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FOSTERING CHANGE WITH THE EQUITY & SOCIAL JUSTICE INITIATIVE

The Equity & Social Justice Initiative

Written by: Erica Salmon Byrne and Joy Yurcaba

We're all in this together, and together we can drive meaningful change. For many, this hopeful statement may fall flat, and for good reason. Many have had to endure lifelong injustice and bias. This pain magnified by recent events is enough to discourage even the most strong-willed. But, in talking with a few senior leaders from a range of organizations, it is that very pain that has fueled them to push for change—change they believe now more than ever will have greater, lasting impact.

Our journey began with the launch of Ethisphere's Equity and Social Justice Initiative. At Ethisphere, we work with companies to advance business integrity. Diversity, inclusion, and equity are central to integrity and we knew we needed to bring a voice to this issue.

The first step was to assemble an advisory council of industry leaders who are already at the forefront of advancing diversity and inclusion within their organizations and communities. David S. Huntley, SEVP and Chief Compliance Officer of AT&T, stepped up to be Chair of the Advisory Council. In his words, "Standing for equality is both a moral and business imperative at AT&T. This initiative offers the opportunity to join with other leaders to share best practices and brainstorm new ways to advance equity through empowered workforces and communities."

The Advisory Council Listening Tour

As a starting point, we spoke with members of our Advisory Council to hear their perspectives. They spoke of three areas where change can occur:

- **Inside the company.** Actions could include mentoring, the support of Employee Resource Groups (ERGs), increasing transparency, and sharing data on diversity and other trends;
- **The company in the community.** Companies could engage in lobbying, working with Historically Black Colleges and Universities (HBCUs), and advancing volunteerism, among other activities; and...
- **Individual actions within the company and community.** Many are looking at manager training and preparedness, and providing ways for employees to get involved.

Many advisory council member companies have already taken actions that have made a difference. Following are key themes and examples. You can view examples on the Equity & Social Justice page located at ethisphere.com/equity.

- **Storytelling for Impact.** Companies are turning to employees who have been impacted by social injustice and asking them to share their stories. The result is so compelling. A few examples:
 - **MetroHealth:** "Healing Begins with Listening" Initiative. A video series featuring employees sharing their stories of racism and bias.
 - **Voya: A Candid Conversation with Voya Leaders About Race.** Brannigan Thompson discusses having to "put on a uniform" in the workplace to make others feel comfortable with his Blackness.

- **Accenture:** “Inclusive Starts with I” series. A discussion around the importance of a positive, inclusive work environment.
- **Mentoring and Training.** Many advisory council members mentioned mentoring—and not just Black execs mentoring Black employees, but everyone figuring out how to be comfortable mentoring everyone. A few ideas:
 - **Prepare managers.** Focus on making sure that managers are comfortable providing constructive feedback to their direct reports of all genders and races. The focus here should be not just on this concept, but *how* to do this.
 - **Provide inclusivity training.** Work not just on giving feedback but receptivity to feedback.
 - **Give feedback without fear.** Trust your organization to stand by a fair review.
- **Metrics and Transparency.** Companies are considering ways to collect and share diversity and inclusion data, and metrics on topics such as pay equity. AT&T is a leader on transparency and shares its data in an annual Diversity & Inclusion Annual Report.
- **Effective Employee Resource Groups.** (ERGs) ERGs – voluntary, employee-led groups focused on diverse, inclusive workplaces and aligned to organizational goals – are increasingly popular today. To help ensure success, many companies are providing resources such as budgets, executive sponsors of all races, and visibility across the organization. Some are also making ERG participation part of an employee’s promotion and performance track.

Deliverables for the Initiative

In the coming months, Ethisphere will hold a Forum featuring leader conversations and case studies. The Forum will be recorded, and sessions will be available on at [Ethisphere.com/equity](https://ethisphere.com/equity).

The Ethisphere Initiative for Equity and Social Justice is also focused on:

- **Developing a framework** for companies to benchmark their initiatives, share metrics with stakeholders, and close the opportunity gap.
- **Identifying, codifying, and sharing leading practices** that corporations can take to advance equity for people of color.
- **Leveraging Ethisphere capabilities and competencies**, including platforms, *Ethisphere Magazine*, a microsite, and programs to share insights on equity.
- **Convening an ongoing series of multi-disciplinary conversations** and making them available to the public at large.

