Not only do we now have a formal process for hiring people with disabilities, we also have a diversity committee that is proof of the progress made. The next step will be to welcome people with disabilities onto the management board and at partner level.

There are also extensive programmes to attract minority talent at campus and experienced hire levels. Examples include PwC’s US’s Start internship, which targets racial and ethnic minority students; PwC Netherlands’s explicit attraction activities as part of its Cultural Awareness change programme to attract non-Western talent (see the case study in the previous chapter); and PwC UK’s Financial Services Risk and Regulation experienced hire recruitment drive, focused on the attraction of female and minority recruits.

You can learn more about some of these activities in our featured case studies.

PwC France case study

Female partner shadowing programme

Diversity dimension of focus: Gender

At PwC France we have been focused on gender diversity for several years with many of our efforts centred on creating an attractive talent brand and workplace for women. In 2015, we decided to pilot a female partner-shadowing programme to create clarity and exposure of what it means to be a female partner at PwC. Our aim is to attract female talent who join PwC with aspirations towards partner from day one of their career.

For the pilot programme we partnered with Science Po, one of France’s most prestigious universities. They were seeking to collaborate with companies to create mini-internships for their students with the aim of introducing a stronger business focus to their curriculum. During the pilot phase we brought a mix of five Science Po female Bachelor and Master level students onboard for an immersion week during which they observed and shadowed a female partner. This approach gave each of the students a real opportunity to understand ‘a week in the life of a partner’ and the realities of a professional services business environment. Students were also exposed to female partners who combine exemplary business performance with fulfilling personal and family lives.

Tangible impacts:

We have been very pleased with the results of this pilot and from next year will introduce it as a formal programme, extended to a larger number of universities and female participants. Other benefits include:

• We received exceptional feedback from all female students who took part.
• It proved to be a strong attraction programme: we formally offered internship positions to two of the five participants.
PwC US case study

46,913 people

Connect: Ability

Diversity dimension of focus: Disability

According to the 2010 United States Census, 56 million people – or nearly one in five of the US population – have a disability. That means we all know someone with a disability, probably among our immediate friends and family.

PwC US knows that people with disabilities represent a critical talent pool. And to continue to attract and retain them, we also know that we need to raise awareness about the broad diversity of abilities at our firm, and to continue to foster an environment of inclusion that recognises and embraces differences.

As part of PwC US’s diversity recruiting efforts, we have established relationships with the disability services offices on college campuses across the nation, while internally we have delivered comprehensive in-person training to our recruiting team. In 2014 we also established our Connect: Ability programme. This connects individuals who are participating in our internship or seasonal recruitment programmes, and who self-identify a disability status, with a full-time PwC professional who is willing to provide support and mentorship.

PwC’s distinctive approach to diversity is based on a belief that we each have a personal accountability for contributing to our inclusive and high-performing culture. In line with this belief, the goal of Connect: Ability is to provide the participants in the programme with a connection to someone who can give them guidance, insights, or even just act as a sounding board, as they navigate through the firm’s culture and the wider professional services industry.

Participating as a mentor in Connect: Ability enables our partners and staff to act as role models, helping to influence future generations of professionals and leaders within the firm.

“Effective mentoring is a two-way street,” says Connect: Ability mentor Jon DeFeo. “As a leader of our Professionals with Disabilities Network, I share how individuals with disabilities have been able to navigate the firm, explore career advancement opportunities and access the available resources. However, I’ve also gained valuable insights while listening to my mentees talk about their needs and the innovative ways they’ve overcome challenges in their lives.”

Our disability strategy is driven by our Disability Strategy Council, a group of partners and functional group leaders focused on developing a strategic, coordinated approach to hiring and employment policies and tools to help foster the PwC experience for people with disabilities. We have also developed an ‘Ability reveals itself’ initiative to connect our professionals who have a disability with resources within and outside of the firm, share their stories, and help those who do not have a disability learn about disability inclusion.

PwC Canada case study

9,967 people

Connect: Ability

Diversity dimension of focus: Disability

PwC Canada is committed to an inclusive and high-performing culture. To achieve that, we are developing employees with a disability in five of the US population – have a disability. This means engaging early with female students to give them an opportunity to get to know our firm and our people from an inside perspective. Achieving this was particularly important for PwC Canada’s Advisory practice, which has traditionally found it easier to attract male graduates than female. To redress the balance, our PwC firm’s Advisory strategy launched a ground-breaking concept called the Career Lounge for female students.

Since the launch of the programme in 2013, over 500 female students have taken part in various Career Lounge events in various PwC locations across Canada. The format is simple. For one evening, female students are invited to attend the event, get the chance to meet and talk with female role models from across PwC’s Consulting business. In a relaxed atmosphere with drinks and snacks, the students can ask our successful women any questions they like, and discuss perspectives and topics around diversity and careers.

Students interested in attending a Career Lounge apply in advance, and we then choose the participants based on their curriculum vitae. It’s proven to be a great way for PwC women and potential female joiners to get to know each other on both a professional and personal basis, and for female students to visualize their own career paths. Internships and hires frequently result from these evenings.

Tangible impacts:

- PwC is a top-scorer on the Disability Awareness Index as assessed by the American Association of People with Disabilities and US Business Leadership Network.

PwC Germany case study

9,967 people

Advisory Career Lounge

Diversity dimension of focus: Gender

PwC firms across the world are committed to recruiting and developing the best graduate talent – including female talent. This means engaging early with female students to give them an opportunity to get to know our firm and our people from an inside perspective. Achieving this was particularly important for PwC’s Advisory practice, which has traditionally found it easier to attract male graduates than female. To redress the balance, our German firm’s Advisory strategy launched a ground-breaking concept called the Career Lounge for female students.

Since the launch of the programme in 2013, over 500 female students have taken part in various Career Lounge events in various PwC locations across Germany. The format is simple. For one evening, female students are invited to attend the event, get the chance to meet and talk with female role models from across PwC’s Advisory business. In a relaxed atmosphere with drinks and snacks, the students can ask our successful women any questions they like, and discuss perspectives and topics around diversity and careers.

Students interested in attending a Career Lounge apply in advance, and we then choose the participants based on their curriculum vitae. It’s proven to be a great way for PwC women and potential female joiners to get to know each other on both a professional and personal basis, and for female students to visualize their own career paths. Internships and hires frequently result from these evenings.

Tangible impacts:

- A rise in both female applications (33%) and female campus hires (42%) in FY16.

Overall, 539 female students have participated in Career Lounges across Germany since 2013 – and in the past 12 months, 189 women who have attended a Career Lounge have handed in an application to join our firm.

- Within the past 12 months, 25 women who we first met via Career Lounge have undertaken internships, and 21 have joined our firm as graduate hires.
PwC UK Financial Services case study

18,397 people

Financial Services Risk and Regulation recruitment actions to enhance diversity

Diversity dimension of focus: Gender and ethnic diversity

PwC UK’s Financial Services Risk and Regulation (FSRR) practice helps our clients across the financial services sector to redefine the way they respond to risk and regulation, and to stand out in their industry for the right reasons. Our practice in this area has been achieving strong growth, and to continue to achieve our growth objectives we identified a significant need for new talent. To meet this need, we launched a major recruitment drive aimed at attracting and hiring significant numbers of experienced hires and lateral partner admissions into our UK FSRR practice between January 2013 and June 2015.

This is an area of our profession that tends to be more male dominated than some others. So, in light of our long-term, firm-wide efforts to drive greater diversity, we wanted to make sure such a large-scale talent acquisition effort did not skew our hard work in this area. To do this, we identified, developed and implemented a series of interventions at various stages of the talent acquisition process to make sure talent diversity remained a critical imperative of this recruitment drive.

