EXECUTIVE SUMMARY

Unrealized Impact

The Case for Diversity, Equity, and Inclusion

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A Note From The Foundation Working Group
by Frances Messano

Issues of diversity, equity, and inclusion matter — in our communities, in the business world, and most certainly in our schools. While this is not a new insight, there is a heightened level of discussion about diversity, equity, and inclusion in recent years. And it is a core issue in education, especially since teachers and school leaders experience our nation's demographic shifts firsthand.

Further, diverse teams have been shown to produce stronger results — in their ability to attract, retain, and satisfy employees; to increase shareholder returns in the private sector; and to improve academic outcomes in the education sector.

As we consider the challenges in education today, it is clear that an intentional focus on diversity, equity, and inclusion would yield significant benefits toward advancing educational opportunity. Yet there hasn't been sufficient field-wide data to understand how close or far away we are from realizing this goal.

The idea for this study arose from conversations with education funders, the authors, and others. We all recognized that the lack of better data on the current state was inhibiting efforts to advance diversity, equity, and inclusion across the field. As a result, a group of five funders decided to field a rigorous study to deepen our understanding of the racial/ethnic diversity of the education workforce; the diversity, equity, and inclusion policies and practices that leaders have put into place; and the effectiveness of these practices. We believed in the importance of doing this work collectively to gain a holistic understanding of the field and make a bold statement about the importance of moving from research to action to impact.

This study is a passion project for me as it was for many of my colleagues. We believe that more diverse, equitable, and inclusive education organizations will deliver better student experiences and outcomes.

We believe a more diverse workforce will help us create stronger relationships with the families and communities we serve. We believe diverse leaders will generate new ideas and inform the field's thinking so we can more quickly achieve educational equity. We believe that as education organizations learn how to create inclusive and equitable environments, all staff members will thrive and deepen their commitment to the work.

We are proud to have funded and participated in this study. Our hope is that education funders and leaders will have an open mind and heart when reading this report. Consider what the data is telling you. Consider where your organization is on its diversity, equity, and inclusion journey. Consider the work you may need to do to become a leader for equity. Identify your strengths and areas where you need to improve. And then create a plan to do something about it. Our students are counting on you.

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Research across many sectors has demonstrated the myriad benefits of diversity to organizational health and effectiveness. Diverse teams translate to higher rates of staff satisfaction and retention and more innovative ideas. In classrooms, Black and Latinx[1] students taught by teachers who share their racial backgrounds benefit from a culture of higher expectations, fewer discipline referrals, and improved academic outcomes.

And yet, the education sector as a whole — the districts, charter management organizations, nonprofit organizations, advocacy groups, think tanks, foundations, technology providers, and others — is still far from reflecting the communities and students it seeks to serve. On top of that, a lack of consistent data collection about staff demographics; organizational efforts to become diverse, inclusive, and equitable; and the ways in which those efforts are actually experienced by staff members inhibits our ability to effectively isolate promising practices, measure progress, and hold one another accountable.

This purpose of the study is to enhance knowledge in the field about the role of diversity, equity, and inclusion in education organizations by exploring the following questions:

1. **What are the racial and socioeconomic demographics of staff, leadership, and boards in education organizations?**

2. **What are the policies and practices that education organizations employ in relation to diversity, equity, and inclusion?**

3. **What are staff perceptions of diversity, equity, and inclusion in their organizations and of related practices and behaviors?**

4. **What are the perceived links between organizational diversity, equity, and inclusion and student success?**

This study includes data from more than 200 organizations on organizational demographics, policies, and structures and nearly 5,000 individual perspectives on lived staff experiences in relation to diversity, equity, and inclusion with an intentional focus on race and ethnicity. We define diversity, equity, and inclusion as follows:

- **Diversity as variation.** The presence of different types of people (from a wide range of identities and with different perspectives, experiences, etc.).

- **Equity.** The process of ensuring equally high outcomes for all and removing the predictability of success or failure that currently correlates with any social or cultural factor.

