By Re_Generation

Human Wellbeing

2.4 Inclusion, Justice, and Non-Discrimination

Description

Despite the fact that social and environmental issues disproportionately affect low income and minority groups, **most C-suite leadership and boards still consist of white people, mostly men, and people with privilege**. In Canada, racialized women earn 58 cents, and racialized men 76 cents, **for every dollar that is earned by white men**. Although it became a universal convention for firms to espouse their commitment to diversity and inclusion practices, many organizations simply resort to mandatory diversity programs without understanding the fact that the **majority of diversity programs fail**. To learn more about what firms should be doing to advance equity and dismantle systemic racism, sexism, ableism, and other forms of discrimination within their organization, continue reading this PDF guide.

Acknowledgements

About Re_Generation

Re_Generation is a Canadian youth movement that seeks to build a regenerative, sustainable, and just economy. We aim to reimagine our schools, repurpose our careers, and remodel our companies to be aligned with regenerative principles. In particular, we provide resources for individuals to launch impact-driven careers and advocate for change within their companies and schools. We also aim to advance public policies that promote regenerative and sustainable business practices.

Our successful 'Our Future, Our Business' Manifesto campaign received the support of 65 youth organizations, 130 high-level executives, and 100 civil society organizations recognizing the need for reform in business education on sustainability. After three years of existence as the Canadian Business Youth Council for Sustainable Development, we have changed our name to Re_Generation to become more inclusive of all youth, not just business youth.

We believe that the ideal society is a **regenerative** one. Regeneration to us means putting human and ecological **well-being** at the centre of every decision. It means restoring relationships, both within nature and within society, while helping all communities to thrive. Read more about our history and vision at our **About Us** page.

Issue Summary

While increased attention has been paid in recent years to diversity, equity, and inclusion issues, the reality is that our society is still rife with injustices that uphold systems of power and exclusion. Despite the fact that social and environmental issues disproportionately affect low income and minority groups, **most C-suite leadership and boards still consist of white people, mostly men, and people with privilege**. In Canada, racialized women earn 58 cents, and racialized men 76 cents, **for every dollar that is earned by white men**. In America, Black family wealth is **eight times lower** on average than the wealth of white families.

In 2020, following a series of protests over police brutality in the United States, it became a universal convention for firms to espouse their commitment to diversity and inclusion practices. However, many of these claims can be considered examples of "**performative allyship**", where organizations speak out against racial injustice but do not follow with robust and meaningful action. A **report by Alternatives Watch** finds that 70% of investment teams still have no plans to allocate funds to diverse or minority and women-owned businesses–despite the fact that 39% of companies surveyed were found to have a Chief Diversity Officer on their staff. Additionally, many organizations simply resort to mandatory diversity programs without understanding the fact that the **majority of diversity programs fail**. This is due to the fact that they:
1. Are not led by the people they seek to target, and actively exclude younger people;
2. Are not given adequate resources or influence within organizational operations;
3. Fail to take systemic racism into consideration;
4. Fail to address the holistic change that is required to create truly inclusive spaces.

Systemic racism is a complex issue that cannot be solved by simply imposing a diversity hiring policy. Systemic or structural racism includes complex processes such as environmental racism, or the form of racism in which patterns of pollution disproportionately affect racialized populations. Even in some of the wealthiest countries in the world, **climate vulnerability and air pollution perpetuate environmental injustice**. Lower income communities, who also tend to be disproportionately Black, Indigenous, and People of Colour, are more likely to suffer from respiratory diseases caused by environmental pollution. **Black Americans are exposed to 56% more pollution than they cause**, while white Americans breathe 17% less air pollution than they produce. In Canada, **similar patterns of environmental racism exist with Indigenous Peoples and other racialized groups**. At a global level, climate change is exacerbating inequalities between nations and aggravating historical inequities. While climate change disproportionately affects vulnerable nations in the Global South, these low-income nations are **only responsible for 8%** of historic carbon emissions (with 92% coming from the Global North). The **unequal distribution of climate impacts** has led some to proclaim that climate change is simply a **continuation of colonialism**.

