

# 2024 Global DEI and Talent Survey Report

Top 5 Priorities for DEI and Talent Leaders

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## **Top DEI and Talent Trends**

2024 Global DEI and Talent Survey Report

#### Navigating a Shifting DEI Landscape

The conversation around diversity, equity, and inclusion (DEI) is louder than ever, but for Chief Human Resource Officers (CHROs) and Chief Diversity Officers (CDOs), the path forward is anything but clear.

## **Critical DEI Trends in 2024**

#### Misinformation on the Rise

False and inaccurate narratives about DEI efforts are on the rise, making data-driven approaches more crucial than ever.

#### **Organizational Realignments**

As companies rethink their DEI and Talent structures, CDOs and CHROs must navigate these reshuffles to ensure strategic alignment and a unified vision.

#### Tech's Double-Edged Sword

Emerging AI technologies present both promise and peril for inclusive workplaces. Harnessing their potential while mitigating bias requires careful consideration.

#### **Evolving Definitions**

What does "DEI work" even mean anymore? With recent discussions about <u>religious inclusion</u> and <u>political polarization</u> in the workplace, the scope of DEI is constantly expanding.

#### **Championing Value**

Operating as strategic business partners, CDOs and CHROs are <u>implementing</u> <u>management structures with clear metrics</u>, tailoring plans for each department and <u>collaborating with business-facing teams</u> to drive quantifiable outcomes.

#### Defending DEI

Ongoing legal challenges and skepticism about existing frameworks make 2024 a critical year for clearly communicating the importance of DEI.

## **Top 5 Priorities for DEI and Talent Leaders**

2024 Global DEI and Talent Survey Report

#### 2024: The Year of Inclusion

Against this backdrop, inclusion is taking center stage. While there's no silver bullet, the journey begins with building trust, fostering open dialogue, embracing innovation, and committing to <u>research-backed best practices</u>.

#### 2024 DEI and Talent Priorities Survey

To understand the top priorities of DEI and Talent leaders today, from November 7, 2023, to January 7, 2024, we surveyed 68 global leaders at leading companies collectively representing more than 800,000 employees.

#### The Five Most Pressing Priorities for DEI and Talent Leaders

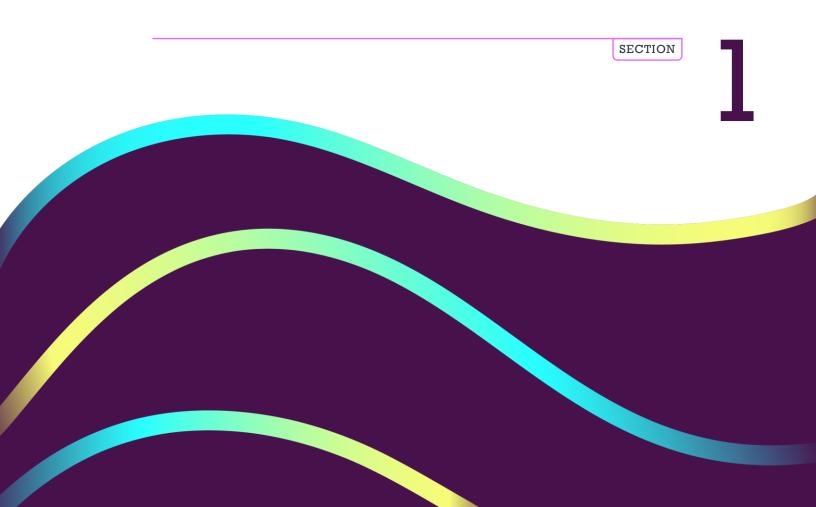
- **Converging Worlds: The Future of DEI and Talent**
- **2** DEI in the Age of AI: Bias or Opportunity?
- **3** The Business Value of DEI: Global and Industry-Specific Strategies
- **4** DEI Communications: The Secret Weapon of Crisis-Proof Leaders
- **5** Beyond Backlash: Charting the Next Frontier of Inclusion

#### **Agile DEI: The Key to Success**

As 2024 unfolds, CHROs and CDOs must be prepared to adapt and redefine what it means to do DEI in the workplace and marketplace. New opportunities to advance <u>inclusive leadership</u> are emerging, but capitalizing upon them demands agility like never before.



