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A Conversation About Equity

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Diversity, Equity, and Inclusion

While the merits of Diversity, Equity, and Inclusion (“DE&I”) in the workforce have long been discussed, it was only after the murder of George Floyd and the demand for social justice reform, did DE&I initiatives come to the forefront. However, DE&I is often thought of as a “hot topic.” But the term “hot topic” evokes a certain thought process that the underlying idea or concept will ebb and flow or the importance of a particular idea will wane and vary over the course of time. However, DE&I is here to stay. As a result, DE&I efforts should be a pillar of every organization’s core values and beliefs. Not only for the obvious “right, just, and moral” reasons, but also, because at the end of the day, DE&I has a direct impact on an organization’s profitability and overall bottom line.

We have all been through numerous training seminars and programming which highlight the importance of implementing a robust DE&I program. The benefits are endless. At a fundamental level, by ensuring that groups are more diverse, that in turn will make your employees work harder and be more intentional about making decisions that affect the company because inherently those decisions will be questioned and challenged by a diverse thought process. And it’s this exact process which usually results in an objectively better outcome for your company. Ultimately, by introducing new perspectives, whether it is race, gender, religion, etc., your workforce is more likely to come to the right answer on a task because the original members are more apt to change their minds.ⁱ

Now, the implications of a strong DE&I program extend further than just improved employee performance and engagement. Companies who take the time and expend the resources in creating a sound infrastructure to support DE&I initiatives have been shown to: (1) have more innovation; (2) are more agile; (3) have higher employee performance; and (4) more frequently hit financial targets. Therefore, firms can “leverage those qualities in support of business objectives” to consistently outperform and gain a strategic and financial advantage over less diverse competitors.ⁱⁱ This is discussed in further detail below.

None of the above should be new information. Again, these objective benefits have been routinely discussed at length during various trainings, programming, and seminars. Despite the obvious benefits of implementing and maintaining a robust DE&I program, we are noticing a disturbing trend that society and the companies are experiencing called “diversity fatigue.” The term, which originally was used to describe stress associated with management’s attempts to diversify the workforce through recruiting and retention efforts, has taken new meaning as DE&I initiatives have become more prevalent. The truth of the matter is that in recent years, diversity fatigue now includes people just feeling tired of talking about diversity, or the lack thereof.

So the question becomes what is the root cause of diversity fatigue. According to Catalyst, a non-for profit that focuses on driving change with preeminent thought leadership and actionable solutions, diversity fatigue is the direct result of companies failing to establish the necessary infrastructure to: (1) successfully support DE&I initiatives; and (2) equally important, highlighting the intrinsic benefit of increasing diversity within the company. As an example, diversity is often communicated as a target number or percentage rather than by building a lasting connection between humanity, empathy, and vulnerability.ⁱⁱⁱ

Diversity fatigue is the direct result of companies failing to implement robust DE&I policies that actively showcase and highlight the seemingly obvious and objective benefits of an impactful DE&I program, instead of focusing on “meeting certain numbers or hitting a quota.” Some common symptoms of diversity fatigue include: (1) the rolling of eyes when DE&I is discussed; (2) an exasperation when DE&I topics are discussed; and (3) the most common, “haven’t we already done enough training?” How do you combat this? Here are a few tips:

- Determine how to establish ownership of DE&I initiatives by each and every employee. When employees

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are able to see concrete measurables, more than just numbers, but how DE&I affects their day in and day out operations, in a positive manner, they will be more inclined to support such an initiative, no matter how long it takes. Companies have to make DE&I efforts more relatable to each and every employee.

