

# How Change Happens

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The research included in this report was made possible through funding from Walmart. We thank them for their support but acknowledge that the findings, conclusions, and recommendations presented in this report are those of Talent Rewire and FSG alone, and do not necessarily reflect the opinions of Walmart.



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# GLOSSARY OF TERMS

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## **BELONGING**

Belonging at work means you feel seen for your unique contributions, connected to your coworkers, supported in your daily work and career development, and proud of your organization's values and purpose.<sup>1</sup>

## **CHANGE MANAGEMENT**

Organizational change refers broadly to the actions a business takes to change or adjust a significant component of its organization. This may include company culture, internal processes, underlying technology or infrastructure, corporate hierarchy, or another critical aspect. Change management is the process of guiding organizational change to fruition, from the earliest stages of conception and preparation, through implementation and, finally, to resolution. An effective management strategy is crucial to ensure businesses successfully transition and adapt to any changes that may occur.<sup>2</sup>

## **CULTURE**

Culture is the tacit social order of an organization: It shapes attitudes and behaviors in wide-ranging and durable ways. Cultural norms define what is encouraged, discouraged, accepted, or rejected within a group. When properly aligned with personal values, drives, and needs, culture can unleash tremendous amounts of energy toward a shared purpose and foster an organization's capacity to thrive. Culture can also evolve flexibly and autonomously in response to changing opportunities and demands. Whereas strategy is typically determined by the C-suite, culture can fluidly blend the intentions of top leaders with the knowledge and experiences of frontline employees.<sup>3</sup>

## **EMPLOYEE VOICE**

The opportunity for employees to express concerns about policies in the workplace and offer ideas about how to improve conditions in the workplace. Informal employee voice is defined as the ability for employees to provide feedback and discuss concerns on a daily basis. Formal employee voice is defined as structured communication channels provided by the employer, including systems to file grievances and employee surveys.<sup>4</sup>

## **EQUITY**

Equity is the fair treatment, access, opportunity, and advancement for all people, while at the same time striving to identify and eliminate barriers that have prevented the full participation of some groups. Improving equity involves increasing justice and fairness within the procedures and processes of institutions or systems, as well as in their distribution of resources.<sup>5</sup>

## **GLOSSARY OF TERMS**

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### **FRONTLINE EMPLOYEE**

Employees who work in close proximity to the public. This can include individuals working in health care, food services, customer service, manufacturing, and logistics. Frontline work is performed on-site and requires being close to the public (e.g., one's customers) or coworkers.<sup>6</sup>

### **PSYCHOLOGICAL SAFETY**

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.<sup>7</sup>

### **MENTAL MODELS**

Habits of thought—deeply held beliefs and assumptions and taken-for-granted ways of operating that influence how we think, what we do, and how we talk.<sup>8</sup>

### **POWER**

The ability to control people or things.<sup>9</sup> Power within a company is assumed to be the province of the CEO, the C-suite, possibly the board, or large blocks of shareholders. As such, the idea of power—who holds it and who does not—is something that is ever-present but rarely named explicitly in our discussions of the role of business in society. Power is unequally distributed globally and in U.S. society; some individuals or groups wield greater power than others, thereby allowing them greater access and control over resources. Wealth, whiteness, citizenship, patriarchy, heterosexism, and education are a few of the key social mechanisms through which power operates.

### **SYSTEMS CHANGE**

The process of shifting the conditions that are holding the problem in place.<sup>10</sup>

## INTRODUCTION: HOW CHANGE HAPPENS

While diversity, equity, inclusion, and belonging (DEIB) departments and initiatives have become more mainstream over the past several decades,<sup>11</sup> **the racial reckoning of 2020 spurred more action from corporations than ever before.** Forty percent of S&P 500 companies mentioned DEIB in earnings calls in the second quarter of 2020, up from single figures in previous quarters.<sup>12</sup> As of 2021, America's 50 biggest public companies and their foundations collectively **committed more than \$49.5 billion since George Floyd's murder in May 2020.**<sup>13</sup>

Despite these significant corporate commitments, research shows that Black, Indigenous, and other people of color (BIPOC) continue to face unfair treatment and disparate outcomes at work and in the job market. We see in our work with employers that many DEIB initiatives have been siloed, side-of-desk projects, or burdened by unrealistic expectations and limited resourcing and thus ultimately fall short of their intended impact.

**“What I think happened is that the recession [fears] started and people are worried. There's all these layoffs and leaders have to make budget decisions, and DEI got deprioritized. If companies don't prioritize DEI efforts by providing actual support, things won't change.”<sup>17</sup>**

ZEE CLARKE

The tenure for chief diversity officers is one of the shortest,<sup>18</sup> at just under two years, and recent data show corporations have been quick to cut DEIB roles during layoffs, further weakening their ability to live into DEIB commitments.<sup>19</sup>

