



2021 ANNUAL  
VIRTUAL CONFERENCE

# BENEFIT STRATEGIES FOR THE NEW NORMAL

May 18 - 19 - 20



Wednesday, May 19, 2021

12:30 PM – 1:15 PM

Diversity, Equity and Inclusion for Employee Benefits



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## Diversity, Equity and Inclusion (DEI) for Employee Benefits

Lacy Durham  
May 2021

# Introduction

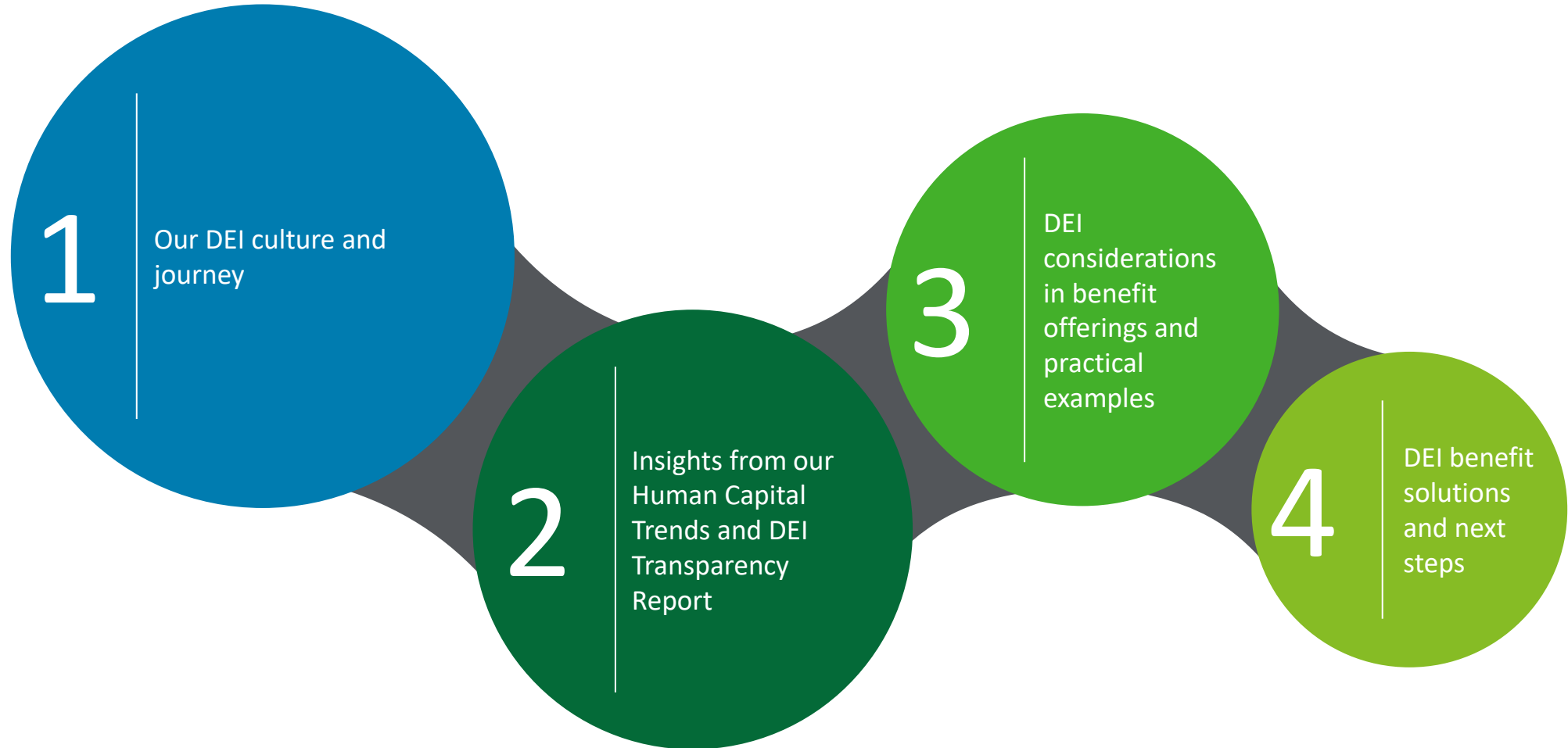
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# Discussion agenda



