

RESEARCH REPORT



# The ABCs of Chief Diversity Officers:

**ALIGNMENT, BURNOUT, AND CULTURE**

DEI Executives Share  
Their Challenges &  
Aspirations for the Future

This report is dedicated to all the Chief Diversity Officers and other professionals who have labored tirelessly to advance equity, diversity, and inclusion at their organizations.

*We recognize the incredible persistence and resilience required to do this critically important work. Even amid moving goalposts, varying stakeholders, political backlash, and increasing amounts of responsibility, CDOs and DEI leaders continue to pave the way for a more inclusive future for all. May this report serve as a call to action to lift up their work and to support them — and their wellbeing — as they press on as workplace changemakers. They're doing some of the most important work of our time.*



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# Introduction

Today, the role of the diversity, equity, and inclusion (DEI) executive is at a critical crossroads.

In an ever-changing professional and political environment, DEI officers are under pressure as their mandates and goals — and even the terms used to discuss those things — are shifting. They feel pulled in multiple directions. Younger workers and non-dominant groups are demanding they show more meaningful DEI progress. And at the same time, opposition to diversity & inclusion initiatives is growing more vocal, and the very existence of their positions is under fire. DEI has increasingly become a part of national political debates, with wide partisan differences emerging about it, particularly at work.<sup>1</sup>

It wasn't always this way. Back in 2018, about half of S&P 500 companies had invested in hiring a Chief Diversity Officer (CDO) or other similar role to spearhead their enterprise DEI initiatives.<sup>2</sup> Many more did so in 2020, following a groundswell of public support catalyzed by George Floyd's murder in May of that year — with a 55% spike in job openings for DEI-related roles that summer.<sup>3</sup> The CDO was the C-suite title with the fastest hiring growth in 2020 and 2021, according to LinkedIn.<sup>4</sup>

Since then, an unprecedented number of companies across the U.S. have focused their attention, communications, staffing, and funding priorities on DEI.

**This surge of support was driven not only by what is morally right, but also in response to customer and employee demands.** In the summer of 2020, more than 60% of the U.S. population indicated that companies' responses to racial justice protests would influence their decisions to buy or boycott brands in the future.<sup>5</sup> Over 2/3 specifically called for organizations to address root causes of inequities, with even higher percentages among Gen Z and Millennial customers.<sup>6</sup> Across generations, employees reported that they expected their leaders to publicly address racial equity issues.<sup>7</sup> Many companies responded to the call, as corporations collectively pledged a total of more than \$7.8 billion dollars to support racial equity efforts in 2020–2021,<sup>8</sup> and three-fourths of Fortune 100 companies released a public statement addressing George Floyd's murder.<sup>9</sup>

“Chief Diversity Officer” was the C-suite title with the fastest hiring growth in **2020–2021.**

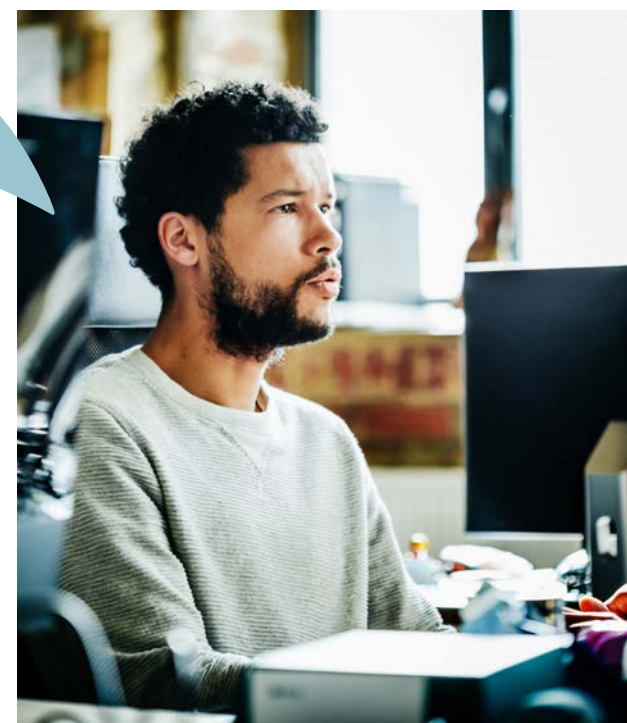
**Certainly, some of those investments have paid off.** For instance, in 2023, a large majority of the U.S. workforce (78%) said it's important to work for an organization that prioritizes diversity & inclusion, and nearly 70% reported they recognize DEI as critical for their organizations' success.<sup>10</sup>

About 6 in 10 American workers said their company has policies in place to support DEI — such as ensuring fairness in hiring, pay, or promotions — and more than half said they have trainings or meetings around diversity & inclusion at work.<sup>11</sup> All this feels like progress and is a testament to the diligent collective efforts of CDOs and their work toward improving organizational cultures, diversifying talent practices and processes, and building critical connections with other strategic decision-makers at their companies.

**But many DEI initiatives are now experiencing a pullback.** Economic pressures — which led to widespread layoffs in 2022 and 2023 across some sectors — caused significant cuts in DEI positions and funding. CDOs and similar titles have experienced a nearly 40% churn rate at companies engaged in layoffs, as compared to about 24% for non-DEI roles.<sup>12</sup>

Attrition rates are also far higher among DEI executives than those in other roles, with that disparity only growing in recent months. For those who still *have* jobs, many CDOs and DEI professionals today are being asked to do more, but with fewer employees and even less organizational funding and support than they had before. Others are experiencing a de-prioritization of their initiatives and a sense that their role is just to “check a box for diversity.” Some are being openly questioned about the value of prioritizing DEI at their companies, in light of potential political backlash.

