

# 2021 Supply Chain Diversity, Equity & Inclusion Survey



# 2021 Supply Chain Diversity, Equity & Inclusion Survey: Commitment Skyrockets, Requires Follow-Through

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Initiatives: [CSCO Strategic Leadership](#)

2020 was a turning point for CSCOs' commitment to diversity, equity and inclusion. Gartner and ASCM surveyed North American and European supply chain organizations on priorities, and drilled down on racial/ethnic representation and actions to attract, develop, engage and advance people of color.

## Overview

### Key Findings

- Supply chain organizations report two times more diversity, equity and inclusion (DEI) initiatives in 2020 than they had in 2019. Race/ethnicity and gender are the DEI dimensions most likely to be considered by supply chain organizations. 62% of respondents consider race/ethnicity and 59% consider gender.
- Of the full-time supply chain workforce in North America and Europe, 30% are people of color. There is a steep drop-off in representation as the management and leadership pipeline advances to senior leadership – only 9% of supply chain VPs are people of color.
- Large, global supply chain organizations (\$5 billion) show the most DEI activity and focus. They are more likely to own and lead their initiatives (as opposed to having HR address them). This aligns with their superior DEI performance for building a strong pipeline of supply chain talent for people of color.

### Recommendations

CSCOs focused on strategic leadership should:

- Prioritize DEI as a business imperative by setting goals and objectives and aligning specific projects and initiatives to achieve them.
- Choose recruiting initiatives and integrated pipeline planning initiatives because they show superior DEI results. Implicit bias training, for example, has little correlation to improved DEI indicators.
- Do not communicate DEI as an internal and external priority unless you are prepared to deliver transparency and progress. There are serious product, investor and employment brand reputation

penalties for leaders who overpromise and underdeliver.

## Survey Objective

The Supply Chain Diversity, Equity & Inclusion Survey was launched in 2020 to capture high-level data on broad DEI dimensions (racial and ethnic minorities, women, LGBTQ, physical ability and others) and initiatives. The survey also explored racial and ethnic DEI data and best practices in supply chain organizations. The research was conducted online from 11 November through 14 December 2020 among 298 respondents primarily in the U.S., Canada and Europe. The Association for Supply Chain Management (ASCM) partnered with Gartner to develop the survey and recruit participants. The sample was augmented with recruitment efforts by social media.

Qualified participants work in organizations that have an internal supply chain organization; have supply chain as a separate business unit, specialty or practice area; or are vendors of supply chain services and solutions. The survey was developed collaboratively by a team of Gartner analysts who research and provide thought leadership on supply chain talent and organization best practices, and ASCM leadership. It was reviewed, tested and administered by Gartner's Research Data and Analytics team.

## Data Insights

Over the past year, the COVID-19 pandemic, economic crisis, social upheaval, and adverse climate events combined to upend life as we knew it. How we live and work changed dramatically, under duress, with the degree of duress varying significantly along ethnic, socioeconomic and gender lines. In the United States, for example, notably, people of color and especially women of color experienced the worst 2020 had to offer, with higher rates of COVID-19 hospitalization, mortality, unemployment, bankruptcy and homelessness. <sup>1</sup>

Perhaps not surprisingly, Gartner's research project with the Association for Supply Chain Management (ASCM) uncovered unprecedented levels of interest in and commitment to diversity, equity and inclusion in supply chain organizations, particularly focused on race/ethnicity and gender. Although more than half of supply chain organizations have either general or formal goals related to racial and/or ethnic diversity, the initiatives and tactics to reach these goals have only more recently received more attention. In the last year alone, we saw nearly a 100% increase in initiatives targeting racially and ethnically diverse talent.

We saw corporations and brands around the world – even those that usually keep quiet during times of social or political unrest out of fear of alienating customers, employees and shareholders – quickly release statements condemning racism. Organizations of all kinds donated money to racial justice causes and vowed to look within their own walls to champion diversity, equity and inclusion. The issues are not new, but universal calls for social justice in the unique year that was 2020 demonstrated that employer inaction and neutrality are no longer options. In fact, our research finds that employees expect their employers to take a stand on societal and cultural issues, regardless of the issue's relevance to the employer. <sup>2</sup>

**Current and prospective employees want to see action in the form of real investment – in terms of budget, resources or internal changes. They also want transparency regarding how the organization arrived at the chosen actions and its progress against those actions.**

While rushing to make statements, internally and externally, or implementing new initiatives following increased scrutiny is a stand of sorts, without proper follow through, it can do more harm than good. Current and prospective employees want to see action in the form of real investment – in terms of budget, resources or internal changes. They also want transparency regarding how the organization arrived at the chosen actions and its progress against those actions. This is especially the case for millennial and Gen Z supply chain talent, who place greater importance on both the gender and racial/ethnic diversity of the workforce.<sup>3</sup> Without sustained action and transparency, leaders run the risk of disengaging employees and tarnishing the supply chain career and leadership brand for prospective employees.

To support CSCOs and their organizations on their DEI strategies and actions, Gartner and ASCM teamed up to produce the 2021 Supply Chain Diversity, Equity and Inclusion Survey, designed to measure and improve diversity, equity and inclusion in supply chain organizations. Focused on respondents and supply chain operations in the U.S., Canada, and Europe, the data shows supply chain organizations focused primarily on race/ethnicity and gender, and on additional, often nonvisible, dimensions of diversity as well. It also shows respondents at an important inflection point, where goals, awareness and education must shift to action and sustained commitment. Table 1 shows why.

**Table 1: Why Are Diversity, Equity and Inclusion Important?**

DEI Benefit	Proof Points
Business Performance	Companies with above-average diversity have <b>19% points higher innovation revenue and 9% points higher EBIT</b> margins. Organizations in the top quartile for racial and ethnic diversity are <b>36% more likely to have financial returns</b> above their respective industry median. Companies with <b>lower gender and ethnic diversity scores underperform</b> peers. Diverse organizations see a <b>12% increase in employee discretionary effort</b> over nondiverse organizations.
Employment Value Proposition	Millennial and Gen Z supply chain talent place <b>greater importance on both the gender and racial/ethnic diversity</b> of the organization they work in. In the same research, even the general supply chain workforce say it is moderately to extremely important to work with racially and ethnically diverse teams and gender-balanced teams.
Equity and Justice/New Stakeholder Pressures	In 2020, the deaths of George Floyd, Breonna Taylor and Ahmaud Arbery and global protests against racial injustice that followed moved CEOs who had been neutral or silent to speak — and act. Forty percent of S&P 500 earnings calls in 2Q20 <b>addressed diversity</b> compared to 6% in 2Q19. We saw Nasdaq recently file a <b>proposal</b> that would require listed companies to have at least one woman and one other ethnically diverse or LGBTQ board member. In the U.K., pay equity legislation established in 2017 requires companies with more than 250 employees to report organization-level pay data by gender.

