



DEI as a Business Imperative: Driving Success in the Age of Innovation

STRATEGY BRIEF
2024



DEI as a Business Imperative: Driving Success in the Age of Innovation was a webinar sponsored by EI Powered by MPS and hosted by Brandon Hall Group™. The session featured three strong voices including Kelly Lake, Chief Strategy and Innovation Officer with EI Powered by MPS, Hanif Fazal, Co-Founder and Managing Partner of the Center for Equity and Inclusion, and Merlin Pope, President of Pope Consulting. The webinar was hosted by Matt Pittman, Principal Analyst with Brandon Hall Group™. The panelists shared their insights on the current state of DEI, overcoming resistance, implementing the right approach, and the role of DEI in learning strategy.

Current State

As the global workforce becomes increasingly diverse, with Gen Z projected to represent nearly 40% of workers in the coming years, creating an inclusive culture where all employees feel supported is critical for business success. Many organizations are investing heavily in Diversity, Equity, and Inclusion (DEI) initiatives, with spending projected to reach \$15 billion by 2026. However, to maximize the business impact of these efforts, organizations must take a strategic, comprehensive approach that goes beyond one-time training to embed DEI into the company culture.

Poll results from a recent webinar with Brandon Hall Group™ and EI Powered by MPS show that organizations are focusing more efforts on increasing the use of data analytics to understand the impact of a healthy DEI culture on business outcomes (35%) and building targeted development for underrepresented groups (31%).

These results line up with findings from Brandon Hall Group's *HCM Outlook 2024 Study*.

Level of Investment Planned in 2024 (Moderate and Heavy Investment)

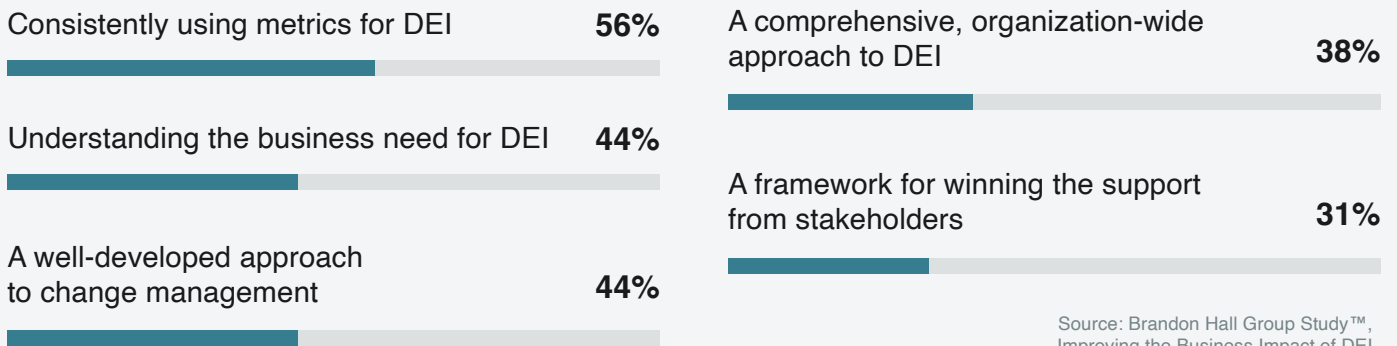
71%	Embedding the values of DEI across the organization	50%	Targeted development of people in underrepresented
52%	Create mentorship programs for diverse employees	39%	Technology to assist with DEI efforts
51%	Leader accountability for DEI		

Source: Brandon Hall Group™ Study, HCM Outlook 2024

Complications

Implementing effective DEI strategies can be challenging for several reasons. DEI awareness and priorities vary widely based on individual experiences, background, and geographic location. A one-size-fits-all approach is insufficient. Many leaders lack a personalized, business-relevant understanding of DEI and view it as a standalone tool rather than an ongoing process. There is often a lack of accountability and clear definitions around DEI responsibilities for leaders and managers. Relying solely on data analytics to measure DEI impact has limitations, as key demographic data may be unavailable in certain regions.

High Need for Improvement in DEI Approaches



Source: Brandon Hall Group Study™, Improving the Business Impact of DEI

Implications

Without a strategic, tailored approach to DEI, organizations risk:

- ◆ Failing to create an environment where all employees feel included and able to bring their full selves to work, impacting engagement and retention.
- ◆ Missing out on the business benefits of diversity, which include increased innovation, better decision-making, and stronger financial performance.
- ◆ Having siloed, ineffective DEI initiatives that fail to create long-term organizational change.

The question is then, how can organizations improve the business impact of DEI by creating a culture of inclusion and equity?

