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Business
Review

Race

Moving Beyond Diversity Toward Racial Equity

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June 16, 2020

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Summary.   As anti-racism protests sweep the United States, it's clear that returning to "business as usual" will not be good for business. And yet while it's clear current corporate diversity efforts are lacking, business leaders (particularly white ones) aren't sure what next steps to take. One solution is to...   **more**

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As protests sweep the United States, it's clear that returning to "business as usual" will not be good for business. In just a few days, countless companies that don't talk about racism publicly have spoken out to condemn racism and police brutality. Employees of color have openly called out racism in their own institutions. On this critical issue, neither consumers nor employees are looking for vague platitudes about change; they want to see companies committing to action within their own walls. Achieving racial equity in the workplace will be one of the most important issues that companies will tackle in the coming decade.

This became evident to me months ago, when I spoke with almost two dozen executives of Fortune 500 companies. My goal was to understand if and how they were thinking about racial equity as part of my work at Living Cities, a nonprofit focused on closing income and wealth gaps in America. The vast majority affirmed that racial equity was an obvious business imperative. But less obvious was what to do about it. With traditional diversity interventions failing, these leaders — the majority of whom were white — reported feeling ill-equipped, even afraid, to act.

Given U.S. history, it shouldn't surprise us that race makes corporate leaders uneasy. It certainly made me uneasy when, six years ago, members of my staff told me that Living Cities was a hard place to work for people of color. They shared that, despite a racially diverse staff, our office culture dictated that people of color only contribute in ways that white people, including me, were comfortable with. Project leads relied on "objective" reports and case studies, while dismissing data from staff's personal experiences as "too emotional." When horrific instances of racial injustice occurred, like the murders of Trayvon Martin or Tamir Rice, our workday continued largely unaffected, with little acknowledgement or space for the emotions they triggered for staff. Discussions about racism were discouraged as "divisive" or "unproductive." In short, our workplace was unable to acknowledge the lives they live and value them for who they are.

Racism's legacy is complex, brutally ugly, deeply personal, and yet to be truly reckoned with, especially in the workplace. Not even 60 years from the end of legal racial segregation, there's no question that the harmful effects of that history live on in our institutions and in each of us. Further, it's clear that the suite of diversity and inclusion tools and practices that went mainstream in the '90s are grossly insufficient for racial equity work. Instead of driving fundamental changes in organizations, they largely focus on "velcro-ing" new guidelines, practices, or programs onto the existing structures and culture of the workplace in an attempt to help employees of color better "fit in" and succeed.

Today's racial equity and inclusion efforts must flip that premise on its head. Instead of trying to change some people to fit the organization, we must focus on transforming our organizations to fit all people. What I've realized over the six years since that initial, very difficult conversation with my staff is that our culture was the problem and had to be changed. To move toward racial equity, organizational culture must prioritize humanity. People need the ability to work with the dignity of having their histories acknowledged and their life experience valued. Only then will companies be able to recruit and retain the thriving, diverse workforce that leaders and customers want — and need — in the next decade, and beyond.

At Living Cities, we have been striving for years to take up this charge. And to be clear, we are not done. Nor do I expect that we will ever be: building and maintaining this racial equity culture is a daily practice. It is hard. Still, I am writing this piece with other white leaders like myself in mind, to share some of the playbook that our organization has found valuable so they can focus on the right things and move beyond their fear.

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In particular, this process has forced me to abandon many mainstream, deeply internalized norms around organizational leadership. Here are three of the most important lessons:

Understand How Power Works and Use it for Change

From 1619 to 1965, this country had laws, policies and practices — from slavery to Jim Crow to redlining — that legally separated white and Black people in an attempt to maintain a white supremacist society. The inhumanity required for people to function in such a society — to dehumanize others and be dehumanized — has left its mark on our nation and, by extension, our organizations in innumerable ways.

