

Workplace Diversity, Equity, and Inclusion

2024 REPORT

Realities of a changing DEI landscape

⋮ DEI action-taking **has stalled**

◻ Embedding DEI into existing programs
is **most impactful**

✳ Intersectionality **is integral**

III DEI faces a **triple threat**

↓ **Drop in perceptions of inclusion**
for employees and practitioners

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A letter from our *VP of Equitable Operations*

We are living in a vastly different world than when Culture Amp published our Workplace DEI Report in 2022.

While DEI (that's diversity, equity, and inclusion) is back in the news, the renewed attention seems to stem from misunderstanding, not more champions of the work coming into the fold. DEI has become both a buzzword and the target of significant backlash. Whether due to political pressure or disillusionment over investments that haven't turned into results, many organizations are backing away from their commitments to building workplaces that work for everyone. In this report, we highlight the sometimes troubling results of that divestment.

But, I'm glad to say, that's not the full story. Increased polarization around the idea of equitable opportunity has impelled many companies to recommit, even as they pivot in their approach. We see our customers continuing to measure the more implicit elements of inclusion that permeate the employee experience. However, they're simultaneously moving away from asking questions that explicitly reference it. As you will read throughout this report, some DEI practitioners are beginning to take a more integrated systemic approach to driving equity; by pulling principles of DEI into existing broad-based programs.

“DEI has become both a buzzword and the target of significant backlash.”

That said, DEI practice, policy, and experimentation vary by region. In this report, we've taken a global perspective but also highlighted region-specific findings. For us internally at Culture Amp, analyzing this global data, regional splits and all, reified our own strategies to address DEI holistically and systematically.

Culture Amp's approach remains the same: in order to achieve our mission to build a better world of work, we must consider and invest in the experience of *all* people. While that starts with broad and [intentional investments in our own employees](#), it extends far beyond that to our customers and community. We believe that supporting you in beginning your journey, transforming your workplace, and maintaining your commitments is how we will achieve that mission. As you make strides toward a more equitable workplace, we're here to help.

To guide your progress, we've mined our [data lake](#) and combined it with feedback from our customers on the investments they're making. We hope that these insights help you take stock of the current moment, situate your own organization within the context of broader trends, and identify the areas most in need of your dedicated focus. We are proud to work with you on the way to the future we all deserve, and we look forward to cheering your progress.

Aubrey Blanche-Sarellano

VP of Equitable Operations, Culture Amp



**“As you make
strides toward
a more equitable
workplace,
We're here to help.”**

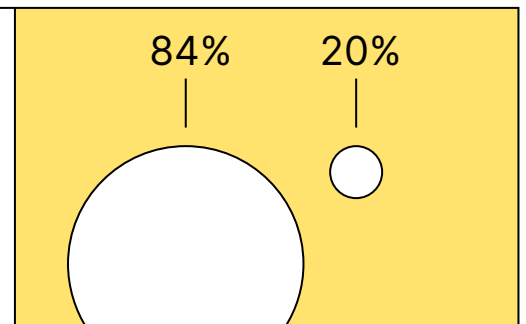
Why it matters

At Culture Amp, we believe creating equitable organizations where all employees can thrive is the just thing to do.

Though [recent research](#) shows that focusing on how diversity, equity, and inclusion improves the bottom line can further alienate underrepresented employees, we recognize many leaders still call for it. As such, the business case is sometimes needed to “sell through” the importance of DEI to senior leaders. Our data shows that a company valuing DEI unquestionably improves employee experience and business performance:

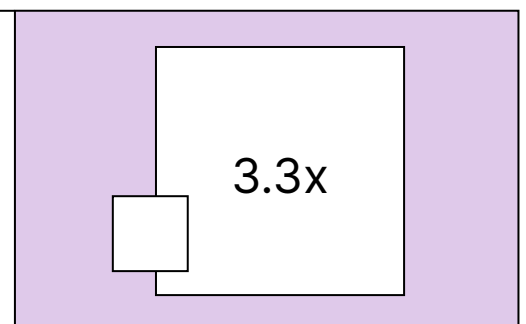
Engagement: Employees who strongly believe their company values diversity are 84% engaged while those who strongly disagree are 20% engaged.

FIG 01



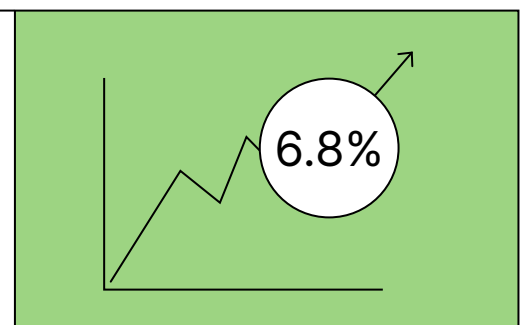
Turnover: Employees who strongly believe their organization doesn't value diversity are 3.3x more likely to leave in a 12-month period.

FIG 02



Stock price: Companies that value diversity have a 6.8% higher stock price.

FIG 03



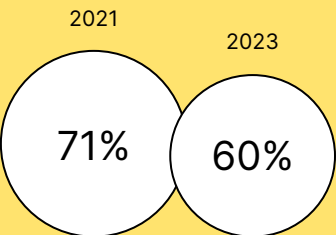
At a glance: The 5 most pressing global DEI insights for 2024

1 Perception of DEI in the workplace is falling globally

From a drop in employees' perceptions of inclusion, to HR professionals losing confidence in their company's dedication to DEI work – the impact of stagnation is apparent.

The percentage of companies extending their DEI efforts beyond basic compliance dropped from 71% to 60% over the last two years.

Company focuses on more than compliance

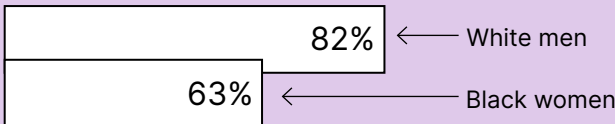


2 Intersectionality has a compounding effect

Employees with intersectionally marginalized identities face unique workplace hurdles, often unobserved in broad-stroke DEI metrics. These findings require us to consider nuanced layers of identity to inform our DEI practice.

Where 82% of White men agree that people from all backgrounds have an equal opportunity to succeed at their organization, only 63% of Black women do – a whopping 19% point difference, globally.

Agree with “People from all backgrounds have equal opportunity to succeed”

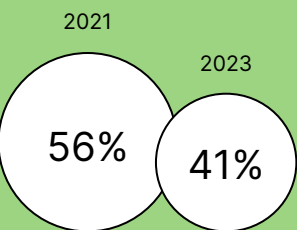


3 DEI action-taking stalled in 2023

Corporate DEI initiatives decelerated meaningfully in 2023, and companies are backing away from asking employees about DEI directly.

The percentage of companies with a dedicated DEI leader dropped from 56% to 41% from 2021-2023.