CDOs and similar titles have experienced a nearly **40% churn rate.**



**We know these things because CDOs told us so.** In late 2022, we conducted research with DEI executives across the country and hosted a summit for them to engage in dialogue with us and each other. We listened as they opened up about their perspectives, challenges, and aspirations for the future. They shared their organizations' levels of investment in DEI and their personal experiences as enterprise diversity leaders. Their input confirmed what we've all been hearing: *The CDO role often doesn't have the support it needs to fully realize sustainable DEI change.*

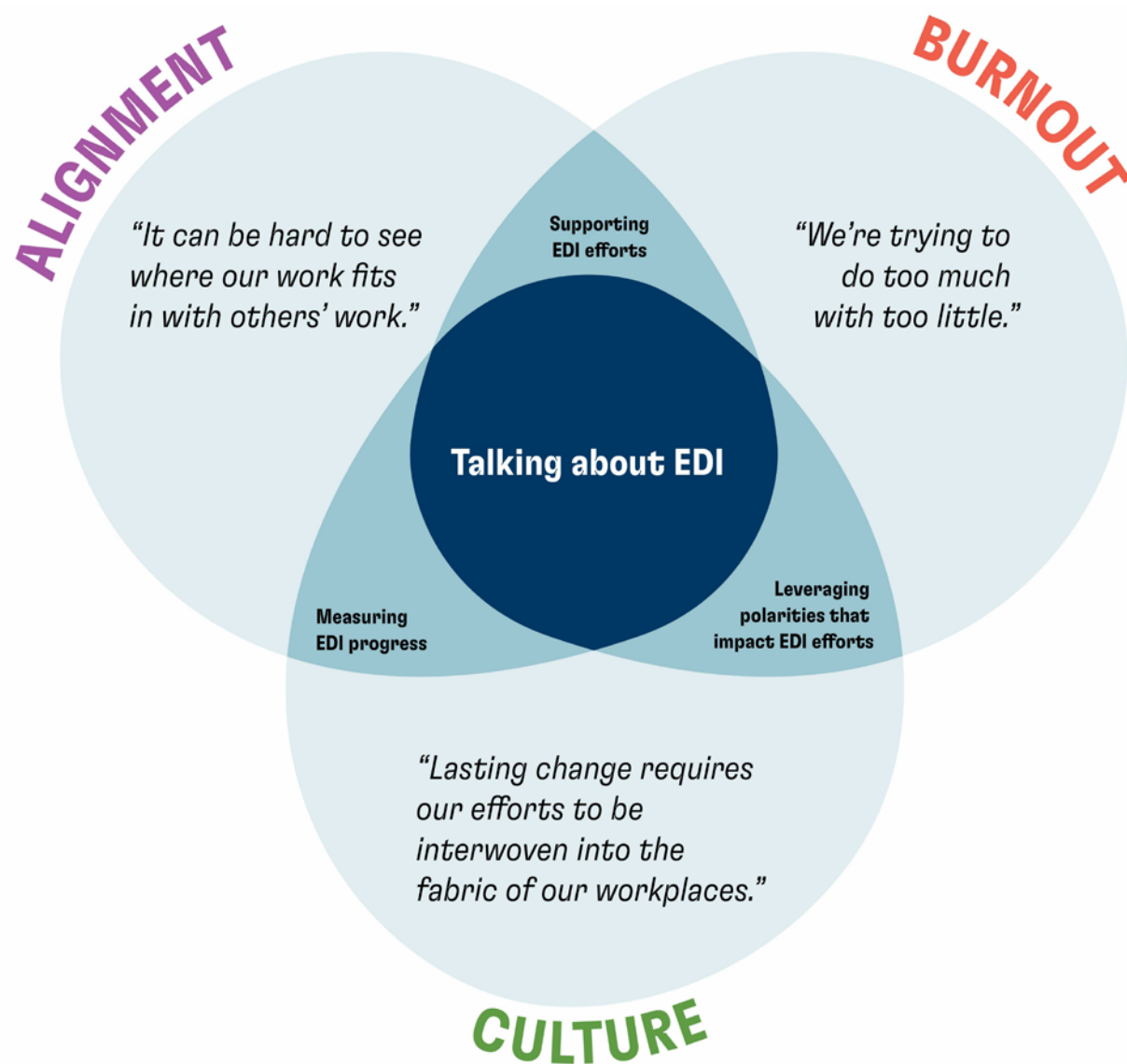
**Yet despite this shifting landscape, all hope is not lost.** CDOs shared wins with us too. Though there's more work to do, they've made headway at their companies, and they celebrated progress as well. In the past few years, significant strides have been made at many organizations in terms of building and executing meaningful diversity, equity, and inclusion strategies. Senior diversity executives who are given appropriate levels of authority and organizational support are making an impact. And many companies are choosing to continue to prioritize diversity initiatives because evidence indicates it's better for business — for driving higher employee engagement, retention, collaboration, creativity, and customer responsiveness, to name a few — and it's also the right thing to do.

**Lasting DEI change requires organizations to make substantive, sustained investments that support the work of DEI professionals.** In this report, we offer insights from these CDOs, grouped into themes according to where they told us they struggle most: *getting organizational **alignment**, preventing personal **burnout**, and building committed **cultures**.* From their experiences and aspirations, we can learn how to create more diverse, equitable, and inclusive workplaces.



