

REPORT

C-Suite Executives on DEI and When to Take a Stand

CHIEF

the **New Era** *of*
Leadership

Report: C-Suite Executives on DEI and When to Take a Stand

The role of the corporation continues to evolve as executives consider their responsibility — and stakeholder expectations — in contributing to a more equitable and inclusive world.

At the same time the corporate landscape is growing increasingly complex. Consumer trust in business, NGOs, government, and media is declining. Meanwhile, culture wars are escalating, and business leaders are facing mounting pressures to innovate and demonstrate results while simultaneously showing conviction and a commitment to purpose.

Executives are acutely aware of these dynamics — and it shows in how they prioritize investments in diversity, equity, and inclusion (DEI) and respond to social issues — both of which are polarized and politicized topics.

Where do executives stand on DEI investments and when (or when not) to speak up?

Methodology

600 C-Suite Leaders

Companies > 500 employees

75% men, 25% women

About Chief

Chief, the largest network of women executives, is digging into The New Era of Leadership and the hurdles executives anticipate this year, as well as the capabilities needed to navigate them successfully. Read our [New Era of Leadership Report](#) about the top challenges and critical skills defining leadership in 2024.

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An Overwhelming Majority of C-Suite Leaders are *Still Investing* in DEI Initiatives

For several months, we have seen headlines about companies “pulling the plug” on DEI programs and commitments made in 2020 in the wake of a racial reckoning and social inequities made glaringly apparent during the pandemic.

Yet, despite this “DEI fatigue,” the majority of companies are still committed to investing in these initiatives.

- 1 80% of C-Suite executives say they are still investing in DEI initiatives at their company.
- 2 Only 20% of companies plan to cut back or eliminate DEI initiatives in 2024.
- 3 Despite some paring back, 36% plan to continue with their current initiatives at the same level and 44% plan to ramp up existing initiatives or develop new ones.

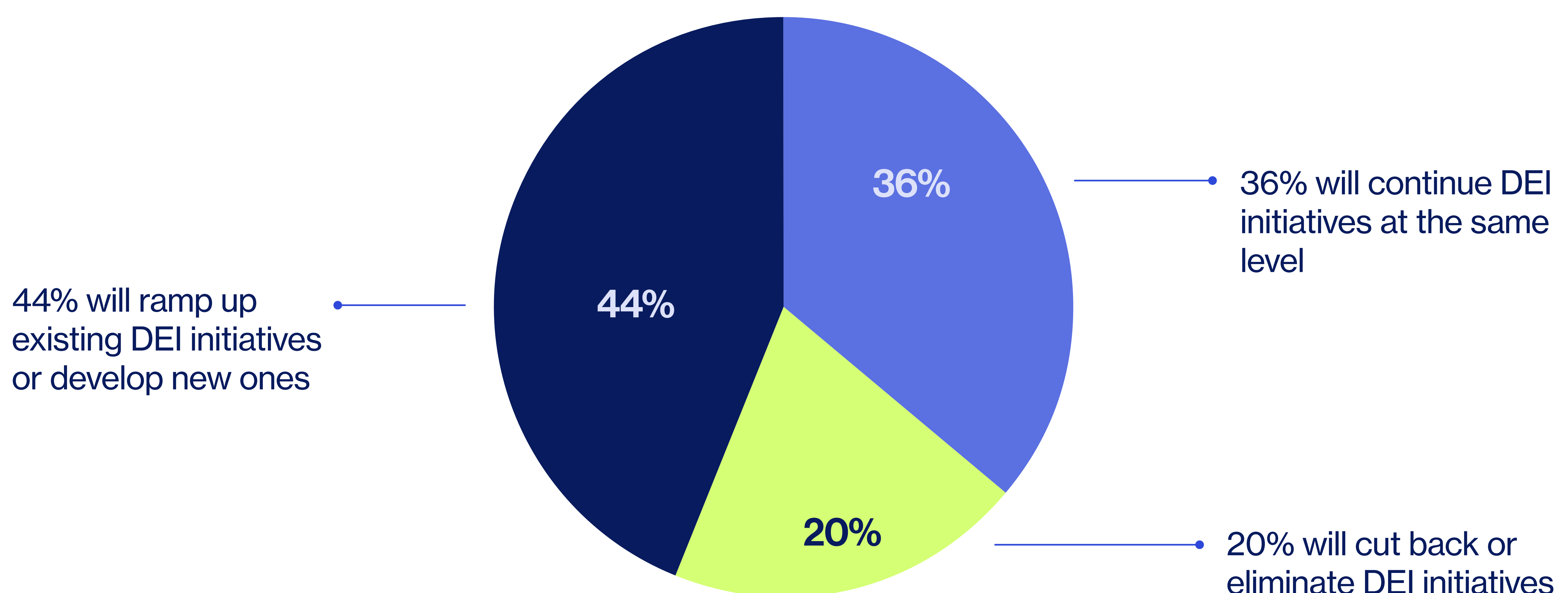
"The commitment to organizational DEI is not just a moral imperative but a strategic one. In today's interconnected and increasingly diverse world, leaders who embrace DEI are better equipped to innovate, resonate with a broader range of stakeholders and customers, and attract and retain top talent."