And yet many white leaders like myself have gone through our lives and careers with only the shallowest understanding of racism in America, blind to our own white culture and its harms. In contrast, it was quickly revealed to me throughout this process the ways that my Black colleagues, and colleagues of color more broadly, have long understood racism's costs and impact, inside an office and out, as a matter of survival.

So, to build a new, more inclusive culture, we first needed to be able to see the norms, values, and practices in our institutions that advantage white people and ways of working, to the exclusion and oppression of all others.

To do this, we had to commit time and resources to staff members' individual learning. Understanding history, interrogating personal biases, building empathy and respect for others, getting comfortable with vulnerability — these skills require training and ongoing practice. This is dedicated, individual work that must be modeled from the top. To start, all staff, including myself, underwent multi-day anti-racism trainings to build a shared vocabulary, definitions and analysis to ground our group conversations. New staff members are now expected to take this training within 90 days of hire. A permanent, in-house team of staff (Colleagues Operationalizing Racial Equity, or CORE) helps prioritize the ongoing, daily work of this practice, small ongoing tasks, through trainings, Employee Resource Groups, all-staff conversations, coaching, and internal racial equity consultation for other teams.

Putting these skills into action at work requires deep understanding and harnessing power. Each of us is learning to ask: What informal and formal power do I hold to shift culture? How should I wield it to change damaging norms and power dynamics within our institution? For example, I long considered the departures of Black staff members largely to be isolated cases. It took others in the organization to raise what I wasn't seeing: a pattern. That realization forced me to grapple with new questions, such as the racial competencies of those conducting exit interviews, what questions were being asked, and why the information gathered about those departures was not seriously interrogated.

Similarly, time and time again, staff have pointed out how notions of "professionalism" and "appropriateness" have been wielded by white people to avoid or stifle challenging perspectives or conversations. I had to reckon with the fact that I had allowed our culture to, de facto, authorize a small group to define what issues are "legitimate" to talk about, and when and how those issues are discussed, to the exclusion of many. One way to address this was by naming it when I saw it happening in meetings, as simply as stating, "I think this is what is happening right now," giving staff members license to continue with challenging conversations, and making it clear that everyone else was expected to do the same.

In particular, I've found that the Person-Role-System framework promoted by the Annie E. Casey Foundation, has helped deepen each staff member's ability to contribute to building our inclusive culture. The simplicity of this framework is its power. Each of us is expected to use our racial equity competencies to see day-to-day issues that arise in our roles differently and then use our power to challenge and change the culture accordingly.

For me, in my role as CEO, that meant relinquishing some of my formal authority to a group of more inclusive decision-makers so that our most mission-critical decisions reflected a diversity of perspectives, even if I would have made a different decision on my own. Our chief operating officer ensured that hiring processes were

changed to focus on diversity and the assessment of candidates' racial equity competencies, and that procurement policies privileged businesses owned by people of color. Our head of lending repurposed our loan funds to focus exclusively on closing racial income and wealth gaps, and built a portfolio that puts people of color in decision-making positions and begins to challenge definitions of creditworthiness and other norms.

Conflict Must be Understood and Embraced as Part of the Process

Conflict is not only incidental but is required for transformation to occur and be sustained. It's been said that conflict — from discomfort to active disagreement — is change trying to happen. Unfortunately, most workplaces today go to great lengths to avoid conflict of any type. That has to change. The cultures we seek to create cannot brush past or ignore conflict, or worse, direct blame or anger toward those who are pushing for needed transformation.

For example, I have yet to attend a single racial equity training session where the simple use of words like "racism," "whiteness," and "privilege" have not made people visibly uncomfortable. My own colleagues have reflected that, in the early days of our racial equity work, the seemingly innocuous descriptor "white people" uttered in an all-staff meeting was met with tense silence by the many white staff in the room. Left unchallenged in the moment, that silence would have either maintained the status quo of shutting down discussions when the anxiety of white people is high or required staff of color to shoulder all the political and social risk of speaking up.