We will conduct the Forum and these activities in collaboration with our Advisory Council, members of our Business Ethics Leadership Alliance (BELA), and key partner organizations. To learn more about the Initiative, visit <https://ethisphere.com/what-we-do/equity-and-social-justice/>. To register for the forum, visit <https://events.ethisphere.com/events/equity-and-social-justice-forum/>

Sidebar



“As leaders, we all have a responsibility to drive equity for the betterment of our organizations and society at large. At Voya, we are committed to advancing a culture of diversity and inclusion—and continually looking for ways to make a positive impact in the communities in which we live and work,” said Brannigan Thompson, Chief Purpose Officer, **Voya**

Financial. “Working with the Ethisphere Initiative for Equity and Social Justice advisory council, we look forward to sharing our learnings as well as benefitting from the best practices of leading organizations who are collaborating on this important effort to drive change at scale.”



“We are at a critical juncture today and must move beyond discussion to make meaningful progress toward a more equitable and just society. At ACC, we are working with in-house counsel to make a difference. I look forward to joining my peers on the advisory council to provide guidance that all companies can use to build a bridge to a better tomorrow,” said Veta T. Richardson, President and Chief Executive Officer, **Association of Corporate Counsel (ACC)**.

Author Biographies

Erica Salmon Byrne is the Executive Vice President for The Ethisphere Institute, and is a Sponsor of the Ethisphere Equity & Social Justice Initiative. She has responsibility for the organization’s data and services business and works with Ethisphere’s community of clients to assess ethics and compliance programs and promote best practices across industries. Ms. Salmon Byrne also serves as the Chair of the Business Ethics Leadership Alliance; she works with the BELA community to advance the dialogue around ethics and governance, and deliver practical guidance to ethics and compliance practitioners around the globe.

Joy Yurcaba is a Sponsor of the Ethisphere Equity & Social Justice Initiative, and an Administrative & Accounting Specialist here at Ethisphere. This includes AR, AP and general bookkeeping. She comes with over five years of experience managing AR departments including local Inc 500 company Flex Print Inc. Using both her background in accounting and retail management she works with small businesses to streamline accounting departments and identify ways to increase cash flow.

Our differences make us stronger.



Brannigan Thompson
SVP, Corporate and Org Development

We believe that our diverse perspectives and backgrounds help us to better serve *all* of the Americans we are helping to retire better.

For more information about our company, visit voya.com



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About the Ethisphere Institute

The Ethisphere®Institute is the global leader in defining and advancing the standards of ethical business practices that fuel corporate character, marketplace trust and business success. Ethisphere has deep expertise in measuring and defining core ethics standards using data-driven insights that help companies enhance corporate character and measure and improve culture. Ethisphere honors superior achievement through its World's Most Ethical Companies recognition program and provides a community of industry experts with the Business Ethics Leadership Alliance (BELA). More information about Ethisphere can be found at: ethisphere.com.

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IF THIS TIME FEELS DIFFERENT...

...Then Here's What Has to Come Next

Written by David S. Huntley

At a glance, my coming-of-age story isn't unlike many of yours. But at a deeper look, it's strikingly different. My story begins in San Antonio, Texas during the American Civil Rights movement. The son of a proud father and a doting mother, I believed that the world was my oyster as long as I worked hard enough.

Against the backdrop of a country that wasn't necessarily embracing a kid who looked like me, I had a family that both encouraged and provided me with the opportunities I would need to succeed. So, when I think of the similarities and differences of where we are in this country today, and where we were during the sixties, it gives me pause.

History Repeats Itself

Images of protests and civil unrest flash across the screen, calls for change are shouted from the weary and emboldened alike. These are the outcries of a people saying *enough is enough, something has to give*. Do the placards read *Black lives matter*, or *We Shall Overcome*? Is this summer 2020 or is this the 1963 March on Washington? The conversations I've had with my Black sons about how to act and what to do in the event of an interaction with the police, are the same conversations my father had with my brother and me. They are conversations my white colleagues and peers don't usually have.

From Reconstruction (a 12-year period after the American Civil War that scholar W.E.B. DuBois called a "brief moment in the sun") to the series of events encompassing the Civil Rights movement of the fifties and sixties, Black Americans and our allies have been fighting for equal rights under the law for centuries. It was just over 150 years ago, in the summer of 1868, when the 14th Amendment was ratified, granting all persons born or naturalized in the United States—including former slaves—equal protection under the law.

"Why provide this brief history lesson?" you ask. Because people of color, women, persons living with disabilities, and members of the LGBTQ+ community are still fighting for equality and equity under the law in a number of areas. We have to ask ourselves whether we're a part of the problem. We need to understand the why of the matter. Even still, I truly believe we're at a pivotal time in our history—a moment ripe with opportunity— and we have the tools to begin dismantling some of the pervasive systems which have kept so many from reaching their full potential.

