Navigating The Growing DEI Solutions Vendor Space

Choose A Partner That Helps You Infuse DEI Into Your Daily Operations

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Summary

Businesses committed to diversity, equity, and inclusion (DEI) encounter an increasingly crowded landscape of service providers with little guidance about the breadth of services available and what to expect from potential partners. Forrester interviewed 26 DEI solutions providers with services ranging from DEI strategy consulting and learning to executive coaching and university certificate programs. Our findings show that solutions focus on two main areas: 1) individual growth and 2) organizational change. This report shows you how to get the most out of your investment in DEI solutions.

Companies Need Help To Progress On Their DEI Journey

Companies worldwide are signaling a stronger commitment to creating and maintaining diverse, inclusive, and equitable workplaces. According to Forrester's Priorities Survey, 2022, nearly 60% of business and technology professionals report that their organization will prioritize improving DEI during the next year. And while there are clear gaps to address — Forrester's 2021 data reveals that just 62% of employees feel like they belong at their company and only 59% feel they have the opportunity to be successful at their company — only 27% of services decision-makers plan to use third-party partners for their diversity and inclusion program during the next year. Companies that forge ahead without DEI experts risk significant challenges and potential setbacks because they:

- Lack internal expertise. Despite their interest, firms usually don't have a
 centralized source of DEI-specific operational expertise and resources, leaving
 senior leaders, managers, and individual employees bereft of evidence-based DEI
 best practices. EBDI Consulting's cofounder Ahmmad Brown notes that "there are
 a lot of people in this space, but not a lot of quality control." And Orange Grove
 Consulting's Keely Denenberg explains, "Most of our clients come to us because
 they have limited experience in this space and need an expert to guide them
 through the process."
- Don't know where and how to start. With growing employee demands to take immediate action on DEI, many firms turn to DEI solutions providers to help them determine what to do first. Shilpa Pherwani, CEO of Interactive Business Inclusion Solutions (IBIS), explains that clients often want "a holistic and systematic approach to education and awareness on DEI topics." Gabrielle Novacek of Boston Consulting Group (BCG) notes that "clients are looking for a structured way to start, and so we've built a 100-day sprint program, including a robust DEI assessment for surfacing problems that we use to create a targeted, pragmatic action plan to accelerate DEI progress."
- Have suffered from limited success with previous DEI work. While many companies have signaled a commitment to DEI, they still have a long way to go to have a meaningful impact. Companies that have engaged in DEI efforts in the past often have what Everyday Inclusion's Maureen Berkner Boyt calls "pockets of excellence" and need support to bring the pockets together and scale. Other firms made good-faith efforts to improve DEI through partnerships but didn't see the kind of results they anticipated. Several vendors noted that they were hired to

address the shortcomings of a firm's past DEI initiatives and work with other vendors.

DEI Solutions Providers Come In Different Shapes And Sizes

The DEI solutions provider space delivers various services to meet a wide range of client needs (see Figure 1). We examined DEI solutions that focus on change management, organizational strategy, and learning solutions. The vendors we included fall into one or more of the following categories:

- Full-service DEI-focused strategy organizations. Vendors in this category provide a range of services that support vision, strategy, and change management. Along with well-defined methodologies and various modes of delivery, they have larger in-house teams than smaller boutique firms. DeSa Global Leadership founder Tania DeSa explains, "We support clients through a phased approach, starting with an assessment, creating a vision, connecting that vision to the business goals and culture, getting the right people on board to sustain momentum, and focusing on action, accountability, and communication."
- Boutique consulting firms. With fewer full-time employees, these organizations deliver customizable solutions to meet a client's unique situation. Revolve
 Consulting says that its "DEI solutions are most effective when modified to meet an organization's needs and cultural practices." Boutique firms also leverage collaborative networks to tackle large projects. Redwood Enterprise's collaborative business model allows it to adapt the team's composition to meet a client's particular challenges. Sean Driscoll, founder of Breaking Barriers Building Bridges (BB2), "brings collaborators in to accommodate larger client needs."
- Larger consulting firms with dedicated DEI practices. Drawing on in-house DEI expertise, traditional professional services firms have built extensive DEI consulting practices. They offer a broad suite of DEI services and leverage many of the same strategic frameworks that other parts of the organization deploy. Tina Shah Paikeday, global head of the DEI practice at Russell Reynolds Associates, underscores the practice's global capabilities, drawing on a worldwide network of consultants and "globalized data sets that help businesses take a nuanced approach to inclusion and diversity throughout the world."
- **DEI learning solutions.** These organizations deliver scalable learning solutions that enable individuals to develop relevant DEI competencies. Learning solutions take many forms. Tim Khuu of the Marshall School of Business at the University of Southern California (USC) explains, "Our approach focuses on developing the

skills of leaders to take back to their companies and drive processes that effect sustainable change." Blue Ocean Brain's solution offers both "self-directed and guided microlearning opportunities to spread small moments of learning throughout the day" on topics ranging from celebrating women's history month and interrupting bias to embracing differences and inclusive language.

