



4 Draft Data Supplement

PolicyLink

FSG REIMAGINING SOCIAL CHANGE

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Disclaimer

This draft data supplement is a living document intended to facilitate public feedback on draft business standards (the “draft standards”) developed by the Corporate Racial Equity Alliance (the “Alliance”), an initiative by PolicyLink, FSG, and JUST Capital. The primary goals of the draft standards are to promote and support the improved sustainability performance of U.S. businesses related to social issues, including advancing equity and inclusion, eliminating bias and discrimination, and ensuring equal opportunities for all, regardless of race, gender, ethnicity, socioeconomic status, or any other social category or characteristic protected by applicable law. The draft standards do not call for and should not be read as recommending or requiring businesses to make employment or other decisions based on any protected characteristic in violation of applicable law. Any such application constitutes a misuse of the draft standards.

The draft standards are the product of a multi-year process informed by, and incorporating, broad stakeholder feedback through multiple consultations. The draft standards are not final and remain subject to further review and revision. This draft data supplement is also subject to further review and revision. In addition, it is based on a snapshot in time and it is not intended to be exhaustive. Although all information in this data supplement and the draft standards was obtained from sources believed to be reliable, no representations or warranties, express or implied, are made as to their accuracy or completeness. The Alliance shall not be liable for any claims or lawsuits from any third parties arising from the use or distribution of these materials. These materials are for distribution only under such circumstances as may be permitted by applicable law.

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Learn more about the Alliance and the draft standards in our latest report, *Introducing the Performance Standards for 21st Century Business Leadership: Public Consultation Report and Draft Standards* available at <https://corporateraciaequityalliance.org/corporate-standards>.

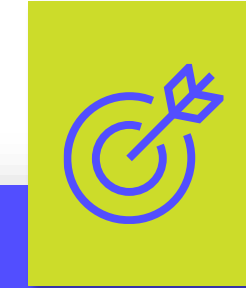
**Workplace culture fosters
inclusion and belonging for all.**



Introduction

This resource is designed to accompany the Corporate Equity Alliance Performance Standard 4 as a data supplement. It provides additional detail on:

- The value proposition of the standard for your business and society more broadly;
- The research underlying the performance targets provided within each standard;
- Examples of how the status quo affects workers and other key stakeholders.



Objectives

The information in this data supplement, as well as the research cited within Performance Standard 4, can help you:

- Broadly identify the benefits of adopting the standards for your company and society;
- Make the case for adoption and why this standard is important;
- Understand the current state of performance and opportunities for improvement.

Note on version: This is the 1st version of this document as of May 2024. This supplement may be updated from time to time.

Note about data availability for different identities and demographic groups

The Corporate Racial Equity Alliance recognizes that different demographic groups are disproportionately impacted by inequitable practices. Wherever possible, we have presented data on the experience of underrepresented groups across multiple aspects of identity, including, but not limited to race, ethnicity, gender, sexual orientation, ability, age, parental status, and veteran status.

However, the availability of disaggregated data varies widely by identity and demographic group, and tends to be particularly limited for:

- **Native Hawaiian or Pacific Islanders (NHPI)**, which represent 900k Americans¹ or less than 0.5% of the population according to the 2020 Census.²
- **Native or indigenous populations**,³ which represented 3.2 million Americans or less than 1% of the U.S. population in 2022.⁴
- **LGBTQ+ individuals**, which represented ~3.9 million adults or 5.5% of U.S. adults in 2021.⁵
- **Older workers**, which included roughly 11 million adults ages 65 and up, or 6.6% of the labor force (those working and looking for work) in 2022.⁶
- **Americans residing in rural areas**, which represented 46.1 million U.S. residents or 14% of the population in 2022.⁷
- **Individuals with disabilities**, which represented 46.3 million Americans or less than 14% of the U.S. population in 2022.⁴

Beyond the challenges associated with collecting data on smaller populations or individuals that must self-report sensitive personal information (e.g., disabilities, sexual identity), limited data for these groups also reflects how traditional research practices often reduce participation by diverse populations.⁸ In corporate settings, a lack of data can obscure the need for targeted interventions for different stakeholders, such as workers and consumers. Future data collection should prioritize the greater inclusion of underrepresented groups, and companies have an important role to play.