- **Inclusion.** The process of putting diversity into action by creating an environment of involvement, respect, and connection — where the richness of ideas, backgrounds, and perspectives are harnessed to create value.
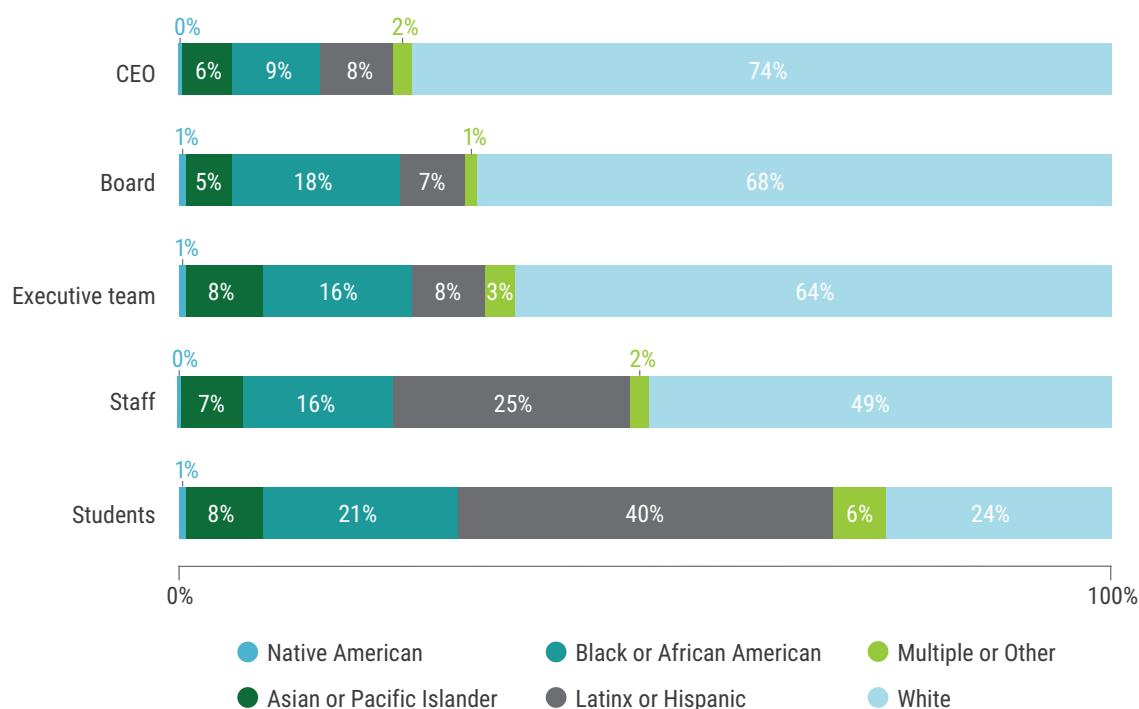
Major findings on the first three research questions fall within the three themes described below:

THEME #1
Diversity is a differentiator.

Staff in education organizations are not racially/ethnically representative of the students they serve, and the most significant gaps in representation are at the most senior levels of organizations.

- **Finding #1 Our field — especially at senior levels — is still not reflective of the students we serve.** White leaders and staff members are overrepresented while other racial/ethnic groups are underrepresented. Staff diversity varies by organization type, with charter schools as the most racially diverse organizations in the sample and organizations that focus on policy, advocacy, and research as the least diverse in the sample.

FIGURE 1* | Race/Ethnicity by Level, All Organizations

Native American • Black or African American • Multiple or Other
Asian or Pacific Islander • Latinx or Hispanic • White

Source: Organization Profile Survey
* Figures in this Executive Summary are excerpts from the full report, which can be viewed here.

