

Not All DEI Consultants Are Created Equal: A practical guide to selecting your DEI partner



Authored by:

Ryna Young
Partner and Head of Diversity, Equity,
and Inclusion Practice



ODGERS BERNDTSON



The next time you're drawn into a discussion about Diversity, Equity and Inclusion, listen carefully, and you'll hear an unmistakable noise in the background.

It's the sound of spinning wheels.

Nearly three years after global protests against systemic racism, business organizations are still struggling to gain traction on DEI. The intentions are, in general, very good. The public messaging was powerful. However, when you look for the impact of all those good intentions and messages, you quickly see that far too many companies are failing to gain any traction on DEI progress.

Equity-deserving groups, including those defined by gender or sexual orientation, are still largely underrepresented. This is particularly apparent the higher up the organizational hierarchy you go. Many organizations have made progress in the rank and file, but leadership circles are still predominantly white and male.

Meanwhile, the definition of "diversity" is constantly evolving.

Within the debate over gender diversity, new concerns have arisen about ensuring that organizations pay attention not only to the number of women they employ and what they are paid, but also whether women of colour are being fairly

“Many organizations have made progress in the rank and file, but leadership circles are still predominantly white and male.”

represented within equity-building programs. A March 2022 [survey](#) by Catalyst, a non-profit organization that promotes gender diversity, found that while women now make up 24 per cent of all C-Suite leaders in North America, only four per cent were women of colour. The same holds true at other levels of organizational hierarchy in Canada and the United States: women of colour account for only one quarter to one-fifth of all the women in leadership roles.

The woeful metrics on actual diversity are not the only sign of a lack of traction.

**A RUSH TO “TALK THE TALK,”
BUT A LACK OF CLARITY
ABOUT HOW TO “WALK
THE WALK”**

The contrast between the huge increase in hiring of Chief Diversity Officers (CDO) and

their relatively short tenure also says a lot about why we’re not making meaningful progress.

The impact of the events of 2020 on the world’s largest employers were profound and immediate. A 2020 [survey](#) by RBC, a global financial institution, found that 40 per cent of S&P 500 companies discussed diversity, equity, and inclusion in their second quarter earnings calls, up significantly from four per cent in the first quarter of 2020 and six per cent a year earlier.

The results showed that DEI had become a top-of-mind concern for these companies. That concern translated into an explosion of hiring.

For the past two years, job posts for diversity and inclusion leaders have soared. According to [LinkedIn](#), CDO or equivalent jobs have been the second-fastest growing job post in the

United States over the past 24 months, behind only Vaccine Specialist. From 2015 to 2020, LinkedIn found people holding the title of “Head of Diversity” doubled, while “Director of Diversity” rose 75 per cent and “Chief Diversity Officer” increased 68 per cent.

However, even with all that hiring, the results have been underwhelming and the tenure of CDOs alarmingly brief.



THROWING CDOS TO THE WOLVES

The aforementioned LinkedIn analysis reported in 2020 that average tenure for CDOs is about three years. Anecdotally, business media believe that number has dropped further in the past two years. When you're trying to change the entire culture of an organization – from hiring through to succession planning – two years is not nearly enough time to even make a dent on the underlying forces that perpetuate inequality.

As for those underlying forces, there is mounting evidence that even the companies that hire CDOs are doing very little to support them. A 2020 survey of HR professionals by Josh Bersin and Peceptyx, an employee survey and engagement platform, found that only 12 per cent of respondent firms reward leaders for DEI goals, less than a third require DEI training for all employees, and only 34 per cent mandate DEI training for managers. Most tellingly, 75 per cent of

respondents said DEI was not a core element in leadership development. “Roughly 80 per cent of the companies are just going through the motions and not holding themselves accountable,” the report stated.

This is a telling indication of everything that goes wrong with the otherwise good intentions companies have when they attempt to address their DEI shortcomings. Rather than look at broader systemic and cultural change, they hire a talented expert to come in and “fix” the company.

MANY COMPANIES DON'T MAKE PROGRESS BECAUSE THEY DON'T MEASURE PROGRESS

A ground-breaking 2020 study by Fortune Magazine found that only 256 of the Fortune 500 list published what it called “racial and ethnic” data, which in part profiled the diversity of their organizations. Further, only 22 provided a full breakdown of all the racial and ethnic representation in their workforces, management, and boards, as well as pay gaps.

Simply put, you can't begin to devise a solution unless you know the size of the problem. Although this is a fundamental problem that many organizations face, that's hardly a new observation.

A trove of academic research has focused on the rush to embrace DEI in the late 1990s and 2000s, when some of the world's biggest financial institutions were hammered in civil suits related to sexual discrimination and harassment suits. A global financial company found itself on the hook for settlements that exceeded \$100 million. Meanwhile, in just 15 years of civil suits, the company and its subsidiaries paid out nearly half a billion dollars.

Not surprisingly, there is a pretty solid consensus that companies like this, well-meaning and sincere, rushed to hire high-profile CDOs but didn't do much else to pave the way to greater DEI. Corporate policies “outlawed” discrimination, diversity training started to become a standard part of leadership



development, and various tools for defusing discrimination in the hiring process were all embraced. Unfortunately, all that activity failed to produce any real progress.

The problem, according to some analyses, was a world-wide failure to innovate. “Despite a few new bells and whistles, courtesy of big data, companies are basically doubling down on the same approaches they’ve used since the 1960s—which often make things worse, not better,” the Harvard Business Review [opined](#) in 2016.

