

Virtual Working Group: Diversity, Equity & Inclusion - Upskilling Your HR Leaders

October 2020

Key Takeaways

1. **Efforts to promote diversity, equity, and inclusion (DE&I) must be driven from the top.** Strong, explicit executive commitment signals that diversity, equity, and inclusion are business priorities.
2. **Translating commitment to diversity into action requires structure.** Companies with diverse business units and multiple reporting streams may particularly struggle with this.
3. **Integrating diversity, equity, and inclusion into day-to-day practices is a key challenge.** Best practices must be adapted to reflect the unique circumstances of each organization.

As organizations respond to growing calls for racial justice and gender equity, existing commitments to diversity along these—and other (e.g. age, sexuality)—lines have only grown deeper. While this represents a profoundly positive shift, translating it into action and, ultimately results, presents new challenges for HR leaders. Tony Byers and Beth Flynn-Ferry convened a working group to address these challenges and explore how to prepare HR leaders for companies’ reinvigorated approaches to DE&I.

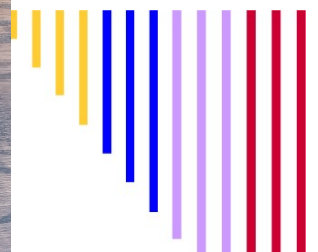
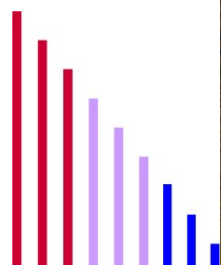
Working group participants were particularly interested in focusing on how to bring their diversity, equity, and inclusion efforts to life in ways that promoted sustainability and accountability. They also raised questions about how to build capacity across different internal stakeholder groups and business units to ensure that diversity, equity, and inclusion expertise does not remain siloed within HR or diversity departments. In this conversation, three key themes emerged.

Leadership Commitment

Working group participants almost unanimously highlighted the value of leadership commitment to diversity, equity, and inclusion. Although many reported that efforts had been in place for years, they described how recent stronger and more explicit communication from CEOs and other executives

Participating Companies

CDW
Cigna
Colgate-Palmolive
Estée Lauder
Microsoft
Polaris
SABIC
Terex
Trane Technologies
Verizon



pushed diversity efforts to the “top of mind” for HR leaders. More importantly, however, they suggested that this messaging paved the way for HR leaders to collaborate across the organization by sending a clear signal that DE&I should be considered core business values.

Participants found that direct communication from leadership to employees was particularly effective. In one company, a new Chief Executive Officer promoted a more open dialogue around personal experiences related to diversity and inclusion by sharing her own story. By modeling authenticity and vulnerability, this move showed other leaders that the company would support them initiating uncomfortable conversations, conversations often seen as separate from traditional business imperatives.

Similarly, another participant related how employee relationships and well-being became clear strategic priorities during the dispersion and isolation of COVID-19, which pushed leaders to begin checking in with employees; as protests against racial injustice swept the United States, these leaders then leveraged this existing infrastructure and trust to have hard conversations about diversity and inclusion.

According to working group participants, strong statements of backing from leadership not only served to model how middle management and HR leaders could engage their own workforce but also accelerated existing efforts by making them more visible, enhancing resource flow, and providing business partners with powerful incentives to engage. What this suggests is that initial DE&I efforts may produce greater impact if directed upwards in the following ways:

Share compelling data and narratives with executives. Several participants reported that executives in their companies were shocked to find out that employees were experiencing discrimination or had no idea that microaggressions were so rampant. By leveraging data from company surveys and stories from company employees, HR leaders were able to bring executives on board to combat these problems.

Demonstrate how DE&I are critical to business success. HR is also in a unique position to show top management the business importance of focusing on DE&I. For instance, in one company, HR was able to point out how more diverse perspectives would help foster greater customer outreach and conversion, expanding the brand’s demographic base. Others emphasized costs due to turnover (“when talent walks out the door”) and low morale.

Leverage HR’s existing relationships to help executives communicate their commitment. Some companies faced challenges with how best to initiate open and honest conversations across organizational levels. HR’s role in these cases became one of mediation, utilizing relationships, trust, and organizational tools (e.g. weekly check-ins, monthly discussion groups) in creative ways to maximize the reach of leadership’s message. They also encouraged and facilitated more hands-on engagement and leading by example, bringing executives into existing HR efforts such as training sessions to participate and learn alongside other employees.



Structure

However, organizational commitment is only part of the puzzle in promoting DE&I. As organizations pivot to action, establishing structure to ground their efforts is critical. Indeed, one participant recounted how business partners wanted to foster feelings of belongingness among their employees but failed to do anything concrete to address outstanding issues because they were uncertain about where to start. Though they promoted DE&I as abstract values, they were unable to embed them into the organization because they took no real tangible steps.

