1. INTRODUCTION
This FAQ sets out the BSR perspective on diversity, equity, inclusion, and accessibility (DEIA) in the workplace.¹ We believe that business is one of many actors critical for the creation of a world in which everyone—regardless of identity or background—has the opportunity for equal participation in all aspects of life, has fair access to resources, and can be confident that systems are operating in ways that improve the quality of life for all, and not a select few.

2. DEFINING DIVERSITY, EQUITY, INCLUSION, AND ACCESSIBILITY

How are the key concepts in DEIA defined?
The language of DEIA is constantly evolving based on culture, time, region, and deepened understanding of the work that falls within it. The following definitions provide a starting point for understanding the most used terms and concepts.

- **Diversity** is all the ways in which people differ, including (but not limited to) race, ethnicity, gender, disability, sexual orientation, gender identity, national origin, language, and socioeconomic status.
- **Equity** is the strategic distribution of resources, access, opportunity, and participation so that all groups reach comparable outcomes. It is markedly different than equality—which focuses more on inputs, treats all groups the same, and preserves the status quo.
- **Inclusion** is creating environments in which individuals or groups can be and feel welcomed, respected, supported, and valued regardless of identity or background. It is a culture of belonging where every person’s voice can add value and can contribute meaningfully to the success of an institution and/or effort.
- **Accessibility** is defined as the design, construction, development, and maintenance of facilities, technology, programs, and services so that all people, including people with disabilities, can fully and independently use them.
- **Justice** is the active and intentional process of dismantling barriers to resources and opportunities in society so that all individuals and communities can live a full and dignified life.
- **Belonging** is an internalized feeling of security and support felt by a member of a certain group when there is a sense of safety, acceptance, inclusion, and access.

¹ This FAQ covers employee-related DEIA and does not cover upstream (i.e., the supply chain) or downstream (i.e., product and service use).
Intersectionality is a framework for conceptualizing a person, group of people, or social problem as affected by several dimensions of discrimination and disempowerment. It considers people's overlapping identities and experiences to understand the complexity of prejudices and inequities they face.

Identity is a person's sense of who they are based on their group membership. Examples of social identities are race/ethnicity, gender, social class/socioeconomic status, sexual orientation, (dis)abilities, and religion/religious beliefs.

Culture is a social system of meaning and custom that is developed by a group of people to assure its adaptation, survival, and, in the workplace context, resilience. These groups are distinguished by a set of unspoken rules that shape values, beliefs, habits, patterns of thinking, behaviors, and styles of communication.

Bias is a prejudice in favor of or against one thing, person, or group compared with another, usually in a way considered to be unfair.

It is always good practice to seek out the preferred language and terminology of diverse populations that you are working with, as region, language, generation, and community context can impact what terms and language an audience may be comfortable with.

Are there multiple ways of understanding equity?
There are as many types (or subsets) of equity work as there are human identities and experiences. The types of equity most focused on in organizational DEIA efforts are:

- **Racial equity** is a process of eliminating racial disparities and improving outcomes for everyone. It is the intentional and continual practice of changing policies, practices, systems, and structures by prioritizing measurable change in the lives of people of color.²

- **Gender equity** is the fairness of treatment, rights, access, opportunities, and participation for men, women, and gender-diverse people according to their respective needs.

- **Social equity** is a condition in which all people within a specific society have equal rights, liberties, and status, such as civil rights, freedom of speech, property rights, and equal access to certain social goods and social services. Social equality requires the absence of legally enforced social class or caste boundaries and the absence of discrimination motivated by an inalienable part of a person's identity.

What is the relationship between DEIA and social justice?
The terms diversity, equity, inclusion, and accessibility are often associated with compliance-driven human resource and supplier diversity efforts. DEIA evolved from affirmative action, an outcome of the civil rights movement’s call for equal treatment under the law.

