Diversity & Inclusion Infrastructure Councils - Best Practices at Global Organizations

DBP RESEARCH REQUEST
A diversity and inclusion (D&I) council is a group of employees, including senior leaders or executives, that acts on behalf of the company to jumpstart and manage the diversity and inclusion process.

The Council works closely with senior leaders to ensure tight alignment with the organization’s overall business strategy and to help institutionalize human capital practices that support and accelerate D&I goals.

The D&I Council helps create strategic accountability for results, provides governance and oversight on diversity efforts, and promotes company-wide communication on progress. The best councils successfully integrate the D&I program with the company’s mission, operations, strategies, and business objectives.

Diversity councils are a critical driver in fostering real organizational change, establishing a dedicated focus on diversity and inclusion priorities, and managing the D&I program. Moreover, they provide platforms for overseeing and assessing the effectiveness of the D&I function and introducing reform when needed.

The primary role of the Council is to connect D&I activities to a broader business-driven, results-oriented strategy.
To succeed, all councils require the following:

- Support from senior leadership
- Direct link to the overall business strategy
- Reinforcement of the business case for diversity and inclusion
- Diverse membership
- Metrics to track progress
- Clearly communicated goals and outcomes
- A long-term strategy that drives short-term initiatives and activities

Source: DBP Report
SUPPORT FROM THE TOP IS CRITICAL

Senior leadership support is vital for diversity council success; without it, councils are unlikely to achieve their goals. While composition of diversity councils can vary from council to council, engagement from senior-level management—ideally the CEO—is necessary if councils are to fulfill their mandate. When CEO leadership is not possible, other senior executives should lead and participate on the team. Because diversity councils are responsible for and accountable to top executive teams, senior leaders play a critical role in providing direction with respect to the council’s mission, strategy, and deliverables.

LINK TO BUSINESS STRATEGY

Councils must clearly link the organization’s diversity strategy with the overall business strategy to emphasize the importance of diversity in and to the organization. It is not enough for an organization to say, “We should look more diverse because customers like that.” Rather, it’s important to ask, “How can we better reflect our diverse customer base, thus providing them with better service, care, and products?”

Source: Catalyst
Many diversity councils are designed to address gaps in representation or inclusion for specific demographic groups, including women, racially/ethnically diverse individuals, and people with disabilities. Other councils address diversity and inclusion more broadly and consider every member to represent some aspect of diversity: dimensions may include organizational role or level, educational background, communication or management style, geographic location, and demographic group.

A diversity council’s members should mirror the diversity within the organization. Councils should be composed of individuals of different genders, generations, departments, and/or other dimensions of diversity. Leaders of employee resource groups may also be part of the council. Councils may include individuals with diversity expertise who do not work for the organization; these outsiders can provide expertise or offer a customer’s perspective in council discussions.

Tapping a cross-section of thought leaders who represent the full breadth of functional expertise can help an organization clarify the meaning of D&I and its importance to the organization’s overall culture and business strategy.

Source: Catalyst
Diversity councils are often chaired by the CEO, jointly chaired by the CEO and CDO, or solely by the CDO. In all of these cases, the CEO visibly champions the Council’s work.

It is vital to have the right people involved on the D&I Council. The typical council member is a well-connected, very well-respected, highly influential leader. He or she has a great deal of knowledge regarding the organization itself, the challenges and issues associated with specific business units, and has intimate knowledge of the concerns associated with how work gets done.

As a group, the D&I Council reflects a balanced representation of the business. The organization’s leaders work side-by-side with council members to ensure that the overall business plan is fully aligned with the diversity and inclusion strategy.

Through the work of the councils, leaders co-create diversity and inclusion goals, monitor outcomes and strategy execution, and report progress to company leaders and the organization overall.