FIGURE 2* | Executive Team Race/Ethnicity by Organization Type
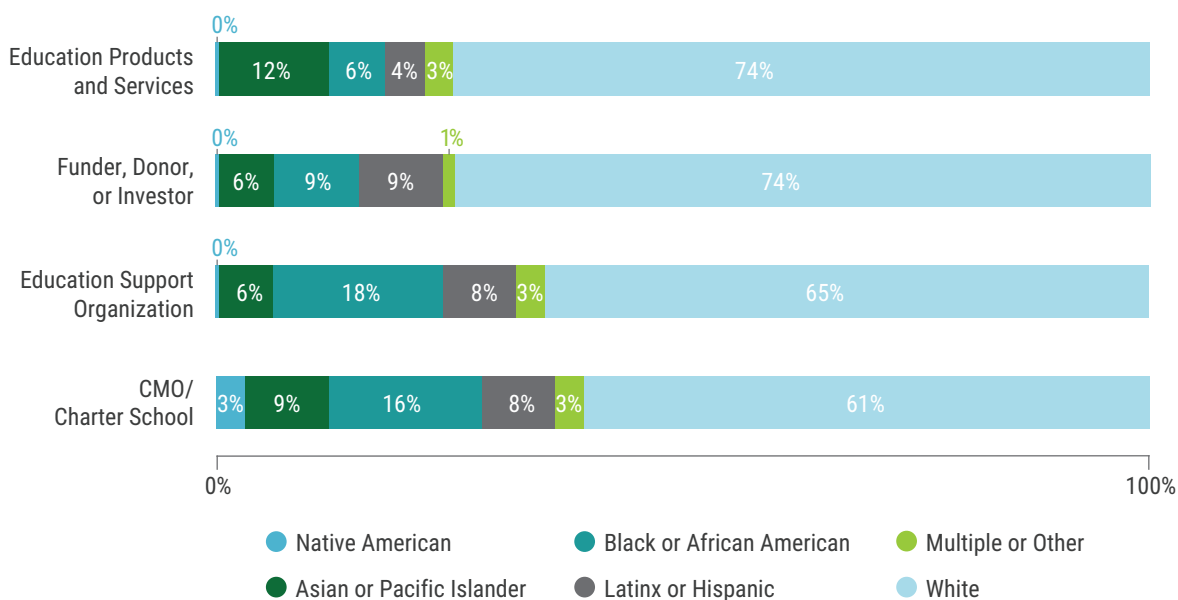
Source: Organization Profile Survey

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- **Finding #2** **Diverse leadership teams seek broader input and recruit with a focus on diversity, equity, and inclusion, which research shows informs better decision-making.** This also leads to higher percentages of staff members who identify as people of color and a deeper sense of belonging among those staff members. These staff members and leaders of color are more likely to recommend their organization to others in their network, creating a virtuous cycle in support of continued diversity and inclusion.

- **Finding #3** **Staff led by a CEO of the same race/ethnicity are more likely to perceive the organization as fair.** While perceptions of fairness in the workplace positively influence employee engagement, productivity, and retention, the absence of perceived fairness has negative effects, including an environment of distrust and higher absenteeism. This data is particularly significant when one considers that white staff members in our survey population are almost 20 times more likely to have a CEO who shares their racial background than are people of color.

THEME #2
Diversity, equity, AND inclusion are a necessary combination.

While the data shows important differences in the practices of organizations with greater diversity, a singular focus on diversity without a commensurate focus on equity and inclusion will not maximize the potential benefits. We see striking evidence that organizations that approach diversity, equity, and inclusion in parallel have the greatest likelihood of realizing the benefits, such as staff engagement and staff retention.

- **Finding #1 Diversity, equity, and inclusion are mutually reinforcing.** Increased inclusion (moving right along the horizontal axis in Figure 4) is associated with increased equity (moving from light green to dark green to blue), and the majority of organizations with higher inclusion and equity also have greater demographic diversity (represented on the vertical axis).

**FIGURE 4*** | Relationship Between Diversity, Equity, and Inclusion
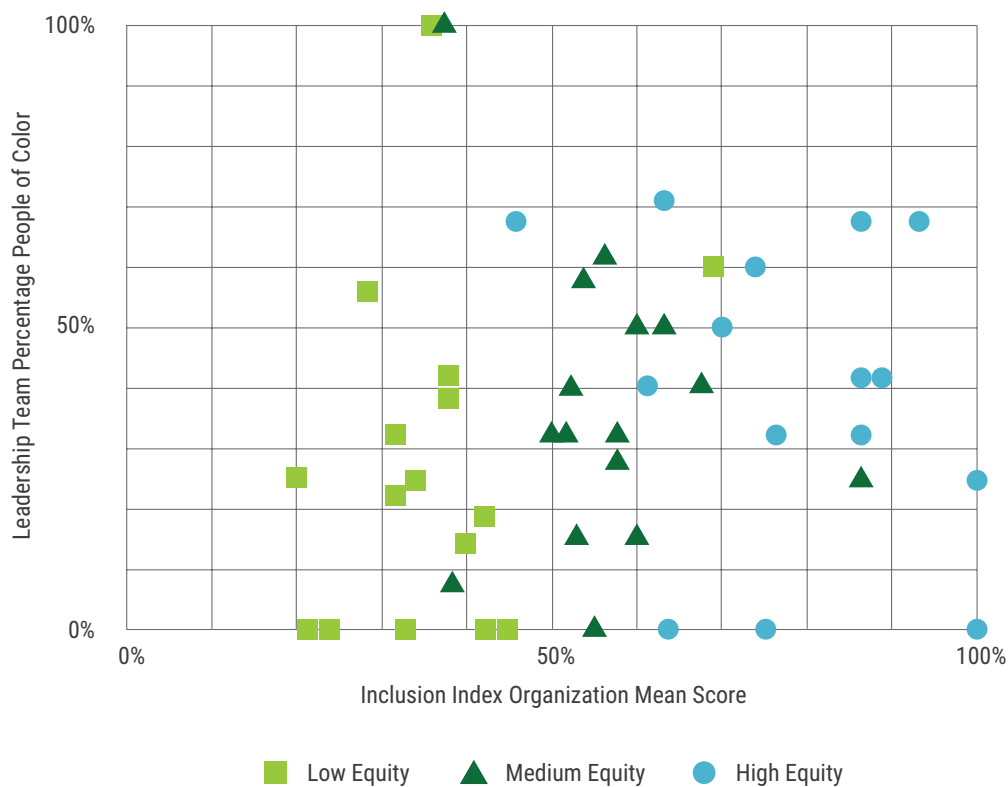
Source: Organization Profile Survey and Staff Experience Survey