## THE ABCS OF CDOs: CHALLENGES & ACTIONS

CDOs told us their challenges center most around getting organizational **alignment**, preventing personal **burnout**, and building committed **cultures**.



## ABOUT OUR RESEARCH

This report provides a summary of our research with approximately 60 senior diversity & inclusion executives from across the United States — spanning nearly every sector, including finance, retail, healthcare, energy, and telecommunications. To ensure we were hearing from those leading the charge, each of our interviewees was the primary, most senior person responsible for their enterprise's work around diversity, equity, inclusion, and belonging.

We conducted both qualitative and quantitative research with these leaders via online surveys and interviews, and also brought them together at an in-person summit. At that event, senior diversity professionals from 18 companies in the Fortune 1000 joined us, including one of the largest U.S. automotive manufacturers, a \$15B agricultural cooperative, a global investment firm, a regional hospital network, a major management consulting firm, and more.

### ESTABLISHING A BASELINE

To get a directional picture about the current state of the diversity function and gather benchmarking data about typical organizational structure and investments in it, we asked CDOs to tell us about their roles, how long they had been in their positions, and how their companies refer to DEI work.

We also asked them to share where the function is housed within their organizations and how their roles and departments are funded.

Here's what we learned.

### Tenure

**Most diversity leaders are new in role, and new to their organizations, too.** Median tenure in the role was about 2 ½ years. Average length of experience working in EDI was 8 years, though some had as little as a couple of months or as much as 30+ years in the space.

Many were new to their companies and hired specifically to lead their organization's diversity efforts, but others had been with their company for more than 3 decades.

### Terminology

**The most common name by far is DEI, but many other terms are used for this work, too.** Each organization has its own acronym and emphasis for diversity & inclusion work. At the Center for Creative Leadership, we prefer to use "EDI."

### Senior Executives Leading Enterprise EDI:

# 2.4

MEDIAN YEARS OF  
TENURE IN ROLE

# 8

AVERAGE YEARS  
OF EXPERIENCE  
IN EDI



## THE TOP CHALLENGES OF CDOS

According to EDI function leaders, their biggest challenges were around these issues:

### Creating and Maintaining Buy-In

- Balancing expectations for quick action with investing in the long-term work required for meaningful change
- Changing EDI-related behaviors and actions (not just beliefs or motivation)

### Instigating and Fostering Change

- Standing up EDI strategy and/or function as a newer organizational area of focus
- Translating strategic goals into practice: policies, processes, performance, etc.
- Navigating internal EDI efforts within shifting political and social ecosystems
- Fostering shared accountability for EDI activities and objectives

### Managing Structure and Resources

- Insufficient investment in EDI, relative to the expectations and objectives
- Authority, either unclear or lacking, to carry out desired strategies and actions
- Determining optimal organizational reporting structure for EDI activities
- Counteracting burnout of EDI personnel and leaders

**Factoring in what CDOs ranked highest in importance and urgency, their top 10 challenges are mostly issues of alignment and culture, but in combination, all point squarely at burnout:**

1. Conveying the importance of EDI to middle managers. (Alignment)
2. Integrating EDI into the organization's DNA. (Culture)
3. Changing EDI-related behaviors and actions. (Alignment)
4. Translating strategic goals into practices, policies, etc. (Culture)
5. Achieving alignment and commitment to EDI outcomes. (Alignment)
6. Conveying the importance of EDI to the frontline workforce. (Alignment)
7. Recruiting/retaining underestimated or underrepresented employees. (Culture)
8. Fostering shared accountability for EDI activities and objectives. (Alignment)
9. Lack of benchmarking data/cross-company insights. (Culture)
10. Lack of clarity on how to measure impact of EDI efforts over time. (Alignment)

### A Note on DEI & Related Terms

While “DEI” is widely used and understood to describe diversity, equity, and inclusion initiatives, organizations may choose to elevate the role of other concepts like belonging, justice, and allyship in their names and work. Through our research with CDOs, we even heard names and acronyms that centered on outcomes that arise from prioritizing DEI, such as:

- **DEIB:** Diversity, Equity, Inclusion & Belonging
- **IDE:** Inclusion, Diversity & Engagement
- **IDEAS:** Inclusion, Diversity, Equity, Allyship & Storytelling
- **JEDI:** Justice, Equity, Diversity, & Inclusion
- **RIDE:** Results through Inclusion, Diversity, & Equity
- **EDI:** Equity, Diversity & Inclusion

**At CCL, we prefer to use the term “EDI” over “DEI” because it places equity first.**

Our perspective is that diversity & inclusion initiatives are most effective within a culture that prioritizes and builds upon a foundation of equity.





# Alignment



## ALIGNMENT

*“It can be hard to see where our work fits in with others’ work.”*

After George Floyd’s death in 2020, the work of EDI started in earnest for many companies. At the beginning, organizations were aligned around a shared goal: fostering more diverse and inclusive workplaces. Most invested time, energy, and resources to support EDI efforts, some building initiatives from the ground up and increasing EDI-focused headcount. At first, many CDOs felt supported and focused on that shared goal.

**What most of them quickly discovered, however, was less organizational alignment around EDI than there had originally seemed to be.** Stakeholders didn’t necessarily agree on tactics, goals, objectives, or ways of measuring of progress. Decision-making authority and mandates were often vague — and when expectations aren’t clear and there isn’t agreement on what everyone should be trying to achieve, success is difficult to define. Here’s what CDOs told us about their challenges around alignment.