Source: Gartner

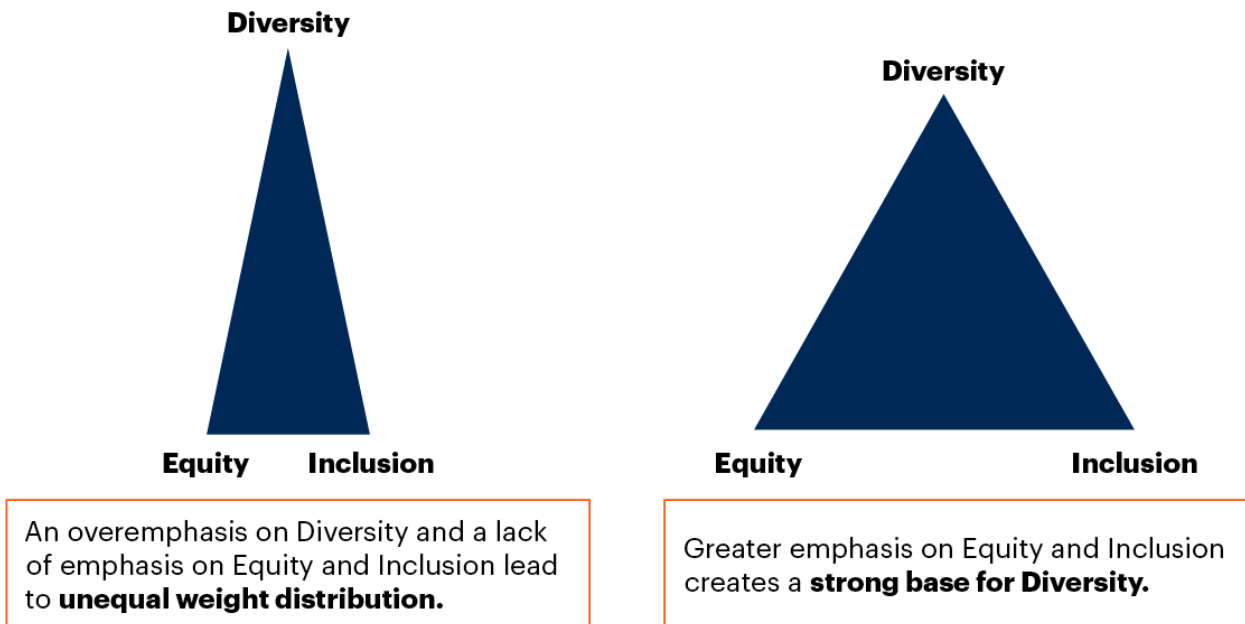
## Supply Chain Organizations Are Focused on Racial/Ethnic and Gender Diversity

What do diverse, equitable and inclusive supply chain teams look like? What does a diverse, equitable and inclusive supply chain culture feel like? A diverse supply chain organization values an individual's seen and unseen differences — for example, their racial or ethnic heritage or their part in the LGBTQ community. Inclusion is about being part of the organization, being able to contribute and being heard. Equity provides employees with a fair chance at opportunities, but also ensures fairness in reward and remuneration. Diversity, equity and inclusion are mutually supporting concepts as shown in Figure 1. One without the other may lead to short-term gains, but these gains will not be sustained. For example, a supply chain can recruit racially and ethnically diverse candidates. However, if these individuals are not included in key decisions as they relate to the role or given equitable remuneration and opportunity, they will disengage or leave.



Figure 1: A Focus on Diversity Without Equity and Inclusion Isn't Sustainable

## The Disparity of Focus Leads to a Precarious Triangle



Source: Gartner  
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Gartner

Supply chain organizations have long focused on improving the number of women within their overall ranks — diversity — with some progress made over the past six years in some sectors. However, with the significant societal focus on racial inequality in 2020, our research shows that 62% of supply chain organizations are now looking at the dimensions of race and ethnicity as part of their strategy (see Figure 2). “Race,” as a social definition, refers to a population considered distinct based on perceived physical characteristics. <sup>4</sup> “Ethnicity” refers to a distinct group that shares history, identity, geography and culture. While these concepts are distinct, for DEI purposes, they are often grouped together. Age, another visible dimension of diversity, is the third most frequently cited consideration for supply chain organizations.

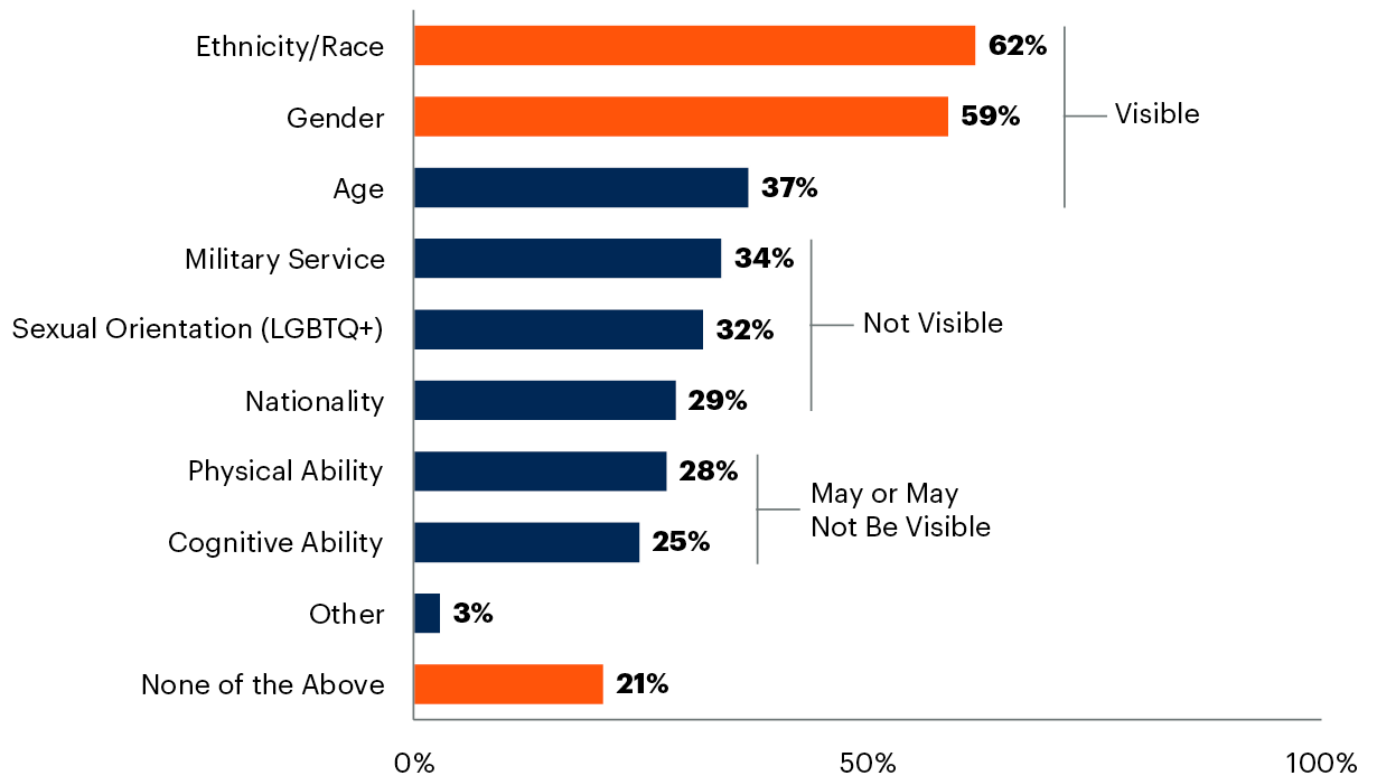
Supply chains give less emphasis to invisible characteristics of sexual orientation, nationality and cognitive ability. The outlier is physical ability. Disabilities can either be seen or unseen. However, only 28% of supply chain organizations are considering physical ability as part of their strategy. In the data, a larger concern may be that 21% of supply chain organizations answered “none of the above,” indicating that they are not focusing on any DEI dimensions. This means that one in five companies are at risk of subpar business performance, laggard employment value propositions and/or pay equity lawsuits.