However, today there is a greater interest in companies reimagining their role in ensuring economic prosperity and working alongside their employees and communities to drive DEIA for social justice. For this reason, the concepts of diversity, equity, inclusion, and accessibility are recognized as four distinct tools that form the fundamental building blocks of social justice:

² [https://www.raceforward.org/about/what-is-racial-equity-key-concepts](https://www.raceforward.org/about/what-is-racial-equity-key-concepts)
Diversity = Composition + Representation
Equity = Resources + Outcomes
Inclusion = Culture + Belonging
Accessibility = Design + Benefits

Does the concept of DEIA vary by region?
Time and space develop changing social norms and taboos that lead to the flexible nature of culture. Societies have fluctuating and diverse types of dominant supremacies related to historical and social contexts, and changes in dominant rule, legalistic structures, faith-related ethics systems, and fluctuations of people in and out of a space. As a result, there is no one-size-fits-all methodology for instilling or socializing DEIA across different regional and global contexts, and for this reason, increased understanding of cultural competence is crucial to success of DEIA work.

Are diversity and inclusion “political” concepts?
While there is increased dialogue about the use of social justice topics to anchor and galvanize political conversations, it is crucial to remember that the concepts of diversity and inclusion are not inherently political concepts. Every person has a lived experience—a series of lived events that have been influenced, both positively and negatively, by different aspects of their identity. All people express diversity, as all people have factors about their personal demographics, such as race, gender identity, cognitive ability, and level of education, that can be used to categorize their diverse identity.

What are power dynamics?
Power dynamics are the ways in which power is distributed and exercised in a relationship or group and can have a significant impact on how people interact with each other.

- Power is the capacity of an individual or social group to influence the actions, beliefs, or conduct (behavior) of others. It is also seen as the ability to control resources and access. All power is relational, and the different relationships either reinforce or disrupt one another.
- Privilege is unearned social power accorded by the formal and informal institutions of society to all members of a dominant social group. Privilege is usually invisible to those who have it and puts them at an advantage over those who do not have it.
- Systemic oppression is the combination of prejudice and institutional power which creates a system that discriminates against some groups (often called “target groups”) and benefits other groups (often called “dominant groups”). This term encompasses both structural and institutional oppression.
- Discrimination is the unequal treatment of members of various social groups based on race, gender, social class, sexual orientation, physical ability, religion, socioeconomic status, or other characteristics.
- Prejudice is a generalized prejudgment or unjustifiable (and usually negative) attitude of one type of individual or social groups toward another social group and its members. Prejudice often results in the denial of rights and erasure of the individual.
- Marginalization is the social disadvantage and relegation to the fringe of society resulting in the denial of rights, protections, access to resources, opportunities, and full participation in society.
How are demographics defined?

Demographics are the characteristics of a population and can be used to describe a population in terms of its size, age, gender, race, ethnicity, education, income, occupation, and other factors.

- **Ethnicity** is a social construct that divides people into smaller social groups based on characteristics such as shared sense of group membership, values, behavioral patterns, language, political and economic interests, history, and ancestral geographical base.

- **Race** is a grouping of humans based on shared physical or social qualities into categories generally viewed as distinct by society. The term was first used to refer to speakers of a common language and then to denote national affiliations. By the 17th century, the term began to refer to physical (phenotypical) traits. Modern science regards race as a social construct, an identity which is assigned based on rules made by society. While partially based on physical similarities within groups, race does not have an inherent physical or biological meaning.

- **Racism** involves one group having the power to carry out systematic discrimination or oppression through the institutional policies and practices of the society and by shaping the cultural beliefs and values that support those racist policies and practices.

- **Anti-racism** is defined as the work of actively opposing racism by advocating for changes in political, economic, and social life. Anti-racism tends to be an individualized approach and set up in opposition to individual racist behaviors and impacts.

- **Racial justice** is the systematic fair treatment of people of all races, resulting in equitable opportunities and outcomes for all. Racial justice—or racial equity—goes beyond "anti-racism." It is not just the absence of discrimination and inequities, but also the presence of deliberate systems and supports to achieve and sustain racial equity through proactive and preventative measures.

- **Xenophobia** is the fear and hatred of strangers or foreigners, whereas racism has a broader meaning set, including a belief that racial differences produce the inherent superiority of a particular race.