Executive Summary

Belonging is critical at work. 94% of workers say it is very or somewhat important to them that their workplace be a place where they feel they belong.⁹ Workplace bias and discrimination, however, is an issue that hampers a sense of belonging for many workers. Such experiences have been linked with higher rates of hypertension¹⁰ and there are many other negative implications.

Overall, 20% of workers strongly or somewhat **disagree** with the statement: “When I’m at work, I feel like I belong.” In addition, members of certain groups are more likely to feel they do not belong. Close to 30% of workers feel their workplace does not support them because of an aspect of their identity.⁹ These materials highlight how workers experience inclusion challenges related to five identities. Though not covered in these draft materials, nationality and religious identity are additional areas where there are inclusion challenges in the workplace.

Increasing workplace inclusion and belonging benefits both employees and employers. Belonging fosters psychological safety, which in turn can increase engagement and motivation, lead to better decision-making, and foster a culture of continuous learning.¹¹

Race & Ethnicity

51% of Black, 39% of Asian, and 29% of Hispanic workers perceive that their race/ethnicity makes it more difficult to succeed at work, compared to 7% of White workers.¹²



Male vs. Female

Women, particularly those with marginalized identities, are more likely to experience microaggressions than men.¹³

Age

Workers over 40 are a protected class under the Age Discrimination in Employment Act, but two out of three workers ages 45 to 75 report discrimination based on age.¹⁴



LGBTQ+ & Identity

33% of LGBTQ+ professionals feel exhaustion from spending time and energy hiding and/or protecting their identity at work.¹⁵



Disability

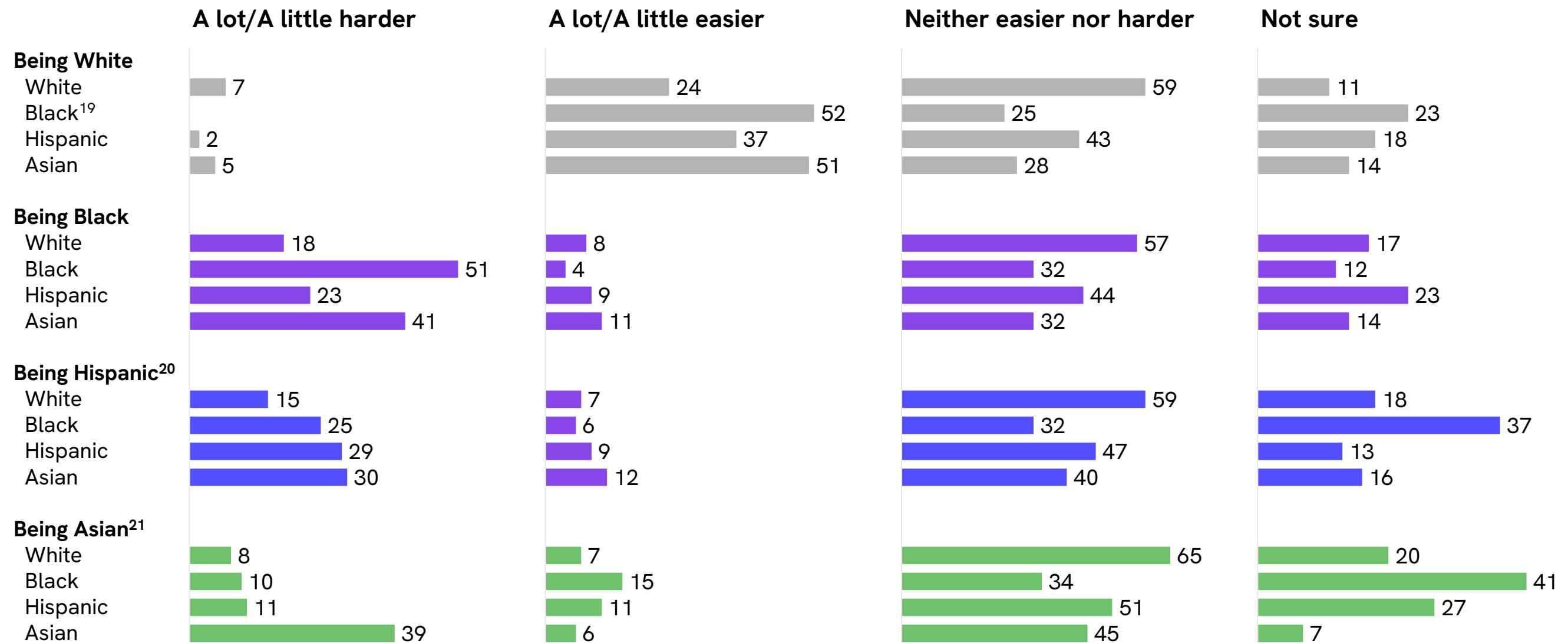
Only 20% of employees with disabilities agree that their workplace culture is fully committed to helping them thrive and succeed.¹⁶