Our interventions were applied to four key stages of the recruitment process:

• Accessing a diverse pipeline.
  Female and ethnic minority candidates were felt to be materially underrepresented in the initial long-lists put forward by headhunters. To help address this, we clearly articulated our expectations to the headhunters so they had a clear understanding of our talent expectations, and offered enhanced commission payments on successful female and ethnic minority candidates.

• Role descriptions and selection for interview. To ensure that our opportunities and initial applicant filtering process were attractive and conducive to all talent, we undertook a number of measures. These included reviewing the criteria for each role through a ‘diversity lens’, and having the UK territory diversity leader review and amend role descriptions to make sure they would be attractive to all talent and prevent potential talent from being unnecessarily deterred or rejected. For example to attract talent from industry we agreed that for certain roles ‘selling experience’ was not fundamental and removed it as a default criterion from many job specs. We also removed masculine language and replaced it with language that is more universally appealing. Such as replacing the term ‘ambition’ with ‘desire to develop’, and the phrase ‘building a business’ with ‘building and making a significant contribution to a business’.

• Interview. To help mitigate any potential blindspots during the interview process, we took two explicit actions. Firstly, we carried out unconscious bias awareness training with the entire interview panel, including all members of the FSRR leadership team. Secondly, we ensured our interviewing panels themselves were diverse, by requiring that at least one female/ethnic minority partner was included on each interview panel for a set number of interviews.

• Offer. To support offer-to-acceptance conversions from female and minority candidates, we selected a ‘partner sponsor’ to discuss the offer and role with the candidate. We made explicit efforts to take account of diversity during this process, for example pairing a female partner with a female candidate.

Tangible impacts:

Our laser focus on gender and ethnic minority diversity during this recruitment drive has delivered clear pay-offs, and demonstrated that the right processes and behavioural interventions can deliver success in improving diversity in areas where it’s often misconceived as unfeasible. Here are some of the key outcomes from this effort:

• 13 lateral partner admissions, 15% of whom were diverse.
• 247 experienced hires, 34% of whom were from minority backgrounds and 39% of whom were female.
• Furthermore, all 260 of the new hires have brought enhanced levels of skill and thought diversity to our firm and as our FSRR business continues to grow we continue to apply a diversity lens to all of our attraction efforts.

However, we know it is not enough to have a strong and inclusive talent brand and attraction activities that lead to the onboarding of more diverse employees. To engage, develop, progress and retain diverse talent, the messages delivered at the attraction stage need to stand up in reality – and must also be combined with inclusive talent systems and processes that allow all talent to fulfil their full potential from day one with PwC.

Flexibility and family support

In recent years we’ve been focused on creating a PwC work culture that recognises flexibility as a talent-wide proposition. More than 80% of PwC’s global workforce are millennials, and our extensive millennial research indicates load and clear that work-life balance is important to nearly all millennial talent (97%), irrespective of their gender or family status.15 This shift to understanding flexibility as a talent-wide proposition has meant massaging mindsets to overcome traditional stereotypes surrounding flexibility – and especially the perception that flexibility is predominately desired by parents, most specifically mothers. Creating awareness of data points reflecting the perceptions and desires of PwC talent and the wider workforce, together with the evolving work and family trends of the modern workforce, has been a key part of this journey. These data points include findings such as:

- 98% of PwC millennials (male and female) said work-life balance was important to them16
- 78% of men and 68% of women at PwC are part of a dual-career couple17
- 58% of women and 39% of men at PwC who are part of a dual-career couple are the primary earner in their relationship18

In addition to these findings, we also have a growing body of evidence that demonstrates candidates who are passionate about flexibility are more likely to engage with our firm and are more likely to stay with our firm. In particular, we have a strong and growing group of female and ethnic minority candidates at the partner level within our UK FSRR practice who want to enter the partner role with PwC and stay in it for the long term because it is a better place to work than other firms.

As a result of this recruitment drive, we have increased our proportion of female and ethnic minority hires by 18% over the previous year, resulting in a 24% increase in the proportion of female partners and a 32% increase in the proportion of minority partners. The proportion of lateral hires who were female or of minority status increased by 39% over the previous year, and we have increased our number of diverse hires by 13%.

Furthermore, all 260 of the new hires have brought enhanced levels of skill and thought diversity to our firm and as our FSRR business continues to grow we continue to apply a diversity lens to all of our attraction efforts.

For further information on PwC’s diversity and inclusion programmes, please visit the diversity section of our website.
An equally important part of this change journey, which is perhaps particularly challenging in a work environment like ours given our revenue model is centred on billable hours, is to create a culture that recognises impact and performance over presence. Across the network we still have a lot to do, but – as in other aspects of diversity – we are making good progress. For example, PwC US has introduced ‘Flexdays’ where people can choose to work their minimum standard hours in four days instead of five. And PwC Australia, after a successful pilot in 2015, has introduced ‘All roles flex’ which extends the choice of flexible working to all of its 6,000 employees, trusting them to work the way that suits them best while still delivering great client service.

Another example is PwC Brazil’s FlexMenu programme, which allows people to choose where, when and how they work and you can learn more about this programme in our featured case study. PwC Central & Eastern Europe has introduced Flex@PwC, which includes a menu of flexibility options centred on where, when and how their people work.

Central & Eastern Europe (CEE) is a diverse region, so each country was provided with a menu of flexibility options that they could choose from so that they are introducing the solutions which best respond to local needs. Just one of these many options is the opportunity of taking between one and four months of unpaid leave annually – as part of their annual paid holiday entitlements – while receiving part of their pay while they’re away. Offered in line with business needs, this option is expected to be particularly popular with parents and millennial employees. Parents can use it to spend more time with their children during school holidays, while it presents millennials with a way to satisfy their urge to travel.

While it is clear that flexibility must be a talent-wide proposition, there will of course be stages during the careers of most of our people where important milestones and life events require additional support, especially for people with families. PwC firms across the world have extensive programmes in place to support and benefit new and returning mothers, such as maternity and paternity benefits. And PwC Nigeria and Ghana are just two of many locations, that have introduced a Mentor mum’s programme. This programme offers one-on-one support in particular to new mothers to help them integrate their new role of motherhood with their work in PwC.

In some parts of the world wider societal norms and pressures mean we need to give greater support to help career-aspiring mums return to the workplace, while in others we are placing growing emphasis on providing more extensive paternity benefits for dads. With regard to the latter, PwC South Africa and PwC US provide paid paternity benefits to fathers far beyond the scope of what is legislated for locally (if at all). Meanwhile, PwC Italy has introduced the fittingly named ‘A Ribbon in the Company programme to support more mothers in returning to the workplace, while in others we are placing growing emphasis on providing more extensive paternity benefits for dads. With regard to the latter, PwC South Africa and PwC US provide paid paternity benefits to fathers far beyond the scope of what is legislated for locally (if at all). Meanwhile, PwC Italy has introduced the fittingly named ‘A Ribbon in the Company programme to support more mothers in returning to the workplace.

When a baby is born in Italy, it is a tradition to hang a ribbon outside the parents’ home to announce the happy event to the world. At PwC Italy, we are delighted when one of our people has a baby. We want to celebrate the birth but are also conscious of maintaining contact with the new parent and keeping them included in our talent pool. With this in mind, PwC Italy was inspired to join an external collaboration with other organisations in launching a programme that would encourage women on maternity leave to return to their employment and help them continue with their career. The initiative is called, ‘Un Fiocco in Azienda’, (A Ribbon in the Company).

