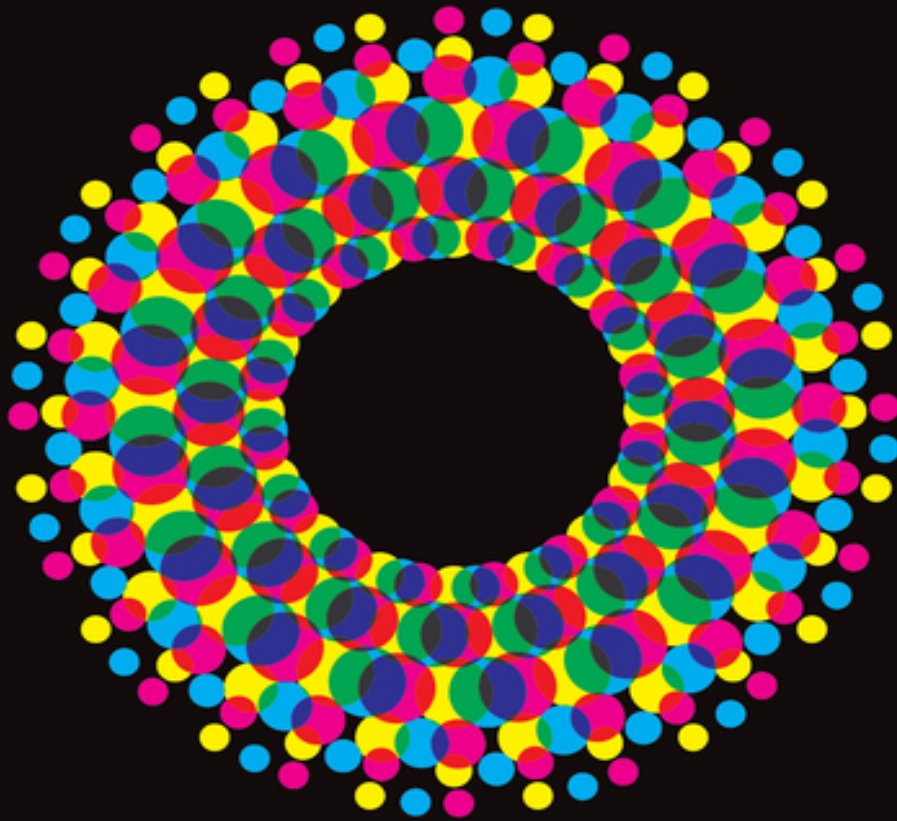# ARTHUR WOODS
SUSANNA THARAKAN

HIRING FOR
DIVERSITY

The Guide To Building an
Inclusive and Equitable Organization

WILEY

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PRAISE FOR *HIRING FOR DIVERSITY*

"With a steady pulse on this rapidly changing landscape, Arthur and Susanna have crafted a singular guide to creating inclusive hiring practices that not only meet but exceed the heightened standards of the modern era."

—Jennifer Brown, author, *Inclusion: Diversity, the New Workplace & the Will to Change* and *How to Be an Inclusive Leader*

"This book is a must read for any leader, no matter what title you hold. It will give you the actionable plan you need to build a more diverse team."

—Mita Mallick, Head of Inclusion, Equity and Impact, Carta

"*Hiring for Diversity* delivers thoughtful, operationally sound, measurable, scalable, and time-tested methods for hiring and supporting diverse teams."

—Judith Williams, Chief Diversity and Inclusion Officer, SAP

"*Hiring for Diversity* provides a clear, tested, and integrated approach to hiring and retaining talent across all spectrums of diversity, breaking the work down into measurable and actionable steps. This is required reading for any leader serious about improving diversity in their organization."

—Beth Anton Grous, Chief People Officer, Tripadvisor

"If you hope to lead this moment and build diversity into your organization, Hiring for Diversity is a must read. This book dismantles all the misconceptions and barriers to creating real change, regardless of your role or title."