Source: DBP Report
Responsibilities of the D&I Council should be included in the charter. Responsibilities may include:

- Assist the CEO/CDO in creation of the D&I strategy and key milestones
- Embed the diversity and inclusion function across the enterprise with strong connections to business units and operational divisions
- Clearly delineate diversity roles and responsibilities and provide for ongoing assessment to ensure effectiveness
- Broadly build and share knowledge on D&I successes and impact – build the case for D&I!
- Work with Learning department to identify specific D&I education content to be included in employee training and professional development
- Identify D&I barriers that impact recruitment, retention and advancement, recruitment, training, and key assignments
- Create content and custom D&I messages for the Communications team to deliver to leadership, middle managers, and the general employee population
- Act as change agents for the organization – challenge the status quo – champion D&I and promote the company as an employer of choice

Source: DBP Report
D&I Councils come in many forms and have a variety of structures and names. For the most part, there are two basic types:

Usually led by the chairman, CEO or chief diversity officer, **executive diversity councils** are made up of senior vice presidents, vice presidents, business-unit heads or other high-level leaders from all of the key company’s business functions or core businesses. In general, this council develops the comprehensive, integrated diversity strategy that drives company best practices, goals and objectives, and monitors the company’s progress against those goals and objectives.

Designed to provide greater representation of the diversity of a company’s workforce, **advisory or regional diversity councils** are often larger than executive diversity councils. An organization may create several such councils to represent multiple business units, locations, or operational components. These councils implement the diversity strategy and policies established by the executive council. They are also responsible for advising company leadership on the company’s diversity and inclusion needs and the progress of diversity initiatives throughout the organization.

Source: **DBP Report**
Case Studies

Best Practices of Global Organizations
The **University of Rochester** instituted a program to enable each academic department and administrative and service unit to create its own Diversity/Cultural Competency Advisory Council. The role of these subordinate councils is to ensure that their diversity initiatives align both with the University’s D&I program and goals in addition to the business unit’s strategic goals.

**Sodexo’s** Cross-Market Diversity Council (CMDC) is an example of a companywide advisory council. The charge of the CMDC is to collaborate and operationalize the diversity plan within each business line; serve as thought leaders to advance the D&I strategy; implement D&I at a regional level and align with employee business resource groups.

**Kellogg** established nine distinct diversity and inclusion councils to drive D&I goals across core business streams:

- D&I Subcommittee of the Finance People Development Committee
- Global Business Services D&I Council
- Global Engineering D&I Council
- Information Technology Diversity Council
- Kellogg Canada Diversity & Inclusion Council
- Procurement D&I Council
- Research, Quality and Technology Diversity Taskforce
- Wyoming Diversity & Inclusion Council
- Women in Supply Chain
Intel’s **global diversity and inclusion office**, which is a central part of the company’s HR function, drives the company’s D&I enterprise. The office works closely with executive leaders to set organizational D&I goals, and provides oversight and direction to the company’s seven leadership councils and 33 ERGs.

Intel’s **seven leadership councils**, composed of over 200 senior leaders, serve as leadership role models and D&I champions for the communities they represent. Each council is assigned specific ERG communities to oversee. Leadership councils also host sponsorship programs to advance ERG leaders and members within their respective communities, and participate in a mentoring program which connects leadership council members with groups of seven to ten senior-level employees to mentor.

**Employee Communities.** There are 33 ERGs at Intel, with 22,368 members overall. Combined, the ERGs operate 168 chapters: 129 in the US and 39 globally. The intersection between the Global D&I Office, leadership councils and ERGs aligns on-the-ground diversity initiatives with Intel’s overarching D&I goals. In the U.S., ERGs are funded through the larger D&I enterprise, however, global chapters and ERGs must secure funding and resources in the regions where they set up shop.
## Case: Dell’s D&I Infrastructure

### Global and regional alignment

**Global lead**
- Supports ERG in executing goals, initiatives, and events from a global perspective
- Works with Global Executive Sponsor to remove roadblocks
- Researches & defines specific strategic initiatives that will help to accomplish vision, mission, and success metrics
- Drives alignment with internal partners
- Drives alignment with Dell’s Diversity & Inclusion strategy
- Ensures regional alignment to global strategy
- Supports best practice sharing
- Drives recurring global ERG meetings
- Participates in annual ERG strategy sessions

