



**2021** STATE OF WORKPLACE EMPATHY : EMPATHY AND THE DIVERSITY DIVIDE



# We've Been 'Doing the Work' for Decades.

## Is it Working?

For better or worse, U.S. workplace initiatives designed to drive and maintain diversity, equity, and inclusion (DEI) aren't new, only evolving. Among the earliest in modern memory are recruiting efforts from the 1940s to entice women into the workforce to meet manufacturing and production needs for World War II. Following the passage of the 1964 Civil Rights Act, organizations—under penalty of law—slowly began hiring non-white workers. However, it wasn't until the early 2000s that workforce DEI policies and practices began extending beyond accepting or “tolerating” diversity and moving toward “celebrating” it.

As with most culture shifts, the road toward equity has been bumpiest for women, people of color, and people with disabilities. However, as the workplace becomes more diverse by generation, gender, race, and ability, DEI is becoming a key component of organizational culture, recruitment, and retention.

In particular, many events of 2020 brought issues of systemic inequity, racial injustice, and health care disparities to the forefront. As Businessolver began to examine our own blind spots and “do the work” to create true and lasting DEI policies and programs, we also collected DEI data for our annual State of Workplace Empathy study for the first time to see how employees, HR leaders, and CEOs view their own workplace DEI initiatives.

- ▶ **DEI acceptance is high, but awareness lags.**
- ▶ **Nearly 8 in 10 employees agree that DEI programs encourage empathy in the workplace and that empathetic work environments happen when you recruit diverse and inclusive people.**
- ▶ **44% of employees are aware their company offers a DEI program, compared to 77% of CEOs.**

Unfortunately, such findings are not particularly shocking. There's a gap in awareness between employees and CEOs, but also a gap in understanding of DEI initiatives and their existence between white and non-white employees. Addressing these gaps should be on every employer's culture roadmap; however, while some employers are pretty far down that road, others are at the starting line of their journey. Our look at DEI through the lens of workplace empathy will help us get our bearings and map out the long road ahead.



# Words Matter, Especially when Defining DEI

Although diversity, equity, and inclusion often are used together and at times interchangeably, it's important to level-set the terms' distinct definitions. At the risk of oversimplifying, noted diversity advocate [Vernā Myers](#) put it simply, "Diversity is being invited to the party. Inclusion is being asked to dance." By extension, equity is making sure everyone has dancing shoes in their size.

Diversity is the simplest, most measurable part of DEI. It's casting a wide net in hiring and promoting employees. While we immediately connect gender, generation, ethnicity, and race to diversity, other types of diversity for employers to consider include:

- ▶ **Gender identity**
- ▶ **Physical/mental ability**
- ▶ **Education**
- ▶ **Experience**
- ▶ **Generation/age**
- ▶ **Political affiliation**
- ▶ **Spiritual or religious beliefs**
- ▶ **Location**
- ▶ **Family or marital status**
- ▶ **Socioeconomic status**



Diversity essentially means “all the ways in which people differ.” Inclusion, then, means that all of those differences are celebrated, recognized, and valued. And “equity” sits in the middle as the tie that binds. Equity differs from equality, in that equality ensures that everyone has the same thing. Using Vernā Myers’s analogy, equality would mean everyone receives the same size-7 dancing shoes—even people with size-10 feet. While that’s “equal,” we can see that that only helps you if you have size-7 feet. Equity, though, would mean everyone gets the size shoe that they need—possibly all different sizes. Equity ensures everyone has equal access, voice, and opportunity. Equity takes into account differing needs, abilities, and backgrounds and accommodates for those differences. Some examples of equitable accommodations might be translating important information into an employee’s native language, allowing a single parent to work remotely on occasion, or announcing promotion opportunities on multiple platforms with a clear understanding of how to apply and be considered.

“Equity encourages cognitive diversity in decision-making. Without equity, even the most diverse company will have a one-dimensional leadership team in charge of making decisions. Consider [recent reports](#) by the World Health Organization (WHO), which found that women comprise 70% of the global healthcare workforce, but there are ‘too few women’ making decisions and leading the work.”<sup>1</sup>

## CEOs and employees are far apart on their perceptions of inclusion.

I feel that my company is inclusive of everyone, regardless of their background.



I feel like I can be my true authentic self when I’m at work.