1 A third to half of Black, Hispanic, and Asian workers perceive that their race/ethnicity makes it more difficult to succeed at work¹⁷

Percent of employed adults¹⁸ in each racial or ethnic group saying each of the following ...



Being ___ makes it ___ to be successful where I work.



2 Women continue to experience more microaggressions than men, and the experience is more draining

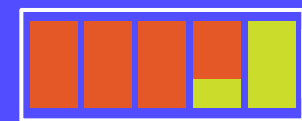


Women are²²

1.5-2x

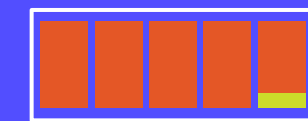
more likely
to experience
microaggressions
and to have to self-
shield than men

Women who experience microaggressions
and have to self-shield are²²...



3.3x

more likely
to consider leaving
their organization



4.2x



more likely
to almost always
feel burned out

... than those who do not

However, when senior leaders display allyship and curiosity, they can decrease the likelihood that women from marginalized racial and ethnic groups will experience racism at work.²³

2 Women with marginalized identities are even more likely to experience microaggressions and self shielding

Respondents experiencing or agreeing with the following statements²⁴, percent

 Populations most impacted Scale by row: Better experience  Worse experience

Microaggressions and Self Shielding		All Men	All Women	LGBTQ+ Women	Women with disabilities	White Women	Asian Women	Latinas	Black women
Challenges to competence	Others get credit for their ideas	14	21	26	32	21	17	15	22
	Their judgement is questioned	17	23	33	39	24	16	17	27
Demeaning & "othering" comments	Others confuse you with someone else of the same race/nationality	2	4	6	6	2	14	6	15
Self-shielding	Others comment on your emotional state	6	12	21	25	12	7	10	13
Protective behaviors	"Code switched" to blend in with others at work	9	15	28	29	12	15	15	36
	Didn't speak up to not seem difficult or aggressive	22	31	42	48	31	25	27	39

Black women are especially less likely to feel they are treated with respect in the workplace²⁵





3

Although 54% of LGBTQ+ professionals say their professional community was supportive when they came out at work, a significant share describe their workplaces as unaccepting²⁶

LGBTQ+ professionals value workplaces that actively support the LGBTQ+ community.

75%

say it is important that they work at a company where they can feel comfortable bringing their full self to work

49%

will not work at a company that does not have LGBTQ+ friendly benefits

36%

would consider leaving their current company if it does not take a firm stance against discrimination impacting the LGBTQ+ community

However, many LGBTQ+ professionals describe workplaces unaccepting of their identities.

36%

report experiencing less career advancement because they do not feel a sense of belonging at work

33%

feel exhaustion from spending time and energy hiding and/or protecting their identity at work

33%

are closeted at work to avoid workplace discrimination (e.g., name-calling, microaggressions, physical taunts, etc.) based on their sexual orientation and gender identity



4 Employees that feel empowered to disclose their disability to their employers have higher career satisfaction and aspirations²⁷

However, employees with disabilities often do not feel comfortable disclosing their disabilities to their employer.