Figure 1
DEI Solutions Take A Wide Range Of Formats

Type of solution	Examples of different solution delivery formats
Learning and training	CEO and board coaching; DEI content library; university certificates and programs; mitigating bias workshops; live action scenario training; e-learning; webinars
Strategy and change management	Analyze performance review process; employee lifecycle analysis; equitable search practices; culture strategy
Diversity or EEOC data	Equity assessment; DEI talent mapping; DEI benchmarking; dashboards
À la carte	Chief diversity officer recruiting; research and whitepapers; university/company learning partnership

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DEI Solutions Partners Support Individual And Organizational Change

While many vendors offer holistic DEI solutions, most focus on advancing DEI through individual intervention and skill development or by supporting clients for organizational change management.

Solutions Focused On Individual Growth Scale DEI Strategy From The Bottom Up

Solutions that focus on the individual facilitate the empowerment, growth, and change that individuals need to contribute to a more equitable and inclusive organization. While many also think systemically, they do so through the lens of individual change. Pamela Fueller of Franklin Covey explains, "We think about DEI through the lens of behavior change and the profound impact that comes from individuals acting inclusively." Becca Glodoski, cofounder of Nova, shares, "Our work is based on the social identity framework, which values demographic specificity and drives everything from our research to the strategic communications plans." Individual growth solutions include:

- Structured, scalable individual development. These solutions support individual growth through an iterative process of skill building, knowledge acquisition, and implementation. Everyday Inclusion creates "a rhythm of inclusion" by leveraging existing digital habits to facilitate inclusive change: It delivers a wide range of inclusion nudges, tips, and tools directly to individuals at every level of a company. Focusing on individual behavior change, The Honeycomb Works enables "individuals throughout the organization to build equitable habits that lead to equitable cultures that create sustainable long-term change."
- Content libraries. DEI solutions providers deliver online content in several ways —
 from Nova's "Train the Trainer Toolkits" and e-learning to Language & Culture
 Worldwide's and Blue Ocean Brain's extensive content libraries for self-directed
 learning. CEO Dr. Sarah Saska points to Feminuity's "curriculum of more than 40
 different topics related to DEI writ large, ranging from a course on the basics of DEI
 to a course on teaching algorithmic teams about how to mitigate bias in their
 work."
- In-person competency training. Individuals and companies also utilize in-person training to meet a range of needs from BB2's à la carte trainings led by founder Sean Driscoll to programs at Cornell University and Indiana University that work directly with HR teams. Firms interested in in-person instruction across multiple diverse regions can turn to vendors like Cultural Intelligence Center, which offers instructor-led training around the world. DEI solutions providers also rely on a variety of pedagogical tools: For example, IBIS infuses creativity into its content with interactive theater, storytelling, and even comedy shows.
- Tools that augment companywide DEI work. Some tools support DEI efforts without explicit reference to "diversity, equity, and inclusion." Bravely founder Sarah Sheehan explains: "Providing equitable access to coaching is at the core of what we do. We reimagine the power of coaching by extending it populationwide, providing race, gender, and sexual identity matching to further create the conditions needed for people to feel safe and understood in their coaching session." Blue Ocean Brain's CEO Claire Herring notes: "Being effective at achieving inclusion and equity goals doesn't mean that all training needs to be framed explicitly as DEI. Empathy, self-awareness, and a growth mindset are all essential to inclusion and equity work."
- University programs and certification. Business schools offer certificates and programs to help companies and employees develop DEI competencies. Cornell University's DEI certificate includes inclusive leadership courses, while Indiana University focuses "on the individual as a change agent." Northwestern University

"focuses on change management processes and addressing barriers to inclusive change," while USC helps students "develop inclusive leadership skills in all kinds of organizations." UCSF's certificate program helps employees learn DEI core concepts and how to integrate them into daily practice.