Why This Time Feels Different

When it comes to systemic racism, inequality and inequity, as a society we are at an inflection point. On an individual level, we're beginning to see humanity in one another. According to a recent Harris Poll, when asked whether this moment in the racial equality movement "feels different" than in the past, the vast majority (75%) of people (across generational, racial and political lines) agreed this time does feel different. So, while I am frustrated at times, I am also hopeful.

One of the reasons this time feels different is that businesses and corporations are taking a stand. We are collectively asking ourselves why: Why are there still such stark inequities in policy? Why am I at the receiving end of uncomfortable stares when I walk into certain spaces, and why am I assumed to be in a subservient role because of my race? Why haven't corporations figured out how to protect all their stakeholders and break down barriers



David S. Huntley speaking on a panel at the 2019 11th Annual Global Ethics Summit.

to climbing the corporate ladder (note: this is where you and I come in)? Why is the justice system stacked against Black and Brown people? Until we break down these barriers, the why will continue to haunt us.

In the 1960s, the protests and riots were in many instances contained to Black neighborhoods. Today, as these protests expand outside of those neighborhoods, people are more concerned, and we have their attention. Today, look at a company's corporate messaging and you'll likely see recent statements of unity and commitments to improving diversity and inclusion within their organizations. Why the shift? Corporations are being viewed through a new lens, and people want to know where they stand. This summer, the Business Roundtable released a statement calling on "national, local and civic leaders to take urgent, thoughtful action to prevent future tragedies and to help our communities heal." It's not enough to be a bystander or silent ally anymore. Both employees and consumers expect corporations to not only perform well, but to financially support causes that matter. According to a poll by Morning Consult, "Among all adults, as well as both Black and white consumers, more people than not said that if a company declined to make an official statement about the protests, that would cause them to see a brand in a less favorable light."

Where Do We Go from Here?

As compliance leaders, we're often ambassadors for integrity and ethics in business. And, we have the power to create change within our respective organizations. Within compliance at AT&T, we often use the phrase, *Just Do the Right Thing*; it's a call to action that helps us inspire an ethical culture.

As Chair of a newly formed Advisory Council under the Ethisphere Initiative for Equity and Social Justice, I will work with my colleagues to share best practices and define measurable ways companies can make a difference over the short and long term. We know the old playbook doesn't get us where we need to go, so how do we drive meaningful change? Here's where I believe we can start:

1. **Take a look around the room.** Who has a seat at the table? Do we have the best minds representing diverse perspectives or are we operating in echo chambers? Do we notice when there's a lack of diversity in the room? Are we using our access to the highest levels of our organization to create meaningful change? At AT&T, I know we're holding a mirror up and asking ourselves these vital questions. These challenges are even more pronounced in a virtual environment.

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2. **Accountability and transparency.** It's not enough to hold ourselves accountable, we must hold others accountable even when it's uncomfortable. We need to operate with a sense of urgency. In order for this time to be different, we will need to use data to inform our decisions. Where is there room for improvement? Can we put pen to paper and show we've done our homework? How are we benchmarking and measuring month-to-month, year-over-year progress? Now's the time to be bold in our actions, just like we are in other aspects of the business.
3. **Take a stand.** I'm proud AT&T has been at the forefront of championing these issues for decades in demonstrative and significant ways. One of our company values is *Stand for Equality*. In the 1960s, we were one of the first companies to endorse the Civil Rights Act, and we've long supported national social justice organizations. Yet, even by our own accounts, we still have work to do. From the work our External and Legislative Affairs teams have been doing to address police reform, to our efforts supporting community economic development, at AT&T, we've put our stake in the ground.

We have a moral and business obligation to engage on these fundamental issues of equity and fairness. In order for this time to truly be different, our actions and our words must speak louder than ever to support our country in ending racial injustice. For me, the risk of falling short is far too great.

Author Biography

David S. Huntley is Senior Executive Vice President & Chief Compliance Officer of AT&T Inc. He is responsible for developing policies to safeguard the privacy of customer and employee information, verifying compliance with the legal and regulatory requirements of the countries and jurisdictions where AT&T operates, and ensuring adherence to internal compliance requirements. His responsibilities also include accessibility compliance oversight. David has held this role since December 2014.

David was appointed to this role after serving as senior vice president and assistant general counsel-AT&T Services. In this role, he oversaw a nationwide team responsible for providing legal support to the Home Solutions and Global Marketing organizations. He was also responsible for Legal administration.

David currently serves on the boards of Texas Capital Bancshares, Inc., AT LAST!, the Baylor Health Care System Foundation and the Dallas Citizens Council. In addition, he is a Trustee of the Southern Methodist University Board, and a member of the Texas Business Hall of Fame, the Executive Leadership Council, and the Business Ethics Leadership Alliance (BELA) Executive Steering Committee.