20%

agree that their workplace culture is fully committed to helping them thrive and succeed

76%

report not fully disclosing their disabilities at work (e.g., to HR, colleagues, supervisors/managers).

80%

of C-suite executives and their direct reports who have disabilities are not disclosing them.

Organizations that empower employees with disabilities with flexibility and independence experience positive results.

48%

Higher likelihood of self-disclosure among employees with disabilities when their organizations provide them the power to innovate

20%

More engagement (in terms of career satisfaction and aspirations, confidence, and a sense of belonging) among employees who do disclose their disability at work

26%

Higher career aspirations among employees whose organizations provide them the freedom to innovate

5 Workers over 40 also represent a major segment of the population experiencing discrimination

Firms with more older workers are more productive ...

A **10%** increase in the share of older workers increases productivity by **1.1%** because the experience and knowledge of older workers helps younger workers perform better.²⁸

Turnover is **4%** lower at firms that have a **10%** higher share of workers aged 50 and over. Turnover can increase annual labor costs by up to **20%**.²⁸

Employees aged 43-58 are 48% less likely to report that the outside world affects their productivity as work then those aged 18-26.²⁹

CEOs and other C-suite leaders are **2-2.5 years** older in the **20%** most productive firms compared with the **20%** least productive firms.²⁸

... but workers over 40 represent a major segment of the population facing workplace discrimination ...

Workers over 40 are a protected class under the Age Discrimination in Employment Act, but **two out of three workers** ages 45 to 75 report discrimination based on age.³⁰

One fifth of discrimination charges filed with the federal Equal Employment Opportunity Commission are based on age.³¹

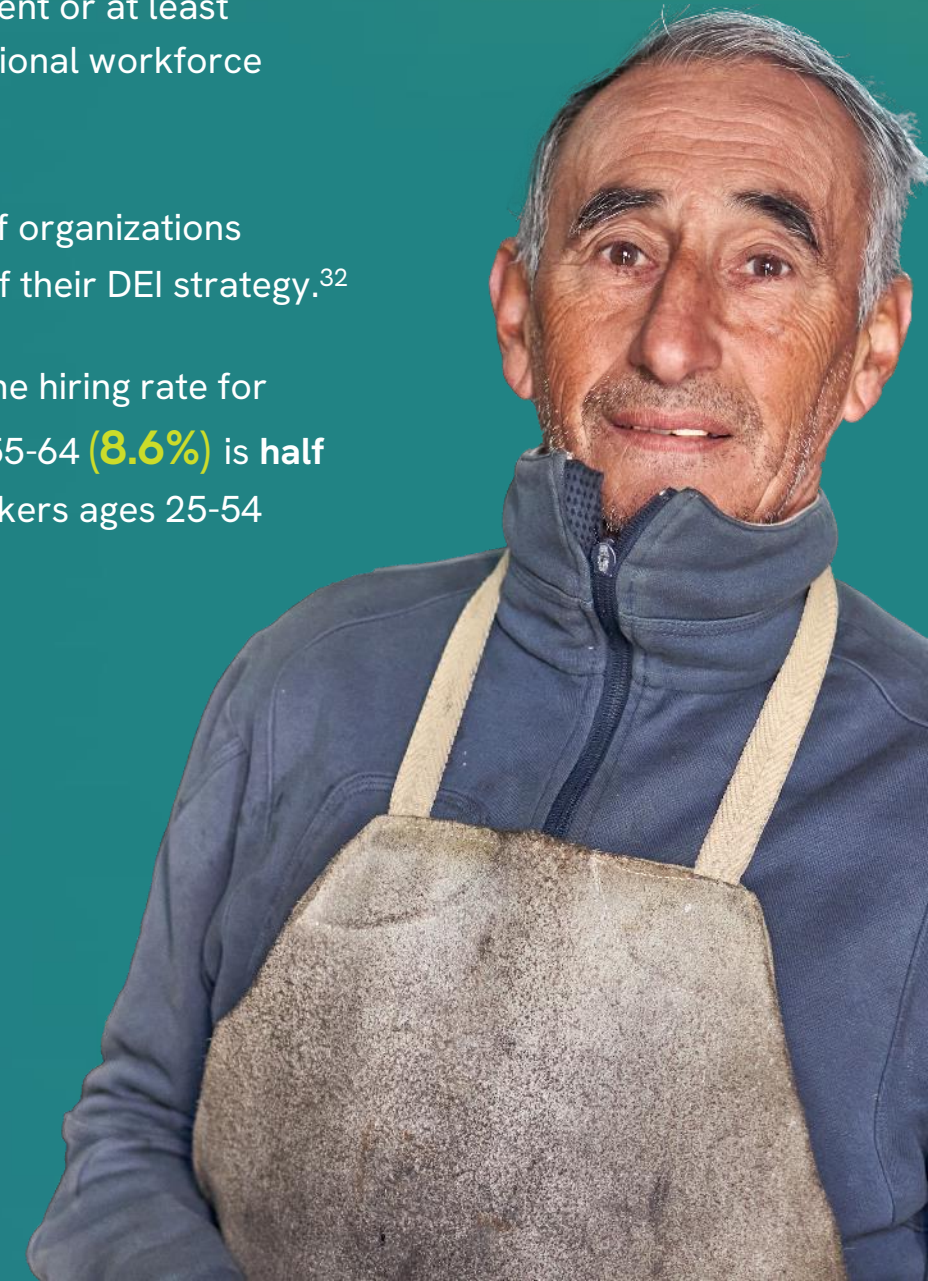
20% of younger workers (15-24) who have experienced discrimination cite age as the reason for discrimination compared to **40%** of older workers ages 65 and over.²⁸