While DEI discussions in the corporate sphere typically focus on underrepresented and protected groups, the caution for how DEI initiatives are implemented in practice is that individuals often belong to more than one group or identity. “Intersectionality” is the way inequalities associated with these different identities overlap and are exacerbated. Law professor Kimberlé Crenshaw coined the term

“intersectionality” more than 30 years ago as she studied the oppression of Black women. The implication for CSCOs and their DEI work is that, for these intersecting identities, biases and challenges are stronger and require additional attention and resource in program design.

**Figure 2: Race/Ethnicity and Gender Are Most Likely to Be Considered by Supply Chain Organizations**

**Formally Considered DEI Dimensions**  
Multiple Responses Allowed



n = 298

Q: When you consider your supply chain organization/business unit's efforts to improve diversity, equity and inclusion, which of the following dimensions are formally considered?

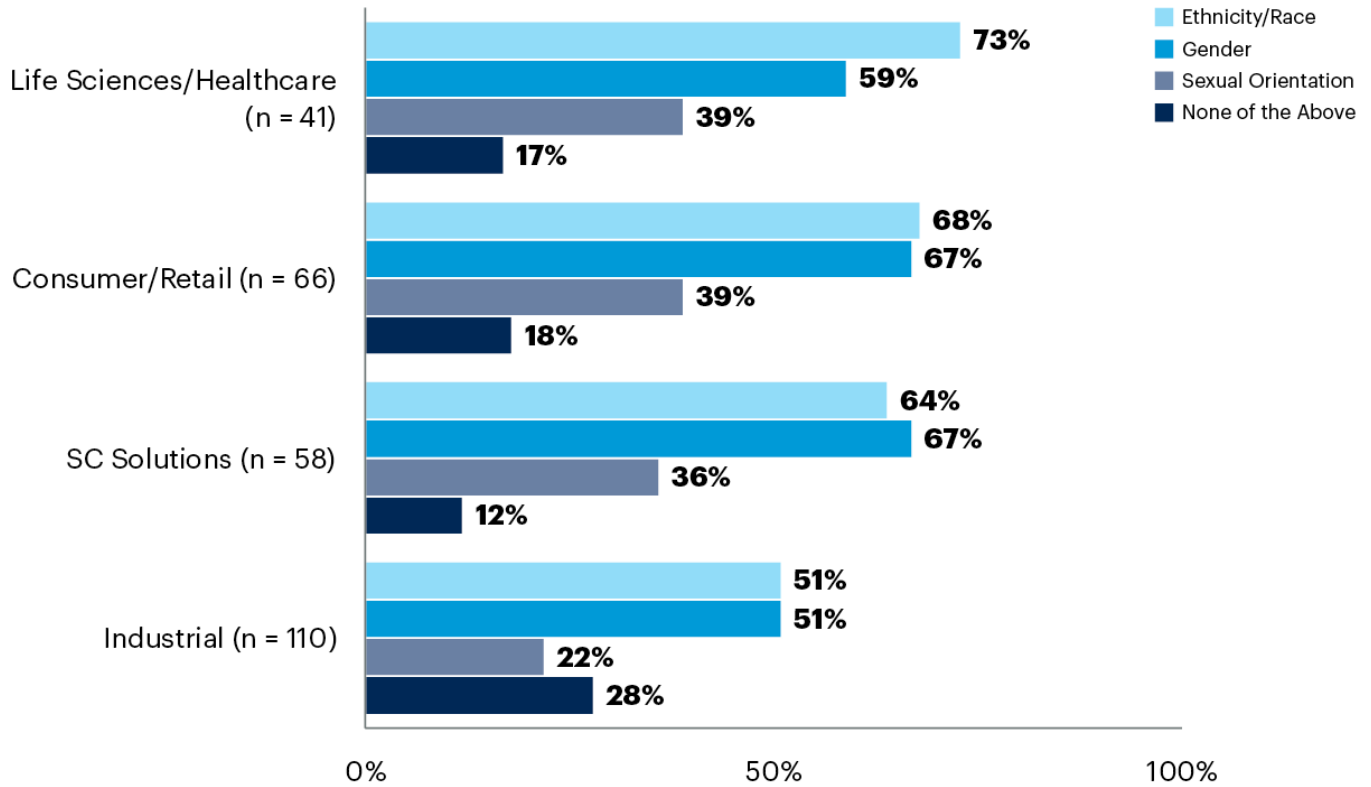
Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey  
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There is disparity in the results between industry and size of the organization. Consumer goods and life science organizations showed that they were more likely to have goals around gender, race/ethnicity and sexual orientation compared to industrial organizations. (See Figure 3.) Only 51% of industrial organizations stated that they had gender and race/ethnicity dimensions, falling to 22% for sexual orientation. Industrial organizations also had a higher response rate to “none of the above” at 28% compared to consumer goods (18%), life sciences (17%) and supply chain solution providers (12%). Why might this be the case? Consumer and retail supply chain organizations over the past 15 years have emphasized more gender and racial/ethnic diversity in their supply chain organizations, in line with a customer-driven focus. When 70% to 80% of consumer buying decisions are made by women, it makes sense that this would be the case. <sup>5</sup> Likewise, in life sciences and healthcare, the patient community at

the end of the supply chain is diverse. Industrial sectors are less likely to have a diverse community mirror held up to them when they consider their suppliers and customers, although this is changing too.

**Figure 3: Life Science and Consumer Sectors Are Significantly More Likely to Target Race/Ethnicity and Sexual Orientation DEI Dimensions**

**Formally Considered DEI Dimensions by Industry**



Q: When you consider your supply chain organization/business unit's efforts to improve diversity, equity and inclusion, which of the following dimensions are formally considered?

Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey  
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How is diversity, equity and inclusion perceived by employees? Gartner recently conducted seven focus groups with supply chain university students to identify what important attributes, experiences and value proposition they are looking for from the workplace. Students repeatedly expressed that diverse, equitable and inclusive workplaces were important, where they had the opportunity to develop relationships and continue to learn. This reinforced findings from other survey-based research, where we uncovered the same sentiment in young supply chain professionals, those in the 18- to 35-year-old age range (see [What Motivates Supply Chain Employees](#)).<sup>6</sup> The research showed that, among older supply chain employees, DEI is still relatively important, just less important than it is to younger colleagues.



**“I want to work in a workplace that truly values diversity, equity, inclusion and sustainability.”**

– *Supply chain major, college junior in the U.S.*

There are also differences in the research results when considering company size. Global supply chain organizations from the largest companies (more than \$5 billion in revenue) were more likely to focus on more formal dimensions of diversity, including race/ethnicity, gender, military experience and sexual orientation. We found that 95% of these global respondents consider at least one DEI dimension. There are good reasons for this. Global organizations are highly visible in terms of brand capital and are subject to a high degree of shareholder pressure. They hire lots of people, at scale, year after year, and want to make sure they retain and engage them. Finally, they have large, professionalized HR and organizational development groups to help design and drive programs – resources that smaller companies do not have.