# Our DEI culture and journey

# A recognized commitment to DEI

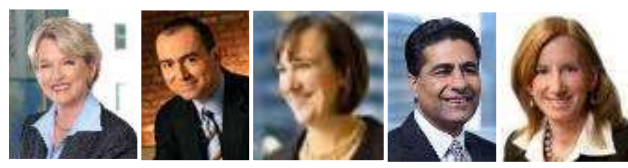
A continuous journey

Our leadership commitment, continuous evolution, and an innovative approach to fostering an inclusive culture has led to outstanding results in terms of attracting, retaining, and advancing a diverse workforce, strengthening our culture of inclusion, market-leading practices, and external recognition.



## One of the First....

- First to launch a women’s initiative
- First to launch a diversity initiative
- First of the Big Four to elect a woman CEO, a Hispanic/LatinX CEO
- First to elect an Asian chairman
- First to elect woman chairman



## Promoting Transparency in DEO

[2021 DEI Transparency Report Deloitte US \(Link\)](#)

covering:

- Diversity & Equity
- Inclusion & Belonging
- Workforce Well-Being, and
- External Impact

## Regularly published DEI thought Insights

[Link: Diversity & Inclusion Insights](#)



# Deloitte Diversity, Equity and Inclusion transparency report

For the first time ever, Deloitte released a DEI Transparency Report giving detailed public information about race, gender, ethnicity, LGBTQ+, veterans, and disabled employees. Deloitte made aspirational statements of where want to be for 2025 in the areas that have historically challenged Tax firms.

## DEI transparency report representation

### Diversity and Equity

- Increase the number of **Black and Hispanic/Latinx professionals in our US workforce by 50% by 2025**; *this is an input to our goal of increasing the overall racial and ethnic diversity\* of our US workforce to 48% by 2025*
- Increase US workforce **female representation to 45% by 2025**
- Increase the representation of **racially and ethnically diverse US PPMDs to 25% by 2025**
- Increase the number of **female US PPMDs by 25% by 2025**



## External impact objectives

### External Impact

- Increase the amount of **addressable spend on diverse suppliers to \$1B** by 2025
- Increase our spend with **Black-owned and Black-led businesses to at least \$200M** by 2025
- Collaborate with clients and industry leaders to **drive workforce initiatives**
- Drive **institutional and systemic change** through **policy initiatives**
- **Reach 10 million individuals** through **education and workforce initiatives** through World-class by 2030

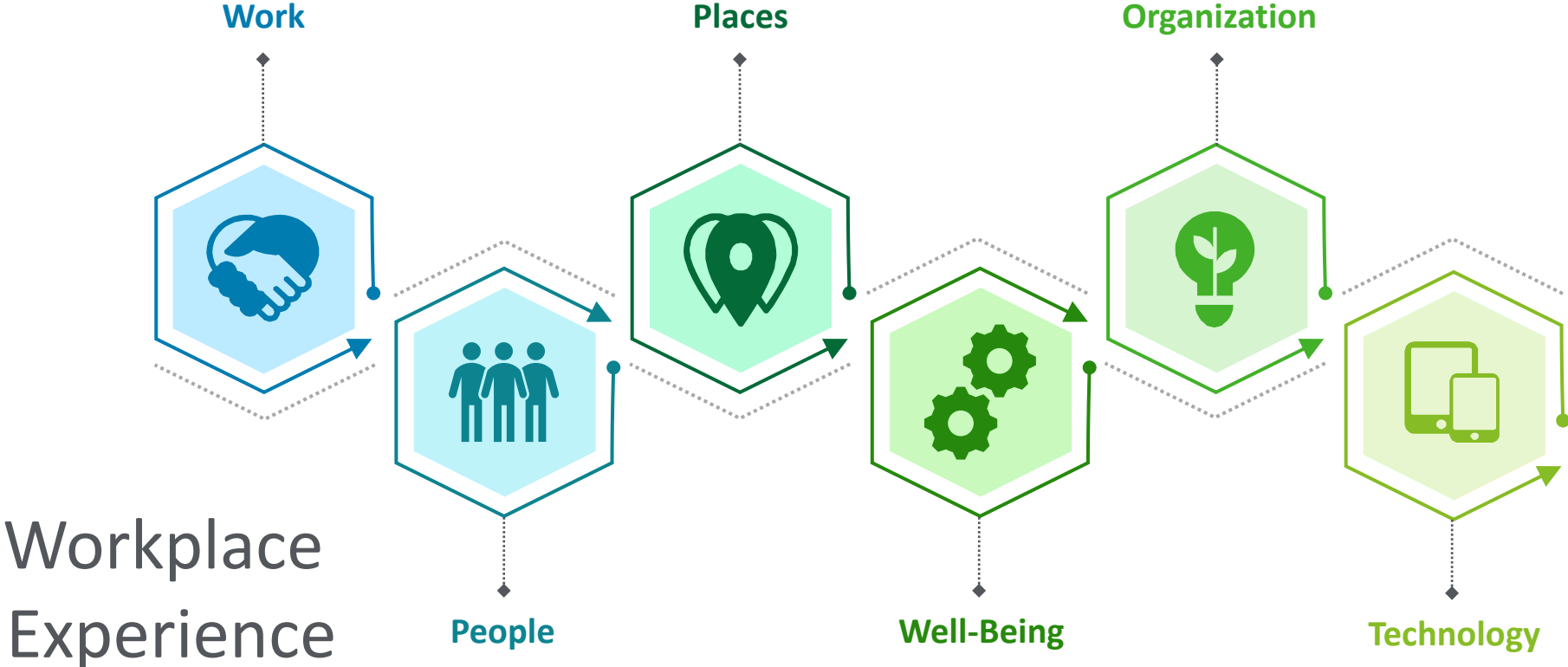
## Inclusion and belonging and workforce well-being

