

# Effective DEI Strategies Align with What Employees Want

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## INTRODUCTION

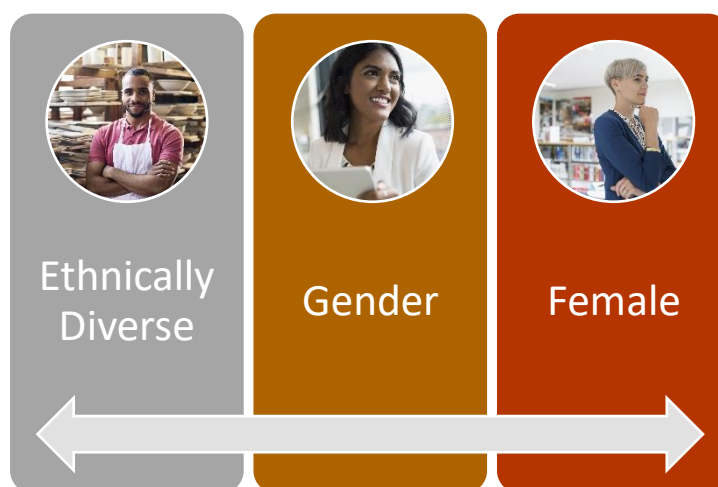
In the wake of ongoing racial unrest and the pandemic roaring across the U.S., companies are called to elevate what Diversity, Equity & Inclusion (DEI) looks like in their workplaces. However, creating a new strategy to prioritize DEI is no small feat, and it can be even more of a challenge to ensure employees are safe, on-board and heard. Throughout this paper, you will learn how leaders have adjusted their current DEI strategies to resonate with employees. If creating a stronger, more inclusive workplace culture is your goal, then this paper will provoke thoughts and actions to encourage you to push forward.

This paper focuses on strategic challenges, specifically developing policies and changes that employees understand at the most fundamental levels. The key areas we will review and assess include:

- Critical changes leaders are making to align their strategies with regard to the current environment,
- Leverage the impact of listening circles, town halls, et. al. to create a continuum of progress and sustainability and,
- Understand the activities CEOs are engaging in to create and increase the trust pulse within their workforce.

Regardless of experience level, my hope is that all diversity practitioners and leaders will glean some insight on how to pivot in this new normal.

## METHODOLOGY



The methodology for this paper is a combination of intentional insights from the Inclusive Leadership Index (ILI), DMBA Benchmarking, and focus groups, whereby DMBA gathered the most important issues and challenges leaders and managers are faced with today. These insights were shared in a safe environment among peers; participants were able to empathize and provide realistic examples of their experiences.

The DMBA Inclusive Leadership Index is an annual survey that has collected primary data for 14 years and accrued more than 30,000 insights on how companies source, retain, develop, and advance talent and how they are accountable for outcomes. On an annual basis more than 500 companies participate with an average size of multi-nationals equating 35,000 employees and an average size of regionals equating 5,000 employees. There are 38 industries that participate in the index.

The DEI insight weekly calls were conducted in three segments of input, insight calls and Zoom meetings. The first segment was March 1 – May 30, second segment was June 1 – August 30, and the third segment began October 1, 2020. More than 60 companies have participated in the DEI insight sessions to date.

The blended combination of the organizational data and the experiential sharing of leaders provide context that support strategic positioning for decision making and -- most importantly -- the commitment to DEI among company leadership during these difficult times.

Commitment to DEI requires a robust strategy that is ever evolving. Data is only one component -- uncovering truths with awareness and biases must be an intentional part of the strategy. Learning behaviors that support engagement and development are the necessary elements to institutionalize and integrate inclusion.



## BUSINESS CASE FOR DIVERSITY



It is so unfortunate that after four decades we are still making the business case for diversity in leadership, management and -- in some cases -- certain disciplines. We ask you to think about history and reference the diversity journey line; it started with Johnson's plan of progress then led to affirmative action. Although these legislative milestones moved the needle and created substantial opportunities for African Americans and women, it was women that benefitted the most, specifically white women. The successes of these milestones are still worth celebrating, but it is key to mention this distinction. As the journey continued and the marginalization of Affirmative Action began in the 1990s, corporations recognized the importance of having a legitimate diverse workforce that provided opportunities for advancement for people of color and women.