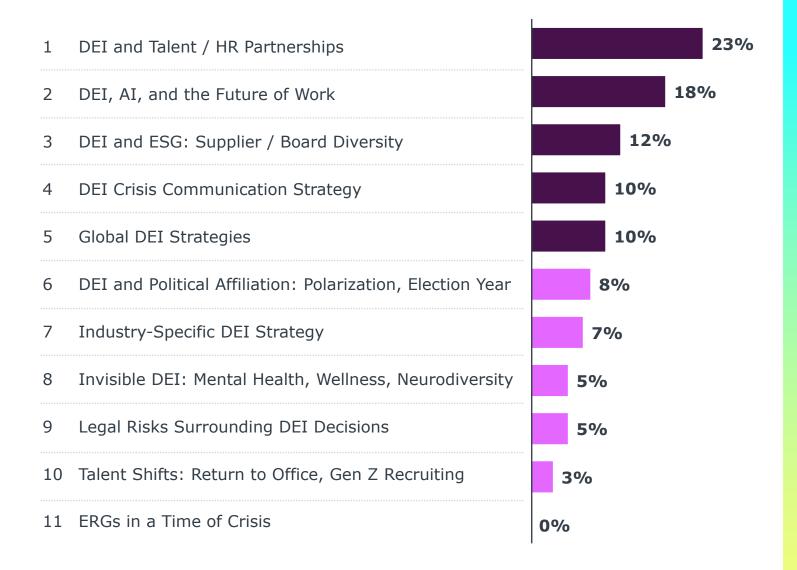
# Converging Worlds: The Future of DEI and Talent





## **Aggregate Results: Top Priority**

DEI and Talent Leaders



## The Future of DEI and Talent

#### **Converging Worlds: DEI and Talent**

The workplace is evolving faster than ever, and the lines between DEI and Talent are blurring, earning DEI and Talent partnerships (#1) the top spot in this year's poll.

#### Here's why:

#### **Shifting Sands**

Workforce instability is the new normal, subjecting critical DEI and Talent investments to heightened scrutiny. Companies are rethinking existing structures, with roles converging across functions. CHROs are being called upon to lead DEI teams, CDOs are stepping into people leadership roles, and business executives are embracing new DEI responsibilities.

#### New Faces, New Journeys

<u>70% of CDOs are navigating uncharted territory, leading DEI for the first time</u>. While excitement abounds, significant challenges remain. High turnover and burnout rates, with an <u>average CDO tenure of only 30 months in the S&P 500</u>, highlight the need for support, partnership, and development.

#### **Culture Counts**

Recent Seramount research demonstrates that the magic happens when leaders champion employee engagement, satisfaction, and DEI priorities. On the flip side, <u>unhealthy company culture is 10 times more important than compensation in</u> <u>predicting employee turnover</u>.

#### **Building Bridges**

To combat the "disengagement tax," DEI and Talent leaders are joining forces to build an inclusive talent lifecycle. Think recruitment with an eye toward diversity and weaving DEI into the very fabric of HR practices, not just siloed teams or bolt-on programs.

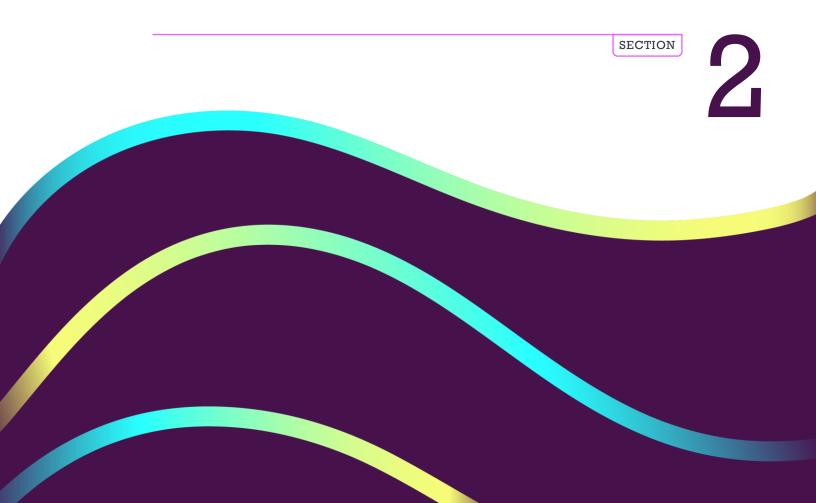
As we think about recruitment, as we think about advancement, as we think about learning and development, we shouldn't have...our policies and practices for recruitment and then some bolt on things that we do for diversity, we should have a policy and practice for recruitment that has an eye towards diversity.