**Regional lead**
- Supports ERG in executing goals, initiatives, and events from a regional perspective
- Drives recurring regional ERG meetings
- Participates in annual regional ERG strategy sessions
- Drives alignment with Dell’s regional Diversity & Inclusion strategy
- Ensures regional alignment to global strategy
- Creates & maintains ERG site lead list
- Works to recruit site leads when necessary
- Works in collaboration with D&I to direct interest in new chapters
- Maintains ERG regional overview
- Leads or manages regional Social Media & Communications efforts
- Encourages leaders & members to engage in regular conversation
- Supports best practice sharing

### Local planning and execution

**ERG Site lead**
- Provides leadership for the Site Chapter
- Plans the Chapter ERG strategy (in alignment with Global/Regional direction)
- Keeps regional lead informed of key events and needs
- Maintains connection with local site leadership
- Works with core team to drive engagement for ERG on-site
- Collaborates with other active ERG Chapters on-site
- Attends regional meetings to learn & share best practices
- Drives regular core team meetings
- Ensure alignment to Dell’s Diversity & Inclusion strategy
- Represent ERG externally, whenever possible
- Serve a minimum two-year term
Leading our efforts is our **Global Diversity & Inclusion Council (GDIC)**, which is chaired by the CEO and provides strategic direction on how we approach diversity and inclusion as a company. Our GDIC is focused on growing the diverse representation of our workforce, promoting an inclusive workplace and being a place where all employees have the opportunity to achieve their goals and meet the needs of our customers.

Providing additional leadership to the GDIC is Corporate General Auditor, who serves as GDIC executive vice chair and represents the company’s management team and partners with our Global Human Resources (GHR) executive, to keep the management team informed about the GDIC’s objectives, progress and areas of opportunity. Providing day-to-day leadership of the GDIC are Vice Chairs, chairman of Global Commercial and Investment Banking, Consumer Lending executive and head of Retirement and Personal Wealth Solutions.

Also serving on the GDIC is Chief Diversity & Inclusion Officer, whose Global Diversity & Inclusion Organization partners with GDIC leaders, GHR and other business and regional leaders to determine priorities and initiatives that position the bank as a leader in diversity and inclusion globally. Further, each line of business and region has its own Diversity & Inclusion Council that develops strategies to support our diverse and inclusive environment.
Our mission is to promote increased recruitment, retention and advancement of faculty, fellows and residents from groups under-represented in medicine as well as to promote an inclusive environment across the department.

The council’s charter includes strategically addressing recruitment and retention by using the best practices that will assure that the department sets, monitors and reaches its goals. This means we will select and utilize the most effective and appropriate methods to identify, outreach to, recruit, retain and fundamentally value individuals of underrepresented racial, ethnic and other minority groups. This approach assumes that our culture or the daily ways in which we lead, guide, make decisions, evaluate and interact with each other will be examined.

The charter includes several kinds of functions and tasks:

- Establishing a data-based approach to this work by both collecting and analyzing profile data as well as qualitative data to be used in future decision-making regarding the diversity profile of our department in comparison to its peers.
- Setting goals, anticipated outcomes and measurements for the key parts of the Department vis a vis hiring of individuals of under-represented minority groups.
- Assisting in recruitment including establishing a 4th year minority and/or disadvantaged student visiting clinical clerkship, etc. Participating in search process strategies for identifying and recruiting at the faculty level and in developing divisional incentives for hiring minority faculty.
- Reviewing policies and procedures and informal practices across the department that affect recruitment and retention.
- Providing information and education about diversity that relates to the department’s mission and effectiveness.
- Recommending ways to strengthen retention by ensuring that needs and concerns of faculty and trainees are understood and met. Operationalize mentoring groups for minority and/or disadvantaged residents and fellows.
The Diversity, Equity, & Inclusion Council consists of Berkeley Lab employees, selected by their respective division director, to provide advice and counsel to Berkeley Lab senior management and their division management on diversity related issues.

The Council’s goal is to enhance our work environment so that we can recruit and retain a workforce that reflects the diversity of the local community, the nation and the world. The Council provides a forum for identifying and sharing programs and practices that have proven their effectiveness in enhancing diversity.

