

**KEY FINDINGS**

Measuring Diversity  
in the Biotech Industry:  
**ADVANCING EQUITY  
AND INCLUSION**

**COQUAL**



Biotechnology  
Innovation  
Organization

June 2021



## WHY THIS STUDY?

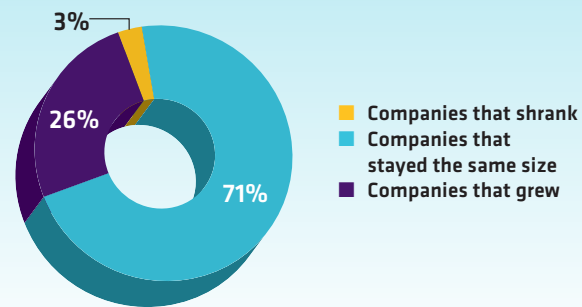
In 2020, BIO partnered, for the second consecutive year, with Coqual, an industry-leading think tank devoted to diversity, equity, and inclusion (DEI) in the workplace, to investigate the state of DEI in the biotechnology industry.

This report analyzes the findings from a voluntary survey sent to BIO member companies, fielded in the fall of 2020. Data is included from the 100 companies who responded. To measure year-over-year progress on DEI in the industry, the report also notes, where possible, shifts from BIO's inaugural 2019 report, "Measuring Diversity in the Biotech Industry: Building an Inclusive Workforce."

### THE BIOTECH INDUSTRY REMAINED STRONG AMIDST GLOBAL CRISIS

In a year shaped by the COVID-19 pandemic and economic downturn, many industries showed shrinkage or downsizing overall. By contrast, more than one in four (26%) companies within this year's sample grew in size between the beginning of 2019 and the end of 2020. Approximately seven in ten (71%) stayed about the same size (**Fig. 1**).

Figure 1. Change in number of employees from 2019 to 2020 (n=100)



## GENDER DIVERSITY: REPRESENTATION OF WOMEN REMAINS LOW AT SENIOR LEVELS

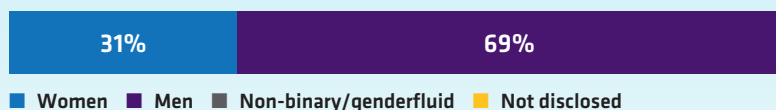
In 2020, women made up 47% of total employees, but only 31% of executive teams and 23% of CEOs (**Fig. 2**). However, there has been progress—within the companies in this year’s sample, the data showed a directional increase in representation from 2019 to 2020: 35% of companies increased representation of women employees by at least 5%, and 43% of companies increased representation of women at the executive level by at least 5%.

**Figure 2. Representation by gender (2020)**

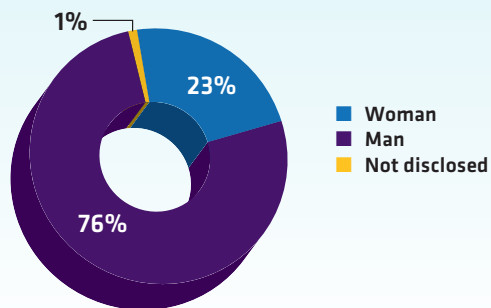
Total employees (n=21)



Executive (n=22)



CEO (n=79)



## RACIAL/ETHNIC DIVERSITY: REPRESENTATION OF PEOPLE OF COLOR REMAINS LOW

Representation for employees of color continues to be a mixed story. Employees of color make up 32% of the overall workforce, 21% of executive teams, and 24% of CEOs (Fig. 3). One in five companies in this year’s sample decreased in representation of employees of color at the executive level from 2019 to 2020 by at least 5%, and only 13% increased representation for executives of color by at least 5%.

## COMPANIES MADE PROGRESS IN THEIR COMMITMENT TO D&I

The 2020 data showed a focus on internal and public-facing commitment to D&I. Seven in ten respondents list D&I as one of their organization’s stated values or priorities; less than half (46%) said the same in 2019 (Fig. 4). The proportion of organizations that have a stated goal of creating an inclusive environment has nearly doubled—from 32% in 2019 to 61% in 2020 (Fig. 4). More than half of organizations (56%) have a public commitment to diversity, an increase from 39% last year (Fig. 4).