-Sandy Torchia, Vice Chair, Talent and Culture, KPMG

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# DEI in the Age of AI: Bias or Opportunity?





## **Aggregate Results: Top 5 Priorities**

**DEI** and Talent Leaders



## **DEI** in the Age of AI

#### **Bias or Opportunity?**

Our survey reveals rising leadership concern about the impact of AI on DEI (#2). CDOs and CHROs at the world's top-performing organizations are waking up to the critical truth that today's inequities in AI adoption could shape an unfair future of work tomorrow.

The data is clear: <u>equitable AI adoption</u> is fast becoming a cornerstone of inclusive DEI and Talent strategies. Studies show <u>a generational divide in anxieties around AI</u>, with Millennial and Gen Z employees more apprehensive about its potential impact on their careers than those in older generations. These findings signal a pressing need for proactive measures to ensure existing <u>AI adoption gaps</u> don't exacerbate longstanding workplace inequalities.

#### Why this matters

- Unmitigated bias in AI algorithms can perpetuate and amplify existing inequities, widening the inclusion gap for underrepresented groups.
- Unequal access to AI-powered opportunities and training can further disadvantage historically excluded talent, hindering professional development and career advancement.
- Building workplace trust in AI requires transparency, inclusive |development, and clear communication about its responsible use.

Why is it essential that DEI be part of the AI conversation? Without advocates for diverse experiences and perspectives, we'll never achieve inclusive AI data sets.

As DEI leaders, we must guide ethical AI practices the way we've always advocated for ethical policies in hiring, from bias mitigation to freedom from discrimination.

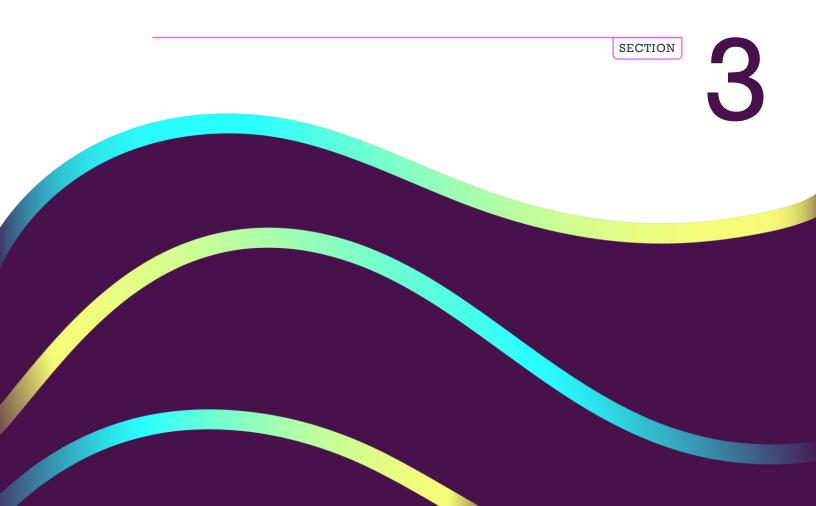
First, we must return to the origins of DEI in assessment, creating new forwardthinking forms of measurement for AI systems. Then, we must champion inclusive algorithms capable of redefining the future of work and opportunity.

