

SOCIETY FOR HUMAN RESOURCE MANAGEMENT (SHRM)

Strategic Diversity, Equity and Inclusion Management Plan Development Guide

Guidance Document

Website Document

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A strategic diversity, equity and inclusion (DE&I) management plan can help an organization make the most of its diversity by creating an inclusive, equitable and sustainable culture and work environment. Workplace diversity is the collective mixture of differences and similarities that include individual and organizational characteristics, values, beliefs, experiences, backgrounds, preferences and behaviors.

While diversity creates the potential for greater innovation and productivity, inclusion is what enables organizations to realize the business benefits of this potential. Equity refers to fair treatment in access, opportunity and advancement for individuals. Work in this area includes identifying and working to eliminate barriers to fair treatment for disadvantaged groups

When developing a plan, the following components should be aligned to work with an organization's overall strategy. Sample questions to consider and/or action steps to take are included for each component below.

Business Case for DE&I. A successful strategic DE&I management plan is one that is relevant to an organization's mission, vision and business objectives.

Business Case Self-Assessment Questions to Consider

- Who are your organization's key internal and external stakeholders whose needs and concerns must be considered in your DE&I business case?
- What are your organization's key business objectives that the DE&I business case must directly support?
- What changes are needed in your workforce to help ensure that your organization can meet its key business objectives?
- What changes are needed in your workplace (e.g., how people work together) to help ensure that your organization can meet its key business objectives?
- What changes are needed in your products and services, or in how they are produced, to help ensure that your organization can meet its key business objectives?

Business Case Action Steps

- Obtain agreement with your CEO and senior management team about the key stakeholders and business objectives.
- Define the changes needed in the areas considered by the above questions. Focus specifically on changes needed to achieve the agreed upon key business goals.
- Assess the current situation versus the changes defined in Step 2 to identify the gap.
- Define initiatives to close the gap. Measure the extent to which the changes are put in place.
- If your organization is global in nature, do not be satisfied with input strictly from corporate headquarters; rather, seek the counsel of all key world geographies represented in your organization.

Commitment from the Top. Those who will eventually implement the plan must have the backing and active involvement of the organization's leadership, including the CEO, board of directors, executive team, etc.

Commitment-Related Questions to Consider

- Who are your natural champions? Has your CEO or any senior leader been expressly supportive of DE&I initiatives in the past?
- What initiatives or change efforts at your organization have been wildly successful?
- In what ways did senior leadership support those initiatives? What strategies were employed at the outset of those initiatives to garner executive commitment?
- Who can you reasonably expect to resist the DE&I message? (Keep in mind that a certain amount of resistance is healthy and will eventually improve the quality of your diversity initiative.)

Commitment-Related Action Steps

- Prior to meeting with the CEO or senior leader, research that individual's evidence of commitment to DE&I via company articles, blogs, web presence, etc.
- Know your company's diversity and equity demographics, particularly the breakdown of women and people of color as a percentage of the general population and senior levels of the company.
- Prepare a working "elevator speech" of the general business case for DE&I.
- Describe the specific actions you would like your CEO/senior leaders to take in the first three months of your strategic DE&I management plan. These actions should, at a minimum, include participating in the creation of your vision, mission and strategy, and a commitment to put his or her name to all company-wide communication about the new plan.
- Be prepared to speak about the business and values cases of DE&I. The business case is essential if the work is to move forward, but certain individuals are naturally passionate about DE&I and will want to know that their DE&I leaders value and share that passion.

Vision, Mission and Strategy. This is the "where, what and how" of a strategic DE&I management plan. Any large change initiative that is not grounded by a clear vision, mission and strategy is likely to lose focus.

