



Diversity and inclusion make hybrid work

CDO and diversity leader perspectives across
industries

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When we began reimagining the future of work—the hybrid workforce model that KPMG calls Flex with Purpose—we knew that diversity, equity, and inclusion (DEI) would be foundational to its success. As we noted in our paper on hybrid working communities at the end of 2021, our understanding of work has shifted in unprecedented ways since March 2020. We’re continuing to navigate a global pandemic and only beginning to understand the outcomes of the Great Resignation. That’s why revising the workplace, from supporting a nimble remote work environment to cautiously opening office doors again, looks different for every organization.

We at KPMG, like many organizations, are on our own journey to create a new model that sustains deep connections among employees and employers. There’s no snap of the fingers that will return us to our old normal. With the pandemic reshaping employee expectations and preferences, organizations are facing new opportunities—and that means new ways to engage with a DEI lens. To learn more about how leading organizations are mapping their journeys, we interviewed chief diversity officers (CDOs) and other diversity experts across industries including manufacturing, education, real estate, financial services, technology, retail, and pharmaceuticals. And while every organization’s path to a DEI – embedded workforce will be unique, we’ve found we’re not alone in approaching DEI just as we do environment, social, and governance (ESG) principles.



DEI across industries

The CDOs and diversity leaders we spoke to span a variety of industries: real estate, education, insurance, specialty retail, and pharmaceuticals. They're the leaders of DEI at their organizations, and those businesses are leaders within their fields. The impact of the pandemic and remote work was significant for each of these organizations, and these leaders were agile with responsive strategies. Looking forward, each CDO has a plan that not only responds to the pandemic but also uses it as a catalyst for a renewed commitment to DEI and the hybrid workforce.

● **Nadine Augusta** is the Chief Diversity, Equity, and Inclusion Officer at leading global real estate services firm Cushman & Wakefield. The organization is among the largest real estate services firms, with core services across property, facilities and project management, leasing, capital markets, valuation, and more. With approximately 50,000 employees across 400 offices and 60 countries, Nadine's work at Cushman & Wakefield has overseen a critical inflection point for the commercial real estate industry and emphasized the importance of hybrid work in real estate.

● **Keyla Cabret-Lewis** is the Director of Diversity, Equity, and Inclusion at Aflac Inc. As a Fortune 500 company providing coverage for more than 50 million individuals in the United States and Japan, the organization has developed and sold supplemental insurance products for over 60 years. Keyla's career at Aflac—from talent acquisition and university relations to business partner management—has demonstrated the importance of DEI as a core business strategy.

● **Maria Febre** is the Head of Employee Belonging at Gap Inc. The global retailer's four purpose-driven, billion-dollar lifestyle brands (Old Navy, Gap, Banana Republic and Athleta) each stand for something and deliver a distinct point of view through relevant product, creative, and customer experience. Focusing on Black, Latinx, and under-represented communities, Maria is spearheading efforts to build inclusive leadership capabilities and authentic, meaningful connections in the workplace.

● **Eric Thomas** is the Global Diversity, Equity, and Inclusion Officer at Genesys, where he is charged with developing global programs around progressive diversity, company-wide inclusive culture, and talent recruitment and retention. As part of the company's commitment to increase diversity within its workforce, Genesys strives for its workforce to be as diverse as the markets in which it works by 2030. Prior to his current role, Eric served as vice president, Global Delivery, in Genesys Professional Services leading a team of more than 450 employees responsible for worldwide implementation services.

● **Dr. Enrica Ruggs** is an Associate Professor of Management in the C.T. Bauer College of Business at the University of Houston. Her research examines the individual, organizational, and societal factors influencing inequity in the workplace. Funded by the National Science Foundation, her work focuses on the manifestation of subtle forms of discrimination and mistreatment toward employees with stigmatized identities, the outcomes of these behaviors, and strategies that individuals and organizations can engage in to combat and reduce discrimination. She formerly served as the Director of the Center for Workplace Diversity and Inclusion at the University of Memphis.

● **Celeste Warren** is the Vice President of the Global Diversity and Inclusion Center of Excellence at Merck. Employing approximately 65,000 individuals, the biopharmaceutical organization provided essential research and services during the pandemic while dealing with the challenge of remote work when many employees needed to work at their pharmaceutical labs. Celeste has incorporated DEI into Merck in many ways, from recruiting more diverse patients through clinical trials to diversifying the supplier network.

We also reviewed [public statements](#) made by CEOs and CDOs, including Josh Silverman, the CEO of Etsy, and Kasey Edwards, the CEO of Helpr.

While each of these interviewees come from different industries, they all agree that three key strategies will drive hybrid workforce success:

Embrace hybrid.