-Katie Oertli Mooney, Managing Director, Seramount

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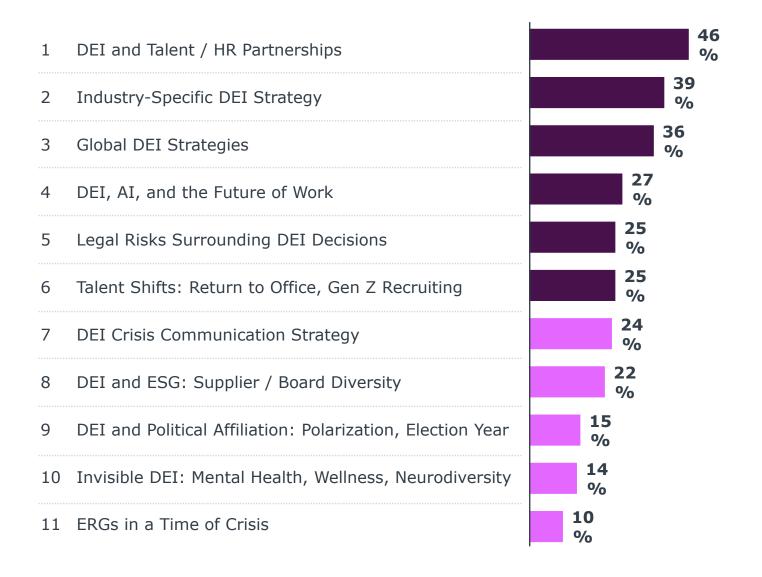
# The Business Value of DEI: Global and Industry-Specific Strategies





## **Aggregate Results: Top 3 Priorities for Business Impact**

**DEI** and Talent Leaders



## The Business Value of DEI

#### **Global and Industry-Specific Strategies**

Whether broad or targeted, global or granular, CDOs and CHROs are increasingly showcasing DEI's tangible impact on performance, market reach, and employee well-being, emphasizing <u>inclusion's core significance to the broader business</u>. The world's leading companies are taking a data-driven, results-oriented approach to integrating DEI into their organizational DNA.

#### **Unlocking Inclusion's Business Impact**

DEI and Talent leaders view industry-specific and global DEI strategies (#2 and #3 for business impact) as critically important to the bottom line. Today's leaders understand, for example, that the tech and manufacturing sectors call for radically different DEI strategies. At the same time, multinationals are increasingly grappling with the need to define a global inclusion strategy.

Both trends highlight the need for nuanced inclusion plans and an agile, consultative approach to the <u>business value of DEI</u> balancing global cooperation and regional cultural variances with sector-specific networks and best practices.

#### **Key Findings**



The evolution of DEI and talent leads the way, with DEI and Talent partnerships (#1) topping the list of trending topics with significant business impact.



Respondents expressed strong interest in the business impact of industry-specific DEI strategy (#2), highlighting the need for tailored approaches to key inclusion challenges.



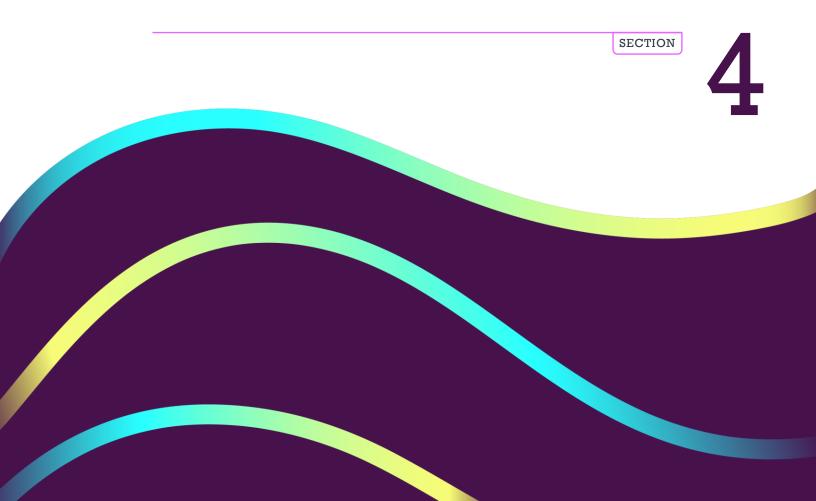
DEI and Talent leaders are realizing the value of a comprehensive but flexible global inclusion strategy, including cross-functional collaborations (#3).



DEI is expanding beyond the walls of the organization, with new collaborative data sharing and social impact initiatives facilitating the formation of industry coalitions.



