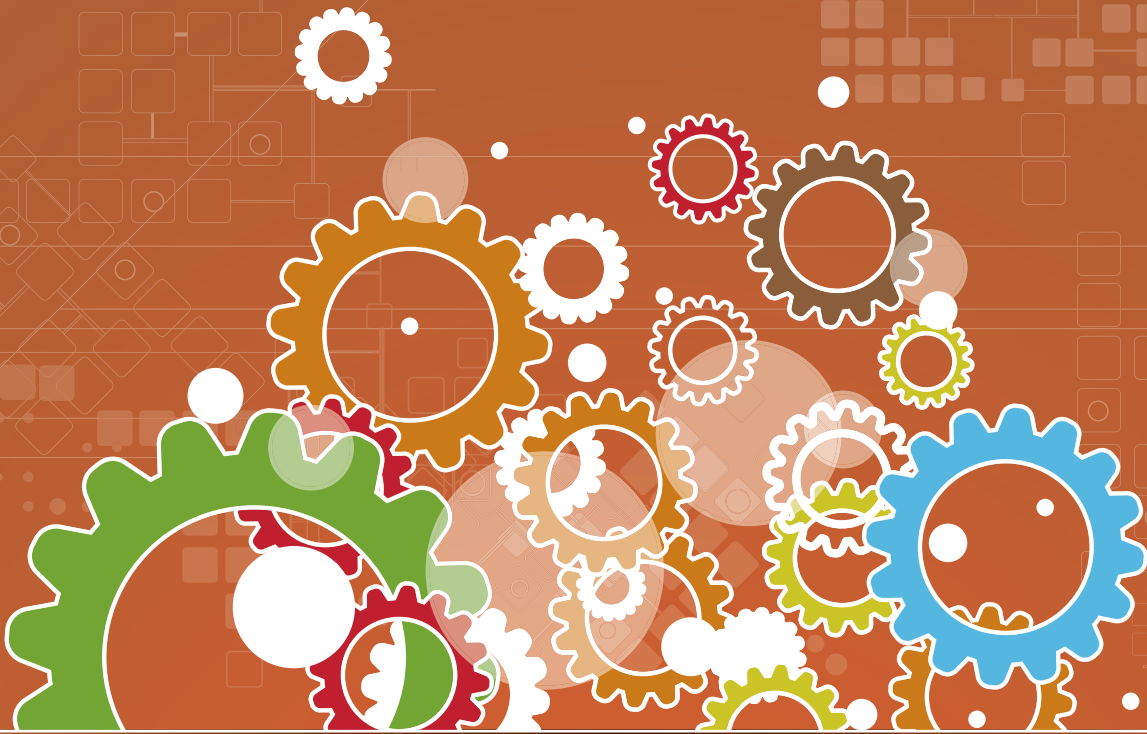




TRANSFORMING ARIZONA'S ECONOMY



DIVERSITY, EQUITY & INCLUSION

WHITE PAPER

PRESENTED BY



University of Phoenix®

DIVERSITY, EQUITY & INCLUSION WHITE PAPER

PRESENTED BY
Arizona Hispanic Chamber of Commerce
August 2021

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A WORD FROM THE AZ HISPANIC CHAMBER OF COMMERCE PRESIDENT & CEO, MÓNICA VILLALOBOS...



On behalf of the AZ Chamber of Commerce (AZHCC), I would like to share our gratitude for the thorough work of Dr. Kimberly Underwood and Dr. Mike Slaven in co-authoring the Diversity and Inclusion Best Practices White Paper. For taking those words – diversity and inclusion – and giving them actionable meaning in the context of organizational culture. This publication has been in the works, if only conceptually, for several years. The crisis of social conscience over the last 18 months have provided more than enough motivation to bring the white paper to fruition. Diversity, inclusion, equity and belonging are not just words to be used without purpose and meaning. These are **ACTIONS** that must be woven into the DNA of all successful organizations.

Our goal is to provide a guide to achieve just that – a deliberate effort to build strong solidarity from the insecurity of our differences. Many Arizona companies participated in this study to help us understand the **HOW** and shared best practices. We applaud those businesses for their willingness to be vanguards in their respective industries and a bellwether for those that have not yet started to do so. We encourage a better understanding of the shifted demographics in our state and proceed with an introspective look into hiring practices, supplier diversity and employee resource groups to reflect the customer base.

At the AZHCC, we believe that we are stronger together and everything we do is in that spirit. We look forward to working with you!

Monica S. Villalobos

President & CEO

Arizona Hispanic Chamber of Commerce



ARIZONA HISPANIC
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LETTER FROM THE PRESIDENT OF UNIVERSITY OF PHOENIX

In recent months, our world was turned upside down by a pandemic that just hit the unfortunate milestone of 4.2 million deaths worldwide. This public health crisis of epic proportions has not only threatened our individual health and safety but laid bare the persistent disparities that drive inequities in our society, systems of education and healthcare, and workforce.

At the onset of this pandemic, many of us struggled to quickly respond to the necessary changes for continued, effective operations, amidst stay-in-place orders, the continued movement for social justice, and ongoing political strife. As such, the focus on diversity, equity, and inclusion (DEI) strategies may have temporarily shifted as a priority, as many worried about the overall survival of their organizations and how we would all fare during this time.

Yet, these realities have also led to an important reinvigoration of essential conversations about how to eliminate, once and for all, deep-seated behaviors and practices that allow these inequities to persist. Organizations are now presented with new opportunities to revisit and reimagine the benefits of a diversified workplace, and the practices and strategies that foster inclusivity and lead to a sense of belonging for all.

To be a catalyst for essential conversations necessary to support effective and sustainable change within our DEI efforts, the University of Phoenix is proud to partner with the Arizona Hispanic Chamber of Commerce to present this white paper. Through the voices of leaders across the state of Arizona, this paper provides suggestions, strategies, and resources to assist businesses in furthering their DEI endeavors. As we enter our “new normal” and begin envisioning how we continue the work within our respective areas, it is hard to imagine doing so without a critical and reflective examination of how we view and implement DEI strategies and practices moving forward.

For example, at UOPX, we have established the Office of Educational Equity with the role of fostering diversity, equity and inclusion through accommodations, education, and engagement. Further, in early 2020, we launched the Inclusive Café, a virtual meeting space to connect and build community, and to draw on the diverse perspectives of participants to explore powerful and effective responses. Our Center for Workplace Diversity and Inclusion Research, within our College of Doctoral Studies, has continued to examine various issues impacting today’s workforce through groundbreaking research and scholarship. We also are working with the City of Phoenix and have supplemented the city’s investment in programs and policies that will promote racial sensitivity, social justice, and the elimination of inequities at all city touchpoints within the community. We’ve done this because we believe business and society are inextricably linked, and neither can thrive without the well-being of the other.

We view each one of you as partners in these efforts to build inclusivity where all are welcomed and thrive, and we hope you find this resource valuable and refer to it often.

A handwritten signature in black ink, appearing to read 'Peter Cohen', written in a cursive style.

Peter Cohen
President
University of Phoenix





EXECUTIVE SUMMARY

The tumultuous social events of the past year and a half have underscored the imperative that diversity, equity, and inclusion (DEI) present to society as a whole, and especially to businesses. The disproportionate impact of the Covid-19 pandemic on underrepresented groups, and the protests following the killings of George Floyd and Breonna Taylor, have shone a light on the entrenched inequalities that continue to afflict and limit American society. However, as we transition to a “new normal” in light of what we have learned, these events have put a new focus and energy on DEI, and given businesses a unique opportunity to address and make progress on these issues.

This white paper serves as a guide to how companies are working to create effective DEI efforts — both impacting wider society, and harnessing the opportunities for dynamism and growth that DEI has long presented to companies themselves. Companies on the leading edge of DEI are taking an increasingly sophisticated approach to it. No longer only focused on *diversity*, leading organizations have identified how the benefits of more diverse experiences, skills, and perspectives will not be realized without *inclusive* practices that foster a genuine sense of *belonging*, which allows all team members to reach their potential.

Examining the experiences of these partners, the goal of this white paper is to:

- Provide companies looking to get started on DEI efforts a clearer sense of the *major opportunities*;
- *Sketch the kinds of actions* that organizations at every step of the process can take to advance DEI;

- Indicate *where companies can go for further information and support*.

We discuss six *major areas of opportunity* for businesses looking to advance DEI in their organizations:

- Creating your organization’s business case for DEI;
- Leading with inclusive leadership in your organization;
- Creating a culture of continuous improvement on DEI;
- Moving from inclusivity to belonging in your organization;
- Infusing DEI into the DNA of your organization; and
- Impacting the ecosystem, to create a more equitable and prosperous community through DEI.

For each of these, this white paper outlines an initial, intermediate, and advanced best practice for seizing these opportunities.