- **Address inconsistencies** in the talent experience so that Black, Hispanic/Latinx, non-binary, and LGBTQIA+ professionals feel they can be their **authentic** selves in the workplace at a rate consistent with the overall workforce population
- Develop an **understanding of fundamental anti-racism concepts**, and cultivate **allyship** by providing **anti-racism education** across all levels
- Expand and evolve our **mental health programs and resources** that help address the needs of our various populations

# DEI considerations in benefit offerings & practical examples



# Elements of the Workplace Experience



# Well-being is an organization's responsibility

The COVID-19 pandemic shed new light on the importance of well-being and the responsibility organizations have in supporting the physical, mental, emotional, social, and financial health of their workers. Some organizations sprung into action to redirect resources towards providing support yet many organizations are still missing the importance of prioritizing well-being

## Research Shows...

Workers prioritize improving worker well-being as **the #3 top priority** whereas executives rate it as **the second to last priority**<sup>1</sup>

**Half** of organizations surveyed **lack a well-being strategy altogether** or had one that is narrowly focused on physical health or occupational safety<sup>2</sup>

Only **26%** reported that their leaders **consistently practice and promote well-being**<sup>2</sup>

## We also know...

### Organizations with a holistic well-being strategy have

Workers that are happier, more engaged and more productive

High-performing organizations are **11x** more likely to have a broad worker well-being strategy that extends beyond physical wellness<sup>3</sup>

**91%** of workers at companies led by leaders that support well-being efforts say they feel motivated to do their best at their jobs<sup>4</sup>

Of employers offering well-being programs, **67%** reported increased employee satisfaction and **66%** reported increased productivity<sup>5</sup>

<sup>1</sup> 2021 Deloitte Global Human Capital Trends

<sup>2</sup> 2020 Deloitte Global Human Capital Trends

<sup>3</sup> 2019 Deloitte's High-Impact Rewards Research

<sup>4</sup> American Psychological Association, 2016

<sup>5</sup> IFEBP. 2017

# Common pitfalls

Organizations often fall into several common pitfalls when designing DEI & Well-Being initiatives, preventing them from instilling systemic change.