Company has a dedicated DEI leader



4 DEI is facing a triple threat

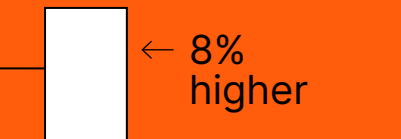
The top three DEI challenges identified by HR professionals were:

1. Lack of DEI expertise
2. Lack of support from leadership
3. Measurement maturity

Companies willing to tackle these challenges headfirst are moving the needle toward more inclusive culture.

Companies that hire DEI consultants scored 8% points higher on building teams that are diverse.

Agree with “Company builds diverse teams”



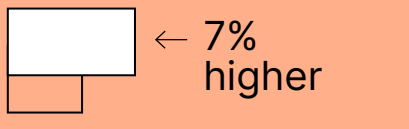
Companies that hire DEI consultants, vs those that do not

5 Embedding DEI into existing programs has a bigger impact

DEI strategy that is integrated into a company's ongoing operations is more effective than one-off actions. Additionally, employees at companies that communicate their position on DEI internally and externally see the company as more inclusive.

Employees at companies that have a transparent process for career advancement rate them 7% points higher in valuing diversity.

Agree with “Company values diversity”



Companies with transparent career advancement process, vs those without

About the research

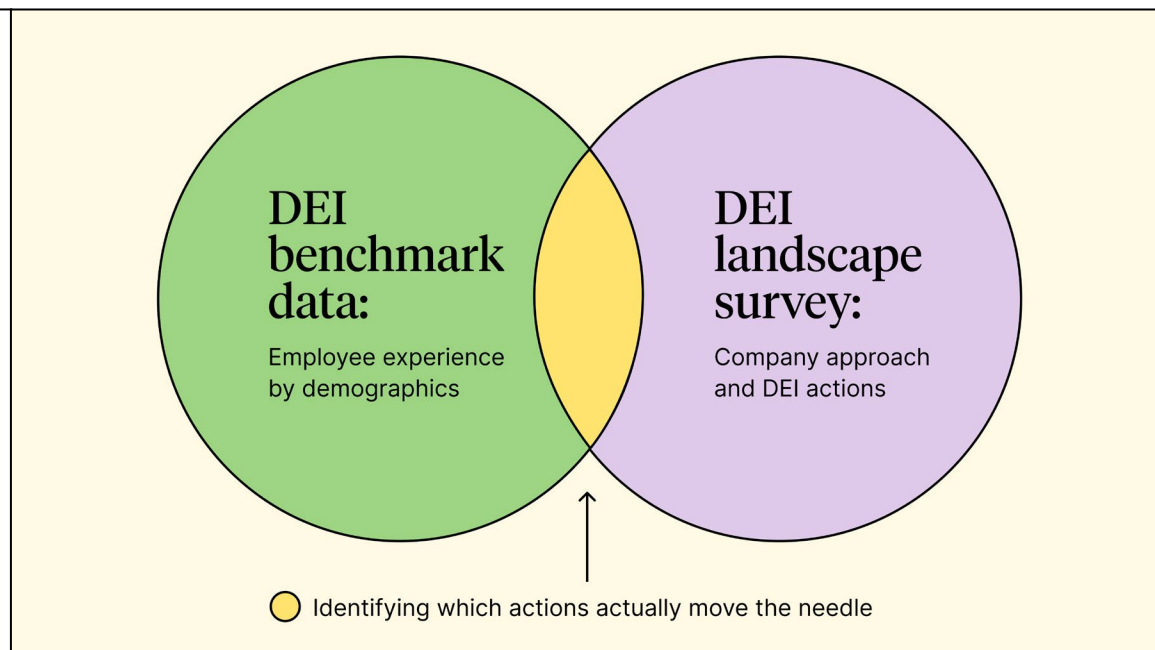
To conduct our study on the landscape of DEI in 2024, we leveraged two primary data sources.

1. DEI benchmark data: We aggregated the results from [Inclusion surveys](#) run in the Culture Amp platform between January 1, 2023, and December 1, 2023. In order to be included, companies needed to ask the five inclusion index questions. These results include the employee experience of over 175,000 employees at 390 companies.

2. State of the DEI landscape survey: We distributed this survey across our customer base in December 2023. The survey was designed to capture their DEI strategy as well as DEI initiatives within their companies and micro-cultures. 165 companies participated. The majority were headquartered in North America (52%) with 24% in EMEA and 23% in APAC. We ran the same survey in 2021 and were able to compare responses between the two.

By connecting the State of DEI Landscape responses to the employee experience within those companies, we were able to identify which actions and strategies actually move the DEI needle.

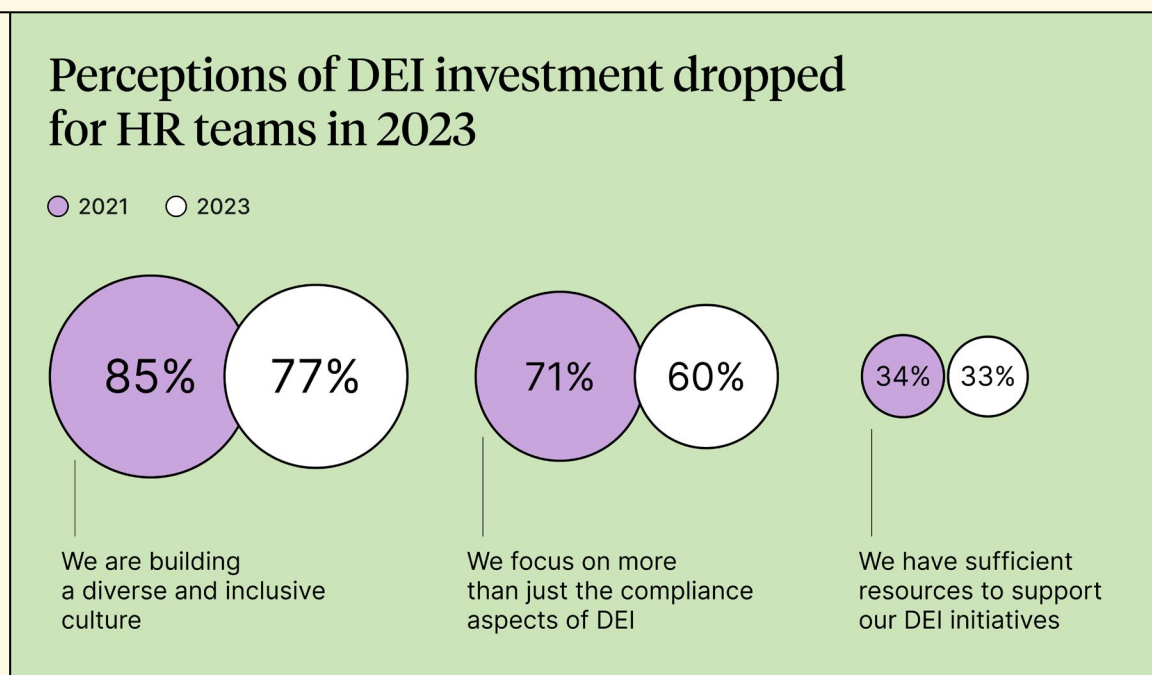
FIG 05



Perception of DEI in the workplace is falling globally

In the last two years, HR teams' confidence that they're building a diverse and equitable culture at their companies fell by 8%. This drop in confidence may be due to decreased support for DEI practice in that same timeframe.