### BY THE NUMBERS

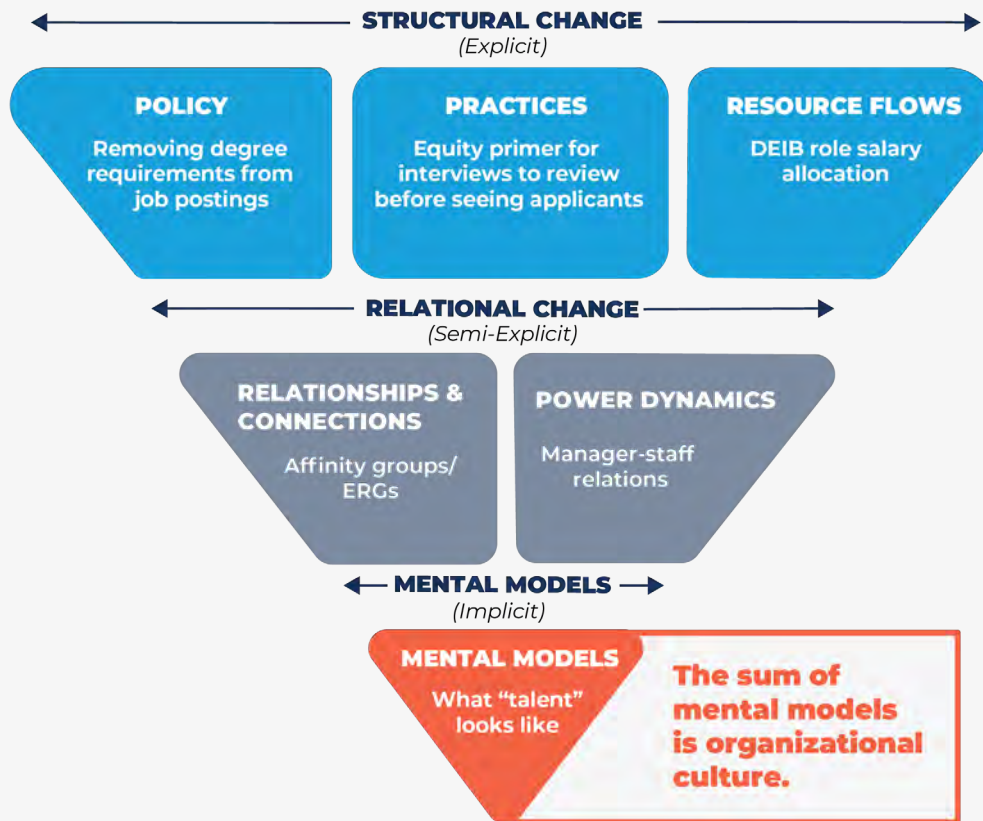
- ≡ Frontline hourly employees report the lowest overall feelings of inclusion, with **Black employees reporting feelings of inclusion less than any other group.**<sup>14</sup>
- ≡ Frontline employees are **20% less likely** than corporate employees to believe that DEI policies are effective.<sup>15</sup>
- ≡ More than **70% of frontline employees (hourly and salaried) want to be promoted** within their companies, but only **4% advance to corporate roles.**<sup>16</sup>

To unlock business value and social impact, companies need to invest in **enterprise-wide efforts to shift individual mental models, and thus shift organizational culture.**

Systemic inequities manifest at multiple levels: structurally, in policies, practices, and the flow of resources; relationally, in how people treat each other; and individually, in mental models, or deeply held beliefs, assumptions, and norms that influence how we think, what we do, and how we talk. **It is the sum of these mental models, as well as the relationships and power dynamics shaped by these mental models, that constitute corporate cultures.**

## FIGURE ONE: SYSTEMS CHANGE TRIANGLE

Source: John Kania, Mark Kramer, and Peter Senge, *The Water of Systems Change*



Though it can feel nebulous and hard to grasp, culture is an important lever for change. The systems change framework here helps depict the often implicit norms and mindsets that make up culture as something more tangible and explicit. To engage in truly transformative change, you need to address culture, and culture change must be collectively owned by all employees and leaders.

This resource outlines the important role human resources; diversity, equity, inclusion, and belonging; and operations (HR/DEIB/Ops) functions can play in facilitating and supporting the shared ownership and accountability needed to shift mental models and change corporate culture to meaningfully advance DEIB commitments and aspirations.

We identify five steps in a change management process that leaders can use to support culture and mental model shift:

1. **ASSESSMENT AND PLANNING**
2. **EDUCATION AND ADVOCACY**
3. **DECONSTRUCTION**
4. **PILOT**
5. **SCALE**

Advancing racial and intersectional equity requires commitment and participation at all levels of an organization as well as appropriate resourcing. Using a systems change approach and the outlined change management process, HR/DEIB/Ops leaders can unlock necessary change.