Firms that seek to take action on sustainability issues must consider racial and social justice as well, otherwise their interventions will risk reproducing real world inequities. For example, the approach that many financial actors take towards pricing climate risk into investment decisions could have the very clear consequence of **increasing the costs of capital for some of the world's most vulnerable populations**, and further making it difficult for them to adapt to climate damages. Equity and inclusion must be seen as sustainability issues, as sustainability cannot be disentangled from larger questions of environmental and climate justice. A climate justice lens **should be applied** to all policies and procedures in the public and private sectors. For more information about centring climate justice in business decisions, see **this guide from B Lab**.

Key Considerations

Organizations seeking to advance equity in society and combat the marginalization of minorities should first familiarize themselves with some core concepts related to social and environmental justice. Racial Equity Tools has compiled a **list of core concepts** and definitions, while the Aspen Institute has also prepared a **glossary of terms** related to structural racism.

A key idea is the understanding that equity and equality, while related, are **two different concepts**. Equality entails providing everyone with the same resources and opportunities regardless of their needs, whereas equity entails providing everyone with the differing levels of resources and opportunities that they need in order to appropriately level the playing field. Seeking to achieve equality is often not sufficient to overcome forms of inequity, as it can fail to recognize the varied needs of different minority groups. Related to equity is the concept of **intersectionality**, which expresses the fact that society creates many systems of disadvantage (i.e. racism, sexism, ableism, etc) that can often overlap and reinforce one another in the lives of individuals with multiple marginalized identities.

Systemic oppression builds on the idea of intersectionality to convey the idea that there are many overlapping forms of discrimination operating at any given time, which work systematically to marginalize oppressed groups while privileging the needs of dominant groups. Systemic oppression recognizes that these forms of discrimination operate at the level of institutions and structures, but also through more tacit cultural patterns and norms. One form of systemic oppression is **white supremacy**, which is the underlying system of racial discrimination that continues to uphold the increased political and economic hegemony of people of European/Caucasian descent at the expense of other racialized groups. White supremacy is the result of colonialism and the subjugation of non-European races through enslavement, land theft, and an assemblage of other practices. Although diverse, multicultural democracies have made some strides in advancing racial equality, white supremacy **continues to structure human society** through forms of **structural racism** and **implicit bias** which operate in ways that are often invisible to dominant groups. **Hidden biases** are a key enabler of all systems of discrimination, and working to overcome these more implicit forms of prejudice are a key component of creating a more inclusive culture and society.

Many companies pay lip service to the idea of diversity and inclusion, but do not sufficiently commit to principles of true social justice or examine and problematize the underlying structures of systemic oppression. It is important that all organizations **be held accountable** to their promises to advance racial and social equity, and avoid forms of **'racewashing'** that consist of virtue-signalling without real action.

Tools:

1. Increasing Diversity

Firms should begin by performing a self-assessment to test their degree of inclusivity and diversity, and to identify areas for improvement. This **questionnaire from Pathways to Prosperity** covers eight key areas related to diversity throughout an organization: leadership and governance, service delivery, employment practices, contracting and purchasing, professional development, community relations, and monitoring and performance. Companies can also use the **Diversity Tool** created by Civicus, which allows firms to test themselves on culture, infrastructure, learning and accountability, project management, and other dimensions. For anti-racist practices specifically, firms should take this **self-assess-**

ment test from the Coalition for Diversity and Inclusion.

To see more ideas for diversity programs that actually work, see this **Harvard Business Review article**. Firms should begin to evaluate the strength of their diversity strategies and identify areas for improvement by using **this guide from Deloitte.** This resource identifies three key steps for reform, which include:

- Conduct a needs assessment to evaluate what you currently offer the workforce for DEI. This can include:
    - Cataloging, reviewing, and rationalizing existing DEI learning and evaluation data;
    - Understanding current DEI strengths and skill gaps and compiling preliminary recommendations for tailored learning program objectives.
- Develop a holistic DEI learning strategy that aligns and activates your DEI, people, and business strategies. This can include:
    - Conducting a stakeholder workshop to align on the desired future state of DEI learning;
    - Developing learner personas and sample learner experience maps to define the desired learning experience for each learner segment (Operators, Team Members, Field, Staff);
    - Determining learning delivery modalities (e.g. web-based labs, e-learning modules, and virtual train-the-trainer toolkits).
- Stand up a DEI learning ecosystem to provide learners with multiple points of entry and forums to digitally collaborate on their learning journeys. This can include:
    - Creating a DEI learning curriculum, including learning assets and visual framework, to execute on the DEI learning strategy (e.g., learning journey for each learning persona);
    - Establishing learning governance and stakeholder alignment processes;
    - Identifying optimal type and sequence of implementation, considering resources.