FIG 06



But the downfall doesn't stop there. We saw declines across all questions we asked HR teams about their company's investment in DEI. Of note, in just the last two years, HR professionals' belief that their organization goes beyond basic compliance in their DEI efforts fell by 11 percentage points.

Interestingly, despite HR teams reporting less effort toward creating actual change, we saw just a slight drop in teams saying they have enough resources

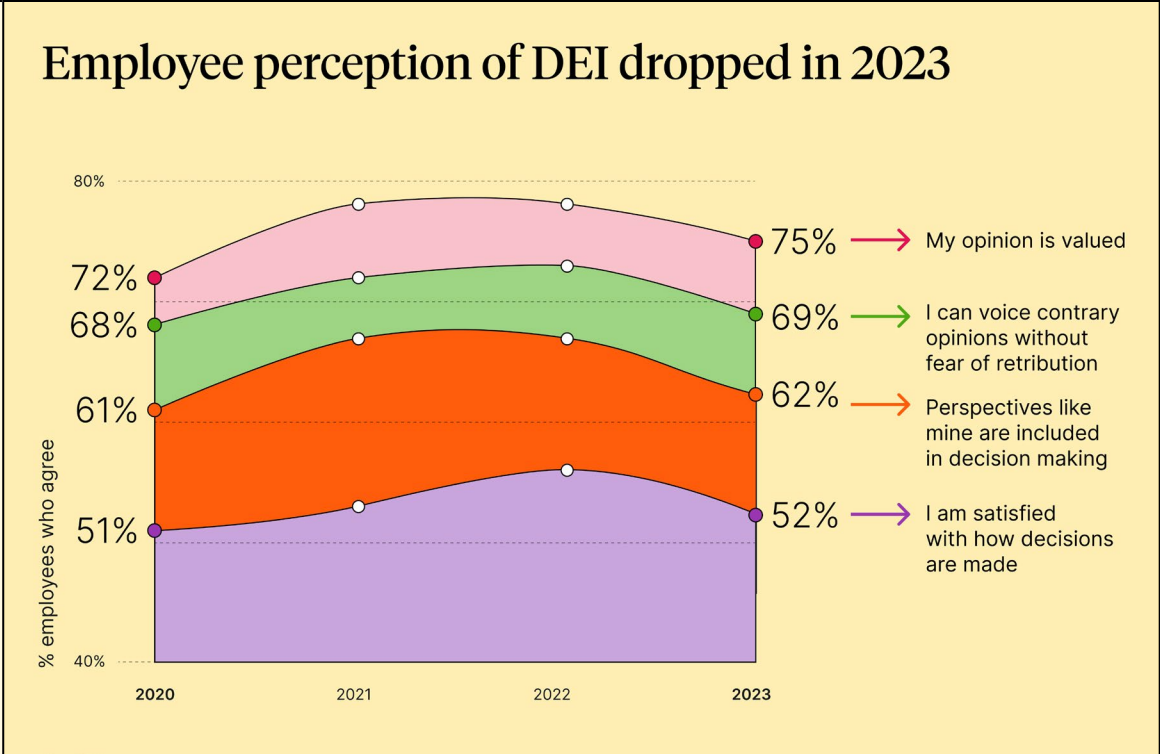
for the work. However, only one in three companies reports having enough resources to begin with, making the continued need for more investment clear.

REGIONAL INSIGHT: 65% of North American companies said they focus on more than just the compliance aspects, while only 51% of APAC companies did. EMEA was in the middle at 60%.

Employees were less satisfied with DEI at their companies in 2023 than in years prior

Between 2020 and 2021, we saw improvements in employee perception of DEI – and from 2021-2022, we saw stability. So the decline from 2022-2023 may be telling of what is yet to come.


FIG 07



Employees feeling safe and comfortable to speak up in an organization is intimately tied to what they think will happen after they voice their perspective. Will they be celebrated for sharing and contributing – or will they face some kind of retribution? On [teams where employees feel safe to speak up](#), we see not only more psychological safety, but also higher performance. It is no wonder, then, that the trend lines for speaking up mirror those about decision-making – big leaps from '20-21, subtle improvements from '21-22, and a rapid decline from '22-23.

CONNECT & APPLY

- Implement a [DEI survey](#) to establish baseline data on how employees view DEI at your organization. If your company already has baseline DEI data, consider adding regular DEI check-ins to your organizational survey cadence.
- Use the macro trends identified throughout this report as a benchmark to compare your own company metrics against.

When we look to the groups that DEI attempts to center, we see an even more unsettling reality. [Keep reading to learn about how employees with intersectional identities are faring.](#) 

Intersectionality has a compounding effect

With targeted efforts, workplaces are making progress in [closing gender gaps](#), but our data show that men score meaningfully higher than women on average across the board, and White employees score significantly higher than employees of color. This suggests that **employees with marginalized identities have worse than average experiences at work**, and that those already below-average experiences are now trending down. There are regional differences, but this trend is global.

REGIONAL INSIGHT: In Australia, there were 11 questions where women scored significantly higher than men. In the US, there were zero, and in the UK and Germany, there was one.

The gaps we see between majority-identity employees and those with one marginalized identity (i.e. men and women) widen when we factor in secondary marginalized identities (Black women and White men).

We must look at [intersectionality](#) to understand where DEI-related metrics are falling most rapidly.

What is intersectionality?

[Intersectionality](#) is “the complex, cumulative way in which the effects of multiple forms of discrimination (such as racism, sexism, and classism) combine, overlap, or intersect especially in the experiences of marginalized individuals or groups”. The term *intersectionality* was first theorized by [Kimberlé Crenshaw](#) in 1989 in the context of discrimination law, and has since proliferated widely.

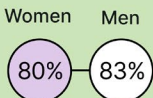
Our data shows that even where we observed little or no difference across one axis of oppression (e.g. gender or race alone), we saw meaningful differences when looking at the intersection of race and gender.