Invest in education.

Create spaces for connection.



1 Embrace hybrid because it's here to stay.

The new normal: One of the greatest misconceptions about hybrid work is that it's temporary. Maria Febre from Gap Inc. urges organizational leaders to put the pandemic in context. "There was a lot of trauma in the last few years for individuals and we'll have to more readily identify and address intersectionality and the impact of trauma when multiplied (racism, sexism, classism, ableism, etc.)," she reminds us. "We have to acknowledge these experiences and make space for them, both as colleagues and people in the community. We can't just go back to how things were pre-pandemic. It will take time and adjustment." And for individuals who can navigate workplaces better while remote or find in-person environments unsafe for them and their loved ones, the old normal is no longer a sustainable or compelling workplace. As we've learned from the Great Resignation, being an employer of choice should be an organization's priority — and that isn't just going to go away.

This means staying attuned to the needs of employees as the landscape of the pandemic shifts. At Aflac, surveys have been integral to understanding different perspectives on hybrid work. Keyla Cabret-Lewis shares, "People would be surprised by how many individuals want to stay hybrid or remote, and how productive some people were." Clear communication is critical: While some individuals want to return to the office, the old normal won't remain. As masking and distancing policies evolve, leaders will have to consider the experiences of both remote and in-person work to be successful. "You have to say it explicitly," Keyla says. "It's not going to be the same."

For some companies, adjusting to hybrid has felt aligned with the existing operating model. At Genesys, this shift was supported by a widespread employee network. "We were already spread out geographically, and now we're participating in a truly virtual environment that levels the playing field," Eric Thomas shares. "Understanding and accepting that this is the future of work has helped us identify new apertures with recruiting and retention, and especially for our outreach with HBCUs."

Benefits of the total workplace ecosystem: During the pandemic, real estate company Cushman & Wakefield used its proprietary Experience per SF™ (XSF) tool to uncover insights into the ways individuals have experienced the evolving working environment.

At the onset of COVID-19, as many shifted to virtual work, the organization measured the experience and performance of its own employees who were able to work from home using a redeveloped version of the tool, XSF@home. Cushman & Wakefield uses the same XSF tool to help other organizations measure employee engagement and experience.

As Cushman & Wakefield's Nadine Augusta explains, the research indicated a shift toward a total workplace ecosystem. The purpose of the office fundamentally shifted, with employers learning that productivity could truly happen anywhere, not just in an office space.

Flexibility and agency were integral to employee satisfaction, and Cushman & Wakefield received this feedback in real time through XSF@home. "Because our XSF data amplified the experiences of our employees, we could evolve in tandem with their experiences," Nadine shares. Her advice to other organizations is to develop tools that not only support their definition of hybrid, but also remain agile in this ever-changing environment.

A total workplace ecosystem recognizes that work in central offices, regional offices, and homes provide employees with different relationships to a physical office space. The concept of the office isn't going away, but how have employees' understanding of a central space changed? How are you as an employer imbuing the space with purpose, collaboration, and connections that cannot be mirrored elsewhere? The total workplace ecosystem is an opportunity to evolve workspaces and demonstrate their value.

This type of ecosystem requires companies to envision a hybrid environment that is intentionally and meaningfully structured. The use of quantitative and qualitative assessments of employee experiences, like Cushman & Wakefield’s XSF@home and those used by KPMG, help build a unique and agile model for hybrid work. At KPMG, our Flex with Purpose model is designed to support employees engaging in deepening their connections and senses of belonging, with DEI at its core. Differentiated employee experiences – what KPMG refers to as its employee value proposition – establishes a foundation of support and care for our people. It’s also the reason Flex with Purpose is based in flexibility; knowing that individuals have their own journeys and ways of learning, developing, and growing in their careers helps our people, and our firm, succeed.

An inclusive lens for hybrid work: As employers get passionate about these questions, it’s important to remember that not all employees have been able to shift their relationship to their physical workspaces. At Cushman & Wakefield, a large portion of the workforce must work in person, whether they are engineers fixing boiler systems, staff cleaning properties, or building and leasing managers going to properties. These employees have never had a remote work opportunity.

“If you’re evolving the workplace and the way you think about work, are you being inclusive of the experience of all populations of employees?” Nadine asks. “How are you making the experience safer for frontline employees? How are you improving retention?”

Merck’s Celeste Warren echoed these questions while cautioning against hasty generalizations. Although Merck’s field sales have always been remote, the manufacturing base is entirely composed of in-person workers. Ensuring that there are enough resources, educating managers, and awareness of distance bias is critical to charting a path forward.