PwC Italy first rolled out the programme in October 2013. Participation is voluntary and consists of a wide variety of activities, including the following:

• As soon as the mother-to-be informs us about her pregnancy, we make available to her specialist counselling that provides all the information that is likely to be needed in preparing the required legal documentation for Italian legislative purposes.
• During maternity leave, we give our new mothers’ access to a number of specific benefits, including:
  i. a paediatric card with a doctor available for calls 24 hours a day;
  ii. the opportunity to attend a course dealing with mother and child nutrition; and
  iii. access to a psychologist, if needed, to assist the mother in dealing with her new role as a parent.
• The aim is to make this programme inclusive to all parents therefore the paediatric card and the opportunity to participate in the nutrition course have now been extended to fathers.
• Before the new mother returns to her job at PwC Italy, we have a conversation with her about her future career expectations and any needs she may have in terms of enhanced work flexibility.

PwC Brazil case study

4,048 people

FlexMenu

Diversity dimension of focus: Gender and generational diversity

In 2013, PwC Brazil introduced our FlexMenu initiative. The wider culture in Brazil is very much one of long working hours; in addition, there is a strong expectation that employees – in particular, junior employees – be present in the workplace, especially when their bosses or managers are there. Given the growing demand from the millennial generation for better work-life balance and flexibility, we knew the status quo would not suffice if we wanted to be a magnet for top millennial talent. We addressed this with the introduction of our FlexMenu programme – an innovative initiative that enables our people to combine four flexible options to create a custom model that simultaneously meets the interests of the individual, our business and our clients:

FlexTime: This option offers the possibility of starting a regular working day at a time ranging between 7 and 10am, and consequently of ending the same working day between 4:30 and 7:30pm.

FlexWeek: Our people have the option to apply a compressed working week. They can take a 4- or 8-hour period off in a week by working nine or ten hours a day.

FlexPlace: This option allows our people to work outside the PwC office or client site, up to twice a week.

FlexLunch: Our people have the option to reduce to one hour or extend to two hours the standard 90-minute lunch break, so long as the working day is maintained at eight hours long.

The FlexMenu programme is all about helping our PwC professionals make their daily routine more flexible; it’s not about working more, or working less. It’s about working differently.

In the programme’s inaugural year, 800 of our people (20% of our workforce in Brazil) formally signed up, which resulted in hundreds more benefited informally from programme elements. Millennials made up 90% of the professionals who signed up formally to the programme, and women 64%. A big positive of the programme is that our take-up demographics have helped to shift mindsets away from the traditional stereotypes that flexibility is only desired by or for parents, particularly mothers. This change also drove our decision to abolish formal sign-ups, making FlexMenu available to all of our people.

Tangible impacts:

While there is not necessarily a direct causal link, we have noticed a difference in our key D&I metrics since we launched our FlexMenu programme:

• employee engagement is up to five points higher for those who indicate they use FlexMenu up to 50% of their time, compared to those who do not use flexible options in their routines.
• "The people I work for support me in getting the flexibility I need" and "It is possible for me to have both a healthy lifestyle and be successful at PwC" are up by 6 and 8 percentage points respectively.

ii. “The people I work for support me in getting the flexibility I need” and “It is possible for me to have both a healthy lifestyle and be successful at PwC” are up by 6 and 8 percentage points respectively.

iii. Our inclusion score has increased from 67% in 2013 to 79% in 2016.

FlexMenu has also had a positive impact on retention. In particular, since 2014 we have seen turnover levels decrease by 6 percentage points at the Associate grade level, and by 4.7 percentage points at the Senior Associate grade level.

PwC Italy case study

4,063 people

A Ribbon in the Company (Un Fiocco in Azienda)

Diversity dimension of focus: Gender (specifically parents)

When a baby is born in Italy, it is a tradition to hang a ribbon outside the parents’ home to announce the happy event to the world. At PwC Italy, we are delighted when one of our people has a baby. We want to celebrate the birth but are also conscious of maintaining contact with the new parent and keeping them included in our talent pool. Here are some statistics about what the programme has achieved:

• 100% of the programme participants want to see it continue throughout PwC Italy and evolve further in the future.
• 76% of the women who have participated in the programme confirmed that they were satisfied with it, and that it assisted them in the lead up to (and in) maternity leave.
• There has been an increase in the number of mothers that have participated in the programme of approximately 52% since it was launched.

An indirect outcome of the programme is that there is increased awareness of maternity issues and sensitivity towards the needs of women on maternity leave and upon their return to work.

Tangible impacts:

Since we launched the programme, more than 200 women have taken part in it – with the direct result being that they have felt supported throughout their maternity leave, and their return to work was easier and smoother. Here are some statistics about what the programme has achieved:

• 100% of the programme participants want to see it continue throughout PwC Italy and evolve further in the future.
• 76% of the women who have participated in the programme confirmed that they were satisfied with it, and that it assisted them in the lead up to (and in) maternity leave.
• There has been an increase in the number of mothers that have participated in the programme of approximately 52% since it was launched.

An indirect outcome of the programme is that there is increased awareness of maternity issues and sensitivity towards the needs of women on maternity leave and upon their return to work.

Creating impact, achieving results
**PwC US case study**

46,913 people

**Parental leave policy**

Diversity dimension of focus: Gender (specifically parents)

For many working people, the exciting decision to start a family can come hand-in-hand with concerns about timing, finances, career, health and a long-term commitment to care for and support another human being. However, whether someone is planning a family or coming back to work after a period of leave, PwC US believes it is possible to be both a great parent and a great professional – and that design and evaluation of employee-friendly family policies can help both parents and employers.

Our parental leave strategy covers the entire lifecycle of planning and having a family. We also provide our professionals with a wide range of parental and childcare programmes, designed to take the stress out of being a working parent. These include a reimbursement programme for emergency backup childcare; a Nursing Moms Program to support our ‘PwC parents’; and access to Backup Childcare Centers at over 250 locations across the US.

We took a particularly important step forward in September 2014, when we stopped drawing any distinction between a ‘mother’ and ‘father’. We introduced a policy that allows a working parent to take a flexible, intermittent leave. We have also had positive feedback from new dads who say the extended time off helps them connect better with their families after the birth of a child, and lays a foundation for successful work-life management going forward.

**Tangible impacts:**

In response to our parental leave policy, PwC US has received feedback from new dads who say the extended time off helps them connect better with their families after the birth of a child, and lays a foundation for successful work-life management going forward.

**Voice of the diversity role model**

Julie Fitzgerald, Global Priority Services & Critical Markets Leader

When I joined PwC Switzerland’s management board in 2013, I was the first woman ever to be appointed to the Swiss firm’s top leadership team. I’m also the only engineer on the board, and the only Anglo-Saxon, there’s one other non-Swiss person, who’s German.

I’m originally from Bristol in the UK, and after taking a degree in electronic engineering and working in telecommunications R&D I joined PwC UK in 1999. In 1993 I came on a six-month PwC exchange programme to Switzerland – and never went back.

I have four children aged between seven and 13, and after my fourth child was born in 2008 I took 20 months off. The firm was great about it, and it was fantastic being with the children for such a long period. When I returned, I worked 70% of the time, and over the years since I’ve gradually moved up to 90%. Officially I can have Wednesday afternoons off, but I’ve changed my hours to allow me to have long leave and help them return to work feeling more confident and valued as a person and a professional.

I’m proud to be a member of PwC’s Priority Services & Critical Markets team and a Global Priority Services & Critical Markets Leader. Our team includes PwC’s top technology and professional services specialists, and we work with the world’s most complex organisations across industries and sectors.

**Performance management and career progression**

In the initial years of our global approach to diversity, the majority of our efforts centred on advancing women at the top. While this approach did deliver results, we felt that the progress it generated was not as fast as we would like and that it needed to change. We now recognise that to achieve sustainable change we must also focus on developing talented junior women and diverse talent for future leadership roles. Ultimately, we believe it is critical that we drive parallel efforts that tackle enhanced leadership diversity in conjunction with systemic change efforts, targeting our workforce from day one.

This is why many of our formal diversity measures – including recruiting, performance ratings, promotions and turnover – are formally measured at every grade level as part of our extended talent and performance analytics process. We have also conducted extensive research among our population of PwC millennials, and – more recently – among professionals in the wider workforce, including at PwC firms.22 And we use the findings from these research studies to shape both our organisational aspirations and our talent strategy.

