



NAMIC and WICT 2011 Cable Telecommunications Industry Diversity Survey in Collaboration with SHRM

Calculations and Definitions

CALCULATIONS

A few basic calculations are required in this survey. They are all based on information that should be readily available in your organization's records. All information is completely confidential.

Operating expense calculation

Please provide the year-end operating expenses for Fiscal Year 2010 (in U.S. dollars). Operating expenses may be found on your firm's income statement and include cost of goods sold, selling and general and administrative expenses. One-time charges, interest, depreciation and other extraordinary expenses are not included. Only include operating expenses for operations in the United States and its territories. Please enter your response as a numerical figure. (For example, you would enter "\$10,000,000" not "ten million.")

Example: \$10,000,000

Revenue calculation

Please provide the year-end revenue for Fiscal Year 2010 (in U.S. dollars). Revenue includes total sales, earnings and all other income (pre-tax), which are found on your firm's financial statements.

Only include revenue for operations in the United States and its territories. Please enter your response as a numerical figure. (For example, you would enter "\$10,000,000" not "ten million.")

Example: \$10,000,000

Race/ethnicity breakdown of workforce by gender

This calculation is a simple breakdown of the number of male and female employees within each race/ethnicity category. For this calculation *do not* include temporary/contingent employees, but *do*

include employees on disability (STD & LTD) and those on leave of absence. Please exclude employees who reside and work outside the United States and its territories. The race/ethnicity categories are as follows:

- Asian/Pacific Islander
- Black/African American
- Caucasian
- Hispanic/Latino
- Native American/Alaska Native
- Multiple ethnicity

Annual average retention rate calculation

To calculate the retention rate, count the number of employees for each diversity category (race/ethnicity and male and female) at the beginning of each month. Do not include interns or temporary employees in this calculation.

Of those employees at the beginning of the month, identify how many are still left at the end of the month. Now divide the number of employees that remained at the end of the month, by the number of employees at the beginning of the month, and multiply that result by 100.

Retention Rate for a single month =

$$(\# \text{ of employees at end of month } \div \# \text{ of employees at beginning of month }) \times 100$$

This provides the retention rate percentage for that month. Do this calculation for each diversity category (race/ethnicity and male and female). It may be helpful to do these calculations in an Excel spreadsheet.

NOTE: If additional staff in a given diversity category are added during a month, their retention will be calculated in the following month.

Repeat these calculations for each month of the year. Then add each monthly retention rate together, and divide by 12 to compute your **annual average retention rate** for each diversity category (race/ethnicity and male and female). Retention rates for the diversity categories do not need to add up to 100%.

Annual Average Retention Rate for a specific diversity category (i.e. Asian/Pacific Islander) =

$$\begin{aligned} & (\text{Retention Rate for January} \\ & + \text{Retention Rate for February} \\ & + \text{Retention Rate for March} \\ & + \text{Retention Rate for April} \\ & + \text{Retention Rate for May} \end{aligned}$$

- + Retention Rate for June
 - + Retention Rate for July
 - + Retention Rate for August
 - + Retention Rate for September
 - + Retention Rate for October
 - + Retention Rate for November
 - + Retention Rate for December)
-

$$\text{Total \#} \quad \div \quad 12 = \text{Annual Average Retention Rate}$$

Example: In January, if you have 19 Asian/Pacific Islander female employees at the beginning of the month and of those 19, you only have 15 remaining at the end of the month, you have a monthly retention rate of $15/19 \times 100\% = 79\%$ for Asian/Pacific Islander female employees. Do this calculation for each month of the year. After you compute the monthly retention rates, then add them up and divide by 12 to calculate your annual average retention rate.

Please do this calculation for each diversity category (race/ethnicity *and* male and female).

DEFINITIONS OF EMPLOYEE CATEGORIES

Exempt employees – Employees, who meet one of the Fair Labor Standards Act (FLSA) exemption tests, are paid on a fixed salary basis and are not entitled to overtime.

Nonexempt employees – Employees who do not meet any one of the FLSA exemption tests, are paid on either an hourly or salary basis and are covered by wage and hour laws regarding hours worked, overtime pay, etc.

Board of directors – A group of individuals that is elected by stockholders at publicly held companies (or elected by members at some nonprofits) and has governance responsibility for the organization.

