DEI Initiatives Are Dissolving — Here's How Managers Can Step Up and Reverse This Unsettling Trend

Opinions expressed by Entrepreneur contributors are their own.

A recent disturbing trend has emerged that threatens our collective progress: the dissolution of Diversity, Equity and Inclusion (DEI) initiatives. This unsettling shift has far-reaching negative impacts, stifling the advancement of women of color and undermining the richness of diversity in our workplaces.

However, this is not only about work. It is about what we as a society espouse as our values. If individualism, ingenuity and equality are integral cornerstones of who we are, then ensuring all perspectives are heard and that all people are equally valued should be instinctual. Diversity is the engine that drives innovation, empathy and creativity. It fosters stronger decision-making and problem-solving by bringing a variety of viewpoints to the table, leading to more comprehensive and effective solutions.

DEI strategies are not just nice to have, they are a requirement to ensure that everyone, regardless of their background, has an equal opportunity to contribute and succeed. When DEI initiatives are allowed to wither away due to underfunding and underutilization, we take steps backward, moving away from the progress that has been hard-fought for decades. That backtracking is a societal loss as well as a corporate one.

Related: Companies Are Deprioritizing DEI. Why They Shouldn't and How to Recommit.

The negative impact of DEI dissolution on companies

As reported by NPR, companies facing economic pressures have cut DEI jobs. Indeed has seen DEI job postings drop by a staggering 38% since July 2023.

This trend is not isolated to a few companies. The number of diversity and inclusion initiatives at U.S. companies jumped from 29% in 2019 to 43% in 2021. That rate has since dipped, and the number of companies with DEI programs hasdropped 33% since 2020.

This dissolution of DEI initiatives has far-reaching negative impacts on companies. Employee morale can plummet when DEI initiatives are slashed, particularly among minority groups. When companies don't invest in DEI, it sends an obvious message to employees about where the company's priorities lie. This can lead to a sense of disillusionment and decreased job satisfaction, ultimately resulting in reduced productivity.

Innovation, too, suffers when diversity is not valued. A diverse workforce brings different perspectives and ideas to the table, fostering creativity and problem-solving. Without this diversity, companies risk becoming stagnant and falling behind in an increasingly competitive market.

Market share can also be negatively affected. As consumers become more socially conscious, they are more likely to support companies that align with their values. A company that does not prioritize DEI may lose out to competitors that do.

The role of managers in reversing this downward trend

As the trend of dissolving DEI initiatives continues, it’s time for managers to take a stand. Managers have a unique opportunity and responsibility to champion DEI within their teams and departments. By doing so, they can help reverse this disconcerting trend and create a more inclusive corporate landscape.

Research overwhelmingly supports the benefits of diverse and inclusive teams. Companies in the top quartile for ethnic diversity are 35% more likely to outperform their industry peers. Likewise, companies with more diverse management teams have 19% higher revenues due to innovation.

How can managers foster such diversity and inclusion? Implementing unconscious bias training is one effective strategy. This type of training helps employees recognize and overcome their inherent biases, fostering a more inclusive workplace. A study byHarvard Business Review found that companies that use unconscious bias training are more likely to hire and promote women and racial minorities.

Mentorship programs can also play a pivotal role. By pairing employees with mentors who can guide their career development, companies can ensure a more diverse leadership pipeline. A study by Cornell found mentorship programs can increase the representation of underrepresented groups in management by 9-24%.

Ellevator, a private membership organization, is leading the charge in creating community and learning opportunities for women of color. As reported by Essence, this innovative platform aims to uplift the skills and networks of women of color, helping them advance in the workplace.

Ellevator’s approach addresses the unique challenges faced by

mid-level career women of color in the professional world. By providing tailored support and mentorship, it aids in overcoming obstacles such as unconscious bias and limited access to opportunities. This personalized approach is crucial for the success of development programs for women of color.

Related: Many Companies Are Backtracking On Their Diversity, Inclusion, and Belonging Programs. Here's Why That's A Mistake

Upholding DEI: A manager's role in sustaining inclusivity

Diversity, equity and inclusion are not mere corporate buzzwords but crucial elements that drive innovation, market share and employee satisfaction. As we have seen, the dissolution of DEI initiatives can have far-reaching negative impacts on companies.

At this critical crossroads, managers play an instrumental role. Through actionable strategies such as investing in the advancement of underrepresented populations, inclusive hiring practices and sponsorship/mentorship programs, managers can foster a diverse and inclusive environment that benefits everyone.

https://www.entrepreneur.com/growing-a-business/dei-initiatives-are-dissolving-how-leaders-can-reverse/465726