Figure 3. Representation by race and ethnicity (2020)

Race and ethnicity	Total employees (n=18)	Exec (n=16)
White	65%	78%
Black	7%	3%
Hispanic/Latinx	4%	4%
Asian	18%	14%
Native American/Alaskan Native	0.1%	0%
Native Hawaiian/Pacific Islander	0.3%	0%
2+ races	2%	0.4%
Not disclosed	3%	0.5%

CEO (n=70)

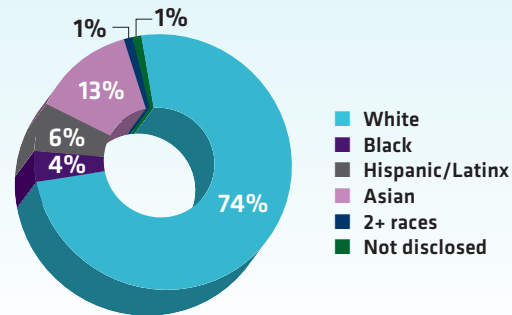
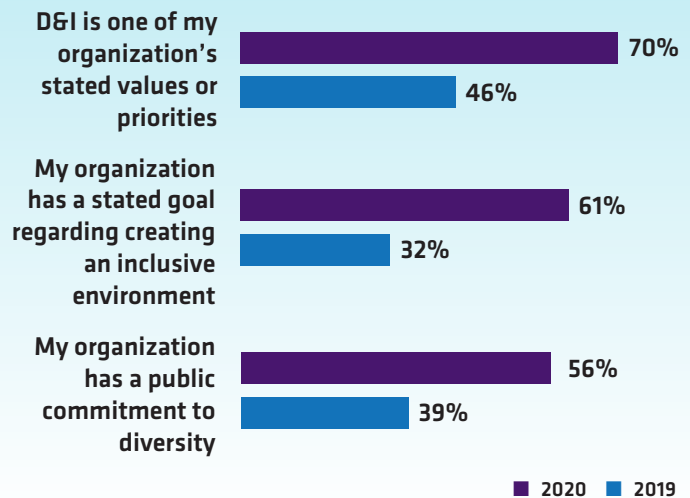


Figure 4: Which of the following statements are true at your organization? (n=93)



## BUT FEWER ORGANIZATIONS HOLD THEIR LEADERS ACCOUNTABLE FOR ACTION

In a step backward from last year, only 39% of respondents indicate that leaders at their company are tasked with specific D&I goals (compared to 53% in 2019) (Fig. 5). Barely two in five (39%) have systems in place to measure leaders' progress toward meeting their D&I goals (Fig. 5) and only 20% of respondents say that D&I metrics impact performance evaluations and compensation for leaders (Fig. 5).



### LEADERSHIP ACCOUNTABILITY EXAMPLE

We asked companies: "Please describe the program(s) you believe have had the greatest impact on diversity, equity, and inclusion in your organization."



*We recently launched a dashboard that will allow our leaders to have a better idea of who is in their organizations, which will lead to greater accountability for leaders to know who is underrepresented. Our Talent Acquisition team has also revamped their DE&I strategy, and our HR Partners are actively going through peer-to-peer learning sessions to enhance their DE&I capability.*

Figure 5: Leadership Accountability for D&I

Which of the following best describes accountability for diversity and inclusion within your organization? (n=41)\*



\* The below questions were only asked of organizations that indicated they have D&I programming

## COMPANIES ARE MISSING THE FULL “BUSINESS CASE” FOR D&I

While nearly 7 in 10 companies see the connection between D&I and business results, fewer realize the potential growth in their top line from D&I: 52% of respondents report “serving a broader and more diverse set of customers” and 50% report “encouraging employees to surface innovative ideas for diverse target markets” as priorities of their organization’s D&I program (Fig. 6). This data indicates that companies can better embrace the competitive edge that D&I investment unlocks.