Employees with intersectional identities reveal inequities at work

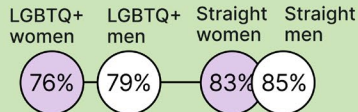
● Women ○ Men

① Company **values diversity**

GENDER



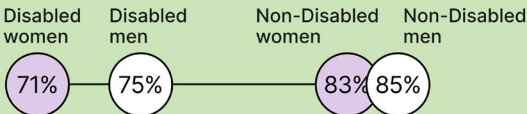
GENDER X LGBTQ+



GENDER X RACE



GENDER X DISABILITY



② People from all backgrounds have **equal opportunities to succeed**

GENDER



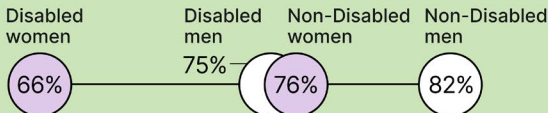
GENDER X LGBTQ+



GENDER X RACE



GENDER X DISABILITY

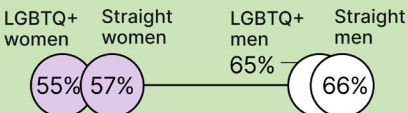


③ Perspectives like mine are **included in decision making**

GENDER



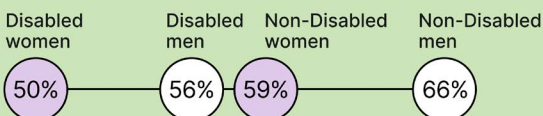
GENDER X LGBTQ+



GENDER X RACE



GENDER X DISABILITY



Whether we look at the intersection of gender and race, disability, or LGBTQ+ status, we see a major disparity in experience compared to their peers with majority identity. This is especially apparent when we look at the perception of the company valuing diversity, providing equitable opportunities, and whose perspective is included in decision-making.


So what can we take from this? We need to check in with our employees with intersectional identities, because their experience is most revealing of the inequities we're trying to solve through DEI strategy and initiatives.

The data reveals that intersectionality has a compounding effect. While employees with marginalized identities do not have a monolithic experience, nuanced differences across various demographics highlight the importance of a tailored DEI approach.

CONNECT & APPLY

- Start by collecting [demographic information](#) and splicing your employee engagement data by multiple identities at one time to understand how the compounding effect may impact employees with intersectional identities.
- Invest in creating and scaling [Employee Resource Groups](#) (ERGs). If your organization has established ERGs already, consider creating a budget to bring marginalized identity groups together either virtually or in person to nurture belonging and identify opportunities for impact. Finally, the most progressive organizations put their money where their mouth is and [pay their ERG leads](#).

Now that we've seen how the perception of DEI in companies is declining, and whom that decline is impacting most, you may be wondering – what are the reasons for this change?

While we can extrapolate that the decline is related to the broader DEI landscape [coming under fire](#), we can tie it more directly to a noticeable decrease in DEI investment and action. [Keep reading to learn about how – and why – companies divested from DEI in 2023.](#) 

DEI action-taking stalled in 2023

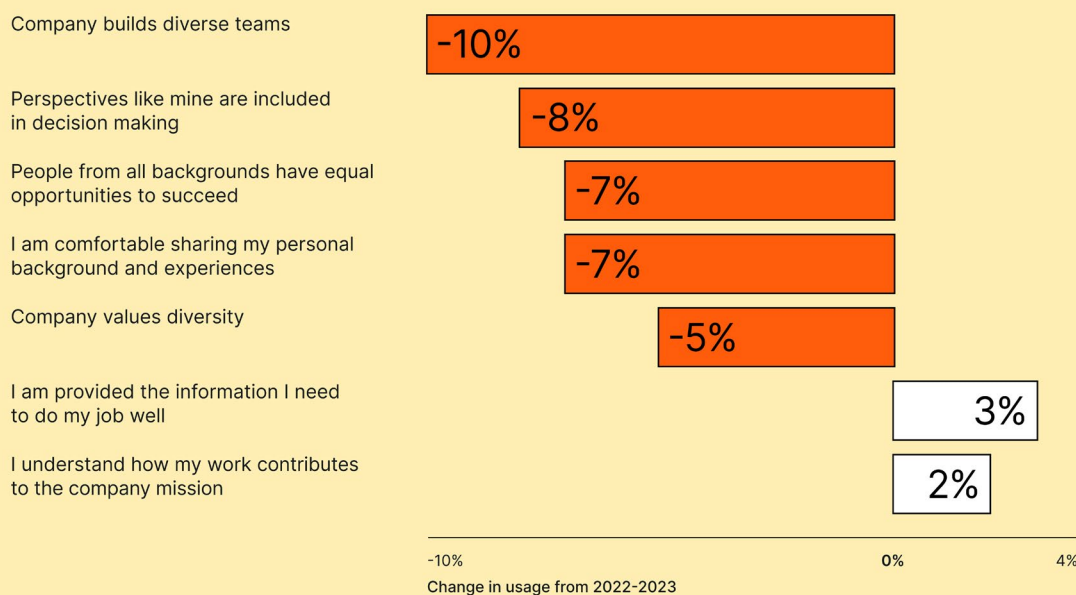
Despite initial global progress in DEI action-taking from 2020-2021, we're seeing the momentum slow globally. We suspect some of the slowdown is signaled by a change in the way companies are [asking their employees about DEI](#).

When companies ask their employees questions about DEI, they're asking in more implicit ways. From 2022 to 2023, the use of explicit DEI questions decreased in favor of questions that only tie into DEI when companies analyze the data by demographic on the back end.

FIG 09

Use of explicit DEI questions decreased, while use of 2 implicit DEI questions increased

● Explicit DEI question ● Implicit DEI question

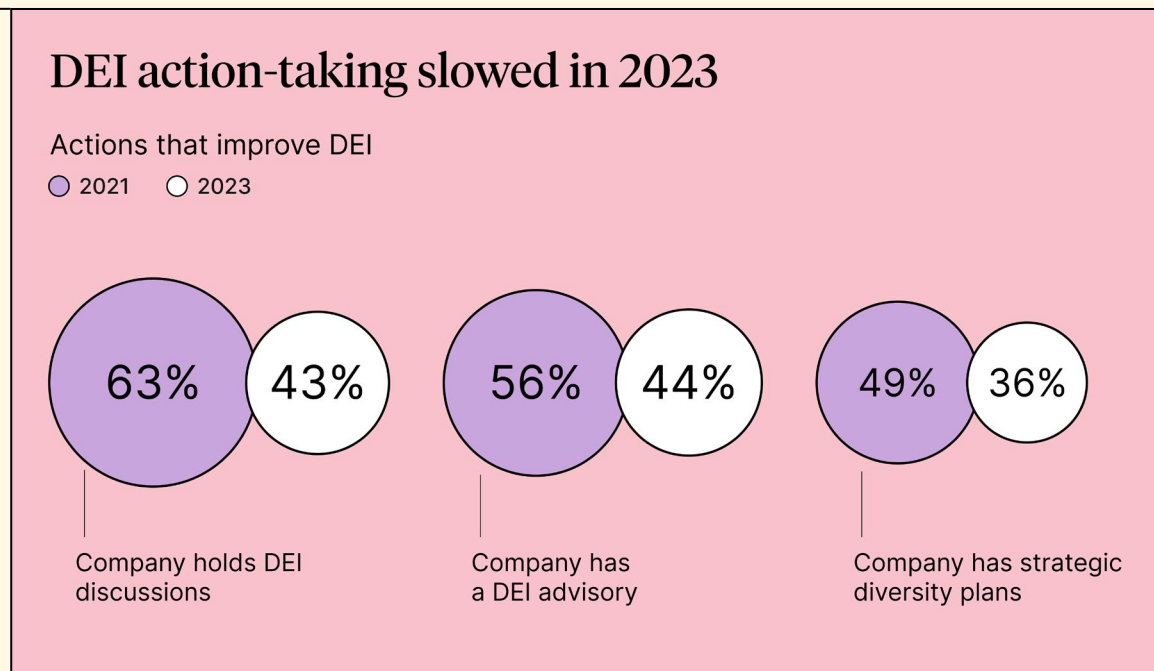


Why might this be happening?

