Diversity Crew

State of DEI Report

September 2022

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Treat people better.

Contact Us Today!

What We Do:

Diversity Crew's team includes consultants with a broad range of experiences in DEI. Our consultants are active practitioners of equity work in corporations, non-profits, academia, and government agencies. Our team includes former Chief Diversity Officers, former Chief People's Officers, HR and legal experts, data scientists, and more. We are able to support organizations at varying steps in their DEI journey by providing the following services: DEI Strategy, DEI Program Development, Team Coaching, and Executive/Leadership Coaching.

Diversity Crew Institute offers accessible, affordable, and actionable courses and certifications in Diversity, Equity, and Inclusion that go beyond just race and gender. This is about learning how to be better to each other in order to build stronger teams to improve bottom-line results. You can earn your DEI certification in just 15 hours. Courses include: Religious Diversity, Allyship, Juneteenth and Black History, Disability Inclusion, Gender-Inclusive Language, Women in the Workplace, and more!

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CEO,
Eve Mayer

Eve is the CEO of Diversity Crew and she radiates a passion for helping companies effectively leverage their desire to create more human equity. Her ability to craft internal and external communication plans that empower positive change in company culture is unmatched. Eve can translate the desire of an organization to treat humans better and turn that want into a simplified, attainable strategy.

Eve is a New York Times Bestselling Author, Speaker, and Strategist on the topics of diversity, inclusion, allyship, marketing, company culture, and wellness.

Diversity Crew Partner,
Katia Delgado

Katia is a Data Scientist whose natural curiosity and compassion for the human condition has led her into a career in market research. She has more than 15 years of experience in both quantitative and qualitative fields, including exploratory research, customer satisfaction tracking, brand positioning and impact, new product development, and custom studies that require advanced statistical analysis. Her work has produced actionable, research-supported insights that have helped inform the multimillion-dollar decisions and long-term strategies of multiple international companies.

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Introduction:

We believe that diversity, equity, and inclusion are critical components of organizational success. Multiple research studies confirm that organizational investment in DEI is positively correlated with stronger innovation, better performance, and even increased profits.

Intentional focus on these factors, and openness to new perspectives, are key for companies to survive and thrive in the future.

The Research:

Today's DEI landscape is increasingly fragmented, and each organization engaging with these efforts is highly individual. In 2022 Diversity Crew created the State of DEI survey, designed to collect first-hand feedback from those working in the field today. We reached out to thousands of DEI professionals across a broad swathe of organizations with the goal to understand the diversity, equity, and inclusion landscape and help shed light on challenges, opportunities, and trends in the DEI space. Data-informed decisions based on the feedback of DEI practitioners will help organizations make progress in this area of work.
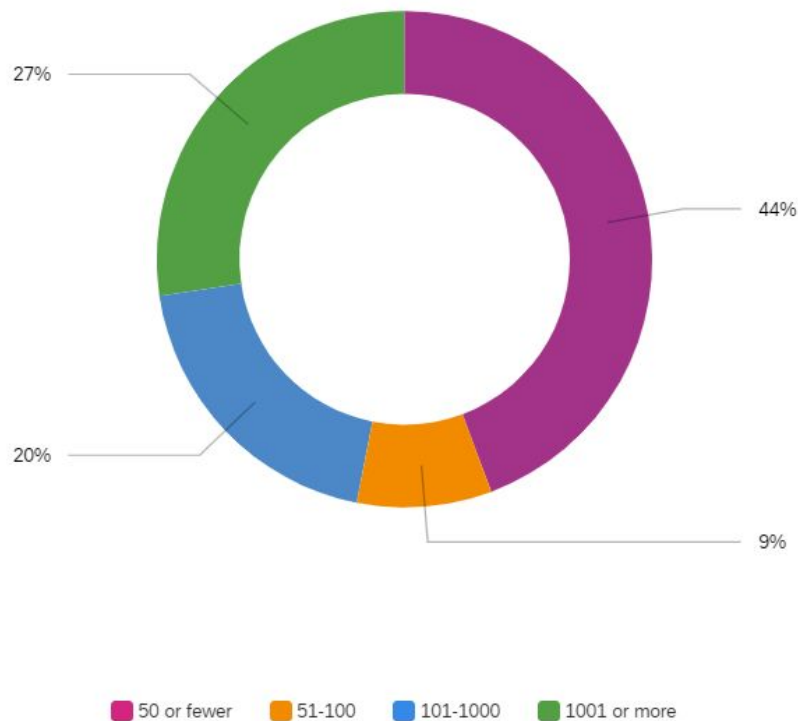
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About Our Respondents

Number of Employees

27%

44%

20%

9%

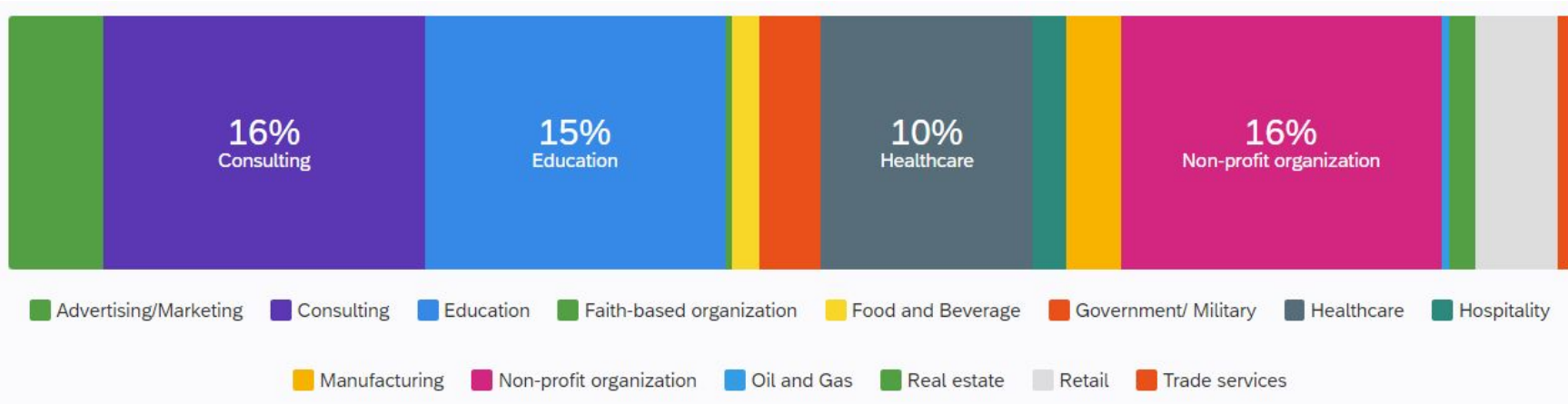50 or fewer   51-100   101-1000   1001 or more