DO SOMETHING WITH THE MEANS WE HAVE

How SoftBank's Opportunity Fund Is Reaching Minority-Owned Startups

Interview by: Tyler Lawrence

In June in response to Black Lives Matter and the global reckoning on race, numerous companies announced major initiatives to help close the gap with Black and minority communities and try to redress lingering inequities. Perhaps no company's initiatives had quite the same dollar amount attached as SoftBank's \$100 million Opportunity Fund of venture capital earmarked for BIPOC-led companies. Ethisphere Magazine spoke with Marcelo Claure, CEO of SoftBank Group International, for more about the genesis of the Fund and the impact he hopes it will have.

Tyler Lawrence: The announcement of the Opportunity Fund was prompted by the summer's reckoning over racial injustice that started in the United States with George Floyd and spread around the world. Tell us just a bit about how the initial idea for the fund came about in early June.

Marcelo Claure: I got tired of people saying, "We support Black Lives Matter. We support the Black community." Support is cheap. Talk is cheap. I asked myself, "What can I do?" At SoftBank, we're the world's largest investor. We invest in businesses every day. And I figured that the best thing that we could do was actually put together a fund that will support entrepreneurs of color. Where there's racism in the way police treat Black or white people, there's the exact same level of racism that happens when an entrepreneur goes and tries to get money. They're no different, right?

I want to start a fund solely dedicated to entrepreneurs of color, to give them not only the same opportunity, but a better opportunity, because it will be fully dedicated to them. I said, "That's my way of contributing back." We have the financial means to do this. My call to action to every leader was that each one of us have a moral obligation to do something with the means that we have.

We're not a charity organization. This is not a grant. We're going to hold you to the same standard that we hold any other entrepreneur, but there's a large amount of money dedicated only for entrepreneurs of color. And I'm blown away by the quality of the talent.

Whether people would like to admit it or not, many people have a bias against giving money to Hispanic or Black people. We automatically think that there's something wrong with them, and nobody will admit it. The only thing we're willing to admit is that only one percent of funds are given to Black entrepreneurs. Well, guess what? Between Black and Hispanic people, I think we're about 35 or 40 percent of the population. We're not 20 times dumber. We have a dedicated fund where they know they're going to be treated the same way that we would treat a white person. I'm just blown away by the quality of the talent that's coming in, the quality of the entrepreneurs, the quality of the companies they're founding.

TL: So you all announced the fund with \$100 million at the beginning of June. What has happened since then? It sounds like you've already received quite a bit of interest. Where are we?

MC: We have evaluated 700 companies. We have made 20 investments since June, from healthcare to consumer companies to gaming. The demographics are 25 percent Latino male, 12.5 percent Black female, and 62 percent Black male.

I think we have a team of maybe 20 people dedicated

My call to action to every leader was that each one of us have a moral obligation to do something with the means that we have.

to the fund. We cannot keep up with the amount of work, and we're hiring more people and it's great. People always say, "Why \$100 million?" We really have no limits, right? We manage hundreds of billions of dollars of investments, and we just had to throw a number out to get it started.

TL: So, as you just mentioned, only one percent of VC-backed founders are Black. And in the past, people in the industry have argued that the reason that Black and other minority founders don't get that kind of investment is that there's a pipeline problem. As an entrepreneur yourself and a Hispanic man, what do you make of that argument?

MC: That argument is false. There's a tremendous pipeline of highly capable entrepreneurs of color. I learned that in Latin America, when I launched another fund, which is the \$5B SoftBank Latin America Fund. Latin America is half the size of China, but venture investments in China were \$100 billion, and investments in Latin America were around \$1 billion.

In the first year and a half, we have invested \$2.7 billion, and we anticipate deploying additional amounts over the next several years.

My goal in the US was to do the same thing. Other people have followed our lead. I had a meeting with a Black entrepreneur the other day. He said, "I've gone from having to beg for money, to people begging me to invest in my company." That is a fundamental change. We take full credit for being one of the first to take a stance and say, "We're going to do this." There are so many other people that followed, and today Black entrepreneurs have the same problem that white entrepreneurs have—if you build a great business, there's competition for funding, and you get to choose based on, "Do I relate better to this fund? Do I like the investor better?"

TL: SoftBank's usual strategy with other funds, the Vision Fund and the SoftBank Latin America Fund, has been large investments in certain sectors—AI, robotics, fintech, sectors where there's potential for long-term growth in the future of the economy. Do you think that will shift at all for the Opportunity Fund? Is your lens going to be a bit broader?

