



**TOWARDS A MORE  
EQUITABLE FUTURE:**  
THE CATALYST CEO CHAMPIONS FOR CHANGE

CATALYST CEO  
**CHAMPIONS  
FOR CHANGE**



**CATALYST**  
WORKPLACES THAT WORK FOR WOMEN



The ripple effect from the death of George Floyd at the hands of a White police officer was powerful, instantaneous, and far-reaching. Protests erupted across the United States and swiftly spread to Europe, the Middle East, Africa, Australia, New Zealand, Asia, and South America.<sup>1</sup> Against the backdrop of the global Covid-19 pandemic, which continues to disproportionately impact marginalized groups, crowds gathered to denounce systemic racism. A collective cry of “enough” rose up around the world.

At Catalyst, we couldn’t agree more. Enough is enough. Now is the time for action. Now is the time for real, substantive change. Now is the moment, because progress won’t pause.

# The Catalyst CEO Champions For Change

Dismantling systemic racism and sexism is a complex challenge, as discrimination and bias can be found in every corner of our society. At Catalyst, our focus is on making workplaces more inclusive, specifically addressing gender inequality and related issues that lie at the intersection of gender, race, and ethnicity.

To support that commitment, in 2017 we launched the Catalyst CEO Champions For Change. Today, more than 70 high-profile CEOs—whose companies represent more than 10 million employees and over \$3 trillion in revenue globally<sup>2</sup>—have signed up and boldly pledged to advance more women, particularly women of color, into senior leadership positions. To ensure that diversity and inclusion remains a top business imperative, we’ve asked these organizations to share metrics on their progress annually.

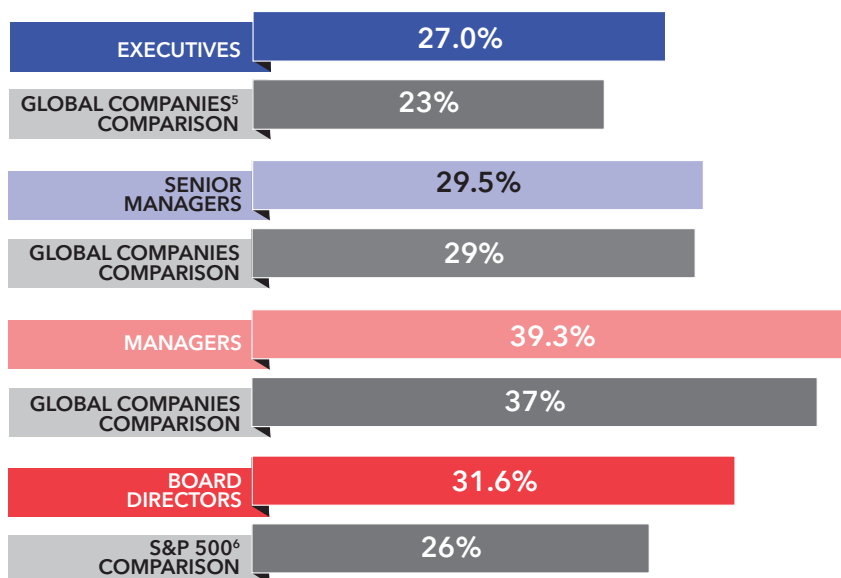
This is the fourth year of our CEO Champions For Change report, and we are happy to announce that at every level—from managers to board members—our Champion companies outpaced their global peers in advancing women.<sup>3</sup> One particular bright spot is board representation. Women at our Champion companies held 31.6% of board seats, compared to the 26% of board seats held by women at S&P 500 companies.<sup>4</sup>



“In the midst of a very challenging year, working with our CEO Champions has been an incredible bright spot. This passionate and action-oriented group of leaders expressed repeatedly, ‘We need to do more to accelerate racial equity.’ Given their commitment to inclusion and their focus on sustainable solutions, I am confident that together we will make progress in breaking down the systemic barriers people of color—and especially women of color—face in the workplace.”

—Lorraine Hariton,  
President & CEO, Catalyst

## WOMEN’S REPRESENTATION IN THE GLOBAL LEADERSHIP PIPELINE AT CHAMPION COMPANIES



# Champion Companies Are Building a Foundation for Racial Equity

This year, we also wanted to understand the progress our Champion companies were making in racial equity—not just in the United States, but across the world. To investigate these trends, we asked this group to provide metrics on the representation of women who identify with underrepresented ethnic and racial groups across the leadership pipeline and in the various countries in which they operate.

While women in these groups continue to face unique barriers that we are still working to eradicate, we are proud to report that our Champion companies are building a strong pipeline of talent at the management level. Looking across their workforces globally, our Champion companies report that 12.1% of all managers are women who identify with underrepresented ethnic and racial groups.