Creating your organization’s business case for DEI is crucial for success in this area. It means moving from the understanding that DEI is something it may seem expected for your company to pursue, to having clear objectives and a plan for where and how DEI can benefit your organization. In doing this, it is important to ensure that team members understand what DEI means, so that people can communicate clearly about the concepts and about potential DEI efforts. On this basis, companies should work to include DEI in strategic planning, toward the

EXECUTIVE SUMMARY

goal of building a new organizational mindset where DEI is not a single program but rather is part of wider company culture, woven into the organization's fabric.

Leading with inclusive leadership is essential to capturing the benefits of DEI, because doing so is ultimately about company culture, and leaders are essential to setting the tone. In this sense, training is not just for employees — even experienced leaders will benefit from direction and learning about inclusive leadership approaches that harness the full potential of diverse teams. Ultimately, inclusive leadership also depends on diversified leadership — meaning that companies should adopt policies to help ensure leaders reflect both the community and the company rank-and-file, and institute programs to grow diverse leadership within the organization itself.

Creating a culture of continuous improvement in DEI means abandoning perfection — there is no perfect organization when it comes to these issues. Rather, this means fostering a company-wide approach that honestly assesses strengths and weaknesses in DEI, without the defensiveness that can often accompany charged issues. Companies can use tools like surveys to capture the voices of all stakeholders when it comes to DEI efforts, and ultimately leverage data to more confidently allocate time and resources to DEI initiatives.

Moving from inclusivity to belonging is essential to harnessing the full potential of DEI efforts, and means moving beyond simply the presence of diversity itself. If diverse employees do not feel like they belong in an organization, they will sense they cannot reach their full potential, and the company will miss out on the richness of employees' potential contributions. Companies can create employee-led communities — often called affinity groups or employee resource

groups — to advance this sense of belonging and help guide DEI efforts. They should continually survey the climate in the company, and work to create an environment of psychological safety where employees can raise DEI-related issues with a sense of security, and an expectation that this will lead to positive efforts.

Infusing DEI into the DNA of your organization means ensuring it is not treated in an isolated or siloed way, an approach which rarely succeeds. Instead, companies should create expectations about organization-wide change across all business units and functions: DEI is not just a group of ideas, but entails changes in behavior and roles that people throughout a company must understand and embrace. From this basis, inclusion efforts should span across an organization, to ensure that inclusion reaches into the company and is not a siloed effort. Organization-wide DEI audits can keep DEI on the front burner and help to identify new areas of policy or practice that have DEI implications.

Finally, *impacting the ecosystem* means treating DEI as not simply an effort contained within one company, but part of society-wide efforts to build inclusive growth and prosperity throughout communities. This means creating a healthier society in which companies are more primed to thrive. Companies should look to embed DEI into their social responsibility programs. They should also look to reach into underrepresented communities to build talent pipelines into organizations — and by doing so, help to more broadly seed prosperity in society. Additionally, companies should also look to build DEI into relationships with their partners — including their suppliers.

In pursuing DEI, businesses can take advantage of a wide array of resources and guidance on these issues — some of which are outlined in an *appendix on further resources*.

TABLE OF CONTENTS

- 2 LETTER FROM THE PRESIDENT AND CEO
- 3 LETTER FROM THE PRESIDENT OF UNIVERSITY OF PHOENIX
- 4 EXECUTIVE SUMMARY
- 7 **DIVERSITY, EQUITY AND INCLUSION: BOTH A SOCIAL AND A BUSINESS IMPERATIVE**
- 10 **LOOKING AHEAD: SEIZING OPPORTUNITIES IN THE DEI ARENA**
- 11 **OPPORTUNITY #1: CREATING YOUR ORGANIZATION’S BUSINESS CASE FOR DIVERSITY, EQUITY AND INCLUSION**
 - INITIAL PRACTICE: INSURE SHARED MEANING ACROSS STAKEHOLDERS
 - INTERMEDIATE PRACTICE: INCORPORATE DEI AS A KEY IMPERATIVE OF STRATEGIC PLANNING
 - ADVANCED PRACTICE: CULTIVATE A NEW ORGANIZATIONAL MINDSET
- 13 **OPPORTUNITY #2: LEADING WITH INCLUSIVE LEADERSHIP**
 - INITIAL PRACTICE: TRAIN EXISTING LEADERS TO ADOPT INCLUSIVE LEADERSHIP APPROACHES
 - INTERMEDIATE PRACTICE: INSTITUTE POLICIES TO DIVERSIFY LEADERSHIP
 - ADVANCED PRACTICE: GROW DIVERSE LEADERSHIP THROUGH A 360-DEGREE SUPPORT MODEL
- 16 **OPPORTUNITY #3: CREATING A CULTURE OF CONTINUOUS IMPROVEMENT**
 - INITIAL PRACTICE: HONESTLY ASSESS STRENGTHS AND WEAKNESSES
 - INTERMEDIATE PRACTICE: SURVEY TO CAPTURE THE VOICES OF ALL STAKEHOLDERS
 - ADVANCED PRACTICE: USE DATA TO DRIVE DECISION MAKING AND CONFIDENTLY ALLOCATE TIME AND RESOURCES TO DEI
- 18 **OPPORTUNITY #4: MOVING FROM INCLUSIVITY TO BELONGING**
 - INITIAL PRACTICE: CREATE EMPLOYEE-LED COMMUNITIES
 - INTERMEDIATE PRACTICE: CONTINUALLY SURVEY YOUR CLIMATE
 - ADVANCED PRACTICE: FOSTER PSYCHOLOGICAL SAFETY
- 21 **OPPORTUNITY #5: INFUSING DEI INTO THE DNA OF YOUR ORGANIZATION**
 - INITIAL PRACTICE: SET EXPECTATIONS ABOUT COMPANY-WIDE CHANGE
 - INTERMEDIATE PRACTICE: INSTITUTE INCLUSION PRACTICES ACROSS YOUR ORGANIZATION
 - ADVANCED PRACTICE: CONDUCT AN ORGANIZATION-WIDE DEI AUDIT
- 23 **OPPORTUNITY #6: IMPACTING THE ECOSYSTEM**
 - INITIAL PRACTICE: EMBED DEI INTO CORPORATE SOCIAL RESPONSIBILITY
 - INTERMEDIATE PRACTICE: REACH INTO THE COMMUNITY TO BUILD TALENT PIPELINES TO YOUR ORGANIZATION
 - ADVANCED PRACTICE: BUILD DEI INTO RELATIONSHIPS WITH PARTNERS
- 27 FURTHER RESOURCES
- 29 BEST PRACTICES MATRIX



DIVERSITY, EQUITY AND INCLUSION: BOTH A SOCIAL AND A BUSINESS IMPERATIVE

As businesses and society overall emerge from the tumultuous start to the 2020s, we are entering a “new normal” with a new clarity about parts of the “old” normal that demanded change. The necessity of addressing diversity, equity, and inclusion (DEI) in our workplaces has become an even clearer imperative. The events of the past year and a half have spotlighted the inequalities in American society that have concentrated hardships on underrepresented groups and limited opportunity. Conversely, though, these events have also shown how actively redressing these inequalities can let greater prosperity, dynamism, and growth flourish across our society — but only if businesses do their part to address DEI as an imperative in our economy and take advantage of the unique opportunities of the present moment.

The Covid-19 pandemic and its massive disruption to the economy have forced us to revisit the basic disparities and inequities of American life. Historically underrepresented groups have suffered a disproportionate number of Covid-related deaths. And, while the pandemic has meant a massive, collective shock to the United States workforce as a whole, women and people of color have been disproportionately impacted by resulting furloughs and layoffs. Arizona workers have felt a huge impact during this time.

More than 2.4 million Arizona households are estimated to have had at least one member lose employment since the onset of the pandemic — consequences once again absorbed inordinately by underrepresented and underserved populations including people of color, women, and households with lower incomes.[i] And while a recent report from the Arizona Office of Economic Opportunity[ii] contains optimistic predictions of a strong recovery for the Arizona workforce, much of this recovery depends on continued, collective national efforts to combat the spread of Covid-19.

In parallel, this country was (re)awakened to the systemic racism long embedded in our economic and social systems, as the deaths of George Floyd and Breonna Taylor led way to a wave of national and global protests. A divisive and highly charged political climate furthermore has many questioning the meaning of “liberty and justice for all.” The foundations of stratification and “othering” that firmly reside within the DNA of our country once again have become front and center, impossible to ignore. In this environment, many major companies have expanded their corporate social responsibility paradigm to include social consciousness and forward thinking on how to leverage their positions to support social equity and justice.