Organizations should also report on their diversity metrics. The Global Reporting Initiative (GRI) has a **standard for disclosure** related to diversity and equal opportunity, asking firms to disclose the demographic composition of their governance bodies, as well as the ratio of base salary and remuneration of women to men for each employee category.

There are many technological solutions that have been developed to improve the granularity and reliability of diversity reporting. One such tool comes from **Diversio**, which uses AI to evaluate the performance of diversity strategies. The Canadian Coalition for Diversity and Inclusion also has a **diversity meter**, and a paid consulting practice. For more paid tools, check out this **list of resources**.

2. Advancing Racial Equity

Organizations should also develop specific inclusion strategies that help them advance racial equity and transform into an anti-racist organization. Firms should consult the comprehensive **Racial Equity Playbook** developed by the BlackNorth initiative in partnership with the Boston Consulting Group. The Playbook includes six main pillars:

1. Build and shape an inclusive pipeline and equitable hiring process across all levels and functions;
2. Create equitable development opportunities for retention and promotion;
3. Reduce and eradicate any like-for-like racial compensation gaps;
4. Build a diverse procurement and vendor network that supports and promotes equity;
5. Include minority groups with an equitable company portfolio and brand;
6. Support organizations and communities advancing racial equity through communication, financial contributions and actions.

Firms should also urge their senior leaders to join the **CEO Pledge** hosted by the BlackNorth initiative, which includes a commitment that 3.5% of executive and board roles be held by Black leaders, that Black students need make up at least 5% of the companies' student workforce, and that 3% of donations and sponsorships be directed to Black communities.

The Harvard Business Review has identified **ten commitments** companies must make to advance genuine racial justice. These include:
1. Commit to anti-racism personnel policies and racial-equity training.
2. Commit to pay equity.
3. Commit to giving employees a voice.
4. Commit to supporting full participation in democracy.
5. Commit to lobbying for good.
6. Commit to paying a living wage.
7. Commit to paid parental and sick leave.
8. Commit to full health care coverage for all employees and support national health care.
9. Commit to an employee emergency relief fund or low-cost loan program.
10. Commit to democratize employment applications.

Racial Equity Tools has **compiled many resources** to help firms in this transition, assisting organizations to plan and act upon diversity strategies, and then evaluate their results. The National Equity Project also has a series of **frameworks** and **tools** for this purpose. Firms should begin by performing an impact assessment of their existing impacts on racial equity by using **this framework** and **this tool**, both developed by Race Forward.

Firms should aim to build community-wide support for racial equity through community agreements that are mutually agreed upon and reflect the organization's core values. The National Equity Project also has tools for **developing** and **implementing** community agreements. As discussions about race can often be contentious and politically challenging, facilitators should use **this guidance** from the National Equity Project, as well as **this resource** about how to talk effectively about race.

For more information about advancing racial equity, check out the work of the **NAACP** in the United States, as well as this suite of **e-learning courses** developed by the Government of Canada.

3. Advancing Gender Equity
Firms also have a responsibility to advance gender equity and reduce **gender-based discrimination**. The UN Global Compact has also developed **women's empowerment principles** for businesses to abide by, and developed a **framework for corporate action** on women's health and empowerment. Firms can begin by performing a basic **gender gap analysis** using this tool based on the women's empowerment principles, and also perform a social audit with respect to gender equality using **this framework** developed by Business for Social Responsibility. The OECD has also developed **guidelines for responsible business conduct on gender issues**, which include a requirement for firms to adopt policies related to equal pay, eliminating sexual harassment, and other concerns.

For more information about gender equity issues, check out **Equileap**, the world's largest provider on gender equality data, as well as **these case studies** from the Human Rights and Business Dilemmas Forum. More tools are also **available from the Business and Human Rights Resources Centre**.

