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The Big Idea Series / The Next Phase of DEI

Where Does DEI Go from Here?

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Summary. Amid economic uncertainty, corporate belt-tightening, and efforts to dismantle diversity efforts through both court rulings and legislation, the push for diversity, equity, and inclusion has slowed. The author, a researcher in positive psychology and diversity and... [more](#)


In the summer of 2020, spurred by the Black Lives Matter movement and pandemic inequities, organizations in the United States and around the world committed to improving diversity, equity, and inclusion (DEI) in their ranks. Today, however, amid economic uncertainty, corporate belt-tightening, and virulent campaigns to dismantle diversity efforts through both court rulings and legislation, the push for DEI has slowed. Now more than ever, it's time for companies to recommit.

To bring advocates and critics of this work together, leaders must orient around a broader goal: creating the conditions for all workers to flourish. Data on employee engagement underscores this challenge for organizations. Gallup estimates that 77% of employees are unengaged at work and reports that worker stress is at a historic high, costing the global economy \$8.8 trillion. Union organizing across U.S. industries is highlighting the fact that many workers feel exploited or undervalued. Tens of millions of employees in the U.S. and more around the world switched jobs in the Great Resignation, and many others are quiet quitting or burning out. These kinds of trends lead to higher hiring costs and poorer performance, specifically diminished creativity and innovation. And there is evidence that those in historically marginalized groups are even less engaged than their dominant-group counterparts are.

In the past, corporate attempts to boost employee well-being have ranged from ping-pong tables to job crafting. But employers need to take a new tack that addresses the root of so many issues facing workers today. My research in the fields of positive psychology and diversity and inclusion leads me to believe that to truly engage each and every employee, and to help them feel validated and rewarded, organizations need to cultivate four freedoms that allow people to bring their full humanity to work.

The four freedoms that generate flourishing at work are: being our authentic selves, becoming our best selves, occasionally fading into the background, and failing in ways that help us and our teams learn. While everyone can benefit from more freedom at work, these four are unevenly distributed. Majority and high-status group members often (though not always) have access to them and often (though not always) take them for granted. Meanwhile, for many in traditionally marginalized groups — people of color, women, those who are gender nonconforming, people with physical disabilities, and those who are experiencing mental health challenges, for example — the struggle for liberation is contested daily.

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To be sure, it can feel strange to talk about freedom in the context of the workplace, but it shouldn't. Around the world there is a history of forced labor, from the enslavement of humans on plantations to laborers in sweatshops, apartheid-era mines, or even Taylorist assembly lines. In many industries and parts of the world, people still work in such oppressive conditions. Even in

the modern knowledge economy, employees struggle with fears — of failure, lack of safety, and scarcity of resources and opportunities — that undermine their feelings of freedom at work and negatively impact their performance and well-being.

By contrast, companies that have worked to make the four freedoms accessible — through structural changes such as policies and resource allocation, cultural shifts, and individual development — have seen enhanced productivity and increased feelings of satisfaction and safety among employees, particularly those in historically marginalized groups.

The fact is, liberating workers is not a zero-sum game; granting freedoms to one group does not inherently take them away from another. The collective pursuit of the four freedoms thus benefits everyone, as well as the business itself.

The Four Freedoms

There are four freedoms that help people flourish at work. Majority and high-status group members often have more access to them than those in traditionally marginalized groups. Here are some ways that organizations can work to make sure that the four freedoms are realized by all.

The Freedom to Be

We all flourish when we are granted the freedom to be our authentic selves at work. Consider, for example, the affirmation many people felt from colleagues when getting to know one another's pets and families through video calls during pandemic lockdowns. Being oneself at work may sound simple, but people who have the most affinity with the dominant culture often benefit from similarity and take this freedom for granted.

Those in historically marginalized groups, however, often lack that freedom and must expend significant effort on calibrating their authentic selves to fit into their surroundings. For example, racial minority group members often “whiten” their names on job applications by replacing ethnic-sounding names with initials or shortened nicknames; research has shown that this can improve their chances of a callback. Pregnant women hide their status to avoid stigmas and penalties. Other people avoid disclosing their parental status, sexual orientation, socioeconomic background, religion, or mental health issues. The latter is acute, for example, in Singapore, where surveys suggest that 62% of employees say they are unwilling to share their mental health challenges with colleagues or managers. Other employees might modify their speech or appearance to fit into their workplaces, such as by

speaking a different vernacular language than they would at home or straightening their hair to fit the dominant model of professionalism.