[i] <https://azeconcenter.org/arizona-in-the-time-of-covid-19/>

[ii] <https://azgovernor.gov/governor/news/2021/05/governor-ducey-issues-executive-order-meet-growing-job-demand-support>

[iii] Underwood, K.M. (2021), Re-envisioning the diversified workforce within the “New Normal”. *Journal of Leadership Studies*, 15 (1), 70-73. <https://doi.org/10.1002/ils.21739>

Today, employers have a unique opportunity to refine their DEI initiatives based on what was learned in the past year and a half, as these events further highlighted the opportunity (and need) for companies to focus on DEI within their organizations, and have generated new interest and energy behind these efforts. For some, DEI initiatives may have been pushed to the “back burner” as an immediate priority at the onset of the pandemic, as many companies quickly shifted into survival mode: for many, it was impossible at first to focus on anything but a forced transition to remote working environments following stay-at-home orders, managing social distancing mandates and a cultural shift in physical interactions, and accounting for declining revenue or customers. As we all continue to contend with these events, however, this includes the necessary task of understanding the impact of the events of the past year as we collectively look at redefining the nature of “work” itself, within what has been termed the “new normal” in the world of business. Within this reflection, we begin with one of the most important assets to all companies: human capital.

Human capital is one of the most valuable resources in modern organizations. Within the workforce, a wealth of knowledge, experiences, and backgrounds contribute to the overall success of companies in today’s economy. Through the diversity found within collections of personnel, companies benefit in myriad ways from the various contributions that diversity brings to organizational cultures. Whether considering health care, business, education, technology or any other industry, diversity is widely represented through

“Diversity is inviting people to the party, inclusion is like asking them to dance. I add that belonging is like asking them to teach you a dance.”

— Tim Overton, Arizona attorney and experienced DEI consultant.

an array of group categorizations and memberships. It has long been observed that teams which are more diverse and inclusive — by drawing on a wider range of experiences, social understandings, and skills — are, on whole, more dynamic and innovative.

But the ways that businesses understand the benefits of diversity are changing. The antiquated way in which organizations have understood diversity has largely been through quantifying the representation of race and gender within its structures. But contemporary organizations are recognizing that a broader lens, while more complex, can unlock many more benefits for people and companies — and therefore build these more multifaceted understandings into their DEI-focused strategies [iii].

Diversity, equity, and inclusion management is about improving the health and effectiveness of organizations by affirming the values of respect for human differences, social justice, participation, community, authenticity, compassion, humility, and belonging. Within organizations themselves, this encompasses a variety of systems and practices that support diversity and eliminate inequities based on race, gender, sexual orientation, and other various human differences.

[i] <https://azeconcenter.org/arizona-in-the-time-of-covid-19/>

[ii] <https://azgovernor.gov/governor/news/2021/05/governor-ducey-issues-executive-order-meetgrowing-job-demand-support>

[iii] Underwood, K.M. (2021), Re-envisioning the diversified workforce within the “New Normal”. *Journal of Leadership Studies*, 15 (1), 70-73. <https://doi.org/10.1002/jls.21739>

“New companies want to assess whether we’re sitting it out, or we have really strong projects advancing access. That’s now in the RFI process and that was not the case a year and a half ago.”

— Chris Camacho, president and CEO of the Greater Phoenix Economic Council (GPEC).

Within DEI management, it is important to clearly distinguish between the three concepts:

- The concept of *diversity* encompasses the uniqueness and individual differences each person brings to an organization. These can be along the dimensions of characteristics, affiliations, or ideologies.
- *Inclusion* incorporates deliberate, strategic actions and practices that support opportunities for authentic engagement and encourage positive experiences within diverse teams and workforces. This includes the responsibility of ensuring that these actions and practices effectively translate into a sense of *belonging* by members. Without inclusion and ultimately belonging, companies are unlikely to benefit from — or sustain — the mere presence of diversity, and employees are less likely to thrive.
- Finally, *equity* is the just treatment of all members through the creation of opportunities leading to equitable outcomes that assist in closing representation and participation gaps.

In explaining these concepts, DEI experts use a metaphor often attributed to the author Vernā Myers, of a social dance. “Diversity is inviting people to the party, inclusion is like asking

them to dance,” says Tim Overton, an Arizona attorney and experienced DEI consultant. “I add that belonging is like asking them to teach you a dance,” Overton continues.

While many businesses have long focused strategically on diversity, equity, and inclusion, the past year has put a new spotlight on how essential these are — both to businesses themselves and growth in the larger economy. Indeed, DEI is becoming increasingly important to attracting new investment to Arizona. “In addition to taxes, costs of doing business, incentives, labor analytics, there’s now a component of DEI,” says Chris Camacho, president and CEO of the Greater Phoenix Economic Council (GPEC). “New companies want to assess whether we’re sitting it out, or we have really strong projects advancing access. That’s now in the RFI process and that was not the case a year and a half ago.”

Looking ahead, businesses are contending with crucial decisions as we reassemble and move forward within a “new normal.” We are doing so with a new understanding of the fragilities of human beings and society, following a collective trauma of the past year and a half — that is, the emotional and psychological reactions that have impacted broadly in our society and community. Indeed, it is impossible to deny the presence of a significant, shared impact on our society and, more specifically, our employees. Yet, this also presents an opportunity for organizations to examine, assess, and redefine DEI strategies.

With DEI increasingly highlighted as a business imperative in this shifting social landscape, how can companies most effectively advance these initiatives and harness their benefits?



LOOKING AHEAD: SEIZING OPPORTUNITIES IN THE DEI ARENA

While the benefits of diversity, equity, and inclusion practices for companies, individuals, and communities are evident, it may be less clear to organizations where to start. A clear need to take more action on DEI may not translate into organizational strategies in ways that are obvious from the beginning. Important concepts, like inclusive leadership, also may not seem tangible at first. Acknowledging existing weaknesses in such an important area can be a difficult thing for organizations and leaders to do, and instilling a mindset of continuing improvement across an organization can seem like a far-reaching challenge. Beyond this, once your organization does take real steps on diversity and inclusion, how do you know this is translating into that real sense of belonging that allows individuals to give their all at work, and helps companies to thrive?

Leaders in DEI emphasize that, in any organization, advancing these goals is a long-term process, and a journey. “Developing and sustaining DEI efforts takes dedicated

“I’ve noticed that there is more appetite for us to be able to have these conversations than ever before.”

— Leila Zaghoul-Daly, PhD, manager of culture, learning, and inclusion at Arizona Public Service (APS).

resources, time and commitment,” says Geri Mingura, chief human resources officer for Salt River Project (SRP). “We view DEI through a change management lens and recognize that change takes time,” she explains. At the same time, companies that may be at earlier stages of their DEI journey certainly are not alone – and, indeed, they can benefit from some advantages in starting now. Within companies, “I’ve noticed that there is more appetite for us to be able to have these conversations than ever before,” says Leila Zaghoul-Daly, PhD, manager of culture, learning, and inclusion at Arizona Public Service (APS). As DEI efforts rely on both leadership and employee dedication to succeed, there indeed may have never been as opportune a time for an organization to begin its DEI journey as now.

We outline six main areas of opportunity for organizations in moving DEI efforts forward – and for each of them, we offer a number of proven steps that can help companies make progress in DEI.

“Developing and sustaining DEI efforts takes dedicated resources, time and commitment.”

— Geri Mingura, chief human resources officer for Salt River Project (SRP).



CREATING YOUR ORGANIZATION'S BUSINESS CASE FOR DIVERSITY, EQUITY AND INCLUSION.

THE CHALLENGE

DEI may be an increasingly evident imperative for all businesses, but at the same time, all organizations are unique – in mission, composition, and organizational structure. What it means to advance DEI can take on important differences to companies of different sizes, in different industries, or serving different communities.

“This has to be something where a company gets their own vision.”

— Tim Overton, Arizona attorney and experienced DEI consultant.

Setting up your business for success in its DEI efforts will mean coming to a broadly shared understanding of what DEI means for your organization, and why it is strategically important to your business to make progress in your DEI efforts. Companies that succeed most in their DEI efforts are ones that move from a mindset of, “We know that we should be doing it, to having a vision to say, ‘this is going to be great for our people. It’s going to be great for our company,’” says Tim Overton, an Arizona attorney and experienced DEI consultant. “This has to be something where a company gets their own vision.” This means creating your organization’s business case for DEI – identifying where and how it could help your organization – and instilling DEI throughout your company as strategy in ways that your people and stakeholders understand.

INITIAL PRACTICE: INSURE SHARED MEANING ACROSS STAKEHOLDERS

What exactly do “diversity, equity and inclusion” mean? Even these basics will not be clear to

“I start by really just letting everybody know what diversity, equity, and inclusion is. Most people, when I would say DEI, were caught in traffic headlights.”

— Manuel Garcia, employee experience specialist at Arizona Federal Credit Union.

everyone in an organization to start with, meaning that productive DEI efforts ought to begin with making sure that stakeholders are on the same page. “I start by really just letting everybody know what diversity, equity, and inclusion is. Most people, when I would say DEI, were caught in traffic headlights,” says Manuel Garcia, employee experience specialist at Arizona Federal Credit Union. “So I tried to give everybody a sense of what DEI is, just to get everybody in the company talking about DEI.”