Fast forward to the start of the millennium, companies added inclusion to diversity to develop the practice to not only hire and advance women and people of color but to also create a culture of inclusion to increase retention and the sustainability of their workforces. Despite the effort invested by companies to hire, retain and advance talent, progress is slow. After three decades, we can truly celebrate more women in the workforce and more people of color in first line management roles with an increased workforce of color and in certain industries dominated by women. However, the reality is people of color are not consistently showing up in leadership roles across the marketplace.

The business case allows for diversity to be represented at the highest levels within the organization. The leadership pipeline should reflect the talent among diverse groups ready for advancement. The truth is the pipeline has systemically been in the favor of white women and men. Although there are initiatives within companies to push forward with identifying and advancing talent, many variables, systemic bias in particular, prevent companies from achieving balance of diversity among all leaders.

In the present, we are continuing to depend on the good citizenship of companies to create diverse leadership and management opportunities. I must commend the Obama Administration for enforcing the Wilson Rule, elaborated on in the next section.

## WILSON RULE



The Wilson Rule requires that women and minorities be among the final qualified candidates for open management and senior level professional positions in the United States.

Outside the United States, women must be considered among the final pool of qualified candidates for management positions. This rule was designed to ensure there is balanced representation for diverse leaders in the future.

Based on insights for the 2019 DMBA Inclusive Leadership Index, below are a few facts as to why the Business for Diversity remains an open issue in today's hiring decisions:

- ✓ 78 percent of leaders in management are white Americans, with 46 percent women.
- ✓ Although 46 percent of women are in management roles, 79 percent are white women.
- ✓ 73 percent of corporate recruiters are white Americans, leaving 27 percent representing all people of color. 69 percent of recruiters are women.
- ✓ White women advance at a ratio of 5:1 as compared to people of color while white men advance at a ratio of 8:1 as compared to people of color.
- ✓ Although 80 percent of companies believe that diverse slates are an effective strategy to have, only 38 percent of companies have diverse slates with accountability measures for leaders

# KEY FINDINGS: INSIGHTS FOR DEI STRATEGIES

## Key Findings #1

### DEI Strategy Best Practices



- Intersection Roadmap for DEI strategy
- Align strategy to talent acquisition & to business functions with a consistent scorecard to manage all goals
- Establish representation goals at all levels of management. A pipeline of ready talent should be available from senior leaders to line management
- Establish retention goals in addition to early churn goals & do a comparative analysis among groups
- Understand rate of advancement of people of color as compared to white men and women. Based on findings, consider audit of employee performance review process
- Shift of resources to support furloughed employees

## Key Findings #2

### How DEI Strategies Adjusted?



- Hired additional staff to focus on anti-racism strategy
- Increased alignment with training & development department to provide comprehensive learning to remote workforce on skills & diversity
- Deep dive of existing diversity & inclusion initiatives to encompass mental health, remote workforce, disabilities etc.
- Leverage ERGs to continue diversity engagement to enhance culture & sense of belonging
- Modified training to become more action oriented
- Leverage diversity & inclusion councils to shift focus on race & equity
- Enhanced focus on engaging community to support current environment

## Key Findings #3

### Impact on DEI Leaders



- Good news: there is heightened awareness within companies of the role and need of DEI leaders
- DEI leaders are overwhelmed with having to manage the current environment without a contingency plan
- The increased scope of work responsibility without additional resources
- Constantly concerned about the well being of their employees while also dealing with family care
- Increased engagement and interaction with C-Suite leaders
- Supporting accelerated strategies to create psychological safety within workforce, including mental health resources

# KEY FINDINGS & INSIGHTS: WHAT EMPLOYEES WANT

## Key Findings #4

### How CEOs raised the Trust Pulse



CEOs that have made their employees a priority as well as ensured safety and trust within their workplaces are evident. CEOs are engaged in multi-dimensional approach to engage employees and enhance messaging and communication. These CEOs have also made public commitments to support the communities they serve, and they are speaking out to end racism in our society. Finally, bold moves have been made to advance diverse talent. The findings below are from more than 100 leading organizations and companies. Expand this list by adding what unique efforts your CEO is making.