DEI Communications: The Secret Weapon of Crisis-Proof Leaders





## Segmented Results: DEI and Talent Executives

Top 5 Priorities

	Executives		
	%	rank	
DEI, AI, and the Future of Work	79%	1	
Industry-Specific DEI Strategy	57%	2	
DEI Crisis Communication Strategy	57%	2	
DEI and Talent / HR Partnerships	50%	4	
DEI and Political Affiliation: Polarization, Election Year	50%	4	
Legal Risks Surrounding DEI Decisions	43%	6	
DEI and ESG: Supplier / Board Diversity	43%	6	
Global DEI Strategies	36%	8	
Invisible DEI: Mental Health, Wellness, Neurodiversity	14%	9	
Talent Shifts: Return to Office, Gen Z Recruiting	14%	9	
ERGs in a Time of Crisis	7%	11	

## **DEI Communications**

#### The Secret Weapon of Crisis-Proof Leaders

Today's DEI and Talent executives are intently focused on DEI, AI, and the future of work (#1 for executives in the space). Yet in a surprising trend, DEI crisis communications ranks second for CDOs and CHROs (beating out hot topics such as DEI and election-year polarization [#4] and the legal risks surrounding DEI decisions [#6]).

#### **Beyond Apologies: Cultivating Trust**

Seramount's free <u>Guide to DEI Communications Strategy</u> reveals the answer: proactive, inclusive communication isn't just damage control and good PR; it's a <u>strategic investment in resilient reputational capital</u>. Moving beyond apologies toward proactive crisis control requires inclusive leadership and continuous conversation.



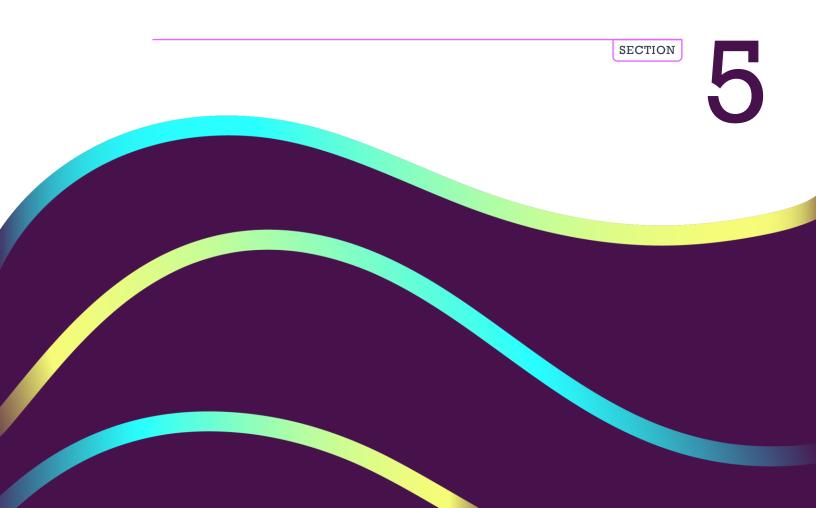
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Employees are becoming more emboldened to share their personal thoughts on societal issues within and outside the workplace—which makes it critically important for companies to regularly share impactful positive stories both internally and externally.

-Seramount, Guide to DEI Communications Strategy



# Beyond Backlash: Charting the Next Frontier of Inclusion



## Charting the Next Frontier of Inclusion

#### **DEI Now**

Our survey also yielded a treasure trove of qualitative feedback, revealing new frontiers for the DEI landscape. From <u>religious inclusion</u> and <u>navigating the rise of Gen Z</u> to engaging "the silent middle" and mitigating CDO/CHRO burnout, the themes centered around navigating uncharted waters. These trends also prompt a new question: How far will the boundaries of DEI and talent expand in the future?

#### **The New Inclusion Imperative**

In the wake of the 2024 DEI and Talent Priorities Survey, we've witnessed a <u>rising</u> <u>tide of attacks on DEI itself</u>. The current environment—clouded by an increasing spread of misinformation about DEI's scope and purpose—calls for a new inclusion imperative: understanding where the movement is headed and how to chart its future course.