In this area, training or guided workshops can be useful in helping to clarify to people across your organization the meaning of broad concepts which can sometimes be subject to misperceptions, and linked in some people’s minds to contentious social issues. Educating team members about the concrete meaning of concepts like diversity, inclusion, and belonging “can start opening up their eyes when people realize that, ‘You know what, it’s not what I thought it was – I’m being part of the solution now,’” says SRP’s Geri Mingura. In this sense, creating shared meanings across an organization helps to facilitate the buy-in necessary to involve entire teams in identifying how DEI can benefit a company.

These sorts of training or communication efforts are not an end in themselves, but are about making

it so that terms like diversity, equity, inclusion and belonging can be discussed at all levels of the organization in a productive way. Team members will understand what they mean when they are included in mission statements, will find other documents or guidance related to DEI easier to immediately grasp, and will be prepared to contribute to conversations that identify where and how improved DEI practice could help the business.

INTERMEDIATE PRACTICE: INCORPORATE DEI AS A KEY IMPERATIVE OF STRATEGIC PLANNING

For any company, harnessing the many proven benefits of DEI becomes easier when team members throughout an organization are on the same page when it comes to what DEI means. Organizations are discovering various opportunities for growth and expansion through supporting a diverse and inclusive workplace, but this depends on articulating it as a key strategic imperative. To succeed in their DEI efforts, teams not only have to be able to effectively communicate about these issues, but be able to answer larger questions about vision, like, “What do you want? What are your goals here?” explains DEI consultant Tim Overton.

Where these opportunities for growth exist will depend on the organization – and will often become more apparent through undertaking the practices discussed later in this paper. But even if team members know what DEI means, they will be less likely to focus on harvesting its benefits until this is adopted as a clear strategic priority, and is included in plans for organizational growth. “We are constantly evaluating opportunities to be a more inclusive and equitable organization while creating plans to address those opportunities,”

“One of the big steps that we’re taking is our CEO discussing the importance of our DEI plan with our board of directors.”

— Juan Ruiz, senior vice president and chief people and culture officer for Arizona Federal Credit Union.

explains Geri Mingura of SRP. Locating these important opportunities for any company depends on DEI being considered among a company’s key strategic areas, as part of its core planning processes. As an example, “One of the big steps that we’re taking is our CEO discussing the importance of our DEI plan with our board of directors,” says Juan Ruiz, senior vice president and chief people and culture officer for Arizona Federal Credit Union. Incorporating DEI as an area of focus at the highest level of strategy-setting in an organization will help to ensure that the growth potential of DEI is identified as a key strategic priority.

ADVANCED PRACTICE: CULTIVATE A NEW ORGANIZATIONAL MINDSET

Successful organizations reject a “just add diversity and stir” mentality – where simply having more diverse faces in a company is a suitable end goal. Instead, they build new, shared organizational mindsets, where efforts to support diversity, equity, inclusion, and belonging are supported collectively and individually – cultures where the benefits of DEI to a company are identified, pursued, and sustained in a self-reinforcing way. At such a stage, DEI is not “a program or an initiative. It’s something that’s embedded into the culture,” explains Sharon Grieger, chief risk officer at Vantage West Credit Union and chair of the Diversity, Equity, & Inclusion Leadership Council.

Fostering DEI “is a marathon, not a sprint” says Leila Zaghoul-Daly of APS. “If we’re talking about true transformational change, this is not something that happens with one training session. It begs the question of, how do we continue to sustain it? You build it into the culture.” Though organizational culture is ultimately what allows both DEI efforts and a company’s people to thrive, “culture really can’t be faked,” says Tim Overton, attorney and DEI consultant. To be successful in building new mindsets throughout an organization, these must be approached as longer-run efforts at change management. At this stage, efforts to create a

OPPORTUNITY #1

DEI is not “a program or an initiative. It’s something that’s embedded into the culture.”

— Sharon Grieger, chief risk officer at Vantage West Credit Union and chair of the Diversity, Equity, & Inclusion Leadership Council.

more inclusive work environment move beyond the so-called “3 Fs” – food, fun, and festivals, which may be important parts of initial steps – and focus on fostering a transformative organizational culture which supports a sense of belonging for all stakeholders. This means the adoption of clear, long-term goals to have diversification at all levels

of the organization, and regular reviews of policies and practices to ensure equity.

Different organizations will have different cultures as their starting points. In any organization, however, a crucial component in establishing new mindsets will be the signals that leaders send continually, and the types of thinking they encourage. At this stage, team members throughout an organization will be prepared and encouraged to help identify and execute the areas in which improvements in DEI practices will strengthen a business.

OPPORTUNITY #2



LEADING WITH INCLUSIVE LEADERSHIP

THE CHALLENGE

Given that leaders are so crucial for setting the tone for organization-wide success in DEI, what does it mean to engage in “inclusive leadership?” “An inclusive leader is someone who recognizes the value in each individual, and fosters a culture that allows workers to bring their unique experience to bear for business value and relational value,” says Dr. John Woods, provost for the University of Phoenix. Inclusive leadership means that organizational leaders are committed to ensuring

“An inclusive leader is someone who recognizes the value in each individual, and fosters a culture that allows workers to bring their unique experience to bear for business value and relational value.”

— Dr. John Woods, Provost for the University of Phoenix.

“It’s about intentionally and authentically seeking to meaningfully include, engage and harness the richness of perspective around you. It’s also about speaking up and taking risks when you see exclusion occurring.”

— Geri Mingura of SRP

that all organizational stakeholders are treated equitably, feel a sense of belonging and – for members of an organization – are supported to achieve their full potential. Inclusive leadership “is not only about truly appreciating differences,” Geri Mingura of SRP explains. “It’s about intentionally and authentically seeking to meaningfully include, engage and harness the richness of perspective around you. It’s also about speaking up and taking risks when you see exclusion occurring.”

Inclusive leadership is, on the one hand, both an active leadership approach that fosters among employees a “feeling like they can bring all of who they are to work and be honored for that,” says Juan Ruiz of Arizona Federal Credit Union. On another level, whether an organization has “inclusive leadership” rests on whether the current ranks of leaders themselves demonstrate – both inside and outside the organization – the organization’s valuing of DEI, and its commitment to allow all of its people to reach their full potential. It is key to “ensure that our employees feel that they can be themselves at work and our systems afford them with opportunity,” John Woods of the University of Phoenix explains. Among the opportunities presented by inclusive leadership will be a richer base of knowledge and experience that is used to inform better business decisions. “What I have noticed is that when I have a more diverse group of people involved, the ideas tend to be broader. The ideas tend to be more inclusive of all our members,” says Arizona Federal Credit Union’s Juan Ruiz.

INITIAL PRACTICE: TRAIN EXISTING LEADERS TO ADOPT INCLUSIVE LEADERSHIP APPROACHES

While existing leaders within a company may understand the benefits of DEI, it takes a more proactive approach – and often a shift in mindset – to lead in an inclusive manner. Here, organizations can provide training and support to help existing leaders adopt more inclusive approaches. This is key for “leaders” throughout the organization – ranging from the C-suite to those who supervise a company’s people on a day-to-day basis. Improving understanding of how to lead inclusively will advance the goal of all employees feeling comfortable with bringing all aspects of themselves, their experiences, and their knowledge to work.

Especially in large organizations, there will always be room to promote more inclusive approaches. At SRP, chief human resource officer Geri Mingura explains a major success has been a multi-year, company-wide DEI learning strategy that focuses in part on leaders. “We have been intentional about

equipping leaders with tangible tools to lead more inclusively and providing learning opportunities for non-leaders that allows us to grow together. So, managers and supervisors all the way up understand what we mean when we talk about inclusion in the workplace,” she says.

This involves training leaders to embrace certain qualities and enhance certain leadership skills. “Leaders in this area have to be very self-aware people, who really create the space that encourages people to speak up,” says Sharon Grieger of Vantage West Credit Union. “Inclusive leaders are very observant, and look to engage people that are not always engaged or are maybe otherwise a bit shy to engage.” While education on DEI is important organization-wide, there are specific reasons to focus on leaders, to help in “increasing cultural competence, curiosity, and empathy, better understand how bias shows up at work and things that we can do to mitigate bias, and then really think about what can we do from an allyship standpoint to take what we’ve learned on cultural competence to optimize inclusion and belonging,” says Leila Zaghloul-Daly of APS. With such an approach, leaders build an environment of “connecting and communicating with your employees, whether you’re in the office or you’re on zoom – that if someone isn’t speaking up or someone isn’t saying something that you ask, is there anything that you wanted to add?” says SRP’s Geri Mingura. Instilling this approach among leaders allows companies to pursue opportunities to create a workplace where all people are prepared to contribute their all.

INTERMEDIATE PRACTICE: INSTITUTE POLICIES TO DIVERSIFY LEADERSHIP

The full opportunities of inclusive leadership are very difficult to realize in the absence of diverse leadership. Without diverse perspectives and an inclusive culture at all levels of the organization, it will not be possible for a company to fully leverage the strategic benefits of DEI. Furthermore, a lack of diversity in leadership can send a negative message about whether a company values DEI — a message received by stakeholders both outside

“We look at DEI at all levels of the University, including our leadership team and people leaders. We look to identify those areas where we might need to give more attention and awareness in hiring or promoting and develop action plans around that.”