Companies may be turning away from explicit DEI questions because as DEI becomes more polarized, organizations are less sure how to address it. They stop asking about DEI to prevent [lack-of-action fatigue](#) in their employees. In other words, HR teams don't want to ask their employees about things they already know they can't or won't take action on.

Our research revealed that not only are companies shifting the way they ask employees about DEI, but they're slowing down in *taking action* as well.

FIG 10

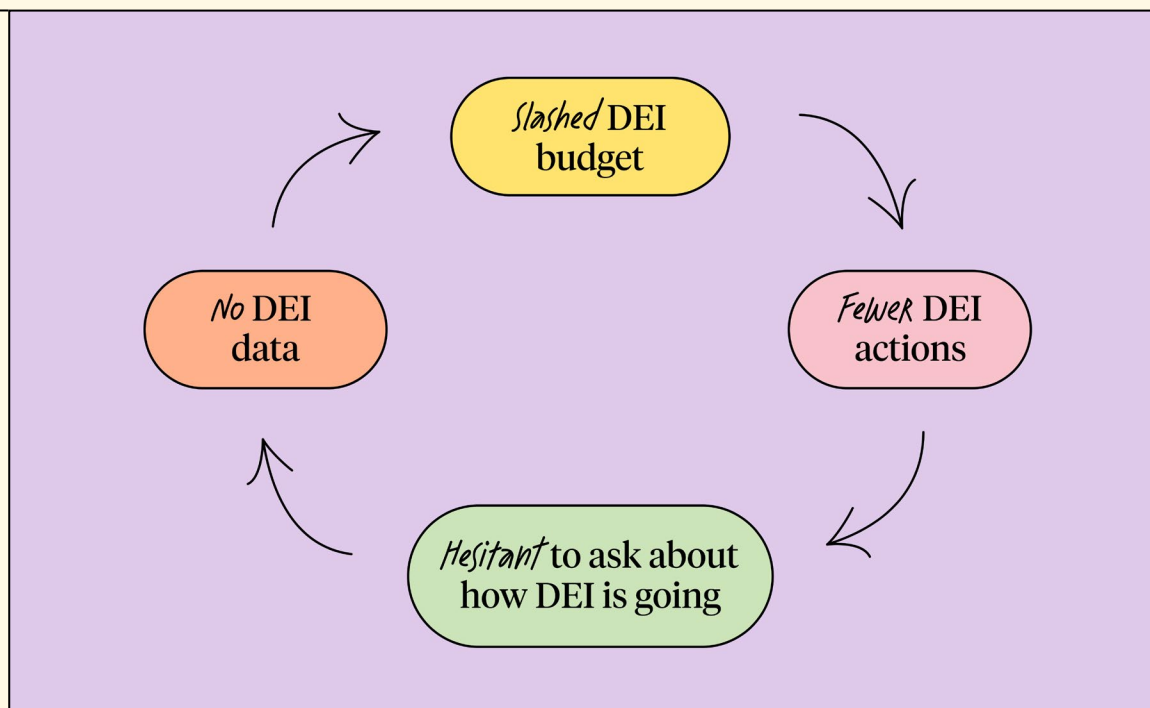


And this slowing down raises the question: *Is this the neglect effect, or are we shifting from sprint to marathon?*

- Could this be a pattern where initial DEI investment wanes over time, leading to reduced data collection, analysis, and action?
- Or are companies slowing down because they want to **get it right**?

Our data points more strongly toward a neglect effect leading to a self-sustaining cycle where DEI budget cuts result in less DEI action, which leads HR teams to ask employees about perceptions of DEI less often.

FIG 11



Without fresh data, companies are progressively less able to make a case for more DEI resources.

Knowing the root cause of declining DEI initiatives within your organization is crucial for counteracting the slowdown we're observing globally and interrupting a downward spiral that could ultimately cost the company.

CONNECT & APPLY

- Identify where your organization is on the [DEI maturity scale](#), and use it to create or revise your [DEI Roadmap](#).

To further understand why companies are slowing down their DEI action-taking, our research unearthed three primary threats HR teams face. [We'll explore them in the next section.](#)