#### **Beyond Business as Usual**

This is no time for complacency. As political polarization heats up and demands for inclusive leadership are amplified, CDOs and CHROs must remain hypervigilant about DEI's present state and future. 2024, a make-or-break year for belonging, will hinge on solidarity. Survey respondents repeatedly expressed the urgent need for <u>allyship</u> and <u>leadership buy-in</u> today.

#### **?**?

The best way to navigate volatility and make DEI integral to your organization is to weld DEI to the organization's core strategic goals and priorities. And CDOs and Talent leaders need to take credit for the changes they're making.

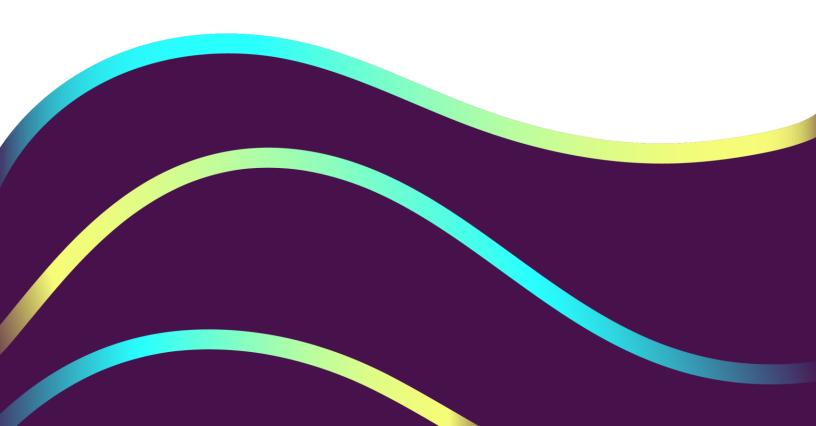
Take ownership of DEI initiatives in the organization, and ensure your colleagues see the results. Don't be afraid to step in and make additional impact where you can....This is the way to ensure that DEI efforts thrive no matter which way the pendulum swings.

Keeping DEI Strong in Volatile Times, Seramount



# The DEI Program Maturity Gap—Foundations vs. Frontiers

BREAKOUT 1





## Segmented Results: DEI Program Maturity

**Top Priority** 

Surveyed ropies, highest to Lowest Score	0 to 3	years	More than 7 years	
	%	rank	%	rank
DEI and Talent / HR Partnerships	18%	1	20%	1
Global DEI Strategies	18%	1	10%	4
DEI and ESG: Supplier / Board Diversity	18%	1	10%	4
DEI, AI, and the Future of Work	14%	4	20%	1
Talent Shifts: Return to Office, Gen Z Recruiting	9%	5	0%	9
DEI Crisis Communication Strategy	5%	6	15%	3
Invisible DEI: Mental Health, Wellness, Neurodiversity	5%	6	10%	4
DEI and Political Affiliation: Polarization, Election Year	5%	6	10%	4
Industry-Specific DEI Strategy	5%	6	5%	8
Legal Risks Surrounding DEI Decisions	5%	6	0%	9
ERGs in a Time of Crisis	0%	11	0%	9

## The DEI Program Maturity Gap

#### **Foundations vs. Frontiers**

Our research discovers that leaders of mature DEI programs (7 or more years) are much more likely to prioritize inclusive approaches to AI and the future of work compared to those from less mature programs (0 to 3 years). Our survey results suggest a potential link between an organization's DEI program maturity level and its embrace of inclusive approaches to technological transformation.

#### A Closer Look at the Findings

- Twenty percent (#1) of DEI leaders from mature programs list DEI, AI, and the future of work as their top priority, compared to only 14% (#4) of their colleagues from less mature programs.
- Respondents from all surveyed organizations voiced strong interest in the evolving DEI and Talent landscape (#1), one of few areas of consensus across all levels of DEI program maturity.
- Mature DEI programs lean toward integrating inclusion into broader business outcomes and prioritizing ongoing investments in DEI crisis communications strategy (#3). Their leaders also tend to focus more on recent and emerging DEI areas of interest, from politics and current events (#4) to neurodiversity, mental health, and wellness (#4).
- Leaders of less mature DEI organizations tend to place greater emphasis on foundational DEI and Talent investments and concerns, from ESG—including board and supplier diversity (#1)—to talent shifts—encompassing return to office and Gen Z recruitment (#5). They also tend to concentrate on the development of global DEI strategies (#1), likely an indicator of comparatively less well-established multinational DEI infrastructure.