— Dr. John Woods, Provost for the University of Phoenix.

and inside the organization, and which will likely hinder efforts to foster a sense of belonging. For employees, “when they don’t see anybody at the top that looks like them, they don’t think they can progress. They don’t feel like their opinions are valued,” explains Tim Overton, attorney and DEI consultant. In this sense, diversity among leadership is crucial to leaders’ ability to build an inclusive culture throughout an organization.

Just as it is important for companies to reflect the communities they serve, it is crucial that organizational leaders reflect the teams they lead. This is also an area where even companies with advanced DEI initiatives still often identify a need for improvement. “We have greater diversity among the front-line and entry level staff than we do in leadership positions,” says Dr. John Woods of the University of Phoenix. “We look at DEI at all levels of the University, including our leadership team and people leaders. We look to identify those areas where we might need to give more attention and awareness in hiring or promoting and develop action plans around that.”

The development of actionable plans to address these issues is key. Indeed, a more immediate way that this can be addressed is through policy changes that promote diverse pools of candidates for leadership positions, and diverse perspectives in hiring decisions. Diversifying leadership means “a practice where we ensure that when we’re looking at successors, we are looking across and diving deeper to ensure we have diverse successors,” says SRP’s Geri Mingura. As Juan Ruiz of Arizona Federal Credit Union explains, “how we create a diverse candidate pool for our leadership positions”

is a major focus in advancing inclusive leadership. Companies dedicated to addressing this need often develop “action plans to make sure that we have enough candidates for leadership roles,” says Arizona Federal Credit Union’s Manuel Garcia.

ADVANCED PRACTICE: GROW DIVERSE LEADERSHIP THROUGH A 360-DEGREE SUPPORT MODEL

Improving recruitment policies for leadership roles usually will not be enough on its own for an organization to reach its targets for diverse and inclusive leaders. Indeed, relying on these measures alone would miss major opportunities to support and develop the full talents of people already within the organization. In developing diverse leadership, “It’d be great to just poach from lots of other companies, but everybody’s trying to do that. That can’t be our only solution,” explains DEI consultant Tim Overton. Ultimately, the goal is to foster synergies in an inclusive workplace, where the talents of a diverse workforce are developed and fostered to grow diverse leadership within the organization. “We are focused on developing employees and ensuring they are aware of the opportunity to continue developing; this continuous improvement mindset benefits not only our employees, but our company,” explains SRP’s Geri Mingura.

Strategic companies therefore develop holistic plans that encourage and target the development of diverse staff – from even before recruitment, to development and promotion. A 360-degree support model is about taking an informed and holistic view of the entire employee career trajectory. Companies can seize a longer-run, strategic opportunity to develop inclusive leaders by looking within.

Such a *360-degree support model* can include strategies such as the implementation of professional development programs, to cultivate new inclusive leaders within the organization. But it also can mean seeding such opportunities earlier, by examining pipelines between organizations and universities to recruit and grow future inclusive leadership. This means looking to community

OPPORTUNITY #2

partners that are potential sources of talent, “basically building them up to build your own pipeline,” DEI consultant Tim Overton explains.

In this way, cultivating a vibrant and diverse

employee base is not only about “seeking missing perspectives or to engage everyone at every level, but to create and develop and mentor employees so that we are creating the leaders of tomorrow,” says Vantage West Credit Union’s Sharon Grieger.

OPPORTUNITY #3



CREATING A CULTURE OF CONTINUOUS IMPROVEMENT

THE CHALLENGE

Making continuous progress on DEI means abandoning perfection. There are no perfect organizations, including when it comes to DEI. People leading successful DEI efforts commonly describe this process as a journey that involves continuous learning. “It takes time to build a meaningful program that becomes embedded in company culture. The beauty of the journey is that it is about continuous growth; there’s so much to learn from others,” says Leila Zaghloul-Daly of APS. This means that successful organizations approach DEI with a long-term mindset that aims at both a frank assessment of the challenges and continuous improvement.

Such an approach requires honest reflection on challenges within a company, fostering a healthy organizational attitude toward addressing issues that can be difficult, and learning from mistakes to inform growth strategies. The reality is that “lots of companies are struggling there,” says DEI consultant Tim Overton. Companies can begin building some successes, however by focusing on, “here’s where we need to grow — here are some practices to go from where you are to where you want to be.”

INITIAL PRACTICE: HONESTLY ASSESS STRENGTHS AND WEAKNESSES

The past year and a half has served as an awakening on diversity, equity, and inclusion issues for a wide variety of companies. The reality in such a situation is that almost all companies will have multiple notable areas of weakness. A first major step is to acknowledge this and encourage an organizational attitude that deals with weaknesses in a non-defensive way. This attitude can help to “disarm the conversation, allowing companies to not be perfect – allowing them to fail and to keep going is what will help encourage them,” says DEI consultant Tim Overton.

Developing an honest conversation about strengths and weaknesses means striking a balance. On the one hand, it is crucial to conduct an honest assessment of organizational shortcomings and admit a company has work to do in some areas, in order to foster continuous improvement. On the other hand, it is also important to acknowledge what an organization is doing right. Most initial assessments will show relative strengths and weaknesses. “It’s not that a company’s only options are, you’re a terrible company or you’re doing great,” Tim Overton explains. And once DEI efforts

get more thoroughly underway in a company, it is especially important to highlight even modest progress. “We all have to start somewhere and will always be in different places in our DEI journey,” says SRP’s Geri Mingura. “Communicating regularly and celebrating even the small wins helps to signal that efforts are advancing.”

An honest and well-balanced approach to organizational improvement – both accepting shortcomings and abandoning perfection – will create a basis for sustainable, longer-term transformation.

INTERMEDIATE PRACTICE: SURVEY TO CAPTURE THE VOICES OF ALL STAKEHOLDERS

Continuous improvement on DEI will only occur if leaders set the tone, and if organizations take and create opportunities to openly hear about mistakes, missed opportunities, and possibilities for meaningful action. A key way to create this atmosphere of openness – and to make sure that companies take the pulse of their stakeholders on DEI issues – is through surveying.

Most large companies, especially, will already survey employees, but surveying on issues important to DEI requires a distinct approach. In developing DEI-focused survey questions, Juan Ruiz of Arizona Federal Credit Union explains that “some of the survey questions really struck us – they were some powerful questions that really dive into this space and we had never asked these questions before. How do they feel about showing up to work? Do they feel like they can step up and be heard?” Surveys can also be an extremely useful way to understand whether the basis for organization-wide communication around DEI has been laid, and common definitions of DEI have sunk in. As Geri Mingura explains, at SRP, leaders are looking to “survey data around whether people really understand diversity, equity and inclusion, because the way I’ve seen DEI work is when people truly understand it and they understand why you’re doing it, and what it means to me as an individual and what do I have to do.”

The larger goal is creating “a place for voices to be heard, across the enterprise, and the value of that dialogue to be leveraged for business success.”

— Dr. John Woods of the University of Phoenix

Additionally, surveying can be a useful tool to gain insight into areas where employees see opportunities or are especially willing to dedicate time. At Vantage West Credit Union, Sharon Grieger explains, surveying helped lead to a successful, company-wide affinity group initiative which has grown grassroots involvement in DEI. “To find out what people are interested in, the way we did that is we surveyed. We asked in our surveys, ‘What are you interested in?’ and the majority of people said yes to affinity groups, which is why we formed them.”

Surveying is only one important mechanism toward a larger goal of creating an environment where mistakes and areas for improvement can be discussed openly – and people of all backgrounds like they can speak up, be heard, and lead to change. These mechanisms might include policies around employees’ abilities to raise DEI-related concerns with leaders, or smaller listening sessions where stakeholders can identify challenges and opportunities in ways that inform strategy. The larger goal, as Dr. John Woods of the University of Phoenix explains, is creating “a place for voices to be heard, across the enterprise, and the value of that dialogue to be leveraged for business success.” In this sense, while surveying can provide important information, it should be done on an ongoing basis as part of creating a culture of continuous improvement, so companies “are able to track their efforts and understand how people are feeling,” says APS’s Leila Zaghloul-Daly.

ADVANCED PRACTICE: USE DATA TO DRIVE DECISION MAKING AND CONFIDENTLY ALLOCATE TIME AND RESOURCES TO DEI

Surveying ultimately can be one part of a data-driven approach to DEI decision making.

OPPORTUNITY #3

“If you just measure what you’re doing, you figure out how to solve the problem much faster,”

— Nathan Harris, entrepreneur and founder of Ease.

Analyzing a broad range of data can help to form a holistic picture of where an organization stands on DEI, on an ongoing basis. “If you just measure what you’re doing, you figure out how to solve the problem much faster,” says Nathan Harris, entrepreneur and founder of Ease. “See if you are measuring the right numbers — metrics not just around turnover, but get that employee feedback, and measure where the organization’s going on the talent side.”