■ Employees

■ CEOs



<sup>1</sup> [5 Reasons to Focus on Workplace Equity Alongside Diversity and Inclusion](#). BasuMallick. 2020



# DEI and Empathy Go Hand-in-Hand

Our 2021 State of Workplace Empathy data shows that overall, employees find workplace DEI programs and initiatives to be empathetic. CEOs are more likely than employees to see DEI efforts as empathetic, likely due to CEOs' greater awareness of the programs. Employees, HR pros, and CEOs agree that DEI is a core component of organizational empathy by a large majority.

## Empathy results from diverse and inclusive strategies implemented by leadership.



## DEI programs encourage empathy in the workplace.



## DEI programs are essential in showing empathy toward employees.

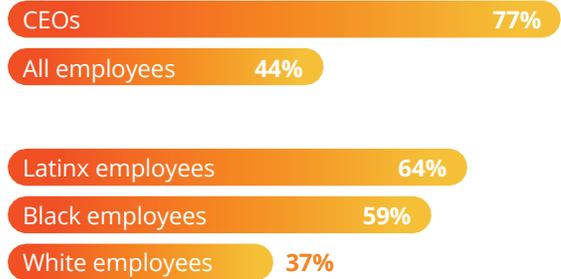




## Mind the Gap

The awareness gap between CEOs and employees when it comes to DEI programs is wide, our 2021 empathy data reveals. And that gap continues to widen among non-white employees. Seventy-seven percent of CEOs know their organization has a DEI program. However, while overall employee awareness of a workplace DEI program is an already low 44%, even fewer white employees (37%) are aware of DEI programs at their organization. Employees of color have heightened awareness, but not much higher: 59% of Black employees and 64% of Hispanic employees are aware of DEI programs at their organization. That data indicates potentially that the white employees do not see or understand the need for diversity and inclusion—which could make one assume that they are not actively taking part in diversifying and including.

### My organization offers DEI programs for its employees.





# Getting Leaders to ‘Buy’ DEI

Leading with how to connect diversity and profitability is really the wrong approach; however, when it comes to executives and boards, there will likely come a moment in every empathetic professional’s journey to make the business case for DEI. When that moment arrives, HR/benefits pros can lead with two key points that connect DEI to ROI:

**1. Companies that elevate diversity within their workforce are more likely to be innovative—and profitable.** The 2020 McKinsey & Company report “Diversity Wins” chronicles the correlation of corporate performance to diversity from 2014 to 2020.

*“Our 2019 analysis finds that companies in the top quartile for gender diversity on executive teams were 25 percent more likely to have above-average profitability than companies in the fourth quartile—up from 21 percent in 2017 and 15 percent in 2014.”<sup>2</sup>*

**2. Diversity produces innovation.** Carla Harris, accomplished Wall Street leader, acclaimed author, and awe-inspiring singer shared a key “pearl of wisdom” about leadership and DEI when she addressed Businessolver’s Vision 2021 audience: “If you agree that innovation is the dominant competitive parameter, then you must agree that you need a lot of ideas in the room in order to get to that one idea that will allow you obtain and retain a leadership position in your industry. Innovation is born from ideas...ideas are born from perspectives...perspectives are born from experiences.... experiences are born from people.” Getting a diverse set of people to the decision-making table will naturally produce innovation.

**I believe my company would benefit from having more diversity within its leadership.**



**“This discussion is around D&I, but what we’re really talking about is unleashing talent and thinking of new paradigms. We’re thinking of ways we can do things differently to create a culture of connectedness.”**

*Rosette Cataldo,  
VP of Performance & Talent Strategy at Workhuman<sup>3</sup>*

<sup>2</sup> Diversity wins: How inclusion matters. McKinsey and Co. Dixon-Fyle et al. 2020.

<sup>3</sup> A Deeper Dive into Diversity and Inclusion. Workhuman. Miller. 2019.