- **Gender** refers to the characteristics of women, men, girls, and boys that are socially constructed. This includes norms, behaviors, and roles associated with being a woman, man, girl, or boy, as well as relationships with each other. As a social construct, gender varies from society to society and can change over time.

- **Gender identity** refers to the innate internal sense of being male, female, neither, both, or something else. Gender expression is the way a person presents their gender to others. In many cultures, gender identity is considered a fluid component of human identity.

- **Sexual orientation** is an inherent or immutable enduring emotional, romantic, or sexual attraction to persons of the opposite sex or gender, the same sex or gender, or to both sexes or more than one gender. These attractions are generally subsumed under heterosexuality, homosexuality, and bisexuality, while asexuality (the lack of sexual attraction to others) is sometimes identified as the fourth category.

- **Gender equality** is equal outcomes for women, men, and gender-diverse people. Their rights, responsibilities, and opportunities do not depend on whether they were born male or female.

- **Gender equity** is the fairness of treatment, rights, access, opportunities, and participation for men, women, and gender-diverse persons according to their respective needs.
3. DEIA GOVERNANCE

How should DEIA be governed at a company?
Successful DEIA can be anchored in the following general good practices:

- **Strategic:** DEIA efforts should be spread across an organization’s entire strategic plan with measurable goals for each area of work. This ensures that DEIA is embedded fully in all facets of an organization’s processes.

- **Authentic:** DEIA can be most successful when it exists outside of Human Resources. While Human Resources is a valuable ally in the work of DEIA, it can be seen by employees and consumers as existing to protect the organization. DEIA work often thrives best when it can be developed and facilitated outside of these internal organizations’ agendas, and outside of traditional workplace silos.

- **Embedded:** DEIA goals should be embedded in employee roles and expectations, beyond traditional training requirements, and held accountable through employee goal setting and reviews.

- **Communicated:** DEIA requires transparent internal communication on past, current, and future contexts of DEIA, as well as plans and goals for strengthening through DEIA initiatives. It also requires strategic external communications to stakeholders based on the individual goals and mission of an organization’s DEIA strategy.

- **Governed:** DEIA can only be successful when it has full buy-in at both the leadership and board level. This should include not only agreement on pursuing the work, but understanding of funding models, work plans, and continuing education on DEIA issues.

What is a diversity statement?
A diversity statement is a concise and intentional description of a company or organization's values, beliefs, and commitments to how they define diversity. It often includes the “why” diversity matters to the organization, the “who” this statement covers, and the “what” it brings to the organization's policies and practices. It is important that the organizations’ commitment to diversity is the anchor point for the statement, regardless of how formal or informal the language used may be.

3. EMPLOYEE RESOURCE GROUPS

What is an Employee Resource Group?
Employee Resource Groups (ERGs), also known as Employee Resource Networks, or affinity groups, are typically voluntary, employee-led diversity and inclusion initiatives that are supported by an employer.

An ERG is a collective of employees who share a common identity factor, background, or interest. While many organizations organize their ERGs around traditional demographic factors, such as race, gender identity, or ability, some other growing factors are caregiver status, environmental sustainability interest, career level, and military status. According to current data, 90 percent of all Fortune 500 companies currently utilize ERGs in some form.

What are the main models of Employee Resource Groups?
ERGs can either form through a concentrated effort by employees who have organically come together to engage with each other, or as a launched initiative by a DEIA or Human Resources department. Regardless of which way
ERGs came to be, it is important to have a strong plan for how they will function, be funded, and if/how they will align with broader strategic goals for the organization.

ERGs can be run using two different models, which both come with advantages and disadvantages:

- **Voluntary/Social**: In a voluntary model, employees join ERGs as part of their professional development time, and for some occasions and events, outside of working hours. Leadership roles within the ERG are taken on as voluntary roles in addition to an employee’s current position, and they can be held by any employee, regardless of leadership level.