Furthermore, this March we launched our ground-breaking research report Moving women with purpose: Creating gender inclusive mobility. Published to coincide with International Women’s Day, the study draws on a survey of almost 4,000 professionals from over 40 countries to explore the modern workforce’s international ambitions and experiences. The research also includes insights from 134 global mobility executives.

The findings reveal a yawning gap between the genders. Only 20% of international assignees are female – despite the fact that female demand for mobility is now at unprecedented levels, with 71% of female millennials wanting to work abroad during their careers. The report also highlights a number of diversity disconnects: for example, 60% of multinationals use mobility to develop their succession pipeline of future leaders, but only 22% are actively trying to increase female mobility.

**Global case study**

223,468 people

**Long leave policy toolkit**

Diversity dimension of focus: Gender (male and female)

During the course of any professional’s career there are likely to be periods when they choose or need to take time away from the workplace, for medical, parental or personal leave. For organisations across the globe, performance management is often approached as a family or career planning tool used to establish in line with managed distribution criteria. This can present challenges, as it may be difficult to evaluate our ‘proven practice’ diversity ethos and key talent returning from extended leave compared against other key talent that have not taken extended leave.

For PwC, as part of our drive to foster a diverse and inclusive workplace, we are eager to introduce awareness and policy interventions that further foster a culture which recognises impact and performance. And with over 220,000 people working in PwC firms across the world, we know extended leave, such as parental and sick leave, represents a significant portion of our people’s male and female, each year. As a result we created a global Long Leave Policy toolkit in 2014, to help high-performing talent who have worked significantly less due to an extended leave maintain their ratings during a transition year. This provides a level of comfort when the employee goes on long leave and helps them return to work feeling more confident and valued as a person and a professional.

Inspired by the PwC US firm’s Leave of Absence Policy, this is a great example of our ‘proven practice’ diversity strategy. As part of our ongoing commitment to leadership diversity, we have introduced a policy similar to that introduced in the US.

Initially introduced in 2010, PwC US’s Leave of Absence Policy, offered high-performers taking more than 16 weeks continuous leave the opportunity to roll over their year-end bonus rating from the previous year. In response to staff feedback and data trends, its aim was to help retain talent who take extended leave, as well as to support people and their teams during the transition back to work following a leave of absence.

To support and benefit the US practice, participants were taken out of the managed distribution pool and were not ranked against their peers. Instead, their prior year’s rating was rolled over alongside written and verbal feedback for the current year. And the process was designed so that all PwC US firm staff who qualified were made aware of it.

**Tangible impacts:**

The US policy was extremely well received by partners and staff. In particular it had a positive impact for women (with women who take maternity leave the largest users of the policy). One PwC high-performer commented that “the Leave of Absence option is fantastic. It really put my mind at ease at a time when I had plenty of other things to think about, I was heading back to work and figuring out my new normal” and another commented “the policy meant I was less stressed with my transition back to work after my first and second child”.

PwC US noticed a difference in some of their key KPI metrics since they introduced the policy, including:

- A higher percentage of top performers returning to work following an extended leave.
- Positive outcomes for the US firm’s ‘proven practice’ diversity pipeline, with participants having maintained high performance ratings and been awarded a significant number of promotions.
- Six years on, continued monitoring of participants has also clearly identified that a significant percentage of those who made use of the policy maintained or increase their high performance ratings in subsequent years.

Results like these speak for themselves, so it was a ‘no-brainer’ to create our global policy toolkit in 2014. Since then 11 PwC firms have already adopted it or are currently piloting the policy in line with local culture and processes.
PwC Netherlands case study

4,769 people

Objective people decisions

Diversity dimension of focus: Gender

PwC Netherlands introduced a new two-part process to support our objective of achieving a more gender-diverse workforce and leadership pipeline. The approach includes establishing a set of specific key performance indicators (KPIs) to measure gender diversity and track progress, while also involving a third-party observer during decisions about critical people interventions. We identified three key KPIs to achieve these goals:

- **Promotion KPI:** number of females with a promotion as a proportion of the total female population, compared with the number of males with promotion as a proportion of the total male population.
- **Performance KPI:** number of females with high performance ratings as a proportion of the total female population, compared with the number of males with high performance ratings as a proportion of the total male population.
- **Leavers KPI:** number of females leaving the firm as a proportion of the total female population, compared with the number of males leaving the firm as a proportion of the total male population.

While these steps have delivered substantial progress, PwC Netherlands knows there is more to do. So, on top of the mentioned KPIs, the firm also decided to introduce two new workforce diversity targets from the start of FY15: first, a minimum of 25% female partner and director nominations every year; and second, recruitment targets with respect to female talent at every level.

Tangible impacts:
The collective effort involved in this intervention has led to clear progress:

- For each of the past three years, the three gender equality KPIs have been broadly in proportion across the firm’s various Lines of Service.
- As of 1 July 2016, the most recent targets on promotions led to over a third of all partner and director appointments being female – a clear indication that we are succeeding in moving the needle.

Most importantly, the new metrics have helped us to create a more objective talent management system that mitigates the potential impacts of gender stereotyping.

PwC Switzerland case study

2,986 people

Partner pipeline process

Diversity dimension of focus: Gender

PwC Switzerland is fully committed to inclusion – and to accelerate our DI&I efforts, our Swiss firm has created a Diversity and Inclusion 2020 strategic plan. This plan was debated and approved by the executive leadership team in late 2015. Today, 30% of our current partner population is female. To increase that proportion, we have established specific interventions and targets to achieve our 2020 DI&I vision, under which we hope to increase our female partner numbers to at least 15% over the next four years.

With the sponsorship of Territory Senior Partner (TSP) Urs Honegger and Territory Diversity Leader, Joanne Burgener, one strategic intervention we’ve adopted is the development of a firm-wide talent council to oversee the partner pipeline process. Urs and Joanne were keen to develop a more transparent and consistent firm-wide approach to partner pipeline management, in addition to having a laser focus on female succession planning. Taking a forward-looking approach, we used predictive workforce analytics to identify what the pipeline needed to look like to achieve our female partner target. This means we are able to monitor our annual progress towards our target.

Tangible impacts:
This talent council approach to our partner pipeline process is already having a clear impact on PwC Switzerland’s partner pipeline, bringing a number of benefits:

- A 25% increase in female pipeline representation in the first year of adoption.
- Greater visibility and awareness of our female Senior Manager and Director key talent in the pipeline, with our leadership across our firm.
- Engagement of our female key talent in partner pipeline discussions earlier in their career, and lending more support to female (and male) key talent with their partner-ready development planning.

Source: Moving women with purpose, PwC 2016

The PwC diversity journey

Creating impact, achieving results

20% 80%

Current international assignee population

I want to work outside my home country during my career

71% 84% 80%

I feel international experience is critical to further my career My international assignment has positively influenced my career progression

Female leaders at PwC consistently cite an experience of international mobility as being one of the top three milestones in their own developmental journey. So, for many years now, we have applied a diversity lens to our global mobility efforts, with a focus on increasing the gender and geographical diversity of our mobile population. For the past six years we have also been focusing on early mobility as a developmental component of our global mobility strategy. This reflects our recognition that, as a workforce predominately made up of millennials, we need to respond to the unprecedented demand for international experience from both male and female millennial employees. We’re proud that, for the past six years, at least 44% of our long-term international mobility assignments below manager level have consistently been female, with over 1,300 of our women deploying to, and from, 95 countries. And at a global level, 30% of our talent deployed on long-term international assignments across all grade levels are women, up by 2 percentage points since 2010. Approximately 20% of the respondents to our Moving women with purpose research were PwC men and women with mobility experience or aspirations. And we are currently using this cut of the research data to shape an even more inclusive global mobility strategy for the future.