Our student focus groups showed a preference toward working for larger companies, with fewer students interested in small companies and startups. The reasons given were that larger organizations are perceived to have more job security and opportunity. Prepandemic, small companies and startups were more attractive to more students, especially top graduates. Smaller supply chain organizations should learn from and draft on the resources of larger companies that are their customers and partners to create more formal approaches to diversity, equity and inclusion. As our research starkly reveals, the smaller a company is, the less diverse its supply chain organization is. If you are a smaller industrial company, you will be even less likely to have a diverse and inclusive supply chain workforce.

Although the focus on these diversity dimensions is welcome, it is only one aspect of diversity, equity and inclusion. Some DEI experts, in fact, recommend looking at diversity as an outcome. It cannot be achieved or sustained without creating an equitable and inclusive employee experience. Remember the unwieldy triangle in Figure 1. Systemic change only occurs once equity inequality in opportunity access, reward and remuneration has been addressed.

### Action Item

Supply chain organizations should focus on one or more dimensions for diversity, equity and inclusion, considering both visible and nonvisible diversity dimensions. Industrial companies and small to medium-sized organizations should identify DEI dimensions for focus as part of their overall talent strategy, using local, global and customer demographics as indicators.

## With Each Step Up the Corporate Ladder, Representation of People of Color Declines Dramatically

When you go to your company website and click to the page featuring your leadership team, how many of those individuals are people of color? In a leadership team of 11 VPs, there may be one face, but, in many cases, we'll see none. As hard as it may be to acknowledge, the demographic makeup of supply chain leadership teams, according to the American, Canadian and European respondents for this project, are simply not representative of the communities they live and operate in today. This can prove damaging to the career aspirations of people of color in supply chain organizations and to their perception of inclusivity in the industry as a whole. It's also bad for business.

**As a person of color, if you don't see anyone in a top leadership position that looks like you, could you hope to achieve such a feat yourself? This is why representation matters.**

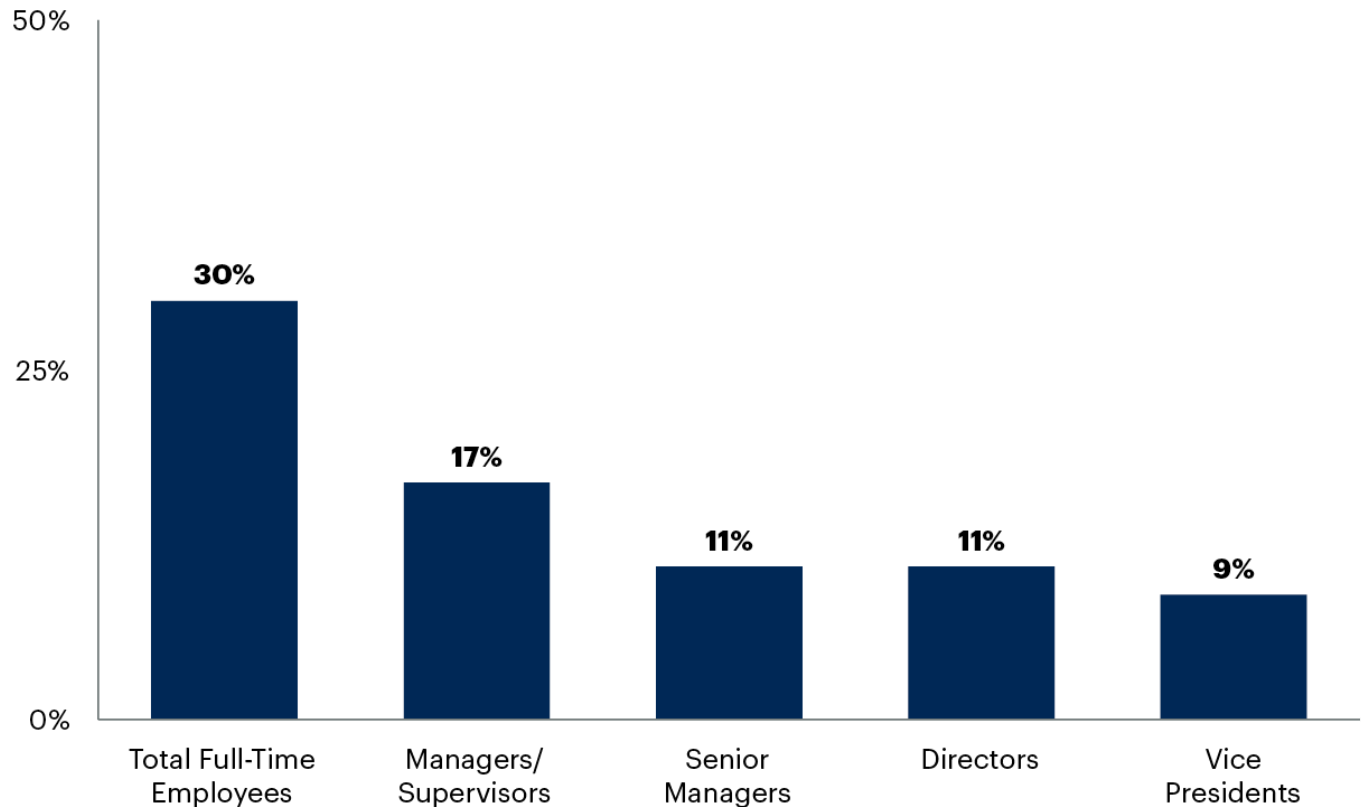
A look at representation in supply chain not only provides us with a valuable perspective of its current demographic makeup, but helps us to understand where there are critical opportunities in the pipeline for hiring, developing and promoting people of color. When surveying for representation, using U.S., Canadian, U.K., and Organisation for Economic Co-operation and Development (OECD)-derived categories, we defined "people of color" as being Asian, Black/African/Afro-Caribbean, Hispanic/Latinx, Native American/First Nations, Pacific Islander and any other indigenous person, which are all underrepresented groups in Europe, the U.S. and Canada.

Looking at the overall representation of people of color in the average supply chain organization, we find that 30% of the full-time supply chain workforce is made up of people of color (see Figure 4). By comparison, in the United States, 33% of the population is Black, indigenous or people of color.<sup>7</sup> In Canada, people of color are 22.3% of the total population,<sup>8</sup> and in the U.K., 12.8%.<sup>9</sup> This means that the total supply chain workforce resembles North American society (which made up a majority of the respondents for this survey).

We also asked respondents to tell us specifically about Black and Latinx representation in their supply chain organizations, specifically, the underrepresented groups U.S.-based companies and operating groups are primarily focused on. On average, supply chain organizations are 14% Black/African/Afro-Caribbean and 14% Hispanic/Latinx, slightly more than the 13.4% of the U.S. population that is Black, but lagging the 18.5% that is Latinx.

**Figure 4: With Each Step Up the Corporate Ladder, Representation of People of Color Declines**

### Average Percentage of People of Color in Full-Time Positions



n = 298

Q: What percentage of your supply chain organization are people of color?

Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey

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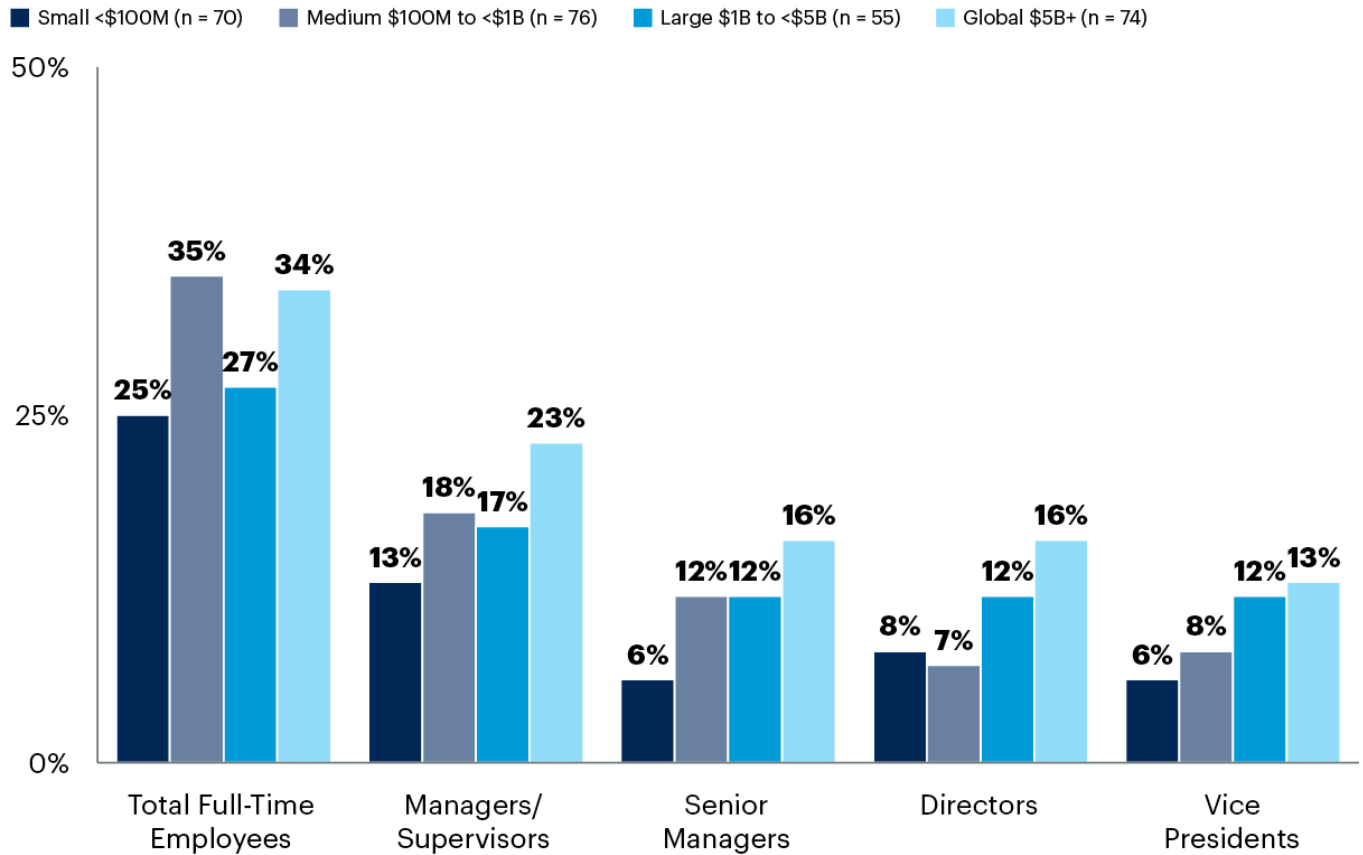
However, as we navigate our way up the organizational hierarchy, the state of representation and inclusion in leadership becomes quite dismaying. We see almost a 50% drop in representation once we reach just the first level of leadership, at the manager and supervisor level. As we look further up the corporate ladder, we see fewer and fewer people of color. At the senior manager and director levels, people of color compose barely more than one-tenth of either level. Only 9% of vice presidents in the supply chain are people of color. It's important to note that these percentages are relatively consistent across all supply chain industry segments. We all have work to do to improve representation in our leadership pipelines.

The biggest differences we see are not between industries, but between differently sized organizations. The largest global supply chain organizations are leading the pack when it comes to representation of people of color (see Figure 5). These organizations – which have an annual revenue of more than \$5 billion – show greater representation of people of color at all levels of the organization compared to any of their smaller peers. Still, the global players suffer large drop-offs in initial promotions to manager (from 34% of overall workforce to 23% of toward managers). Their pipeline advantage relative to smaller

companies erodes over time to where the global players have only a single percentage point advantage at the VP level (13%) over large companies (12%).

**Figure 5: Global Supply Chain Organizations Have More Robust Pipelines**

**Global SC Organizations Have More Robust Pipelines**



Q: What percentage of your supply chain organization are people of color?  
 Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey  
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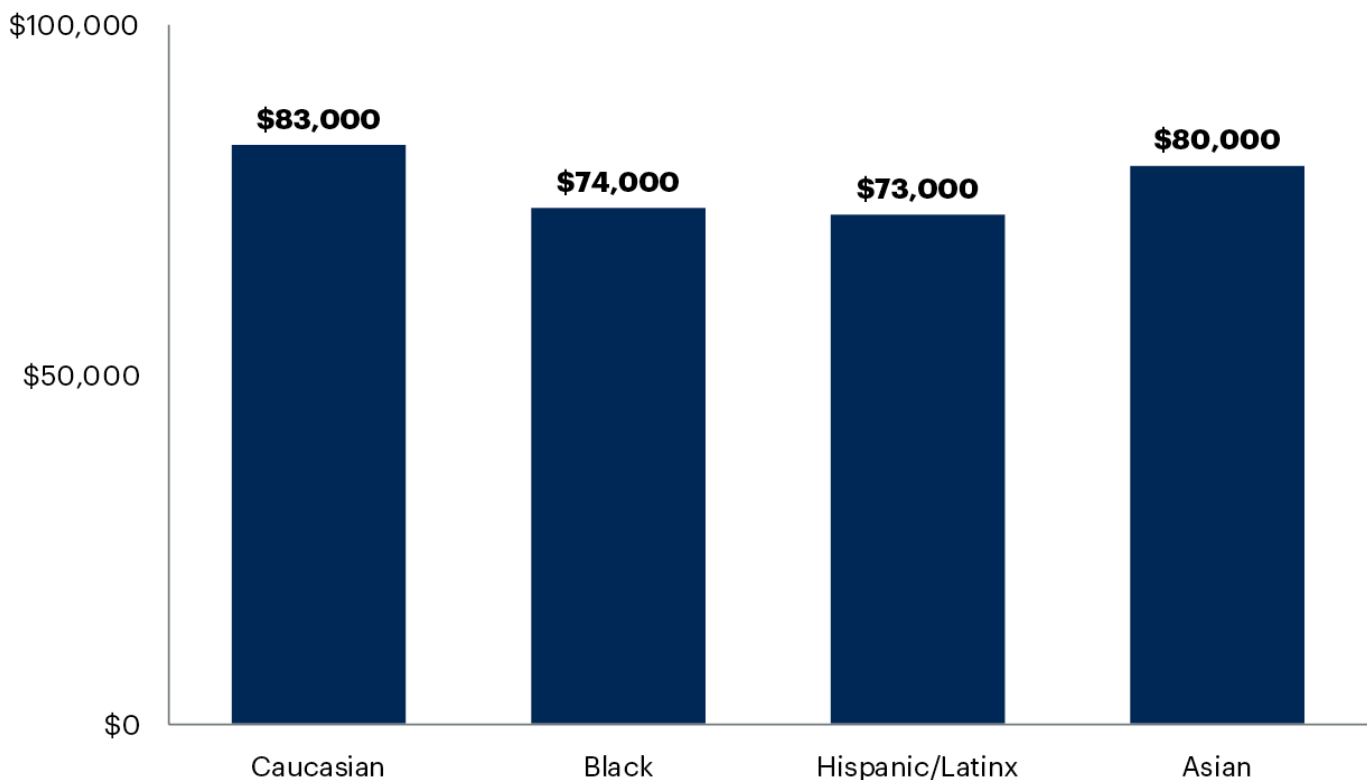
In stark contrast, small companies with revenue of less than \$100 million lag in POC representation at every leadership level, as well as when we look at the composite supply chain workforce. Global companies certainly may benefit from their global reach in acquiring diverse talent, but they are clearly also putting in the work to practice inclusion in leadership development and promotion. Yet, with the rise of remote and hybrid work, even smaller supply chain organizations will have an opportunity to hire and retain more diverse talent through more flexible work offerings and by hiring more expertise globally. Supply chain leaders in smaller companies with fewer HR resources benefited by focusing on pulling bias out of their recruiting processes (see [Ignition Guide to Developing a Diversity Recruitment Strategy for Supply Chain](#))

