2022 Diversity, Equity, and Inclusion Trends

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Over the past few years, the private sector has begun to react to increasing pressures and demands to prioritize diversity, equity and inclusion (DE+I). It is no longer acceptable to have some external initiatives for show, but imperative to truly embed DE+I into the company culture. As businesses continue to build priorities for DE+I internally and across all stakeholder groups, the definition of inclusivity will continue to evolve and broaden.

Societal changes and norms can have various implications for DE+I progress, thus making a clear plan and vision imperative. Conversations and actions surrounding cognitive and neurodiversity, along with gender identity and expression, will be crucial moving forward. Additionally, key stakeholders have experienced both positive and negative impacts from the transition to remote work. Over a year in, hidden challenges and inequities associated with the virtual/digital environment have come to light and must be addressed. Lastly, the acceleration of a societal reliance on technology has sparked technological innovation that has the potential to both deepen and minimize existing inequalities.

TREND #1

Increase in tangible actions and planning surrounding DE+I

While it has become commonplace for business leaders to prioritize DE+I internally, the perceptions of progress across the corporate hierarchy and the public vary. It is imperative that business leaders adopt a clear, consistent, and customized vision for DE+I across all parts of the organization. Additionally, an actionable plan for accountability must be drawn out and communicated to all stakeholders, including employees and consumers.

Researchers have gathered trends and patterns for guidance on how to set and measure goals. However, measuring DE+I progress has proven to be difficult, and many companies struggle to communicate with a wide number of stakeholders. Tracking inclusion has also been difficult because it requires consistent employee sentiment to be considered and analyzed. One of the most useful methods thus far has been gathering and benchmarking employee feedback.

Many businesses have difficulty making positive, forward strides due to their fear of saying or doing the wrong thing. Increasing internal accountability and transparency can help companies better communicate and resonate with stakeholders. One way businesses can incentivize commitment is through linking executive pay to DE+I goals. Additionally, companies should focus on establishing external collaborations, such as brokering partnerships and leaning on third-party consultancy, which can be mutually beneficial for companies looking to make an impact but don't know where to start as well as amplifying the work of their partners.

An example of a meaningful partnership that has formed is Target's collaboration with Revolt, a hip-hop focused media network, as a part of its DE+I initiatives. 'Bet on Black' is a new pitch competition that highlights

12 Black-owned startups. Target is providing $500,000 in funding for the startups and allowing each company to retain full ownership and control of their business. Each finalist will receive one-on-one mentorship meetings with a Target executive.

Partnerships have the potential to advance equity in society, not solely within one company. All companies should have a common goal when discussing DE+I and helping others can only expand benefits.

TREND #2

Equity in remote and hybrid working

The COVID-19 pandemic forced many to remain in their homes, away from busy workplaces and far from face-to-face social interaction – this has also forced employers to reimagine what equity and inclusion looks like in a virtual world. While the shift to remote work brought some new opportunities for DE+I, they also come with challenges for ensuring equity.

Remote working has shown accessibility benefits for those who work in expensive cities and/or have circumstances that prevent them from getting to a physical workspace, but it has also uncovered hidden inequities that have become a huge barrier to success in the remote environment. For women, people of color, and other underrepresented groups, finding a sense of belonging in an office environment can be difficult, and remote work is often a more comfortable alternative. This is because remote work hides many of the nuances that exist in the workplace, including reducing the need to account for coworkers' microaggressions, codeswitching, or mitigating others' unconscious biases on their behalf. Further, mishandling the transition to a hybrid and virtual work environment may deepen social inequalities and risk disrupting companies' diversity, equity, and inclusion efforts.

Typically, a labor market has been confined to the city in which a company is located. The pandemic decoupled physical office locations with a viable workforce, allowing firms to bring in talent from all over the country, and even the world. While there are plentiful benefits of this, pitfalls exist. Many jobs can't be done from home, and those who ask for remote work may be stereotyped. Additionally, many entry-level or lower-paid employees are being forced back into the office before their counterparts in leadership positions. While it is already more common for women and people of color to experience imposter syndrome at work, remote work can exacerbate the issue further. Staying home has been associated with reduced rates of promotion, which could prevent specific groups from advancing. This location-based bias therefore impedes flexibility and can create tension surrounding salaries. Already, reports anticipate that Google employees who choose to work remote permanently could face a 15-25% salary reduction.