#### What Does This Mean?

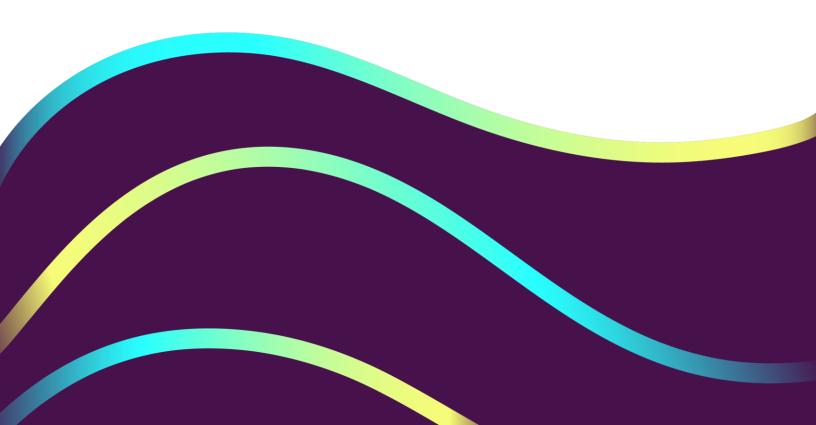
This disparity in focus areas suggests that leaders at more mature DEI programs are building advanced capabilities, delving deeper to remain at the forefront of cuttingedge trends. Realizing gains from past investments, they're moving beyond the basics, strategically leveraging inclusive approaches to AI, crisis communications strategy, and social injustice to advance their DEI strategy.

For less mature organizations, solidifying foundational DEI elements remains business-critical. Yet as the DEI landscape continues to evolve, keeping an eye on the future, including emerging trends from artificial intelligence to neurodiversity, will be key to their long-term success.



## Organization Size—a Striking Crossroad in DEI Priorities

BREAKOUT 2





## Segmented Results: Organizational Size

**Top Priority** 

	Fewer than 5,000 employees		More than 5,000 employees	
	%	rank	%	rank
DEI and Talent / HR Partnerships	29%	1	18%	2
DEI and ESG: Supplier / Board Diversity	19%	2	6%	7
DEI, AI, and the Future of Work	11%	3	24%	1
DEI and Political Affiliation: Polarization, Election Year	11%	3	9%	4
DEI Crisis Communication Strategy	11%	3	9%	4
Talent Shifts: Return to Office, Gen Z Recruiting	7%	6	0%	10
Global DEI Strategies	4%	7	15%	3
Industry-Specific DEI Strategy	4%	7	9%	4
Invisible DEI: Mental Health, Wellness, Neurodiversity	4%	7	6%	7
Legal Risks Surrounding DEI Decisions	4%	7	6%	7
ERGs in a Time of Crisis	0%	11	0%	10

## **Organization Size**

#### A Striking Crossroads in DEI Priorities

Our survey unearthed a striking fact: organization size sparks the most significant divergence in DEI and talent priorities. Leaders at mega-companies (5,000+ employees) diverge sharply from their relatively smaller counterparts.

#### **Crucial Differences Manifest Across Four Key Focus Areas**



Very large employers prioritize global inclusion strategies (#3), aligning with their multinational nature and interests. Relatively smaller firms, with less global reach, focus on DEI and Talent partnerships and shifts (#1 and #6), suggesting more rapid integration of DEI and Talent functions in leaner setups.



#### **ESG's Shifting Tides**

Recent headlines suggest a waning corporate interest in conspicuous ESG commitments, and our data confirms this trend at the world's largest, most visible companies. Conversely, relatively smaller organizations continue to rank ESG highly (#2), indicating its continued relevance in context.



#### **AI Adoption & Inclusion Gaps**

The future-focused topic of DEI, AI, and the future of work sits atop the priority list for very large organizations (24%) but dips much lower (11%) for relatively smaller ones (#4), highlighting potential gaps in AI adoption and inclusive technology strategy.