**Labeling DEI and Well-Being as an 'HR Problem'**

**Providing Incomplete Talent Data**



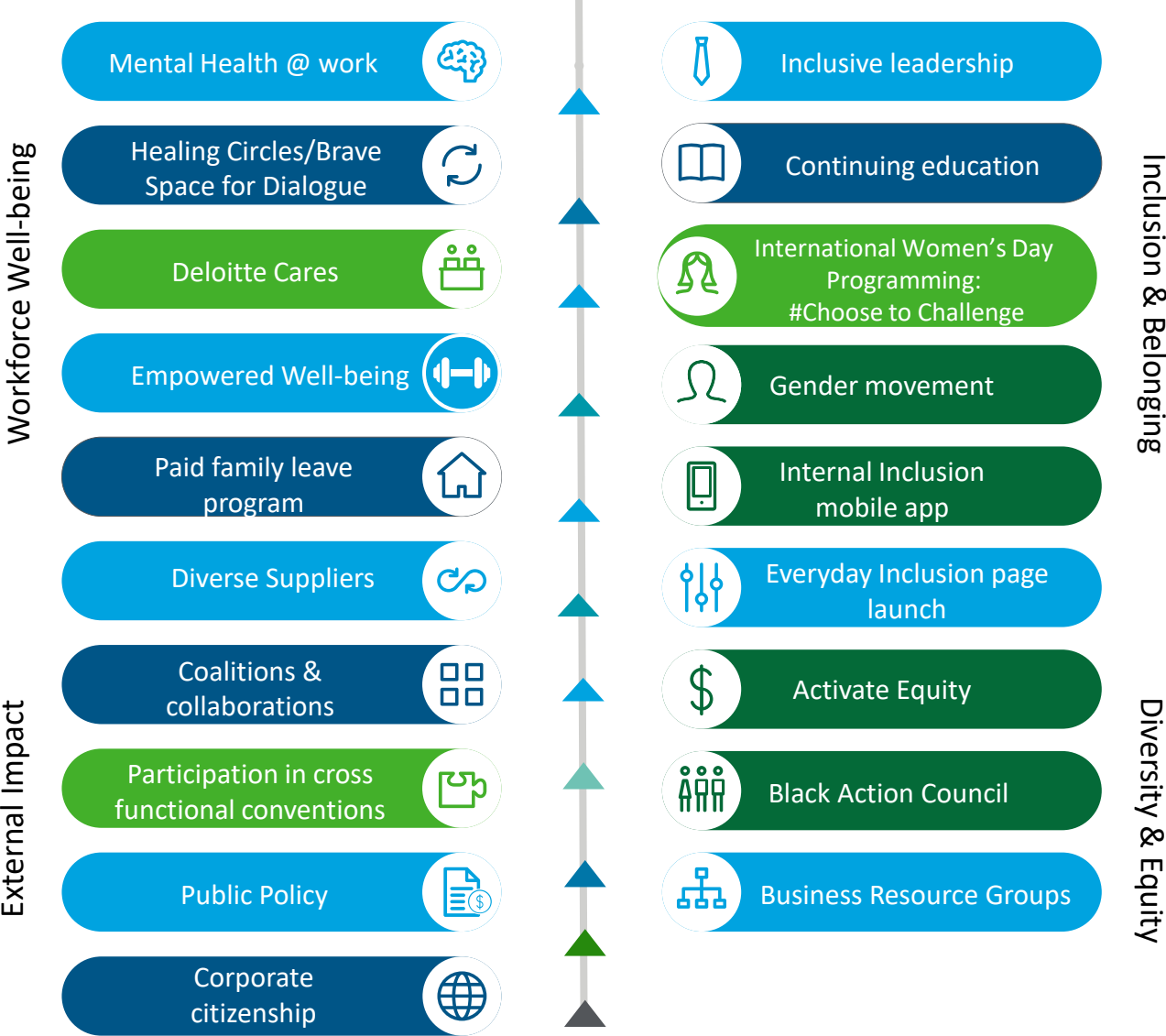
**Viewing DEI & Well-Being Solely as Programs**

**Mistaking Exploration for Action**



**Separating DEI & Well-Being Efforts**

# Examples of Deloitte's inclusive culture, talent experience and support for our people



# A wholistic approach

Benefits & programs to support your life journey



## Starting at Deloitte

- Medical, dental, and vision (infertility, FSA, HSA, vision, pharmacy)
- Student loan refinancing and personal loan solutions
- Before-tax transportation and parking programs
- Rewards and recognition
- Career development and performance snapshots



## Managing your finances

- Personal banking program
- FSA (includes limited purpose) and HSA
- 529 college savings plan
- Personal umbrella liability insurance
- WealthPortal