“Take a hard look at the data that’s available in your organization and analyze it through the lens of equity,” says Leila Zaghoul-Daly of APS. “Examining the diversity of your organization, through representation at varying levels, promotion rates, turnover rates, employee engagement surveys – all of those things will begin to tell a story and you’ll start to understand where you have strengths as an organization and where you have gaps,” she continues.

At SRP, Geri Mingura explains, “data has helped us to establish important baselines, leverage benchmarks and determine objectives.” A command of DEI data will help organizations to track progress, identify new gaps, and allocate time and resources to DEI measures confidently and with broad buy-in from stakeholders.

“Data has helped us to establish important baselines, leverage benchmarks and determine objectives.”

— Geri Mingura of SRP

A continuing, data-led approach feeds into continuous improvement and the long-run change management approach needed to make transformational changes in DEI. This includes a deep dive into stakeholder survey results, hiring data, salary tables, and retention numbers. This enables an approach that allows for ongoing progress. “After we assess the annual employee survey, we set the goals for the upcoming year and make a plan — that gets us to the next survey, where we’ll compare year-over-year results and come up with a new action plan,” Arizona Federal Credit Union’s Manuel Garcia explains.

OPPORTUNITY #4



MOVING FROM INCLUSIVITY TO BELONGING

THE CHALLENGE

Organizations spend approximately \$8 billion each year on DEI professional development, and exhaust many hours on diversification, developing and implementing policies, and putting in place inclusion strategies. Yet, if these efforts do not translate into an actual sense of belonging

among team members – the feeling of support and security when there is a sense of acceptance, and the presence of inclusive behaviors within an organizational culture – they will rarely be impactful, and they will not maximize the opportunities that DEI presents. “Think of a time when you felt like you didn’t belong somewhere. Was your heart in it?” asks attorney and DEI

consultant Tim Overton. Without this sense of belonging, “you’re going to miss the value of people contributing to your company, to your company’s improvement,” he explains.

While the goal of inclusion efforts is to lead to this sense of belonging, they are not identical. Belonging emerges much more strongly in company cultures where it is clear that DEI is genuinely a strategic priority, and where the value of diversity among team members and stakeholders is substantively reflected in an organization’s culture. Too often, diversification initiatives or inclusion efforts are not followed through to ensure that they foster a sense of belonging. When this happens, companies and individuals miss out on major potential upsides. In a recent [study](#), strong senses of belonging within organizations were linked to enormous benefits for individuals and companies: a 56 percent increase in job performance, a 50 percent drop in turnover risk, and a 75 percent reduction in sick days. Indeed, “one of the first indicators that people feel like they’re belonging is that attrition rate among diverse employees slows down,” Tim Overton explains. But these benefits are not possible if team members perceive inclusion efforts are merely about having diverse faces present – rather than about truly embracing the value different perspectives can bring.

How can organizations foster something abstract like belonging?

INITIAL PRACTICE: CREATE EMPLOYEE-LED COMMUNITIES

While diversity hiring programs are key, once employees are in the door, it is crucial for

“Our ERGs provide employees with a sense of belonging, provide personal and professional development opportunities for SRP employees, connect us with our communities and often serve as a sounding board for our DEI efforts.”

— Geri Mingura of SRP

companies to focus on creating organizational cultures where employees are safe and valued, and are empowered to bring their best selves to the organization. This is where creating employee-led communities – often called affinity groups or employee resource groups (ERGs) – comes in. At SRP, “Our first employee resource group started over fifteen years ago and today, close to 20 percent of SRP employees belong to at least one ERG,” Geri Mingura explains. “Our ERGs provide employees with a sense of belonging, provide personal and professional development opportunities for SRP employees, connect us with our communities and often serve as a sounding board for our DEI efforts.”

These employee-led communities can provide long-lasting benefits, but can also be a relatively immediate way that companies can translate employee interest in DEI into something that has an impact. At Vantage West Credit Union, Sharon Grieger explains, “When we talked about DEI initially, there wasn’t a lot of give-and-take regarding discussion.” This changed, however, after leaders supported the creation of autonomous, employee-led affinity groups. “Once we set up the affinity groups, and they’ve just been off to the races. I mean, they’ve been super engaged,” Grieger says.

These voluntary, employee-led groups are often highly impactful, working to assist in fostering inclusivity within the workplace, while supporting organizational missions and strategies. “Our employee resource groups have really taken on the cause of connecting us to the communities that we serve, in organizations that tie into their purpose,” says Juan Ruiz of Arizona Federal Credit Union. Even beyond the membership of these groups, “they have engaged our entire organization in these efforts,” Ruiz explains.

However, these groups are most valuable when they are supported as autonomous groups, that can also pursue distinct projects. “Our CEO provides each group with a budget so that they can do some of the activities that they’re interested in,” Vantage West’s Sharon Grieger explains. And employee-led groups must also be empowered to raise

“Our CEO provides each group with a budget so that they can do some of the activities that they’re interested in.”

— Sharon Grieger of Vantage West

issues with a company and help to inform its DEI practices. Juan Ruiz recalls when one of Arizona Federal Credit Union’s provided vital feedback on what would have been a misguided advertising campaign targeting a particular community. “We have tangible evidence that having a more diverse group of people really helps us to better serve our members,” he explains. In such a culture, Ruiz continues, “those that are involved in employee resource groups have a lower turnover rate because they feel a part of things – they feel like they belong.”

INTERMEDIATE PRACTICE: CONTINUALLY SURVEY YOUR CLIMATE

When considering the number of DEI-related initiatives companies support each year, it is important to strategically and critically assess the impact of these initiatives on all stakeholders in an organization. Certain initiatives may make sense to leaders, but what do these look like through the employee lens? It is crucial to understand this in order to assess if current practices are effective, if current DEI initiatives need to be revised, or if there is a need for some entirely new practices.

At APS, Zaghoul-Daly explains, these efforts are connected to employee-led communities. “We conduct listening sessions with our employee network groups to understand those diverse perspectives: What’s working well from an inclusion standpoint and what’s not working well? What are some of those experiences where people feel included or excluded?” Beyond focus groups, it becomes important to include a focus on capturing employees’ feelings about organizational DEI-focused efforts, and specific feelings of belonging within the organization. “Among the ways we work to foster a feeling of belonging is through frequent communication and satisfaction assessments,”

Dr. John Woods of the University of Phoenix explains. Indeed, at APS, “We include measures within our employee experience survey that explore leaders’ relationships to their employees, willingness to try new things, willingness to embrace their perspectives, a sense of belonging, etc. It’s important to examine your workforce demographics in combination with the everyday experiences of your employees,” Leila Zaghoul-Daly explains.

“We include measures within our employee experience survey that explore leaders’ relationships to their employees, willingness to try new things, willingness to embrace their perspectives, a sense of belonging, etc. It’s important to examine your workforce demographics in combination with the everyday experiences of your employees.”

— Leila Zaghoul-Daly of APS

These sorts of measures will give organizations crucial information about whether belonging is being achieved by the effort and cost expended on inclusion efforts. “For most problems, if you can throw money at it, you can make it better,” Tim Overton explains. “But that doesn’t necessarily work with diversity, equity, inclusion, and belonging.” Evaluating whether these efforts are making the situation better requires continuing attention to the pulse of people within the organization.

ADVANCED PRACTICE: FOSTER PSYCHOLOGICAL SAFETY

As organizations strategize about the best ways to reassemble in the workplace in the aftermath of the Covid-19 pandemic, a vast amount of effort has focused on physical safety – including conversations on vaccination and masks, and redesigning physical spaces to support social distancing. Yet, psychological safety is often overlooked as a consideration by organizational leaders, even though it is at least as important to supporting the productivity and growth of a wide variety of people.

OPPORTUNITY #4

One characteristic of a psychologically safe organization is that a large majority of employees feel a sense of belonging within it. But this requires key support structures. In part, this means exhibiting inclusive leadership, which, as Geri Mingura of SRP explains, “centers around humility and abilities to find common ground, creates psychological safety, and exhibits compassion and empathy.” Leadership’s willingness to display vulnerability and authenticity is key to fostering this widespread sense of psychological safety. Leaders who proactively seek opportunities for allyship, especially for underrepresented groups, also promote psychological safety within an organization. As APS’s Leila Zaghloul-Daly says, it is “important for leaders to have curiosity about others, and to be able to find value in perspectives that differ from their own.”

A key effect of psychological safety is that employees will feel comfortable speaking up, providing opinions, and taking risks without fear of embarrassment or retaliation. The fostering of this kind of environment is crucial to the goals of building a sense of belonging and a culture of continuous improvement. In this kind of environment, “If employees feel like they belong, there’s somebody at the company that they can talk to if there’s a problem, whether it’s the chair of their affinity group or someone else there,” DEI consultant Tim Overton explains. “And then the chair of that affinity group has to feel like they belong sufficiently so that they can talk to whoever’s running the company – number one or number two – so that something actually changes in the company.” Psychological safety – ensuring all people of their security and safety within the company and its culture – is essential for these problems to be raised, addressed, and learned from.