#### **Shared Volatility**

Despite their differences, all organizations, regardless of size, include DEI and political affiliation and DEI crisis communications in their top four priorities, reflecting a growing concern about <u>divisiveness in workplaces and</u> <u>the broader world</u>.

## The Future of DEI

#### **Integrating Inclusion**

This report has surveyed the priorities of DEI and Talent leaders at highperforming global organizations in a shifting landscape. By adapting and retooling their approaches, CDOs and CHROs are making a compelling case for a seat at the table. Now like never before, they are ensuring that the keys to unlocking DEI, Talent, and business success are one and the same.

#### **Continuous Improvement**

The world's leading DEI and Talent organizations invest in continuous improvement. Pushing new boundaries and integrating new perspectives, their agile methodologies showcase the advances that come from actively engaging the passions and interests of a workforce discovering strength in difference.

#### **Sustaining Progress**

Looking ahead to the future of DEI and Talent, Seramount's optimistic view of sustained progress is rooted in an enduring 40-year legacy dedicated to future-proofing inclusive workplaces and advancing historically excluded talent.

#### Preparing for the Workplace of Tomorrow

Stay tuned as we continue to unpack these trends and explore how Seramount, alongside its global industry partners, is navigating this turning point. Together we can ensure that 2024 doesn't just witness disruption but transform it into an opportunity for meaningful progress.

#### **?**?

Today's most effective organizations are imagining DEI differently: not as an afterthought bolted onto an existing structure, but as salt dissolving in water—as a chemical reaction fundamentally changing the nature of the organization.

Instead of simply adding ingredients, they're unlocking a transformative process where inclusion ignites innovation to propel workplaces forward.

DEI is not a program, but a way of being. This is our long-term vision: seamlessly integrating DEI into every aspect of the organization, from leadership and culture to investment and opportunity.

-Subha Barry, President, Seramount



## **DEI Research Partnership** Empowering DEI and HR Leaders Through Today's Toughest Workplace Challenges

# What Factors Make DEI and Talent Roles So Challenging?

#### **Tense Workplace Dynamics**

- Shifting demographics lead to competing priorities
- Evolving legal landscape
- Divided employee sentiment around socio-political issues

#### **Risk Around Every DEI Decision**

- Risk of Abandoning Commitments: Pull back can cause disengagement and friction
- Risk of Inaction: Holding steady can be perceived as non-commitment
- Risk of Misstep: Forging ahead might turn positive intentions into unintended consequences

#### **Balancing Two Equally Vital Roles**

- Maneuver Corporate and Cultural Risks
- Safeguard Non-Negotiable DEI Investments

#### Three Pillars of Service to Support Leaders and Their Teams



## Rigorous Research with a Global Reach

Deploying proven research methodology to identify how to make change happen

- Resources to educate stakeholders and accelerate impact
- Custom research to answer your up-atnight questions



#### Collective Experience of a Peer Community

Convening DEI and Talent leaders to guide and shape our search for breakthrough ideas

- $\checkmark$  CDO roundtables and experience labs
- DEI practitioner roundtables and hot-topic webinars



#### **Commitment to Applying Lessons** Learned

Facilitating buy-in for change and customizing implementation of lessons learned

- Access to expert advisors to increase your capacity
- Partner intensives bring insights to your broader team

Learn more about how the DEI Research Partnership can propel your strategy forward by scheduling a call with one of our experts.

seramount.com/contact-us



We empower the world's most inclusive workplaces.

#### **Trusted Partner to Organizational Change Agents**

#### ASSESSMENT AND STRATEGY

#### Uncover the Real Levers to Unlock DEI Progress

Unfiltered insight into the employee experience powered by innovative technology and over 40 years of DEI data and insights RESEARCH AND ADVISORY SERVICES

Set Strong Foundations and Build Actionable Roadmaps

Expert guidance rooted in research and benchmarking to support your strategic talent priorities LEARNING AND DEVELOPMENT

#### Transform Your Culture by Enabling DEI at Scale

Impactful workshops and events that build core leadership competencies at every level

We partner with **450+** corporations, government entities, and nonprofits **globally**.

We guide ~50% of the Fortune 100 and ~25% of the Fortune 500 on their DEI journey.



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