Solutions Focused On Organizational Change Bring It All Together For Measurable Impact

Those vendors focused on organizational change emphasize that sustainable DEI outcomes require a systemic approach and operational intervention. Orange Grove Consulting's Keely Denenberg explains, "There are benefits to training, but you really need to look at how training fits within systems and where and how businesses make decisions." Paradigm's CEO Joelle Emerson also notes: "People need skills to make more inclusive decisions. But you have to think just as much, if not more, on how to embed equity and inclusion in how to make decisions." Organizational change solutions provide:

- Targeted, in-depth assessments and diagnostics. Vendors leverage mixed-method assessments to capture both quantitative insights and qualitative experiences. Even outlier data is valuable, explains Arlene Roane, founder of Redhouse Performance Consulting (RPC), who "often talks with execs about the insights gained from the periphery." Every assessment has a clear purpose: Firms can use assessments from Russell Reynolds Associates and BCG to benchmark and monitor progress over time, while Nova's organizational alignment process helps them understand their current state and the experience gaps of different organization members.
- Data-informed design. DEI service providers consistently underscore data's centrality to DEI solutions. René Redwood of Redwood Enterprise develops "targeted solutions based on findings from the data." Vendors help companies understand DEI data nuances: Feminuity uses "an intersectional framework in data collection, analysis, and strategy design," while Korn Ferry's DE&I Compass tool examines DEI's integration into an organization's talent, operations, and market practices. Russell Reynolds Associates uses "validation models to inform DE&I strategy and organizational development," while Everyday Inclusion's metadata shows firms how their experiences compare with larger trends.
- A focus on process, not just outcomes. Although data is at the center of
 understanding efficacy, organizational change vendors deliver value by enabling
 the processes that achieve desired outcomes. Paradigm's CEO Joelle Emerson
 explains, "You want to look at inputs to representation." RPC's Arlene Roane
 draws on years of strategic planning skills to guide leaders and businesses

- through organizational and cultural change, while Nova focuses on the drivers of belonging.
- Embedded practices to scale solutions. DEI strategy vendors help build DEI into business processes and operations, ensuring that their solutions stick. Orange Grove Consulting "integrates inclusion throughout the organization by embedding it into the fabric of what you do and how you do it." Revolve Consulting cofounders Janelle Williams-Melendrez and Jeffrey Bucholtz explain: "We focus a lot on structures and systems so that our outcomes change how the organization operates. This enables sustainability because when someone new comes into a critical position, the equity practices are already codified and more likely to remain intact."
- Impact measurement. Measurement plays a key role in building, benchmarking, and managing DEI programs. Paradigm's Joelle Emerson explains: "From day one, Paradigm identifies client goals and how to measure impact. Not all efficacy is the same: You'll measure the revamping of a hiring process differently than employee training improvements." BCG senior partner Matt Krentz notes: "There's a foundational set of metrics we apply to diversity, equity, and inclusion, and there's an iterative process to determine what we measure against. Once we decide what to track, we offer dashboards for leaders to understand where they stand."

What Will You Do With Your Partner's Help? Eliminate Your DEI Program

A good partner is invaluable, but even the right partner can only equip you for the journey that you know you must take. Ironically, you will know you have succeeded when you no longer need a DEI program or initiative because DEI objectives are so integrated into your policies and practices that they cease to be a separate thing. Prepare for that outcome today by:

• Shifting your mindset about DEI. Just as your annual mandatory GDPR training won't insulate your company from systemic data security shortcomings, a DEI program alone can't counteract the systems and processes that allow inequities to form. Successful DEI solutions aren't "nice to have" auxiliary business practices. As The Honeycomb Works' CEO Melissa Sabella notes: "DEI is not an initiative. It's how you should be looking at everything within the business and should be fundamental to your culture and how you work." Likewise, Becca Glodoski, cofounder of Nova, explains, "We want to shift what it means to run a business, not just how to bring DEI training to the organization but how to incorporate DEI into how the business operates."