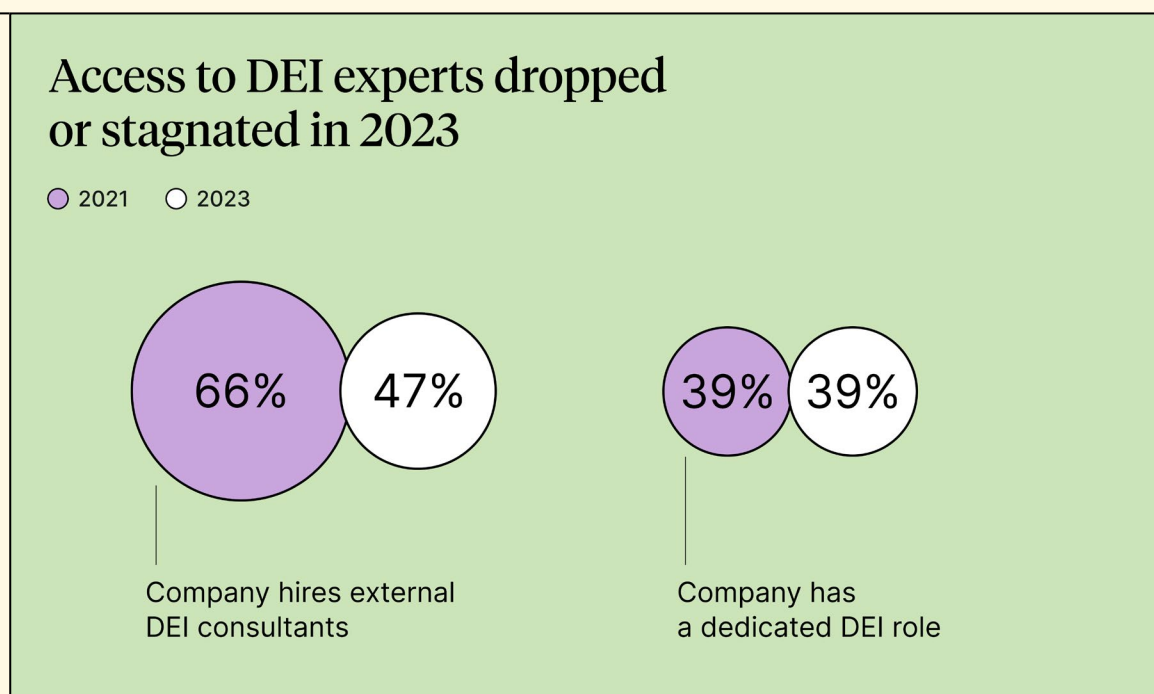
DEI is facing a triple threat

HR teams and DEI professionals are up against three primary and interrelated challenges. Unsurprisingly, when companies face these challenges head-on, employees perceive the company to be more equitable and diverse.

Threat #1: Lack of DEI expertise

Lack of DEI expertise was the number one challenge identified by HR teams in 2023.

FIG 12



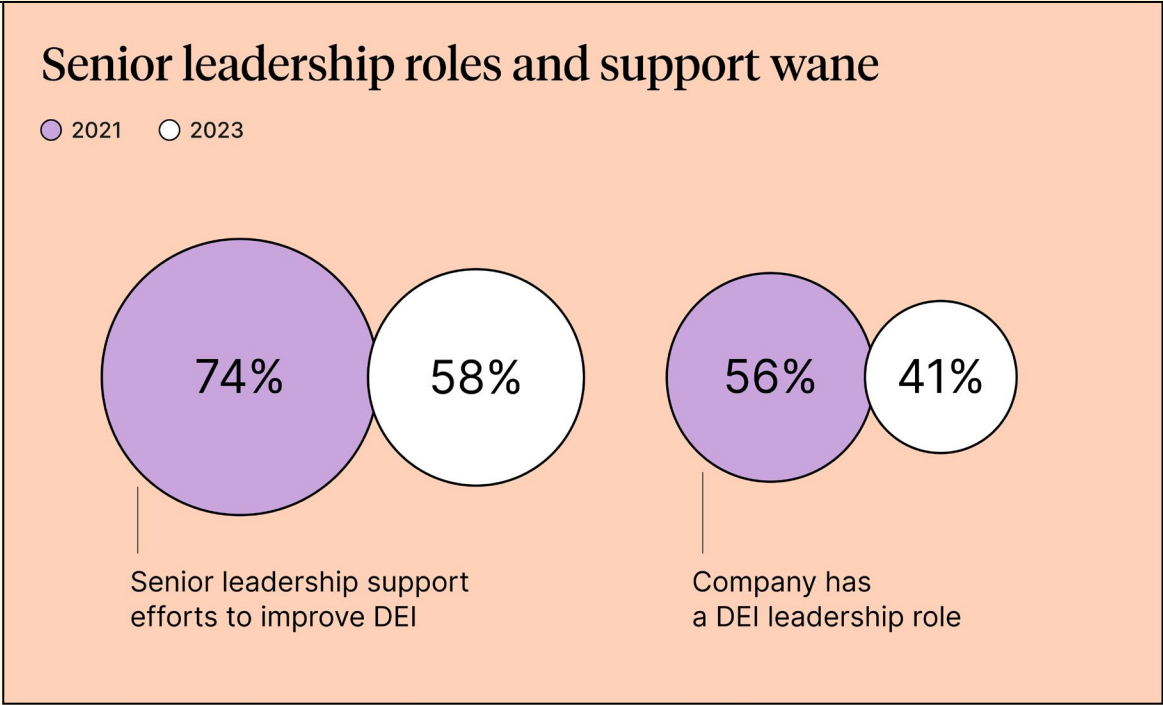
The growing chasm between the need for experts and the waning investment in that expertise could explain why a third (34%) of HR teams in 2023 said they didn't have an explicit organizational perspective on DEI, down 23% from 2021.

Threat #2:

Lack of support from leadership

HR teams see leaders' lack of resourcing and sponsorship of DEI efforts as a challenge.

FIG 13



REGIONAL INSIGHT: APAC companies were most likely to say they have senior leadership support for DEI initiatives (71%), followed by North America at 62% and EMEA at 43%.

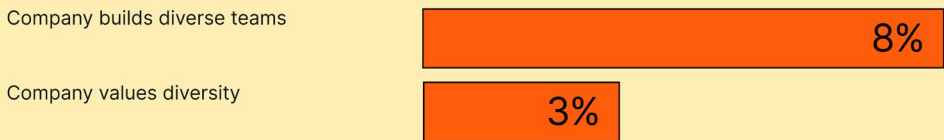
Unfortunately, while leadership buy-in is a top-identified challenge by 35% of HR professionals surveyed, only 22% said they plan to focus on it in the coming year. It could be that HR teams feel the effort is futile. With the macroeconomic environment in a downturn, it may be that companies are intentionally taking a foot off the DEI gas pedal for use elsewhere.

Though these threats persist, 39% of companies *do* have dedicated DEI roles, and 41% *do* have DEI-specific leadership guiding the way. Unsurprisingly, these are the companies reaping rewards.

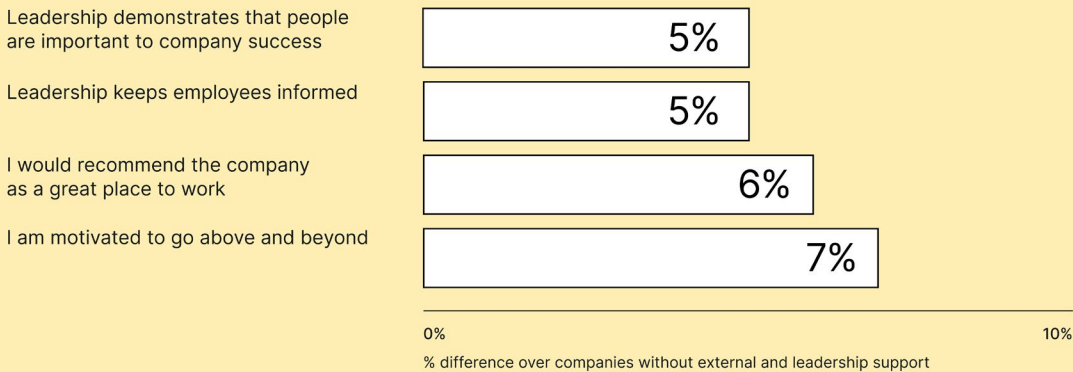
FIG 14

Facing challenges head-on improves employee perception of DEI

Companies who hire external DEI consultants



Companies with leadership that support efforts to improve DEI



Threat #3:

Measurement maturity

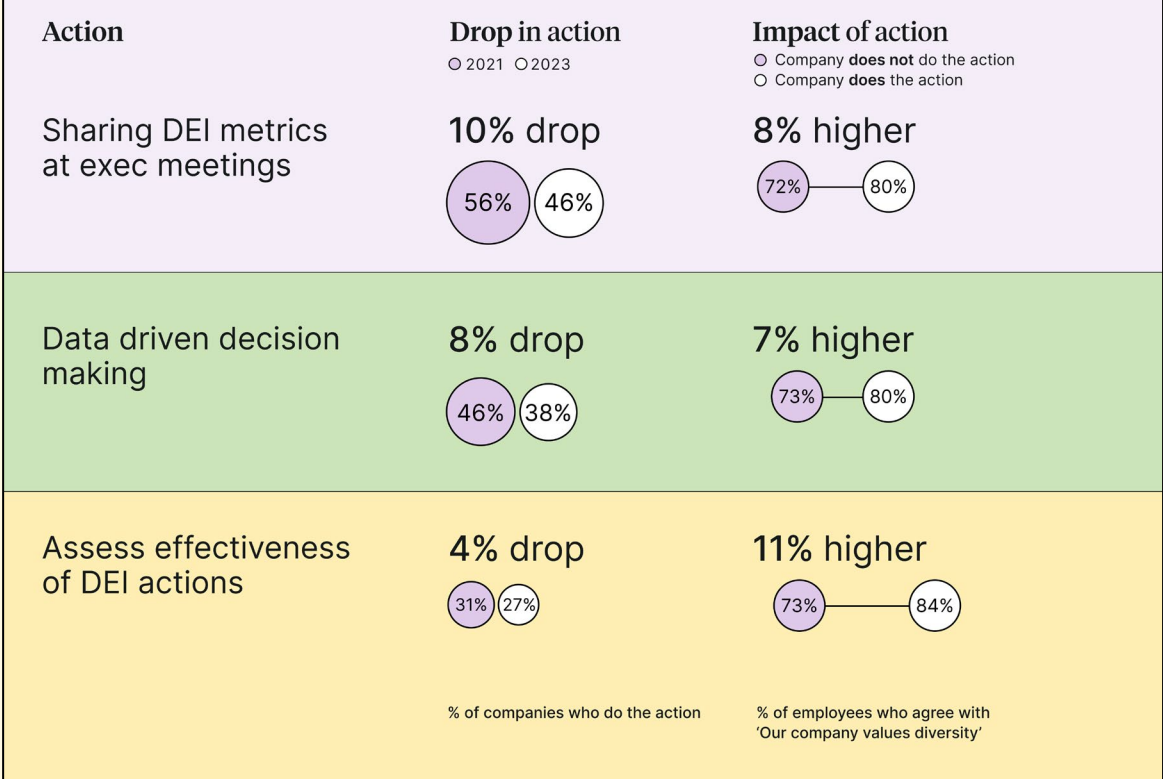
Sharing DEI metrics, using data to make decisions, and assessing the effectiveness of DEI initiatives contribute to a better employee experience, and yet **measurement is a top challenge** for organizations.

Our research shows that companies are doing less measuring of DEI initiatives and their impact. Ironically, more companies say they are measuring the effectiveness of their DEI efforts (27%) than report knowing how to measure that effectiveness (22%). Curious, no?

Talking about DEI metrics in executive meetings boosts employees' confidence that the company offers equitable opportunities for advancement. Likewise, HR teams knowing how to evaluate the effectiveness of DEI actions has a comparable positive effect. Yet, companies are increasingly neglecting a measurement-focused approach.

FIG 15

DEI measurement maturity dropped in 2023, despite evidence of its impact



To make matters worse, in 2023, 42% of organizations shared that they don't have or report on DEI metrics at all.


REGIONAL INSIGHT: 91% of North American companies collected demographic data, 86% in EMEA, and 63% in APAC.

Knowing what stage of the measurement process an organization is in can help unlock barriers to measurement maturity and accelerate subsequent action planning and implementation.

Together, the three threats described above form a feedback loop where each individual challenge reinforces the others. But this interconnectedness also has an upside: taking steps to address even one of these threats can have a domino effect, creating a system that can adapt, evolve, and improve over time. As we've seen, companies that face these threats head-on are moving the needle on the employee experience.

CONNECT & APPLY

- Gather your data and [make your case](#). If you have internal DEI data, combine it with the global DEI data reported here and create a pitch to leadership for the resources you need to carry out your DEI action plan.
- If you haven't yet, identify a leader willing to sponsor your DEI action plans and strategy.
- Consult with employees embedded within your organization who have expertise in DEI work, and amplify their efforts internally.

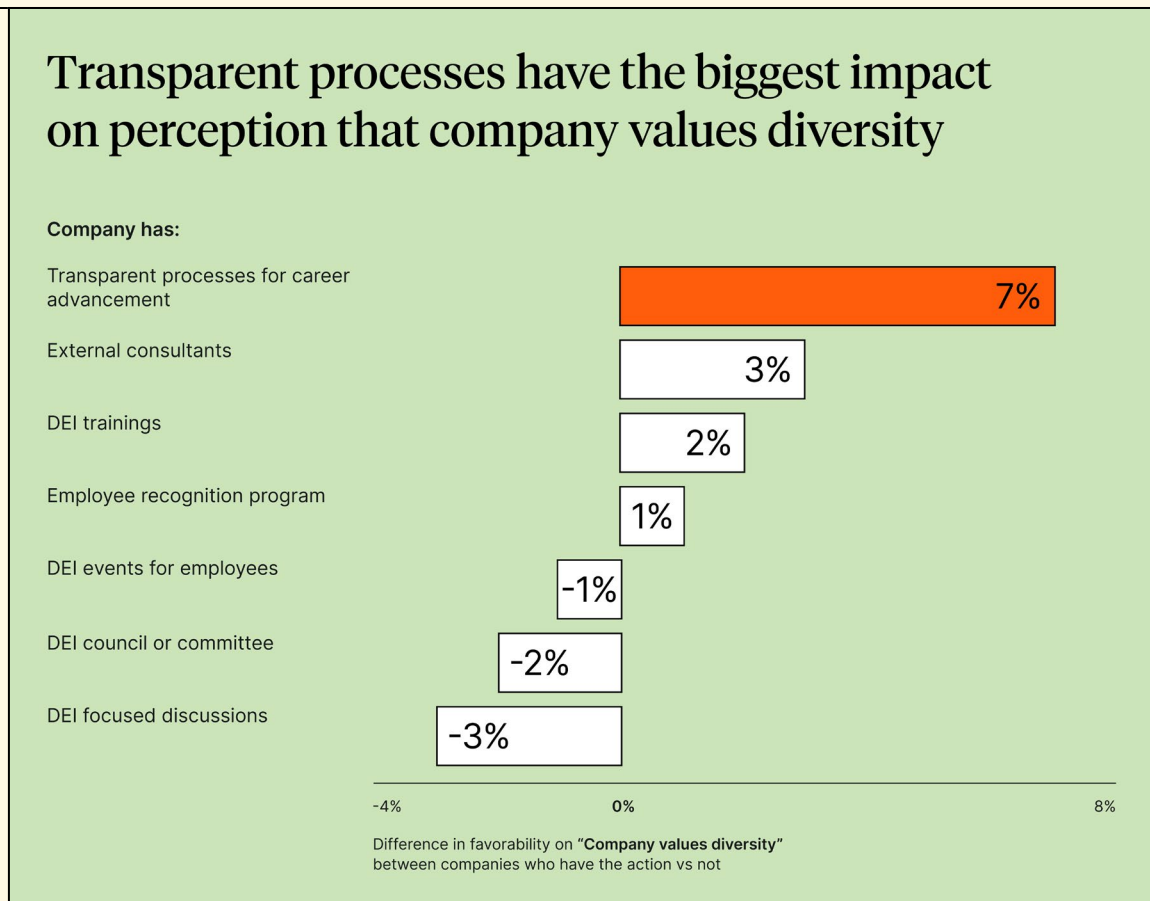
While addressing these threats directly helps, our data shows that other actions make a difference as well. [Continue reading to learn what actions are likely to have the biggest impact.](#) 