These adjustments come with a cost. Research into code-switching and other forms of identity suppression has revealed the negative cognitive, health, and performance effects of maintaining a facade of conformity, as well as the feelings of inauthenticity it engenders. Patricia Hewlin of McGill University finds that inauthenticity can also cause direct problems for the organization: Employees who don't believe their true selves are valued tend to withhold dissenting thoughts and views, meaning they are less likely to speak up about perceived problems.

Granting everyone in the organization the freedom to bring their authentic selves to work takes continued efforts to establish and uphold nondiscrimination policies, antibias programming, and allyship.

Nondiscrimination policies. Organizations should know, meet, and, ultimately, surpass antidiscrimination policies set forth by law. For example, when companies' policies adhere to legislation like the CROWN Act (first enacted in California and now on the books in 23 U.S. states and 49 municipalities), which protects workers against race-based hair discrimination, they actively welcome a diverse range of employees to authentically express their racial identities. When they comply with the Respect for Marriage Act in the U.S. or the constitutional provision against sexual-orientation-based discrimination in Portugal, or go even further by providing health benefits to same-sex couples, they support employees of all sexual orientations. As workplaces become increasingly diverse, leaders will need to revisit internal policies in order to advance inclusion for a wider range of employee needs and lifestyles. Notably, dress codes are evolving to be more gender-neutral as well as more casual, aligning with both nondiscrimination legislation and post-pandemic trends.

Antibias and inclusion programming. Beyond structural policies, programs aimed at overcoming biases in hiring, promotion, work opportunities, and day-to-day interactions can help more employees feel welcomed for who they are. These programs could include trainings for employees and managers to recognize and tackle their own biases; the establishment of clear, objective performance measures to use across the firm; and standardized questions for new-hire interviews. Of course, one-off trainings have limited impact on individual behavior or organizational culture, but when incorporated into broader, strategic approaches to DEI, they can add value.

Allyship. On an interpersonal level, allies — people who use their privilege to stand up for nondominant groups in the face of bias and ignorance — create an inviting and welcoming space for all. Their actions could include things as subtle as microvalidations, small gestures that can help to counteract the unwelcoming and disrespectful signals that microaggressions send. (Think of addressing people with their correct pronouns or titles, learning to pronounce someone's name, or expressing gratitude for a colleague's contributions.) Allyship also involves speaking out against discrimination, which can show up in ways as varied as

pay inequity, sexual harassment, or minority job applicants' being rejected for a job without cause. Organizations can encourage allyship by establishing formal employee resource groups that provide opportunities for affinity-based learning, and by building personal connections across differences in people's multifaceted identities. They can also help managers and employees learn how to highlight people's strengths in order to counter discrimination.

MetLife is an organization known for its approach to inclusion globally, and specifically its efforts to promote employees' expression of their identities, values, and voice. The firm, where I've been hired to speak in the past, has established a number of policies that acknowledge and provide for professionals' whole selves, such as access to personalized caregiving solutions and Milk Stork transportation assistance for lactating mothers who need to ship expressed milk home during business travel. The company invites all employees to join or be an ally through its 10 identity-based inclusion networks (similar to employee resource groups). Firm-wide workshops, lectures, and podcasts remind MetLife employees that, as captured in the inclusion effort's tagline, "inclusion begins with me." Additionally, a cohort of 150 leaders in the firm were given coaching and tools to help them apply inclusive behaviors and habits to workplace interactions. The participants reported feeling more comfort with being their authentic selves, asking for help, and collaborating with colleagues. These efforts have paid off broadly in employee satisfaction: A 2022 survey, with the company's highest-ever response rate of 85%, reported record-high favorability ratings of 79%.

The Freedom to Become

Of course, we don't want to just be ourselves at work; we want our *best* selves to flourish. The freedom to *become* facilitates the practice of improving oneself and one's situation. The overwhelming majority of workers (91%) say it is very or somewhat important to them that their job consistently offers opportunities to learn and grow. Those who are satisfied with their opportunities for growth and development are much more likely to report being very or somewhat satisfied with their jobs (96%) than those who are not (64%).