- Looking inside to draw on existing strengths. Business leaders often aren't aware of existing DEI champions and assets. Tina Merry of Cultural Intelligence Center shares, "Every company has culture champions whose work can be built upon to drive toward larger DEI goals." Arlene Roane of RPC helps firms "identify people who are important bridges to DEI advancement." Existing DEI champions often come from marginalized groups and have done behind-the-scenes work for years without organizational support. Leaders must carefully balance drawing on existing DEI resources without overtaxing those who have long been invested in the work.
- Aligning with your culture. This is where DEI ceases to be a thing and becomes
 the air your workforce breathes. Aligning DEI efforts with your culture will allow
 you to develop and execute a DEI strategy that is authentic to the <u>characteristics</u>
 of your company's culture. Redwood Enterprise's René Redwood explains:
 "Structure and practices can constrain people from being their best selves at work.
 Culture isn't random; it's structured and by design." Bringing culture and DEI
 together helps embed DEI into the heart of the company because, as Paradigm's
 Joelle Emerson explains, "Your culture is shaped every day by employees on your
 team."
- Protecting your investment from ongoing changes. Businesses risk losing DEI gains to the constant threat of market disruption, internal changes, attrition, and the addition of new employees. As Monica Marcel, founder of Language & Culture Worldwide, explains: "Organizations are living things with new people joining all the time that weren't a part of things that happened before. So, systems for learning and accountability are crucial for companies to build skill sets that allow them to adapt to and capitalize on emerging changes."

Ask These Questions When You Pick Your DEI Solutions Providers

Finding the right partner to take your DEI practice to the next level is about finding the right balance between the needs you have as an organization and what a provider can do. Because DEI organizational maturity and the market of available solutions are still evolving, finding the right fit is critical to seeing value. Get the help you need by asking two types of questions:

Questions to ask yourself. To reap the greatest rewards from your partnership
with a DEI solutions provider, ask questions internally first (see Figure 2). This will
help you take a more intentional approach and reduce the likelihood that you'll
choose a partner for suboptimal reasons that you might ultimately regret. But the

real value here is that it gives you clarity about your own expectations — and those expectations will later determine whether you have succeeded or not. Flushing them out first can serve as a reminder of your long-term purpose when you're navigating the culture, process, and policy changes required.

Questions to ask your DEI solutions partner. Once you have clarified your intentions and resources, look for a partner that will be a good complement for your specific needs (see Figure 3 and see Figure 4). Focus on measurability — how will they assess your current needs, how will they measure the impact of their work with you, and over what time frame would they expect those measurements to change? Reputable vendors (like those we've included here) have answers for those questions. Beware any provider that does not.

Figure 2

Questions To Ask Yourself Before Engaging A DEI Partner

Checklist: Questions to ask yourself before engaging with a DEI partner
☐ What is the impetus for working with a partner?
☐ What do you hope to achieve with the work?
☐ How do your goals align with the company culture?
☐ Who are the champions of this work?
☐ What is the size and source of your budget?
☐ In what time frame do you hope to see results?

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Figure 3 Questions To Ask A Potential DEI Partner

Checklist: Questions to ask a potential DEI partner
How does your solution address operational and change management factors?
How do you assess and approach different DEI maturity levels?
☐ How do you identify and measure success?
☐ What research does your solution draw on?
☐ What is outside your scope?
When does your solution typically begin to yield meaningful results?

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Figure 4Budgeting For DEI Solutions Support

If you need	then you can expect your lowest-cost budget options to start at:	
Instructor-led training session	\$7,500 per session and \$12,000+ depending on the number of attendees and instructors needed.	
Comprehensive assessment	\$11,000 for targeted assessments (including 15 to 25 interviews) and \$55,000+ for a comprehensive assessment (including up to 60 interviews).	
E-learning	\$3,500 for select 1-hour webinars, \$13,500 for an off-the-shelf learning product, and \$60,000+ depending on the size of your organization or number of licenses.	
Consulting and strategy work	\$22,000 to update your existing strategy, \$40,000+ to have the strategy designed for you, \$60,000+ for a co-design with key stakeholders at your company, and \$200,000+ for ongoing support and access to a full suite of products and services.	
Monthly advisory on retainer	\$4,500 for 10 hours per month and \$18,000+ for 40 hours per month.	

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Supplemental Material

Research Methodologies

Forrester's Future Of Work Survey, 2021, was fielded from July to October 2021. This online survey included 8,462 respondents in Australia, France, Germany, India, the UK, and the US, who are full-time or part-time workers at companies with 10 or more employees. Forrester weighted the data by country and marketing role to demographically represent workers roles. The survey sample size, when weighted, was 8,462. Dynata fielded this survey on behalf of Forrester, with the exception of Australia which was fielded by Rakuten Insight. Survey respondent incentives included points redeemable for gift certificates.

Companies We Interviewed For This Report

We would like to thank the individuals from the following companies who generously gave their time during the research for this report.

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Cultural Intelligence Center

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The Honeycomb Works

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Interactive Business Inclusion Solutions

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Nova

Orange Grove Consulting

Paradigm

RedHouse Performance Consulting

Redwood Enterprise

Revolve Consulting

Russell Reynolds Associates

University of California San Francisco

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