## THE ROLE OF HR IN UNLOCKING SYSTEMS CHANGE

Culture change as it relates to DEIB is both challenging and absolutely necessary. Based on our work with corporations and opportunity employers, we believe it requires every team and every employee committing themselves to do things differently in their day-to-day work, and gives employees the unique opportunity to drive change. Though culture is collectively owned and shaped by everyone within an organization, **it's helpful to have a dedicated team playing a coordinator role to facilitate the process and hold people accountable.**

HR functions partner with other teams to improve the employee experience, ranging from culture, to recruiting, to benefits, to performance management; and often includes or partners closely with DEIB teams. **We believe HR leaders and teams have a pivotal role to play in enabling enterprise-wide cultural change to advance their organization's commitment to racial equity**, like the scaffolding in a large construction project. As the coordinator for this culture change process, HR teams can support the oversight, project management, and resourcing of staff (e.g., building a cross-functional task force), though the actual work happens across the enterprise. HR is well positioned to play this coordinator role because of **their focus on people and culture** and their **built-in connections to other teams.**

In this resource, we offer insights on that opportunity, the challenges that HR teams face in championing and implementing this work, and an approach for HR to support enterprise-wide culture change in service of racial and intersectional equity. Throughout we reference HR teams, though we recognize DEIB teams and others play an important role in shaping the employee experience and corporate culture. We are adopting a broad definition of what falls under the HR umbrella,<sup>20</sup> including:

- ≡ recruiting and staffing employees
- ≡ employee benefits and compensation
- ≡ performance management
- ≡ employee experience and culture
- ≡ internal DEIB initiatives and programs
- ≡ human resources compliance
- ≡ organizational structure
- ≡ human resources information and payroll
- ≡ employee training and development

We acknowledge that HR teams face many challenges and barriers in their quest to affect change on DEIB, such as:

- ≡ the perception of HR as compliance-oriented, working for the employer, the board, or leadership rather than employees
- ≡ the belief that DEIB is political, which causes some leaders to avoid this work and stokes fear around the topic
- ≡ the lack of buy-in or diminishing buy-in over time, in part due to the lack of accountability mechanisms for leadership and teams

- ≡ the high pressure from leaders for HR teams to deliver results. There is a widespread view that racial equity work is solely the responsibility of HR and/or DEIB teams. Leadership may set big goals for these teams to deliver on, without understanding the need for long-term commitment and resourcing
- ≡ the reports from HR teams that they are under-resourced and over-worked, splitting time with other responsibilities, and rarely receiving additional funding or FTE capacity to launch additional projects
- ≡ the difficulty that internal structures and siloes present in making the changes needed to have an impact (e.g., on business/commercial side)

We see the potential for HR teams to operationalize values and champion culture change; however, it is important to acknowledge the reasons HR may experience a lack of trust from BIPOC employees. The practice of HR is rooted in white-dominant culture and norms, which BIPOC employees in particular experience as oppressive.

In the past, and still today, recruiting teams have upheld explicit and implicit discrimination policies. **HR is often, perhaps inadvertently, the mechanism through which systemic racism and sexism are replicated and authorized in the workplace, and has too often upheld a practice of meritocracy rooted in white supremacy.**<sup>21</sup> This context is important for HR leaders and team members to keep in mind as they interrogate their own culture and practices, and consider their approach for facilitating DEIB within their organization. While these systemic forces are much bigger than an individual company, they manifest in the workplace and continue to perpetuate harm, which is why addressing them wherever we can is so important.



### PAUSE & REFLECT

**Identify a recent practice or policy change your organization introduced and implemented.**

Have you seen mental model changes that support the practice or policy?

If so, what conditions were in place that enabled this change to take hold?

## SHIFTING MENTAL MODELS TO ADVANCE DEIB

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DEIB is a stated priority of many companies today, but the culture shift necessary to support and sustain that priority is often overlooked and under-resourced. Positioning DEIB itself as a change management effort can help organizations resource it accordingly. Just like any other change management process, be it a merger or adoption of new technology, **transitioning to an equitable and inclusive corporate culture requires time, budget, capacity, and cross-functional partnership.** This is why we believe the coordinator role is important to move the process forward.

What's unique about managing organizational culture shift is the depth of change required and how long it takes for change to meaningfully take root. When we talk about the depth of change, we mean that the change must happen within individuals across the organization—in their minds and in their hearts. Authentically integrating DEIB into your organization doesn't just require shifting practices, policies, and philanthropy, it also requires an overhaul of our mental models and how we relate to one another. It's not something we can teach in one training; it requires ongoing inner work and reflection. As we've seen in our work with companies, without a substantive effort around mental model shifts, the system will snap back into its original place, which was inequitable and sometimes even harmful, especially for frontline employees and employees of color.

**“[Mental models and culture] will be the 800 lb. unspoken gorilla if you don't talk about it. No matter how good we do everything else, we know we need to continue to change mental models. Just talking about technical aspects will lead to great disappointment. We worked with a company on recredentialing and removing their four year degree requirement—we were over the moon! And then they came back and everyone they hired had a four year degree. The mental model didn't change, the policy did, but nothing shifted.”**