Yet here, too, there is a historical precedent for a struggle for freedom: Caste, colonial, and socioeconomic systems have long locked individuals out of any form of social mobility. In today's workplace, for example, men are more likely to report being satisfied with growth and development opportunities (77%) than women are (71%), and people of color must wait longer to reach management and executive levels (if promoted at all) as a consequence of identity-based discrimination. Research by Joan Williams at the University of California College of the Law, San Francisco, and colleagues has shown that performance evaluations of Black and brown employees and white women have more mentions of failings than those of white men do. To address these inequities, organizations need to create development programs that play to everyone's strengths and make feedback processes more objective.

Strengths-based development programs. For all of us, living into

our potential requires understanding where our potential and strengths lie. But research has shown that those in marginalized groups are exposed to a “praise deficit”: Black and brown children receive far fewer compliments and more disciplinary action at school than their white peers do, for example. And research shows that this continues in the workplace. While managers regularly affirm the potential of early-career workers who belong to a majority group, they often subject workers from historically underrepresented groups to more scrutiny and give them less recognition for demonstrated success.



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Companies need to establish high-quality development programs, accessible to all, that focus on what makes each employee their best. A more immediate and tactical way of addressing this issue is to integrate best-self exercises into employee development by inviting people to study their successes, exchange feedback about one another’s strengths and contributions, and then discuss what they’ve learned. Mentorship and sponsorship programs also provide valuable ways to help all employees live into their potential — provided that they are offered in an equitable way. Much informal mentoring relies on networks that often are harder for people in marginalized groups to enter, so it is important to be intentional about helping everyone maximize their potential at work.

Positive, objective, constructive feedback. Organizations need to train managers to give more-constructive, more-objective feedback to everyone. Leadership development advisers Jack Zenger and Joseph Folkman have reported that 40% of managers say giving negative feedback is difficult and 37% avoid giving positive feedback altogether. Marcus Buckingham of the ADP Research Institute has described how managers tend to focus on deficits when giving feedback and shown why this impedes learning.

Those in marginalized groups are often given even less-helpful performance feedback than those in dominant groups. For example, women don’t receive the same quality of feedback as men; it tends to be vaguer, more aligned with feminine stereotypes, and more personality-based (even for positive feedback) and doesn’t lead to advancement opportunities.

Research by Williams and colleagues shows that simply telling managers about common biases on performance evaluations lowers the incidence of those biases on future evaluations. And like many of the struggles for freedom described in this article, the effort to improve feedback and growth is well served by traditional efforts around DEI. People who work for an organization with DEI policies are more likely to report being satisfied with opportunities for growth and development (78%) than those in organizations without such policies (64%).

At TJX, owner of retail brands such as T.J. Maxx and Marshalls, the organization's Be Your Best Self learning platform gives associates courses, tools, and managerial support to empower them to build new skills and shape their career paths. The curriculum is designed to make consistent development accessible to all associates and includes partner offerings through organizations such as the National Hispanic Corporate Council, PFLAG, the National Association of Asian American Professionals, and the Human Rights Campaign. Recently, the company has added an online course on performance reviews that teaches managers to be more objective in the evaluation process. The company also offers an Emerging Leader program and has begun a mentorship pilot that pairs associates and leaders. Moreover, the TJX University program offers a coaching and mentoring approach to learning leadership skills.

These efforts contribute to some of TJX's diversity successes. In 2022, 35% of its managerial positions in the U.S. were held by people of color (versus 7% in other U.S. companies), 49% of its promotions in the U.S. were earned by people of color, and 68% of its managerial positions globally were held by women. One Marshalls employee, Afifah, began as a dressing room associate soon after emigrating to the U.S. from Pakistan. She quickly took on roles with increasing responsibility, using TJX's learning offerings to rise to a store manager role and then join the HR team. "At TJX," she explained, "I had many people tell me, 'You can do this.' They encouraged me and helped me grow along the way."

The Freedom to Fade

While the first two freedoms are about gaining the ability to stand out, the third freedom is all about being able to step back. In a dominant culture of hustle and perfectionism, employees need a way to take a break from the performance pressure.

For those in marginalized groups, diversity often yields a hypervisibility that means they are judged more harshly for perceived failures or deviations from the norm. Being an "only" — the only woman, the only person of Asian descent — in a room, on a team, or in an organization puts a person under increased scrutiny. This spotlight leaves individuals feeling vulnerable and exposed, with psychological ramifications such as perfectionism, reduced agency, higher disengagement, and obstructed career advancement. By contrast, increasing diversity and flexibility can help to foster freedom at work.