Zooming into North America, this finding regarding managers held among Champions in the United States and Canada. In the United States, 13.0% of managers were women identifying with underrepresented ethnic and racial groups. A smaller subset of companies provided workforce metrics in Canada, revealing that 13.4% of managers in these groups were women. Considering that women of color make up 20.3% of the general population in the United States<sup>7</sup> and 11.5% of the general population in Canada,<sup>8</sup> we see that, in these countries, Champion companies are building workforces that reflect the ethnic and racial diversity of the overall population.

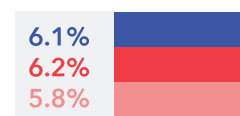
At the board level, our Champion companies are also making an impact in advancing women who identify with underrepresented ethnic and racial groups—6.6% of board directors from our Champion companies are women from these groups, versus only 4.6% for Fortune 500 companies.<sup>9</sup>

Globally, 7.1% of all senior manager positions and 6.1% of all executive roles in our Champion companies are held by women from these groups. Advancing women who identify with underrepresented ethnic and racial groups into senior leadership roles is still proving challenging. More work is needed to ensure these talented women have the same opportunities for advancement as their peers.

## THE PERCENTAGE OF WOMEN IDENTIFYING WITH UNDERREPRESENTED ETHNIC AND RACIAL GROUPS AT CHAMPION COMPANIES

(as a percentage of total employees)

### EXECUTIVES:



### SENIOR MANAGERS



### MANAGERS



### BOARD DIRECTORS



- **GLOBAL**  
(Representing over 50 geographies; the majority of responses came from the United States)
- **UNITED STATES**  
(63 companies)
- **CANADA**  
(A smaller sample of 6 companies)
- **FORTUNE 500<sup>10</sup> COMPARISON**

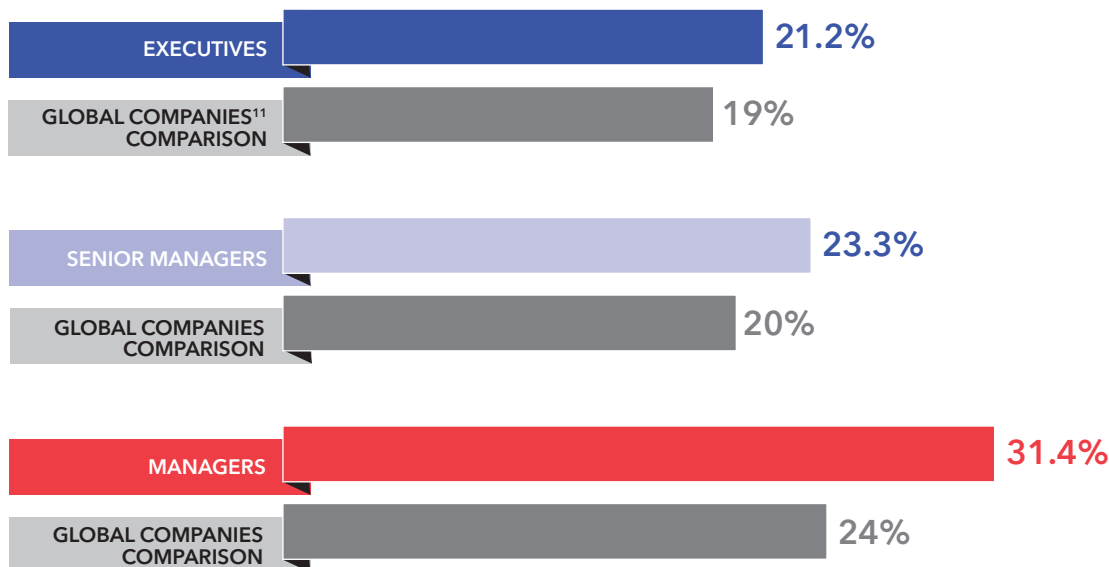
# The Intersection of Race and Gender at US Champion Companies

Further analysis of the total employee population of women at our US Champion companies revealed that these companies have a more ethnically and racially diverse workforce of women than their peers.

Specifically, women who identify with underrepresented ethnic and racial groups make up 31.4% of all women managers employed at our US Champion companies, versus only 24% for their peers. Similarly, the total women senior manager cohort at our US Champion companies has 23.3% women from these groups, versus 20% for their peers. And, of all the women executives at our US Champion companies, 21.2% are women who identify with underrepresented ethnic and racial groups, versus 19% for their peers.

**WHEN WE LOOKED CLOSELY AT OUR SAMPLE OF WOMEN WORKING AT CHAMPION COMPANIES IN THE UNITED STATES, WE FOUND THAT THESE ORGANIZATIONS HAD A HIGHER SHARE OF WOMEN OF COLOR COMPARED TO THEIR PEERS.**

## WOMEN OF COLOR AS A PERCENTAGE OF ALL WOMEN WORKING AT CHAMPION COMPANIES IN THE UNITED STATES



# A Roadmap for Addressing Racial Inequities in the Workplace

Even in the best organizations, racism and unconscious and conscious bias exist. It takes sustained, intentional effort to eradicate these longstanding cultural norms and policies, but there's never been a better time to start.