MC: I think here it's much broader. We're looking for amazing entrepreneurs who build innovative companies that will disrupt traditional business models without necessarily having artificial intelligence at the center of what they do. It had to be much broader because, in technology, you traditionally haven't had Black and Latino entrepreneurs. We wanted to make sure that if we want to grow this fund from \$100 million to \$1 billion dollars, or whatever the size of the entrepreneurial opportunities, that we make the fund very broad.

Now, that doesn't mean that we take bad businesses. We're looking for exceptional entrepreneurs that build exceptional

business that will deliver great investment returns. A percentage of the return that we generate is going to go to promote inclusion of these entrepreneurs. We are not taking a traditional management fee, and the large portion of our profits will be donated to relevant causes or reinvested in future opportunity funds. If we hit a home run, think of the size the next one will be.

TL: Even outside of the Opportunity Fund and future potential opportunity funds, you all committed to reviewing the way the entire SoftBank organization assesses investments, diversifying internally, and all of these other steps. Do you think that doing this work contributes to a stronger sense of purpose for the organization?

MC: One hundred percent. I had a townhall with my employees, and I think 40 percent of all the questions were employees telling us, "We want a more diverse company." So for me, it's not just the right thing to say or the right thing to do because the world is watching you. In a selfish way, if you have a country where the population is 30 to 40 percent Black or Hispanic, there's no reason why your leadership shouldn't reflect that, right? It just makes you better, and you understand your customers better.

When I was the CEO of Sprint, I was the first one that came out and said we should put in extra effort to hire in a way that's representative of our customer base. We have to do the same at SoftBank. If you have a diverse leadership team, you're just going to do a better job. It's going to be a competitive advantage to better serve your entrepreneurs, better serve your customers.

TL: One last question—you look forward five years, maybe even 10 years, what are you hoping that the impact of this is on the investor landscape more broadly and the ecosystem that you all are operating in?

MC: We're all serious about making sure that you're allocating the right amount of capital to a more diverse group of entrepreneurs. If we as investors do a great job, and this company is delivering amazing returns, then this has a flywheel effect, right? The same thing happened in Latin America.

The same thing needs to happen in America with Black and Latino entrepreneurs. People are not doing this just because it's the right thing to do or because their employees are demanding it. They're doing this because there are amazing Black and Latino entrepreneurs. I'm hoping that this becomes a self-sustaining machine, not a machine that's being pushed because of racial and social injustice.



Author Biography

Marcelo Claire serves as CEO of SoftBank Group International and COO of SoftBank Group Corp., where he oversees the company's strategic direction and its portfolio of operating companies, including WeWork, SB Energy, Fortress, and Boston Dynamics. He also spearheads the \$5 billion SoftBank Latin America Fund dedicated to investing in technology growth opportunities throughout the region, as well as the newly launched SB Opportunity Fund, a \$100 million fund focused on investing in entrepreneurs of color. Claire also serves as Executive Chairman of WeWork.

Claire is a Board member of SoftBank Group and Arm and serves as Chairman of Fortress. He also runs Club Bolivar, Bolivia's most successful soccer team, and serves as Chairman and Owner of Club Internacional de Futbol Miami (Miami Beckham United), one of the newest Major League Soccer franchises. Claire immigrated to the United States from Bolivia. He is married and has six children.

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A PLAN FOR PERMANENT CHANGE

MetroHealth's Steps for Measurable Impact

Written by Alan Nevel

This time feels different.

Yes, we've all said that before. After Michael Brown, after Trayvon Martin, after Charleston, after Charlottesville. After all the other stark and undeniable reminders of the racism that's been baked into American culture and law for 400 years.

But this time, it needs to be different.

And I think it will be, for two reasons.

One, a younger generation of Americans has shown us that they are not going to allow the spotlight to shift away from racism in America. They will not let us change the subject.

Two, a critical mass of institutions – companies, businesses, organizations – now realize that the traditional tactics of promoting inclusion and diversity haven't worked, at least not quickly or effectively enough to reverse decades of exclusion and injustice and the suffering they've caused.

In other words, we failed – and will keep failing – by doing too little.

It's clear now that if we have any chance of achieving our moral obligation and our nation's promise of liberty, justice and equality, we are going to have to do more, much more. A bit of once-a-year training, an off-the-shelf program, a few minority internships – those kinds of things, on their own, are no longer going to cut it.

This is going to require no less than a *permanent change* to your organization's culture and commitment.