Daisy Auger-Dominguez

CEO of Auger-Dominguez Ventures and Former Chief People Officer at Vice Media Group

The reality: 80% of companies *remain committed* to DEI.



The data is clear: Executives, even those cutting DEI initiatives, consider DEI a crucial leadership capability.

- 1** Two in 5 executives place understanding and promoting diversity, inclusion, and access among the most important leadership capabilities for the C-Suite in 2024 (40% overall, including 42% of men and 36% of women).
- 2** More than 1 in 4 executives believe that understanding and promoting diversity, inclusion, and access will be more important this year than in the past (26% overall, including 27% of men and 23% of women).
- 3** Executives who report cutting DEI initiatives are on par with their peers in these beliefs.

C-Suite Executives Say *Speaking Out is Riskier Than Staying Silent*

From racial equity, to geopolitics, to gun control, to civil rights, there is no shortage of political and social issues that executives feel pressured to address. According to the [Edelman Trust Barometer](#), 54% of employees globally believe that CEOs should speak publicly on controversial political and social issues they care about. Similarly, 53% of consumers agree that every brand has a responsibility to get involved in at least one social issue that does not directly impact its business.

Despite these expectations, the vast majority of executives – both men and women – believe that taking a public stand on a current issue poses more risk for their company than staying silent (87% overall, including 90% of women). This is likely because it is difficult to predict public response in a world that's seemingly more divisive each day, and a public backlash or boycott can have a significant impact on company performance.

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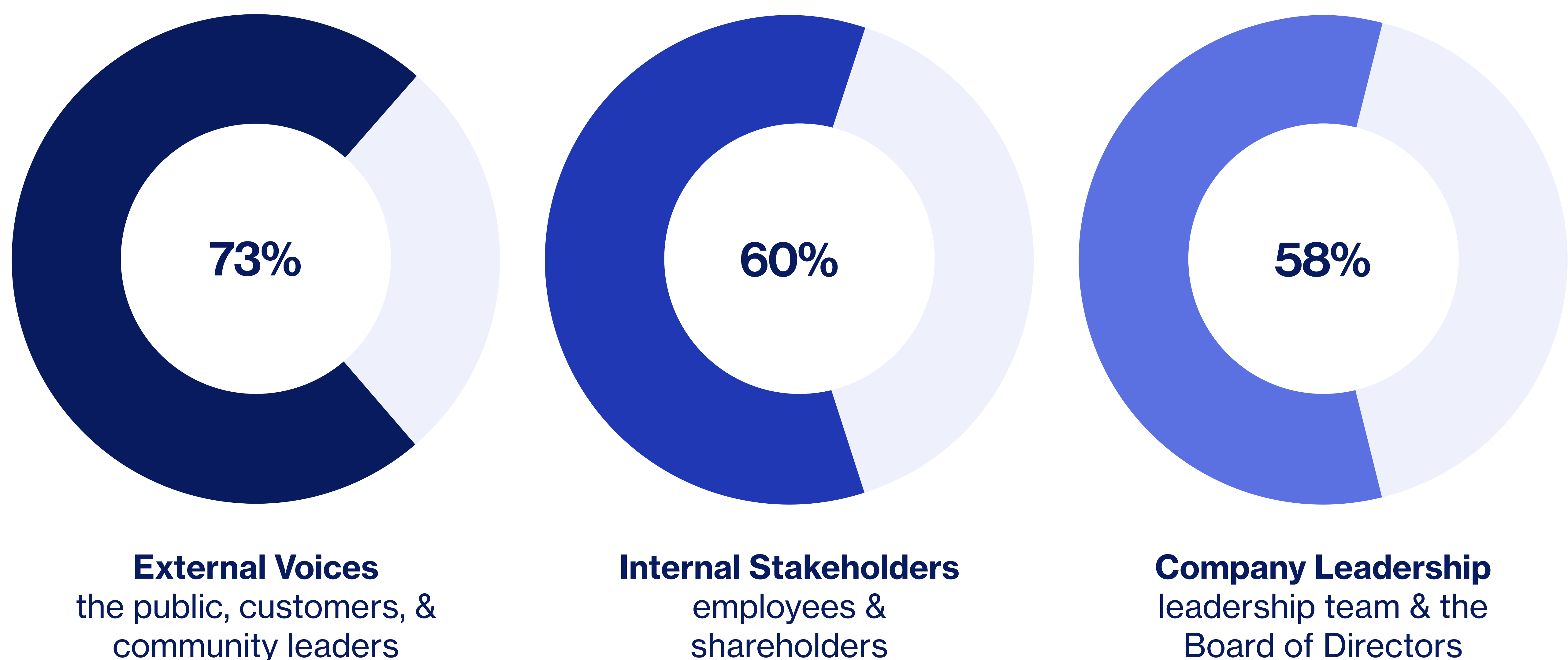
87%