# Racial Reawakening, or Cultural Coma?

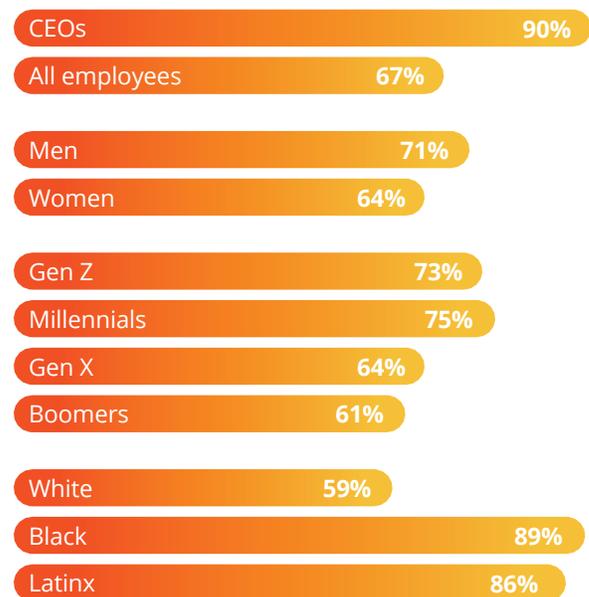
While DEI has been part of the corporate and culture vernacular for many years, there was an increased urgency for many companies in 2020. Continued calls for justice in the wake of the George Floyd killing and increased media coverage of Black Lives Matter brought the issue to the forefront for many American companies. Many Americans found the summer of 2020 to be a racial “reawakening,” as they examined systemic injustice—some for the first time.

Mega-corporations put a stake in the ground to review and enhance their DEI policies and made public statements of support. However, our 2021 State of Workplace Empathy data reveals that the divide on such public statements is sharp.

White and older employees are the least aligned with CEOs and their colleagues of color. As “majority” voices, it is possible they do not see a need for organizations to speak for them or to them. Yet in the data, minority voices find it much more important to feel that employers are a trusted and reliable ally in the DEI movement. While CEOs and younger generations appear willing to use their voice in that capacity, all-around allyship is critical to driving both DEI and empathy.

Empathy, defined in our study as “the ability to understand and experience the feelings of another,” naturally lends itself to allyship and active engagement in workplace DEI programs. Empathy is the lifeblood of DEI; employers can’t have one without the other.

## I believe it is important for companies to address topics surrounding social/political unrest.



## Planning a Virtual Event for Visually Impaired Vegans

Imagine being a conference event planner tasked to execute a virtual session where lunch is provided for attendees of differing abilities and dietary needs.

- ▶ How will visually and audio-impaired attendees participate? Special microphones/headphones for speakers? Closed captioning? Both?
- ▶ Will the virtual event platform work on all devices, Apple and Android, and for attendees’ various connectivity capacity?
- ▶ Will speaker presentations render the same on Macs and PCs?
- ▶ How will the event schedule maximize participation across time zones?
- ▶ What meal options will be provided for attendees with special dietary needs?

These are only a few of the considerations to make sure all attendees have an equitable, inclusive, and enriching experience—at a singular (fictional) event. Making sure all employees have an equitable, inclusive, and enriching experience while working at an organization matters just as much, if not more.



# CEOs Get it, Employees...Not so Much

Employees as a whole have not yet caught up to what CEOs already know: Diversity and inclusion will help everyone, not just the “minority.” While only about two-thirds of employees overall think that a DEI program is important to various audiences—like the average employee to corporate America—CEOs are already on-board with understanding the importance of such programs and building awareness entire organizations. However, while 89% of CEOs believe that DEI is important, 69% still say that their company “lacks diversity,” highlighting the need for recruiters and hiring managers to continue working toward bolstering the DEI initiatives when it comes to finding, retaining, and promoting people who provide diverse perspectives.

## How important is a DEI program to the following audiences?

### My company's CEO



### My company's HR representatives



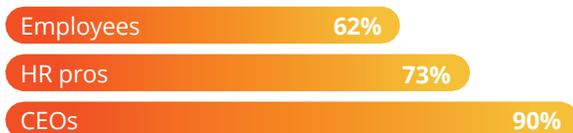
### The average CEO



### The average HR representative



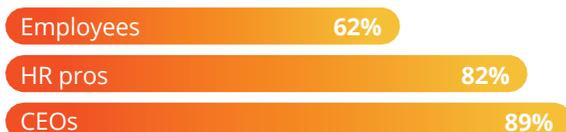
### The average employee at my company



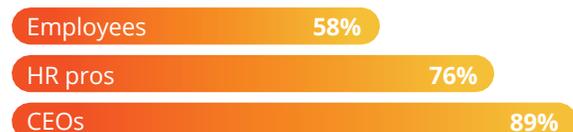
### My company as a whole



### The average employee at any company



### Corporate America as a whole





# Do the Work. That's it.

No excuses. The empathetic work of listening, learning, and unlearning about how others are affected by words and workplace policies is a workplace imperative. Employees need to understand what the programs are and why they matter.

DEI programs are important to show empathy, recruit and retain talent, provide a voice and a space for workers, and increase innovation. Here are action steps to help bridge the diversity divide:



## Lead from the top.

With the disconnect between employee awareness and actual existence of DEI programs, it's clear that the message should come from the top about the importance and nature of the organization's DEI program and initiatives—and let employees know how they can contribute—no matter their background.

