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Diversity And Inclusion

The Failure of the DEI-Industrial Complex

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Summary.   Despite the increase in organizations adopting DEI initiatives and the proliferation of DEI firms and practitioners, the big, poorly kept secret is that the majority of these initiatives are less effective than many make them out to be. On the one hand, there is a lack of... **more**

There's a big, poorly kept secret in the Diversity, Equity, and Inclusion (DEI) industry: the actual efficacy of an uncomfortably large proportion of our "flagship" services, talking points, and interventions — unconscious bias training, racial sensitivity

workshops, the "business case for diversity," resume anonymization, and the like — is lower than many practitioners make it out to be.

Unconscious bias training rarely changes actual behaviors and has little impact on explicit biases. A meta-analysis of hundreds of prejudice-reduction interventions found few that unambiguously achieved their goals. Many popular interventions run the risk of backlash, strong adverse reactions that sustain or even worsen the inequity that practitioners attempt to eliminate. Even "the business case for diversity," a decades-old rhetorical framing and justification for DEI work, has been found to backfire on marginalized groups' feelings of belonging and weaken support for diversity programs when organizational performance drops.

Much of the problem rests with the extreme lack of standards, consistency, and accountability among DEI practitioners. Few of us measure the effectiveness of our interventions, and while there are many players in the DEI certification space, there's little agreement on what actual skills and competencies are necessary to become a "good" practitioner.

The other major contributor is that organizations keep asking us for, and funding, interventions that don't work.

In my experience as a DEI practitioner and strategist, organizations large and small are often eager to fund one-time, "inspirational" events to "raise awareness" of inequity, but far less enthusiastic about medium-to-long term interventions that change incentive structures, shift the balance of power and resources, or reimagine personnel processes like evaluation, promotion, and conflict resolution. And so regardless of which interventions actually "work," so long as organizations continue seeking out 60-minute unconscious bias and racial sensitivity training full of "business case for diversity" rhetoric, practitioners

will keep providing it with the rationale of, "an imperfect intervention that might not work is still better than nothing at all."

The result? On a macro level, organizations can take credit for "taking action" on DEI, and DEI practitioners willing to provide these high-demand services make their livelihoods on them. The only losers are employees experiencing discrimination, harassment, and exclusion, who are disproportionately likely to be women, disabled, LGBTQ+, Black, Indigenous, and people of color (BIPOC), and otherwise from marginalized communities, whose negative experiences remain unchanged no matter how many DEI trainings they sit through.

This exploitative relationship, that purports to end inequity but instead sustains it at great cost to marginalized populations, has a name: the DEI-Industrial Complex. And to end it, organizations seeking DEI services must become and start acting like conscious, high-information consumers that hold themselves and the practitioners they work with accountable for work that measurably decreases inequity and improves outcomes for marginalized populations. In other words, organizations need to make substantially different decisions from what they do at present.

[**1**]

Identify DEI challenges before prescribing DEI solutions.

Too many organizations "start" their DEI journeys with arbitrary DEI interventions that have no clear objective. While the widespread assumption is that a one-off DEI coaching engagement, inspirational speaker event, or language update at work will do no harm, employees are likely to view such

initiatives as an indication that the organization has committed to a longer-term strategy — and will be understandably disappointed and frustrated when no such thing exists.

Instead, if your organization is interested in undertaking DEI efforts, it should start by identifying the challenges such efforts intend to solve, so that it can match the right solutions with the right challenges. A bystander intervention training makes more sense if employees aren't speaking up when they witness discrimination. A leadership coaching engagement can be tailored to focus on respectful communication and emotional intelligence if the organization knows that leaders require support in these categories. To arrive at these conclusions, your organization should start by listening and learning through DEI audits, employee surveys, focus groups, and other interventions that collect valuable data required to take effective action, including disaggregated demographic data.

The impact on the DEI-Industrial Complex? Inspirational speakers will ideally be used less as flashy window dressing, and when we're brought in, it'll be for more tactical reasons, e.g., to help build momentum for a new strategic plan or celebrate the achievement of a milestone.

[**2**]
Find the right specialist(s).

While there has recently been pushback in the industry against "one-size-fits-all" solutions, the continuing demand from organizations for DEI generalists incentivizes practitioners to continue offering these exact things, and has no doubt contributed to the rapid proliferation of cookie-cutter DEI firms and consultancies offering virtually the same services. But recognizing that DEI solutions should be based on DEI challenges should lead your organization to be choosier about the specialists it brings in to provide these solutions. For example, a purposeless

unconscious bias training required for all employees is almost certainly less effective than an unconscious bias training deployed specifically for decision-makers like hiring managers or supervisors, to increase their familiarity with newly implemented bias-interrupting practices like hiring panels and scoring rubrics after an audit found evidence of bias in hiring and promotion processes. The former service can be delivered by just about any DEI practitioner offering unconscious bias training, while the latter absolutely requires finding a specialist.