—Keith Ferrazzi, author of Never Eat Alone, Who's Got Your Back and Leading Without Authority

"*Hiring for Diversity* will convert your organization's good intentions into measurable impact by giving actionable strategies for hiring and advancing diverse talent."

—Rocki Howard, Chief Diversity Officer, SmartRecruiters

"A must-read for leaders who are ready to take action on growing diversity in their organizations. *Hiring for Diversity* gives you a holistic strategy coupled with tangible resources to make progress in diversity hiring."

—Margot Slattery, Global Chief Diversity & Inclusion Officer, Sodexo

"*Hiring for Diversity* gives leaders actionable direction for growing diversity within their organization. It is an important read for talent, learning, and business leaders."

—Elliott Masie, Creator of e-Learning, CEO of the MASIE Center

"If you are looking for specific, actionable, and practical advice to attract and engage diverse teams, *Hiring for Diversity* will hit the mark. The book dives deep into various dimensions of diversity, with numerous examples. It doesn't stop at hiring—also covering topics of engagement, retention, and culture—or at diversity— addressing equity and inclusion too."

—Kathi Enderes, PhD, Vice President, Research, Josh Bersin Academy

"*Hiring for Diversity* provides a roadmap for employers who are serious about diversity, equity, and inclusion (DEI). Its Equal Hiring Index is an innovative game changer for Corporate America and a new way to look at recruiting diverse talent, retaining them, and investing in their success."

—Ingrid M. Duran CEO and Founder, D&P Creative Strategies

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A NOTE ON ACCESSIBILITY AND AVAILABLE RESOURCES

We are committed to ensuring everything we recommend and write about is reflected in our own work and the delivery of this book itself. We've partnered with our publisher, Wiley, to ensure this book is accessible to people of all abilities through the specific measures detailed below. We have also taken steps to make the resources mentioned in the book available to anyone committed to advancing this work. To that end, we've created an open-source library of resources and assessments available to everyone through our platform, Mathison. Please read below to learn about our accessibility measures and access to open-sourced resources.

ACCESSIBILITY FOR THIS BOOK

Hiring for Diversity is available in e-book and hardcover, and will be available in audiobook. We offer the following accessibility options:

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OPEN-SOURCED RESOURCES FROM THIS BOOK

We mention a number of resources and tables throughout the book. To make these available to everyone, to ensure you have access to the latest version, and to be eco-friendly, we've centralized everything in an open-sourced resource library here: http://Mathison.io/Book.

Finally, we have created a complimentary assessment called our Equal Hiring Index® to help leaders of any organization size assess the current state of their hiring process, to identify where they can reduce bias, increase accessibility, and reach new diverse communities. You can find this free assessment at: http://Mathison.io/Index.

FOREWORD

Diversity and inclusion may seem like recent buzzwords in the business world. In fact, these concepts trace their origins in corporate and military organizations as far back as the 1940s, when President Harry Truman desegregated the U.S. military. Meanwhile, in the last 20 years, we have watched business owners, shareholders, employees, consumers, and policy makers all increasingly agree that diversity and inclusion are important investments—for almost every company imaginable.

This is for good reason: The talent pool available to founders and leaders is becoming more diverse than ever. Women now outnumber men among U.S. college graduates, and representation among people of color continues similarly to expand. Ten years ago, it would have been difficult to find a technology start-up that mentioned diversity or inclusion in its IPO filing, and very few Fortune 500 public tech companies discussed the topic with their shareholders.

During those ten years, I've spent my career as a leader in the DEI (Diversity, Equity, Inclusion) space. Two poignant observations stick out.

First, the key to successfully building inclusive workplaces and high-functioning diverse teams is to think more like a businessperson and less like a diversity person. What do I mean by that? In all aspects of business, we are constantly looking for data from which we can glean any meaningful insight. Diversity is no different. When your business has the right data systems in place, it is easier to operationalize the processes that result in more diverse hiring. It also

becomes much simpler to build and cultivate the culture that you *want* for your company.