n=388

The invitation to participate went out to thousands of DEI practitioners, and **almost 400 respondents took our survey.** We are grateful to those who answered our call and shared their experience with us. Our respondents represent dozens of industries and work in organizations ranging in size from just a few people to thousands of employees all over the globe.

Moreover, over half of study participants hold senior leadership/executive positions in their organization, and many have Chief Diversity or similar titles.

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About Our Respondents

Industry Representation

16% Consulting
15% Education
10% Healthcare
16% Non-profit organization

Advertising/Marketing · Consulting · Education · Faith-based organization · Food and Beverage · Government/ Military · Healthcare · Hospitality

Manufacturing · Non-profit organization · Oil and Gas · Real estate · Retail · Trade services

n=388

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About Our Respondents

Role in Organization

Role	Percentage
Senior leadership	58%
Managerial role	19%
Non-managerial role	17%
Other	7%

n=388
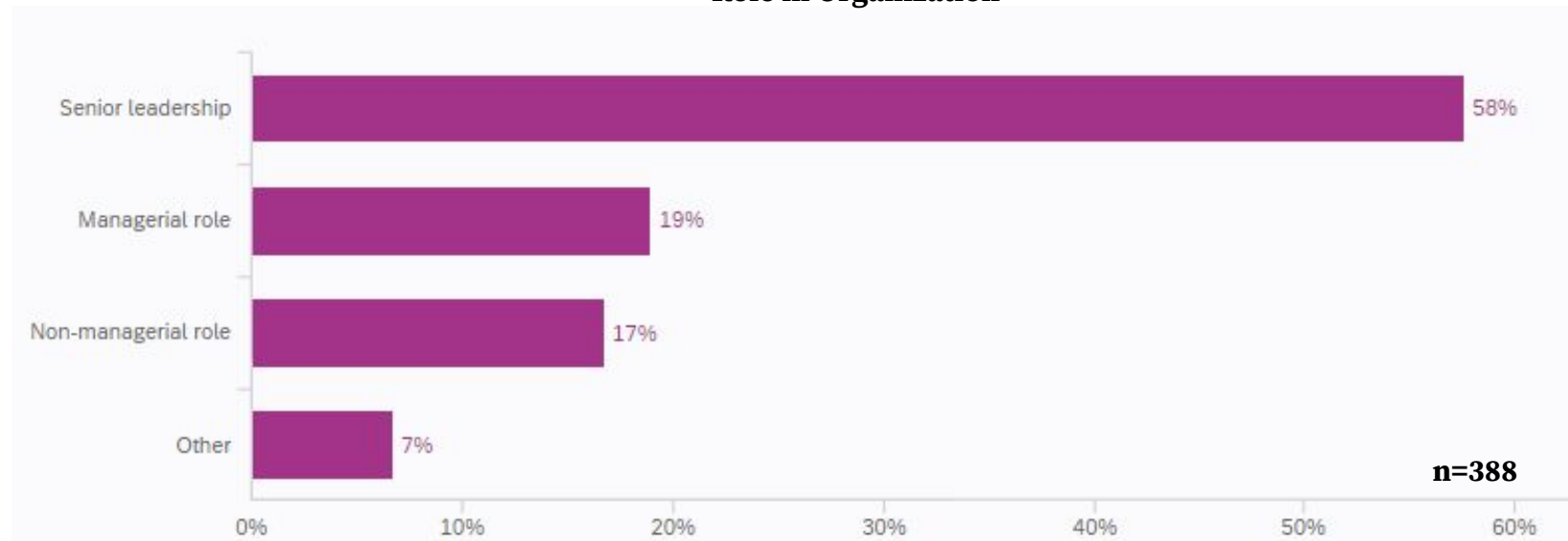
This data represents organizations that already have a DEI practitioner on staff and/or are already engaging in DEI efforts. The metrics would likely look very differently for companies that are just considering engaging with or are minimally involved with diversity, equity, and inclusion initiatives.
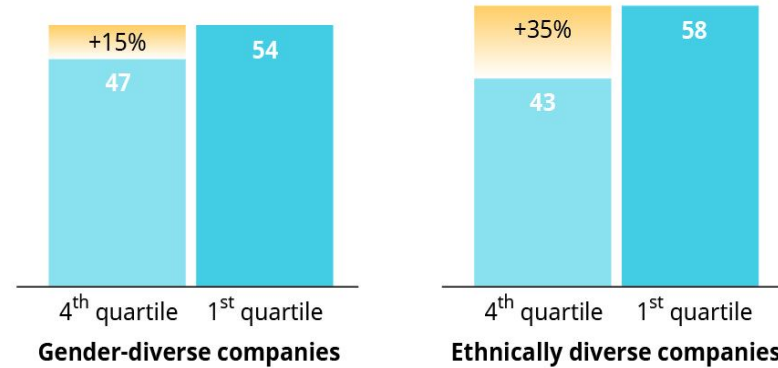
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Global DEI spend continues to grow

There is no denying the important roles that diversity, equity, and inclusion (DEI) play in the workplace, and the influence they have on all aspects of business, from employee engagement and belonging to innovation and profitability. The amount of resources committed to DEI is growing exponentially. The global market for Diversity and Inclusion is estimated at $9.3 billion in the year 2022, and is projected to reach $15.4 billion by 2026.