The Lab’s Diversity, Equity, & Inclusion Council charter is to foster innovative actions that create an inclusive work environment that makes full use of the contributions of all employees.

Diversity, Equity, & Inclusion Council Objectives

• Create synergy between division/department diversity and inclusion action plans and initiatives
• Share diversity and inclusion best practices across the Laboratory
• Create and execute new initiatives that promote diversity and inclusion in divisions and the Laboratory
• Visibly recognize and communicate diversity and inclusion best practices achievements throughout the Laboratory
• Identify and address emerging issues that can impact our diversity culture
Responsibilities at the Division Level

• Meet twice a year with Division Directors for input on lab-wide and division diversity and inclusion programs
• Partner with HR Division Partner and HR Recruiter to develop and coordinate divisions’ diversity and inclusion efforts
• Provide guidance to division managers and staff on diversity and inclusion issues
• Provide input to interview panels or hiring managers emphasizing the importance of diversity at the Lab/Division level

Responsibilities at the Lab Level

• Bring best practices on diversity and inclusion from other organizations to the Lab
• Sponsor Diversity and Inclusion Speakers and Social Activities to encourage and educate employees on diversity and inclusion
• Nominate staff on contributions to diversity, equity, and inclusion efforts lab-wide as part of the Lab Recognition Awards Program
• Recommend actions on diversity concerns brought forth in the Lab Employee Survey and gain management’s support
• Serve as an advisory committee for employee programs that impact lab-wide diversity and inclusion

Case: Berkeley Labs Inclusion Council
The company’s two governing bodies ensure that accountability and ownership takes place at all levels:

A **D&I Steering Committee** is responsible to develop corporate Diversity & Inclusion strategy, define global initiatives on D&I, ensure internal and external communication on D&I and evaluate progress on organization’s diversity Goals. Comprised of members from the Alstom executive committee, senior business & global function leaders & members from the HR leadership team, the committee meets once every quarter.

The **D&I Champions Network** is responsible to promote, facilitate and support the implementation of the corporate diversity initiatives at regional and/or business unit/project level. The network is chaired by the Global Diversity Champion and the Global Talent Development Director and comprises of D&I representatives from the Regions.

Every Region, has the responsibility to develop its D&I Strategy Action Plan, in a consistent way with the global D&I strategy, but taking into account the varying geographic and sociocultural contexts (e.g., reflecting varying regulatory contexts and differing starting points). While KPI’s for Diversity are set by Global Steering Committee and the EXCOM, we also endeavor to further our Diversity& Inclusion journey by setting KPI’s on “Inclusion” in the future.

Source: Alstom
Case: Alstom’s D&I Council Drives Messaging

Build effective teams, where everybody feels valued, included, treated fairly and with dignity. This will boost motivation, reduce absenteeism, and enhance productivity and performance leading to greater economic success;

Minimise the risks of damage to our reputation and any related costs by ensuring that we comply with relevant legislation and standards and fulfil related obligations;

Tell
Communicate internally and externally about the positive impact of Diversity & Inclusion via all communication channels, events & programs at every level of the organization. Include the messaging about the D&I Strategy with other business topics.

Track
Establish qualitative and quantitative objectives to judge the impact of Diversity and Inclusion actions taken and monitor progress.

Train
Provide learning tools for all employees to sensitize and to develop more inclusive behaviours. Put in place actions to raise awareness about conscious and unconscious bias which adversely affects "inclusion" at every phase of work life, in every work environment and at every hierarchical level. Support Employees Networks initiatives committed to the development of diverse talent.

Utilise fresh perspectives and nurture creativity and innovation, drawing on the variety of approaches to work and resolving problems, tapping hidden capacity for growth as well as encouraging and empowering employees to give their best;

Acquire and develop talent from a wider talent pool, on the basis of objective criteria and merit, to have the best global teams leading to competitive advantage;
Lockheed Martin’s Executive Inclusion Council (EIC), which is chaired by Chairman, President, and CEO Marillyn Hewson, sets the tone from the top for Diversity and Inclusion across the enterprise. Our journey towards becoming a more inclusive organization is governed by this executive level council which is comprised of our highest level of leaders from Business Areas and key functions.