Conflict is also an inherent part of interrupting the patterns that maintain structural disadvantages around issues such as hiring, pay equity, and advancement. If no one had challenged me on the treatment of Black staff, which likely will have changed our own workplace, it wouldn't have been comfortable to point out racist dynamics when they show up in daily interactions, such as the treatment of people of color in meetings, or team or work

assignments. Over the course of years, it was the leadership of staff at all levels within the organization — particularly Black women, as is often the case — to take great risks in challenging me to reflect on my blind spots and use my authority to commit the organization to this change process. My job as a leader continuously is to model a culture that is supportive of that conflict by intentionally setting aside defensiveness in favor of public displays of vulnerability when disparities and concerns are raised.

To help staff and leadership become more comfortable with conflict, we use a "comfort, stretch, panic" framework. The framework helps assess your own state of mind and physiological reactions when facing challenging moments. Interactions that make us want to shut down are moments where we are just being challenged to think differently. Too often, we conflate this healthy stretch zone with our panic zone, where we are paralyzed by fear, unable to learn. As a result, we shut down. Discerning our own boundaries and committing to staying engaged through the stretch is necessary to push through to change.

Adoption of this framework was essential to my own ability to embark on this culture change process. Running diverse but not inclusive organizations and talking in "race neutral" ways about the challenges facing our nation were within my comfort zone. With little individual understanding or experience creating a racially inclusive culture, the idea of intentionally bringing issues of race into the organization sent me into panic mode. Understanding that this was going to be a learning journey that would require me and all my staff to stretch ourselves gave me permission to focus on learning about race and racism, managing discomfort, and building competencies to distinguish between real danger worthy of panic and stretch-induced fear.

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Commit to Ongoing Learning and Long-Term Transformation

The work of building and maintaining an inclusive, racially equitable culture is never done. The personal work alone to challenge our own

individual and professional socialization is like peeling a never-ending onion. Organizations must commit to sustained steps over time, to demonstrate they are making a multi-faceted and long-term investment in the culture — if for no other reason than to honor the vulnerability that staff members bring to the process. This work is hard and takes a deeply personal toll. The process is only as good as the commitment, trust, and goodwill from the staff who engage in it — whether that's confronting one's own white fragility or sharing the harms that one has experienced in the office as a person of color over the years.

I've also seen that the cost to people of color, most particularly Black people, in the process of building new culture is enormous. We perpetuate inhumanity in the workplace when we explicitly or implicitly rely on people of color, especially Black people, to carry the burdens of educating others or fighting racism instead of us. My own staff members have told me time and time again that always having to be the advocate for equity, share personal stories, and experience firsthand their colleagues' anger, fear, and guilt as they build their competencies is like ripping open an old wound. As leaders, especially as white people, failure to stay the course and to use our power to disproportionately shoulder the burden to combat racism at work is a violation of the trust that they've put in us and this process.

To do this effectively, as with all elements of management, you measure progress and adapt based on data. We formally track change in our organizational culture in multiple ways. For example, we track staff engagement, satisfaction, and tenure disaggregated by race, role and level so that we can identify where there are disparities. We conduct an annual competency survey to gauge our collective understanding of how race impacts our work, asking questions like: How well equipped are staff to identify and address interpersonal,

institutional, and structural racism in the workplace? How often are staff taking risks and putting aside discomfort to engage in critical conversations? How much does organizational leadership participate in and support conversations about racial equity internally? Our

annual staff performance reviews hold every staff member accountable for achievement against a personal racial equity and inclusion objective at the beginning of the year.

Organizations cannot afford not to do this work, but they also can't enter into it lightly, under the misconception that a training or workshop checks the box. True racial equity and inclusion work in the workplace must look unlike anything we've done in past decades, because we've consistently failed to tackle racial inequity at its deepest roots. But we can start today, by bringing our fullest selves to the offices and desks where we spend most of our waking lives and empowering each other to do the same.

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