## Creating a home

- Auto and home insurance
- Pet insurance
- LifeWorks
- Discount purchase program



## Starting a family

- Leave options
- Egg preservation (in cases of health-related issues)
- Bright Beginnings — Family Support Network
- New parent program
- Lactation support
- Emergency backup dependent care



## Pursuing a passion

- Corporate citizenship and community engagement
- Well-being subsidy
- PTO, holidays, paid sick and safe time
- National sports and recreation program



## Planning for the unexpected

- Live Well program
- Identity theft and credit monitoring service
- Disability, life, and accident insurance
- Group legal insurance
- Disaster relief fund
- Personal leave
- Remembrance Fund
- International SOS



## Preparing for retirement

- Long-term care insurance
- 401(k) account
- Health savings account



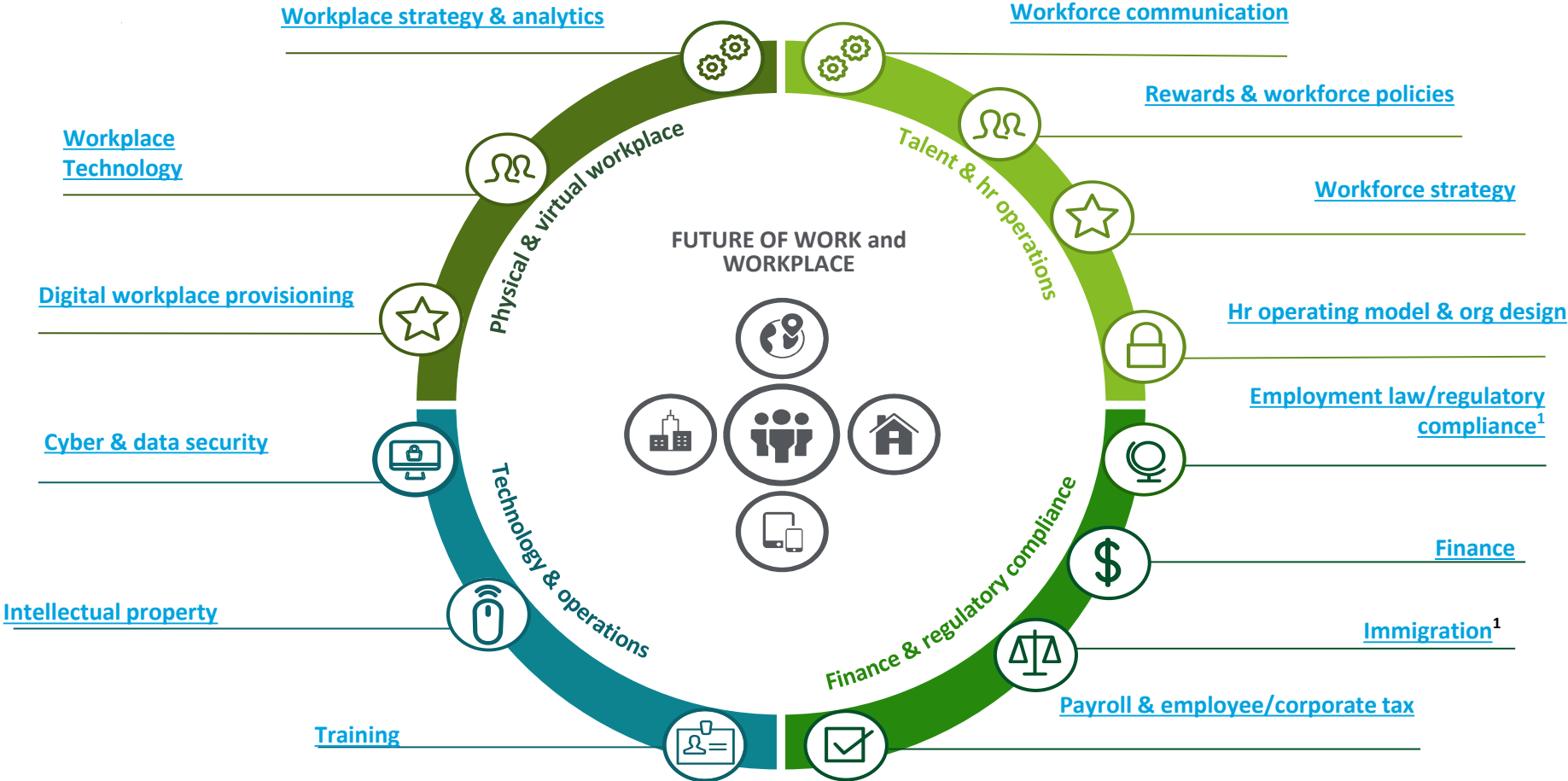
\*Example of some of the benefits available