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DEI has a positive impact on multiple key performance indicators

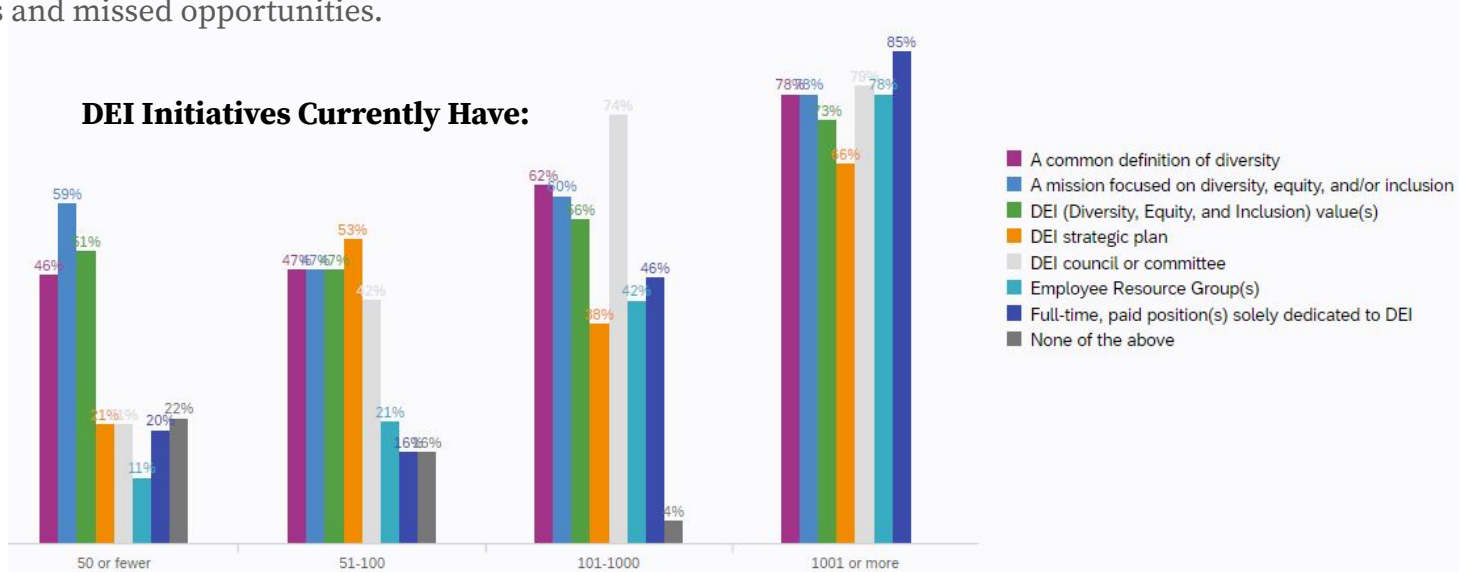**Likelihood of Financial Performance above Industry Median by Company Diversity Quartile**

Gender-diverse companies	Ethnically diverse companies
+15%	+35%
47 (4th quartile) → 54 (1st quartile)	43 (4th quartile) → 58 (1st quartile)

In our own research, we are seeing that organizations that commit to their DEI journey are significantly more likely to improve on multiple key metrics like representation, belonging, and strategic alignment. **Despite concerted efforts, the challenges to DEI in the workplace remain numerous and complex, and the work is hardly complete. A plethora of opportunities remain, and organizations should galvanize all levels of the workforce and engage them in comprehensive DEI initiatives in order to sustain momentum and realize tangible changes.**

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Organizational alignment is the first step on your DEI journey

The DEI landscape remains fragmented, and no two organizations are alike. With so many issues, and so many opportunities to implement DEI initiatives, where do you start? It can be tempting to begin this work with a strong and public commitment to one of the most pressing issues facing us today, such as racial equity. While it is absolutely crucial to identify your organization's stance and commit resources to these problems, **your DEI work should begin with a step many consider trivial or even unnecessary—aligning on the definitions of diversity, equity, and inclusion and defining your DEI goal.** In our research, we found that 4 out of 10 organizations still do not have a DEI-focused mission or an established definition of diversity. While these terms seem intuitive, their interpretation can be highly subjective and personal, leading to wasted efforts and missed opportunities.

DEI Initiatives Currently Have:

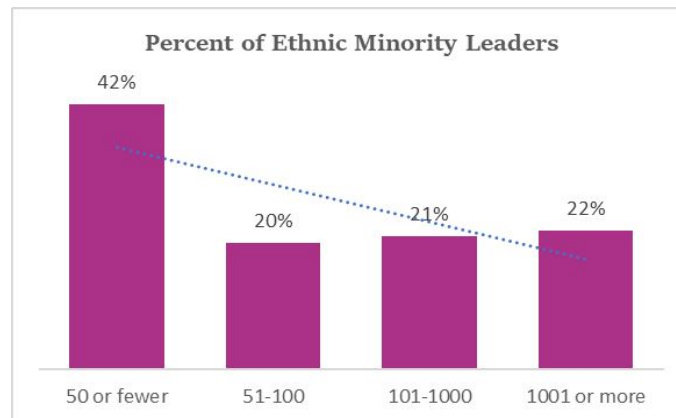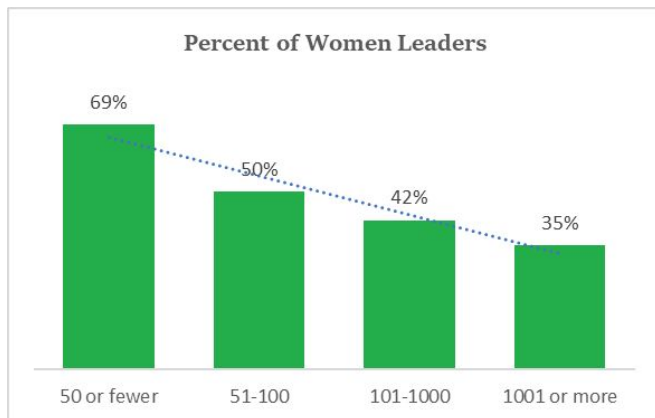|	50 or fewer	51-100	101-1000	1001 or more
A common definition of diversity	46%	47%	62%	78%
A mission focused on diversity, equity, and/or inclusion	59%	47%	60%	78%
DEI (Diversity, Equity, and Inclusion) value(s)	51%	47%	56%	73%
DEI strategic plan	21%	53%	38%	66%
DEI council or committee	1%	42%	74%	79%
Employee Resource Group(s)	11%	21%	42%	78%
Full-time, paid position(s) solely dedicated to DEI	20%	16%	46%	85%
None of the above	22%	16%	4%	

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Despite DEI efforts, much work remains in leadership representation

Representation of women and ethnic minorities in leadership positions can serve as a good indicator of an organization's commitment to DEI efforts. Based on analysis of data from ISS Corporate Solutions, women and minority board members are more likely than white men to **bring experience with corporate sustainability and socially responsible investing, government, sales and marketing, and technology in the workplace** to their boards.
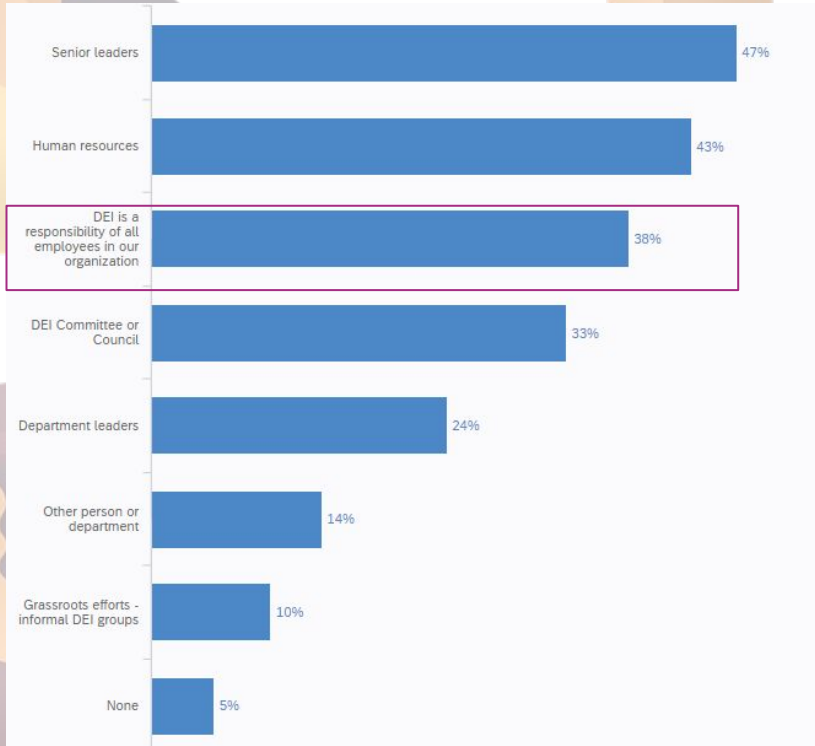
However, progress remains slow - the Fortune Global 500 reported an all-time high of just 23 women CEOs in 2021, including just six women of color. Multiple research studies found that white men still continue to dominate top executive roles, whilst **diverse leaders tend to "hold less influence, have lower salaries and are less likely to be on track to c-suite roles."**

In our own research, the numbers look encouraging at first glance, with the robust 53% of women and 31% of ethnic minorities in leadership positions. However, when we look at the data by size of the entity, we find that **larger organizations still lag behind with a double-digit disparity compared to small and medium organizations.**

Percent of Women Leaders

69% — 50 or fewer
50% — 51-100
42% — 101-1000
35% — 1001 or more

Percent of Ethnic Minority Leaders

42% — 50 or fewer
20% — 51-100
21% — 101-1000
22% — 1001 or more

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All employees should take responsibility for diversity, equity, and inclusion in their organization

Whose Responsibility is DEI?

Senior leaders	47%
Human resources	43%
DEI is a responsibility of all employees in our organization	38%
DEI Committee or Council	33%
Department leaders	24%
Other person or department	14%
Grassroots efforts - informal DEI groups	10%
None	5%

Diversity and inclusion work is often seen as something owned by a particular person or department (most frequently HR or senior leadership). In 2022, only 4 out of 10 respondents said that DEI is the responsibility of all employees in the organization. **While it is imperative that senior leadership and HR empower and promote DEI efforts, we are hoping that more organizations challenge this belief, and embed diversity and inclusion into the everyday life of the company**.

