



THE CHIEF DIVERSITY, EQUITY AND INCLUSION OFFICER:

Results of the 2021 HR@Moore Survey of CHROs

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EXECUTIVE SUMMARY

In response to the racial unrest and increased focus on social justice, organizations increased their emphasis on diversity issues in 2020. To understand one way in which organizations responded to this focus, we explored how the Chief Diversity, Equity, and Inclusion Officer (CDO) role changed and the background characteristics of those in the role. The results indicate that the role increased in both internal and external visibility during this time, and that a large percentage of companies elevated the talent in the role.

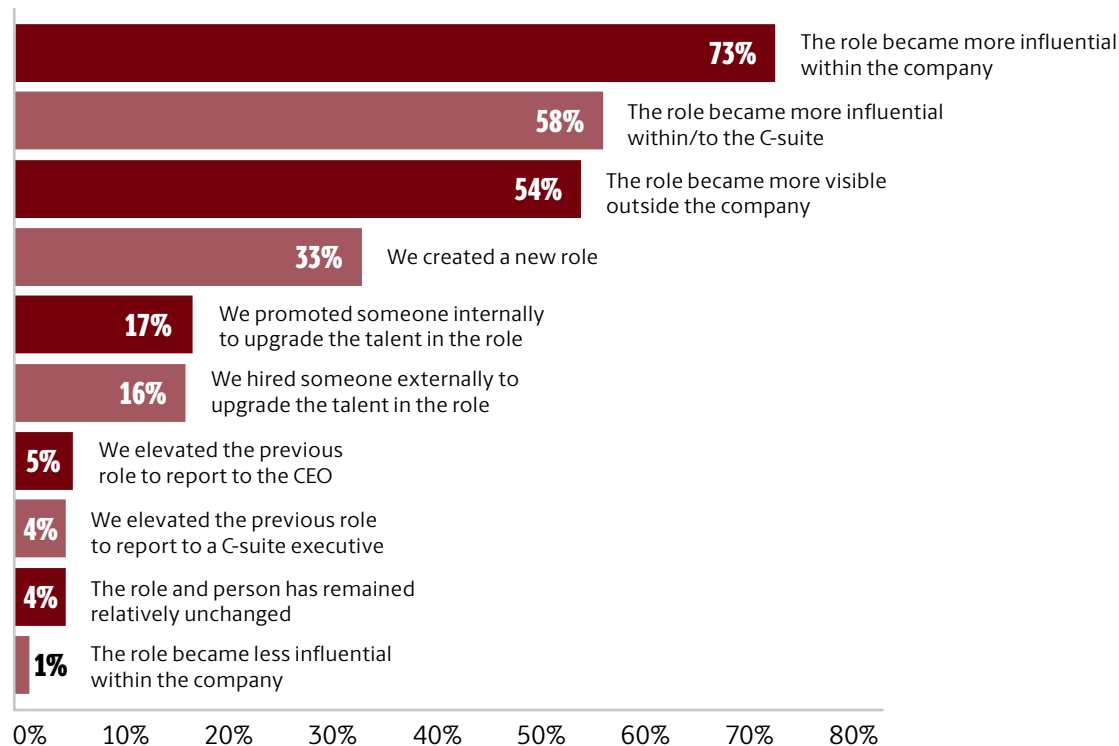
A majority of respondents indicated that the CDO role has become more influential and visible. In addition, about one-third of respondents indicated that they had upgraded the talent in the role, divided almost equally between internal promotions and external hires. Almost 3/4s of CDOs report to the CHRO. The vast majority of those in the role have at least 3 years experience in diversity related roles, and a majority have at least 3 years experience in HR.

OVERVIEW

Given what appeared to be significant changes in the role of the Chief Diversity, Equity and Inclusion Officer (or Chief Diversity Officer; CDO) and the characteristics of the people who occupy the position, the 2021 HR@Moore Survey of Chief Human Resource Officers (CHROs) sought to explore these changes. We surveyed approximately 375 CHROs and 151 of them completed the survey for a 40% response rate.