Vision and Mission Questions to Consider

- What inspires you about DE&I work? What, if anything, inspires your CEO and other senior DE&I champions within your organization?
- Does your vision statement present a clear and inspiring vision of the future?
- Does your mission statement present a clear and accurate assessment of the work contained in your strategic DE&I management plan?
- Does your strategy statement link your mission with your vision, and present a clear path to get from here to there?
- Can the daily work of your strategic DE&I management plan be measured against your vision, mission and strategy?

Vision and Mission Action Steps

- Assemble your DE&I champions (including senior leaders, upon whom you'll depend for support) and brainstorm the following questions:

- What are your hopes and goals connected to our work in diversity, equity and inclusion?
 - How do you see yourself contributing to the strategic DE&I management plan?
 - What concrete actions would you like to take to achieve your hopes and goals?
- After an appreciative brainstorming session where all ideas are captured and no ideas are shot down, work in teams to group answers into themes.
 - Select a core group or groups of individuals (including the CEO, if possible) to craft vision, mission and strategy statements based on these themes.
 - Ensure that the resulting statements support the organization's overall mission, vision and strategy.
 - Test the DE&I vision, mission and strategy statements on potential stakeholders, or even those outside of your organization, and solicit feedback. Ask those being tested to paraphrase the vision, mission and strategy in their own words and compare the paraphrased responses for discrepancies (this will indicate a lack of clarity and a need to revise).
 - If working in a global organization, test statements to ensure that they are applicable to all key geographies yet broad enough to allow for relevant local interpretation.
 - Present statements and test results to the core group of DE&I champions and gain consensus around them.
 - Involve senior leadership in the process of crafting vision, mission and strategy. Your CEO should be looking at the business from a long-term perspective, which will be a great asset to this portion of your work, and leadership involvement here helps to secure leadership commitment throughout.
 - Create a plan to communicate the vision, mission and strategy of your strategic DE&I management plan to the rest of your organization.

DE&I Recruitment and Sourcing. DE&I recruitment means companies recruit individuals with a collective mixture of differences and similarities that include individual characteristics, values and beliefs, and experiences and backgrounds.

DE&I Recruitment and Sourcing Questions to Consider

- Does your organization have established goals on DE&I and recruiting? If so, are these goals internally driven or mandated by law?
- What organizations/agencies can the organization partner with to find a diverse pool of candidates?
- Have job descriptions for open positions been updated recently? Are they still accurate reflections of the skills needed to perform the job effectively?

- Have the hiring goals for this job group been communicated to the hiring manager, checked for understanding, and agreed upon to increase the likelihood of a good hire?
- Is there a current job description for this position and clear-cut performance standards that can fairly evaluate any new hire without bias?
- Where should the organization advertise to attract a diverse pool of well-qualified applicants for this position?
- What policies and benefits are in place in the organization that would attract diverse candidates (e.g., flexible hours, job-sharing, etc.)?
- What training has the organization provided to hiring managers to ensure that the best candidate is selected?
- Has the organization reviewed its onboarding process to make certain that new hires receive the right information and a welcome that will secure a partnership with the organization?
- How will human resources follow up with the hiring manager and the new employee to make sure the new partnership is working?

DE&I Recruitment and Sourcing Action Steps

- Obtain support from the CEO and executive team and include DE&I recruitment as a commitment in the company's business objectives. Assess the organization's needs and opportunities.
- Develop a policy related to DE&I that includes the organization's recruitment and retention plan to enhance DE&I.
- Provide training for management regarding the company's diversity initiative, including the business case for DE&I.
- Put the right tactics to work. Get everyone engaged, get involved in diverse communities and integrate with mainstream recruiting tactics. Attend career fairs and affinity receptions.
- Allocate the money needed for DE&I recruitment.
- Borrow best practices from other recruiting campaigns.

Employee Retention. Retention is often framed as a key economic driver for DE&I efforts because it costs an organization a significant dollar amount when an existing employee must be replaced. Diverse, equitable and inclusive organizational climates, however, reduce turnover and increase retention.

Employee Retention Questions to Consider

- What is our organization's current turnover rate? How does this number compare with those of our chief competitors?
- How much does it cost our organization to replace a single employee?