Brandon Hall Group™ POV

1

DEI is an Ongoing Process

The panelists in the webinar emphasized the necessity of continuous learning in the realm of DEI. Kelly Lake suggested that DEI shouldn't be seen as a one-time initiative but an ongoing process requiring constant adaptation and learning. "DEI awareness exists on a spectrum and is largely informed by our personal experiences and background," Merlin Pope added, highlighting the need for ongoing learning to cater to this spectrum of awareness.

Hanif Fazal emphasized the role of leaders in driving DEI initiatives and the need for them to understand DEI as an ongoing process. "Leaders, really I think, underestimate how nervous people are to make mistakes, to speak their truth, even responsibly," he said. "And thinking about what does it mean to create learning spaces." He also noted that leaders must build the capacity to articulate their commitment to DEI and operationalize it within their role.

EI Powered by MPS is particularly skilled at helping organizations level up their ability to create effective, personalized and meaningful learning initiatives. Kelly Lake also shared, "There are ways to invoke engagement for the learner, so they're more actively involved with what they're doing. How are we demonstrating that? How are we demonstrating cognitive retention with different groups?"

Some of the approaches mentioned:

- ✦ Learning built into the flow of work, such as realistic scenario-based exercises that can be completed in just a few minutes.
- ✦ Gamification of short impactful lessons that enable learners to be in a safe environment, demonstrating different techniques, and then being able to work more strategically for the outcomes that are coming.
- ✦ Interactive videos, even AI-based videos, or being able to see realistic immediate responses to learning in the need of the specific moment.
- ✦ Microlearning is an area to look at. Ensuring that content is focused and short helps maximize retention.
- ✦ Social learning can be an effective medium. Learners are more likely to engage with content that comes recommended by a co-worker they know and trust than one that is assigned to them in some faceless way.

2

Tailored, Localized DEI Strategies are Crucial for Global Organizations

When it comes to implementing DEI strategies in global organizations, the panelists agreed on the importance of a tailored, localized approach. Hanif Fazal highlighted that even within a country like the United States, DEI issues can vary significantly based on the region. He advocated for a core set of DEI principles that are universally applicable, but also allow for customization based on the specific needs of each location.

Kelly Lake said one-size-fits-all approach doesn't work for DEI, and it's essential to have a plan that's "localized from a cultural perspective." She also mentioned the importance of ensuring the plan evolves with business changes, reviewing it regularly, and making it a "living document."

Merlin Pope added that creating localized strategies increases accountability and ownership.

3

Leveraging Data Analytics is Crucial When Measuring the Impact of DEI

The panelists discussed the growing role of data analytics in understanding and measuring the impact of DEI on business outcomes. Kelly Lake brought up the growing global spend on DEI initiatives and stressed the importance of data in validating these efforts. She mentioned several AI tools that are now available to measure and track DEI initiatives and help gather crucial data for total engagement.

However, Hanif Fazal cautioned against solely relying on data, especially in regions where certain demographic information can't be gathered for various reasons. He pointed out the need to supplement data with other methods such as focus groups to capture diverse experiences. "It's really important for organizations to begin to think about DEI as an ongoing process — one that continues to help organizations iterate and evolve," he said.

Key Takeaways

To maximize the business benefits of DEI, the panelists recommend that organizations consider taking the following actions:

- 1** Develop localized DEI strategies aligned with a universal set of principles. Allow regional customization based on differing cultural norms and priorities.
- 2** Position DEI as an ongoing learning process, not a one-time event. Create psychologically safe spaces for open dialogue.
- 3** Build the capacity of leaders and middle managers to integrate DEI into their roles. Provide personalized training journeys and establish clear accountability frameworks.
- 4** Use a balance of data analytics and qualitative feedback (e.g., focus groups) to holistically understand and measure DEI impact over time.
- 5** Implement targeted development programs for underrepresented employee groups based on their unique challenges and needs.
- 6** Communicate a compelling vision for DEI that resonates with stakeholders and connects to business priorities so that it regularly reinforces the “why.”
- 7** Model inclusive leadership behaviors from the top and recognize managers and employees who exemplify DEI values.

By taking a comprehensive, strategic approach to DEI focused on culture change, continuous learning, and leadership accountability, organizations can create inclusive environments that engage all employees and drive sustainable business success. The key is viewing DEI not as a standalone initiative, but as an essential lens applied to every aspect of the employee experience.

To learn more, you can view a recording of the session here:

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To explore the many ways E! Powered by MPS can support your organization’s DEI strategy, be sure to reach out to them here:

www.eidesign.net/contact-us

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