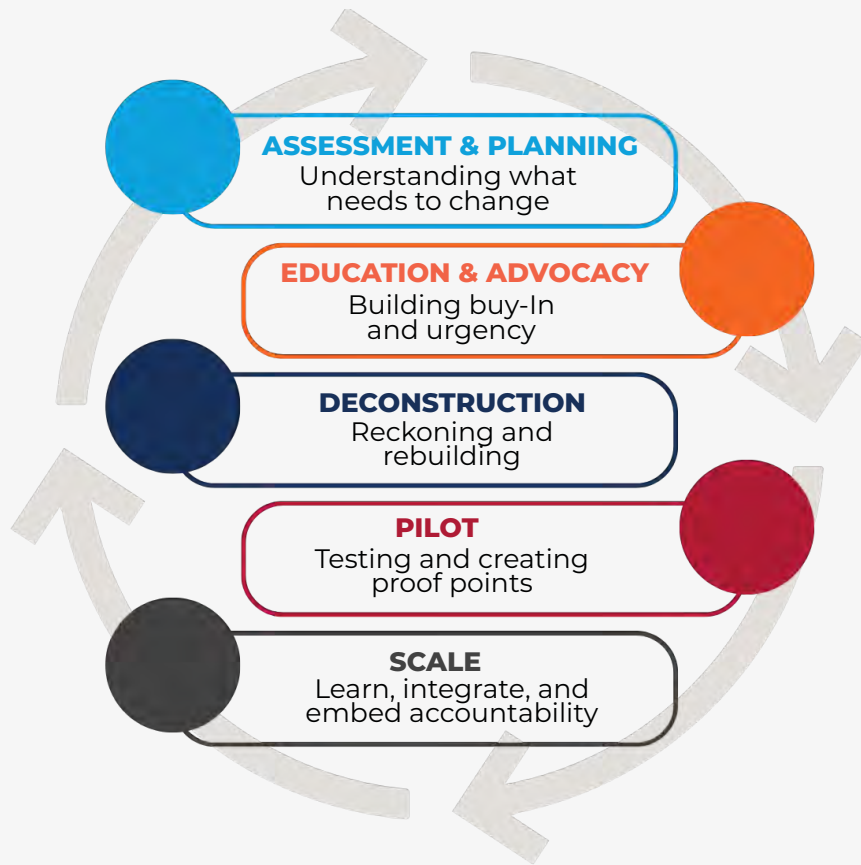
**MAURICE JONES, ONETEN**

In addition to supporting mental model shifts, HR can help build employees' understanding, ownership, and accountability for their individual role in contributing to the company's DEIB commitments. This can be seen throughout the employee journey—in how interviewers engage with a potential candidate from a nontraditional background, in a retail associate's ability to connect with the customers they serve, in a manager's approach to inclusive leadership. Regardless of one's title, DEIB is everyone's job and responsibility.

**“The business case motivates action and gets the organization to prioritize DEI work in a sustainable way. The motivation comes from the business, and HR can provide the scaffolding to bring culture change and policy change to life. HR teams need to prioritize vital skills such as data analysis, and meaningfully understand how our work connects to business strategies.”**

**JESSIE SPELLMAN, WALMART**

**FIGURE TWO: CHANGE MANAGEMENT TIMELINE**



## **CHANGE MANAGEMENT PROCESS FOR HR**

By engaging with companies and the advisers who support them, we have identified a common process for change management of culture and mental model shift. Though these steps are generally sequential, it's important to note that this work is iterative and ongoing. For example, education is both a critical early step and a continued need as the company shifts its ways of working, brings new people on board, and reorients around equity and purpose.

**The first three steps in the process are where the majority of the mental model and culture change work happens.**

This lays the groundwork for the piloting, iteration, and ongoing learning as the change takes hold in policies, practices, and resource flows.

- 1. ASSESSMENT & PLANNING**  
Understanding what needs to change  
**Top priorities for this stage:**
  - ✓ Use disaggregated employee data to understand key pain points and opportunities, as well as specific populations that are experiencing differential outcomes.
  - ✓ Supplement employee data with qualitative inputs via listening sessions, focus groups, or employee resource groups (ERG) feedback.
  - ✓ Engage a cross-functional team to reflect on data and identify key opportunities.
  - ✓ Identify near-term pilot opportunities and willing champions.
  - ✓ Establish long-term strategy and goals for DEIB work.

**To get started on this effort, it's important to understand the current state of talent practices, culture, and employee experience.** In order to break down the things that aren't working, you have to identify them first.

**“HR teams have access to extremely valuable data that can help leaders get a better understanding of how employees experience the organization. HR can help team leaders analyze quantitative and qualitative data to determine where they have challenges related to DEI, whether that be in certain stages of the hiring process, in retention, in advancement, as well as how people experience the culture of the team and greater organization.”**

**JESSIE SPELLMAN, WALMART**

We recommend first leveraging existing qualitative data, such as exit interviews and qualitative survey data, to revisit what is already known about the BIPOC employee experience before seeking out additional input. This is particularly important because BIPOC employees often carry the burden of repeatedly articulating workplace challenges despite seeing little or no change.

**“Sometimes people feel like mental models are squishy and you can't figure them out, but there are data-driven approaches to understand all the levels of systems change. What does your data tell you and how are you using that to inform your approach?”**

**ANDREA RIEHL, BEST BUY**

Most HR teams find that starting by disaggregating and analyzing employee data is helpful because it provides concrete evidence. This can be supplemented, to add nuance and to humanize the data, by qualitative inputs such as employee stories and feedback. The combination of qualitative and quantitative data ensures a comprehensive picture, provides a strong data foundation, and can convince both those who are more logic-driven and those who are more people-driven.