It's going to take time, and it's going to test your organization's resolve. But the opportunity, the payoff from success, is just as big as the challenge. We've seen real evidence that even modest achievements in inclusion and diversity have meant better performance and profitability. More-than-modest achievements will mean even more success, and that's before we consider what's most important: the improvement to the lives of the people – employees, customers, vendors, partners – who interact with our organizations.

For it to have any chance of happening, leadership is imperative, in both words and deeds.

Here are a couple lines from a letter that our CEO, Dr. Akram Boutros, sent to MetroHealth employees in the days following George Floyd's murder:

"We will unite around [those who are hurting] and turn their sacrifices into a memorial – not of brick and glass and steel – of solidarity, kindness and understanding.

"This is a historic time. And history will judge us by our actions or our silence."

He, along with our Board of Trustees, approved an ambitious set of goals for racial equality and inclusion, and the resources we needed to get going.

The overarching goals are to eliminate racism and bias in four areas, our "four pillars": the experience of our patients, the culture of our organization, the systems/policies/processes of our HR department, and the experience of our employees.

Transparency means credibility, and we will involve staff at every step and communicate openly, even if there are setbacks.

Build Capabilities

Establish an Understanding of Race Equity and Inclusion Principles

- Establish common language and definitions
- Education & Training
- History of Racism & Inequity
- Principles & Dimensions of DEI (terminology, concepts)
- Cultural Competency & Health Equity
- Unconscious Bias
- Becoming an Ally/Champion
- Employee and Patient Storytelling

Equity – Understand and give people what they need to enjoy full, healthy lives

Equality – Ensure that everyone gets the same things in order to enjoy full, healthy lives
Equality only works if everyone starts from the same place and needs the same things.

We are being deliberate in creating a detailed plan of action, because we know this is a years-long initiative and commitment.

Our first step is engagement, because it is essential. Dr. King famously said that “a riot is the language of the unheard.” At work, disengagement is the language of the mistreated, the excluded, the underestimated and the unfairly passed over. It is more damaging to a business than any broken windows.

We needed to let our staff know that things were different this time, so we created a series of short videos that served as an espresso shot of awareness. In each video, an employee shares a personal and emotional experience with racism. In one, a worker, after his shift, explains how he showed up to sit at a dying patient's bedside as part of our remarkable No One Dies Alone program. He was volunteering, after a hard day of work, only to be turned away by the patient's family because he is Black.

In a survey after the videos were released, 6 in 10 respondents said the stories raised their awareness of their own personal biases. More than half said the videos gave them a greater understanding of the personal impact of racism.

In addition to videos, we are engaging staff – and patients – in focus groups, listening tours, ethical-culture surveys and more. As we engage, we are assessing where we are and where we need to be.

This includes an uncompromising look at how we've hired, fired, promoted and paid our employees. We are digging deep into data to look for irregularities, trends, even micro-patterns that may produce inequities, even unintentional ones. We'll also examine the diversity of our vendors and how they conduct business.

At the same time, we will survey our “customers” – our patients – to measure their experiences and examine whether they differ depending on their race, sex, age and more.

We plan to do an analysis on every one of our health system's policies to see how they might impact equity for employees and patients.

While we're doing that, we'll work to build our capabilities. This includes establishing common language/definitions

and educating and training our people about the history and effects of racism, about unconscious bias, health equity, cultural competency, and the concepts of diversity, equity and inclusion. We will help our employees become allies and champions and continue to facilitate the most powerful tool for understanding: storytelling.

We aren't sure if this is the most correct path. We'll be assessing everything we do to measure effectiveness. If something isn't working, we'll change course. But you can see that what we're doing is so much more than talk, platitudes and yesterday's check-the-box approach to diversity and inclusion.

I try to help my white friends and colleagues understand the day-to-day experiences of being Black in America. I ask them to think of a time when they felt that universal human emotion of being excluded, even if it was back in gym class when they were picked last for kickball. No matter how long ago it was, we all can remember the feeling, the emptiness, deep in our gut, of being left out.

Now imagine that feeling every day. It's likely how your minority employees feel, even if their colleagues have no hateful intentions.

We are all wearing literal masks at work these days. Many minority workers have long been wearing figurative ones, too, keeping aspects of our lives, our experiences and our culture hidden from colleagues in a less-than-welcoming-and-understanding workplace.

White colleagues can simply wake up, come into work and perform their jobs, without thinking about their race. Minority workers wake up, look in the mirror, put on their mask and step into what I call “proving mode” – proving to their colleagues, to their peers, to themselves, that they belong where they are. Only then can they move into “performing mode” and focus on their work. That's a lot of pressure, and it takes a toll.