## DATA COLLECTION IS CRITICAL—YET REMAINS INCONSISTENT

The number of companies that collect data around D&I rose from 59% in 2019 to 80% this year, but the thoroughness of the collection varies. Few companies collect data on discrepancies in promotion (39%) or performance ranking (23%) by gender, race, ethnicity, or another dimension of diversity (Fig. 7). Furthermore, because few organizations formally collect demographic data from their Board members, this year’s survey did not have enough sample to include average breakdown of Boards by gender and race/ethnicity.

## COMPANIES ARE EXPERIMENTING WITH AND IMPLEMENTING A VARIETY OF DEI INITIATIVES

To understand how companies are acting on their growing commitment to DEI, we showed respondents a list of 30 DEI solutions—an expanded list from last year’s survey—and asked which, if any, are currently in place at their organization to support their DEI efforts.

Figure 6: What are the priorities of your organization’s diversity and inclusion program? (2020) (n=42)

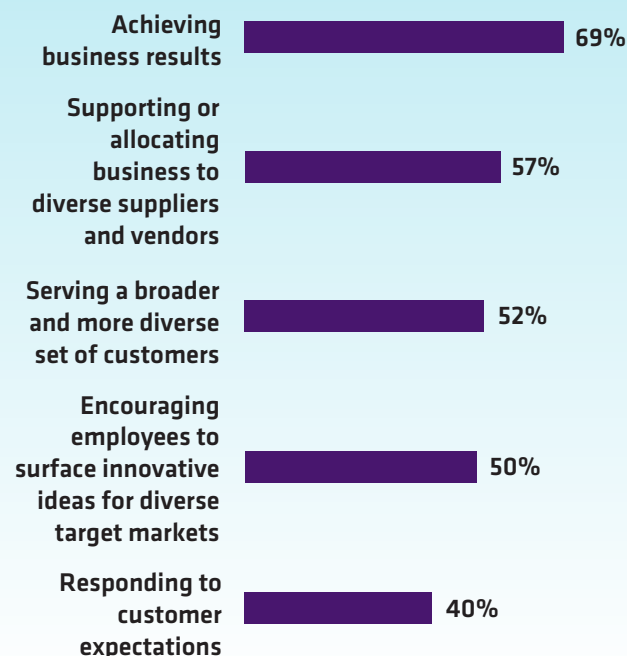
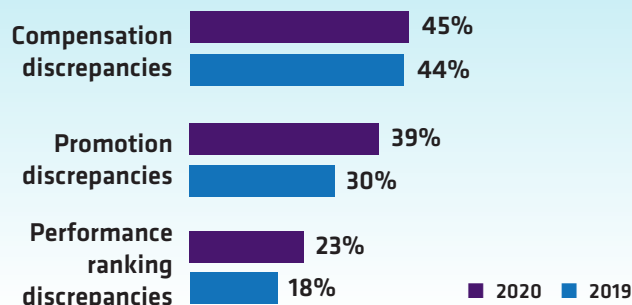
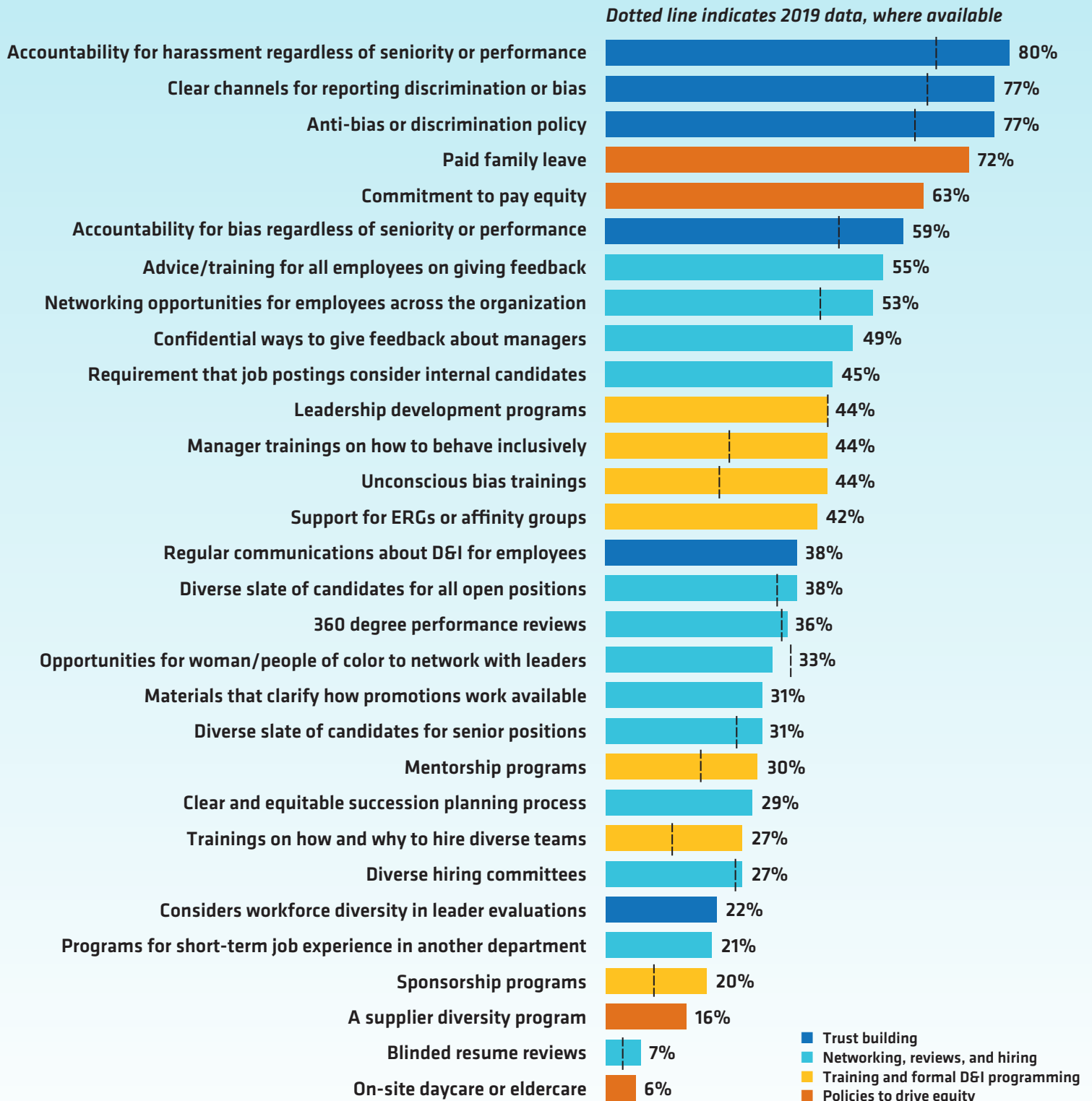