For new qualitative inputs, we've heard examples of how companies get creative with this. Employee resource groups, which primarily exist for the benefit and community of employees, can be leveraged as a sensing or feedback mechanism, or be tapped as strategic partners.



#### **PAUSE & REFLECT**

**Think about data—quantitative and qualitative—you collect from employees.**

What story does the data tell about how employees of varied identities experience work at your organization?

What data do people with decision-making and spending authority need in order to move forward with proposed changes?

As previously stated, it's important to be mindful that you aren't creating additional work or expectations that BIPOC and other historically marginalized employees carry the burden of changing the organization. Keep the ask light, and identify opportunities for reciprocity (e.g., supplemental pay, advancement opportunities, recognition).

From this initial data, there are multiple frameworks available to help organizations understand where they are in their DEIB journey. External partners can also be valuable in providing a more neutral assessment of organizational progress. Some popular frameworks include:

- **Dismantling Racism Works:**  
[Predictable Stages of Equity Work](#)
- **Equity in the Center:**  
[Awake to Woke to Work](#)
- **Zea Malawa, Jenna Gaarde, and Solaire Spellman**  
[Racism as a Root Cause Approach](#)
- **Philanos:**  
[Continuum on Becoming an Anti-Racist Multicultural Institution](#)

Facilitating an internal assessment, whether done by HR, another operations team, or an external partner, prompts necessary reflection and helps situate the company in its longer term journey. The work may be nonlinear, sometimes two steps forward and one step back, which is why it requires alignment and clarity on the ultimate goals, self-awareness, and communication.

Once the current state is well understood, companies can begin to articulate where they see their path taking them—what is their high-level DEIB strategy, how does it integrate with the business vision, and what indicators will tell them they've succeeded? In this process, **centering the frontline employee helps maintain focus and ground the work in purpose.** Some companies find that more creative processes such as user-centered design are helpful in this step.

## 2. EDUCATION & ADVOCACY

### Building buy-in and urgency

#### Top priorities for this stage:

- ✓ Articulate the connection between inclusive talent practices and business success (make the business case).
- ✓ Align with corporate purpose and employee motivation (make the human case).
- ✓ Secure buy-in at the leadership level and continually cultivate champions in different levels and functions.
- ✓ Support leaders and employees of all levels through ongoing DEIB training and education.

Mental model shifts are critical to achieving and sustaining DEIB change within an organization, and this process begins (and continues!) with education and advocacy.

HR plays an important role in this process by **articulating the connection between inclusive talent practices and business success**, and supporting employees and leaders across the organization on DEIB trainings. This is also important in building a shared understanding, from leadership to the frontline, of the challenges at hand.

**“There is no magic bullet for culture change to be efficient at scale. This work requires connecting with people to understand where they’re coming from, making sure they feel heard, and using positive and nonpunitive accountability. There is a deeply human element needed to shift mindsets and for this work to be successful.”**

**ANNETTE UNDERWOOD, VISTRA**

In this process there are two main objectives: convey why DEIB matters to business success and articulate what kinds of changes are needed to support that long-term success. Many companies shared that getting buy-in at the leadership level was an important first step in cultivating a true organizational commitment.

Since this effort takes time, money, and people, it’s critical to engage decision-makers and those in control of budgets to put DEIB on the same level as other business priorities. While leadership buy-in is essential, it’s worth noting that top-down approaches without adequate resourcing are destined to fail. Oftentimes, we see CEOs make external commitments without

allocating the necessary capacity and budget to bring those commitments to life, which often results in stagnation or failure. Leadership plays an important role in connecting the DEIB vision to the corporate purpose, mission, and brand—both for business and moral reasons—and helping their teams make the connection between their everyday work and the DEIB strategy.

**“You have to have executive sponsorship—CEO, CHRO, DEIB leader. You need that—it has to be unambiguous, consistent, engaged. They need empowered champions throughout the company they’ve engaged—folks who are on board, who have the authority to get stuff done and spend money, and who are in positions that they can actually make things happen.”**

**MAURICE JONES, ONETEN**

Though education and advocacy play an important role in building understanding and buy-in, it’s easy for companies to get stuck in this phase and not move into deep culture shift and meaningful actions. As research has shown, diversity trainings alone can lead to more pushback than progress.

## TRAINING FOR SUCCESS: WALMART

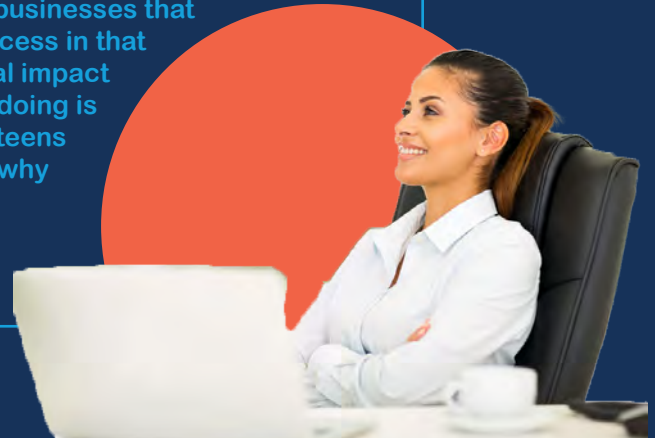


**“While training at our organization is currently optional, at one point executive leaders were required to undergo an in-depth racial equity training. This training really enabled HR to advance DEI work within the company. Leaders gained a shared understanding of the history of inequities and some fluency with foundational concepts. This shared understanding creates momentum and gives HR, DEI, and executive leadership teams a shared language and understanding to operate from.”**

