



CEO COMMITMENT BEST PRACTICES

Senior Leadership Commitment

Visible Support

An organization's top leadership must consistently make a personal and visible statement of support for diversity and inclusion for diversity-management initiatives to be successful. Without clear and consistent messaging from the CEO and senior leadership, staff at all levels will consider diversity and inclusion a nice, soft addition instead of an imperative for future success.

That messaging starts with the corporate website. A clear and prominent quote from the CEO, directly linking diversity and inclusion to business goals, is very important. It's also necessary for both the CEO and senior leaders to frequently integrate diversity messaging into regular business communications, including the relevance of employee resource groups and of mentoring and sponsorship. Other best practices for CEO/leadership commitment used by almost all of the DiversityInc Top 50 companies include:

- **Meeting frequently with employee resource groups (ERG).** It is best to meet in small groups with ERG leaders to facilitate frank discussions about impediments to retention and talent development. Give ERG leaders the opportunity to offer innovative solutions for marketplace and workplace growth. The exposure of ERG leaders to senior management has bidirectional impact: The ERG leaders gain practice in dealing with top executives and the senior leaders often recognize talent they can nurture.
- **Joining the board of a multicultural nonprofit.** DiversityInc sees an increasing percentage of both CEOs and senior executives taking on leadership roles at multicultural nonprofits, especially those in which they are not personally a member of the targeted demographic. The learning experience for the corporate executive is dramatic and the relationship-building with the nonprofit and the community often leads to increased recruitment, retention and customer relations.

Direct Involvement and Accountability

How do CEOs ensure that their direct reports and all others in the company make diversity and inclusion a business priority? Here are some best practices:

- **Chairing the Diversity council.** When the CEO chairs the council, there is enhanced visibility throughout the organization and accountability for actual goals.
- **Accountability.** The most common way to do this is through bonuses and/or performance evaluations. However, some organizations are not comfortable directly linking compensation specifically to non-direct-revenue areas, so they instead include diversity competencies in performance reviews. These can include performance as an executive sponsor of an employee resource group and/or a multicultural mentor, being on the board of a multicultural nonprofit, increases in diversity in the staff under the executive, and supplier-diversity goals.

Building a Pipeline

In order to successfully recruit, retain and engage a talented workforce – and understand an increasingly diverse marketplace – the top of the organization (and the board of directors) needs to be diverse in every way. Getting more diversity at the top is a challenge for many organizations because there are few openings and because women, African Americans, Latinos, Asians and others from underrepresented groups often leave before they get near the top.

What's increasingly important is the identification and nurturing of high potentials, especially from underrepresented groups. An effective pipeline to the top begins with recruiting a diverse group people, including mandatory diversity slates for management positions. On-boarding people successfully, often with the support of employee resource groups, increases engagement and retention. Carefully monitoring which factors inhibit retention and promotion (again through the use of employee resource groups) helps promote a healthy pipeline.

The use of cross-cultural mentoring is the most effective way to increase retention and promotion of people from underrepresented groups, according to DiversityInc data and academic research. Increasingly, having a sponsor or several sponsors is also crucial to an employee's long-term success.

It's also very important to review the assignments given to people from underrepresented groups and ensure that they are stretch assignments and ones directly related to the revenue stream.

Quick Tips

- 1.** Embed diversity and inclusion into the business growth strategy.
- 2.** Hold regular meetings with diversity executives (those who manage diversity and inclusion efforts within an organization) to review diversity goals and performance.
- 3.** Provide annual updates on diversity to board of directors.
- 4.** Publish diversity statement on the corporate website and in other corporate materials.
- 5.** Oversee and/or review metrics on supplier diversity.
- 6.** Include an update on diversity during annual updates with employees.
- 7.** Chair or oversee the internal diversity council.
- 8.** Oversee or approve management compensation plans or performance review plans that are tied to diversity.