## ORGANIZATIONAL STRUCTURE

**Success for the diversity executive and the EDI function is very dependent on senior-level support, yet the function is most commonly housed within HR.**

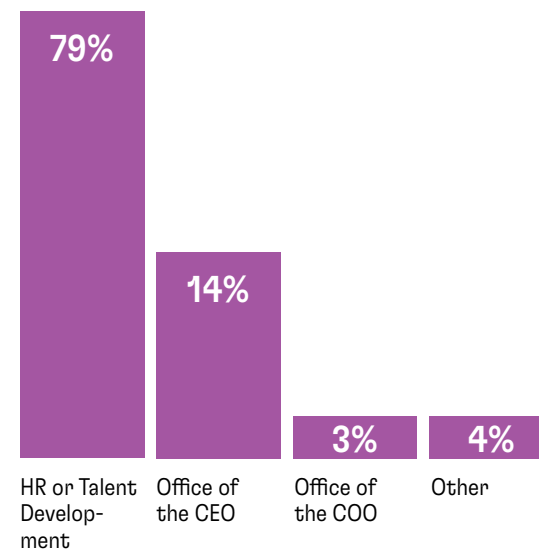
According to our research, nearly 80% of EDI leaders report into Human Resources or People/Talent Development. Only 14% said they report to the C-suite.

But a senior EDI officer with a direct line to the CEO signals that the company is serious about its diversity initiatives and often provides the impetus needed to and foster widespread adoption of efforts. To illustrate the power of proximity to the CEO, one CDO we talked with at a large restaurant company shared:

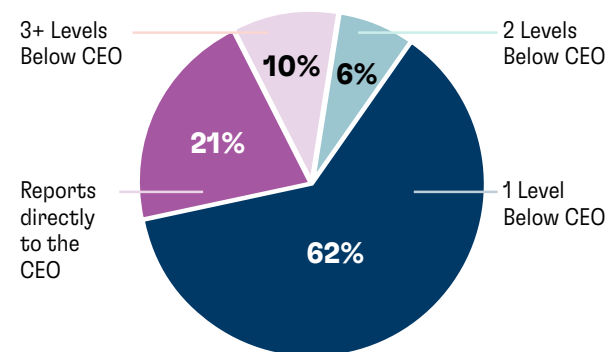
*“The business sees DEI differently when it reports it to the CEO. I say something, and people know I report to the CEO, which means I’m likely having one-on-ones with him on a regular basis, and I’m sharing what’s going well — and what’s not. Nobody wants to be on the opposite side of that... It mitigates some of the pushback.”*

One way to foster greater alignment would be to consider changes in organizational reporting structures to elevate the enterprise EDI function in terms of proximity to the CEO.

### Organizational Home for the EDI Function:



### Proximity of the Function to the CEO:



## OUTCOME CLARITY

As the saying goes, “what gets measured gets managed.”

**But for CDOs, it can be difficult to quantify what success really looks like, as a wide range of Key Performance Indicators (KPIs) are used to measure EDI initiatives.**

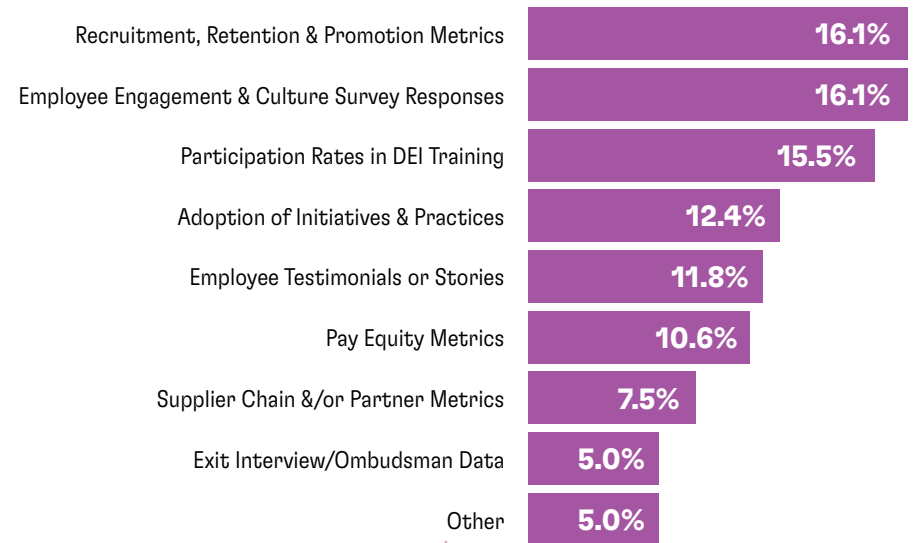
The metrics that diversity & inclusion executives told us they were reporting on as indicators of success ranged greatly — from recruitment, retention, and promotion metrics; to internal policy adoption rates; to employee engagement and culture survey responses; to participation rates in, or even revenue generated from, providing DEI training. This array reflects the reality that CDOs are trying to make headway on many fronts at once, and may have to factor in the interests and expectations of many different stakeholders.

Like all leaders, CDOs must align with others to achieve outcomes. Many typical CDO responsibilities require close collaboration with other functional leaders and strong partnerships with other departments across the organization. Thus, part of the CDO’s alignment challenge is very similar to what executives heading other business functions face: the need to address the concerns of many different types of stakeholders and measure impact in lots of different arenas.

**But making progress is uniquely challenging for CDOs because of the wide variety of differences in stakeholder needs — and the fact that the work of stakeholder alignment is never done.**

Stakeholder needs are constantly evolving, and vary based on geographies, leader levels, demographics, and external accountability measurements — as compared to other functions that are more stable and established, such as Marketing or Legal.