Research from [COQUAL](#) outlines empathetic and inclusive leaders as those who:

- ▶ Ensure that team members speak up and are heard
- ▶ Make it safe to propose novel ideas
- ▶ Empower team members to make decisions
- ▶ Take advice and implementing feedback
- ▶ Give actionable feedback
- ▶ Share credit for team success

Of employees who report that their team leader has at least three of these traits, 87% say they feel welcome and included in their team, 87% say they feel free to express their views and opinions, and 74% say they feel that their ideas are heard and recognized. For respondents who reported that their team leader has none of these traits, those percentages dropped to 51%, 46%, and 37%, respectively.<sup>4</sup>

<sup>4</sup> [Diversity Doesn't Stick without Inclusion](#). Harvard Business Review. Sherbin and Rashid. 2017.





## Listen to and involve every member of the workforce.

While most employees are looking to leadership to provide a DEI program, that program won't yield lasting change until everyone is aware of what will make it successful.

- ▶ Define the goals of the program and report out progress to help employees understand what the initiatives are meant to do.
- ▶ Define the terms and provide a sense of purpose around the “why”—ensuring everyone feels safe and accepted, becoming an employer of choice, growing market share/profitability, etc.
- ▶ Provide opportunities for individuals and smaller groups to understand, digest, and discuss what inclusion looks like. Some companies do this through book clubs, message boards, storytelling, or taking a “DEI Pledge” to foster personal ownership within the corporate ideal.





## Support employees.

Many believe that a company can show empathy through respecting their need to take time off, have flexible schedules, and for leadership to be transparent about the state of the business. Adopt new initiatives and be open with employees. Address social and political unrest in a way that lets all employees know that there are support systems available through management or benefits programs. Empower managers to facilitate discussions and to understand the “why” behind the initiatives.



## Foster inclusive work environments.

Workers at all levels realize the benefits of being an inclusive organization and it creates a more empathetic environment. Promoting DEI programs to help build awareness across organizations can broaden its overall impact. Define what “inclusive” means—by providing training toward understanding personal roles and responsibilities.



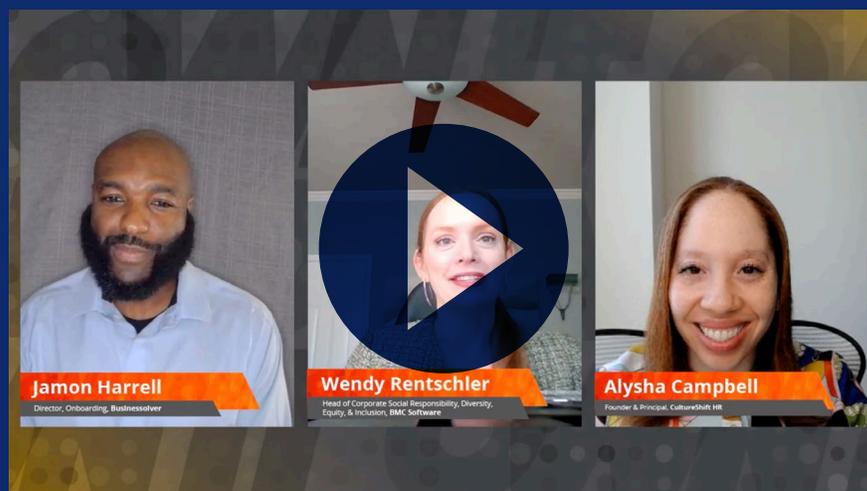
## Drive results with data.

The [Harvard Business Review](#) suggests several ways to get to the best data to measure your DEI initiatives. However, the first hurdle may be getting the data to analyze. Employees may be hesitant to self-report diversity metrics without understanding how/why the data will be used. Be transparent about how you hope to use the data to create a more diverse, equitable, and inclusive workplace and how that will ultimately benefit everyone.

*“Data must inform even emotional, interpersonal, and cultural work. Honest, accessible metrics around your diversity progress and remaining gaps are critical to ensuring the work is measurable, targeted, and impactful.”<sup>5</sup>*



[Listen to a recent discussion](#) with leading DEI experts, “Own Organizational Inclusion.” Check out the panel and additional Q&A from the Green Room.



<sup>5</sup> [To Make Real Progress on D & I, Move Past Vanity Metrics](#). Howson. Harvard Business Review. 2021.



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