All in all, remote work as a platform for accessibility will not inherently promote diversity; rather, business leaders must intentionally reinforce the qualities of the virtual workplace that encourage equity and build a culture around what DE+I mean to their company when it comes to remote or hybrid work. For example, to mitigate the biases associated with parents, businesses can limit meeting times to between 10 am and 2 pm, when children will be at school and distractions minimized. Organizations will have to adjust to different standards and requirements to meet the changing needs of employees; it is up to leadership in organizations to shape the culture and ensure that it is inclusive and equitable.

TREND #3

Expansion into cognitive diversity and neurodiversity

What's included in diversity initiatives is wide-reaching and ever-changing; recently, the discussion surrounding prioritizing cognitive diversity and neurodiversity in the workplace has gained traction. Engaging with a cognitively diverse team involves examining various ways of thought and knowledge processing, whereas neurodiversity relates to differences in the brain that affect sociability, learning, attention, and other mental functions. Taking actions in both spaces brings together various perspectives from different ideologies and backgrounds, helping leaders mitigate groupthink – the congregation of a group of people that all think the same. These forms of diversity are not merely a dimension of diversity, but also a representation of the productivity and creative benefits of diverse teams.

Studies show that teams are more efficient and better at problem solving when they are cognitively diverse. There is no significant direct correlation between this efficiency and diversity in age, ethnicity, and gender, but a clear relationship when these factors overall contribute to neurodiversity. Without differing thought processes and intellectual capabilities, the success of any team cannot be predicted. The AEM cube is a tool that specifically assesses the differences in which people approach change; it measures knowledge processing and perspective.

Cognitive preferences are independent of education and culture and are set at an early age. A clear barrier exists to decoding and utilizing cognitive diversity in teams, as it is not visible; it can't be predicted or seen from the outside. Additionally, recruiters tend to gravitate toward candidates who exhibit similar qualities and mannerisms as their own, or the "culture fit" of their organization, which may inherently create a like-minded atmosphere, excluding those who are unique. It is imperative that leaders create a community of authenticity and encourage and enable employees and candidates to be themselves.

While cognitive (thinking) differences are invisible, we can see neurodiversity, including ADHD and other conditions on the spectrum. Disabilities, both cognitive and physical, have long been represented in marketing campaigns and advertisements, which will continue. However, more organizations will begin to incorporate this representation into their hiring and retention strategies, fostering a greater sense of inclusion within the company culture.

TREND #4

Accessibility and inclusion in the digital landscape

Technology is constantly evolving and becoming more intertwined with the daily life of those who can access it. As society enters a new phase of life through the metaverse, it becomes increasingly evident that the digital divide is widening, and Artificial Intelligence (AI) and other automated systems contain biases that could particularly harm specific groups.

The newfound reliance on technology could exacerbate inequities and create new levels of digital exclusion. These technologies are built upon practices and norms that already exist in society, which are historically discriminatory or contain inequitable patterns. Additionally, fictional virtual platforms that corporations are now leaning into, such as the metaverse, can distract society from real-world problems like societal inequities or healthcare disparities that the pandemic has exacerbated.

These platforms will further widen the divide between those who have connectivity and those who don't, which can often be overlooked. Individuals that already have difficulty making ends meet will have very limited access to new devices, and even less access to the digital marketplaces that exist within them. For instance, Nike has begun selling shoes that will be available in the metaverse, but their market will be limited to those who have access to the platform.

There is the potential for the metaverse to inspire forward moving change; while the architects of the internet were primarily white men, this new technological era has been built by diverse minds, genders, ethnicities, and backgrounds. Organizations have the capacity to create an ideal world from a blank slate but can also perpetuate non-inclusive or inequitable environments in these virtual worlds.