Increased diversity. Those in marginalized groups need the freedom to fade into the background or to blend in to escape

scrutiny (as those in the dominant group often can). But they need to be able to do so in a way that doesn't require assimilation, losing what is unique and authentic about them, or invisibility, rendering their successes unseen and undermining their freedom to become. When heterogeneity becomes the norm in organizations — when being an only is rare — people feel more included and less scrutinized for their identities. Increasing diversity through focused hiring and development programs can help, especially at managerial and senior executive levels.

Flexible work. On a day-to-day basis, organizations can offer more flexibility benefits like choosing one's schedule, working in remote or hybrid arrangements, or being able to dedicate time to passion projects at work to allow for job crafting. For many hypercompetitive organizations, this is a full-scale culture change from the technology-enhanced, 24/7, always-accessible employment model. Some companies are encouraging this change by offering a four-day workweek, an approach that saw great success in a trial of 61 companies in Britain last year. Whatever the organization's policies, managers should treat all employees with dignity and respect by allowing them to manage their own energy and schedules. Flexible work also signals that employers trust people to fulfill their commitments even when they are working at different hours and in different locations.

Take Etsy, for example. The online sales platform for handmade and vintage items offers its employees a comprehensive work-life balance program that features unlimited sick and mental health days, sabbatical leave, and parental leave regardless of gender. It also takes a flexible approach to location, giving employees the options of working remotely full-time, working in the office, or adopting a flex schedule in which they're in the office a few days a month. Etsy's companywide "rest and recharge" days supplement its paid time off policies; mental health days and leaves reduce the stigma of disability and mental health. Finally, the company has designated Focus Days, when noncritical meetings are canceled to help people do deep work.

These efforts are paying off: Etsy had the highest improvement ranking for employee engagement on the Wall Street Journal's list of 250 top firms in 2022 and received a score of 92% on "Great place to work."

The Freedom to Fail

This freedom is the most important of all, because pursuit of all the other freedoms involves some degree of risk, and risk often leads, in the short term, to failure. When people know they'll be given chances to recover if they fail, it can help everyone embrace those freedoms with greater confidence.

This idea is borne out most famously in Harvard Business School professor Amy Edmondson's work on psychological safety in teams, which she defines as "a belief that one will not be punished or humiliated for speaking up with ideas, questions, concerns, or mistakes, and that the team is safe for interpersonal risk-taking." Other research confirms that people are able to thrive and flourish in contexts in which failure is met with a measure of agility and grace. (This doesn't mean they aren't held accountable for falling

short; they still have to show they learned from the failure.) We also know that when work processes and people development systems are built to encourage psychological safety and learning from mistakes, employees and the organization benefit.



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Many companies have worked to reduce the stigma around failure and, as Edmondson advocates, to develop a culture that supports taking smart risks by replacing shame and blame with curiosity, vulnerability, and personal growth.

But while these efforts are admirable and worthwhile, their benefits are not yet available to everyone. Members of the dominant group tend to have more second-chance opportunities, while across the globe those in marginalized groups are particularly vulnerable to being punished harshly for mistakes in the workplace, especially ones seen as a confirmation of negative stereotypes. For example, Ashleigh Rosette of Duke University's Fuqua School of Business has found in several studies that Black leaders experience less-generous interpretations of and more-severe penalties for personal, team, and organizational failures than their counterparts do.

In order to grow, people need the freedom to fall short and try again in service of learning. Many of the antibias efforts and nondiscrimination policies described earlier in this article can play a role in diminishing the punishment gap between majority and minority groups, as can cultivating a culture that views everyone's mistakes as learning opportunities.

Organizations such as Google have been lauded for striving to increase psychological safety by encouraging bonding among team members, normalizing opportunities to learn from mistakes, and seeking input with humility and openness. Very few, though, have gone the extra mile to provide "second chances" in ways that increase access to opportunity and address systemic inequality. For people who have faced long-standing barriers to education and employment due to life circumstances or personal transgressions, the freedom to engage in gainful employment with dignity and fair wages is difficult to attain.

Kelly Services, a job placement firm, has built one pillar of its business around this idea. The firm connects employers hungry for talent and qualified people looking for work, especially in underrepresented groups such as neurodiverse talent, veterans, early- and late-career talent, women, and second-chance talent. The Kelly 33 Second Chances program, for example, focuses on the 78 million American adults who have a criminal history, which often disqualifies them from being able to find employment — even if they have only a nonviolent or minor drug