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● **Finding #2** **Diversity, equity, and inclusion are strongly tied to staff retention, particularly for people of color.** Intent to stay (our proxy measure for retention) varies substantially according to organizational diversity and staff perceptions of equity and inclusion. Staff members of all racial/ethnic backgrounds who experience their organizations as diverse, equitable, and inclusive report that they are more likely to remain with the organization three years into the future. This trend is even more pronounced for staff members of color. Discrimination (an active demonstration of exclusion) has a strong negative relationship to intent to stay, whether one witnessed or directly experienced the discrimination.

FIGURE 5* | Staff Intent to Stay in Diverse, Equitable, and Inclusive Organizations

White Staff: 59%, 42%
Staff of Color: 72%, 29%

● Organization perceived as diverse, equitable and inclusive
● Organization perceived as NOT diverse, equitable and inclusive
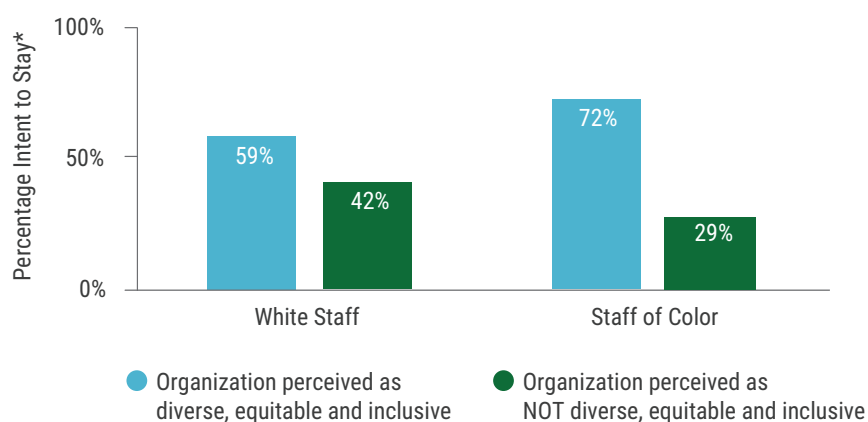
* Intent to stay is defined as agreeing or strongly agreeing with survey question "I fully expect to be working in this organization three years from now."

Source: Staff Experience Survey
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● **Finding #3** **Staff members are more likely to promote and advocate for a diverse, equitable, and inclusive organization.** We created a promoter index comprised of a high score on intent to stay and/or willingness to recommend the organization to a friend. As compared to non-promoters, promoters are much more likely to rate their organization's compensation systems and career advancement opportunities as fair. Promoters perceive that staff members in their organizations reflect diversity of thought and perspective and that their organizations are inclusive. They are also more likely to report strong organizational communication and management commitment to making progress on diversity, equity, and inclusion.

THEME #3
Organizations have an opportunity to dramatically increase diversity, equity, and inclusion by employing promising practices.

Our data generated rich information about why organizations engage in diversity, equity, and inclusion work; what they focus on; and how they approach the work. Within each area, we gleaned information about common practices, the biggest gaps, and the relationships between practice and staff experience.