- Who typically leaves our organization? Are there marked differences among turnover rates for men versus women? White people versus people of color? Baby Boomers versus Generation X or Generation Y staff?
- Does our organization conduct exhaustive exit interviews to find out why employees are voluntarily leaving? If so, what do these interviews tell you about why employees leave?
- Is there any reason to suspect that those who feel excluded, unfairly treated or discriminated against would refrain from stating their true motivations during an exit interview? If so, what measures could be put into place to collect more accurate data?

Employee Retention Action Step

- Communicate efforts to increase retention and reduce turnover in financial as well as numerical terms to tie these efforts toward business goals.

Training and Development. Training and development includes activities designed and implemented to ensure that all employees are equipped to create a work environment that is diverse, equitable and inclusive.

Training and Development Questions to Consider

- What knowledge, skills and abilities (e.g., communication, empathy) must your organization's employees possess to effectively contribute to a diverse and inclusive workplace?
- What additional knowledge, skills and abilities (e.g., issue identification, group dynamics) must your organization's managers possess to effectively recruit a diverse team and manage staff in an equitable inclusive way?
- What additional knowledge, skills and abilities (e.g., visioning, cross-cultural competence) must your organization's leaders possess to role model DE&I, ensure that your organization's clients or customers are treated with respect, and chart the correct path for your organization's future?
- Which learning methods would be the most appropriate to employ, given the competencies you wish to support?
- How can your organization frame training and development related to DE&I so that it is, if at all possible, an ongoing activity and not restricted to isolated experiences in a classroom?
- Who must you engage to lead DE&I training and development initiatives within your organization?

Training and Development-Related Action Steps

- If there is no one internal to your organization with the competencies to guide the DE&I learning of others, consider partnering with a well-regarded consultant to help guide your training and development efforts.
- Begin with the end in mind: Create solid, measurable learning objectives based on knowledge, skills and abilities before making any decisions on methodology,

timeframe or design. Ensure that all activities map directly back to the learning objectives that are specific to your organization, your workforce and your customer base.

Onboarding. This is one of the first opportunities to make a new employee to an organization or location feel welcome and comfortable sooner rather than later.

Onboarding Action Steps

- Ensure that all individuals who may have first contact with a new employee are sufficiently coached on how to articulate the organization's mission, vision, values and philosophy with regard to DE&I.
- As part of your relocation assistance package, consider working with a relocation service that can also assist the employee's spouse in his or her own job search, a housing search and other basic services for new residents.
- Create a robust schedule for each employee's first day on the job, including a meeting with his or her manager, HR, required paperwork (payroll, benefits, etc.), a briefing on all aspects of the employee's job description, a celebratory lunch with the new manager (which could also include key team members), an appointment with IT or other groups to receive necessary resources (laptop, safety equipment, etc.), and an end-of-day check-in to ensure that the new employee is starting his or her job on a positive note.
- If including a peer sponsor or "buddy" program as part of your onboarding initiative, create a checklist for that individual that might include who to introduce the new employee to and a tour that includes supply closets, rest rooms, places to eat, etc.
- If your organization sponsors affinity groups based on race, gender, sexual orientation, disability or culture, encourage them to create peer sponsor programs for new members as well.

Communication. DE&I communication should include a strong commitment by the organization to a diverse, equitable and inclusive workforce and to serving a diverse customer base; specific information that pertains to the roll-out of the organization's strategic DE&I management plan; and information from the employee base that honestly reflects the experiences of all staff in the organization.

Communication-Related Questions to Consider

- What communication vehicles currently exist at your organization? How effective are they? How might they be used to support your strategic DE&I management plan?
- What communication gaps currently exist at your organization? What steps would be necessary to close these?
- Does your organization currently experience a healthy level of employee-to-organization communication? If so, is this information currently filtered with a DE&I lens? If not, why not—and how can this be addressed?