FIGURE 1

Changes to DEI Officer Role Over Past Year



The CDO Role

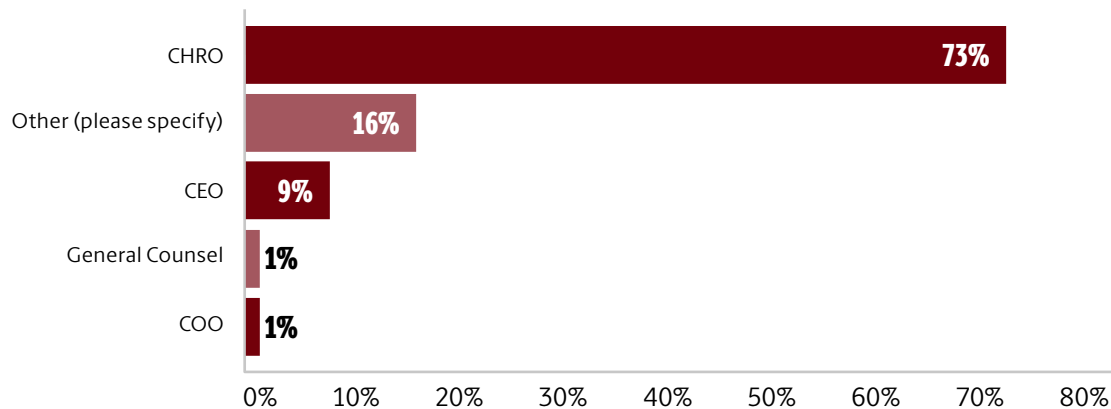
We asked CHROs to report how the CDO role had changed over the previous year and asked them to check each item that applied. Not surprisingly, the results revealed that the role has changed significantly over the previous year in response to a broader societal focus on racial justice. As can be seen in **Figure 1**, 73% of CHRO respondents noted that the CDO role became more influential within the company, 58% said it became more influential within/to the C-Suite, and 54% said it became more visible outside the company. In addition, 33% said they had created a new CDO role over that time and a third indicated that they had upgraded the talent in the role either by internal promotion (17%) or outside hire (16%). Only 4% indicated that the role had remained relatively unchanged.

THE CDO ROLE (cont.)

Given the elevation of the role within the organization, **Figure 2** shows some interesting results regarding to whom the CDO reports. In 73% of cases, the CDO reports to the CHRO, while 16% of CDOs report to another executive (“Other” e.g., not the General Counsel or Chief Operating Officer) and only 9% to the CEO. We were unable to assess if those CDOs reporting to the CHRO were promoted to being a CHRO’s direct report from not having previously been a direct report; however, we believe that this was not the case. If true, this suggests that while the CDO role has been elevated in the previous year, the elevation consists more of visibility and influence in the organization and less around changes in the formal reporting structure.

FIGURE 2

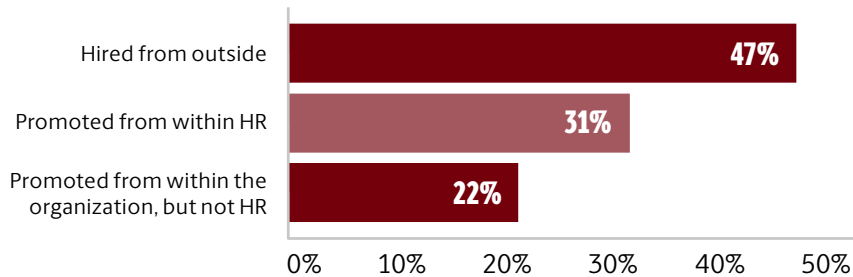
Position DEI Officer Reports To



THE CDO ROLE (cont.)

FIGURE 3

DEI Officer Background



We also asked how the current CDO had come into their role and found that 47% had been hired from outside, 31% promoted from within HR and 22% promoted from within the organization but not from HR (see **Figure 3**).

To get a sense of the background of the CDOs, we asked CHROs to note whether or not that individual had a number of different educational achievements or experiences asking them to check all that applied. As can be seen in **Figure 4**, in terms of experience, these individuals have significant backgrounds in previous diversity related roles with 63% having at least 3 years in those types of roles. Also, the majority (53%) had at least 3 years experience in HR. Only 16% had at least 3 years experience in other support functions and only 8% had worked at least 3 years in a diversity-related non-profit.