- It is okay to acknowledge the “small wins” and set objectives with practical expectations. Making the workforce a more equitable place for all is not an overnight journey. The need for DE&I initiatives in the workplace were caused by systemic inequities that have lasted for generations. Look at the practice of law. It has (and to some degree still is) been dominated by white men. For years, the practice of law was governed by uniform and a consistent thought process. To think that we can fix these issues or problems overnight is fool’s gold. It is a marathon and not a sprint. While it is admirable to set goals to tackle the most difficult issues affecting your company, it is equally acceptable to also tackle “the low hanging fruit.” The benefit of handling and tackling easier items provides credence to a DE&I program that can buy time, especially in the eyes of those who may be skeptics.
- Finally, the workforce in every organization must remain empowered and motivated to assist in building a more welcoming workplace. Even those who are “over-represented” can bring a different perspective in establishing a DE&I program.^{iv}

Micro Aggressions

In addition to the above, another reason diversity fatigue can set in is because while implementing a successful DE&I program can be challenging and complex, the overall goal, on its surface, seems somewhat simple. Namely, make the workforce a more equitable place for everyone. It is human tendency to believe that we are not biased, but in reality, each and everyone of us biased to some degree. However, this initial defensive mentality can lead to a feeling that “because I am not biased, I do not need training.” While this logic is objectively flawed, it also conflates intent with impact.

We have all been in situations at work when someone says or does something that feels hostile or offensive to some aspect of our identity. Importantly, the person who made this comment does not realize or comprehend the harm they have inflicted on others thereby creating a hostile work environment. These unintentional but impactful comments are called microaggressions. If left unchecked, microaggressions can thwart even the best DE&I programs because often these comments are brushed aside as merely a “one off” insensitive but unintentional comment as opposed to a deep-rooted problem that needs to be addressed. The fatal flaw in this line of thinking is ignoring the cumulative impact that microaggressions can have on an individuals in the workforce.

Most often, microaggressions are aimed at traditionally marginalized employees and usually pertain to race, gender, sexuality, parental status, socioeconomic background, mental health, or any other aspect of our identity. Common examples of microaggressions can be:

- You speak really well, or you are really articulate.
- You are not like other Black (or insert any other minority) people I know.
- You are one of the good ones.
- Okay, but where are you really from?
- Telling someone who just came back from maternity/paternity leave that they were on “vacation.”
- “I believe the most qualified person should get the job.” On its face, this does not seem problematic, but its inherent implication is, namely signaling that someone is being given an unfair advantage because of their race.

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- “How did you get into that school?”
- “Don’t be so sensitive.”
- Even words such a “blacklist, man up, and peanut gallery” which are used frequently are rooted in historically derogatory or insensitive meaning.

Essentially, microaggressions are damaging comments attesting a particular stereotype to a specific identifying feature of an individual. Critics of microaggressions generally claim that society as a whole has become “hypersensitive” or “too woke.” Importantly, they argue to look at the intent of the person who makes the microaggression comment. Now, admittedly there is truth to that response. In today’s “cancel culture,” society can be quick to automatically associate a negative intent from a comment or a particular instance. However, regardless of the intent behind a comment, it does not change the fact that these comments can have significant impact on an employee’s mental and physical wellbeing. This is especially true if comments such as the above are routinely made throughout an employee’s entire career. The reason this is relevant is because studies have shown that microaggressions can negatively impact careers as a significant cause of increased burnout and less job satisfaction.

So, the question becomes how to deal or respond to microaggressions. Here are a few considerations:

- First, you must determine what is the right moment to say something and understand your relationship with the person. It is important to consider the environment and be thoughtful about how to create a safe space for the conversation. While it is important to address the comment, the timing of when to do so is equally important. Generally, the person making the microaggressive comment does not harbor negative intent that the comment harbors. As a result, when confronted, it is human tendency to become defensive and immediately shut-down. So, the timing of confronting the individual is important in the context of when they will be in the best position to hear, understand, and comprehend the effects that such a comment may have. Remember, the goal is not to embarrass but rather to instill a foundational knowledge, so the comment is not repeated.
- Next, it is important to be able to convey the difference between intent and impact. “Intent does not supersede or excuse actual impact.” Sometimes simply highlighting the gap between intent and impact can be enlightening for the other person. This is not a novel concept. During sexual harassment training, often the line in the sand deals with perception and how a comment was perceived. Usually, no one has an issue with this in the context of the sexual harassment training, and this same thought process should be utilized when addressing microaggressions.
- If you have committed the microaggression and are confronted by it, take a moment to pause. It is natural to be defensive, especially, if genuinely there is no intent. Instead, of an immediate reaction, take a second to reflect on how the comment could be perceived by a colleague. Training on microaggressions should focus on empathy. The subtle yet important time to reflect is the foundational requirement to avoid making a similar comment in the future.

