The Business of Equity

WHEN IT COMES TO ADDRESSING SYSTEMIC bias, old ways of doing business aren't just ineffective, but may be the root of the problem. Without a new dedication of effort—a more deliberate restructuring of behaviors and expectations informed by data and lived experiences—leadership's best intentions can prove inadequate and leave obstacles to fairness still in place.

Brunswick Social Value Review spoke with the DEI lead from Deloitte, one of the top professional services firms in the world. Emma Codd is the firm's Global Inclusion Leader, overseeing Deloitte's global inclusion strategy, with a primary focus on gender, LGBT+ diversity and mental health. She

Diversity, equity and inclusion must be embedded into all the activity of an organization. Brunswick's **DEEPALI BAGATI** speaks with Deloitte Global Inclusion Leader **EMMA CODD.**

was formerly the firm's Global Special Advisor on Inclusion and the Managing Partner for Talent of Deloitte UK and is also a member of the Leaders As Change Agents' (LACA) Lead the Change board established by the UK Government to increase the diversity and inclusion at the top of the UK's leading organizations. She is also a member of the UK Thriving at Work Council.

Brunswick's Deepali Bagati spoke with her about various aspects of the business' efforts to effectively address issues around diversity, equity and inclusion, including mental health in the workplace, measurement strategies, the impact of the pandemic on women, and what success in this area would look like.

ILLUSTRATION: HANNA BARCZYK

What does diversity, equity and inclusion mean to you? And what is that North Star; what are we looking for?

The goal for any company should be for everybody to be treated at all times with respect, with fairness. I love the evolution of the word "equity" added in there. To me, that's about how we do things, our structures.

In the corporate world things have been done in a particular way for years and years. To really create equity means not being afraid to rip up that rule book, to look at your processes—how you do things—in order to make sure the playing field is level. Sadly, most organizations have a long way to go.

Deloitte global DE&I strategy is underpinned by what we call a foundation of a culture that is always respectful and always inclusive—our everyday culture. It's one thing to say something. It's another thing to enable everybody to live that on a daily basis.

So for us, that is the North Star. You can have a team that looks truly balanced from a diversity perspective, but where nobody's allowed to have a voice. Nobody's listened to. We want to be an organization where we are truly diverse and where everybody is heard and where everyone can thrive.

What advice would you have for other companies about developing a global strategy and then applying it to each region?

We are very, very cognizant of the particular challenges that there are on a country-by-country basis. That local focus is really important. But we have a lot of common issues from a global perspective.

Part of what my team does is design common solutions that we encounter in many of parts of the organization. And then we measure progress. What gets measured gets done. If people do not see any effort or attempt to track progress or to make it count, then I'm not sure that it's actually going to have the full impact.

With LGBT+, we signed up to the UN standards back in 2018. I really love the ways those five standards are structured. I think they're very helpful for any organization that wants to push further on LGBT+ inclusion. They give you a really clear framework.

On mental health, we've instituted a global baseline, a level that we expect every country where we operate to reach within an 18-month period from when we introduced it. And on gender balance we have clear goals and we measure progress against those.

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How do you measure your impact? How does a large global firm approach the issue of measurement?

We have a global talent experience survey that we run every year for starters. It gives us a really good insight and serves as a foundation. And it has a big uptake. So we are able to start to gauge from that alone. Then we have team pulse surveys as part of our performance approach that really go to the heart of how a team member is feeling. We don't just measure—we analyze and look for trends and common challenges; then we work to find common solutions for those.

With our gender balance goals, we can consistently measure progress in each country. When you get into LGBT+ inclusion, that is a whole different challenge. We are in a process at the moment of trying to identify the best way we can measure LGBT+ inclusion in those countries where we are legally able to do so. This means understanding the legal complexities and cultural challenges. Some countries have laws prohibiting same-sex relationships and some do not recognize transgender rights. And then on top of that, data privacy: Asking whether a person identifies as LGBT+ can be seen as asking for sensitive data. But we need it to see how engaged our LGBT+ colleagues are. We want to look at it through an intersectional lens as well and identify areas for progress. We are learning from organizations like Open For Business, PGLE [Partnership for Global LGBTI Equality], and from others that have done this.

On mental health, we have introduced a global baseline that applies to all 160-plus countries in which we operate and part of that baseline is identifying the causes of mental health challenges, using data to do that. That's typically done through staff surveys, through the global talent experience surveys and through other means that exist at the member firm levels. This sort of data can give you an insight into the impact of your actions. For example, when I was in my UK role and had been focusing on mental health, we saw that sickness absence data hadn't gone up but those citing mental health reasons had. That told us that people previously had been reporting it as a physical health issue.

This all ties back into your culture. Self-identification for instance works when everybody trusts you and when everybody trusts what you will do with that data, when no one worries that the data will be used to their disadvantage in some way.

If your disclosure numbers are really low, maybe that's a kind of data point too, pointing out that

stages of the pandemic. The findings were really stark: Around half of the respondents said they felt stressed or anxious all or most of the time, with little change between the pulse and the original (pre-pandemic) responses. For that generation, which for us is around 80% of our workforce, mental health, stress and anxiety were a massive issue already. The pandemic exacerbated it for some but not for others.

By the time we conducted our 2021 survey, we had had a year of living in the pandemic—a year when we had heard more talk about mental health at work than ever before. I expected the findings to show a difference. I expected to see a decrease in stigma, but sadly, I didn't. What we saw was roughly the same number of respondents basically saying, "Yes, I feel stressed or anxious all or most of the time." Ironically maybe, an additional stressor this year was people worrying about their mental health and the mental health of their family and their friends, partly because it's more talked about. It's this vicious circle that we've seen emerging.