- **Finding #1** **A broad range of motivations for engaging in diversity, equity, and inclusion work is more powerful than any single motivation.** No single motivation for engaging in diversity, equity, and inclusion work is associated with the highest scores across the Staff Experience Survey, but organizations identifying more than three motivations are more likely to engage in practices to accelerate diversity, equity, and inclusion amid other pressing priorities.

- **Finding #2** **Organizations are underutilizing practices that advance diversity, equity, and inclusion.** While many organizations intend to become more diverse, inclusive, and equitable, fewer than half the organizations surveyed have basic diversity, equity, and inclusion policies, practices, and structures in place. There is no standard "recipe" for diversity, equity, and inclusion practices. The success of these practices is highly contextual, and it's important to focus on diversity, equity, and inclusion practices simultaneously rather than sequentially.

- **Finding #3** **Demonstrated management commitment is a strong lever for progress on diversity, equity, and inclusion.** Respondents who perceive that their organization's management's actions model a commitment to diversity, equity, and inclusion are more likely to perceive accountability for diversity, equity, and inclusion work, more likely to report DEI-focused talent practices (e.g., recruiting for diverse pools, removing hiring biases, offering equal opportunities for promotion), and more likely to experience effective communication. Staff who report higher levels of management commitment are also more likely to feel they can bring their "whole self to work" and that their organization actively works to eliminate exclusion.

- **Finding #4** **Effective, authentic communication is a critical ingredient for change.** Effective communication was more highly correlated with perceptions of equity and inclusion than any of the other diversity, equity, and inclusion practices. Staff also perceive that their organizations are more diverse if there is a culture of open communication. The trends related to communications effectiveness hold true at all levels in the organization.

FIGURE 15* | Links Between Perceptions of Inclusion and Leader Communication
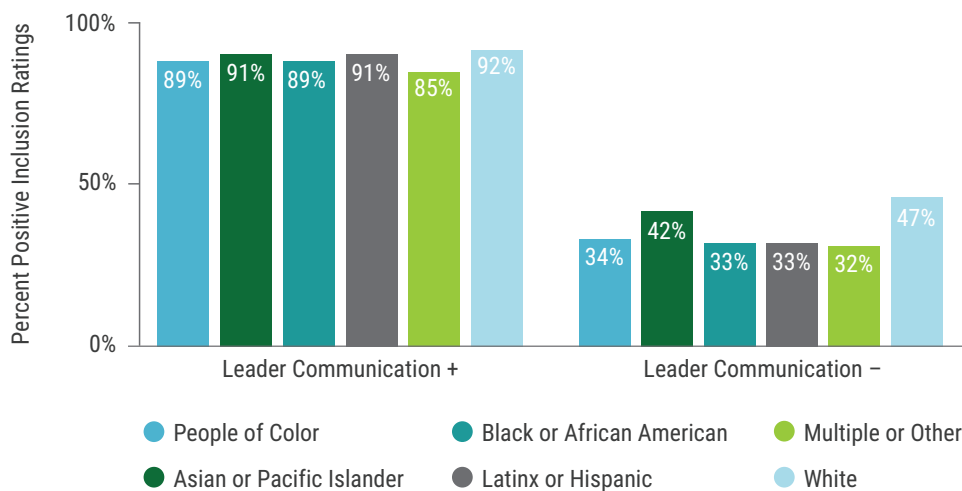
Note: This chart shows the % positive inclusion ratings among respondents who rate their leaders' communication positively vs. negatively.