In 2018, the council actively engaged in enabling our Diversity & Inclusion journey by:

- Endorsing cultural studies and actions resulting from studies to accelerate our results in prioritized areas, including gender and people of color diversity
- Reviewing assessments of leading external Diversity & Inclusion practices and evaluating their internal relevancy for implementation
- Meeting with ERGs to receive updates on opportunities and challenges faced by the groups, consider proposals and support plans which impacted policy decisions or informed new strategic focus areas.

Source: Lockheed Martin
Through reporting, diversity advisory councils, diversity roundtable discussions with associates and Business Resource Groups, we are working to implement and maintain programs that help assure our success in embracing the similarities and differences of people, cultures and ideas.

Our Diversity Advisory Councils represent associates from all functions and business units of The Coca-Cola Company. The Councils make recommendations for senior management on how to advance the Company's efforts towards achieving our diversity goals.

Source: Coca-Cola
Multicultural Leadership Council

The Multicultural Leadership Council (MLC), comprised of 12 leaders from across our North America business, advise senior leaders on strategy, initiatives and goals to advance U.S. multicultural talent within our organization.

Since its inception in 2012, the MLC has had a tremendous impact on several fronts, including:

• Sponsoring and advancing the creation of Multicultural EDGE, a week-long leadership development program for emerging Coca-Cola leaders focused on building leadership and increasing business acumen
• Championing the launch of Diversity 50, a year-long leadership development program designed to strengthen our company’s pipeline of diverse leadership talent
• Partnering to build the Top 10 Multicultural Market Scorecard, which identifies the top ten U.S. multicultural markets and corresponding critical business opportunities for our organization

Source: Coca-Cola
Women’s Leadership Council

As part of the Global Women’s Initiative, we created the Women’s Leadership Council (WLC), comprised of 15 influential female executives who share passion for diversity and the development of future leaders for the Company. The role of the WLC is to advise and counsel senior leaders on strategies and initiatives to accelerate the development and movement of female talent into roles of increasing responsibility and influence.

The Council created a strategic framework to guide the work, comprised of six critical focus areas:

• Recruitment and placement of qualified female candidates into key roles advancement
• Develop a thriving pipeline of ready-now and ready-future female associates
• Advance increasing presence of female talent at all levels of the organization
• Retention of existing female talent
• Enabling Culture, where appropriate systems are in place to support the initiative
• Enabling Organization, where the business case for the global women’s initiative is clearly understood across the organization

Source: Coca-Cola
D&I Budgets

Information on D&I budgets, findings, tips and strategies
In order to support numerous functions company-wide and aid the organization in revenue generation, the diversity and inclusion office must first have a budget large enough to allow it to perform its functions fully and at top quality. At some companies, diversity and inclusion is housed under Human Resources. At others, the diversity and inclusion function has its own office and a Chief Diversity Officer who reports directly to the CEO.

Given these variables, budgets for D&I vary widely across industries and regions and also depend on the responsibilities that fall within the function at large or shared in other business units and roles. Most importantly, companies must assess D&I responsibilities and desired outcomes for their own unique organization and determine appropriate budget and staffing needs from there.
Diversity and Inclusion budgets vary widely.

According to a 2016 DBP benchmarking study, the average diversity budget was $1.1mm. More than half of the companies benchmarked allocate approximately 2-3% of their overall budget to D&I.

Many budgets do not include marketing and advertising, recruitment, philanthropy and community outreach as those line items are typically housed in those functions.

Average budget allocations were as follows among the DBP benchmarking companies:

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<tr>
<th>D&amp;I Budget Line Items</th>
<th>% of Budget Spend</th>
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<tbody>
<tr>
<td>Diversity Organizations/Conferences</td>
<td>29%</td>
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<tr>
<td>Training and Development</td>
<td>25%</td>
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<tr>
<td>Employee Resource Groups</td>
<td>20%</td>
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<tr>
<td>Community Outreach*</td>
<td>17%</td>
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<tr>
<td>Supplier Diversity*</td>
<td>16%</td>
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<tr>
<td>Recruitment &amp; Retention*</td>
<td>13%</td>
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Approximately, what was your total amount budgeted for D&I in 2016?

