

SUMMARIZING THE BUSINESS CASE

Investing in Black, Latina, and Native American (BLNA) women

RETURN ON TALENT INVESTMENT



Investing in talent may pay off. According to research published by the McKinsey Global Institute based on an analysis of 1,800 companies, companies that invest in

human capital “are more consistent and resilient performers.”¹ For example, from 2019 to 2021, People + Performance Winners grew revenue **twice as fast** as Performance-Driven Companies (8 percent versus 4 percent).

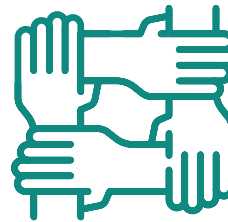
ATTRACT TOP TALENT



Companies committed to diversity may be better able to attract and retain top talent. **Seventy-two percent** of respondents from demographic groups other

than BLNA women reported that their employer’s commitment to DEI is important to them.³

INNOVATION THROUGH DIVERSITY



Diverse companies tend to be more innovative. Companies with above-average diversity outperformed competitors by **19 percent** in terms of innovation revenues (products less than three years old), on average.²

REDUCE TURNOVER



Employee turnover is costly. An employee’s departure can cost a company approximately **1.5 to 2.0 times** the employee’s annual salary because resources must shift to recruit, onboard, and train someone new (an often lengthy and time-consuming process).⁴ At the same time, productivity can suffer while the role remains unfilled or as the replacement ramps up.

¹ “Performance through people: Transforming human capital into competitive advantage,” McKinsey Global Institute, February 2, 2023.

² Rocio Lorenzo and Martin Reeves, “How and where diversity drives financial performance,” *Harvard Business Review*, January 30, 2018.

³ System upgrade: *Rebooting corporate policies for impact*, McKinsey and Reboot Representation, 2023.

⁴ Kate Heinz, “The true costs of employee turnover,” Built In, updated June 23, 2023.