Bottom Line

At the end of the day, there are generally two (2) camps employees fall into as it relates to DE&I initiatives. The first type are those who unequivocally understand the importance of having a robust DE&I program to create a more inclusive and equitable work environment, and the byproduct of such a program will result in making the company more successful.

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Then there are those who that despite understanding the importance of DE&I, they either suffer from diversity fatigue and/or believe that it is not worth the time, commitment, and resources to continue to support and sponsor DE&I efforts.

However, what both groups of employees do believe in is the overall profitability of the company. While initiating DE&I program should be about correcting wrongs and making the workplace more equitable, we can simultaneously understand and highlight that doing so will boost the bottom line of a company.

To this point, research tells us that more diverse and inclusive companies are routinely outperforming less diverse companies. McKinsey & Company embarked on a multi-year research project regarding DE&I initiatives, and they recently released their third report in the series highlighting the economic gains that DE&I efforts can have on organizations. According to their research, they noted that companies in the top quartile for gender diversity, employed as a C-Level executive, were twenty-five (25) percent more likely to have above average profitability than compared to those companies who were in the bottom quartile. This was up from 21 percent in 2017 and 15 percent in 2014.

Importantly, the research also revealed the same trends as it relates to ethnic and cultural diversity. Specifically, in 2019, the companies who were in the top-quartile of organizations in terms of employing minorities as C-Level executives outperformed those companies who were in the bottom fourth quartile by 36 percent in terms of profitability. The research is clear, namely there continues to be a widening gap in terms of profitability between companies that truly embrace, accept, and promote diversity within their workforce and those who do not.^v

But you cannot discuss diversity and inclusion and its effect on a company's profitability without discussing the effect it can have on retention or talent. A study performed by the Center of American Progress revealed that it costs a business nearly 1/5th of an employee's salary to replace that employee once they are gone. That does not even take into consideration the lost productivity and revenue generated by that employee while the company is looking to replace an employee who recently left the company. We have talked a great deal in the past about the "Great Resignation" and the effect that is having on companies. Forbes recently published a report wherein it estimated that turnover is costing U.S. companies \$160 Billion dollars a year, and as of September of 2018, 3.6 million Americans quit their jobs voluntarily.^{vi} This is even before the pandemic and the Great Resignation, so those numbers are **inherently** going to be much higher. The question is should be why is this happening?

The answer to this question is complex and multi-layered, but it is foolish to believe that a company's DE&I initiative or lack thereof is not contributing toward this staggering resignation number. Ultimately, millennials and Gen-Z individuals are starting to become the majority of the work force and this trend is going to increase in the future. A study performed by Deloitte found that 74% of the younger workforce believe that their workplace can achieve greater innovation and overall success if management makes diversity and inclusion a core pillar of their organization's culture. Simply put, as the years go on, DE&I initiatives are going to be more and more important to innovation, profitability, and retaining talent that a company cannot afford to lose.

ⁱ <https://www.brookings.edu/wp-content/uploads/2018/09/A-case-for-diversity-at-Brookings.pdf>

ⁱⁱ <https://ecommons.cornell.edu/bitstream/handle/1813/102840/What%20are%20short-term%20and%20longer-term%20actions%20companies%20are%20taking%20as%20part%20of%20their%20DEI%20strategy.pdf?sequence=1&isAllowed=y>

ⁱⁱⁱ <https://www.employerscouncil.org/resources/diversity-fatigue-what-it-is-and-why-it-matters/>

^{iv} <https://www.getimpactly.com/post/diversity-fatigue-tips-to-overcome-at-the-workplace>

^v <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters>

^{vi} <https://loebsockbrownlee.com/di-and-employee-retention/>