Source: Staff Experience Survey

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FIGURE 16* | Links Between Perceptions of Equity and Leader Communication
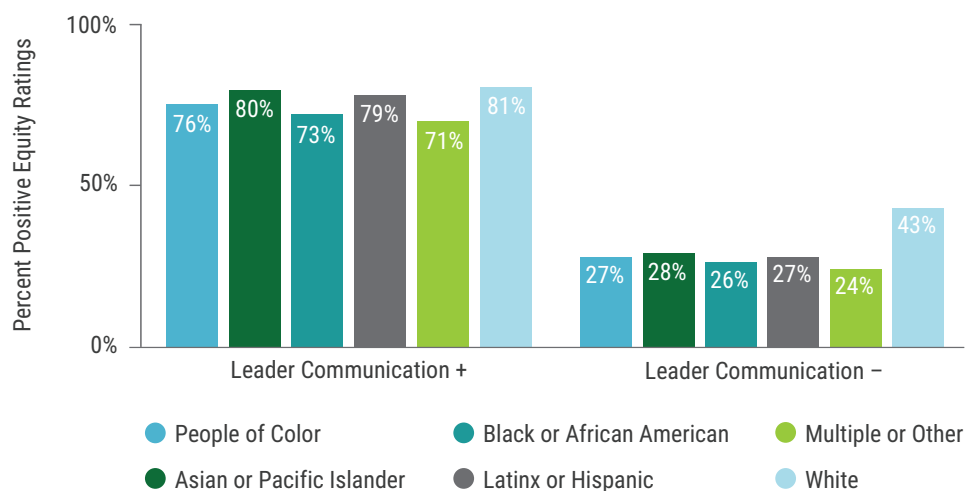
Note: This chart shows the % positive equity ratings among respondents who rate their leaders' communication positively vs. negatively.

Source: Staff Experience Survey

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- **Finding #5** **Data gaps at the field and organizational levels inhibit progress.** Organizations are not collecting many sources of diversity, equity, and inclusion data beyond candidate and staff race/ethnicity. Across the field, nothing is collected systematically, not even demographics, making it difficult to measure progress on diversity, equity, and inclusion or talent practices more generally.

To explore the fourth research question about the links between organizational diversity, equity, and inclusion and student outcomes, we asked organizational leaders to consider the most significant way that student outcomes are impacted when the organization is diverse, inclusive, and equitable. Leaders most frequently reported six lines of impact:

1. **Deep understanding of the students served**
2. **Increased cognitive diversity**
3. **Foundation to develop trusting relationships**
4. **Diversity of leaders and teachers**
5. **Greater staff engagement**
6. **Ability to see the path toward equity**

We combined our research team's decades of relevant collective experience with our analysis of the findings from all of the study's survey data to identify additional insights extending from the research. Three themes stood out:

- **Inclusion, not assimilation.** It is important that organizations not mistake assimilation for inclusion. An inclusive workplace culture is characterized by the full integration of a diverse set of staff members into an organization with a climate of respect and positive recognition of differences. In contrast, organizational cultures that require assimilation open their doors to people of color without shifting away from white dominant culture, policies, norms, decision-making, communication, or power structures. These environments can be taxing for people of color, who may spend precious cognitive and emotional energy assimilating. Our data demonstrates that increasing diversity while still requiring assimilation into a white dominant culture does not achieve the organizational benefits of diversity.

- **Shifting power dynamics.** Fundamentally, equity relates to shifting traditional power dynamics. The data suggests that creating a diverse, equitable, and inclusive environment is less about which set of technical activities an organization chooses and the sequence in which they are pursued, and more about whether the leaders of an organization are fundamentally willing to acknowledge, question, and eventually share and/or relinquish power. One more dimension connected to power shifting relates to communication practices. This relies on organizational leaders' willingness and ability to create an environment where it is safe for multiple stakeholders to give input regardless of role authority. It is also critical that leaders encourage staff to interrupt moments of racism, name power dynamics explicitly, and call sacred organizational practices into question.