  One advantage of this model is that employees tend to have more control over the agenda and goals of the group and can feel like a safer space to engage in relationship building. One disadvantage is that employees within can feel like they have little access to broader professional development, authority to make suggestions for change, or leadership access.

- **Paid, or Strategic**: In a paid ERG model, the leadership of the ERG takes on official contracted duties to engage in specified ERG responsibilities, which are reimbursed financially. These roles are typically integrated into an employee’s existing role within the organization, and they can be held by any employee, regardless of leadership level. These ERGs are often contracted to serve a more strategic purpose within the organization, such as taking on research projects and evaluating policies.

  One advantage of this model is that the ERG tends to have more refined agendas, with increased feelings of employee inclusion and structured opportunities for professional development. One disadvantage is that employees can feel like the ERG space is too formal or monitored, and that the members have less flexibility to define their own goals and participate in events.

While these are the common structures of ERGs, there is flexibility to charter what style and format makes the most sense for participants. It is crucial that regardless of formal or informal structure, groups have access to resources related to funding, direction, and sponsorship.

**How are ERGs governed?**

ERGs are more likely to be successful when sponsored by a senior member of the organization, preferably one with decision-making powers to advocate for and/or access funding opportunities. While this sponsor should be advised of ERG activities and provide guidance, they should not set the work plan or goals of the ERGs.

In larger organizations, it is common for this sponsorship role to be a role assigned to an employee working within a DEIA or human resources team. It is important for the sponsor to have the necessary cultural competence and understanding of the diverse needs of ERG members to be successful in this role. If an organization has a DEIA Council, taskforce, or some other formal organized body providing guidance on DEIA issues, this sponsorship role can fall within that body.

ERGs require a leadership model within the group to steer the agenda and direction of the group. This leadership is especially important for ERGs being paid by their organization to conduct internal research, DEIA projects, or initiatives that require meeting specified metrics. Some roles that are often found within an ERG are Chair, Vice Chair, Finance Chair, and Communications Chair. Large-scale or global organizations may have additional roles identified to assist with recruitment and onboarding of new members.
Leadership within each ERG can be identified in a variety of ways, depending on size and scale of the organization, and the goals of the ERG itself, such as nomination by peers, nomination by leadership, open application and interview process, or nomination from within the ERG.

Regardless of how internal group leadership is identified, the roles should come with written profiles of duties and expectations, a time period for which the role will be filled, and official contract details related to pay, if necessary.

Once identified, internal ERG leadership and the organizational sponsor should collaborate to define a charter of work for the group, directions on budget and spending, a plan for recruitment and retention, a marketing plan for internal socialization of the group, and a safety agreement related to protecting internal member conversation. It is also important to outline what the expectations are for employee members who join the ERG, and what benefits the ERG will provide for these members in terms of professional development, leadership pipeline access, and opportunities for fulfilling outside work and volunteering.

What do ERGs do?
ERGs can serve as affinity spaces for employees from shared experiences to find supportive space to discuss their needs, challenges, and goals; as fundraising and volunteerism arms of an organization's broader social responsibility model; a strategic think tank tasked with identifying or creating research, reports, and collateral. As outlined above, it will be crucial to the success of an ERG for its goals and responsibilities to be fully outlined prior to membership launch. This will not only give a roadmap for developing the ERG, but it will also prevent potential members from being disappointed in what they hoped the experience would provide or be centered around.

What are barriers to ERG success?
There are many systemic and institutionalized barriers that can lead to ERGs being dysfunctional, which can best be identified through a more extensive evaluation of your current DEIA practices and policies. However, some common barriers include:

- Lack of true financial and professional support from organizational leadership.
- Cost of funding and maintaining the ERG, as well as staff capacity to sponsor and manage ERG internal leadership demands and expectations.
- Lack of psychological safety within an organization that is required for employees to feel safe accessing ERG spaces.

ABOUT BSR
BSR™ is an organization of sustainable business experts that works with its global network of the world’s leading companies to build a just and sustainable world. With offices in Asia, Europe, and North America, BSR™ provides insight, advice, and collaborative initiatives to help you see a changing world more clearly, create long-term business value, and scale impact.