Second, when we talk about diversity and inclusion, we are talking about the largest attempt in modern history to fix outdated standards and practices in the field of human resources.

The reason for this is simple. Building diverse workforces and inclusive workplaces is not a new function of human resources. Instead, it is simply a rethinking of the precepts built into some of HR's oldest functions. Indeed, a more recent trend across Fortune 500 and other high-performing companies is to see the head of HR or head of people role also incorporate the title "Head of Diversity."

This can make the solution seem easier than it is. Like many experienced heads of DEI, I am often asked to "rebuild" HR. A common analogy in this situation is "changing the wheels while the car is still in motion," but it's actually even scarier than that. As every executive and founder knows, human resources is a critical operation to the health of a business and not to be messed with capriciously. (Sensitivity to this risk may be another reason HR organizations and practices have remained unchanged for so long.) A wholesale rethinking of HR is not just a significant investment for your business; it's also scary.

The good news is it's doable, and the map has already been made. In more than 20 years designing, building, and overseeing human resources operations, my advice for all leaders is to see how attention to data and a passion for process can yield powerful, scalable results. As entrepreneur Ben Horowitz has written, a great head of HR "must be a masterful process designer." Process design is the key to success. While many business functions require constant innovation, HR in this era simply requires this one significant yet transformational change in process: hiring

and supporting diverse teams, implemented via time-tested methods of thoughtful, operationally sound, measurable, and scalable process.

What follows in this book is exactly that. Arthur and Susanna, with their team at Mathison, have trudged the start-up trenches familiar to many of us to build the insights and tools we need as the next generation of founders, executives, and HR professionals to grow diversity in our organizations.

In DEI, many of the challenges we warn founders and executives about have names like "unconscious" bias, meaning some part of the problem we are setting out to solve may require software that eliminates our human fallibility. Other challenges, however—the ones founders face in an era of increased awareness like hiring diverse teams—are just good old-fashioned HR implemented in a new way. What follows in these pages are practical recommendations for founders, executives, and HR professionals and the broader team to implement exactly those systems for their organizations.

As a passionate believer in the power of good HR policy and operations to help companies succeed, it is clear to me that one day, what we call diversity and inclusion won't need a name. We'll just call it HR. I believe this because I believe human resources, people operations, or any name we choose to call it will retain the same core function: helping businesses and employees build a healthy, safe, and mutually thriving relationship. I believe this because 200 years of U.S. history show us that when workers are thriving—no matter what their model of unionization, autonomy, or equity—the standard of employee-employer relationship changes our broader culture, too.

Which is to say, if you'd like to see the future of the United States, to quote a trite phrase of middle management

everywhere: You'll need to talk to HR. If you are interested in building the future of our workforce, however, I'd like to personally invite you into the pages that follow. I am certain it's a brighter future, and I'm continually inspired by everyone who aims to make it that way. I can't wait to see you there.

Judith Williams
Chief Diversity and Inclusion Officer, SAP

PREFACE

One of the greatest joys of my career has been to bear witness to the accelerating evolution of diversity, equity, inclusion, and belonging as a maturing industry. It began years ago, with mere whispers about diversity circulating within the corporate vocabulary, mainly focusing on gathering data about representation, and how workforce demographics might be retooled to more accurately reflect the diversity of the talent pool and the marketplace. Then the conversation shifted toward inclusion, or how existing talent—particularly those who are underrepresented and who hold marginalized identities—feel on a day-to-day basis, and what level of trust they hold toward the organization. Next, equity and belonging entered the conversation, raising the critical but as-yet-unasked questions of systemic support and psychological safety as they relate to identity and expression. And still our field continues to expand and broaden, with explorations of what justice might look like, on the heels of a year like 2020, where the call for change crested, and the hard questions became our North Star.