Another great intervention is PwC Netherlands’ Objective People Decisions, which has been successful in achieving its aim of creating a more objective talent management system that mitigates the potential impacts of gender stereotyping. You can learn more about this intervention in our featured case study.
Meanwhile, many of our network firms have established specific diversity interventions to support diverse and female talent who are identified as being high performing and high potential. In this way, we can continue to develop, engage, retain and support them as they navigate critical career progression milestones such as making partner. An excellent example of this is the PwC UK Breakthrough programme. This programme goes beyond leadership development and sponsorship to combine both of these elements with an organisational development approach designed to tackle systemic challenges. At its core, the premise is to change the system – not the women working within it. You can learn more about Breakthrough in our featured case study from PwC UK.

Our talent management and succession planning efforts are making a tangible difference at both the partner admission and leadership levels. Since 2011, we have seen our numbers of female partner admissions increase by four percentage points, from 23% to 27%. We are also seeing rising female representation on many of our PwC firm leadership teams. At its core, the premise is to change the system – not the women working within it. In the programme, both the female talent and their sponsors are provided with development opportunities and experiential learning which allows them to develop and enhance their inclusive leadership mindset, skills and behaviours. The formal programme is structured around five face-to-face modules and takes place each year over a nine-month period from April to November. Each cohort involves 24 participants, 12 sponsors and three facilitators.

4. Systemic - Drives actions from our sponsors and female talent who pledge commitments to interrupt patterns and norms to create an even more inclusive PwC

3. Awareness - It helps our female talent AND their partner sponsors to be more inclusive leaders who are thoughtful about the shadow they cast and the culture they create. Fostering gender blind to gender conscious mind-set shifts and behaviour

2. Collective - It provides a valuable network and powerful sponsorship; it cultivates a female talent network and support group

1. Individual - It helps talented women to stay resilient in the face of systemic obstacles and provides targeted and bespoke development and experiential learning opportunities

The selection process is robust for both participants and sponsors – all of whom are explicitly asked to become advocates for change. Partners who have the most influence in their businesses are selected as sponsors. Alumni sponsors and delegates are impassioned by what they learn and become ambassadors for inclusiveness through personal action, bringing what they learn to their daily decision making – whether that involves taking on diversity leadership roles, changing the course of moderation meetings, resourcing their teams differently or actively sponsoring those who are different to them.

Furthermore, the career progress of the female participants is monitored throughout and after the formal breakthrough programme through a process called ‘career watch’. Breakthrough is designed to increase the diversity of PwC’s future leadership and build an inclusive culture. In line with these goals, the success of the programme is understood by the ongoing feedback from everyone involved that it enables them to go through a shared learning transition from being gender blind to gender aware. Significantly, the programme is no longer identified in the business as a diversity programme – but rather as an essential key talent pipeline development programme.

The programme receives overwhelmingly positive feedback from both its sponsors and female participants. For example, sponsor feedback includes the following comments: “It has taught me more about something I thought I understood, more than any course I have been on. It has left me embarrassed, inspired and massively up for trying to do something that might make a difference.” “As a sponsor I got as much out of it as the participants.” And participant feedback includes: “Breakthrough will really have a huge impact on the future leaders we become.” “My key learning is that I can be a successful leader at PwC without having to change myself.”

Stephanie Hyde, one of the UK firm leaders who has shared her experiences with Breakthrough participants. And what better way to conclude this chapter of the report than with Stephanie’s inspiring point of view?

Voice of the diversity role model

Stephanie Hyde, Global Middle Markets Leader

When I was appointed to the PwC UK Executive Board in 2011, I suppose I was unusual for two reasons. One was that I was one of two females joining a Board whose most recent membership had been all male – although a woman had been on it in the past. The other was that, at the age of 45, I was possibly the youngest person ever to join the UK firm’s top leadership team.

Looking back, my relative youth was probably more of a disruptive factor than being female. Having joined the firm in 1995, I made partner in 2006 and then progressed to the Executive Board without my gender ever being an issue. And this only happened after I had a baby!" However, as a woman and parent working in an organisation like PwC, one thing that can be challenging is juggling work and parenthood. Working mothers often give themselves a guilt trip over spending time with their children, and I think it’s vital to be clear what your priorities are. I have boys of 7 and 11, and if one of them is in a play and wants me to be there, then I just have to be organised and make sure it’s in my diary.

It follows that I don’t believe in work-life balance. I believe in life balance, because my work – like my children – is an important part of my life. And for me diversity and inclusion aren’t about things like gender or race, but about valuing other people’s lives and what’s important to them. This is one of the many core messages I champion through my role as a sponsor on the UK firm’s Breakthrough programme. I often get the feedback that because I can deliver this message authentically based on my own experience, I inspire others.
**Embedding D&I within PwC’s DNA**

To be successful, an organisation’s diversity strategy must be an integral part of its DNA, clearly identified as fundamental to its success, and firmly embedded within its business, people and customer strategies. A standalone or siloed approach to D&I will not be enough to create change or visible progress. This is why embedding D&I within PwC’s DNA is the final fundamental element of the PwC D&I ecosystem.

We are on an active journey of engaging and influencing throughout our organisation, encompassing our strategy leaders, business line leaders, client and market leaders, and human capital leaders. Our long-term goal is that D&I will become an intuitive and implicit aspect of every discussion, activity, client interaction and people and business process that exists or takes place across the PwC network. To help us achieve this, we invest time and effort in actively influencing critical stakeholders with a view to embedding D&I within all our business activities.

**Strategy and leadership**

**Voice of the diversity advocate**

Blair Sheppard, Global Strategy and Leadership Development Leader

Three years ago, PwC laid out five megatrends that we believed were unavoidable forces, impacting the world at an increasing rate. These five forces—urbanisation, shifting economic power, demographic changes, resource scarcity & climate change, and technological advances—remain the most important factors at play in the world today. But only are these forces continuously accelerating and heightening the pressure on our already strained systems, but everyone—individuals, companies, NGOs and governments—are still failing to respond as fully as they should to their impacts, thereby putting the societies in which we exist at risk.

One of the most important factors in responding to the threats, and the enormous opportunities created by the megatrends is the diversity of people we are able to assemble to deal with any given problem. However, it has been more important to seek insights from people with vastly different approaches to science, policy making, innovation, and every other discipline. This is true in each of PwC’s engagements with our clients and stakeholders, just as it is at every level of civil society. The people and organisations who are able to attract and work with the most diverse group of talent will be the ones who are able to thrive in these challenging times, and our responsibility to foster that mindset at PwC has never been more critical.

**Examples of this investment include working with our global leader for strategy and leadership development, Blair Sheppard, and the wider leadership team, to draw out the critical diversity themes that will underpin the sustainability and success of our network in the future—thus ensuring that our leaders and partners are aware that diversity and inclusion are implicit in all we do, and fundamental to our long term success. Our efforts also reflect key themes, such as the need for more sophisticated global acumen in response to accelerated economic growth in the East and South, and the need for an inclusive culture that values difference as we attract and develop a broader variety of skillsets to support a growing mix and complexity of client offerings.**

At the same time, diversity and inclusion forms a critical part of the business planning process that the territory senior partners of our 21 largest member firms complete annually. Each is specifically asked to identify how D&I supports their strategy and business plan, and their explicit actions to support our global D&I priorities.

We also work in alignment with these leaders to apply a diversity lens to our succession planning for critical network roles, and ensure a healthy geographical and female representation in our succession pipelines. In the three years that we’ve been working together we are already seeing an impact. We have identified—and are actively managing—a key talent population of 560 partners from across the PwC Network, 26% of whom are female and 25% of whom are from the E7 or one of PwC’s critical markets. The influence of our pipeline management approach has been especially dramatic on our global leadership team, which has risen from zero female representation in 2013 to 20% in 2015 and 44% in 2016. Eight women now hold positions on this team.