4. Advancing Disability Equity

Diversity and inclusion initiatives must necessarily include concern for the rights of disabled persons, and efforts to increase workplace accessibility and improve opportunities for people with disabilities. The UN Global Compact has developed a **Guide for Business on the Rights of Persons with Disabilities** that focuses specifically on alignment with UN core human rights instruments. **RespectAbility** has developed a **detailed guide** for including people with disabilities that focuses on culture, staffing, communication, and event planning. Firms should also review the **complete guide to disability** developed by **Diversity for Social Impact**, which includes a list of all possible workplace accommodations for persons with disabilities. Firms should pay particular attention towards **reviewing their hiring practices**, and make specific policies for the hiring of people with both physical and mental disabilities.

5. Fighting Discrimination

Businesses have a responsibility to eliminate all forms of discrimination and harassment throughout their organization and value chains. The Danish Institute for Human Rights has developed a series of **self-assessment questions** related to workplace discrimination, which include:
- Does the company apply only relevant and objective criteria when making decisions related to hiring, promotions, compensation and benefits?
- Does the company refrain from favouring or discriminating against employees on the basis of their opinions, expression, thoughts, conscience, or religion?
- Does the company ensure that managers do not discriminate against employees, and particularly women, based on their marital status, pregnancy, maternity/paternity leave, or parenthood?
- Does the company make reasonable accommodations to provide disabled applicants and workers with equality of treatment and opportunity at the workplace?
- Does the company make reasonable efforts to accommodate the expressive conduct and religious and cultural practices of its employees?
- Are workers able to freely exercise worker rights and report suspected violations or abuses of their rights and entitlements by the employer without fear of retaliation, discipline or termination?
- Has the company implemented measures to prevent and address harassment, violence and other forms of discrimination in the workplace?
- Does the company have a responsive grievance mechanism for receiving, processing and resolving the grievances of its workers?
- If the company offers benefits (such as health insurance or pension schemes) to spouses and dependents of employees, does it extend the same benefits to employees with non-traditional families, such as those with same sex couples and adopted children?
- Do part-time workers have employment benefits, protections, and working conditions comparable to those of full-time employees?

Firms should report on incidents of harassment according to **this GRI disclosure standard**, as well as remediation actions taken to prevent future abuses. For actions related to LGBT rights and issues, firms should evaluate themselves according to the **Corporate Equality Index** developed by the Human Rights Campaign.

For more information about workplace discrimination, see this **discussion** by Workplace Fairness, and these **case studies** from the Danish Institute for Human Rights.

6. Enhancing Well-being

Firms should make an effort to enhance the well-being of their employees by contributing to a work culture that makes people feel valued and fulfilled. Corporations should recognize the **inherent limits of corporate wellness programs**, which have been **unsuccessful thus far**, and engage directly with employees to develop initiatives that are tailored to their needs. Corporations should also use this **comprehensive toolkit** from the Mental Health Commission of Canada to help them develop workplaces that promote positive mental health and increase employee well-being. Corporations should also use the **WELL Building Standard** to develop interior design and workplace layouts that are conducive to employee well-being and overall mental and physical health.

Case Studies

For success stories of Canadian firms that have improved their diversity and inclusion practices, see this **list of case studies** developed by the Canadian Coalition for Diversity and Inclusion. An inspiring **case of organizational change comes from McCarthy Tétrault**, an influential Canadian law firm, that hired its first Chief Diversity and Engagement Officer in 2013. Since then, the organization has increased the share of women on its board to 45% (exceeding its 2017 target of 25%), developed a Parental Support Program to help new parents juggling work and taking care of children, and also launched a Pride Network, the first of its kind in a major Canadian law firm.

Organizations/Initiatives

For more information on diversity and inclusion issues, anti-racism, social justice, and the fight against oppression and discrimination, check out the following organizations:
- **NAACP**
- **Black Lives Matter**
- **Colour of Change**
- **BlackNorth Initiative**
- **Canadian Race Relations Foundation**
- **UN Women**
- **Plan International**
- **Global Fund for Women**
- **Womankind Worldwide**
- **Equality Now**
- **Canadian Women's Foundation**
- **Human Rights Campaign**
- **PFLAG**
- **GLAAD**
- **Inclusion Canada**
- **International Disability Alliance**
- **Council of Canadians with Disabilities**
- **Disabled Peoples' International**
- **Rehabilitation International**