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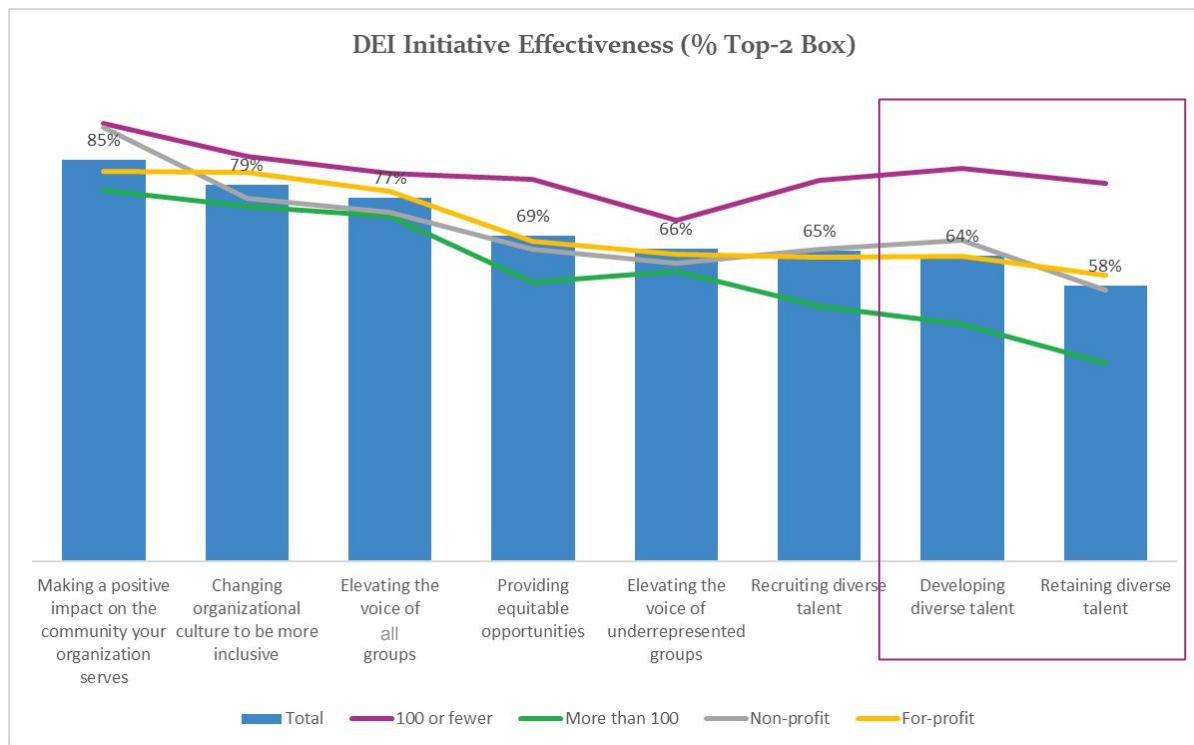# Treating DEI as an afterthought leads to disengagement

However, we want to caution organizations against tacking DEI responsibilities onto your existing employees' daily workload, and especially against implementing the "minority tax"—asking your diverse employees to volunteer substantial time to DEI efforts. **This labor often goes unrecognized, uncompensated, and unrewarded, and syphons time away from personal and professional growth.** The result can be employee disengagement, which may severely undermine your DEI efforts.

Having a dedicated DEI team, holding senior leadership accountable for these efforts, and empowering and encouraging employees to engage in and take responsibility for building inclusive cultures are all key to the success of your DEI efforts.

Smaller organizations are more likely to see the positive impact of DEI initiatives

DEI Initiative Effectiveness (% Top-2 Box)

85% 79% 77% 69% 66% 65% 64% 58%

Making a positive impact on the community your organization serves · Changing organizational culture to be more inclusive · Elevating the voice of all groups · Providing equitable opportunities · Elevating the voice of underrepresented groups · Recruiting diverse talent · Developing diverse talent · Retaining diverse talent

Legend: Total · 100 or fewer · More than 100 · Non-profit · For-profit

When embarking on your DEI journey, it can be difficult to gauge which DEI initiatives have a non-trivial impact. Based on our results, DEI initiatives are especially effective at positively impacting communities and changing organizational cultures, and are least effective at developing and retaining diverse talent.

Generally, smaller organizations are more likely to see the impact of DEI initiatives, especially when it comes to people resources.

Takeaway:

Increasing representation is a great objective, but "chasing numbers" can do more harm than good in the long run. One of the most important pillars of recruiting, retaining, and developing diverse talent is creating inclusive cultures that allow them to be full participants in the life of the organization.
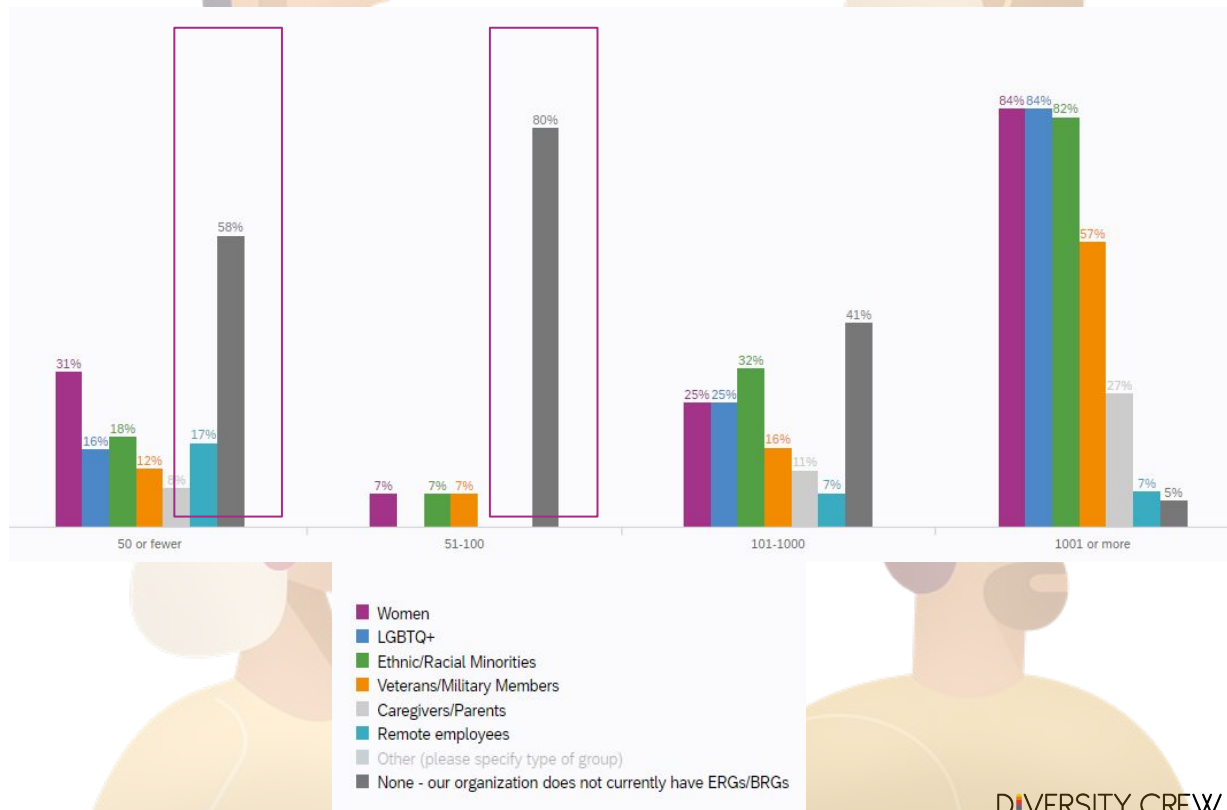
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"Smaller companies don't necessarily need huge initiatives to hire a diverse set of talented people as long as the principles of diversity are part of the culture and leadership."

ERGs are an important tool to grow your DEI efforts

Employee Resource Groups/Business Resource Groups can help you advance DEI work. **ERGs can not only amplify the voices of underrepresented groups, they can also become the catalysts of new recruiting efforts, professional and leadership development, community-building liaison work, culture definition, and more. They can be especially effective at aligning organizational and diversity strategies while providing a myriad of additional benefits.** Larger organizations are more likely to provide these resources to their employees, and a majority of smaller companies (100 or fewer employees) report not having ERGs/BRGs.

ERGs/BRGs

Legend:
- Women
- LGBTQ+
- Ethnic/Racial Minorities
- Veterans/Military Members
- Caregivers/Parents
- Remote employees
- Other (please specify type of group)
- None - our organization does not currently have ERGs/BRGs

50 or fewer: 31%, 16%, 18%, 12%, 8%, 17%, 58%
51-100: 7%, 7%, 7%, 80%
101-1000: 25%, 25%, 32%, 16%, 11%, 7%, 41%
1001 or more: 84%, 84%, 82%, 57%, 27%, 7%, 5%

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Equity is a way for organizations to achieve equality

Organizations involved in DEI often focus their efforts on increasing representation (diversity) and building cultures where employees belong (inclusion). Few dedicate significant resources to the "E" part of DEI—Equity. This is not surprising given that many think of equity in terms of equal hiring practices and compensation. But **equity is a way for organizations to achieve equality** by recognizing that not everyone begins from the same starting point, and taking the needs and struggles of individuals into account when making decisions related to inclusion and workplace diversity. In our study, 1 in 5 respondents stated that equity was not a priority in their organization. **In equity work, it is important to not only identify opportunities and disparities that exist, but also to understand why they exist in the organization and solve for any underlying factors contributing to the disparities.**
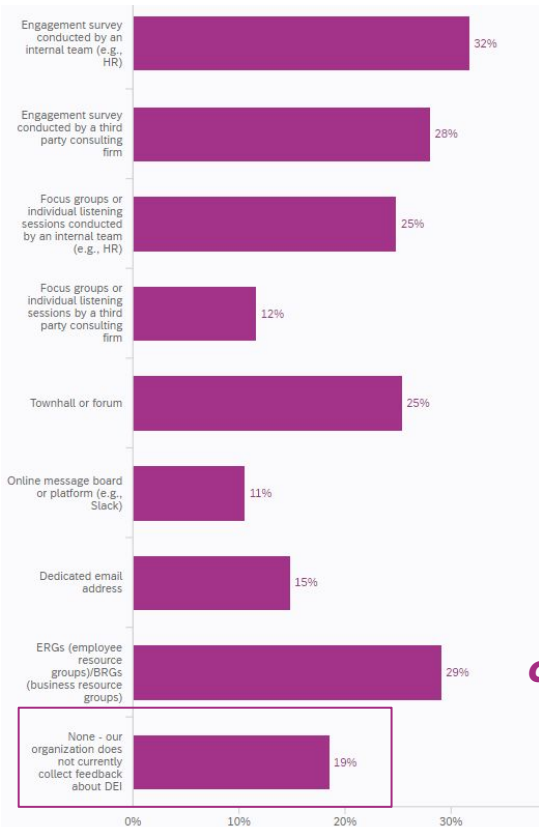

Diversity chart with categories: Diversity of leadership/staff is not a current priority for our organization (7%); We value the idea of diversity and had initial conversations but no initiatives have been devised or implemented so far (15%); We have started initiatives to diversify staff/leadership but do not have strategies or a systematic approach (26%); Diversity is a priority and we have implemented several initiatives to recruit, retain, and develop diverse talent (33%); We have policies and strategies in place to strengthen organizational diversity (20%). Series: Total, 100 or fewer, More than 100, Non-profit, For-profit.