## Leading KPIs Use to Track Progress & Show Impact:



### “Other” metrics included:

- Employee Resource Group participation
- Continued investment into our department
- Revenue generated from providing training
- Foundation/community funding support

One of the key challenges that EDI executives spoke about was getting buy-in from middle managers and other functional leaders. Other notable challenges they mentioned included changing EDI-related behaviors and actions (not just beliefs or motivation) and fostering shared accountability for EDI activities and objectives. Behavior change is hard, the work of influencing others isn't usually quick or easy, and messages must be tailored for different audiences.

As our Vice President of EDI, Michael DePass, notes, ***“The core issue is that for CDOs, alignment isn't fixed; it's dynamic. You can't do something once, and expect it to just be done. Alignment challenges are ongoing, and they're coming from all over. CDOs are having to deal with the reality of all the differences, people needing different things, responding to different things, being motivated by different things.”***

This dynamic, shifting ecosystem makes it hard to stay on track: “At the same time, boards, senior leaders, and rating agencies want consistency.

They want to know ‘the plan’— and they're expecting a kind of linear process.” But the journey is often winding and contains loops. Sometimes EDI leaders find themselves doubling back again to revisit discussions and rehash decisions with stakeholders.

“Your work — and even your job — is never secure or settled,” adds Stephanie Wormington, our Director of Global Strategic Research and member of our EDI practice. “It requires constant monitoring and adaptation. You have to constantly check — and recheck — and then check again that everything and everyone is aligned to meet your goals.” Being aligned on what outcomes are most desired and expected can make progress easier.



## TAKING ACTION: CREATING ALIGNMENT

**Ultimately, alignment is a steel thread through many of the challenges that CDOs face.** This reality is felt daily, through their efforts at generating and maintaining stakeholder buy-in; fostering shared accountability for EDI activities and objectives; and influencing others to carry out desired strategies and actions.

**The reality is that leadership isn't just about individual leaders and their capabilities — it's a social process** that happens in the interactions and exchanges among people with shared work, as outlined in our Direction-Alignment-Commitment (DAC)<sup>TM</sup> framework.

**DAC can provide leaders with guidance on recognizing and addressing alignment issues.** DAC considers what it takes for individuals to willingly and effectively combine their efforts to produce collective results, together. This framework directly translates to the work of EDI professionals, as it promotes the idea that leadership is a social process that revolves around mutual influence.

When alignment is present and happening, interested parties are clear on their responsibilities, they understand how their work fits well with others' work, and people who perform different roles or functions still feel organized and coordinated. When it's lacking, organizations are plagued by duplicated efforts, groups competing, and leaders feeling isolated.

EDI leaders can identify ways to foster more alignment at their organizations by reflecting and asking themselves the following questions:

- *Are employees able to connect the implications of this initiative to their own work?*
- *Do I need to meet more regularly with peers to prioritize work?*
- *Are clearer accountability structures needed?*

### **The DAC Model for Effective Leadership, Explained**

Whether within a team, workgroup, task force, division, department, community, or an entire organization, there must be a clear sense of shared Direction, Alignment, and Commitment, or DAC.

The group needs agreement about its direction and what the members are trying to accomplish together; they must have alignment for effective coordination of the work in service of their shared direction; and members must have commitment to prioritize the success of the collective. These are the outcomes of leadership.<sup>13</sup>



# 2 Burnout

# BURNOUT

*“We’re trying to do too much with too little.”*

Alignment is far from the only challenge facing CDOs. With most leaders now a few years into their roles, there’s another significant hurdle to creating sustained EDI changes: the issue of burnout. Coupled with the array of challenges everyone faced during the COVID pandemic, there’s a good reason that burnout was named an occupational phenomenon by the World Health Organization.<sup>14</sup> It has been highlighted as a crisis across the globe.<sup>15</sup>

**CDOs often feel under-resourced and over-committed in their roles — that they’re being asked to do too much with too few resources.** According to research, burnout is partially a result of unsustainable workload and emerges from a lack of supportive communities.<sup>16</sup> So it’s no surprise, then, that burnout arose as a theme across many of our conversations with senior executives leading their organization’s EDI initiatives — as those two things are often exactly their reality.

## RESOURCING

**Staffing is inconsistent, and not proportional to organizational size —** which may make driving diversity & inclusion for the enterprise feel like a very big task for a very small few.

We found no meaningful correlation between full-time headcount for EDI work and an organization’s size, in terms of its number of employees, nor its annual revenue.

Here are just a few examples to illustrate the range of experiences: One CDO we spoke with was at a company with revenues of nearly \$20 billion and 140,000 employees, yet was the only employee solely focused on EDI work. In contrast, another organization with around \$8 billion in annual revenues and 30,000 employees had a dozen people committed to EDI work.

We learned that many massive companies had an enterprise EDI team of fewer than 5 people, with the median number of full-time employees (FTEs) dedicated to EDI being just 4. One can imagine that trying drive substantial, enterprise-wide change across a billion-dollar company with thousands of workers might feel somewhat daunting to a small handful of employees leading the charge.