It is really important that in our organization we are talking about mental health as talking helps to normalize the conversation—to reduce the stigma. But the survey told us that this wasn't the case for some with their employers. There are people in the workplace saying, "Look, I don't feel any different. I don't want to disclose, because I'm worried about judgment."

One of the other points to me that was so interesting about the research was this time, for the first time, too, we asked about their perceptions of discrimination in wider society. We asked if they believe people are discriminated against in their country based on their mental health. Over half the respondents said they believe that's the case. So, while the workplace needs to play a part, this is also a societal issue.

Early disclosure on mental health is the most important thing. But many people aren't willing to tell their team leaders. I am not wild about talking about a "return on investment" where mental health is concerned, but the UK firm has produced an incredible report in partnership with the charity Mind that shows that the earlier you address it, the better the results, the better the outcome for all involved. Basically, the return on investment.

The Millennials survey data is telling you that, for all the increased talk about mental health, it's hard to bring others along in this. How do you

there's more for you to address around the critical foundation of trust.

Deloitte started putting an emphasis on mental health before the pandemic. Are you seeing benefits from that now?
Yes, we started down the track in the UK, the US, Australia and other countries long before the pandemic and we had made some real progress. But we knew we had more to do from a global perspective and so we made mental health an inclusion priority. Then the pandemic came and this served to highlight why this consistent focus globally was so important.

We also have the fantastic insight that our annual external Millennials survey provides. In 2020, for the first time, we included questions on mental health. Midway through, the pandemic hit. So we went back out and pulsed in the early

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maintain the momentum and the commitment to overcome that barrier?

It isn't necessarily about money and about funding. It doesn't cost anything necessarily to get people to behave in a different way, to create a culture change. Absolutely we have to have the support and we have to have the ways that our people can access support. But what really makes a difference is the everyday culture. They say people don't leave a company, they leave a leader and I firmly believe that.

How do we help people understand how important people's "everyday" experience is? I am a great believer in storytelling and in sharing lived experience. We have our *Can You See Me?* films—five beautiful, very powerful stories on film that we created to show people the impact that words and actions can have on others. They are an amalgam of lived experience—it's storytelling showing the impact through a human lens.

The data is also really important and I love the fact that we can conduct these external research projects. It helps to shine a light on why we need to be focusing on inclusion and well-being—and why "everyday" experience and culture is so important.

There's also a benefit through the financial lens. All you read about these days is the Great Resignation—all the challenges, everybody retraining. In May 2021, we released our Women@Work global report—the results of listening to the views of 5,000 women (outside Deloitte) across 10 countries. Of those, 25% told us that they planned to drop out of the workforce entirely in the coming year. Another 50% said they planned on leaving their current employer within two years. That leaves only 25% who were staying put. And why? Because of the experience they had during the pandemic. The biggest drop we saw in that research was well-being and mental health, a 35-percentage-point drop.

So we know that the data is really important. We know that mental health and well-being is critical. For us, it is about a concerted global approach—a consistent baseline. A focus on removing stigma. And this is where sharing lived experience plays an important part. We did our first ever global world mental health day campaign in 2021. And through this we're continually sharing incredible stories of colleagues around the world, including in countries where societal stigma is significant.

How we lead is important. How our people evaluate us in terms of the way we lead is really important. If we think it counts, then we will make time for it. Mental health has long been an issue that businesses need to focus on, but the pandemic has

pushed it into the foreground. At the moment, that has more oomph and passion behind it in every country where we are than I have ever seen. People really want to make this happen.

How does DEI fit with ESG reporting and transparency, and your other performance metrics?

Every year we publish a global impact report. You've probably seen it. This year we linked data within it to ESGs where we could and we are now working on identifying further data that could be reported. The big thing it did was to identify where we need more data. I'm a big fan of transparency in reporting. When I was in my UK role, Deloitte was one of only six companies that voluntary published its gender pay gap. I was passionate about it. You only had to walk into our building and walk down the meeting room floors to know we had a gender-balance issue. Why wouldn't we be open about it?

The second thing that I did in my UK role was that we voluntarily reported our ethnicity pay gap. Deloitte US and UK both produce fantastic transparency reports and this is a testament to the focus that DE&I has. You only have to see the positive response to know it is the right thing to do.

In the end, it's vital for stakeholders to understand what sits behind the organization. And a big part of that is the S in ESG. people want to see transparency and its really important that we deliver.

As a final question, what is your top-level view of the approach to DEI? What should leaders stop, start or continue doing?

The big thing is what I describe as "everyday" culture. In the UK when I was new in my role there, we introduced what we called "agile working," our term for flexible working. We had great policies, but did people feel they could use them without it negatively impacting their career? What we learned was that it all depended on the "everyday" culture—how your leader and teammates acted when it came to your working arrangement. Did they make throwaway "jokes" about it or did they truly enable it to be successful through their actions and words? I apply that lesson now—you can have all the right policies but it is a person's "everyday" experience that will determine whether those policies succeed. It's leaders really walking the talk and it's delivering a culture that is always inclusive and always respectful. ◆

DEEPALI BAGATI is a Partner with Brunswick in New York, specializing in leveraging Inclusion and Diversity best practices to drive innovation. She was previously Executive Director, USA and Asia-Pacific at Catalyst and holds a Ph.D. in social work and social research.

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