● **Critical roles for leaders.** Diverse, equitable, and inclusive organizations create a culture where leaders model a commitment to diversity, equity, and inclusion values and communicate effectively. In our experience, modeling means leaders are developing multicultural competence and demonstrating the vulnerability that comes with that work.
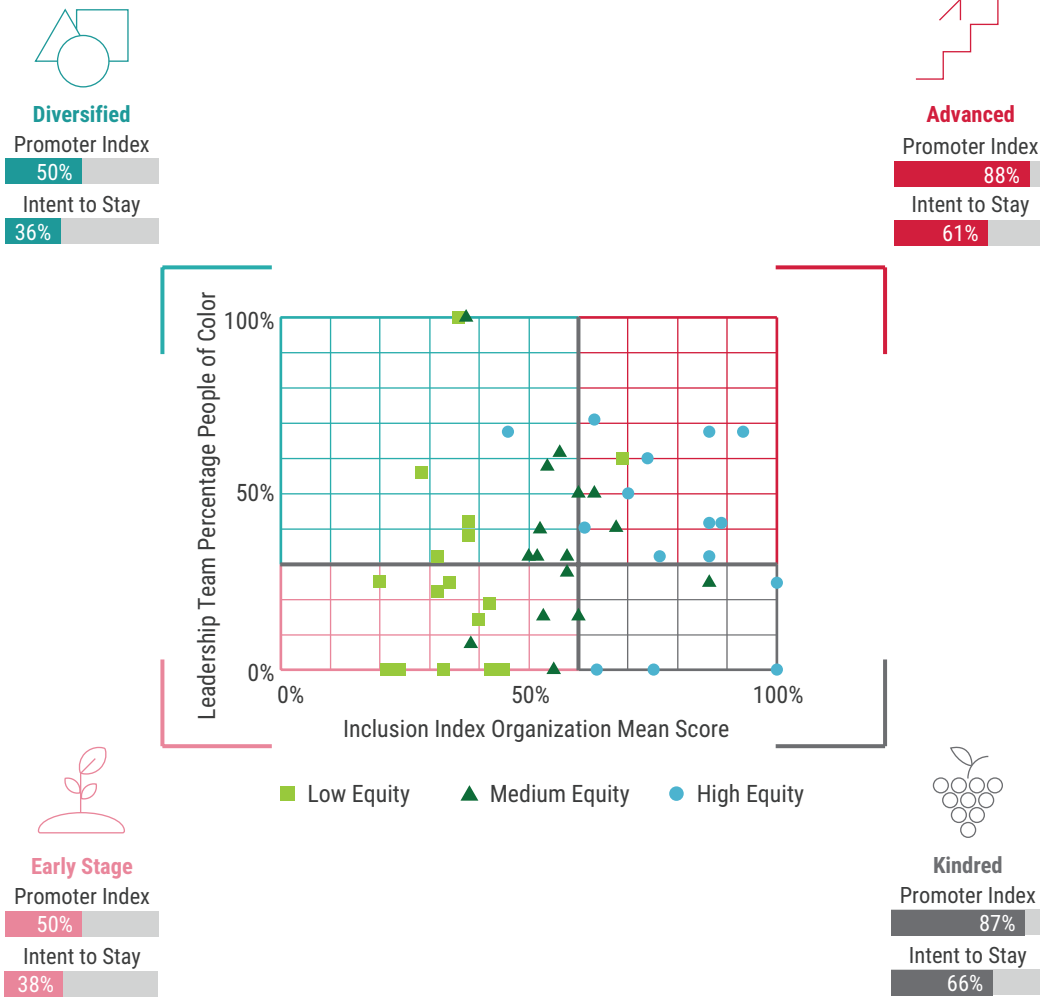
Organizational Profiles

After reviewing our survey data, we identified clusters of organizations with similar diversity, equity, and inclusion scores and grouped them into four basic organizational profiles to help leaders understand their starting point:

PROFILE		Diversity	Inclusion	Equity
	Early Stage	Low	Low	Low
	Diversified	High	Low	Low
	Kindred	Low	High	High
	Advanced	High	High	High

We then looked at the relationships between each of these profiles and the promoter index. Figure 18 on the following page illustrates how the combination of diversity, equity, and inclusion enables these four types of organizations to capture the multiple benefits described in the study. When organizations make advancements in inclusion they see dramatic improvements in the promoter index and staff members' intent to stay.

FIGURE 18* | Four Organizational Profiles

Diversified

Promoter Index
50%

Intent to Stay
36%

Advanced

Promoter Index
88%

Intent to Stay
61%

Leadership Team Percentage People of Color

Inclusion Index Organization Mean Score

■ Low Equity ▲ Medium Equity ● High Equity

Early Stage

Promoter Index
50%

Intent to Stay
38%

Kindred

Promoter Index
87%

Intent to Stay
66%

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Finally, by examining the relative strengths of other organizations that emerged through our study, we surfaced recommendations and high-level promising practices to help organizations accelerate progress on several or all dimensions of diversity, equity, and inclusion.

Our strong hope is that this study inspires our colleagues within education organizations of all types to commit to diversity, equity, and inclusion as a **source of unrealized impact and an organizational imperative**. It is time to accelerate our collective progress by shifting to action; improving our sector's ability to attract and retain diverse talent; and moving forward with the conviction that diversity, equity, and inclusion are essential ingredients to achieve educational equity and excellence for all students.

The findings, organizational profiles, and recommendations are explored in detail in the full report, which can be viewed online at www.unrealizedimpact.org.

This study was generously sponsored by:

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