- What positively differentiates your organization from your competitors regarding DE&I? How can these differentiators be included in your organizational communication?

Communication-Related Action Steps

- Keep DE&I in mind when crafting any kind of corporate communication. Ensure that messages that do not support your organization's DE&I efforts are excised or edited before they are sent to employees.
- If allowed within the context of your organization's communication policies, consider a form of branding when crafting your DE&I communication plan. While DE&I efforts should never be reduced to a single catchphrase, a well-chosen and recognizable slogan or logo will reinforce and strengthen the message if used judiciously.
- When building your organization's DE&I management plan, include a communications plan that could include any or all of the following: a webpage devoted to your organization's commitment to DE&I, brochures, slide presentations that managers can use when briefing staff about DE&I at your organization and visual media (posters, etc.) that includes your DE&I mission statement.
- Communicate with integrity. If a poster on the wall proclaims a commitment to DE&I with little to no action to back it up, the message will not ring true, and could eventually do more harm than good. If necessary, an open and honest message that frames the organization's DE&I issues as challenges that can be met and overcome would be more appreciated by staff than a relentlessly cheery sentiment that "everything's just fine."

Marketing, Advertising and Branding. Many organizations have discovered that the diversity of their staff and the equitability and inclusiveness of their work environment can be used as differentiators in the marketplace and can become a competitive advantage.

Marketing, Advertising and Branding Questions to Consider

- What does your organization currently execute with regard to marketing, advertising and branding? Do these efforts actively reflect the values of DE&I?
- Do the messages in your marketing, advertising and branding efforts contain any subtle cultural biases? For instance, are the people (representing both employees and customers) in your advertising uniformly white, affluent, heterosexual, able-bodied or conventionally attractive? Does your marketing consistently assume an individualist or achievement-based cultural framework?
- Does your organization currently participate in any form of niche marketing? If so, is it effective? Why or why not? If not, could your organization benefit from targeting specific communities?

Marketing, Advertising and Branding Action Step

- Provide a "seat at the table" for someone focused on DE&I during all marketing, advertising and branding discussions, whether or not the content of the messages

is specifically focused on DE&I. This will ensure that no messages are communicated that overtly or subtly circumvent your organization's diversity value.

Leveraging Employee Diversity. This refers to building and then making use of a workforce that is more diverse and more equitable and inclusive than it was before plan implementation began.

Leveraging Employee Diversity Questions to Consider

- Even if your organization appears to be diverse in terms of total numbers, are there teams, disciplines or levels within your organization that consist of one homogeneous "type" based on race, gender, age, nationality or discipline?
- How diverse are the people in your recruiting function? Are you able to source qualified applicants from a wide variety of backgrounds?
- Is innovation a necessary differentiator for your organization? If so, how diverse is your organization at the top- and middle-manager levels?

Leveraging Employee Diversity Action Step

- If your recruiting team is small or otherwise not as diverse as you'd like it to be, consider using your organization's employee affinity or networking groups to assist you in recruiting to specific markets.

Strategic Alliances and Partnerships. These are formal relationships between two or more parties who remain independent while working together to achieve a specific goal or to enhance an element of the DE&I strategy.

Strategic Alliance and Partnership Questions to Consider

- What resources do you need that are not available within the organization?
- Who has access to these resources?
- How many different organizations do the same thing? What are their unique selling points? What are their differences?
- Can we afford the relationship? Do we want to?
- What is our organization's policy regarding strategic alliances?
- Do I have the authority to sign agreements? If not, who must sign?

Corporate Social Responsibility. Corporate social responsibility (CSR) and DE&I can be thought of as overlapping circles; the two functions share many of the same goals, and oftentimes one activity or effort will meet the needs of both functions.