**4** MEDIAN NUMBER OF FTES DEDICATED TO EDI

### Representative Examples of Wide Variance in Level of Investment in EDI:

COMPANY A

**\$8B**

ANNUAL REVENUE

**30,000**

EMPLOYEES



12 FTES FOR EDI WORK

COMPANY B

**\$20B**

ANNUAL REVENUE

**140,000**

EMPLOYEES



1 FTE FOR EDI WORK



**Likewise, organizational funding for EDI budgets is all over the board.** Although the median investment for enterprise EDI work was \$350,000, or about \$32 for every FTE, the amount spent again varied greatly across companies. Some organizations allocated as little as \$4 per employee for EDI, while others budgeted as much as \$300. On average, enterprise EDI initiatives received just \$57 in funding for every \$1 million of a company's annual revenue.

**In addition to operating with limited resources, CDOs also shared that they're typically juggling more than 10 responsibilities.** They reported being tasked with addressing diversity, equity, and inclusion in everything from talent recruitment, retention, and promotion; to supply chain diversification; to internal education and capacity development. Other common responsibilities include EDI strategy and implementation; standing up and supporting Employee Resource Groups (ERGs); internal and external EDI communications; measurement and reporting for EDI initiatives; policy review and revisions; and advising executive teams on EDI-related topics.

Several CDOs described their day-to-day work as feeling like an endless to-do list, one that constantly grows with new tasks or changes to others once they've been addressed. Many CDOs expressed their ongoing challenge of prioritization and time management — when so much is expected of them, it becomes difficult to know where to focus first.

**The resulting exhaustion and burnout is reflected in retention rates.** Attrition rates for EDI-related roles are far higher than for non-EDI roles, and that disparity continues to grow.<sup>17</sup>



On average,  
EDI initiatives  
were funded  
at a rate of  
**\$57**  
for every  
**\$1M**  
in company  
revenue.

## A NEED FOR COMMUNITY

Fostering a supportive and engaged community is another burnout-related challenge CDOs consistently face. Sensing a lack of respect and urgency on the part of other leaders, the C-suite, or the board can be discouraging. Likewise, it can be draining to feel you must constantly be pulling others along, while at the same time trying to keep up your own motivation.

**Indeed, leaders of this function report they feel responsible for keeping their entire organization motivated at every level.** As DePass notes, “To actually move the culture towards EDI, people have to want to do it. But the CDO feels the burden of getting people to want to do it. Even if they have the money, even if they have the staff, they still struggle.”

An ever-shifting focus further complicates the tasks of CDOs. “It’s really hard to motivate people towards constantly changing goals and objectives,” says Wormington. “It’s very difficult to convince people that this work is worthwhile when it can feel so heavy and polarizing.” For example, the global head of diversity & inclusion at a business process technology company told us that one of the things he found out quickly when he started is that EDI and the business cannot live separately — and yet he’s constantly worried that talking about diversity & inclusion too much will turn people off to the concept and the work:

*“We have to ensure that we are integrating these concepts into the way that we operate. So that integration is one thing that’s really keeping me up at night ... But the other thing is just fatigue,” he says. “It’s hard work getting people to engage emotionally in this work.”*

**This may be why EDI efforts are often more focused on individual change, rather than organizational fluency — which makes progress even more difficult to track and measure.** After all, it isn’t always easy to talk about issues related to equity, diversity, and inclusion. Getting people to create space to listen to others and communicate honestly and authentically about these subjects can be difficult. EDI is deeply personal; everyone brings their own experiences and perspectives to it.

The head of equity, diversity, and inclusion at a large construction and infrastructure consulting firm noted that CDOs may feel the weight of asking others in the organization to have difficult conversations that feel uncomfortable. This can contribute to a sense of burnout as well. However, she observed, it doesn’t have to:

*“You’re doing your job properly when you don’t feel comfortable,” she explains. “As an executive, you need to embrace that discomfort, because when you’re doing your job properly you need to ask very difficult questions that people sometimes don’t like being asked.”*



“It’s hard work getting people to engage emotionally in this work .”

## TAKING ACTION: MITIGATING BURNOUT

**Surprisingly, although burnout is an overarching theme that underlies in all the major challenges faced by CDOs, it did not necessarily surface in conversations with them as a main concern.** Rather, it emerged as central given everything else they raised. We hypothesize that this is because it felt easier for them to focus attention on external factors, rather than share about their personal struggles as individuals. Or perhaps they didn't emphasize burnout as much because it's viewed (unfortunately and tragically) as to be expected in their roles. And most of all, it may be because they felt such a strong sense of purpose in their work.

**Even when diversity & inclusion executives don't expect more budget or additional headcount in the near future, they still often feel motivated because of a connection to purpose.** And indeed, having a strong sense of purpose in work is helpful, as it's the first of 6 components of wellbeing at work. Purpose starts with recognition — it's key for individuals to be able to identify which parts of the job are most meaningful and energizing for them. So, connecting with their purpose in work is a good start.

**CDOs who are driven by a strong sense of purpose have a foundation upon which to build wellbeing — but importantly, purpose alone is not enough to prevent burnout.** While it's certainly beneficial to feel a deep personal connection to their work, that cannot replace other supportive practices for individual wellbeing.

Too great a focus on purpose may lead EDI leaders to deemphasize their own personal needs in favor of advancing the good of the collective. But a burned-out leader is not likely to be successful at driving forward organizational culture change for EDI. So CDOs shouldn't overlook the other components of wellbeing like building connections, increasing health, bolstering resilience, etc., which will enable them to function at their best. Prioritizing their own wellbeing can serve the greater EDI cause in the organization, and leaders can reflect on this by asking themselves questions like:

- *Which of my responsibilities feel most aligned to my sense of purpose?*
- *Do I focus enough on my own wellbeing? Does our team and organizational culture encourage employees to focus on their own health?*
- *How can we support one another in prioritizing what's most important?*

### The 6 Components of Wellbeing

- |            |           |               |
|------------|-----------|---------------|
| 1. Purpose | 3. Health | 5. Connection |
| 2. Growth  | 4. Agency | 6. Resilience |

When leaders focus on all 6 of these things, they're prioritizing wellbeing for both themselves and others — and it impacts not only their teams, but the culture of the wider organization, as well.<sup>18</sup>



A large, teal-colored abstract shape in the top right corner of the page, resembling a stylized arrow or a geometric form with a pointed tip and a rounded base.