**JESSIE SPELLMAN, WALMART**

“What enabled our persistence is our focus—we have a clear mission, vision, purpose. We know what we’re driving toward. Everyone on my team can say what that is—building brighter futures through tech-reliant careers. Huge driver for success is understanding what we’re doing and the impact we want to have. Our business story and community story are connected at the enterprise level. Our purpose is enriching lives through technology—in stores, with aging adults, in community. It’s not something we do on the side; it’s part of how the business operates. Understanding the market dynamics, especially younger consumers AND employees. People want to support and work for businesses that are doing good in the community. A big part of our success in that transition over the last 10 years or so, integrating social impact into how the business operates, is that the work we’re doing is aligned with the purpose of the company. Connecting teens with tech based careers – it’s not a mystery to anyone why that’s important to Best Buy.”

ANDREA RIEHL, BEST BUY



**“Firms have long relied on diversity training to reduce bias on the job, hiring tests and performance ratings to limit it in recruitment and promotions, and grievance systems to give employees a way to challenge managers. Those tools are designed to pre-empt lawsuits by policing managers’ thoughts and actions. Yet laboratory studies show that this kind of force-feeding can activate bias rather than stamp it out. As social scientists have found, people often rebel against rules to assert their autonomy.”<sup>22</sup>**

As the learning and education continue, don’t hesitate to start changing the way you operate through formal structures like policies and programs. This can start with small actions, such as applying training content in your everyday job to make the learning more tangible and put it to the test.

For example, after a training on inclusive management techniques, managers in a given unit or location could gather and align on one or two key practice changes they will all implement to improve culture and the employee experience.



**PAUSE & REFLECT**

**Think about your sphere of influence in your functional area and in the organization as a whole.**

What relationships do you have at all levels of the organization to socialize ideas for change and cultivate internal champions?

What are the most effective communication channels to reach groups with whom you may have limited proximity, e.g., branch employees, the C-suite?



“The kind of training needed to shift mindsets is very different. We focused on real-world outcomes. To shift hiring practices, my team personally engaged with hiring managers on every job description that was going to be posted. This one-on-one coaching was extremely effective in that it allowed us to support with the needed training and provided positive accountability with a lot of support. We started seeing results after about one year. To instill accountability, we met with hiring managers about every job description that was posted. These calls may have seemed punitive, but they were not; they just had to explain their hiring decisions, and we would listen. It is important to highlight good outcomes, and how that the approach is working. It makes people more engaged, hopeful, and positive. Nonpunitive accountability requires a human touch.”

ANNETTE UNDERWOOD, VISTRA

### 3. DECONSTRUCTION

#### Reckoning and rebuilding

##### Top priorities for this stage:

- ✓ Build capacity for discomfort and empathy through training, exposure, and practice.
- ✓ Confront historical harms done by the company and seek to repair them.
- ✓ Engage all employees in shifting corporate culture toward DEIB principles.

Another aspect that differentiates cultural change management from other shifts that companies make is the need to actually dismantle systems, structures, policies, and relationship dynamics that create harm in order to usher in a new way of being. If companies tinker at the edges and make minor policy shifts but don't address the mental models, power dynamics, and resource flows that impact culture, the employee experience will not improve and any perceived impact will be surface level.

Policy shifts may help bring more diverse talent in the door, but if corporate culture doesn't change then you aren't setting them up for a positive experience or pathway to opportunity. Corporate norms around “cultural fit” tend to perpetuate existing biases and inhibit talent with diverse experiences from bringing their full value to their role at best—at worst, they can actually cause harm.

This reckoning process is important to the broader goals of DEIB work because it centers restoration and healing for BIPOC employees and others who have been harmed by these norms.



#### PAUSE & REFLECT

Revisit your organization's stated commitment to and goals for advancing DEIB.

How would you articulate the relationship between the business objectives and DEIB objectives?

What DEIB trainings are required for all employees, and which are only for salaried or higher level employees?

To break the cycle, HR can support the company in deepening its capacity for discomfort, expand inclusive management approaches for all people managers, and reckon with harms done in the past. In the FSG resource *Reckoning, Repair, and Change*,<sup>23</sup> we share examples of how companies have confronted harms and begun to repair relationships and rebuild trust.

Some of this can happen through trainings, but it also requires vulnerable conversations. Listening sessions with employee advisory groups or ERGs can help identify the pain points and challenges that have caused harm and inform what a reckoning process might look like. Building these inputs into the reckoning process helps tailor approaches for various experiences, identities, and positions—not everyone will need the same thing!