OPPORTUNITY #5



INFUSING DEI INTO THE DNA OF YOUR ORGANIZATION

THE CHALLENGE

Because DEI efforts are ultimately about transformational change throughout an organization, they do not often succeed in a silo. The objective to advance DEI has to be infused into an organization’s DNA, as a whole-company effort – not as the responsibility of one person, one committee, or one group of employees. In this way, DEI represents a classic teamwork challenge. In successful initiatives to diversify staff, Nathan Harris of Ease explains, “the diversity, equity and inclusion director is on that call – as well as the chief human resource officer, as well as the technology department that’s going to push us through, as well

as the innovation team. It can’t just be working in silos.”

Successful DEI efforts, therefore, will impact every facet of a company, spanning depth and breadth. As discussed earlier, leadership plays a crucial role in setting the tone – but all members in an organization will play a crucial role as well, because DEI requires new practices throughout an organization. While many organizations will have a director of diversity, equity, and inclusion in a coordinating role, work on advancing DEI must happen throughout the company, involving every organizational role.

How can organizations build DEI into their DNA?

INITIAL PRACTICE: SET EXPECTATIONS ABOUT COMPANY-WIDE CHANGE

As discussed earlier, it is vital to establish shared definitions and understandings of terms like diversity, equity, inclusion, and belonging, and their importance to company strategy. Advancing DEI within an organization is not just about everyone speaking the same language, however, but rather acting as a team. “The world is continually evolving and so must the workplace if it is to survive constant change,” says Dr. John Woods of the University of Phoenix. This is a process that involves some changed expectations for all members of an organization.

In this sense, DEI leaders often emphasize that one of the foundations for successful organizational efforts is a “growth mindset” that embraces change, and creates expectations throughout the organization that actions will be needed to change and adapt. Clear communication around mission and vision, and the highlighting of key performance indicators will create “shared meaning” around these concepts and help to build a shared mindset. This will help to prepare teams to embrace changes in practices. “What do their policies look like? How could they be improved?” asks DEI consultant Tim Overton. “What are the company’s interviewing practices? What are their hiring practices, their promotion practices, their retention practices?”

Making good on an organization’s professed commitment to DEI will depend on actions taken by members throughout the organization. While many companies will make statements about DEI, “you can see the people that are really committed to it by looking at the results of those statements after,” Nathan Harris of Ease explains. As these results depend on the teamwork across the depth and breadth of a company, it is important to set forth the corresponding actions and behaviors relevant to each of the concepts your organization chooses to use.

INTERMEDIATE PRACTICE: INSTITUTE INCLUSION PRACTICES ACROSS YOUR ORGANIZATION

To ensure that DEI efforts are not held back by being siloed, inclusion practices have to be instituted across the company, rather than being led by a particular individual, diversity officer, or program. In this sense, once team membership has been somewhat diversified, inclusion has to be undertaken by teams across the organization. “You’ll look at a lot of companies and there are a lot of colorful faces, and a diversity in different sexual orientation or gender identification or ability status. You’re starting to see diversity, but that’s not the end goal of this,” says attorney and DEI consultant Tim Overton. “They need to participate in all areas. They need to be on the committees. We need diverse people to be participating. We need to value their decisions.”

This means making sure that inclusion is embraced not just at a leadership level, but throughout an organization, and that there is coordinated action throughout an organization to enact inclusive measures. One way to do this is to create working groups and advisory councils with representation throughout the company to coordinate inclusive practice as an organization-wide priority, and feed information upward. At the University of Phoenix, “we are creating the President’s Advisory Council on Diversity, Equity, Inclusion and Belonging to work with varied Working Groups to produce an annual DEI plan for University of Phoenix,” Dr. John Woods explains. Similarly, at APS, “to bring the voice of the employees, so that they’re providing input,” has included working on “an employee advisory council” that draws from contributions across the company, Leila Zaghloul-Daly explains.

The goal of such efforts is “for voices to be heard, across the enterprise,” Woods continues. Setting up this kind of communication and coordination, so that inclusion efforts span the breadth and depth of an organization, will break down silos and embed inclusive practice into the everyday work of more team members.

OPPORTUNITY #5

ADVANCED PRACTICE: CONDUCT AN ORGANIZATION-WIDE DEI AUDIT

Leadership support for DEI and inclusive practices should come with a willingness to look across the organization for policies or practices that can be improved. This is not only about ensuring the efficacy of existing DEI programs and efforts, but diving deeper into further areas where change is needed to enhance DEI. Auditing through organizational surveying is an important tool that provides data which can assist in driving culture change by identifying areas on which to focus attention and possibly create new initiatives and strategies, while also assisting to helping to monitor the effectiveness of existing initiatives

and strategies. Surveying can help ensure that companies are honoring organizational values, and can help provide a voice to all within our organizations.

Beyond this, a periodic review of DEI-focused policies, initiatives and practices is a great way to ensure DEI remains a priority throughout an organization. These can draw from employee-led communities and efforts to capture stakeholders' voice, to improve organizational practice by highlighting new relevant areas. Further, conducting DEI audits on a periodic basis can not only focus organizations on DEI as a strategic priority, but can help to foster an attitude of continuous change and, most importantly, improvements for the people in an organization.

OPPORTUNITY #6



IMPACTING THE ECOSYSTEM

THE CHALLENGE

Ultimately, DEI cannot be seen as simply an effort undertaken by one company – instead, to have an impact, it must be tied into the concept of

“It’s really about how you are helping a citizen base to move across the prosperity paradigm. There’s so many facets to that, but companies that are more diversified, meaning leadership, meaning supplier base, meaning procurement methodologies – all of those pieces make for a healthier community,”

— Chris Camacho, president and CEO of GPEC.

more equitable outcomes and broader prosperity throughout communities. “Inclusive economic growth is something that markets must embrace,” says Chris Camacho, president and CEO of GPEC. “It’s really about how you are helping a citizen base to move across the prosperity paradigm. There’s so many facets to that, but companies that are more diversified, meaning leadership, meaning supplier base, meaning procurement methodologies – all of those pieces make for a healthier community,” Camacho explains. Systemic, structural change expands outside of the organization.

DEI efforts are both about strengthening an organization itself, and strengthening the communities from which it draws both talent and customers, creating positive feedback. “When we think about underrepresented communities

in Arizona, how can we help, as one of the largest employers in Arizona?” asks APS’s Leila Zaghloul-Daly. “What can we do to be able to open up new pathways for economic growth and empowerment in that way?” This question involves both community partners and business partners – including vendors and suppliers. Where, how and whom an organization engages with has an impact. What are their missions, values, and DEI practices? How do they correlate with your organization, and how can they help to further your company’s DEI goals? Just as importantly, what kinds of positive steps can companies take to have this positive impact on their communities and larger ecosystem?

INITIAL PRACTICE: EMBED DEI INTO CORPORATE SOCIAL RESPONSIBILITY

Corporate social responsibility is the concept that a business has a distinct responsibility to communities that exist around it, as well as to society. In the last few decades, more business leaders have recognized their responsibility to do more than simply maximize profits, which has led many companies to examine their social responsibility to positively impact people, society, and the planet. As such, companies advancing in the area of corporate social responsibility have a shared belief that their organizations are not independent actors. Instead, they view themselves as stakeholders within surrounding communities and society, as a whole. “If our community isn’t successful, we’re not successful as a company,” says APS’s Leila Zaghloul-Daly.

Companies looking to make progress in DEI should be reaching out into the community in this way, partnering with community organizations that promote equitable social outcomes. Employee-led communities within companies can be a key source of energy for this kind of engagement. “When we asked what employees were interested in doing

“If our community isn’t successful, we’re not successful as a company.”

— Leila Zaghloul-Daly of APS

in terms of DEI, a lot of it was engaging with the community,” says Sharon Grieger of Vantage West Credit Union. “There are a lot of really exciting things that they want to do, and they want to do all of these activities under the umbrella of an affinity group.” Similarly, Juan Ruiz of Arizona Federal Credit Union explains that “our employee resource groups really took on the cause of connecting us to the communities that we serve in organizations that tie into their purpose.”

Incorporating diversity, equity, and inclusion among other major corporate social responsibility objectives, such as sustainability, can help to align these employee interests with organizational objectives, embedding ethical and philanthropic practices into both strategies and organizational missions. This will create positive impacts for both the company and community. At SRP, for example, “what we look at as our responsibility to communities is to really engage and understand them, and have people in our company focused on understanding the needs of our communities,” Geri Mingura explains.

INTERMEDIATE PRACTICE: REACH INTO THE COMMUNITY TO BUILD TALENT PIPELINES TO YOUR ORGANIZATION

Honest reflection in the area of corporate social responsibility requires a willingness to make the necessary efforts to advance inclusion and equity – meaning critically examining policies and practices, staying current on DEI-related social issues, and developing robust community engagement strategies. It also often means going significantly further than before to foster the growth of diverse talent, by forging relationships inside communities and constructing diverse pipelines into your company.