Let me begin by saying that the time for all of these things —diversity, inclusion, equity, and belonging, and yes, justice —is now. The call for accountability and empathy at work has always existed, but it is undoubtedly louder than ever before. I believe each and every one of us can think of a recent event, movement, personal anecdote, or news story that throws into stark relief the need for systemic change. But I also believe many of us have been confused about how we can better support that change.

As a diversity and inclusion consultant with over fifteen years' experience in the field, I have witnessed the vast

majority of leaders delegate their responsibility around DEI work. They've outsourced the accountability, and the labor, to people of color, women, and other marginalized groups within their organizations, who they believe can (and should) carry the water because of how they identify, even though there is often less structural power among these identities—and sometimes the smallest numbers—to throw behind efforts. This is particularly dangerous at our current moment in time, because leaders are facing a mounting call to step up or fall behind, and stepping up means challenging this thinking. When those with power and influence shirk accountability or delegate responsibility, or remain inactive, or silent, organizations risk destroying hard-won trust that fuels collaboration, teamwork, innovation, and most important, retention. And leaders cease to grow and evolve; what many don't realize in opting out is that they are also endangering their own futures; the sidestepping around this topic, because of discomfort, lack of competency, or defensiveness can ultimately result in irrelevance.

I say this not to scare or castigate anyone, but rather to set the stage for and demonstrate the pressing need for this book, *Hiring for Diversity: The Guide to Building an Inclusive and Equitable Organization*. With a steady pulse on this rapidly changing landscape, Arthur Woods and Susanna Tharakan have crafted a singular guide to creating inclusive hiring practices that not only meet but exceed the heightened standards of the modern era. If you're reading this book, then your eyes are open to the far-reaching and pervasive nature of DEI challenges, and awareness is always the first step. All that we have been shown in recent years at work and in the world has awakened a vast new cohort of people to the critical issues that many of us in underestimated and underrepresented communities have been laboring against for decades. Some

of us may be showing up to "class" late, but what matters is that we're here now, in the room, and rolling up our sleeves.

That awareness and participation is key, because when we surface our biases and arrive at a deeper understanding of the damage they can inflict, we then have choices. We can remain inactive, silent, or apathetic, or we can move forward and embrace the role we each can play in creating cultures of belonging where everyone is empowered to thrive.

As budding agents of change and innovative risk takers choose the latter option (as I hope you do), I see them undergo a metamorphosis of sorts, a liberating journey characterized by radical honesty, joyful storytelling, and generative collaboration. But the process—like so many things worth doing—is also tempered by significant discomfort, challenge, and obstacles. The future will require a greater focus on equity and intersectionality, which can entail loaded conversations with sobering acknowledgments of power imbalances. As you travel this demanding yet gratifying road, I urge you to lean into that discomfort. I like to say that leadership is not truly leadership unless it's uncomfortable. It's a signal that growth is occurring. If you aren't pushing yourself to do more, and pushing others around you to improve, chances are you aren't doing enough. You would expect no less in so many other arenas of your life; the discipline, practice, and "stretch" needed to build new, healthier habits applies very much here, and when we care enough to follow through, despite the "growing pains," we see the results over time. One of the biggest shifts to explore is closing the gap between our intent and our impact. A positive or favorable self-perception—our desire always to "be right"—is much less important than developing a deeper understanding of

our place in a given system, how we got there, and our ability to effect change from who we are and where we sit.

As leaders—wherever we sit in a given system—this is well within the possible, for all of us. Progress will happen if we dedicate and prioritize our development and hold ourselves accountable while extending grace and space to ourselves to show up and learn imperfectly. Resilience and agility are key; we must learn how to fail forward, and to have grace for ourselves and others as we do so. We are all poised to be beacons for this conversation, and for progress, and as we share the work more completely, however imperfectly, the burden for change can begin to be more equitably shared—and lightened—by many more heads, hearts, and hands.