Corporate Social Responsibility Questions to Consider

- What are your organization's key business objectives? How might CSR efforts and activities benefit your organization's business?
- What communities are you specifically hoping to attract, source and recruit as a result of your strategic management DE&I plan? How might CSR efforts help to promote your organization within these important target groups?
- What CSR activities are currently underway in your organization? How might your diversity and inclusion efforts benefit from already existing CSR efforts?

Corporate Social Responsibility Action Steps

- When looking to partner with external organizations as part of your DE&I recruiting initiatives, also consider partnering with groups that are closely aligned with diverse communities (e.g., job training in urban communities, AIDS service organizations, etc.).
- Not all partnerships require an exchange of funds; consider putting your business to work for others. For instance, a consulting firm might offer pro bono consulting to a charitable group, or a manufacturing company might provide free supplies to local charities.
- Find ways to get your employees involved. For instance, writing a check to support breast cancer research is helpful, but supporting your employees in a “Walk for the Cure” event in your local area allows all staff to feel involved in your CSR efforts, which will likely increase retention in the organization.

Customer/Member Experience. This is the experience internal and external customers have when they enter a place of business or interact with employees, products or services. The goal of the strategic DE&I management plan is to ensure that customers perceive your place of business as inclusive of their needs and as the type of establishment with which they want to do business.

Customer or Experience-Related Questions to Consider

- What are the demographics of your marketplace? Of your customer base? Do you understand the unique needs of each of these market groups?
- Do a broad range of customers feel equally welcome and respected in your establishment?
- To what degree do diverse customers and potential customers see themselves represented in your workforce and management staff?
- How comfortable and skilled are employees in serving customers they perceive as different from themselves (e.g., language, culture, age, race and ethnicity, and disability)?
- Are employees more suspicious or resentful of a category of customers (e.g., based on age, ethnicity, nationality, language, religious attire)? If so, how does this affect the customer’s experience?
- What barriers exist that undermine your service delivery (e.g., stereotypes about customers, lack of tools or knowledge)?
- Have you considered the DE&I implications in your customer satisfaction measurement process?
- How are customers’ diverse needs being met (e.g., product preferences, language, religious accommodations, access for individuals with disabilities)?

Customer Experience Action Steps

- Understand your customer. Use market research, community partners and employee resource groups to learn about the needs of diverse customers.

- Assess your current level of customer/member service and inclusion. Conduct a DE&I audit of your current customer/member experience. Use the results to help create an action plan for future change.
- Create a basic comfort level. Demonstrate respect: Use your knowledge of diverse markets to offer culturally relevant products and services. Ensure employees represent the diversity of the marketplace. Treat each customer and potential customer with respect.
- Lower language barriers. Communicate in ways your customer can understand. Translate critical information, use bilingual staff, teach basic phrases in other languages to staff, make a multilingual dictionary or picture guide available, use visual displays and provide information in writing. When necessary, use professional interpreters or translators.
- Support your staff. Provide staff with the education, training, resources and systemic processes they need to deliver an equitable and inclusive customer experience.

Supplier/Vendor Diversity. An integral part of any organization's DE&I program is to ensure that it promotes DE&I outside of the company by doing business with a variety of suppliers and vendors.

Supplier and Vendor DE&I Action Steps

- Define the scope. Like any business objective, the mission statement of the supplier DE&I initiative must define what it is, why it is important and how it will impact the organization. The business case for supplier DE&I needs to be clear. To make a true commitment to supplier DE&I, the organization should consider all suppliers of goods and services that the organization purchases. This includes everything from raw materials and IT suppliers to legal services and janitorial supplies. To help define the scope, the organization should decide the following as it begins its development of a supplier diversity initiative: What percentage of total purchases does the organization want to make from underrepresented suppliers? How many new minority/women/disabled-owned suppliers does the organization want to partner with each year?
- Link the program to organizational goals. The purpose of a supplier DE&I program should be communicated to management, purchasing, other appropriate staff and existing suppliers so all stakeholders understand how the program is expected to contribute to the company's success. Specific, measurable goals must be established, and the responsible internal staff and suppliers held accountable for achieving them.
- Select qualified suppliers. Once the organization understands the role of supplier DE&I and is committed to making it successful, the organization must find and start contracting with minority/women-owned business enterprise (M/WBE) suppliers. To do this, each organization must develop specific criteria for determining what constitutes a DE&I supplier. The procurement department must proactively seek out companies that meet their criteria and start doing business with them. It is also

important to help current suppliers understand and comply with the new supplier DE&I program.