Where does all that leave a well-intentioned company that sincerely wants to improve overall DEI at all levels, and in all aspects? The appetite for change is simply not enough to get the job done. You need to work closely with a trusted partner to plan for change.

However, as we noted above, there has been a huge increase in the number of people claiming to be DEI consultants or experts. Many of the world’s largest human capital consulting companies have also attempted to position themselves as DEI experts.

And while there are some very good people out there, the lack of progress documented in surveys and studies all over the world is proof that even though there is an abundance of advice out there to purchase, there is a global shortage of good advice.

So, let’s shop around for a DEI consultant. What questions should you be asking to help your organization find the right people to help you scale the DEI mountain?

“Despite a few new bells and whistles, courtesy of big data, companies are basically doubling down on the same approaches they’ve used since the 1960s—which often make things worse, not better.”

Harvard Business Review



The DEI partner checklist

1.

What is my organization's state of readiness?

A lot of DEI consultants will open their sales pitch with suite upon suite of off-the-shelf solutions: unconscious bias training for hiring managers; sensitivity training for leaders; awareness seminars for everyone else. The sales pitch will focus heavily on what the consultants believe are “best practices” for achieving your DEI goals.

However, the pace of change in the DEI space makes the whole idea of best practices rather meaningless. Just when you think you have a solution that works for today's challenges, you will realize your organization is going to need new approaches and practices to sustain the progress you've made. There is no boilerplate approach to addressing DEI concerns.

An accurate picture of organizational readiness can only be determined by formal assessments, one-on-one interviews, and an unflinching audit of the current state of DEI in your organization. How many people of colour, or women, or people of varying sexual orientation do you employ, at what level of the company do they work, how much money are they paid and—perhaps most importantly—how open is everyone to change?

2.

Can you help me build a DEI map of my organization?

A DEI map helps organizations determine specific DEI needs.

Even within a single organization, we know that every department, unit, and team can present different challenges. No matter what a consultant tells you, there are no one-size-fits-all solutions in this space; you need to find a partner that can help you identify the areas of greatest need and then, and only then, apply the best-possible solutions.

Which areas of your organization have the greatest DEI needs and what are their needs? Do you have a pay equity problem in one department? Is there a dire shortage of equity-deserving groups in the leadership ranks? It's worth noting that only a minority of medium-to-big companies take the time to do DEI audits, to establish both organization-wide needs and more specific areas of concern.

That means that if your company falls into the majority, you likely do not know how many people from underrepresented groups are in your organization, or what area or level they have achieved. You will likely also not know if your company has embedded wage inequalities between people of different genders, races, or sexual identities. A DEI map of your organization will reveal those areas of particular concern.

3.

Are you only interested in helping me hire diverse candidates, or can you help me build a culture that will retain them well into the future?

Far too many organizations think that DEI can be addressed solely through better recruiting. Make no mistake, recruiting and hiring policies and practices are essential elements in any effective DEI program. However, a firm that can only help you recruit a more diverse pool of talent will not help you retain that talent if you have made no other changes to organizational culture and practice to ensure new hires are given every opportunity to succeed.

A 2018 [survey](#) by Gallup found that “unfair treatment at work” was the number one reason why working people experience burnout. In the tech sector, an overwhelming sense that employees are not being treated fairly is the [number one reason](#) for voluntary separations. This concern about unfairness can be particularly pronounced for people in equity-deserving groups, particularly if they have been hired into a company only to find that they are not treated the same, or do not have fair access to the same opportunities.

Hiring more people from equity-deserving groups is a very good step. But it's only a step. Organizations need to ensure that these new hires



feel welcomed, supported and are given every opportunity to succeed. Otherwise, they will leave your company just as quickly as they were hired.

4.

How diverse is your definition of “diversity?”

If we learned anything from the 2020 summer of protests over systemic racism, it is that diversity is a much more complex issue than previously thought. While African Americans were protesting their treatment at the hands of police, Asian Americans were sounding the alarm about a new wave of racism and discrimination that spilled out of the global pandemic. In Canada, Indigenous peoples continue to struggle to find support for their efforts to recover from the residential school experience and ongoing systemic racism.

Equity-deserving groups could experience similar discrimination, prejudice, and lack of privilege. But the experiences of people within each of these groups can be much different and require DEI solutions that acknowledge their unique characteristics. Consider that nearly six per cent of people in Canada and the United States currently self-identify as gay or bisexual. And that according to the Corporate Equality Index, a project of the Human Rights Campaign Foundation, 54 per cent of surveyed companies now allow employees to confidentially disclose their sexual orientation. That creates a whole new challenge for organizations looking to improve DEI, and for the firms advising them.

CONCLUSION

The bottom line for any company hiring a DEI consultant is results. Can consultant ‘A’ help my organization not only improve the diversity of our workforce, but also build a culture where employees from equity-deserving groups are given the support they need to succeed?

However, those results will not come from cutting corners with one-size-fits-all solutions. Achieving a true state of DEI requires a long-term commitment to mapping, measuring and then addressing the needs of your organization, team by team and department by department.

The good news is that for those organizations that have the vision and patience to build a DEI program from the ground up, the benefits are infinite. It only requires purpose, an authentic commitment, and the right partner.



■ ODGERS BERNDTSON

odgersberndtson.com