The truth is, creating lasting and sustainable cultures of belonging is a task far bigger than any one executive, or any one department, or any one initiative. With that daunting reality in mind, leaders often ask me, "Where do we begin?" This book will provide many answers to that, and more.

Hiring for Diversity will ask you to do three things. They may be difficult, but I guarantee they will also be three of the most transformative steps you can take as a forward-thinking leader. First, you will be asked to leverage what you know to do what needs to be done, however uncomfortable that may be. Second, you will be asked to embrace what you don't know, because this is how you narrow the gap toward systemic change. Often, this is achieved by first admitting there's a lot you don't know and accepting that reality. Finally—and this is the most critical step—you will need to choose to be a leader. You will need to step into your power willingly, enthusiastically even, without all (or even many) of the answers, and actively take

intentional and brave steps that inspire and support those who want to follow you. They're waiting, and they care.

If you are ready to make a difference for those people, turn the page, and let Arthur and Susanna lead the way.

Jennifer Brown
Founder and CEO, Jennifer
Brown Consulting, author of *Inclusion* and *How to Be an Inclusive Leader*

CHAPTER 1
Setting the Stage: Going from Intent to Impact

You came to this book for a reason. Something compelled you. You might have been moved by a story in the news, a conversation with your team, or your own personal experiences.

When you think about diversity, you might first feel frustrated that not enough is being done. You might feel the pressure to drive results. You might be confused as to how. You might even feel guilt or shame.

When you look at your own organization, you might see where diversity is lacking, where representation is low and you haven't made enough progress. Like many people, you might be angry. You might be focused on the state of the world and the fear of what might happen if you now get this wrong.

But you might also be inspired by the *possibility* of getting this right.

Whether driven by fear or possibility, you, like many leaders, are likely feeling a burning desire to grow diversity in your organization. You have intent.

And because you picked up this book, you presumably have some degree of power: the power to choose, to reframe, to accept, or to influence. This book is designed to help you use whatever power you have to make a difference—not just in your own life or organization, but in the lives of people who deserve more opportunities than life has handed them.

Diversity is personal, perhaps more so than any other topic or decision we make during the workday. It reflects our values and our viewpoints, and it can trigger a surprising array of emotions. Advancing diversity isn't just about facilitating organizational change. It's about reaching the hearts and minds of our people. And it can't happen without leadership.

But leaders alone can't advance this mission. Despite what anyone tells you, there are few experts in this work, if any. There are few leaders with decades of experience in diversity hiring, and there isn't a single organization that has mastered it across the board. Today, this work requires collective learning, invention, and action. We are all writing the playbook that will guide diversity hiring in the years to come, and to do it well, we need everyone to contribute.

The path ahead is filled with extraordinary potential. If you travel it with dedication and persistence, it will lead to a better, more equitable world. Whether you are leading a company, managing a team, working in HR or recruiting, or simply aspiring to make things better, we wrote this book for you. Regardless of the role you hold, or your experience with diversity, your contribution matters, and you have the potential to make a difference. We hope this book gives you inspiration, direction, and support in this work. We hope this book reminds you what is possible and, most importantly, that you are not alone.

WHY THE TIME IS NOW

It took a series of unthinkable events, in a stunningly brief period, to force us all to reckon with injustices we'd been conditioned to tolerate.

We witnessed the murder of George Floyd and its aftermath, the agony of oppression erupting in massive,

anguished protests. We watched the rise of Black Lives Matter, a global movement giving voice to people unwilling to remain disposable. We saw the COVID-19 pandemic force marginalized communities into even greater hardship and disparity. If our eyes were closed before, they have now been pried open. We are no longer willing—or able—to ignore the inequality and racism that surrounds us.

In a handful of months, the world discovered an urgent desire for change, and no facet of life has gone unaffected, especially the workplace and the makeup of our workforce. Most management teams and boards for the first time looked around and noticed the lack of diversity in the room. And employees across organizations demanded response and action from their employers.