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# DEI benefit solutions and next steps

# Understanding remote work implications


Remote work is a cross-functional effort. It requires resilient leaders across enabling functions to evolve the organization's approach



<sup>1</sup>For legal and regulatory reasons, some of the DTTL member firms, including the United States member firm, do not provide immigration or employment law services. Immigration and employment law services are provided by DTTL member firms outside the United States and their alliance partners. The Deloitte US firms do not practice law or provide legal advice.

# Rewards optimization survey design

The rewards optimization survey uses conjoint survey questions as a data point to determine optimal rewards packages



## Rewards Optimization

**If these were your only options for your compensation and benefits package and everything else remains the same, which would you choose?**

Choose by clicking one of the buttons below:  
(1 of 10)

<b>Medical Plans</b>	No change to current medical plans	No change to current medical plans
<b>Retiree Medical</b>	No subsidized coverage	No subsidized coverage
<b>401(k)</b>	50% match up to 6% of pay	100% match up to 6% of pay
<b>Vacation</b>	5 more days of vacation <input type="button" value="Select"/>	5 less days of vacation <input type="button" value="Select"/>

← →

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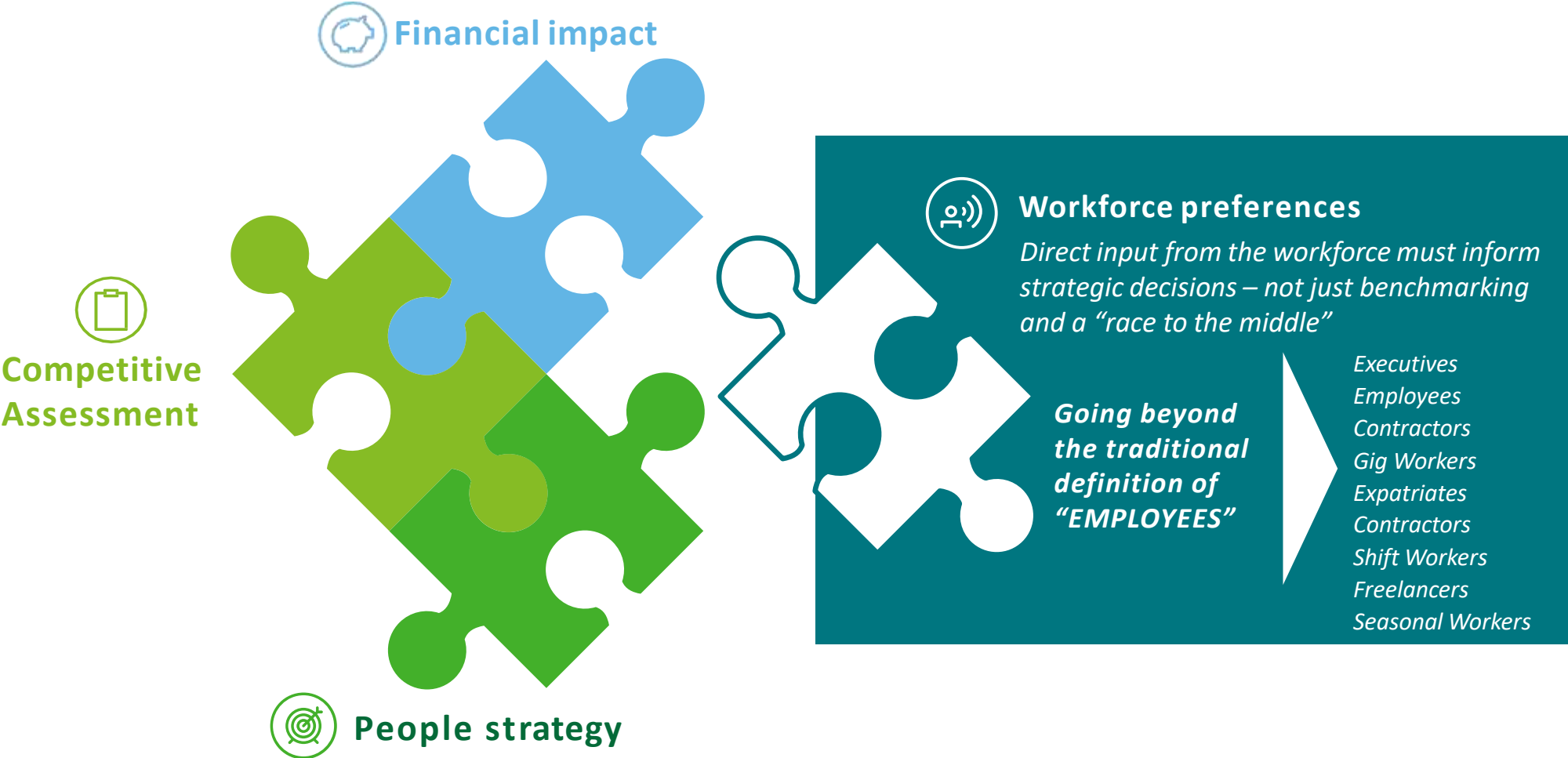
*Illustrative Levels*