- CEOs enhanced communication with employees through daily well-being emails and a portal for employees to respond with inquiries and/or comments.
- CEOs are writing weekly letters to all employees on the current state of the organization and the upcoming priorities that involve employee and community needs.
- CEOs are engaged in monthly Town Halls to address the issues of racism within the community as well as the impact among employees.
- CEOs are speaking out in both public and private forums on their position of racism. Some bolder moves include supporting the adjustment of DEI strategies to include anti-racism language and initiatives.
- CEOs have redirected resources to support employees in need and those that were furloughed. Some CEOs also made decisions not to furlough any employee.
- CEOs have approved increased investment in communities to support agencies that support underserved populations.
- CEOs have created key leadership positions to advance leaders of color, specifically African American. There is also an accelerated advancement of people of color.
- CEOs have provided a higher level of access and exposure to DEI leaders to better support organizational influence to embed diversity and inclusion.



## KEY FINDINGS #5

### What Leaders Need



The reality in corporate America and many large organizations, whether public or privately held, is mostly white men and women are at the helm. Although we celebrate the many women that hold leadership roles, it is key to note of the 46 percent of women in leadership, 69 percent are white women. With that said, many of these leaders -- both white men and women -- have admitted they have lived in a bubble without having to deal with the impacts of systemic racism. The recent issues that heighten the awareness of racial injustice among Blacks and African Americans have these leaders wanting and needing to be better leaders. Increased allyship is the most requested initiative leaders want to ignite within their organizations. Below are insights from leaders sharing what they need to become better leaders during these changing times:

- Understand what inclusive leadership behaviors look like and model them
- Make a personal commitment to educate oneself on the systemic issues of racism
- Engage leaders of color to aid in this learning process and to develop a plan
- Accept personal accountability to ensure change is real and impactful
- Be willing to create new rituals to ensure new habits. For example, have real issues on meeting agendas as they relate to microinequities
- Be intentional to include everyone in meetings and on teams
- Leverage the tools created to support having bold, courageous, and difficult conversations and practice using them
- Meet with management teams and empower them to have authentic discussions regarding micro-aggressions
- Require mandatory training for entire organization on implicit bias with follow-up programs
- Work closely with DEI leaders to promote inclusion and create a culture that allows room for failing forward
- Adjust metrics to reflect the current environment when reporting to executive committees
- Support DEI leaders with increased polling of the workforce to maintain a pulse on the current environment both in workforce and external

## KEY FINDINGS #6

### What Employees Want



Is what employees want truly a surprise? The reality is that it is no different today than what it has been for the past decade.

Because of the strained impact on employees due to the pandemic and race relations, leaders had little choice but to step up and speak out. Employees are hopeful and grateful for the listening sessions, so they can finally be heard about their daily realities. The enhanced engagement from CEOs and leaders is heartfelt and encouraging. However, how will it be sustained and positioned as a key priority? These are the big questions employees have and want to know:

- Employees want to have new experiences that allow them to be honest among colleagues so they can foster new relationships.
- Employees want to be heard, be understood, and know what they shared will result in real change.
- Employees want to engage in action-oriented solutions. Employee resource groups stepped up to lead solutions with actions.
- Employees want allyship and mentor programs that will provide them access and equity within the advancement process.
- Employees of color want to feel psychological safety to share without retaliation.
- Establish cross functional teams where employees can support one another across disciplines
- Employees love the engagement of DEI function within the culture.
- Employees want to know that the micro-inequities and micro-aggressions shared will result in policy changes that are supported with no tolerance language. They want the policies that exist today re-examined and enforced.
- Employees want clarity from leadership on what will be done and when.
- Employees value the level of increased mental wellness services offered to them and their families. Employees are grateful for being employed and for CEOs that speak up and speak out along with CHROs and CDOs that are standing up for change.



## CONCLUSION SUMMARY

Time to wrap it up. What is your conclusion? How would you synthesize all the information into something even the busiest CEO wants to read? What are the key takeaways? How does your product/service/methodology uniquely address the issues raised by your study?

In my humble opinion, the facts are clear. The heightened events of 2020 with the pandemic and race relations has forced organizations to re-examine the way they do business, the way they engage employees and the community, and the way they remain relevant. For me, the key takeaways include those listed below. I invite you after reading this article to develop your own key takeaways and validate your actions/create new ones.

### Key Takeaways

- **Takeaway 1:** CEOs that are committed to change are taking unapologetic action and backing it up with investment into its people.
- **Takeaway 2:** Leaders, specifically white men and women, that acknowledge they need to change and take accountability for their own actions is a major step forward in creating an inclusive culture.
- **Takeaway 3:** Employees want to believe that the companies they work for are in it for the long-term.

For more insights, visit [www.diversitymbamagazine.com](http://www.diversitymbamagazine.com) and view the benchmarking and pandemic FAQ.