Source: 2016 DBP Member Poll
### Examples from the DBP Benchmark

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<tbody>
<tr>
<td>Revenue: $22B</td>
<td>Revenue: $3.8b</td>
<td>Revenue: $9b</td>
<td>Revenue: $22b</td>
<td>Revenue: $100b</td>
<td>Revenue: $23b</td>
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<tr>
<td>Employees: 24,000</td>
<td>Employees: 14,500</td>
<td>Employees: 8,000</td>
<td>Employees: 26,000</td>
<td>Employees: 36,000</td>
<td>Employees: 16,000</td>
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<tr>
<td>D&amp;I Budget: $1.4mm ($53/employee)</td>
<td>D&amp;I Budget: $850,000 ($59/employee)</td>
<td>D&amp;I Budget: $400,000 ($50/employee)</td>
<td>D&amp;I Budget: $950,000 ($36/employee)</td>
<td>D&amp;I Budget: $3mm ($83/employee)</td>
<td>D&amp;I Budget: $1mm ($62.5/employee)</td>
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**Organization 3: Finance**
- Revenue: Unreported
- Employees: 40,000
- D&I Budget: $500,000 ($12.5 per employee)

**Organization 4: Finance**
- Revenue: $10b
- Employees: 3,200
- D&I Budget: $800,000 ($250/employee)
In the 2018 DBP Inclusion Index, the percentage of the total D&I budget was allocated to the following line categories:

- 22% ERGs
- 25% External partnerships
- 14% Recruitment and employment branding
- 21% Learning and development
- 16% Programming
- 9% Other

Source: 2018 DBP Inclusion Index
Example: Building Your Budget

1. Set Goals/Priorities

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<th>COMMERCE</th>
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<tr>
<td><strong>Grow Market Share</strong>&lt;br&gt;Each ERG will be tasked with establishing one business goal that will assist in growing company ABC sales, e.g. Hispanic ERG increased Hispanic sales 200 percent across all market areas, e.g., company attributed 7 percent of market growth because of innovation as a result of diversity efforts.</td>
<td><strong>Hire and Retain the Best Talent</strong>&lt;br&gt;All leaders and managers will participate in Unconscious Bias training to mitigate bias in people and HR processes and to ensure all employees’ experiences are maximized. Unconscious bias training increases retention, improves diverse promotion rates and lowers turnover costs.</td>
<td><strong>Hire and Retain the Best Talent</strong>&lt;br&gt;Establish a diverse talent pipeline development program to provide top diverse talent with visibility, sponsorship and on-the-job business experiences to fast track promotability. Current promotability rates of African Americans and Latinos lag Whites by 36 percent and 29 percent, respectively</td>
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2. Assign budget dollars to each priority also taking into account, prior results, number of employees, ROI of each priority

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<td><strong>$10,000 for each ERG (funding for client and cultural events for branding, promo materials, advertising).</strong></td>
<td><strong>$50,000 for Unconscious Bias training for Performance Management</strong></td>
<td><strong>$75,000 for development of diverse sponsorship program. 25 participants ($3,000 each for executive coach)</strong></td>
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3. Establish metrics (where you want to go and how you want to get there) to ensure you are tracking impact and ROI.

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<td><strong>$10,000 for each ERG:</strong>&lt;br&gt;Number of promotional materials distributed at LGBTQ Pride event&lt;br&gt;Number of increased sales or calls as a result of promo materials</td>
<td><strong>Number of participants&lt;br&gt;Audit performance management ratings&lt;br&gt;Increased employee satisfaction on employee surveys regarding performance management</strong></td>
<td><strong>Number of participants, number of sponsors&lt;br&gt;Promotion or mobility rates of participants&lt;br&gt;Performance review improvements</strong></td>
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Source: DBP’s D&I Strategist Playbook