3

Culture

## CULTURE

*“Lasting change requires our efforts to be interwoven into the fabric of our workplaces.”*

A third reality facing CDOs is that making progress on EDI is very culture dependent.

**To foster sustained change, it’s critical that the values of equity, diversity, and inclusion are woven into the very fabric of the workplace.** Creating a more equitable and inclusive culture can be challenging, and takes time to build. CDOs cannot do it overnight, and they cannot do it single-handedly. Their colleagues at every level must be willing to engage, and their companies must make significant investments over time.

Culture change isn’t easy, but may be bolstered by determining strategic priorities, re-evaluating policies, establishing a common language around EDI, and normalizing how employees talk to one another and collaborate together. The work is not a one-size-fits-all, and a close alliance between the C-suite and the CDO is critical.

## STRATEGIC PARTNERSHIPS

**This work requires strategic partnerships both inside and outside the organization.**

“Culture is about influence, and it’s about ownership,” DePass says. “And it’s about customizing about the message to work within the context of different functions and their ‘mini’ cultures.” He describes CDOs as needing to be “detectives of culture” — able to notice smaller microcultures within the larger organizational one, and work to shift them all together, “moving cultures within cultures.”


We heard lots of stories along these lines from CDOs we interviewed. For example, a senior vice president and CDO of a large broadband provider told us of her organization:

*“We get pretty good executive leadership support. Our biggest challenge at this point is scaling our efforts and then beginning to build that level of understanding within additional levels of leadership, so that they can also help us move the needle forward.”*

She shared that her company and its 20 EDI executives are succeeding because EDI isn’t siloed — everyone in the company is involved in working toward equity.

*“We’ve had a series of conversations with members of our HR organization and just want to make sure that they understand their role to ensure that diversity & inclusion isn’t something that should be thought about as separate and distinct from anything else,”* she says.

She also credits a growing number of peer-to-peer groups within the organization and ongoing ties with external EDI consultants and civil rights leaders as part of their success at creating a roadmap and implementing it. If all this sounds like a significant resource investment, that’s because it is, she says. This level of work is what most companies need to put in for lasting impact.



“Diversity & inclusion isn’t something that should be thought about as separate and distinct from anything else.”

## METRICS WITH MEANING

**When diversity efforts go beyond box-checking and become serious enterprise-wide initiatives, they transcend simple statistics and bring real benefits to organizations.** Our advice is to avoid merely cosmetic activities or trying to appear as a good corporate citizen. Senior leaders should ensure that what's being said on the company website about how much diversity & inclusion is valued connects to concrete actions the organization is taking to move the needle for EDI.

As DePass notes, “Now is the time to get clear on ‘What are we actually committed to changing that would affect our average employee?’ and execute against *those* things. That’s the opportunity we have right now... We’ve all heard the research that with greater diversity, organizations are more creative, see better business outcomes, and more innovation. But many companies are stopping at having diversity — counting diversity,” he says.

“When you go farther than that, that’s when things really change.” That’s when organizations have the best chance of truly unlocking the benefits of greater diversity in their ranks.

**Connect diversity efforts to organizational success.** Companies must get clear on what most needs to shift, and laser-focus their efforts in those areas, versus using a scattershot approach. One strategy is focusing on measuring elements that can truly help move the needle, such as tracking adoption of EDI initiatives and practices — something that 69% of diversity & inclusion executives we surveyed said they do.

Tying EDI goals to the larger organizational purpose and vision can help employees understand why they should be invested. “Getting really clear on your ‘why’ is extremely important,” Wormington notes. “And then conveying it clearly. Just saying ‘*Hey, this is the right thing to do!*’ is not going to sustain the work,” she adds.

As CDO at a business process technology company said to us, in addition to being the right thing to do, EDI also drives business goals:

*“Today, if your company doesn’t think about this as a business opportunity that you’re going to organize around and mobilize resources for — similar to what you’ve been doing for anything else the business does — you’re missing out.”*

**If your organization has said it’s committed to diversity & inclusion, what does that mean?**

# 96%

**of corporate DEI statements lack details to hold organizations accountable for taking real, concrete actions in support of their professed values and commitments.<sup>19</sup>**

Our researchers discovered this after analyzing 202 publicly available diversity & inclusion statements from Fortune 100 companies in 2020–2021. The vast majority of statements made **cosmetic** promises and were essentially PR tools, though some were attempts to drive more meaningful **conversation** around DEI. Only a select few contained substantive **commitments** that the organization was making to take specific actions in support of diversity & inclusion.

## SEEING THE BIGGER PICTURE

**CDOs must be able to connect dots, build understanding across the organization, and see the bigger picture to craft an actionable roadmap for EDI change.**

Having a view of the entire system and where the organization wants to go allows them to suggest solutions that will meet all stakeholders where they are and create a collective shift toward a more committed EDI culture. Here are some anecdotes to illustrate from different diversity & inclusion executives we spoke with.