Additionally, AI is increasingly being used in the workplace, as an industry survey found that 55% of human resources leaders in the United States use predictive algorithms in hiring. This has implications when examining biases within these systems, including speech recognition models with biases against African Americans, facial analysis that shows disparities across skin color and is highly concerning for people with disabilities, and algorithms that unintentionally result in biased outcomes against young women for STEM jobs and similarly against older candidates.

Algorithmic biases have been prevalent in technology since its inception; however, leading employers in the newly formed Data and Trust Alliance have begun to adopt stricter criteria to mitigate these biases. Companies adopting the Safeguards include American Express, CVS Health, Diveplane, General Motors, Humana, IBM, Mastercard, Meta, Nielsen, Nike, Under Armour and Walmart. In 2022, the group of companies aligned with this goal is expected to expand.

TREND #5

Incorporation of diverse gender identity and expression

Historically, gender representation in professional settings was limited to the binary: women and men. However, employers have been shifting and will continue to affirm the multitudes of gender identities that exist outside the binary. The majority of Americans believe that gender is a spectrum. and Gen Z's have the most advanced views. The reality of our societal situation is that inclusive policies and addressing pronouns aren't enough; a complete restructuring of the way that gender is approached across stakeholders is necessary.

Empowering non-binary individuals is rooted in both the people that lead companies but also the systems and technology that support them. Company leadership should establish systems of support and embrace a safe company culture within each business unit and operation. Oftentimes, companies make support statements that may be only representative of part of the community, which allows for discrepancies and biases to slip through the cracks. Companies must adopt guiding visions that are consistent among stakeholders so that each employee and customer feels valued, seen, and heard. Not only is having a guiding plan crucial, but executing it intentionally and holistically is a key component of success. Considering and understanding the full scope and experience of non-binary individuals is key to building fully inclusive spaces and systems. The burden falls on decision makers with influence to create these systems intentionally and thoroughly.

Discover is making strides in this space, and other companies can look to them for guidance. Discover has earned a perfect 100 score and been named a Best Place to Work for LGBTQ+ Equality by the Human Rights Campaign's Annual Corporate Equality Index for 9 years in a row due to its significant efforts to empower and prioritize employees. Actions taken by the company include encouraging personal pronouns in signatures, supporting employees making gender transitions through a gender transition toolkit, partnering with GenderCool to review policies and practices to design equitable transgender and gender non-binary programs, and removing the lifetime cap of $75,000 on gender transition-related coverage for employees enrolled in a Discover medical plan.

Oftentimes, the systems that companies run are outdated and/or go unnoticed. This could be largely due to a lack of representation in these departments and also biases in Automated Gender Recognition (AGR). Women and non-binary people make up less than 10% of all professional software developers as a result of business leaders hiring developers from the same backgrounds and educations. Companies must diversify the universities and companies that candidates are selected to keep the field of software development filled with creative professionals from and representative of diverse identities.

On the systems side, AGR removes the opportunity to self-identify by utilizing data collected about individuals, including legal name, makeup, or the shape face - failing to reflect a scientific understanding of gender. The invisibility of trans and non-binary individuals has real-world consequences, including everything from housing to employment to healthcare. Survey results found that 90.5% of trans respondents believe facial recognition can operate from a transphobic perspective and 95.2% believe that technology can leave them vulnerable and contribute to the stigmatization of trans people.

Companies that utilize these systems and provide them must – and will - reevaluate the biased platforms that harm non-binary and trans employees and consumers. It is up to companies to provide greater representation capabilities in systems, including more expansive gender identity options, to address all stakeholders' needs. Businesses that lead this transition will capitalize on the opportunity to market to a wider audience and attract from a greater talent pool, including both those that identify outside of binary and allies that believe in the mission to affirm all identities in the professional world.

Conclusion

All in all, remaining transparent, consistent, and clear will involve creating a detailed action plan and impactful partnerships. Embedding diversity and inclusion ideals into business strategy will allow businesses to reach consumers and employees more effectively and equitably. Businesses should take proactive strides toward allyship and representation while taking time to understand the negative externalities of past and future strategic decisions.

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