Though approaches should be tailored, this tailoring can happen in higher-level buckets—by racial/ethnic identities, by level within the organization, or other groupings. To reach scale within an enterprise, you can't tailor to the individual level and must accept the imperfections and pushback that might come.

Growth is nonlinear, and part of moving forward is accepting the discomfort and feedback that are inherent to this work.

To move forward, you need to acknowledge the past, support healing, and disrupt norms.

#### 4. PILOT

##### Testing and creating proofpoints

###### Top priorities for this stage:

- ✓ Identify pilot opportunity that is aspirational, visible, and challenges mental models.
- ✓ Engage a cross-functional team to plan and execute the pilot.
- ✓ Track lessons learned for future iteration.

Once you've started on the previous steps, piloting is where the rubber meets the road. Piloting isn't as much part of the mental model or cultural shift, but rather is where those mental models and culture shifts are put to the test with programmatic and policy changes.

**Companies find that starting with small wins and proof points helps them to build the business case, deepen buy-in and understanding (especially with leadership and the board), and work out the kinks of a new way of operating.** You want to identify a pilot that is manageable enough that it will likely succeed, but challenging enough to be aspirational, visible, and shift people's mental models. As one company advised, be clear about what conditions indicate readiness for piloting new ways of working, and start there.

Next, it's important to **engage colleagues across functional teams to build your collaboration muscles in a new way.**

Shifting a company at all levels of systems change is an all-hands effort, and people need to practice working together in new ways.

## MENTAL MODELS 101

Mental model change is critical to meaningful corporate progress on DEIB, but can feel intangible or hard to impact at scale. Here, we've gathered a list of the common mental models that we aim to shift, and practices companies and their advisers use for catalyzing that shift.

Limiting Mental Model	New Mental Model
Low wage = low skill.	Frontline jobs are essential and require specific, business-critical skills.
Formal education is the only legitimate way to acquire skills.	Skills are a language that cross all forms of learning.
DEIB is a philanthropic play.	DEIB has proven business benefits.
Frontline employees aren't worth investing in because turnover is high.	Turnover is high because we don't invest in frontline employees and provide pathways to opportunity.
Diverse talent is harder to manage.	Inclusive management skills benefit everyone.

### Strategies for Shifting Mental Models

#### 1. Education Approach

Review history, share stories, utilize quantitative and qualitative data from your company or industry.

##### Tips:

- ≡ HR has unique power in using employee data to help challenge assumptions and mental models about talent.

#### 2. Proximity Approach

Site visits, job shadowing, reverse mentorship, employee advisory council.

##### Tips:

- ≡ Engaging face-to-face with frontline employees builds empathy and human connection and allows leadership to see the value they bring to the company firsthand.
- ≡ [Talent Rewire's resources](#) on employee voice discuss the enabling conditions that must be present for such activities to be successful.

### Strategies for Shifting Mental Models

#### 3. Storytelling

##### Approach

Share through communications channels that all employees have access to, maintain a dashboard of key metrics on internal website, highlight employee stories in enterprise-wide meetings or retreats.

##### Tips:

- ≡ Use quantitative measures alongside stories to reach all kinds of learners and thinkers—for most people, one is more persuasive than the other.
- ≡ Be mindful of tokenizing or exploiting employees' personal journeys and struggles by offering frequent check-ins, needed supports, and potentially additional compensation.

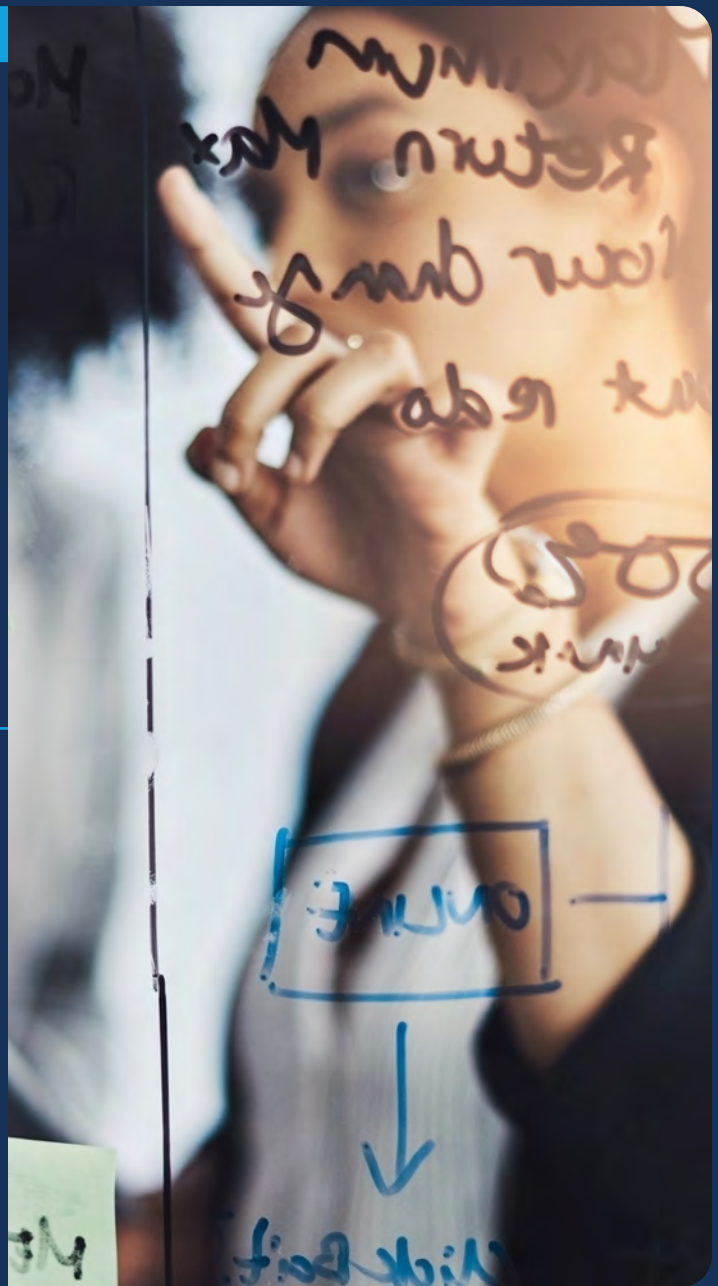
#### 4. Mentorship or peer accountability