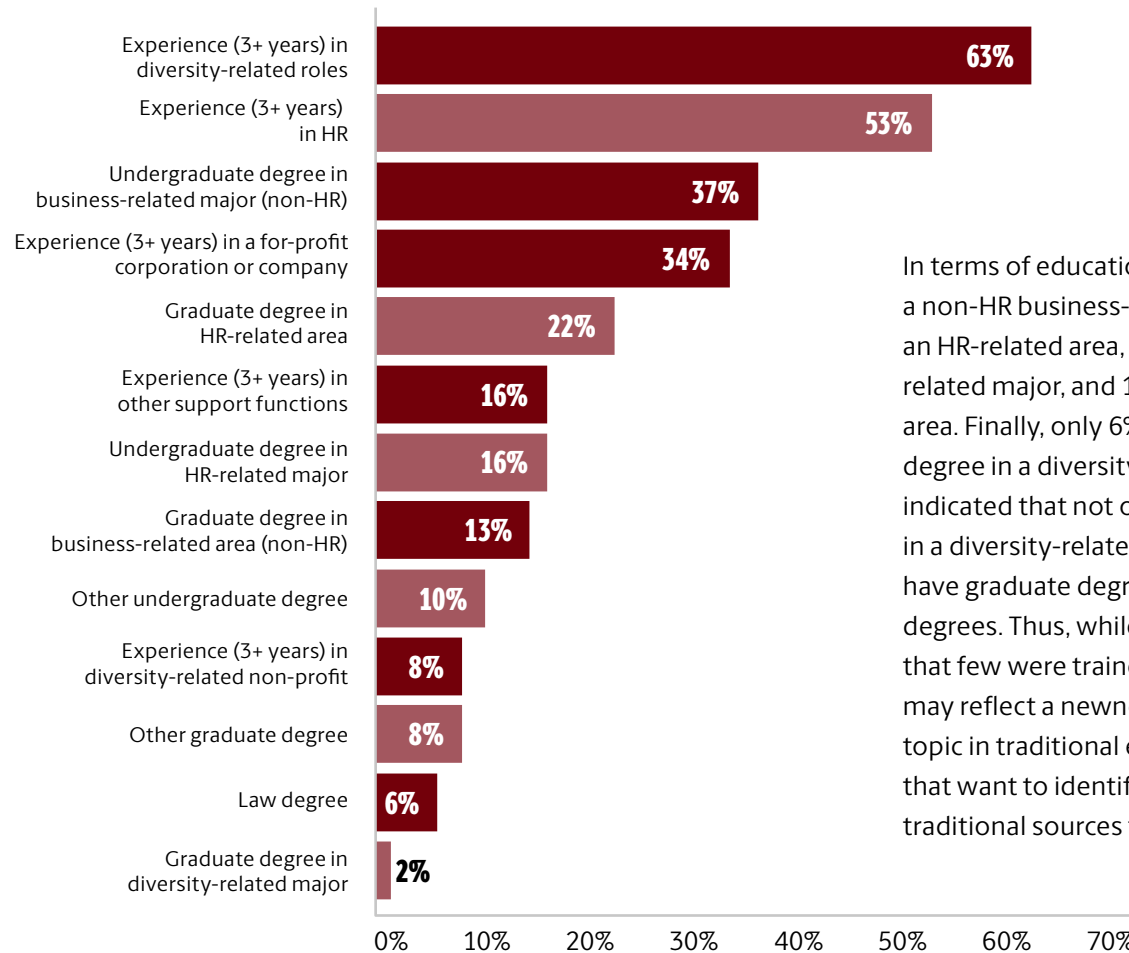
One interesting observation from the data is that only 1/3 (34%) had at least 3 years experience in a for-profit organization, and only 8% in a diversity-related non-profit. Thus, 47% of CDOs do not have 3+ years of HR experience, and at best, 8% of them worked in a diversity-related non-profit. This suggests that possibly many of the CDOs worked in non-profits or consulting firms prior to joining the organization. It may indicate a lack of emphasis in prior years regarding this position in many organizations, and may suggest that firms needed to be creative in whom they brought into this role. This should be explored more deeply in future research on this role.



THE CDO ROLE (cont.)

FIGURE 4

DEI Officer Background, Education and Experience



In terms of education, 37% had undergraduate degrees in a non-HR business-related major, 22% a graduate degree in an HR-related area, 16% an undergraduate degree in an HR-related major, and 13% a graduate degree in a business-related area. Finally, only 6% had a law degree and only 2% a graduate degree in a diversity-related major. Interestingly, respondents indicated that not one CDO possessed an undergraduate degree in a diversity-related major. It seems that most of the CDOs have graduate degrees, with most of them being MBA or MHR degrees. Thus, while most have higher level degrees, it seems that few were trained specifically for this type of work. This may reflect a newness of the position and a lack of focus on the topic in traditional educational settings, suggesting that firms that want to identify potential candidates will need to tap non-traditional sources for finding talent.

CONCLUSION

Clearly the social unrest following the murder of George Floyd caused organizations to increase their efforts to promote diversity, equity and inclusion. Part of this effort focused on elevating the CDO role in terms of talent, influence and visibility. Those in the role have strong educational backgrounds in business and HR, and work experience in diversity and HR. It is too early to determine if the elevation of the role will result in visible improvements in diverse representation of talent throughout the organization, but the increased influence of those in the role provides an optimistic outlook.





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In 1998, the school was named for South Carolina native Darla Moore, making the University of South Carolina the first major university to name its business school after a woman.

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