and also on working more inclusion into their opportunity distribution, performance management and succession management processes (see [Initiatives That Drive Inclusion](#)).

Retaining people of color in supply chain and promoting them into higher levels of leadership will also require us to take a closer look at pay equity. In a separate survey of individual supply chain professionals conducted by ASCM, pay equity lags rather alarmingly for people of color (see Figure 6), partly because they are less likely to be in more senior, higher-paying roles. Significant differences in salary could not be accounted for by other factors such as education or tenure. Respondents who selected Caucasian reported a median salary that is 12% higher than Black/African/Afro-Caribbean respondents, 14% higher than Hispanic/Latinx respondents and 4% higher than Asian respondents.

**Figure 6: Median U.S. Supply Chain Salary by Race/Ethnicity**

### Median Supply Chain Salary by Ethnicity — U.S.



Source: 2021 ASCM Salary Survey  
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Even more alarmingly, the same research showed that people of color are more likely to have a graduate degree than their Caucasian peers, yet are consistently paid less. While 54% of Black employees, 43% of Hispanic/Latinx and 55% of Asian employees hold graduate degrees, only 31% Caucasian employees hold the same level of degree. <sup>10</sup> Supply chain organizations that compensate fairly and ensure more equitable pay for any employee in their organization will have a competitive advantage when it comes to hiring and retaining people of color.

#### Action Item

Combat the dramatic drop in representation of POC at the manager and supervisor level by investing in frontline leadership development programs for minorities. For example, create mentorship programs specifically focused on connecting leaders to individual contributors who are people of color. Ensure equitable promotion and pay structures, and provide clarity around which experiences are critical for first-time managers to have had to be successful in their new role (e.g., leading a project, coaching a struggling peer). Weave inclusivity into succession planning practices. For example, appoint a bias champion that assists in identifying bias at succession planning meetings. This champion might ask, “Is this feedback due to a capability gap or simply a work style difference?”

## Most Organizations Have Goals and Objectives, but Commitment Varies by Industry and Company Size

While all business performance measurements are imperfect and only a proxy for gauging how we’re tracking toward our strategy objectives, what we measure does communicate the importance of that thing to our organization. With the rise of social justice movements in 2020 and urgent calls for action on DEI, the first step many CSCOs took was to commit or recommit to action. To not do so was to silently communicate to the public that equality, inclusivity and diverse representation in supply chain are simply not important.

**While issues of race and ethnicity vary greatly across the world, we expect companies in all countries to have a talent strategy that allows them to draw on the fullest set of talent possible. As you issue sustainability reports, we ask that your disclosures on talent strategy fully reflect your long-term plans to improve diversity, equity and inclusion, as appropriate by region. We hold ourselves to this same standard.**

– *Larry Fink, CEO, BlackRock, 2021 Letter to CEOs*

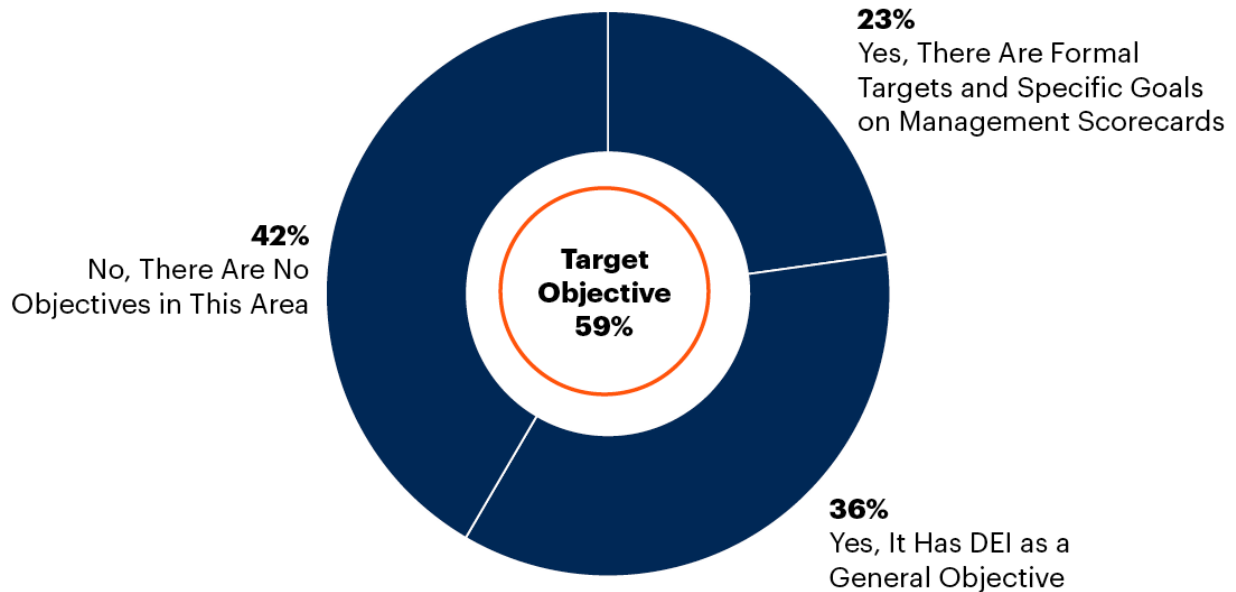
When the head of the largest asset management company in the world (\$8.7 trillion) tells you to do better with DEI, it’s probably wise to take note. Let’s see if supply chain organizations are receiving the message.

We find that more than half of supply chain organizations have some form of objective to improve diversity, equity and inclusion, and 23% of those organizations have formal targets and goals that are represented on management scorecards (see Figure 7). However, shown another way, 42% (or 3 out of every 7) of supply chain organizations have no plans to improve diversity, equity or inclusion. A formal target might be narrower, focused on a particular process like recruiting —for example, “two diverse candidates must be interviewed for every slate.” It could, however, be broader — for example, Dell’s companywide 2030 moonshot goal of having 50% of its global workforce and 40% of global people leaders be women. <sup>11</sup>



Figure 7: More Than Half of Supply Chain Organizations Have Improving DEI as an Objective

### Percent of Companies With Stated Objectives to Improve Diversity, Equity & Inclusion



n = 256, excludes don't know

Q: Does your supply chain organization have a stated objective to improve diversity, equity, and/or inclusion in supply chain?

Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey

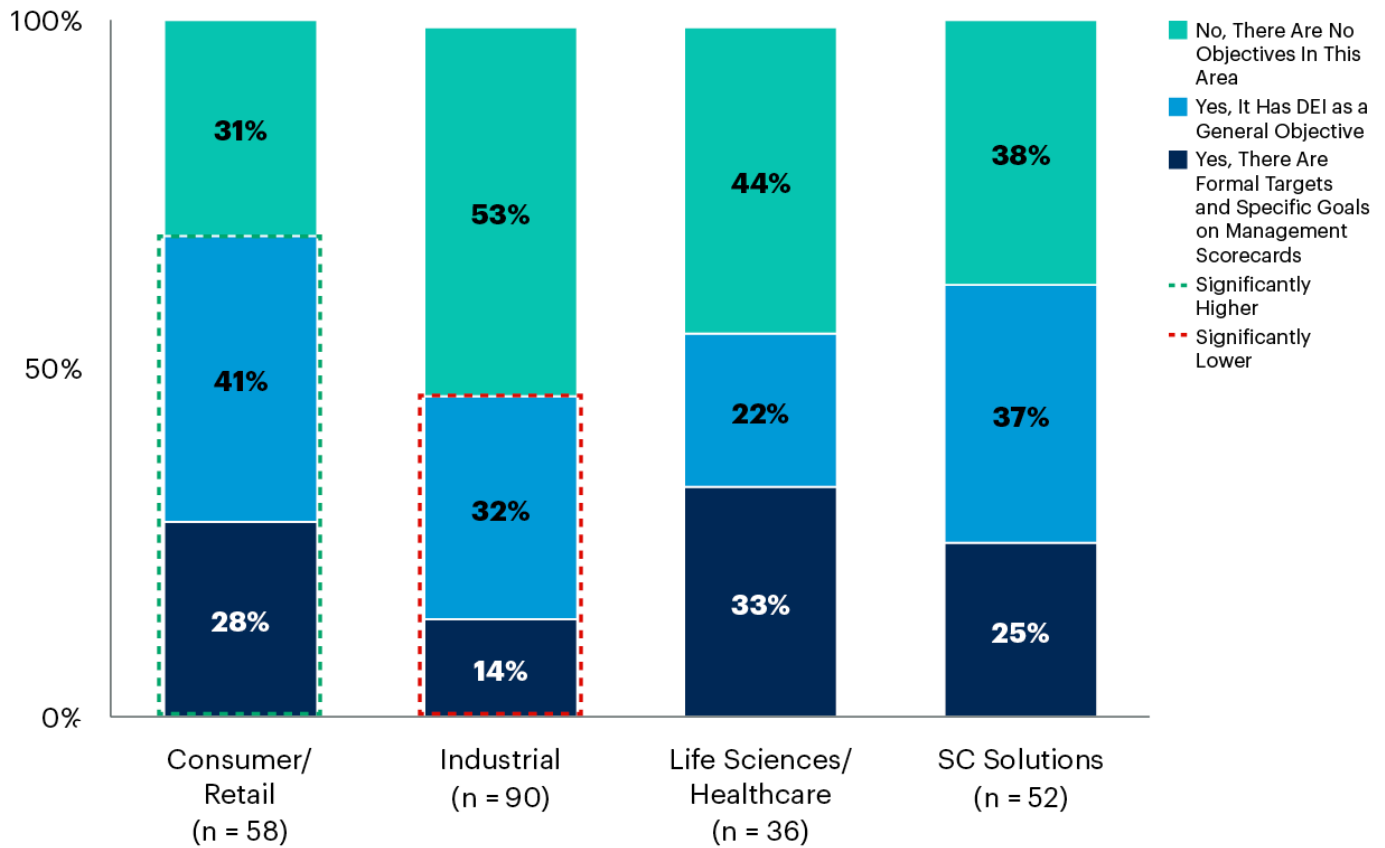
Note: Percentages may not total 100% due to rounding.

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In terms of industry commitment, consumer and retail supply chain organizations are significantly more likely to have either a general objective for DEI or formal targets and goals than other industry sectors (see Figure 8). And industrial supply chain organizations are significantly less likely than other sectors to have any stated objective. More than half of industrial supply chain organizations have no objectives for DEI. Only 14% have formal targets.

**Figure 8: Significant Differences in Stated DEI Objectives Across Industries**

**Percent of Companies With Stated Objectives to Improve Diversity by Industry**



Q: Does your supply chain organization have a stated objective to improve diversity, equity, and/or inclusion in supply chain?

Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey

Note: Percentages may not total 100% due to rounding.

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Yet again, the size of a company also plays a big role in determining the level of senior leadership dedication to diversity, equity and inclusion. Global supply chain organizations are far more likely to have DEI objectives – particularly formal targets or goals – than their smaller peers. And only 24% of small business supply chains have DEI as an objective.

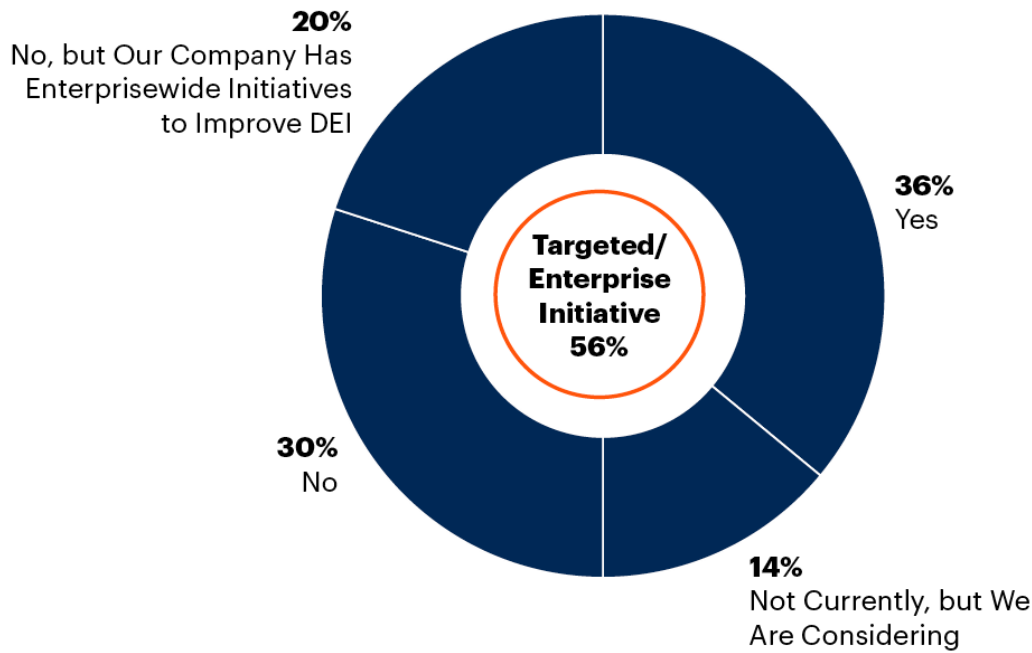
This makes sense in light of the social justice movements of 2020. Global companies have globally recognizable brands, and there has been pressure put on those recognizable companies to take action in some way. In a global organization, we’re more likely to find a DEI officer or HR leader that owns diversity, equity and inclusion activities and outcomes. Even within the supply chain organization, you’re more likely to find an individual responsible for supply chain talent strategy, including DEI. Therefore, we are more likely to see formal objectives or targets in those supply chain organizations.

