



Executive Diversity Councils

►► For D&I staff, HR staff, legal staff, diversity-council members, employee-resource-group leaders

This month, we are giving you the latest trends, data, how-to's and best practices on executive diversity councils. We'll show you the three main areas that produce human-capital and supplier-diversity results—top executive involvement, accountability through metrics and goals, and communications. For more on executive diversity councils, please see our recent [Web Seminar on Executive Diversity Councils](#) with [Wyndham Worldwide](#), [Cox Communications](#) and [Toyota](#). If you don't yet have an executive diversity council, please see [How to Start an Executive Diversity Council](#).

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Top Executive Involvement

Fifty-two percent of the CEOs in the DiversityInc Top 50 personally chair their executive diversity councils, more than double the percentage in 2008. The DiversityInc Best Practices story [5 Reasons Your CEO Should Chair Your Diversity Council](#) was one of the most-read stories of the year. The CEOs in the story were clear about how they wanted—and needed—to lead this council.

“My job is to run the business. This is fundamental to our business,” says [Stephen R. Howe](#), Americas Managing Partner at [EY](#). And in discussing [Randall Stephenson](#), Chairman and CEO of [AT&T](#), a top manager says, “Randall said this was important and that we need to pay attention to it.”

The presence of the CEO at the helm of the council sends a clear message to the entire company—and to external stakeholders such as clients and suppliers—that diversity and inclusion is critical to the business goals of the company. For executives, having the CEO and senior leaders at the helm ensures they make D&I a priority.

But even if your council is chaired by a direct report to the CEO, what matters is that your senior executives are really involved and connect the council’s work directly to their business goals with metrics and accountability.

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Guided Questions for Staff

»» How involved is your CEO and your senior leadership in your D&I efforts and your executive diversity council?

If they are not directly involved, what business imperatives could convince them of the value of getting more involved? If they do lead your executive diversity council, is this clear to everyone in the company?

»» How frequently does your executive diversity council meet?

The most effective councils meet at least quarterly. Most meetings are in person, but they also can be conducted virtually. If there are concerns or challenges not being addressed, councils can meet more frequently.

»» How often does your diversity-and-inclusion staff, especially your chief diversity officer, present to the executive diversity council?

At most DiversityInc Top 50 companies, the chief diversity officer and the diversity-and-inclusion staff present on a regular basis to the executive diversity council and are responsible for keeping council members informed.

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Accountability: Metrics and Goals

Eighty-six percent of DiversityInc Top 50 companies have their executive diversity council set D&I goals and metrics for the organization, up from 54 percent five years ago. And 52 percent link those goals to executive compensation, up from 22 percent five years ago.

Those goals usually are set company-wide for such factors as recruitment, retention, engagement and promotion of underrepresented groups (Blacks, Latinos, Asians, American Indians, women in management or untraditional jobs, LGBT people, people with disabilities and veterans), supplier diversity, and factors such as employee-resource-group or cross-cultural-mentoring participation.

When linking these goals to council members' compensation, companies usually include them in performance reviews and/or make them part of bonuses. Most but not all councils make overall corporate goals, such as those described above, half of the discretionary compensation for an executive, with the other half tied to individual goals (such as serving as executive sponsor of a resource group, being a cross-cultural mentor).

The most important aspect of the council's setting goals and holding executives accountable for those goals is that this causes specific action at the companies and creates forward momentum linked to business goals. Councils that are merely "advisory" and just listen to what diversity-and-inclusion plans are in the works accomplish little or nothing.

Corporate-wide goals are usually presented to executive diversity councils in scorecards that must be clear, simple and focused on big-picture items for these senior executives. See [What Makes a Good Diversity Scorecard/Dashboard?](#)

Guided Questions for Staff

»» What types of goals are of greatest need at your company?

As you examine your DiversityInc Top 50 report card (free to all companies filling out the survey), see which areas represent the most opportunity and whether your council's goals match with those. How are those goals presented to senior executives?

»» How are executives compensated for diversity success at your company?

It doesn't really matter if the compensation for results is in the form of bonuses, raises, promotions or part of performance reviews as every corporate culture is different. What is important is that diversity-and-inclusion goals are as important as other business goals.

»» Does your CEO sign off on these goals?

Personal involvement of the CEO is essential to everyone, especially senior executives, getting on board with these goals. All DiversityInc Top 50 CEOs sign off on diversity-management goals, which usually include supplier diversity.

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III Communications

Once a council is effectively in place, communicating its overall strategic goals, their importance to the business, and the visible inclusion of senior executives is vital. The most successful means of communicating this is usually through regular business channels— intranet, videos and business meetings internally, and Internet, social media and outward-facing meetings externally.

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Guided Questions for Staff

»» **How often do your corporate leaders include diversity and inclusion in their communications?**

Is the connection between D&I and business success constantly made? Does the messaging from your senior leadership contain clear and business-like language or platitudes like “It’s the right thing to do”?

»» **How well does your diversity staff work with your corporate-communications staff?**

This relationship can either be the undoing of your D&I efforts or a vital way to increase their success. It’s important that your corporate-communications staffers understand the value of D&I and that your senior executives and executive diversity council are leading the effort.

»» **Is your language culturally competent?**

Make sure that the language your council, your resource groups and your communications staff use is always inclusive. Check out our [Things NOT to Say](#) series for common mistakes.

NEXT MONTH

National Native American Heritage Month for all employees; Veterans Day for all employees; and Succession Planning for D&I staff, HR staff, legal staff, recruiters, talent-acquisition departments, diversity-council members and employee-resource-group leaders.