

Equality Oversight

How Boards Can Support the Black Workforce

By Carey Oven

The events of 2020 have forced the United States to confront racism head-on, particularly as it relates to the Black experience. As individuals reflect on their roles in perpetuating systems of racial injustice, they're calling on organizations to do the same. This has created a special moment in history for boards and executive leadership as they respond to demands for addressing workforce inequities and bolstering broader diversity, equity, and inclusion (DE&I) programs. For many officers and directors, this means reevaluating current DE&I practices or establishing new standards altogether. To address these issues internally, boards and executive leaders may want to focus on the four following actions: listen, engage, acknowledge, and do.

Listen and engage. We have found that many organizations have responded to recent events by making space for conversation. This includes hosting town halls and other forums to offer employees a place to share experiences and ask questions to drive greater understanding. Some are establishing inclusion councils to spark ideas for action and change. These types of actions present opportunities for board members to actively participate in the dialogue, demonstrate empathy for stakeholders, affirm commitment to supporting executive leadership, and lead the way through influence.

Acknowledge. One of the board's primary roles is to reinforce the organizational tone from the top both through their actions in the boardroom and with management. It is now imperative to consider doing so with an emphasis on how the board and management can better understand issues such as behavioral expectations and attitudes toward the treatment of Black employees,

especially given that individuals showing up to work may be emotionally impacted by external events. It could also be a good time to assess effectiveness and, if necessary, establish mechanisms for taking the pulse of the workforce on the organization's effectiveness in this area. That way, boards can continuously improve the way they support the organizations they govern and, ultimately, their communities.

Do. Now is the optimal time for boards and executive management to jointly reevaluate measures to address specific challenges that the Black workforce faces and to support sustainable change for all underrepresented minorities by enhancing DE&I practices. Conducting formal assessments of potential racial inequities and biases could shine a light on baseline measures for progress that the board can monitor moving forward. Another consideration is to take a fresh look at all aspects of corporate strategy with a DE&I lens to understand related risks and opportunities. Questions to consider include: Does the organization possess the necessary capabilities and processes to collect, track, analyze, and share DE&I data and insights to inform organizational decision-making? Do leaders demonstrate inclusive leadership behaviors and leverage DE&I metrics to transform culture and drive strategy?

Ongoing board monitoring of such strategic priorities and other specific efforts to support change for the Black workforce is critical and sets forth a more inclusive and productive culture for all. In a September 2020 survey conducted by Deloitte and the Society for Corporate Governance, 3 percent of respondents said the frequency at which the board receives updates on DE&I is at every board meeting. The report also

found that about 63 percent of boards are receiving information on the overall diversity and inclusion strategy and progress toward that strategy. Increases in these areas are anticipated as many boards are reevaluating their agendas to establish and provide greater oversight of process and accountability for DE&I outcomes, with a focus not just on metrics and initiatives, but on action and tangible results.

Immediate actions to support the Black workforce are underway at many organizations. Helping to ensure sustainable change means there should be dedicated and committed efforts across the organization—and boards are uniquely positioned to help set the tone and influence the way forward toward equity.



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