“It’s not only about the 25 of 40 people you can fit into the room,” Celeste says. “How are you reaching people throughout your organization globally? How is your engagement flexible and effective?”

These perspectives reflect our findings from our 2021 paper on Flex with Purpose: Hybrid work works, and its implementation can deliver a better experience for many. We know employees do not have to be in person to be productive, and virtual practices have made some people feel even more connected than before. The key is connecting with intention, effectively creating new relationships and facilitating learning and development across all levels of employees.



2. Invest in education.

Focus on your managers: A good manager can make or break the hybrid experience. As Merck’s Celeste Warren reminds us, “The current path forward is shaped by the type of leader one has in an organization.”

At Merck, the current focus has been on supporting first- and second-line managers. How can an organization provide more resources and coaching so that leaders and managers can succeed in this evolving environment? While managers have faced many of their own challenges during the pandemic, they are also the source of daily interactions for many other employees. This means that a DEI lens can be incredibly successful—or spectacularly painful—based on managers’ interaction with team members.

“If you were to ask managers what their DEI objectives are on their teams, are you able to receive a clear articulation?” Celeste asks. “This is the difference between messaging at a town hall or an event, and driving accountability through one-on-one engagement.”

Managers need support too, which is why many leaders encourage clear expectation-setting and coaching. In a public statement, Josh Silverman, the CEO of Etsy, stated that the company would be training managers “on how to run remote and distributed teams, with a focus on effective collaboration and bringing out the best in our people in a blended work environment. Say, for instance, half of a team is huddled in our global headquarters in Brooklyn and the other half is dispersed around the world remotely, they’ll have the tools to work together seamlessly—as if they were all in the same meeting room together.”

Understanding what has worked before and during the pandemic must inform how lessons are carried forward. While many might focus on what is changing, she directs leaders to remember that hybrid was already the norm for many people in global companies. Who are those experienced managers at your company, and how can you leverage their knowledge to inform your coaching?

Embed DEI into policy: Managers are essential to the success of a hybrid workplace, so be intentional about the culture they are creating. Are managers adequately equipped to lead their teams forward while navigating the new risks of hybrid? When it comes to discussing implicit biases, are efforts going beyond talking points and being embedded in new policies? Managers should understand what’s going on and be included so that they can successfully lead the transition to hybrid.

Dr. Enrica Ruggs sees DEI lip service as one of the greater risks during this transition. “There is a structural, systematic component to discrimination,” she reminds leaders. “Real change requires us to change systems, and that’s difficult work.”

After the murder of George Floyd, companies made broad statements about commitments to DEI and social justice, along with other social and governance principles. But like we’ve seen in the past with environmental principles and greenwashing, Enrica points out that many of these statements did not yield commitments in action. If DEI strategy is not considered core to the business, it will not be prioritized.

Eric Thomas emphasizes the need to embed DEI principles into the fabric of how an organization operates: “When you look at a lot of organizations, you see that everyday frameworks are not inclusive of women and folks of color. Ask yourself, what’s your succession plan? Do you have 2-3 names of individuals ready to fill a leadership role? Still, many people never pause to think and ask, if there are no women or people of color on that list, how am I developing leadership?”

Maria Febre also emphasizes that DEI should be integrated in how we approach work. “When developing new practices, policies, and programs, one key component is to have more diverse voices/people of color at the table during ideation and design to question and challenge theory and application. Being intentional further upstream in the process and engaging communities of color helps assess if we are driving the employee experience/expectations we want to create.”

Empower new leaders: Investing in education should go beyond current managers. Organizations must also focus on leadership development. As Keyla Cabret-Lewis points out, representation

has to be a top priority. “If this is an intentional process for everyone, then where are your employees seeing themselves represented in leadership? What does this say about retention and attrition during the pandemic?” While data might vary for an organization, she advises a focus on middle management.

“Overcommunicate what you’re doing and why you’re doing it to the leaders who are managing up as well as down,” she says. “This means overcommunicating your DEI lens as well.”

Leaders should focus on empowering employees to effectively lead and innovate in a hybrid model such as Flex with Purpose. Applying a DEI lens to staffing, meetings, and mental health can create strong cultural practices that enrich employee experiences. Because managers hold an outsized responsibility for fostering an inclusive culture, empowering them while engendering empathy from the top down and bottom up is essential to ensuring words turn into action.

3. Create space for connections.

Future of (equitable) work: “When I hear ‘hybrid’ and ‘DEI’ in the same sentence, I’m thinking about equity,” Keyla Cabret-Lewis says. “What are we doing to better assist individuals who did not have that benefit that I did? How can we help people feel that they belong?”