- Manage the program. This involves the coordination of multiple parties in the organization, including procurement, contracts, program managers and senior leadership. Relationships must be continuously formed with new suppliers and reinforced with existing suppliers. Organizations can support and foster supplier DE&I efforts by:
 - Attending business opportunity fairs in local communities.
 - Participating in minority and women-focused business professional organizations.
 - Creating a business directory to connect M/WBEs with individual customer users.
 - Outlining roles of supplier DE&I program management.
- Support and mentor suppliers. By nurturing the success of suppliers, an organization can ensure the continual supply of goods and services as well as the trust and confidence of vendors, customers, employees and shareholders. The following are some development programs that an organization might consider:
 - Offering business consulting services.
 - Providing favorable financial terms.
 - Recognizing and rewarding participating M/WBE suppliers.
 - Hosting trade fairs for M/WBEs and procurement.
 - Conducting site visits for M/WBEs, including detailed interviews covering operations and management.
 - Conducting seminars for M/WBEs to learn how to do business with your company.
 - Providing technical and managerial assistance to M/WBEs.
 - Emphasizing the importance of second tier M/WBEs.

Measurement and Accountability. This refers to the tools used to determine if DE&I efforts have achieved the desired results, and if not, who will be responsible for correcting the methodology so those desired results can be achieved.

Measurement and Accountability Questions to Consider

- What sorts of measurements are currently being taken? Do you have historical data (with regard to representation, recruitment, turnover and employee engagement) that you can factor into your plan?
- What new sourcing initiatives have been implemented since the launch of your strategic DE&I management plan? How many candidates have been identified from these new sources? How many hires?

- Has retention increased, stayed the same or decreased since the launch of your plan?
- Who leaves the organization after a short period of time (1-2 years)? How do the turnover rates of women and people of color compare to those of the general population? What do the exit interviews tell you about the organization's culture organization?
- Does your organization support any affinity groups based on race, gender, sexual orientation and gender identity, disability or culture? If so, would it be possible for you to track attitudes about inclusion from these specific groups that can be tracked over time?
- How many people in your organization have undergone skills-based DE&I training? How have these numbers changed since the launch of your strategic DE&I management plan? How did participants evaluate the training? Six to 12 months later, do participants still see value in the training?
- Have any major policy changes been instituted since the launch of your plan (e.g., telecommuting options, domestic partner benefits, disability accommodations)? How many staff members have taken advantage of these new policies and programs? Have the programs had a significant impact on employee satisfaction and job performance?
- What strategic alliances or partnerships have been instituted as a result of your strategic DE&I management plan? What specific outcomes have been realized because of these relationships?
- What are your customers/members saying about your organization since the launch of your plan? How does their feedback compare with the feedback you received pre-launch?
- How has your strategic DE&I management plan directly impacted the key business objectives of your organization?

Measurement and Accountability-Related Action Steps

- With input from your CEO, C-suite leaders and professional DE&I practitioners, create a comprehensive list of what you can/should measure in your organization, how to track and/or create metrics, and how these numbers will be communicated.
- Create target goals that are ambitious yet still within the realm of reality. If reporting under-performing goals will be seriously detrimental to the future of your plan, create "goal corridors," which are ranges of numbers from the least ambitious to most ambitious. Goal corridors will allow you to consistently report success, but with a degree of integrity by capturing the differences between barely successful, moderately successful, and very successful.