Leaders were left asking, "Will things ever go back to the way they once were?" But the world as we know it has forever changed. Our new world calls us to move forward in innovative ways and to solve problems we've ignored for far too long.

So what changed? We've always had the intent to do better, to be better. And for the last decade, we have signaled how little diversity, equity, and inclusion is present in the workforce today, but that has yet to translate to real changes in our systems. There has been little impact from our efforts. We are now at a critical juncture. We can no longer tolerate our own lack of progress.

Our personal frustration is a direct indication of our desire for personal engagement. We can no longer say this isn't our responsibility, that this is someone else's problem. Each of us—from chief executives down to entry-level employees —has a sphere of influence in advancing diversity on our teams and our organizations. We each have the opportunity to build awareness of the need for diversity because of the systemic inequities across our hiring process. We have the

chance to model new behavior for inclusive hiring in our own work personally, and we can play a role in influencing changes to the way our teams and organizations operate.

We also have more transparency around the lack of representation than ever before. Black individuals make up 13 percent of the U.S. population, yet only in four of the nation's 37 largest employers do they occupy 10 percent or more of the executive and management roles, according to Bloomberg. Hispanics make up 18.5 percent of the U.S. population, yet in only four of those companies do they occupy 15 percent or more of executive and management roles. Meanwhile, white people make up 60 percent of the U.S. population, and all 37 of the largest employers have at least 50 percent white representation at the executive and management levels.

To advance diversity in the workforce, we have often looked to changes we can influence in public policy. In June of 2020, the U.S. Supreme Court made history by declaring that the 1964 Civil Rights Act protected gay, lesbian, and transgender individuals from discrimination based on sex. For the first time in American history, employers were prevented from firing employees because of who they loved or how they identified. Although this was a victory, it shed light on the cruel reality that the LGBTQ+ community had always faced. It took 56 years for them to be granted the protection under law that their heterosexual and cisgender coworkers had all along.

Slowly but surely, progressive lawmakers are pursuing legislation to grant individuals access to the most basic protections in the workforce. But we can't wait for changes in the law alone to ensure equity for everyone at work. We all need to focus on what *we* can change, and that starts within our own organizations.

WHAT NEEDS TO CHANGE

If we want to increase diversity in our organizations in a sustainable way, we have to abandon old ways of thinking and shift our approach entirely. This begins with stepping back to recognize why most organizations have struggled so immensely to grow their diversity. Most employers have lacked unity or alignment around the issue. They have approached the work with a short-term mindset that has limited the focus to isolated parts of their organizations. They have lacked a sense of shared responsibility in diversity hiring, which has left the work resting on the shoulders of far too few. These challenges combined have collectively stifled the march of diversity and prevented organizations from truly transforming. Here is what we believe must change:

To improve diversity we have to start with inclusion.

If we are serious about increasing representation in our organizations, we have to begin with a unified and inclusive definition of diversity. Many leaders look at diversity through a narrow lens, focusing solely on attributes they believe they can see. But there are visible and invisible aspects of diversity. To accomplish our mission, we can't paint diversity in broad strokes and leave people out. We need to ensure our definition of diversity encompasses all the underrepresented communities we hope to hire.

Next, to grow diversity among our teams, we have to constantly ensure our organizations themselves are places where people feel empowered and included. It's easy to think that driving diversity mainly depends on hiring, but this equality depends on investing in our existing teams and building cultures within our organizations where people feel embraced, supported, and have room to advance. As the civil rights activist Deray McKesson says, "Diversity is bodies. Inclusion is culture." In other words, diversity is the act of identifying and hiring the right people. Inclusion is about creating a space where those people feel welcome. They are two different concepts, but neither one is sustainable without the other.

We need to reframe diversity hiring as a long-term, strategic priority.

Many leaders see diversity hiring as an urgent but short-term effort, a terrible oversight that has often led efforts to feel more like one-off posturing rather than longterm sustainable change. But if we really see growing diversity in our organizations as a strategic priority, we must acknowledge that change often comes