**Clients and markets**

A further important aspect of our D&I efforts is working closely with our Global Clients, Industries and Sectors leader, Robert Svaak, and our client relationship partners to improve diversity across and beyond our business. These activities include inviting clients to share their diversity priorities, holding diversity awareness sessions, and focusing on having more diverse panels at leadership meetings where we bring together the 197 global relationship partners of our highest-revenue clients.

We’ve also seen a number of important leadership appointments, including Vicki Huff as Global New Business and Innovation leader—you can learn more about Vicki in her role model profile—as Robert drives a laser focus on leadership diversity. A further sign of progress is that we’ve increased the proportion of our global priority clients with female relationship leads from 6% to 11% in the past three years. We have also seen female and geographical representation grow in our Global Relationship Partner of the Future programme, our key leadership development programme.

---

24 The E7 was a term coined by PwC in 2006 and are considered the major emerging economies and include China, India, Brazil, Mexico, Russia, Indonesia and Turkey. PwC’s critical markets are China, India, Japan, the Middle East and Africa.
Global Financial Services (FS) case study

55,000 people

Across the PwC network we have over 55,000 FS partners and staff providing services to clients in the Asset & Wealth Management, Banking & Capital Markets, Real Estate and Insurance sectors. We’re proud of the increase in the numbers of our female leaders taking up senior positions, but we recognised that progress was too slow and we needed to put diversity and inclusion at the centre of our global FS people strategy. So in 2012, the Global FS Leadership Team decided to drive a more targeted D&I strategy. This has given greater awareness of the issues and increased understanding of the need for targeted action. We are making progress. For example, we have seen a trebling (to over 20%) of the number of our female leaders being responsible for the services to our largest global FS clients. And while we can celebrate such successes, we still have a long way to go.

We recognise that by putting a sustained focus on diversity and inclusion for all our global FS people initiatives and key decisions, we enhance the value for our people and our clients. This has involved a range of areas of focus and activities, which have included: Develop the pipeline. We’ve applied a diversity lens to managing succession and development. As well as targets for greater levels of representation of female and emerging market talent in our critical leadership development programmes, we’ve also identified ways to broaden the succession pools for our leadership positions. We have already seen some positive outcomes, as leadership has greater sight of all of our highest potential people. However, we recognise that this is a long-term commitment and we are confident that the measures we’ve put in place will achieve real and lasting improvement.

Grow diversity awareness. We recognise that increasing leaders’ awareness is not enough. That’s why we have an awareness plan aimed at engaging all our FS people. This includes a diversity feature – Diversity Matters – in our weekly FS newsletter circulated to all of our people by our global FS Leader, Nigel Vooght. Our aim is to create a steady flow of content so that we embed D&I into mainstream thinking. For example, we include profiles of our diverse FS professionals across the network, and recently ran a series of videos of our FS partners sharing their own journeys to highlight the diversity of our leaders. For us, diversity is as much about thought, background, competencies and experience as it is about the visual dimensions, such as gender and ethnicity. We also highlight our diversity activities including, for example, our corporate sponsorship of OUT Leadership – a non-profit organisation seeking to enhance the participation of LGBT people in the global workforce.

Spark wider debate. We recognise that diversity and inclusion matters to our clients, as well as to our people. With this in mind, to create enhanced awareness in our markets, we have developed a number of FS focused diversity research and thought leadership publications, and encouraged our people to use these to engage our clients and stakeholders in dialogue on diversity and inclusion issues and challenges.1

1 To access FS D&I publications visit www.pwc.com/gx/en/industries/financial-services/people.html

Tangible impacts:

• While there is not necessarily a direct causal link, we have noticed a difference in some of our key D&I metrics since we initiated our global FS D&I action plan:
  • Since 2012 our global FS leadership has become more diverse. As well as a significant increase in the number of female leaders responsible for our services to our largest global FS clients (to over 25%), five (Australia, Canada, India, Luxembourg and Sweden) of our largest 22 FS markets are led by female partners.
  • Female and emerging market talent now account for over 25% and 55% respectively of our PwC’s largest 22 FS markets.
  • While there is not necessarily a direct causal link, we have noticed a difference in some of our key D&I metrics since we initiated our global FS D&I action plan:

Human Capital

Influencing, aligning and collaborating with our Human Capital Leaders is essential as we aim to embed D&I into PwC’s DNA. Building on previous achievements, we have accelerated our efforts in this area over the past three years, forging stronger relationships and working to embed D&I as an underpinning factor across all PwC people priorities.

Our Diversity Leadership sits on the Global FS Leadership Team, and our TDLs actively engage with their firm’s HC leaders to influence HC strategy and priorities at a local level.

Globally, we have engaged in a number of core activities which either have an impact on our HC processes, or – in some cases – are broader and touch our people every day in every way. An example of the latter is our work supporting the development of the PwC Professional, our framework for defining and encouraging leadership at all levels. This PwC Professional career progression framework sets out the behaviours and expectations with regard to each capability for our various grade levels. We took pains to create a simple framework that would mitigate the risk of ‘cognitive overload’ during people decisions, and that had, at its core, the development of – and accountability for – inclusive behaviours and mindsets that value and embrace difference. You can learn more in our case study on the PwC Professional.

Voice of diversity advocate

Agniesz Hushuer
Global Human Capital Leader

With over 220,000 talented and diverse individuals working across the network of PwC firms, it is important we recognise that every single one of us has our own experiences, expertise and skillset to bring to the table. Developing our people in a way that works for them is an important part of our global people strategy. We want to inspire our people to be the best they can be, both inside and outside of PwC.

A key way in which we’re doing this is with real time development, which empowers everyone to take control of their own progression anywhere and anytime, in a way that suits them. It’s about having regular, honest conversations that provide clear insights on how our individual contribution is valued, helping us understand what areas we need to develop to progress our careers with PwC.

The uniqueness and diversity of our people has made PwC what it is today. Building great teams and strong client relationships. Given the importance of diversity and inclusion, it is crucial we support our people, and create an environment where everyone feels valued and respected. PwC being a diverse and inclusive organisation is our key differentiator. I am passionate and active in making PwC an inclusive workplace, so our diverse teams naturally have a multicultural lens which means, new ideas, fresh perspectives, original approaches and a keen eye for opportunities and innovation.

There is still a long way to go, but I’m proud of the progress we made in Diversity & Inclusion over the past three years. And, as Global Human Capital Leader, I look forward to continuing this momentum and further embedding diversity and inclusion into all of our people initiatives and PwC’s DNA.
In achieving this, our people are supported by our PwC Professional career progression framework, which sets out the behaviours and expectations with regard to each capability for our different grade levels. This framework consists of a set of observable and measurable behaviours that illustrate how the skills and capabilities are brought to life in our daily work and actions at PwC. It forms the basis of our assessment decisions in our recruitment, performance and career progression activities and is the lynchpin of our development culture.

This pivotal role makes it critical that the PwC Professional supports our Diversity & Inclusion strategy – and the framework was created with this priority very much in mind. During the development of the framework, diversity subject matter experts across from the network were key stakeholders in the design process, aiming to help us achieve two clear objectives.

The first was to support the creation of a simple framework. Prior to the PwC Professional we had a much more complex competency model made up of ten distinct areas. The complicated nature of this framework meant our people were not naturally able to identify all ten competences. Also, because so many factors needed to be taken into account during decision-making, the complexity of our approach created a risk of cognitive overload – a condition that neuroscience research identifies as a catalyst for unconscious bias when making decisions.

The PwC Professional framework is much simpler and easier to visualise, thereby mitigating the risk of cognitive overload.