Figure 7: Which of the following types of data does your organization gather and analyze? (n=92)



**Figure 8: Which of the following does your organization have or do to support its diversity and inclusion efforts? (n=86)**







## DEI INITIATIVES IN ACTION

We asked companies: “Please describe the program(s) you believe have had the greatest impact on diversity, equity, and inclusion in your organization.”



*Transparent reporting on compensation and promotion of women and people of color.*



*[Our managers] are required to take annual unconscious bias training, encouraged to participate and support their teams participating in our D&I initiatives. We provide education, training, and resources on diverse and inclusive hiring and promotion—via live training and within our learning management system.*



*We are learning to take an anti-racism approach to all our work.*



*Every employee’s situation is unique... We made sure our employees know we understand the challenges.*

## COMPANIES ARE HIGHLY FOCUSED ON TRUST BUILDING

Companies in the biotech industry again drew on a range of initiatives to support their D&I efforts. Many of the most common initiatives among this year’s respondents fall in the focus area of building trust with employees, in particular around having no tolerance for inappropriate behaviors. More than three quarters of companies (77%) have anti-bias or discrimination policies (**Fig. 8**). The same percent (77%) provide clear channels for reporting experiences of discrimination or bias (**Fig. 8**).

## TRAINING AND FORMAL D&I PROGRAMMING GREW IN POPULARITY

Two D&I programs stood out in increased popularity since last year: The number of companies conducting

unconscious bias trainings doubled, from 22% to 44%, and those conducting manager trainings on how to behave inclusively increased from 24% to 44% (**Fig. 8**).

## THE INDUSTRY MADE EFFORTS TO MEET THE MOMENT

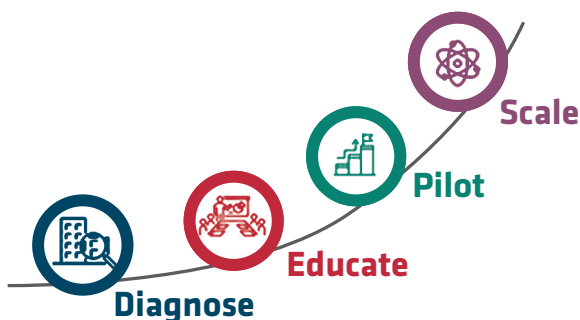
2020 was marked by twin crises: COVID-19 and the events that prompted a racial justice crisis. Biotech companies took action to address COVID-19-related challenges for all employees and pivoted their programming to acknowledge newly visible inequities across gender, race, and beyond. Several themes emerged: flexibility, health and wellness, and education on DEI, as well as dialogue around systemic inequities. Companies are more committed than ever to tuning into their employees’ most pressing concerns.

## PART 3: WHERE TO GO FROM HERE

Coqual developed a four-stage maturity curve to map the progress of companies in their diversity, equity, and inclusion efforts. The maturity curve offers a useful framework for BIO members, from start-ups to large multinational companies, to ground and guide their DEI strategy and implementation.

Where an organization is on Coqual's curve will influence what level, type, and sequence of action the company should take to improve diversity, equity, and inclusion. Companies may find themselves in several stages at the same time depending on different DEI focus areas. Read our full report for targeted strategies companies can implement today.

1. **Diagnose.** Gather data to define the current state of DEI and make the case for action.
2. **Educate.** Ensure the importance of DEI as well as key DEI principles are understood across the organization.
3. **Pilot.** Launch pilot programs to assess impact, gain buy-in and adjust implementation parameters.
4. **Scale.** Grow pilot programs to broad use and embed DEI principles with individuals and in the organization.



## METHODOLOGY

The research in this report comes from a survey written by Coqual in partnership with BIO. The survey was informed by a literature review of existing DEI industry studies as well as findings from last year's report. The survey was conducted online by Coqual from October to December 2020, with 100 respondents. Each respondent was from a separate BIO member company and completed the survey as a representative of their company.

Respondents included in our sample for analysis answered at least 50% of the questions they were shown, excluding questions on demographic representation.

Because the overall composition of the 2019 and 2020 samples are relatively similar (e.g., in company size, revenue, geographic location, and other factors detailed on page 7 of the full report), data from the 2020 sample is compared to data in last year's report when possible.

In the charts featured throughout, percentages may not always add up to 100 because of computer rounding and/or the acceptance of multiple responses from respondents. All charts only report sample size ("n") for our 2020 data. For the purposes of this report, the terms "organization" and "company" are used interchangeably to represent survey respondents.

# DIVERSITY, EQUITY & INCLUSION AT BIO

**B**IO is committed to providing access to talent, access to capital, and building trust with consumers and patients.



## BIO Equality Agenda

A national effort in collaboration with our partners and member organizations in the biotechnology sector that aims to counteract the systemic inequality, injustice, and unfair treatment of underserved communities.



## BIO Board Initiative

A collaborative initiative to advance corporate board diversity by identifying partners and experts in corporate governance, connecting future and current corporate leaders, and providing resources and best practices.



## Measuring Diversity in the Biotech Industry

An annual survey and report tracking diversity and inclusion programs, policies, goals, and representation within BIO member companies.

Visit [bio.org/dei](https://bio.org/dei) to access resources for the industry.

**COQUAL**



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