Attributes to Test	Level 1	Level 2	Level 3
Medical Plans	20% decrease in current value	No change to current medical plans	20% increase in current value
Retiree Medical	25% decrease in current value	No change to current retiree medical value	
Base Salary	1% lower annual increase in base pay	Typical annual increase in base pay	1% higher annual increase in base pay
Annual Bonus	50% of current bonus target	No change to current bonus target	150% of current bonus target
Pension	75% of current pension value	No change to current pension value	125% of current pension value
401(k)	50% match on up to 6% of pay	No change to current match (75% match on up to 6% of pay)	100% match on up to 6% of pay
Vacation	5 less days of vacation	No change	5 more days of vacation
Fitness Subsidy	\$0 fitness subsidy per quarter / no free access to onsite fitness centers where previously available	No change to current program (\$100 fitness subsidy per quarter / free access to onsite fitness centers where available)	\$200 fitness subsidy per quarter / access to onsite fitness centers with free personal training where available
Student Loans/College Savings		Client does not currently offer this program (\$0 in annual assistance)	\$1,200 in annual assistance



# Understanding worker preferences

Mature organizations listen to their workforce and leverage that input in order to learn and design offerings for their "customers".



# Applying portfolio optimization to employee preferences and rewards

The traditional rewards optimization approach finds the balance between employee value and employer cost.

## Understanding employee value



*Through Conjoint Analysis*

- Ask employees to make 'trade-offs' to determine what is most important
- Identify drivers and sensitivity to different reward elements

## Optimizing employer cost



*Through Portfolio Analysis*

- Reflect cost constraints on an investment
- Develop an Efficient Frontier outlining the optimal allocation of investments
- Determine the optimal investment based on costs and preferences

# Key considerations and critical questions



## Listen

Organizations may be **eager to take swift action** without fully understanding the breadth of current DEI & Well-Being challenges

**What forums will you use** for colleagues to share their stories and how will you create a safe space for them?



## Engage

Employees of many identities may seek to **engage in conversation** to spark learning, relationship-building, and meaningful action

**Who will you bring together and how?** Who will lead the conversation? What materials will you share?



## Acknowledge

For many years, organizations **avoided discussing well-being and race** in the workplace; times and changing

**How will you acknowledge the impacts** of COVID-19 and racism on your workforce?



## Do

Employees expect their employers to not only say something, but to **do something – and urgently**

**How will you evaluate and improve policies,** partnerships, behaviors, and culture within your organization?

Questions



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## 1:15 PM – 1:30 PM **Sponsor Showcases**

- Meet with **Lockton**, participate in a light stretch break and learn how it stimulates critical thinking and brain function
- Meet with **Cigna**, learn about the Cigna Resilience Study and participate in a conversation on the importance of resilience in the workplace