When we're successful in our racial equity and inclusion efforts (I say when, not if), those empty feelings of exclusion will be replaced with feelings of acceptance and understanding. The mask will be gone, and all of us will be able to bring our whole selves to work. We'll be able to focus solely on performing our jobs, not proving we belong.

It'll be quite a difference.

It should be, because this time, it must be different.



Author Biography

Alan K. Nevel was named Senior Vice President, Chief Diversity and Human Resources Officer for The MetroHealth System in June 2018. In this integrated leadership role, Nevel is responsible for driving the human resources strategy to attract, retain and motivate a highly engaged workforce to implement MetroHealth's mission while leading diversity, inclusion, cultural competency and work-life strategies to empower employees.

Nevel most recently served as Vice President, Global Diversity and Inclusion for Thermo Fisher Scientific, a Massachusetts-based global life sciences solutions, specialty diagnostics and laboratory equipment company, which he joined in 2012. Previous experience includes leading diversity and inclusion, HR strategy delivery, talent development and organizational change management during his eight years with fashion retailer L Brands. Additional experience includes working at Anderson Consulting/Accenture and the Sherwin Williams Company.



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LEGAL SHOULD LEAD ON DIVERSITY

Rethinking Your Diversity & Inclusion Mindset for Success

Written by Veta T. Richardson

2020 has been a year unlike any other. In addition to the COVID-19 pandemic, we continue to see society attempt to come to terms with pervasive social and racial injustice. The public is increasingly looking at how businesses are reacting to these unique and complicated issues. The quality of a product or the health of a balance sheet is no longer enough to satisfy customers and investors.

The role of business in society is evolving, and business is having to adapt. In the midst of this shifting environment, one thing is very clear – implementing a diverse and inclusive corporate culture is both imperative and necessary to move forward successfully.

The Price We Pay for Lack of Diversity and Inclusion

Ask yourself: when your customers and members of the communities in which you operate look at your organization, what do they see? Do they see an organization comprised of individuals who reflect their diversity? These questions cut to the core of the challenges business face today. Pressure from employees, customers, investors, government, and society is mounting to push the corporate sector to consider the interests of all stakeholders, not just the financial interests of shareholders. A critical component of this shift in focus is the expectation that companies must reflect the communities they serve, and strive to promote and protect their interests.

The price for marginalizing diversity and inclusion is simply too high to ignore. A recently published report from Citi found that racial inequality and discrimination cost the U.S. economy \$16 trillion over the last two decades, and the cost was not just borne by racial minorities—it impacted all of us. But the report further emphasized that if we act today to close racial inequality gaps, \$5 trillion could be added to our economy over the next five years. From social media to Wall Street, consumers and investors are paying close attention and using their purchasing power to reward or punish corporations not only for the stands they take, but also for the ones they *fail* to take. Indeed, apart from being morally right, the financial benefits of diversity and inclusion are well established. The business case is strong, and reports like Citi's amplify the urgency to act. Let's shift the focus away from justifying the "why" and instead focus now on the "how."

A Wake-Up Call and Paradigm Shift

Before venturing too deeply into the "how," I'd like to offer a wake-up call to all executives who may have become so comfortable with the lack of diversity surrounding them that they fail to see it—or worse, offer rationales that ring more like hollow excuses. I would like to attempt to shift the paradigm that we're accustomed to for a moment. I am the chief executive officer of a global professional society. Imagine that as a Black woman, I conducted myself like many corporate executives. Imagine that I hired and promoted only other women who look like me, and surrounded myself with direct reports who were exclusively African American women, that I only offered my time to mentor African American women, helping ensure they understand the "inside rules" of the organization's culture, and only they are put in the prime positions for visibility, to excel, and be advanced to the C-suite – while most others (except perhaps, one or two token Whites) would be left to stumble. My jokes, cultural references, and

social connections would be relevant to only those steeped in African American culture. Others might feel excluded, unheard, unmotivated, and perhaps even insulted sometimes by my questions, language, and actions.

Yet we know that many corporate executives and boards of directors continue to operate this way, and fail to provide the necessary oversight to change that status quo. Does that sound like an effective model for leadership? It most certainly does not. If all CEOs have the freedom to choose our own executive teams, is it time we call out those who choose not to work with diverse executives? And we must require more than “diversity of thought” – this means inclusion of Blacks and other underrepresented groups whose experiences are markedly different.

Choices: Who Will Lead and What to Do?

So, what steps can be taken to tackle such a systemic problem? First and foremost, it will require outspoken advocates for change. I believe that chief legal officers (CLOs) – the global network of executives that my association represents – are well-suited to serve as the moral compass of the corporation, and are well-equipped to help lead the charge on diversity and inclusion initiatives. If that’s not enough, they are also in the best position to highlight what is at stake from a legal and risk perspective. Finally, the legal department’s influence often extends through every department of the company. From the CLO’s seat at the executive table, to working closely on business strategy, procurement and supply-chain issues, and consulting with HR on staffing and compensation policies, no other department has the broad scope, charge, and reach of legal.