of executives believe taking a public stance on a social issue is riskier than staying silent.

Pressures From all Angles: Customers, Employees, Public at Large

- 1 Nearly all C-Suite leaders (9 in 10) are under pressure from stakeholders to either take or not take a public stand on current issues (98%, including 97% of women).
- 2 In a time when senior executives are balancing leading with empathy while driving strong results, customer, employee, and shareholder expectations hold greater influence in shaping a company's decision to make a public stance than company leadership or values.
- 3 The pressure comes from three angles: external voices such as the public, customers, and community leaders (73%), internal stakeholders such as employees and shareholders (60%), and the leadership of the company, including the values of the leadership team and the board of directors (58%)
- 4 While executives often go back to their company's mission and values, it is the stakeholder pressure and expectations that exert the biggest force (47%) on company leaders as they debate whether or not to take a public stance on social issues. However, broken down by gender, that changes slightly. Women are more likely than men (49% vs. 43%) to look to their company's mission and values when weighing whether to take a – perhaps risky – public stance on an issue.

Leaders are feeling the most pressure from the public, customers, and community leaders, to *speak up* about social issues.



How Do Executives Make These Decisions?

Business leaders have weighed in on how executives can use a framework to guide their decisions on whether to take a stand on political or social issues. They suggest beginning with three questions: Have I communicated how this issue aligns with our company's mission and values? Can we meaningfully influence the issue? Will our stakeholders agree with us speaking out?

1

Be Transparent

"All companies should establish a framework that clearly outlines the company's approach to communicating on social and political issues while emphasizing the areas where the company can make the most meaningful impact," says Maria Rosati, CEO of Eminence Communications. "Having a clearly defined policy will go a long way in managing expectations and reducing stress."

2

Focus on Asking the Right Questions, Not *Having* All the Right Answers

"You don't have the expertise to weigh in on everything, and you shouldn't," says Daisy Auger-Dominguez, CEO of Auger-Dominguez Ventures and former Chief People Officer at Vice Media Group. "You can make a more substantial impact by focusing on issues that align closely with the soul of your business and culture. This requires you to constantly engage in dialogues with employees and stakeholders to understand their perspectives, their sore spots, and where empathy, co-creation and collaboration are necessary. Leadership is not about having all the answers but asking the right questions, guiding your team through complexity with compassion, clarity, and a deep sense of purpose, and declaring a vision for what you're willing to fight for."

3

Show Authenticity and Alignment

"Leaders must ensure their public statements resonate with their internal practices, reinforcing trust among employees and consumers. When addressing issues, leaders should offer informed, nuanced perspectives, focusing on topics that align with their and their employees' values," says Auger-Dominguez. "Ultimately, using one's voice wisely isn't just about making statements – it's about meaningful engagement that reflects the organization's collective ethos and advances meaningful progress."

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2024