Our second objective was to create a leadership framework that has at its core the development of – and accountability for – inclusive behaviours and mindsets that value difference. The language of the PwC Professional framework and its supporting career progression framework was devised with this imperative for inclusiveness front and centre. The PwC Professional defines what it means to be a professional at PwC, and helps us develop our people into authentic and inclusive leaders who inspire others. Some examples of the measurable and observable behaviours expected to bring each attribute to life are outlined below.

Whole Leadership
I manage the impact I have and adapt my behaviour to bring out the best in others.
I take action to ensure everyone has a voice, inviting opinion from all, including quieter members of the team.

Global Acumen
I learn about cultures and identify how they are different from my own.
I expand my existing network of relationships, beyond my immediate circle.

Relationships
I read situations and am sensitive to others, modifying my behaviour to build quality, diverse relationships.
I minimise the impact of my potential blindspots by deliberately engaging with people different from me.

Recognising that we need to sharpen our focus on strategic talent management and how we can use it most effectively to drive diversity, we have also worked closely with our global talent management leaders and peers to develop a talent diversity assessment toolkit: Driving diversity across our talent cycle. This toolkit acknowledges that there are opportunities across the entire talent cycle from talent brand and recruiting, onboarding, talent management to career mobility. It provides questions to consider and proven practices that will help drive greater diversity across each phase of the talent cycle. We launched this toolkit with a series of webcasts to our global talent, diversity and HC professionals across the network last year, and repeated that process again this June. It was a central effort that will inform and inspire firms across the PwC network to take action to make our talent cycle processes more consistent, while still taking local cultural nuances into account as we drive our inclusion agenda.

We recognise that as one of the world’s largest graduate employers, we have a unique opportunity to impact externally, so we also work with our global talent peers on our Aspire to lead initiative. PwC’s university-based development series focused on leadership and gender equality. We look forward to supporting the global talent and with our next Aspire to lead event and you can learn more in our case study on Aspire to lead.

These are just some of the activities we’ve been driving. And we will continue to align with and influence PwC’s HC strategy, leadership, clients and markets, and business areas as we continue our journey to embed Di&I ever more deeply within PwC’s DNA.

Women and ambition
In April 2014, PwC was joined by Sheryl Sandberg, CEO of Facebook and author of Lean In: Women, Work and the Will to Lead and Lean In For Graduates, and Rachel Thomas, President of LeanIn.org, for a conversation on women and their aspirations.

Closing the confidence gap
In February 2015, PwC was joined by Katy Kay and Claire Shipman, authors of The Confidence Code, and Eileen Naughton, Managing Director, Google UK and Ireland, for a conversation on women and their confidence to lead.

Take your career to center stage
In February 2016, PwC was joined by Geena Davis, award-winning actor and founder of the Geena Davis Institute on Gender in Media, Dawn Hudson, CEO of the Academy of Motion Picture Arts and Sciences (Academy), and Jennifer Yuh Nelson, Academy Award nominee and movie director, for a conversation that examined the parallels between gender portrayals in the media, the role of women in the workplace, and how all students can take action to support gender equality.

Aspire to lead
Diversity dimension of focus: Gender
Last year, PwC firms worldwide hired a total of 26,780 graduates, of whom just over 50% were female — one of the world’s largest graduate employers, we feel we have a unique part to play in the advancement of women’s leadership. To help us fulfill this role, in 2014 we launched our global Aspire to lead initiative, PwC’s university-based development series focused on leadership and gender equality. The series is focused on empowering women and men across the world to build skills that will support their transition from the campus to the workplace, and help them develop their professional careers.

Our aim with Aspire to lead is to demonstrate our commitment to female advancement and gender equality, while simultaneously providing students worldwide – who are about to start their careers – with the knowledge and skills they need to help them anticipate and overcome any potential personal, societal or organisational barriers they may face on the road ahead. At the same time, we look to encourage women and men entering the world of work with equal confidence and aspirations, and fully equipped with the awareness and inclusiveness skills needed to support all students to thrive.

To date, we have hosted three Aspire to lead events. Each event brings together a panel of expert speakers who engage in a robust conversation on a chosen critical theme. Here are details of each of the three events held so far:

• April 2014, PwC was joined by Sheryl Sandberg, CEO of Facebook and author of Lean In: Women, Work and the Will to Lead and Lean In For Graduates, and Rachel Thomas, President of LeanIn.org, for a conversation on women and their aspirations.

• February 2015, PwC was joined by Katy Kay and Claire Shipman, authors of The Confidence Code, and Eileen Naughton, Managing Director, Google UK and Ireland, for a conversation on women and their confidence to lead.

• February 2016, PwC was joined by Geena Davis, award-winning actor and founder of the Geena Davis Institute on Gender in Media, Dawn Hudson, CEO of the Academy of Motion Picture Arts and Sciences (Academy), and Jennifer Yuh Nelson, Academy Award nominee and movie director, for a conversation that examined the parallels between gender portrayals in the media, the role of women in the workplace, and how all students can take action to support gender equality.

Aspire to lead

The Aspire to lead programme is already making a difference, both for men and women who attend, and also for PwC.

Over the course of the three Aspire to lead campaigns, we have engaged over 40,000 men and women on the topics of leadership and gender equality through the combination of the webcasts and PwC-hosted Aspire to lead events. One female attendee told us, “The themes covered during the event made me think about career factors – quite simply – I would not have considered had it not been for the event.”

Aspire to lead is also enhancing our talent and diversity brand, and supporting our efforts to attract diverse talent at an early stage of their careers. Of the participants who attended:

9% said “I am inspired to embrace my ambitions and pursue my goals”, and,

95% said “I view PwC as a leading firm committed to diversity and inclusiveness”.

And during our most recent campaign we promoted eight short Aspire to lead films that achieved more than 10 million views. You can visit www.pwc.com/aspire to find our more, or watch our Aspire to lead webcasts.

Tangible impacts:
We believe the Aspire to lead programme is already making a difference, both for men and women who attend, and also for PwC.

Over the course of the three Aspire to lead campaigns, we have engaged over 40,000 men and women on the topics of leadership and gender equality through the combination of the webcasts and PwC-hosted Aspire to lead events. One female attendee told us, “The themes covered during the event made me think about career factors – quite simply – I would not have considered had it not been for the event.”

Aspire to lead is also enhancing our talent and diversity brand, and supporting our efforts to attract diverse talent at an early stage of their careers. Of the participants who attended:

9% said “I am inspired to embrace my ambitions and pursue my goals”, and,

95% said “I view PwC as a leading firm committed to diversity and inclusiveness”.

And during our most recent campaign we promoted eight short Aspire to lead films that achieved more than 10 million views. You can visit www.pwc.com/aspire to find our more, or watch our Aspire to lead webcasts.
Lesson 1: Tailor the business case, then make it resonate

It goes without saying that diversity is the right thing to do. But more than that, when optimised it presents the opportunity for many business performance benefits. We live in an era in which five global megatrends – urbanisation, shifting economic power, demographic changes, resource scarcity & climate change, and technological advances – are organically reshaping societies and businesses worldwide. Combine this with the fact those organisations with the most diverse groups of thoughtful talent will be the ones best placed to thrive in their responses to the challenges created by the megatrends, and the message is clear. Achieving diversity is a challenge – but also presents an opportunity that no organisation can afford to ignore.

To make this message ‘real’, it’s essential to create a robust, organisation-focused business case derived from, and positioned to support success of the organisation’s business strategy. It is only with this approach that it will resonate with the leaders and people across a business. In doing this, it’s also vital to recognise that one size does not fit all. What will motivate one leader to sponsor and act – business results, for example – may be very different from what will compel another, such as diversity being the right thing to do.