... and most organizations are not doing enough to address age discrimination

70% of employers report that they would like to implement or at least explore multigenerational workforce policies.²⁸

However, only **8%** of organizations include age as part of their DEI strategy.³²

In OECD countries, the hiring rate for older workers ages 55-64 (**8.6%**) is **half** that for younger workers ages 25-54 (**16.6%**).²⁸

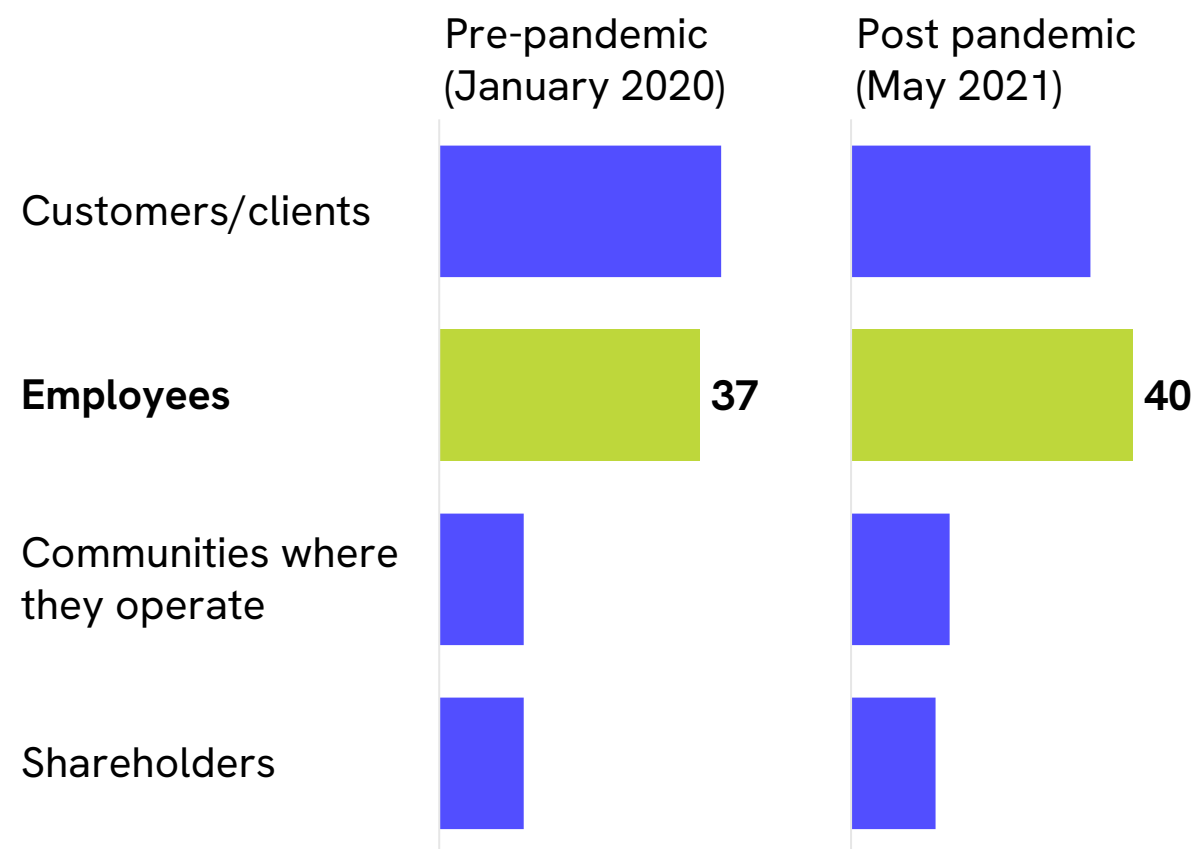


Employee expectations for their employers are increasing³³



Employees now rank themselves as the most important stakeholder to a company's long-term success

Percent of survey respondents who ranked each group as most important to a company achieving long-term success



Note: Survey respondents were 7,000 employees from different companies in Brazil, China, Germany, India, Japan, UK and U.S. Question asked of half of the sample

Employees are expecting more from their employers and are willing to take action to create change

82% of employees say **career advancement** is a strong expectation or a deal breaker when considering a job, a **4% increase from January 2019 to August 2021**

76% of employees say will take action to produce or motivate urgently necessary changes within their organizations

61% of employees choose, leave, avoid or consider employers based on their values and beliefs

77% of employees say **personal empowerment** is a strong expectation or a deal breaker when considering a job, a **5% increase from January 2019 to August 2021**

71% of employees say **social impact** is a strong expectation or a deal breaker when considering a job, a **5% increase from January 2019 to August 2021**

Addressing workplace inclusion and belonging benefits workers and employers

Win the competition for top talent

39%

of job seekers are more likely to turn down a job opportunity due to a perceived lack of inclusion³⁴

35%

of an employees' emotional investment in work and 20% of their desire to stay at their organization is linked to feelings of inclusion³⁵

2x

of younger employees are more likely to raise the need for inclusion³⁴

Unlock the full potential of your diverse workforce

90%

more likely to go out of their way to help a colleague if they work in an inclusive organization³⁵

