In 2018, the CEO of Philips, Frans van Houten, spoke publicly about the company’s ambitious diversity and inclusion (D&I) goals with a specific focus on gender diversity. At the time, about 36% of the company’s employees were women, and yet women made up less than 20% of senior leadership. The company committed to the lofty goal of raising the percentage of women in senior leadership to 25% by 2020 and moving beyond 30% thereafter.

Given the strong, data-driven culture at Philips, Toby Culshaw and his TI team were called on to quickly help determine the steps the organization would need to take to achieve its diversity goals.

Collecting and Analyzing D&I Data

When the TI team began its diversity work, it broke the project into three smaller, more manageable phases:

• Gathering internal data to understand the current state
• Gathering external data to understand the feasibility of changing the current state
• Synthesizing the two in a segmented way to drive action

Step 1: Internal Data to Understand the Starting Point

The TI team began with an internal review, analyzing Philips’ own data to understand the current state of diversity at the company. This included partnering with the HR analytics team to examine the diversity of succession pipelines,

“Our firm is very data-driven; leaders like seeing data points for everything. So, we have a lot of demand throughout HR for data, be that from my team or our other analytics teams in HR.”

Toby Culshaw

Toby Culshaw was the only person on Philip’s talent intelligence (TI) team when it was founded in 2016. Now he leads a team of 10 that shapes Philip’s talent strategy through data. During his time at Philips, his responsibilities have included research, talent intelligence, and labor risk and feasibility intelligence across the entire organization. Toby believes his key to success has been using the insight gathered through his research to search for projects that can make a true business impact.
find the root cause of obstacles to increasing diversity and model potential future states. From this, the team realized D&I strategies needed to be holistic to truly make an impact.

“You need to really have a solid culture to drive diversity and a really clear culture of inclusion; otherwise, you’ll be simply chasing a tail.”

Toby Culshaw

Overcoming the identified obstacles and making potential future states possible required making the culture more inclusive and hiring a more diverse workforce. As a result, Philips identified possible internal changes to increase the representation of women in leadership positions.

One of the keys to success in this stage was partnering with other teams across the organization. Because of the partnerships with internally facing HR analytics and reporting teams, the TI team could access information already available at Philips and avoid starting from scratch to find the needed information. The partnerships also ensured the different teams were on the same page and understood how to impact D&I at Philips.

Step 2: External Data to Understand the Talent Landscape

As it completed its internal analysis, the TI team also studied the external environment to better understand the competitive landscape for diverse talent. The team used data from a variety of sources, including the Economist Intelligence Unit, Gartner TalentNeuron, the World Economic Forum and the International Labour Organization. This analysis looked at the markets Philips operates in to understand which have the most diverse talent pools, as well as other organizations that had already improved diversity among leadership.

The team’s main takeaway was competition for diverse talent is fierce; to meet the company’s goals, it would need to thoroughly understand the competitive landscape worldwide to find the right talent and understand the feasibility of their diversity goals.

Culshaw attributes much of his team’s success to the amount and variety of data the team collected about diversity, internally and externally. The data allowed the TI team to provide a holistic view of the problems the company was looking to address and subsequently provide more tailored solutions.

Step 3: Segment Diversity Data to Operationalize It

Once it had collected as much data as possible, the TI team broke down the data to make it more useful for business leaders in their day-to-day operations. This consisted of segmenting the data first by geography so leaders could look at datasets in different regions and countries. Then, it segmented by function to look at talent in different business segments, such as IT, HR, strategy and finance, where differing skill sets may be in demand (see Figure 1). Segmenting the data this way enabled business leaders to strategically plan what type of talent they would go after in different geographies and allowed for a more targeted recruitment process.

“It’s a very competitive environment, especially when it comes to the D&I side of things. There's a lot of competition for senior leaders.”

Toby Culshaw

Creating Easy-to-Understand Deliverables to Drive Action

Once data analysis was complete, the next step for the team was to create easy-to-consume materials designed to drive action on D&I. The team created “battle cards” that combined internal and external data to provide an overview of the state of diversity in Philip’s various locations (see Figure 2). The team included information on the representation of women in leadership within each function, as well as information on the talent availability in the given location.

Presenting the data in this clear way enabled recruiters and business leaders to understand the feasibility and business case behind changing their talent and location strategies.
Figure 1: Diversity Data by Function and Geography
Illustrative

Figure 2: Philips’ Battle Card for India
Illustrative

India
- Exec seats held by women – 3.2%
- Non Exec seats held by women – 12.4%
Female Senior Management Overall 16%

Women in executive boards are very unrepresented in India. Percentage of women holding non exec seats grew by 4.1% last year

The Best Companies To Work For Working Mothers in India highlight Accenture, Deloitte, EY and IBM, all of which have very strong benefits for working mothers.

Source: Philips
to achieve more diverse leadership. The battle cards included not only relevant data but also actionable information for leaders.

As Culshaw described, the battle cards helped the TI team address the “so what” behind the gathered data. If the team had presented the data without answering, “So what? What do you want me to do with this? What are you telling me? What do you need me to change?” its work would have barely impacted D&I goals.

**The TI Team’s Impact on D&I**

Talent analytics teams are eager to take on D&I projects, given the high visibility of the field and its importance to the overall business, but they often struggle to drive action on it. When Culshaw’s team was given this assignment, it systematically thought through what data it would need to understand current D&I strategies and influence future strategies. By combining internal and external data and forming new partnerships, the TI team helped Philips develop an actionable D&I strategy that enabled it to meet its lofty D&I goals.

**Recommended by the Authors**

**“Driving Action on Diversity & Inclusion Through Analytics at Philips”**
Read this research for more details about how Culshaw’s team formulated an actionable D&I strategy at Philips.

**“Shaping Actionable D&I Strategies Through Analytics at Philips”**
Listen to this webinar to hear Toby Culshaw describe his work in person.

**“Reshaping Your Talent Analytics Process to Enable Action”**
Listen to this webinar for tips on how to ensure your talent analytics projects allow your clients to drive further action.