Lesson 2: Recognise there is no ‘quick fix’

With ever-increasing numbers of diverse talent entering the workforce, we have seen diversity catalyse its way onto the CEO agenda in recent years. But despite this rise in awareness, visible progress is still not being achieved. To truly overcome this inertia, it is critical to understand that diversity has no ‘quick fix’ solution. Demonstrable and sustainable progress can only be achieved through a comprehensive change management approach that tackles behavioural, process and cultural transformation. This is why we at PwC approach D&I through our holistic PwC D&I ecosystem.

Lesson 3: No leadership commitment, no accountability, no progress

Without the right levels of leadership commitment, and – even more importantly – the appropriate accountability infrastructure, it will prove very challenging to move the needle on diversity in a sustainable way. Put simply, having leadership commitment in, and accountability for, D&I is critical. At PwC we achieve this through our established D&I governance structure and the PwC Global Inclusion Index.

Lesson 4: Use data analytics in planning the programme...

An approach driven by externally recognised leading practices might win diversity awards, but may not deliver meaningful progress. Transitioning from a leading practice-driven approach to a data-driven approach is fundamental in creating a D&I programme that tackles the actual rather than assumed barriers to diversity. And only when you understand and confront the actual barriers do you lay the groundwork for subsequent success.

Lesson 5: ...and use data analytics in executing the programme

To make real progress, it is not enough to adopt what feel like creative and innovative policies or programmes, or feel comfortable that you are getting things right because those practices are lauded as leading practices externally. Instead, it’s fundamental that you identify and track robust, relevant KPIs to measure the success of any D&I intervention you initiate. To make visible, credible headway, organisations must stay focused on and be confident that they are driving critical interventions that work.

Lesson 6: One size does not fit all cultures

When driving a global D&I strategy, trying to enforce a ‘one-size-fits-all’ approach to diversity will not work. In fact, pushing an approach or programme that is not sensitive to local cultures may do more harm than good. Instead, the D&I strategy must take account of the nuances and variances that exist in business cultures across the globe. And diversity programmes will need to be driven with allowances for local context, in recognition of the fact that the challenges and appropriate change approach will be informed by geography, and indeed by the cultural norms in different parts of the business. Given these requirements, the key is to focus on global consistency underpinned by local delivery. At PwC we try to get this right by encouraging localisation of our global D&I activities, making the transition to our ‘2+1’ approach to dimensions of diversity, and establishing a culture of local action planning and priorities in response to the realities of diversity in each PwC firm.

Lesson 7: Embed D&I within organisational DNA

Sustainable progress will not be achieved if D&I is driven in a silo. D&I must be embedded within the DNA of an organisation, identified as fundamental to its success and naturally woven into the fabric of its business, customer and workforce strategies. This is not easy, and certainly won’t happen overnight. The paramount aim should be to achieve an active journey that engages and influences stakeholders across the organisation towards the goal of a business environment where D&I is an intuitive and implicit aspect of every discussion, activity, people and business process, and customer interaction.

Lesson 8: A focus on inclusion from day one

It can be very tempting to focus all diversity energy and resource on those areas where the most significant diversity gaps exist – which is typically at the top of an organisation. However, this type of highly targeted approach may have limited long-term impact. Broad and sustainable progress across the organisation will only be achieved by combining a laser focus on leadership diversity with substantive action that drives an inclusive talent culture and talent systems from day one and from the ground up. This means establishing critical interventions that work throughout the whole talent lifecycle. Without tackling the systemic challenges that arise earlier in the talent process, organisations will continue to face the same diversity gaps in the succession pipeline at the top.

Lesson 9: Recognise performance over presence

It is important that approaches to flexible working respond to the changing demographic make-up, expectations and needs of the modern workforce. Outdated views and approaches that associate flexibility with traditional stereotypes and don’t capitalise on technology must end. An organisational culture that recognises impact and performance over presence and identifies flexibility as a talent-wide proposition is an organisation where all talented people can thrive.

Lesson 10: Engage the masses

Commitment to diversity is becoming increasingly important for organisations to attract talent – and today’s talent want to see both commitment to diversity and visible progress being made. Leadership commitment and the dedicated engagement of key stakeholders will take the organisation a long way on its diversity journey, but will not be enough to achieve true success. A D&I strategy needs to be inclusive of everyone. So organisations should engage every one of their people in their diversity journey, empower all of them to be agents for change, and share progress with them at every step along the way.

To learn more about the PwC Diversity & Inclusion journey, please visit: www.pwc.com/diversityjourney
Contact us

Find out more about the PwC diversity journey and approach by contacting a member of the global Diversity and Inclusion team or the Territory Diversity Leader (TDL) in your respective location.

Bernice Kimacia
TDL, PwC Africa
bernice.s.kimacia@rw.pwc.com

Marcus Laithwaite
TDL, PwC Australia
marcus.laithwaite@au.pwc.com

Hoonsoo Yoon
TDL, PwC Korea
hoonsoo.yoon@kr.pwc.com

Michelle Orozco
TDL, PwC Mexico
michelle.orozco@mx.pwc.com

Emma Campbell
TDL, PwC Middle East
emma.campbell@ae.pwc.com

Asha Ramanathan
TDL, PwC India
asha.ramanathan@in.pwc.com

Leigh Chalmers
TDL, PwC Canada
leigh.chalmers@ca.pwc.com

Alica Pavukova
TDL, PwC CEE
alica.pavukova@sk.pwc.com

Jolanda Lamse
TDL, PwC Netherlands
jolanda.lamse@nl.pwc.com

Karen Loon
TDL, PwC Singapore
karen.loon@sg.pwc.com

Mar Gallardo
TDL, PwC Spain
mar.gallardo@es.pwc.com

Ana Malvestio
TDL, PwC Brazil
ana.malvestio@pwc.com

Francois Jaumain
TDL, PwC France
francois.jaumain@fr.pwc.com

Petra Raspels
TDL, PwC Germany
petra.raspels@de.pwc.com

Katarina Roddar
TDL, PwC Sweden
katarina.roddar@se.pwc.com

Joanne Burgener
TDL, PwC Switzerland
joanne.burgener@ch.pwc.com

Sarah Churchman
TDL, PwC UK
sarahj.churchman@uk.pwc.com

Zhou Xing
TDL, PwC China and Hong Kong
xing.zhou@cn.pwc.com

Lia Turri
TDL, PwC Italy
lia.turri@e.pwc.com

Noriko Umeki
TDL, PwC Japan
noriko.umeki@jp.pwc.com

Mike Dillon
TDL, PwC US
mike.dillon@pwc.com

Dale Meikle
Global D&I Programme Office Leader
dale.e.meikle@pwc.com

Aoilfe Flood
Global D&I Programme Office Leader
aoife.flood@se.pwc.com
Acknowledgements and thanks

Executive sponsors

Bob Moritz
Chairman
PricewaterhouseCoopers International Limited

Agnès Hussherr
Global Human Capital Leader

Lead author

Aoife Flood
Senior Manager – Global D&I Programme Office
aoife.flood@ie.pwc.com

Special thanks to our featured PwC diversity leaders, advocates and role models

Agnès Hussherr, Bernice Kimacia, Blair Sheppard, Caiso Carvalho, Ignacio Madrid, Janet Visbeen, Jenn Johnson, Julie Fitzgerald, Karen Loos, Manoj Santiago, Marcus Luthwaine, Marta Milowska, Pauline Ho, Robert Swaak, Stephanie Hyde, Vicki Huff.

We’d like to acknowledge the following PwC experts for their insights and contributions to this publication.


We’d like to thank the following for support with report design

Mark Goggin at MG Creative
At PwC, our purpose is to build trust in society and solve important problems. We’re a network of firms in 157 countries with more than 208,000 people who are committed to delivering quality in assurance, advisory and tax services. Find out more and tell us what matters to you by visiting us at www.pwc.com.

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2016 PwC. All rights reserved. ‘PwC’ refers to the PwC network and/or one of more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.