Executive/senior level officials and managers as defined by the EEO-1 Job Classification Guide – Individuals who plan, direct and formulate policies, set strategy and provide the overall direction of enterprises/organizations for the development and delivery of products or services, within the parameters approved by boards of directors or other governing bodies. Residing in the highest levels of organizations, these executives plan, direct or coordinate activities with the support of subordinate executives and staff managers. They include, in larger organizations, those individuals within two reporting levels of the CEO, whose responsibilities require frequent interaction with the CEO. Examples of these kinds of managers are: chief executive officers, chief operating officers, chief financial officers, line of business heads, presidents, executive vice presidents or senior vice presidents of functional areas or operating groups, chief information officers, chief human resources officers, chief marketing officers, chief legal officers, management directors and managing partners.

First/mid-level officials and managers as defined by the EEO-1 Job Classification Guide – Individuals who serve as managers, other than those who serve as executive/senior level officials and managers,

including those who oversee and direct the delivery of products, services or functions at group, regional or divisional levels of organizations. These managers receive directions from the Executive/Senior Level management and typically lead major business units. They implement policies, programs and directives of executive/senior management through subordinate managers and within the parameters set by Executive/Senior Level management. Examples of these kinds of managers are: vice presidents and directors, group, regional or divisional controllers; treasurers; human resources, information systems, marketing, and operations managers.

First/mid level officials and managers subcategory also includes those who report directly to middle managers. These individuals serve at functional, line of business segment or branch levels and are responsible for directing and executing the day-to-day operational objectives of enterprises/organizations, conveying the directions of higher level officials and managers to subordinate personnel and, in some instances, directly supervising the activities of exempt and non-exempt personnel. Examples of these kinds of managers are: first-line managers; team managers; unit managers; operations and production managers; branch managers; administrative services managers; purchasing and transportation managers; storage and distribution managers; call center or customer service managers; technical support managers; and brand or product managers.

Professionals as defined by the EEO-1 Job Classification Guide – Most of these jobs require bachelor and graduate degrees, and/or professional certification. In some instances, comparable experience may establish a person's qualifications. Examples of these kinds of positions include: accountants and auditors; computer programmers; designers; editors; engineers; lawyers; registered nurses.

Entry-level employees – Employees at the most elementary level in a given business function and those who usually require only basic education, training and experience to perform to standard. Examples might be workers in call centers or field installers. This might also include recruits directly from college to the company.

Technology management employees – Includes executive/senior-level officials and managers and first/mid-level officials and managers as defined by the EEO-1 job classification guide who are involved in the integrated planning, design, optimization and operation of technological products, processes and services.

Digital media employees – Employees who develop and operate new content delivery platforms and services, including designing customer interface and running technology that supports new business, such as websites and distributed content platforms. There may be overlap between this category and IT project management and project development.

Creative and/or content development employees – Employees who develop and oversee the creation of content, including on-air promotion and production

Regional management employees – This includes executive/senior-level officials and managers and first/mid-level officials and managers as defined by the EEO-1 job classification guide. These employees are those who work in the organization's regional or divisional offices.

Call center/customer support employees – These employees include those who provide customer-face support and manage billing, installation, cross-marketing and other communications directly with customers via telephone, e-mail, web-based online chat, fax or other technologies.

Call center/customer support management -- Includes executive/senior-level officials and managers and first/mid-level officials and managers as defined by the EEO-1 job classification guide who provide customer-face support and manage billing, installation, cross marketing and other communications directly with customers via telephone, e-mail, web-based online chat, fax or other technologies.

DEFINITIONS - OTHER

Annual average retention rate – For purposes of completing this survey, the annual average retention rate is the percentage of employees who remain at the company during the calendar year. Retention rate is not the turnover rate. The retention rate will need to be completed for each diversity category below and therefore it is possible to have retention rates of 90% or more for several diversity categories at the same time. A 100% annual average retention rate means that all employees from a specific diversity category were retained.

Promotion – This is an appointment of an internal employee to a new position in a higher salary grade or range than the one to which the employee was assigned. Most promotions will occur as a result of advancement to a position that requires performing accountabilities of significantly increased complexity or responsibility.

Transfer – This is the reassignment of an internal employee to a new position in the same salary grade or range as the employee's previous position (i.e., a lateral move). The transfer may or may not provide the employee with the opportunity to advance one's skill set.

Diversity training – Employee training that contains managing multicultural teams and addressing clients' multicultural business needs.