Embedding DEI into existing programs has a bigger impact

Companies can't tackle everything at one time. But when it comes to DEI, reaching for higher-hanging fruit pays off.

Our data suggests that DEI efforts that are *integrated* into the way the business operates are more impactful than one-off events. Of all the actions we considered, providing transparent processes for career advancement had the biggest and only *meaningful* impact on employees believing the company values diversity.

FIG 16



We hypothesize that one-off actions may be less effective because they are generally under-resourced and reliant on volunteers. One-off actions are not something to avoid; however, there is risk in doing them without adequate resources. By “doing more with less,” companies risk that their one-off actions will be perceived by employees as *performative*.

A company’s commitment to and investment in DEI has to be genuine, as measured by investment in equitable talent processes, for employees to believe that it is. Our data suggests that this requires infusing DEI principles into systems employees interact with every day. **Doing so is taking an equity-first approach.**

REGIONAL INSIGHT: APAC is leading the pack (54%) in transparent processes, followed by North America (48%) and then EMEA (33%).

Aubrey Blanche-Sarellano, Culture Amp’s VP of Equitable Operations, believes, “If you do equity first, diversity and inclusion are cheap.”

Our data suggests she may be onto something. Companies that create an equitable environment where people from all backgrounds have an equal opportunity to succeed will likely attract more diverse talent.

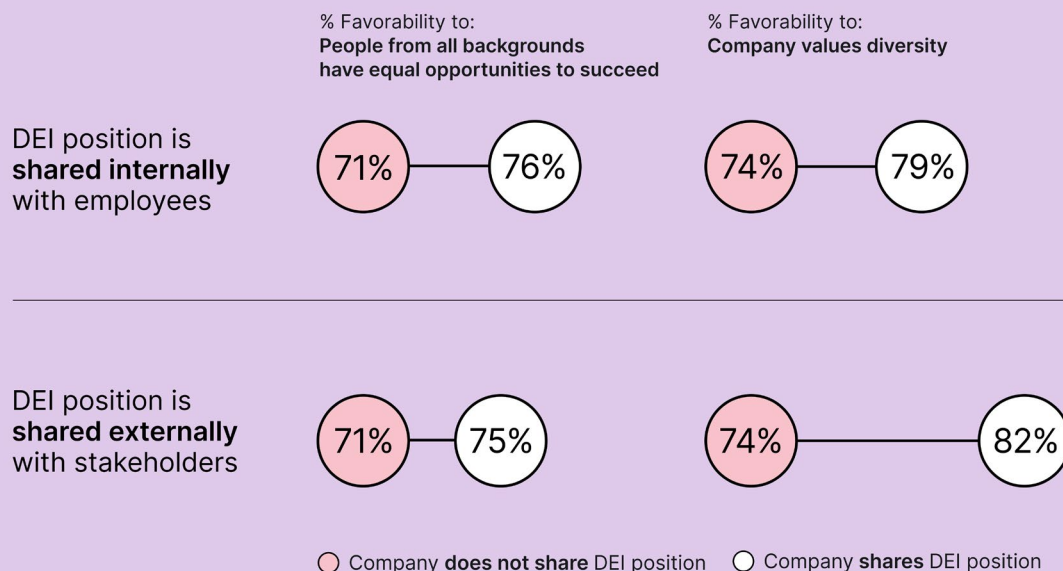
Integrated improvements to the employee experience extend across the entire workforce, underscoring the **universal benefits of comprehensive DEI strategies.**

Communication is also critical for driving adoption, iteration, and impact on DEI initiatives.

Initiatives that positively impact your employees’ sense of inclusion, diversity, and equity are most effective when they are integrated and shared across the organization.

FIG 17

Companies that share their DEI position have better perceptions of diversity and equity



Employees are looking for the walk *and* the talk in their organizations. And companies that can deliver on both are best positioned to see meaningful DEI outcomes.

CONNECT & APPLY

- Case study: Learn how [Culture Amp has prioritized equitable design](#) in our products.
- Rather than establishing a new program, rebuild existing programs with DEI principles in mind. For example, consider reworking your performance process by adding in a more robust and [equitable calibration process](#).

As a final note, we encourage readers to use this report to break away from the downward spiral we've identified. [Next, we conclude with a hopeful message: Data is our ticket out of the spiral.](#) ➔

Conclusion:

Use data to escape the downward spiral

1. This data is yours

In this report, we've identified changes in how organizations are approaching DEI amid broader shifts in the DEI landscape. While there's evidence of downward trends, we've also found a tether companies can grab onto, and **that's data**. It doesn't have to be a company's own data if they don't have the buy-in to get it. Organizations without internal data can use the data from this report to make a case for extending DEI resourcing and support.

2. You don't have to start from scratch

A meaningful approach to DEI doesn't require launching new programs. We encourage readers to reflect on the actions their companies are already taking – including leadership programs, performance management, and learning and development training – and consider how adding a DEI lens could make those existing efforts more effective.

3. When all else fails, stay agile

Think of this as a Trojan horse for DEI, because it infuses DEI into ongoing programs that already have support from leadership. Plus, as we've shared, this type of integrated, holistic action will ultimately make a bigger impact.

4. Focus on equity first

The rest will follow.

Our contributors

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A more diverse, equitable, and inclusive workplace starts with a clearer view of the employee experience.

Learn how Culture Amp can help you understand employee sentiment and prioritize DEI initiatives with the most meaningful impact.

[CONTACT US](#)