

# Businesses Respond to Demand to Put Muscle into DE&I Efforts

By Kathy Gurchiek  
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**A** ctivists called for more-equitable recruiting, hiring, promotion and compensation in 2020—as well as transparency from organizations on their diversity, equity and inclusion (DE&I) efforts.

Research from Together Forward @Work ([https://prodtfw.wpengine.com/wp-content/uploads/2020/08/20-1412\\_TFAW\\_Report\\_FNL\\_Pages\\_V2.pdf](https://prodtfw.wpengine.com/wp-content/uploads/2020/08/20-1412_TFAW_Report_FNL_Pages_V2.pdf)), an initiative from the Society for Human Resource Management, found that "despite years of financial and strategic investments in diversity, equity and inclusion, U.S. companies have notable numbers of workers who express concerns and discomfort about fundamental issues of racial equality in the workplace."

And research released in November from McKinsey & Co. (<https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diverse-employees-are-struggling-the-most-during-covid-19-heres-how-companies-can-respond>) found that nearly a year into the COVID-19 pandemic, women, people of color, working parents and those who identify as LGBTQ "are having the hardest time, both in the workplace and with balancing work and home life."

Some of the motivation for businesses to make changes is coming from external sources. Nasdaq, a national securities exchange, is pushing for more diversity on the boards of the companies it lists (<https://www.nytimes.com/2020/12/01/business/dealbook/nasdaq-diversity-boards.html>). In December, it asked the Securities and Exchange Commission for permission to adopt a new requirement for the 3,249 companies listed on its main U.S. stock exchange. It wants boards to have at least one woman and one "diverse" director and to report data on board diversity—or face consequences.

Some businesses may also be feeling internal pressure. Employees at Estee Lauder, for example, demanded that the brand address race issues (<https://www.usatoday.com/story/money/2020/06/10/estee-lauder-hire-more-black-workers-after-complaints/5332463002/>) in the aftermath of protests throughout the U.S.

*SHRM Online* has collected the following examples of actions employers have taken this year to further DE&I in the workplace.

## Merck and GM Join Group Pledging 1 Million Black Hires in a Decade

A new group that includes Merck, General Motors and Walmart said Dec. 11 that it is pledging \$100 million in an effort to hire 1 million Black workers during the next decade, expanding on existing corporate vows to increase minority employment. The OneTen initiative (<https://www.oneten.org/>), co-chaired by Merck Chief Executive Officer Ken Frazier and IBM Executive Chairman Ginni Rometty, will focus on hiring and training Black workers without four-year college degrees, according to the plan released in December. The goal is to provide "family-sustaining" jobs that pay an average of about \$50,000 a year.

(Bloomberg (<https://www.bloomberg.com/news/articles/2020-12-10/merck-and-gm-join-group-pledging-1-million-black-hires-in-a-decade>))

## SHRM RESOURCE SPOTLIGHT

Overcoming Workplace Bias ([www.shrm.org/ResourcesAndTools/Pages/overcoming-workplace-bias.aspx](http://www.shrm.org/ResourcesAndTools/Pages/overcoming-workplace-bias.aspx))

## Mountain Dew Kicks Off \$1 Million Pitch Competition for Future Black Entrepreneurs

Intending to inspire and help capitalize future Black entrepreneurs and innovators, the PepsiCo's Mountain Dew brand is launching a \$1 million ideas pitch competition to support the next generation of Black entrepreneurs, the company announced Dec. 8. The competition is a partnership with historically Black colleges and universities (HBCUs) and aims to encourage students and alumni of HBCUs to make their business dreams a reality.

(Black Enterprise (<https://www.blackenterprise.com/mountain-dew-kicks-off-1-million-ideas-pitch-competition-for-future-black-entrepreneurs/>))

## Pinterest Says It Will Adopt Workplace Culture Recommendations

Pinterest has committed to adopting the recommendations from its special committee of the board of directors, the company wrote in a Dec. 16 blog post (<https://newsroom.pinterest.com/en/post/statement-from-the-special-committee-of-the-board>). The committee formed earlier this year in June, shortly after two former employees, Ifeoma Ozoma and Aerica Shimizu Banks, went public with their allegations of racial and gender discrimination while working at Pinterest.

The committee, which retained law firm WilmerHale to conduct a workplace review, spoke with more than 350 current and former employees to make its recommendations geared toward improving diversity, equity and inclusion at Pinterest.

(Yahoo! News (<https://news.yahoo.com/pinterest-says-adopt-workplace-culture-175807358.html>))

### **Starbucks Ties Executive Pay to 2025 Diversity Targets**

Starbucks (<https://www.wsj.com/market-data/quotes/SBUX>) said in October it would mandate anti-bias training for executives and tie their compensation to increasing minority representation in its workforce, becoming the latest company to set fresh diversity goals in the midst of a national conversation over race.

The coffee chain said it would aim for at least 30 percent of its U.S. corporate employees—and 40 percent of its U.S. retail and manufacturing employees—to be people of color by 2025. Starbucks said its metric included Black individuals, other people of color and indigenous people. Company figures show it currently falls short of those goals at nine of the 14 job levels it said it would track. The company has roughly 200,000 U.S. employees and nearly 8,900 company-owned stores in the U.S.

(*The Wall Street Journal* (<https://www.wsj.com/articles/starbucks-ties-executive-pay-to-2025-diversity-targets-11602680401>))

### **Salesforce to Double Its Number of Black Leaders in the U.S. by 2023**

Salesforce announced in July its plans to double the number of Black employees in company leadership positions within the U.S. by the end of 2023 and to increase overall representation of Black employees in the U.S. by 50 percent by the end of 2023.

It also said it will spend \$100 million with Black-owned businesses over the next three years and commit to 25 percent year-over-year growth in spending with minority-owned businesses. Additionally, it made some outward-facing commitments to support Black businesses and suppliers.

(BusinessInsider (<https://www.businessinsider.com/salesforce-double-black-leaders-employees-racial-justice-2020-7>))

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