It is key to understand that for a DEI strategy to truly seize opportunities, it must start through long-run community outreach, long before diverse candidates start on the job. This means investing in partnerships with educational institutions and community organizations – and often putting in substantial time to developing these

partnerships. As Nathan Harris of Ease explains, once companies identify the communities where they need to make an impact, “engage in that community, go and talk to the community and say, ‘Hey, we have this initiative that we want to bring to you. And we feel that these are the types of jobs that you may not be aware of, but we’d be willing to offer X,’ to a committed number of individuals that you have the bandwidth to help. And this is where the local community gets engaged.” Tim Overton, a DEI consultant, describes this idea through the example of the legal profession: “You need to be not just at the Black law student association, but also at the pre-law association and Black student associations in universities, working with them so that they get to know your company, that you’re sponsoring different events – you’re participating in things with them, building relationships, doing resume reviews, giving them mock interviews, and basically building them up to build your own pipeline.”

In this sense, DEI efforts begin with a positive community impact, long before a candidate starts on the job. This means a dedicated presence in communities where companies intend to make a difference. At Arizona Federal Credit Union, Juan Ruiz explains, “recruiters have been focused on attending diversity job fairs so that we could really get the candidate pool that reflected our membership.” To this point, “What does that talent pipeline look like from when they see your ad all the way to when they start their first day at the job?” Ease’s Nathan Harris asks. This issue requires engagement from well beyond the HR team, and the resources that such an effort require. “Just like you try to acquire a customer, you have to build an experience and a budget around your challenge teams,” Harris explains. The end goal is for these efforts not just to result in return on investment for a company, but to shape the ecosystem in ways that generate shared wins across the community.

ADVANCED PRACTICE: BUILD DEI INTO RELATIONSHIPS WITH PARTNERS

Who are your company’s partners, vendors, and suppliers? Do those relationships reflect

the values that your organization is seeking to embody in terms of DEI? Following the Black Lives Matter Movement in the summer of 2020, many companies stood in solidarity with the movement and issued statements supporting social change. Beyond this level of enthusiasm within their own organizational cultures, however, many companies have also examined their partners, vendors, and suppliers to ensure that their involvement with outside organizations reflect the importance of positive social change and ethically sound practices.

“Whether you’re a service company or you’re a physical product company, a simple way you can help advance DEI is evaluating your current procurement practices to ensure that you are partnering with diverse companies in ways that strengthen the community around you.”

— Chris Camacho of GPEC

“Look at your customer base and look at your supplier base. Where do you get your supplies from?” says Chris Camacho of GPEC. “Whether you’re a service company or you’re a physical product company, a simple way you can help advance DEI is evaluating your current procurement practices to ensure that you are partnering with diverse companies in ways that strengthen the community around you.” In this way, your

“We celebrate internal and external supplier diversity champions and their commitment to ensuring equitable opportunities for diverse suppliers. In 2021, SRP’s diverse spend was \$178 million and close to 24 percent of total spend.”

— Geri Mingura of SRP

OPPORTUNITY #6

organization can follow the example of leaders, such as APS and SRP, in working to ensure that the way you spend money reflects the diversity of your economic environment. At SRP, for example, “a way we ensure equity outside of and within SRP is through our long-standing supplier diversity program,” Geri Mingura explains. “We celebrate internal and external supplier diversity champions and their commitment to ensuring equitable opportunities for diverse suppliers. In 2021, SRP’s diverse spend was \$178 million and close to 24 percent of total spend.”

Where partner organizations seem not to be embodying your company’s commitment to DEI, this can be uncomfortable, but also provide an opportunity for your organization to show leadership and achieve positive outcomes. Juan Ruiz of Arizona Federal Credit Union recalls an

instance where an organization they sponsor came into the news for remarks by one of its leaders that seemed dismissive of the importance of confronting anti-LGBT comments. “When that happened, we immediately gathered our Pride group and actively reached out to our partners and said, ‘Hey, let’s talk through this,’” he explains. “We coordinated a call with our Pride group, and our employees shared their stories, and that was a powerful call, where I think we really said who we are, what we stand for. And it turned out to be a great call, and our partner picked up responsibility.” Indeed, it’s through this type of engagement that DEI becomes most robust: “where it’s not just one organization,” GPEC’s Chris Camacho explains, “it becomes truly a civic expectation where these companies large to small raise their hand and say, ‘I’m committed to this.’”

NOTES



FURTHER RESOURCES

DEI Toolkits

[A Toolkit For Recruiting And Hiring A More Diverse Workforce](#)

[Racial Equity Resource Guide](#)

[Diversity, Equity & Inclusion Toolkit – AAUW](#)

Readings

[Are Employee Resource Groups Good for Business?](#)

[Companies Should Include Community Building in Wellness Programs](#)

Corporations Compassion Culture: Leading Your Business toward Diversity, Equity, and Inclusion
(Book by Keesa Schreane)

[ERGs: The E Stands for Everybody](#)

[How To Achieve Your Company's Corporate Social Responsibility In Services Components](#)

[Journal of Corporate Social Responsibility and Diversity Management](#)

[Journal of Leadership Studies](#)

Belonging: The Key to Transforming and Maintaining Diversity, Inclusion and Equality at Work
(Book by Sue Unerman, Kathryn Jacob, and Mark Edwards)

[Moving the Needle on Strategic Diversity](#)

[Recruiting for Diversity](#)

[Understanding Employee Resource Groups: A Guide for Organizations](#)

[We're Entering the Age of Corporate Social Justice](#)

FURTHER RESOURCES

Videos

[Eliminating Microaggressions: The Next Level of Inclusion \(Ted Talk\)](#)

[How Diversity Makes Teams More Innovative \(Ted Talk\)](#)

[How to get serious about diversity and inclusion in the workplace \(Ted Talk\)](#)

[Purpose in Business - the Era of Inclusive Leadership](#)

[Three Ways to Be a Better Ally in the Workplace \(Ted Talk\)](#)

[Why Corporate Diversity Programs Fail — And How Small Tweaks Can Have Big Impact \(Ted Talk\)](#)

Assessments

[Diversity & Inclusion Self-Assessment](#)

[Diversity, Equity, and Inclusion \(DEI\) Self-Assessments](#)

[Implicit Association Test \(IAT\)](#)

Professional Organizations

[Academy of Management](#)

[Society for Human Resource Management \(Organization\)](#)

[International Leadership Association \(ILA\)](#)

[AZ Community Collaborative](#)

[Association for Talent Development](#)

Other Resources

[Resources for Diversity, Equity, and Inclusion](#)

[Racial Equity Resource Guide](#)

[U.S. Department of Labor](#)

[Arizona Hispanic Chamber of Commerce \(Publications\)](#)

[UOPX Center for Workplace Diversity and Inclusion Research](#)



BEST PRACTICES MATRIX

OPPORTUNITY	INITIAL PRACTICE	INTERMEDIATE PRACTICE	ADVANCED PRACTICE
CREATING YOUR COMPANY'S BUSINESS CASE FOR DEI	INSURE SHARED MEANING ACROSS STAKEHOLDERS	INCORPORATE DEI AS A KEY IMPERATIVE OF STRATEGIC PLANNING	CULTIVATE A NEW ORGANIZATIONAL MINDSET
LEADING WITH INCLUSIVE LEADERSHIP	TRAIN EXISTING LEADERS TO ADOPT INCLUSIVE LEADERSHIP APPROACHES	INSTITUTE POLICIES TO DIVERSIFY LEADERSHIP	GROW DIVERSE LEADERSHIP THROUGH A 360-DEGREE SUPPORT MODEL
CREATING A CULTURE OF CONTINUOUS IMPROVEMENT	HONESTLY ASSESS STRENGTHS AND WEAKNESSES	SURVEY TO CAPTURE THE VOICES OF ALL STAKEHOLDERS	USE DATA TO DRIVE DECISION MAKING AND CONFIDENTLY ALLOCATE TIME AND RESOURCES TO DEI
MOVING FROM INCLUSIVITY TO BELONGING	CREATE EMPLOYEE-LED COMMUNITIES	CONTINUALLY SURVEY YOUR CLIMATE	FOSTER PSYCHOLOGICAL SAFETY
INFUSING DEI INTO YOUR COMPANY'S DNA	SET EXPECTATIONS ABOUT COMPANY-WIDE CHANGE	INSTITUTE INCLUSION PRACTICES ACROSS YOUR ORGANIZATION	CONDUCT AN ORGANIZATION-WIDE DEI AUDIT
IMPACTING THE ECOSYSTEM	EMBED DEI INTO CORPORATE SOCIAL RESPONSIBILITY	REACH INTO COMMUNITY TO BUILD TALENT PIPELINES TO YOUR ORGANIZATION	BUILD DEI INTO RELATIONSHIPS WITH PARTNERS



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