To help organizations accelerate their journey toward equity, we've laid out a three-step plan.

## STEP 1: GET EDUCATED ON INTERSECTIONALITY

As with most things, one size does not fit all. Women identifying with underrepresented ethnic and racial groups **face unique challenges** that White women do not. They face discrimination on multiple fronts—from their gender, race, and ethnicity—which is why companies must view all diversity and inclusion initiatives with an **intersectional** lens.

For example, women identifying with underrepresented ethnic and racial groups often endure daily microaggressions—verbal and nonverbal slights, insults, and snubs. Being singled out or excluded, whether or not it's intentional, takes a toll on them both personally and professionally. At work, these women are **"on guard,"** always waiting and preparing for the next act of bias or discrimination. This leads to sleep problems, a loss of productivity, and an increase in their intent to leave the company.<sup>12</sup>

**DIVERSITY AND INCLUSION INITIATIVES THAT DON'T ACKNOWLEDGE INTERSECTIONALITY, AND FAIL TO INTEGRATE IT INTO DIVERSITY PROGRAMMING, IGNORE THE UNIQUE INEQUITIES THESE WOMEN FACE.**

## SPOTLIGHT SUCCESS STORIES

### Deloitte: Listening, Learning, and Taking Action Against Systemic Bias and Racism

As the world's largest professional services organization, Deloitte built its brand by helping Fortune 500 clients solve some of their most complex challenges through the innovative thinking of Deloitte's diverse workforce. While Deloitte has had a longstanding commitment to diversity, equity, and inclusion in both the workplace and in communities, the killings of George Floyd, Breonna Taylor, and Ahmaud Arbery—among many others—have highlighted how much work is still ahead to help build a truly inclusive and antiracist society. In the wake of these tragedies, Deloitte intensified its focus to confront racial inequities and root out bias in its communities. Deloitte's leaders first acknowledged the grief and trauma experienced by Black employees related to the events in its communities, then began the hard work of listening, learning, acting, and evolving together. One critical step Deloitte took in order to amplify efforts over the long haul was forming its Black Action Council, consisting of 12 senior leaders and more than 75 staff, 50% of whom are Black and 50% of whom are women. Its mission: To architect and execute Deloitte's long-term strategy to advance its Black colleagues and communities by developing and sustaining a culture that stands against racism for its people, firm, and within its communities.

Read more about the actions Deloitte is taking [here](#).

## STEP 2: ESTABLISH A SYSTEM FOR COLLECTING RELIABLE DATA ON RACE AND ETHNICITY

We know that you can't fix what you don't measure. Establishing a baseline of the current racial and ethnic diversity at your organization is a critical step toward positive progress. Outside of North America, gathering consistent and accurate data on race and ethnicity can be challenging. Below are a few tips to jumpstart your efforts in collecting reliable data:

- **Conduct a legal audit** of the countries represented in your workforce to determine the specific rules and guidelines around demographic data collection.
- **Explore leading-edge practices** in data collection from national/state agencies, universities, research organizations, think tanks, NGOs, and professional services firms.
- **Consult data collection resources** like the [European Handbook on Equality Data](#).
- **Consider alternatives to ethnicity and race**, such as nationality, country of origin, place of birth, migrant status, or citizenship. These categories might be more feasible in the cultural and legal contexts of some countries. When developing alternatives, be sure to consider dimensions of identity and diversity unique to each country where your company operates.
- **Develop a communications plan.** Include underrepresented communities in conversations about data collection and self-identification. Conduct a pulse survey to gauge fears, concerns, and barriers associated with data collection. Convey the importance of this data to your organization as clearly as possible, including details on how it will be used, who sees it, and how privacy will be ensured.



### SPOTLIGHT SUCCESS STORIES

#### Medtronic: Where Inclusion and Diversity are Mission-Critical

Medtronic's pledge to prioritize inclusion and advance the careers of diverse populations extends well beyond gender. The company has five employee networks with over 20,000 members to help diverse employees thrive personally and professionally. For example, the African Descent Network established a program titled Leadership Inclusion from Mentorship Toward Sponsorship (Lift), which has made a measurable and lasting impact on the careers and lives of its participants. At its most fundamental, Lift is an intensive nine-month, differentiated development program intended to reduce turnover and increase advancement for diverse top talent at the mid-career level. To accomplish that, Lift pairs a sponsee with a senior sponsor and utilizes coaching, classes, and a group capstone project—aimed at solving a real business need—to help the sponsee learn how to think like a senior leader. Ideally, that sponsee leaves the program with a lasting sponsor who, in time, can advocate for them when it matters most. Given Medtronic's history of putting its mission first, it comes as no surprise that employees at every level are willing to put in the extra effort to ensure that the company's leadership pipeline is full of capable talent from the widest array of backgrounds.