Once supply chain organizations have goals and objectives, this should translate into specific projects and initiatives to achieve those objectives. DEI is particularly vulnerable to statements and goals that are not always backed up by actions. How did our respondents fare here? Thirty-six percent of respondents

said that the supply chain organization is leading initiatives, while 20% said their company has focused initiatives, which is good news (see Figure 9). Gartner’s annual Women in Supply Chain Survey also shows correlations between supply chain leadership of these initiatives and respondents reporting progress.

**Figure 9: Supply Chain Takes Charge in Leading Targeted Initiatives**

**Percent of Companies With Targeted Diversity Initiatives**



n = 244, excludes don't know

Q: Does your organization have any targeted initiatives or projects to recruit, develop, retain and/or advance these groups?

Source: 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey

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We’re glad to see that the majority of respondents have initiatives. But that leaves 44% who don’t have one or are “considering” starting one, a precarious position to be in. Business logic, as well as further analysis of the data, shows that just having goals is not sufficient — you must have initiatives. Supply chain organizations with initiatives were 66% more likely to report progress in meeting their diversity goals and nearly two times more likely to meet equity goals than respondents without targeted initiatives.

**Action Item**

To ensure goals and objectives don’t get stranded without action, identify and resource specific projects and initiatives that supply chain can drive, lead or influence. Use this research and additional findings from resources like Initiatives That Drive Inclusion to give yourself a better chance of measurably improving DEI.

## Focus on Racial and Ethnic Diversity Skyrockets in 2020, but Type and Success of Initiatives Vary

While more than half of supply chain organizations have either general or formal goals related to racial and/or ethnic diversity, the initiatives and tactics to reach these goals have only more recently gained attention. In the past year alone, we saw a nearly 100% increase in initiatives targeting racially and ethnically diverse talent. When we examine the detail behind 44 DEI initiatives at 37 supply chain organizations striving to improve diversity, equity and inclusion for people of color, we find that most prioritize education and awareness raising initiatives (30%). Recruiting initiatives (20%) and integrated pipeline planning (20%) follow that initiative.

Awareness raising and education initiatives typically include DEI training or the recognition of cultural holidays. Most recently, the focus has been on raising awareness of unconscious bias, aiming to help participants recognize that everyone has it and what they can do to mitigate theirs and others'. But this training is falling short. Unconscious bias training can increase awareness and confidence discussing disparities, but it often fails to change behaviors and impact inclusion or equity. Further, these trainings emphasize individual barriers rather than broader systemic challenges. In Gartner's Inclusion Index research, anti-bias training is identified as a high-prevalence, low-impact activity. <sup>12</sup>

Supply chain organizations have room to improve on facets of diversity, equity and inclusion, and while there are a number of ways to impact diversity, equity and inclusion, some initiatives are more effective than others. Recruiting initiatives and integrated pipeline planning (a combination of decision forum and development projects that pulls in and advances more individuals into leadership positions) are far more likely to lead to better outcomes. In the realm of recruiting, Gartner research finds that five initiatives prove more effective: diverse interview panels, diversity referral programs, summer internship programs for diverse students, blind resumé reviews and diversity campus recruiting. In integrated pipeline planning, companies go beyond recruiting to succession planning and leadership development and sponsorship programs.

### Action

Use the renewed focus on diversity, equity, and inclusion to sustain initiatives targeting racially and ethnically diverse talent in the supply chain. Prioritize initiatives for implementation based on their impact on inclusion and equity as much as diversity. Ensure that initiatives are clearly linked to broader DEI objectives and goals. Be accountable and transparent, sharing back both successes and shortcomings to the broader supply chain organization.

### Evidence

The 2021 Gartner/ASCM Supply Chain Diversity, Equity & Inclusion Survey was launched to capture high-level data on broad DEI dimensions (racial/ethnic minorities, women, LGBTQ, physical ability and others) and initiatives. It also drilled down on racial and ethnic DEI data and best practices in supply chain organizations. The research was conducted online from 11 November through 14 December 2020 among 298 respondents primarily in the U.S., Canada and Europe. The Association for Supply Chain

Management (ASCM) partnered with Gartner to develop the survey and recruit participants. The sample was augmented with recruitment efforts by social media.

<sup>1</sup> [Risk for COVID-19 Infection, Hospitalization, and Death By Race/Ethnicity](#), CDC; [Labor Force Statistics From the Current Population Survey](#), U.S. Bureau of Labor Statistics; [COVID-19: Investing in Black Lives and Livelihoods](#), McKinsey & Co.

<sup>2</sup> [The New Employment Deal](#)

<sup>3</sup> [Supply Chain Brief: How to Compete for Millennial and Gen Z Talent](#)

<sup>4</sup> [Definition: Race – human](#), Britannica

<sup>5</sup> [Respecting Women as Purchasers Is Key to Business Growth](#), Entrepreneur

<sup>6</sup> Gartner's Supply Chain Talent and Organizational Pulse Survey, 2018. Gartner surveyed organizations between 24 August 2018 and 3 October 2018 to understand how supply chain professionals feel about their careers and the workplace. We also sought to obtain insight into demographic differences, find out the impact of digital business on employees today, and how governance, culture or other structural mechanisms support or hamper their ability to be successful.

In all, 694 respondents participated across the U.S. (n = 152, 22%), Canada (n = 38, 6%), France (n = 46, 7%), Germany (n = 59, 9%), U.K. (n = 111, 16%), Mexico (n = 47, 7%), Australia (n = 53, 8%), New Zealand (n = 5, 1%), Singapore (n = 50, 7%) and India (n = 133, 19%). Note that the percentages do not add to 100% due to rounding. Country, value chain industry, revenue band and job role quotas were established to enable the comparison and contrasting of key trends.

Qualifying organizations are large organizations in the retail, healthcare provider, CP, chemical, industrial, high-tech and life sciences manufacturing industries. These organizations had at least \$1 billion equivalent in total annual revenue for fiscal 2017 (\$250 million equivalent and above outside the U.S.).

Qualified participants hold positions or job roles tied to supply chain functions (i.e., planning, sourcing, manufacturing, logistics, customer service, strategy and IT).

Interviews were conducted online and in a native language (English, German, French or Spanish). The sample universe was drawn from external panels of IT and business professionals.

<sup>7</sup> [QuickFacts](#), U.S. Census Bureau

<sup>8</sup> [People of Colour in Canada: Quick Take](#), Catalyst

<sup>9</sup> [Ethnicity and Religion Statistics](#), Institute of Race Relations

<sup>10</sup> [2021 Association for Supply Chain Management Salary Survey, ASCM](#)

<sup>11</sup> [2030 Goals](#), Dell Technologies

<sup>12</sup> [Initiatives That Drive Inclusion](#)

## Recommended by the Authors

[Survey Analysis: What Motivates Supply Chain Employees](#)

[Ignition Guide to Developing a Diversity Recruitment Strategy for Supply Chain](#)

[Initiatives That Drive Inclusion](#)

[2020 Women in Supply Chain Survey Highlights Consumer Value Chain Progress](#)

[Employees Want Leaders to Take a Stand](#)

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