Equity chart with categories: Pay equity is not a priority at our organization (18%); We value the idea of pay equity but do not fully understand how to implement it (15%); We are actively engaged in conversations about pay equity (30%); We have implemented one or more strategic initiatives to promote pay equity (16%); We have conducted pay equity analysis/audit and have policies in place to ensure equitable pay (21%). Series: Total, 100 or fewer, More than 100, Non-profit, For-profit.

Non-Priority   Consideration   Work Begins   Significant Progress   Full Integration

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Data can provide objective pillars for your DEI strategy

How DEI Feedback is Collected

Category	Percentage
Engagement survey conducted by an internal team (e.g., HR)	32%
Engagement survey conducted by a third party consulting firm	28%
Focus groups or individual listening sessions conducted by an internal team (e.g., HR)	25%
Focus groups or individual listening sessions by a third party consulting firm	12%
Townhall or forum	25%
Online message board or platform (e.g., Slack)	11%
Dedicated email address	15%
ERGs (employee resource groups)/BRGs (business resource groups)	29%
None - our organization does not currently collect feedback about DEI	19%

When embarking on your DEI journey, it can be difficult to gauge which DEI initiatives have a non-trivial impact. While true progress in DEI can be complex to measure, one thing is certain: **organizations need to go beyond filling quotas.** Companies are familiar with KPIs (key performance indicators) when it comes to operations or marketing, and data absolutely has a place in your DEI work.

Listening to the voices of your stakeholders and adjusting your initiatives based on their feedback is absolutely essential to achieve diverse, equitable, and inclusive environments. In our research, a vast majority of respondents (4 out of 5) reported having some mechanism for collecting feedback, such as surveys, focus groups, and townhall meetings. **Although only about 1 in 3 do it currently, measuring "soft" metrics—such as belonging, feeling valued, and having a voice—is recommended in order to identify opportunities in organizational culture and building initiatives to address the gaps.**

It is important to keep in mind that when you are incorporating data into your DEI work, you must allow for the possibility that it might disprove existing hypotheses, not just confirm them.
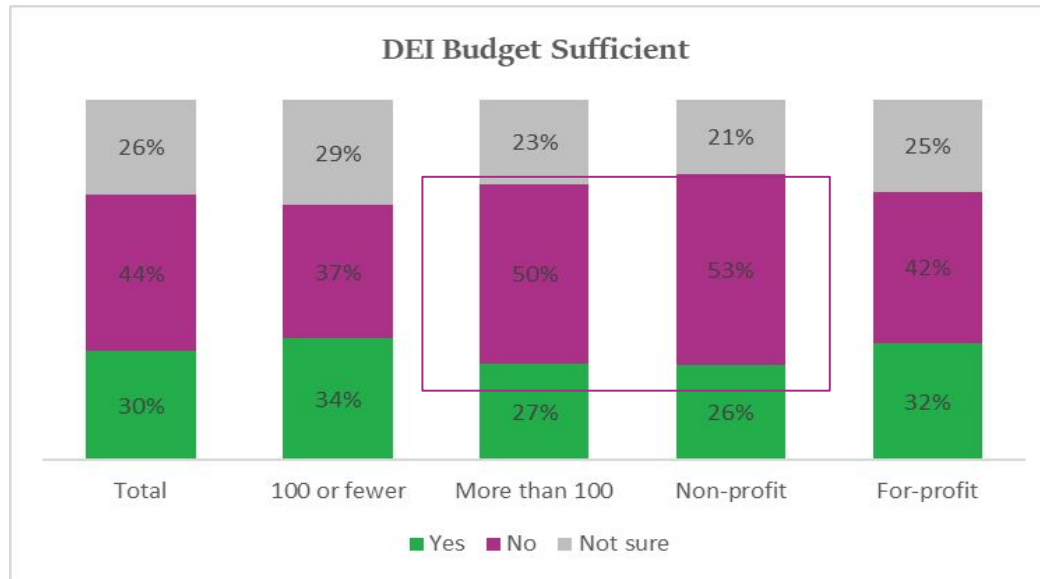
"If there is a true desire to work on DEI initiatives then our organization should take seriously obtaining input regarding the true experiences and feeling of diverse employees."

"*DEI backlash is real, and that would be helpful for folks to understand—what it is and how practitioners are dealing with it, adding to the weight of DEI work!*"

Budgetary concerns remain prevalent in DEI

DEI fatigue is often exacerbated by lack of human and budgetary resources to implement these initiatives. The issue is especially evident in non-profit organizations (likely due to lower overall financial resources) and larger organizations (possibly due to prioritization of other initiatives and goals).

Allocating minimal resources to your DEI efforts can send a message that diversity, equity, and inclusion are not a priority and signal to employees that your efforts are performative rather than genuine. **Resolving DEI fatigue begins with identifying the biggest pain points in your organization and selecting measures that can help counter them. It is crucial that dedicated resources, including budget, are available for your DEI work.**

DEI Budget Sufficient

	Total	100 or fewer	More than 100	Non-profit	For-profit
Not sure	26%	29%	23%	21%	25%
No	44%	37%	50%	53%	42%
Yes	30%	34%	27%	26%	32%

■ Yes ■ No ■ Not sure

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"*DEI work is very challenging and slow moving. As an organization with limited funding and resources, we don't (at the moment) have the ability to bring on a full-time staff dedicated to DEI. Although, this is something that we have begun to consider and will need to prioritize in the upcoming years.* "

DEI Professionals Profile

In our study, respondents held various DEI-related positions such as VIP DEIB, Diversity and Inclusion Officer, CDIO, Global Head of Inclusion and Diversity, and others. Many titles, although DEI-related, did not include the words "diversity," "equity," "inclusion," or "belonging," such as the traditional CEO/Owner/Principal, but also the more unique "Chief Impact Officer" or "Director, People and Culture Development."