In contrast, partner organizations that were successful operated within clear structures that served as, in the words of one participant, “training wheels,” helping them learn how to practice DE&I. Certain best practices became apparent throughout this discussion:

Develop a transparent and regularly updated roadmap. Organizational transformation takes time, and several participants identified impatience as a challenge they faced in trying to fulfill their organization’s commitment to DE&I. Shared timelines outlining key goals and the steps to accomplish them, updated with regularly-scheduled benchmarking, ensure that all stakeholders remain on the same page in terms of whether diversity and inclusion (D&I) efforts are on track or need more resources. As one organization found after implementing a shared inclusion dashboard, documenting and disseminating company plans and progress towards them serves the dual purpose of motivating employees and holding them accountable.

Centralize oversight of diversity, equity, and inclusion efforts. Particularly in distributed, global organizations, centralized in-house governance of DE&I initiatives enabled consistency and accountability. Such a structure facilitates change management, aligns business partners’ priorities, allows the direction of inclusion initiatives to be steered by the company more broadly rather than individual reporting streams, prevents employees from construing inconsistencies as lack of commitment, and offers a repository of approved tools managers can apply. For instance, one organization focused on building committees who were able to immerse themselves in specific facets of D&I, gain expertise, and then serve as a central hub to disseminate this knowledge to managers. Simple strategies such as listing the positives about job candidates first can only compound into organizational-level diversity if they are consistently implemented across the organization.

Build in fine-grained data collection and program evaluation. Companies cannot know where they stand without data, data that both showcases existing problem areas and demonstrates whether proposed solutions are effective. Data collection approaches utilized by participants included pilot testing trainings with the executive leadership team before rolling them out companywide; conducting adverse impact reviews several times a year; evaluating the composition of the slates developed for succession



planning; tracking trends in hiring and retention; and quantifying job descriptions into measurable objectives to better document recruitment and selection gaps. One commonality was the importance of using data to identify specific areas of weakness; for example, if new employee cohorts fall short of diversity targets, data can help delineate whether the issue is a failure to attract minority applicants, to select minority candidates to fill positions, or to translate offers to minority candidates into acceptances.

Focus on follow-up. Incorporating planned follow-up helps ensure that diversity and inclusion efforts are sustainable. Some organizations focused on prolonging the impact of diversity trainings by organizing discussion questions and offering guides filled with conversation starters (e.g. TED talks, articles) for business partners to use every month with their teams. One key advantage of ongoing discussion is that it prompts continuous reevaluation of HR practices in light of how they're working on the ground, allowing for them to be discarded or replaced if they are no longer serving their purpose or are even unintentionally perpetuating inequities. For instance, one organization found that their strategy of requiring diversity on interview panels was placing an undue burden on minority employees within their organization.

Plan to learn from others. One unique idea offered by a participant was reaching out to peers in HR from other organizations and setting up mechanisms for pooling knowledge. A single company necessarily offers limited opportunities to learn what works and what doesn't. Monthly sessions with other HR leaders address this limitation and help leaders problem solve as well as source new ideas.

Integration

A final point emphasized by many participants was the importance of viewing DE&I not as an add-on or a "nice to have," but rather as part of the organizational fabric, practiced by each employee every day. For instance, some working group participants suggested that they struggled to shift their organization beyond a training-only model, despite the known limitations of this approach and the difficulties presented by the recent executive order barring diversity training. Although this appeared to constitute an ongoing sticking point for many companies, participants dealt with it in two primary ways:

Continuously evaluate company values and processes through an inclusive lens.

Rather than trying to overlay DE&I on top of existing company norms, some participants suggested that HR leaders consider both how inclusion already fits into them in practice and how it could fit better. Which behaviors are rewarded? What competencies and traits are expected of a leader, and how do these implicit models of leadership reflect inclusion goals? If companies strive to promote diversity, but their processes implicitly devalue certain groups of employees, initiatives will likely stall within the bounds of HR.

Deploy tailored strategies. Successful diffusion of diversity, equity, and inclusion across



organizations also requires customization. Strategies cannot be one-size-fits-all but must be adapted for a given organizational context.

Likewise, many participants highlighted how their company's approach to diversity management hinged upon alignment with unique external pressures. For instance, one company's diversity actions were driven by the need to represent their diverse customer base and respond to public demands. Another company, concerned about alienating their historic customer base, found success framing their internal diversity initiatives as part of a company-wide pivot to reach out to new consumers and millennials. What works for one company with one set of suppliers, customers, partners, and regional contexts will not work for another.

Internal organizational variation is also critical both in framing initiatives and feasibly implementing them across different business units. One organization with a strong relational culture found that centering their work on storytelling around individual experiences built trust and engagement. Another discovered that personalized learning pathways specific to different teams helped individuals see the practical value of diversity initiatives for their work. Reframing critiques of existing practices in language and analogies that "meet people where they're at" increased their traction. HR leaders thus can function as translators of sorts, shifting DE&I from an aspiration to an on-the-ground reality.



This Summary Report was prepared by Beth Flynn-Ferry, Tony Byers and Phoebe Strom for participants of the Diversity, Equity & Inclusion - Upskilling Your HR Leaders Virtual Working Group.

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