**Read more** about Medtronic's employee networks and Lift program [here](#).

### STEP 3: START THE CONVERSATION ABOUT RACISM

“What if I say the wrong thing?” “What if I do more harm than good?” These are common **roadblocks** to having a discussion about race and ethnicity, but we can’t solve the problem if we don’t talk about it. To identify barriers and develop programs aimed at positive change, we need to start the conversation. It will be uncomfortable, but it’s a necessary step for progress.

To assist in navigating these conversations, Catalyst has developed some **ground rules** for having constructive discussions about gender, race, and ethnicity. And we have a host of other **resources** available to assist organizations in developing more inclusive cultures.



#### Conversation Ground Rules

- **Assume positive intent.**
- **Engage in dialogue, not debate.**
- **Hold yourself and others accountable for demonstrating cultural humility.**
- **Be open, transparent, and willing to admit mistakes.**
- **Embrace the power of humble listening.**
- **Create trusting and safe spaces, where a little bit of discomfort is okay.**
- **Commit to having conversations that matter by speaking up to bridge divides.**

#### Unilever: Purpose-Led, Future-Fit

#### SPOTLIGHT SUCCESS STORIES

With a goal of achieving gender balance across their global workforce, Unilever developed a “Hot Spot” approach in 2017, identifying five functions and regions which were historically male-dominated and required extra measures to increase gender balance: Supply Chain, Finance, UniOps (Unilever’s operations and technology engine), North Africa and Middle East (NAME), and Africa. In 2018, Unilever took this approach one step further with the introduction of “Hot Cells,” an initiative that identifies at a more granular level the individual business units that need work, even within gender-balanced markets. This enabled the company to pinpoint the major hurdles specific to each hot spot/cell and design customized strategies to increase women’s representation within that business unit. The global consumer goods company also partnered with Professor Iris Bohnet of Harvard University and author of *What Works: Gender Equality by Design* to implement measurable, scalable approaches the company could test within hot spot areas. With Bohnet’s guidance, Unilever launched the Gender Appointment Ratio (GAR), a calculation of the number of women appointed compared to men appointed. Line managers were presented with their appointment track records and corresponding GAR scores over a five-year period. For these managers, this awareness of their record over time initiated “light-bulb moments” and influenced their future behavior in making unbiased choices in appointment decisions.

**Read more** about Unilever’s Hot Spots/Cells approach and Gender Appointment Ratio [here](#).



## **Don't let this moment pass**

It's time. It's time to address the unique barriers women of color face in the workplace. It's time for positive change.  
It's time to make workplaces that work for everyone.

## Endnotes

1. Smith, S., Wu, J., & Murphy, J. (2020, June 9). [Map: George Floyd protests around the world](#). *NBC News*.
2. Catalyst analysis of *Catalyst CEO Champions For Change* companies.
3. Career-level definitions are based upon Mercer's *When Women Thrive* research. [Let's get real about equality: When Women Thrive 2020 global report](#). (2020). Mercer.
4. *2019 U.S. Spencer Stuart board index*. (2019). Spencer Stuart.
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6. *2019 U.S. Spencer Stuart board index*. (2019). Spencer Stuart.
7. United States Census Bureau. (2020). [Annual estimates of the resident population by sex, race, and Hispanic origin](#) [Data set]. 2019 Population Estimates by Age, Sex, Race, and Hispanic Origin.
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9. [Missing pieces: The 2018 board diversity census of women and minorities on Fortune 500 boards](#). (2019). Alliance for Board Diversity.
10. [Missing pieces: The 2018 board diversity census of women and minorities on Fortune 500 boards](#). (2019). Alliance for Board Diversity.
11. [Let's get real about equality: When Women Thrive 2020 global report](#). (2020). Mercer.
12. Underrepresented men also suffer these consequences. Travis, D.J. & Thorpe-Moscon, J. (2018). [Day-to-day experiences of emotional tax among women and men of color in the workplace](#). Catalyst.

WE THANK OUR ADVANCING WOMEN LEAD DONOR, BANK OF AMERICA,  
FOR ITS GENEROUS SUPPORT OF OUR WORK IN THIS AREA.

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## ABOUT CATALYST

Catalyst is a global nonprofit working with some of the world's most powerful CEOs and leading companies to help build workplaces that work for women. Founded in 1962, Catalyst drives change with pioneering research, practical tools, and proven solutions to accelerate and advance women into leadership—because progress for women is progress for everyone.

The findings, views, and recommendations expressed in Catalyst reports are not prepared by, are not the responsibility of, and do not necessarily reflect the views of the funding organizations.



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