##### Approach

A formalized 1:1 mentorship pair or accountability partners that meet regularly.

##### Tips:

- ≡ This is most effective when the relationship is ongoing, 1:1, and ideally peer-to-peer to encourage more candidness and understanding.
- ≡ It's particularly important to make sure that CHROs, CIOs, CFOs, and CEOs engage and support each other, and practice mutual accountability.



“It’s a massive enterprise, there are people doing things I know nothing about. With our initial pilot of five interns and other pilots, we learned all this other stuff in the background – labor teams managing how many hours people are getting, things like that. It’s a challenge to work through the complexity of a large company - you can’t know everything, so you have to have humility and expect to get things wrong sometimes, then work to remedy it.”

ANDREA RIEHL, BEST BUY

There are innovative ways to build this cross-functional capacity, such as a secondment program or “gigs” that reassign capacity to a different area, and build understanding and empathy across the organization. The most common approach is a cross-functional working group or task force that includes key teams such as HR, Finance, and IT, as well as frontline employee representation.

As this piloting work kicks off, make sure to continue the earlier stages of education, data analysis, and reckoning as these things require repetition and longer timelines.



#### PAUSE & REFLECT

**Identify a successful pilot that has scaled in your organization (does not have to be people-related).**

What learning mechanisms are in place to support regular evaluation and feedback to enable continuous improvement and innovation?

How is change communicated internally and externally and at what frequency?

#### 5. SCALE

Learn, integrate and embed accountability

**Top priorities for this stage:**

- ✓ Establish strong learning and feedback mechanisms.
- ✓ Integrate DEIB into performance and accountability systems.
- ✓ Continue iterating and expanding access to DEIB-focused programs until you reach scale.

As the initial pilot spawns new innovation and more changes throughout the organization, **establishing strong learning mechanisms ensures that the change management effort improves over time.** Learning mechanisms also help identify unintended consequences or missed steps to reduce negative impacts in the future. These mechanisms can take multiple forms:

- Regular collection, disaggregation, and analysis of quantitative employee data
- Listening sessions to gather employee (or pilot participant) feedback
- Anonymous feedback mechanisms to protect employee confidentiality and offer space for the most candid perspectives
- Engage cross-functional team to review qualitative and quantitative inputs regularly, and adjust strategy or implementation accordingly

Scaling change is a challenge for any company, particularly large, complex, multinational corporations. One of the most effective ways to scale change and **build in shared ownership across employees is to integrate accountability mechanisms that keep DEIB as a top priority.**

Most commonly, companies include one or multiple DEIB metrics as part of individual and team performance assessments, ensuring that all employees are maintaining focus on that as a core part of their job. Without this, it is easy for DEIB efforts to slide down the priority list.

Another way to embed and reinforce DEIB progress is to develop a communications plan for both internal and external audiences. Sharing back with employees helps validate their experience, reinforce feedback loops, and build a shared sense of progress. Externally, communications help to advance the field, build brand and reputation benefits, and invite accountability and feedback. Being honest and humble, with both audiences, emphasizes that this is ongoing work, progress is nonlinear, and there is no one right answer.

## **CONCLUSION: SEIZE THE OPPORTUNITY TO UNLOCK CHANGE**

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We hope that this resource empowers HR, DEIB, and other business operations teams to engage in the culture change necessary to create equitable outcomes for all. There is immense opportunity for both the business and the employees in shifting these mental models and creating inclusive cultures that support a feeling of belonging. This work should be resourced with budget and capacity accordingly and treated as a true change management effort. Only then will we start to see the impact we hope to achieve.

## **RESEARCH CONTRIBUTORS**

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The research included in this report was made possible through funding from Walmart. We thank them for their support but acknowledge that the findings, conclusions, and recommendations presented in this report are those of Talent Rewire and FSG alone, and do not necessarily reflect the opinions of Walmart. We thank all of the people who generously shared their expertise, input, and feedback with us.

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