Title Includes "Diversity," "Equity," "Inclusion," or "Belonging"

30%

70%
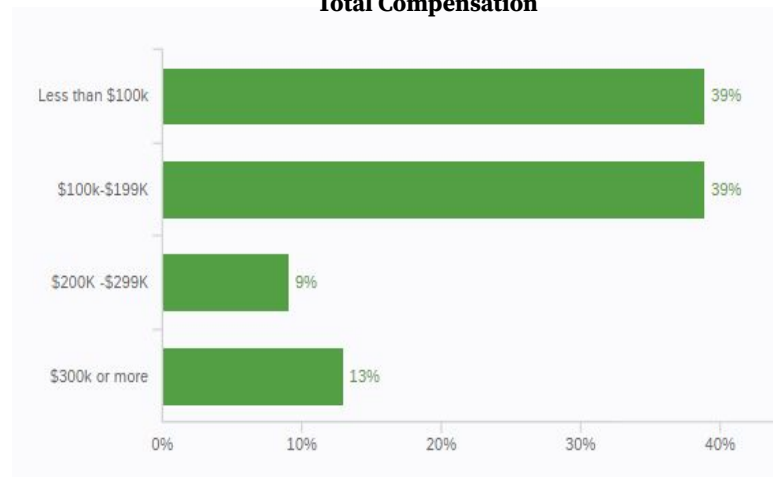
Yes   No

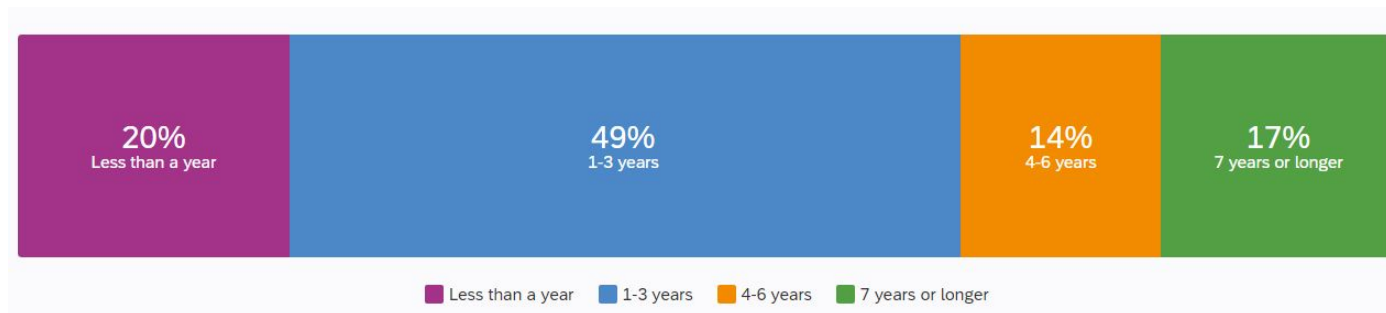DIVERSITY CREW
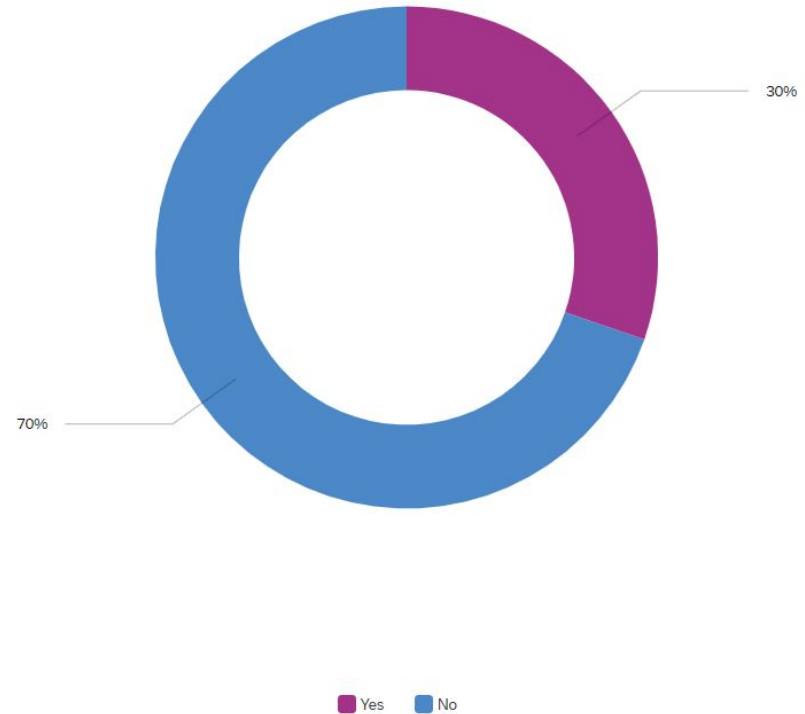
DEI Professionals Profile

The majority of DEI practitioners have been in their current role for over a year, with 17% staying in the position for 7 years or longer.

Only about 1 in 5 makes over $200,000 in their role, with about 40% earning less than $100,000 for their work. Not surprisingly, larger compensation correlates with larger organizational size.

Total Compensation

Less than $100k	39%
$100k-$199K	39%
$200K -$299K	9%
$300k or more	13%

Time in Role

| 20% Less than a year | 49% 1-3 years | 14% 4-6 years | 17% 7 years or longer |

Less than a year · 1-3 years · 4-6 years · 7 years or longer

Want to Connect?

Engaging Diversity Crew is an **investment in expanding your organization's DEI efforts**. Our proven client engagement process is designed to help leaders and organizations who want to **proactively understand and address DEI**, both in their organization and in the community where the organization is working.

Our DEI practitioners meet organizations where they are and move them forward in DEI through:

- **Research/ Strategy**
- **Consulting**
- **Coaching**
- **Training/ Speaking**
- **And more!**

Contact us today and get started!

O: 469.209.5113

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