47%

more likely to stay with an organization if it's inclusive³⁵

39%

more likely to be engaged with inclusive team leaders³⁶

7x

more likely to report their organization is high-performing if it's inclusive³⁵

Endnotes

1. ~900k Americans identify as NHPI in combination with another race ~690k Americans identify as NHPI alone.
2. U.S. Census Bureau. [Broad Diversity of Asian, Native Hawaiian, Pacific Islander Population](#), 2022.
3. The U.S. Bureau uses the term “American Indian or Alaska Native” to describe individuals who identify as Native American. There are ~1.5 million individuals who identify as American Indian or Alaska Native of Hispanic/Latino ethnicity and ~1.7 million individuals who identify as “American Indian or Alaska Native,” but do not identify as Hispanic/Latino.
4. U.S. Census Bureau American Community Survey, 2022 1-year estimates. Custom data extract created using IPUMS USA. Steven Ruggles, Sarah Flood, Matthew Sobek, Daniel Backman, Annie Chen, Grace Cooper, Stephanie Richards, Renae Rogers, and Megan Schouweiler. IPUMS USA: Version 14.0 [dataset]. Minneapolis, MN: IPUMS, 2023. <https://doi.org/10.18128/D010.V14.0>.
5. UCLA School of Law – Williams Institute. [Adult LGBT Population in the United States](#), 2023.
6. Rural Health Information Hub. [United States](#), 2023.
7. Pew Research Center. [Older Workers Are Growing in Number and Earning Higher Wages](#), 2023.
8. National Academies of Sciences, Engineering, and Medicine. [Improving Representation in Clinical Trials and Research: Building Research Equity for Women and Underrepresented Groups](#), 2022.
9. American Psychological Association. Work in America Survey: [Workplaces as engines of psychological health and well-being](#), 2023.
10. Journal of the American Heart Association. [Workplace Discrimination and Risk of Hypertension: Findings From a Prospective Cohort Study in the United States](#).
11. Harvard Business Review. [What Is Psychological Safety?](#), 2023.
12. Footnote 12 on page 6 of supplement 4 cites a statistic about Hispanic workers: ‘29% of Hispanic workers perceive that their race/ ethnicity makes it more difficult to succeed at work,’ but when you first open the [link](#), the article appears to only discuss workplace views and experiences for Black workers. However, as you scroll further down to chart 5, you’ll see that this chart includes research for Hispanic as well as Asian workers, which we cite (29% for Hispanic workers in the second to last “large” row of chart 5 and 39% for Asian workers in the last row).
13. LeanIn.Org and McKinsey & Company. [Women in the Workplace](#), 2023.
14. LinkedIn. [Survey of 1,086 LGBTQ+ professionals, ages 18-69, in the U.S.](#) Surveyed online by YouGov on behalf of LinkedIn between May 20-29, 2022.
15. Harvard Business Review. [Make It Safe for Employees to Disclose Their Disabilities](#), 2021.
16. AARP [10 Things You Should Know About Age Discrimination](#), 2017.
17. Pew Research Center 2023. [Diversity, Equity and Inclusion in the Workplace](#). Survey of U.S. workers conducted February 6-12, 2023.
18. Based on workers who are not self-employed and work at a company or organization with 10 or more people. Share of respondents who didn't offer an answer not shown.
19. Less than 0.5% of Black workers say being White makes it a lot/a little harder for someone to be successful where they work.
20. Hispanics are of any race. White, Black and Asian adults include those who report being only one race and are not Hispanic.
21. Estimates for Asian adults are representative of English speakers only.
22. LeanIn.Org and McKinsey & Company. [Women in the Workplace](#). 2023.
23. Catalyst. [Exposé of Women’s Workplace Experiences Challenges Antiracist Leaders to Step Up](#), 2023.
24. LeanIn.Org and McKinsey & Company. [Women in the Workplace](#), 2023.

Endnotes

25. Gallup. [Understanding the Effects of Discrimination in the Workplace](#), 2021.
26. [LinkedIn](#). Survey of 1,086 LGBTQ+ professionals, ages 18-69, in the U.S. Surveyed online by YouGov on behalf of LinkedIn between May 20-29, 2022.
27. Harvard Business Review. [Make It Safe for Employees to Disclose Their Disabilities](#), 2021.
28. OECD. [Promoting an Age-Inclusive Workforce: Living, Learning and Earning Longer](#), 2020.
29. Edelman. [2023 Edelman Trust Barometer Special Report: Trust at Work](#), 2023.
30. AARP [10 Things You Should Know About Age Discrimination](#), 2017.
31. Forbes. [The Diversity Employers Need To Remember: Age Diversity](#), 2020.
32. Harvard Business Review, [Harnessing the Power of Age Diversity](#), 2022.
33. Edelman. [2021 Edelman Trust Barometer Special Report: The Belief-Driven Employee](#), 2021.
34. McKinsey & Company. [Understanding organizational barriers to a more inclusive workplace](#), 2020. Global survey of 2,030 respondents collected in early 2020 (prior to the Covid-19 pandemic).
35. Catalyst. [Getting Real About Inclusive Leadership \(Report\)](#), 2019.
36. Coqual. [Disrupt Bias Drive Values](#), 2020.

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