A CDO at a chemical manufacturer told us how her company's approach evolved over time: Her predecessors had created a 10-year DEI plan that she realized, after she was hired, would be very easy to meet. It didn't go nearly far enough:

*“One of the goals that they created was a global goal to attract more women to the company. Then they set a U.S. goal for more diversity. But that diversity number included women, too, so I realized that if we just went out and hired some women leaders, especially if they were primarily White women, we would have ‘achieved’ our diversity goals on paper, without actually shifting the ethnic diversity of our organization at all.”*

With that realization, she spearheaded the company's initiative to define language and terminology around EDI and create a new scorecard aligned to a more ambitious strategy. She emphasized the importance of accountability, rewarding employees for meeting new targets based on creating a truly diverse representation of underrepresented and underestimated groups. Combined, she said, the manufacturer has established solid priorities and set a plan in place that, over time, will truly increase diversity and build a culture of greater equity and inclusion, too.



### **Facilitating open dialogue and education is essential.**

That CDO isn't alone in taking the time to define language and terminology around EDI. Another executive, the director of workplace inclusion for a large national pest control company, told us that when she took on her new role, she started by examining the current processes to figure out what needed to be changed and what was working already. This required a discussion of hiring and recruitment, career development, training, and policies and procedures, she says. Education is a big part of that work. Even something as simple as starting a conversation about language used was so important:

*“We had a session where we defined unconscious bias, what systemic barriers are, asking if they’ve heard this terminology,” she says. “We said, let’s talk about it, and gave them some examples of it. And you could see the light bulbs going off.”*

Once the company had established a baseline, it worked on setting priorities and figuring out accountability guidelines. The executive said that goal-setting, with an eye on investments and focusing on why they launched the work to begin with, is helping her organization make inroads and move along its roadmap.

A final example we heard of this comes from a large U.S.-based automotive company CDO that we interviewed. She explained that the company expanded its EDI initiatives by first benchmarking where they were starting. As part of that work, it launched third-party audits across its major markets in America and abroad to make sure its EDI efforts were on track. This work led to a series of actions that included adding a new racial equity director to headcount, creating an inclusive leader certification, and making sure that equity considerations were built into every one of its talent systems and processes:

*“Our L&D strategy included how we were educating and inspiring our employees ... We added a robust day of understanding, with deep listening sessions to help our leaders gain empathy and understand the lived experiences of our employees,” she said.*



**In all these cases, the senior EDI leader told us how they drove forward their organization’s efforts to infuse EDI into the fabric of the organization — from building a common understanding of the language used around it, to evaluating the policies, practices, and procedures that impact employees — ultimately resulting in more consistently committed cultures.**



## TAKING ACTION: CHANGING CULTURE

### **For lasting culture change, it's important that leaders leverage polarities and establish new initiatives within existing ecosystems.**

In other words, executives may feel pulled between 2 seemingly conflicting things that appear at odds with one another, and feel tempted to focus on just one or the other — but doing so risks underwhelming results and even backlash from stakeholders.

Polarities can feel tricky to balance, but doing so is essential for maximum effectiveness. A few examples of the polarities that senior leaders face when driving forward organizational culture change in support of EDI:

- **Mission vs. margin:** Creating a more inclusive workplace *and* increasing profitability
- **Internal vs. external:** Addressing internal EDI issues (like pay inequity) *and* addressing external EDI issues (like diversifying the supply chain)
- **Top-down vs. bottom-up:** Getting the executive team to promote EDI change *and* fostering grassroots EDI efforts from frontline workers

While we usually think of polarities in adversarial terms, and it's easy to see these alternatives as directly opposed and in conflict, in truth, these polarities are complementary and interdependent. Organizational efforts to build a more committed culture for EDI will see the most success when leaders do *both* things at the same time.

### **Is That a Problem, or a Polarity?**

A **polarity** — also described as a paradox, conundrum, or contradiction — is a dilemma that is ongoing, is unsolvable, and contains seemingly opposing ideas.

For leaders to work with polarities, you need to be able to see both perspectives clearly and at the same time.

The trick isn't to solve a polarity or to make a choice and move on. Instead, effective leaders *handle* a polarity by recognizing and acknowledging it, and then by moving mentally and practically through the ebbs and flows that it presents.<sup>20</sup>

# Conclusion

## USING WHAT WE KNOW TO PAVE THE WAY FORWARD

The bevy of challenges facing diversity & inclusion executives is clear — broad responsibilities combined with limited resources; a lack of clarity about expected outcomes, making success difficult to define, much less measure; and encouraging colleagues to embrace hard conversations and do the deep work required to increase equity at the organization.

**But what now?** Organizational leaders may be wondering how best to support their CDOs and keep everyone in the organization enrolled, engaged, and invested in EDI change.

**A focus on creating alignment, mitigating CDO burnout, and creating a committed culture is the answer.** Because even in the midst of daunting challenges, varying stakeholders, shifting goalposts, limited resources, and increasing amounts of responsibility, CDOs are sharing stories of great hope and success, helping to create work environments where people and their organization thrive.

Imagine what could happen if, instead of expecting them to lead the charge alone, organizational leaders ensure that CDOs are truly supported, organizational activities are aligned, and lasting culture change is prioritized — so that EDI becomes truly integrated into the fabric of the workplace.

## Ready to Take the Next Step?

**We can partner with your organization to help move your organization forward so that mindsets, behaviors, and practices are more equitable, diverse, and inclusive. Learn more about our EDI practice and solutions at [ccl.org/edi](https://ccl.org/edi).**

## ENDNOTES

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