In order for the legal department to be a beacon for diversity for the rest of the organization, the right personality has to be at the helm. Of course the CLO must have a high IQ, but an even higher EQ is essential, along with superior communication skills and media savvy. As leaders of the legal department, CLOs must be willing to look critically at the status quo, resist the temptation to be bound by precedent, and indeed seek to *transcend* that precedent. This will be especially difficult when facing institutional indifference, or worse, resistance. The scope of challenges underscores the importance of selecting the right leaders for the right job. A corporate culture embracing the importance of diversity and inclusion must be set at the top and chief executives, boards, and human resources officers need the general counsel as their ally for change.

Even with the right top-level support and a capable CLO to help lead the charge, the journey to a truly diverse and inclusive work environment is a difficult one. Let’s outline a few of the biggest challenges, and offer some perspectives on how to overcome them.

Perhaps the most obvious obstacle to tackle is deciding where to start. Although there is no universal answer, it is usually best practice to start with an express statement outlining the department or organization’s commitment to diversity and inclusion. This statement sets the tone for the journey and ensures you, as a leader, will be held accountable for following through.

The next step is to be clear about which voices are absent or underrepresented at the table, and then be proactive about the steps you will take to bring greater diversity to the table. These steps may entail longer search times and expanded outreach to diverse candidates, including through development of relationships with minority professional societies. It is not always straightforward to attract diverse talent. This is especially true in regions where the local talent pool is not diverse and in areas outside of major cities. In such a situation, work with human resources to offer flexible working conditions, telecommuting, or adjustable work hours. Revise job

descriptions, and rethink how job openings are advertised, or from where candidates are recruited.

Establish Timelines, Set Goals, Measure Results

This is often easier said than done, and leaders should avoid using templates or marketing-orientated statements. Instead, leaders should take the time to work directly with their teams, explore the current *status quo* and solicit views and guidance on the diversity initiatives to be undertaken, so that the team takes greater ownership and responsibility for achieving results. Be sure to establish a timeline and metrics for your diversity and inclusion initiatives, and measure your successes *and* your failures. Celebrate and share the successes, revamp and be resilient through the failures.

As leaders, we must acknowledge the inclination to hire teams that reflect ourselves. Instead, adopt a completely different mindset. Leaders must be purposeful in assembling teams who look and think differently than we do. As a natural next step, it is imperative for leaders to then listen and learn from this diversity of culture, experience, and thought.

It is also important to note that diverse hiring is but one half of the journey to inclusion; sustained professional development is another. Diverse candidates may require additional mentorship to really feel part of the team. Be intentional about onboarding diverse hires. Support diverse employees to feel welcome expressing their culture, safe expressing gender identity, and comfortable sharing their experiences in the workplace. Empower direct reports and other leaders within the legal department to encourage sharing diverse perspectives. This doesn’t have to be complicated—even simple gestures go a long way.

Don’t Take it Personally, Engage Others, and Press On

Finally, diversity and inclusion initiatives should not be approached as a solo personal goal or a side project. It is essential to set goals, track progress, measure results, and report out the results to the organization. In other words, CLOs should quantify efforts. To go even further, tie compensation to attainment of these quantifiable results. Convincing or requiring other C-suite executives to do the same will bring about organization-wide change.

Making progress on diversity and inclusion initiatives is sometimes just outright hard. Expect that you’ll sometimes be met with resistance. Having met with hundreds of companies and law firms seeking to strengthen their D&I efforts and results, more often than not I have found that the many challenges are the result of inertia, and not knowing where to start or what to do next. Have courage and jump in. There has never been a better time for business to be on the right side of history. The stakes have never been higher and the potential rewards have never been richer!



Author Biography

Veta T. Richardson is president and CEO of the Association of Corporate Counsel (ACC), a global nonprofit association for in-house counsel. She brings more than two decades experience as an advocate and global thought leader on diversity and inclusion, including having served as an advisor to three U.S. presidential administrations (Clinton, Bush, Obama). She is a board member at the John L. Weinberg Center for Corporate Governance at the University of Delaware, an NACD Fellow and Adjunct Professor of Law at Georgetown. Ms. Richardson also serves on Ethisphere’s Strategic Advisory Board and is enthused to contribute as a member of the advisory council for the recently launched “Ethisphere Initiative for Equity and Social Justice.”

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