Creating connections and ensuring a culture of equity are top of mind for many leaders. “We learned a lot about building inclusive muscles,” says Eric Thomas. “We were forced to make this environment work during the pandemic, and now this setup has become the great neutralizer.” Eric urges leaders to think of the pandemic in its larger context in the future of work — hybrid work is likely one of the greatest shifts in the next decade. Being intentional is key; structuring agendas to give people the space to be vocal if they want to be, or to take time for a breath in between virtual meetings, especially in our current news landscape. There may be a lot to determine, but that means there are also a lot of opportunities to drastically reimagine the workplace ecosystem and embed purpose into every decision.

In a public statement, Helpr CEO Kasey Edwards spoke to the organization’s intentional approach to equity. “Our work specifically addresses gender equity in the workplace by helping employers provide care during breakdowns in access (say, when schools are closed, or the typical childcare provider is sick). As a company, by the nature of our work, it’s a daily practice to talk about the inequities in America around caregiving because our team is living various aspects of this reality.” On the topic of other daily practice shifts, Edwards noted, “We have to cultivate intentional opportunities for advancement. We’re starting by standardizing performance reviews, working to build a strong virtual culture, carving out regular facetime with managers, and offering trainings and team-building events virtually.”

New sources of connection: At Aflac, councils similar to KPMG’s Business Resource Groups (BRGs) have grown in size and number and, more importantly, they’ve grown in voice. Employees have more information about employee experiences at their fingertips, and their voices have greater power.

“Nourish whatever networks you have created,” Keyla says. Councils create opportunities to keep a finger on the pulse of employee experience and allow for effective responses to these sentiments.

Maria Febre noted that Gap Inc.’s Asian American and Pacific Islander BRG had increased its membership by 88 percent.

In the hybrid world, Gap Inc. has been able to expand beyond the bounds of its corporate headquarters in San Francisco and New York with programming reaching their store and distribution center teams. “Our store leaders and associates now have greater opportunities to feel seen, heard and valued. DEI programming is more than celebrating a moment; it’s building connection and acknowledging that communities, especially under-represented communities, matter,” she says. Gap Inc. has also scaled up DEI content, with customized delivery through virtual platforms and digital communities. This expansion has even launched a 12-city stop tour in which the DEI team will host meaningful conversations about DEI at their brick-and-mortar stores and distribution centers.

At Merck, the oldest Employee Business Resource Group (EBRG) is over fifty years old. Celeste Warren notes the especially important role that EBRGs have played over the past two years, in the immediate aftermath of the murder of George Floyd. “We needed space for leaders and employees to connect,” Celeste says. “EBRGs became an avenue for leaders to provide more support.”

These spaces have also been critical for communication. For example, human resources leaders have met with BRGs to discuss the return to work. Employees have been able to voice their concerns, experiences, and reservations in a safe and focused space.

Eric finds that employee resource groups (ERGs) at Genesys, which are organized by geography rather than affinity, are more fitting for an international organization. He shares that this has pushed new

conversations not always seen in U.S.-centric conversations – not only encouraging conversations about race, class, and ability, but also learning about caste and other forms of global marginalization.

BRGs provide unique sources of connection for employees. At KPMG, geographic divisions among employees lost significance as their communities expanded beyond the in-office workplace. Our BRG membership increased by 18 percent during the pandemic. Over half of our BRG members identify as allies, contributing to the supportive environment that advances our DEI efforts across the firm.

We also know that building community that spans remote and on-site workplaces can create connections and support flexibility. Conversations around quiet quitting beg the question, What would make time at work feel more meaningful for an individual? How do employers create environments where employees feel invested and invigorated to work, especially after the collective trauma of the pandemic changed so many individuals' relationships to work? This need for intentionality is similar to requirements faced by employers of choice during the Great Resignation.

BRGs and local office communities offer hybrid inroads for connection. With focuses on mental health and mentorship in addition to affinity spaces, and with broad reaches, we know informal connections and formal ones go hand-in-hand. BRG and local office community spaces must reflect a firm's principles around compensation and recognition, mentorship, and support for holistic well-being.

Conclusion

How do you embed DEI into core strategies that deliver better outcomes for all?

The future workplace has to be agile, responding to employee needs and preparing managers for new challenges. Ask yourself what it means to be an employer of choice at this critical juncture for workplaces. What resources, coaching, and communication channels are you providing?

While the journey will look unique for every organization, it's clear that hybrid work, investment in DEI education and manager support, and a sense of community are key.

In the next part of this series, we will highlight how these conversations are playing out within particular industries. Through cross-industry knowledge-sharing, we can all begin the journey forward with greater purpose.



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