To find and work with such specialists that can collectively address your organization's DEI challenges, your organization should take the time to thoughtfully engage in substantial research and vetting. You should take the time to search beyond just the most visible "DEI influencers" to seek out professionals with the specific experience delivering the services you're looking for or within your industry niche, even if they're lesser known. Don't forget to thoughtfully engage with and vet the practitioners you're considering like any other contractor — make sure you speak with their references, for example.

The impact on the DEI-Industrial Complex? It should be harder for opportunistic DEI firms to continue developing undifferentiated (and often ineffective) services, and will push current and aspiring practitioners to develop real expertise in specific niches. It may also normalize the practices of client referrals and community-building among specialist networks, rather than existing practices where practitioners are incentivized to "lay claim" to an organization and as many of its DEI needs as possible.

Measure not only inputs, but outcomes.

Any DEI initiative is essentially an experiment to achieve a particular outcome using a particular intervention. And yet, as I mention in step 1, organizations rarely connect their DEI initiatives to the outcomes they aim to achieve, and if they do, it's often in an aspirational rather than a tangible sense. A hiring campaign to improve racial diversity is useless unless racial diversity is measured and the stakeholders involved in its support and deployment — hiring managers, senior leaders, DEI practitioners — are held accountable for its outcomes. Yet, organizations are more likely to seek out "metrics" on the attendance and satisfaction rate of a diversity hiring seminar than they are to seek out metrics on its long-term impact. Stakeholders may not even formally know the initiative has "failed" until many months or even years later, when they realize that after all the talk, their organization's demographics haven't changed. The failure to center or even measure outcomes enables exactly the sort of one-off, unaccountable, and performative DEI work that is so often critiqued by stakeholders.

Instead, your organization should create tangible outcomes it aims to change tied to its DEI data and develop clear indicators and metrics to know when those outcomes have been achieved. For example, an effort to improve belonging should use employee surveys to measure and benchmark belonging scores, then set clear scoring goals for when the survey is deployed again a year later. An effort to improve employee conflict resolution can track the proportion of complaints resolved satisfactorily, and set yearly goals for higher numbers. These indicators and metrics allow an organization to hold stakeholders accountable, identify and celebrate an initiative's success or failure, measure return on investment, and make important decisions to tweak or change initiatives that aren't working.

The impact on the DEI-Industrial Complex? A higher bar both for organizations to set itself up for success by bringing on the right specialists, and for DEI practitioners to ensure their services meaningfully create the outcomes they chase.

[**4**]

Have those doing the work inform the budget for it.

Organizational leaders often dramatically underestimate the time and resources required to genuinely achieve diversity, equity, and inclusion as outcomes. I've seen leaders earnestly schedule week-long diversity hiring campaigns and day-long inclusion trainings with the hopes that these will fundamentally transform their organization, and heard countless conversations about funding DEI that end with, "well, what's the average salary for a Director of Diversity?" These naïve decisions from leaders with no experience or knowledge about DEI as a practice result in the perpetual under-resourcing of DEI work, and force practitioners to do too much with too little, and to take the blame for failure when they inevitably burn out.

The simplest way to address this common failure mode is to involve experts from the start, as you gather information and before a budget has been decided on. These experts can help determine timelines and budgets that will realistically allow the right practitioners to solve the right challenges and achieve the outcomes you're measuring. Experts' estimates are almost always going to cost more and take a longer period of time compared to the uninformed estimates of non-experts, but if organizational leaders want success, it's their responsibility to equip DEI practitioners with what they need — not the job of practitioners to make something out of nothing, with employees' trust and wellbeing on the line.

The impact on the DEI-Industrial Complex? Greater resources for practitioners commensurate with the greater degree of specificity and accountability attached to the budgets we request. In addition: Lower rates of burnout, and less incentive to "race to the bottom" and offer sub-standard services for dirt cheap.

The DEI-Industrial Complex will persist so long as there are corporations that care more about going through the motions than eliminating inequity and effecting actual change, as well as practitioners that find this acceptable. But leaders of organizations who want better can drive a higher standard for DEI work in how they interface with the industry and its practitioners, to seek out and engage in work that *works*.

Lily Zheng is a diversity, equity, and inclusion strategist, consultant, and speaker who works with organizations to achieve the DEI impact and outcomes they need. They are the author of *DEI Deconstructed: Your No-Nonsense Guide to Doing the Work and Doing it Right*.

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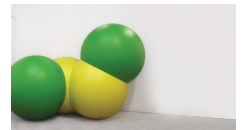**To Avoid DEI Backlash, Focus on Changing Systems - Not People**

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