

DESIGNED BY THE INDUSTRY FOR THE INDUSTRY

OVERVIEW

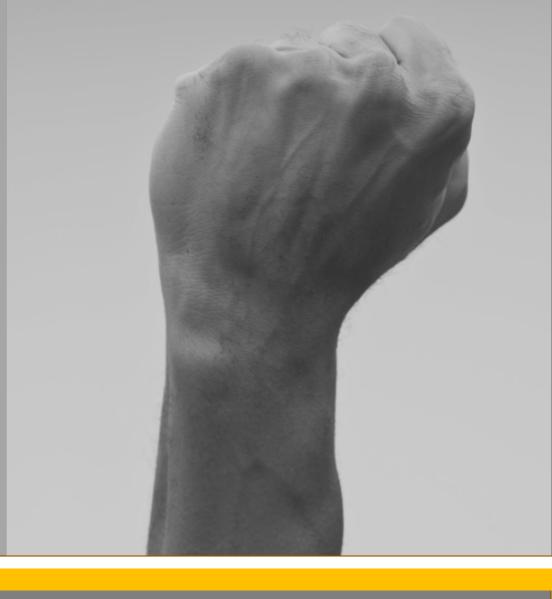
OUR COMMITMENT TO RACIAL JUSTICE AND EQUITY

The industry came together for four sessions in late September and early October 2020 to discuss how as an industry we could come together to address equity and inclusion.

The purpose of the Equity & Inclusion Congress was to create an industry-led commitment to accelerate diversity, equity and inclusion on a national scale, including key industry initiatives, goals and actions.

The Equity & Inclusion Manifesto is the outcome of that commitment, a dedicated manifesto designed for the industry, by the industry, free from individual organizational objectives, competition or bias. This manifesto represents the best of the industry, represented by over 300 professionals across all specialty areas of the broader human resources and talent function.

Addressing issues that face the industry today, in real time, with a sense of unity around the desire to address the industy's challenges, together.



4A's FOUNDATION

THE ROLE OF THE 4A's FOUNDATION IN DRIVING SUCCESS

The 4A's Foundation plays a pivotal role in helping the industry in achieving the manifesto goals. As the leading non-profit organization serving the industry for its diversity pipeline, through its support of the largest diverse alumni of industry professionals and programs to help develop diverse talent, the 4A's Foundation will partner with agencies across the employee lifecycle.

The 4A's Foundation exists to advocate for and connect diverse talent to the industry. We celebrate a community that fosters a culture of curiosity, creativity and craft to fuel a more equitable future. By investing in and developing them, we believe that possibilities are endless.

Established in 1997, the 4As's Foundation is committed to identifying, developing, empowering and ensuring the most diverse talent enters and succeeds in the industry. We achieve this through programs aimed at discovering and cultivating talent through scholarships, high school initiatives and the MAIP Fellowship and Alumni communities.





WHY NOW?

How far will you and your organization travel over the coming years/decades in pursuing structural equity and growing diversity?

As you prepare to think about what you will say to your shareholders or clients in 2030, what will you communicate?

Many statements of solidarity have been made over the past six months as increased awareness of systemic inequities in our society have take center stage. Many organizations have conducted employee "listening sessions", possibly tweaked their Diversity, Equity & Inclusion strategies, donated to any number of organizations, or made pledges that their organization will do everything in its power to uphold a just, equitable society. These actions are the historical and current corporate playbook, and they are worthwhile. Yet, they're also simply not enough.

They are not enough now, and they will not be enough a decade from now when it's time to report the organization's success against the commitments that were made in 2020. The discussions we are having right now, in this moment, and within your organizations and with clients, needs to focus on what it takes to reimagine an organization as one that is anti-racist.

Diversity, Equity and Inclusion is not an exercise in social activism or branding. It's not about programs or just focusing on metrics (while both are important), or the \$8 billion a year that organizations spend on bias training. It's about people. And changing hearts and minds takes time.

Every organization must address its unique challenges, culture and role in perpetuating inequities that have implications on every person their organization touches - from their people, to their customers, to the communities they serve.

There is no playbook or one-size-fits-all approach to Diversity, Equity & Inclusion and building an anti-racist organization. Rather, organizations will need to do the on-going work to evaluate where they are on their journey and take appropriate actions. The benefits are clear as every piece of research shows that more diverse teams reap better financial rewards, higher engagement, retention rates and improved recruitment and brand perception.

It is time for us all to commit to real, meaningful change. The journey starts now. Let's give ourselves ten years to fully achieve our aspirations.





4-s FOUTY & INCLUSION MANIFESTO

EXECUTIVE SUMMARY

The value of belonging at work quantifies the tangible value of belonging in the workplace, and conversely, the cost of exclusion for individuals and teams. It also introduces specific interventions to boost resilience in the face of exclusion.

Diversity & Inclusion training and diversity recruiting isn't enough to foster workplaces of inclusion. Organizations today have increasingly prioritized diversity and inclusion, and with good reason. A 2018 report from McKinsey found that companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns above their respective national industry medians. Despite D&I being top of mind for many of today's business leaders, the tangible progress made towards growing and retaining a diverse workforce at all levels of leadership is underwhelming.

The lack of progress may be disappointing, but it is unsurprising when we consider that many current approaches are not well-founded. For instance, nearly \$8B is spent each year on diversity training, the most prevalent D&I intervention in the US. Although diversity training is popular, evidence shows it does little to increase the representation of women and underrepresented groups.

The first study by the American Sociological Review measured the efficacy of D&I interventions by examining more than 30 years of longitudinal data from over 700 private organizations. They concluded that diversity training is not only ineffective, but it can also have negative impact if it is not done correctly and targets a sustained long-term effective change. An example was that after five years of required diversity training for managers, the proportion of Black women decreased by 9% on average.

One critical ingredient is missing from D&I interventions: evidence-based approaches that promote a culture of belonging for all employees.

While some may argue that strategies such as recruiting for diversity should take precedence over belonging interventions, even the most effective recruiting strategy won't lead to long-term change if new talent isn't supported to succeed. Indeed, lack of belonging has been identified as a key reason for voluntary turnover, especially for traditionally underrepresented groups (McKinsey).

A multi-phase approach to understand workplace belonging and exclusion is needed to push forward new frontiers for inclusive organizations with evidence-based intervention recommendations.



TRANSPARENCY

LEAD TAKEAWAYS

Leadership:

Leaders need to take more responsibility and be more involved in the design, implementation and success of DE&I initiatives. Performance should be tied to success across all metrics. The best thing leaders can do is listen from the ground up and demonstrate a bias for action based on the feedback. Leaders need to empower and educate themselves, they should be engaged in education and learning early and often. Lead by example, rather than make statements and leave the work to others. Provide budget and resources to effect change and commit to ensuring that funding will not disappear when results do not immediately appear, or financial pressure occurs. Use inclusive language, attend internal events and most importantly understand that DE&I is everyone's responsibility.

Education:

Advance diversity from advocacy to activism. Invest in a diverse workforce and education with proven partners for organization-wide implementation. Instituting a robust education program, is key to attracting and retaining a diverse workforce. All levels need to be included from entry to executive. It demonstrates trust in your talent while fostering business growth.

Accountability:

A "table-stake" initiative for every organization is to adopt accountability measurement if we want to achieve our DE&I goals. Leaders and managers should have a portion of their performance bonus or annual review tied to the achievement of divers hiring, retention and engagement goals. Leadership must see the value of the work in order to make progress.

Development:

Retaining key talent is important to all organizations, and that is especially important when it comes to retaining employees from under-represented groups. Use data to identify patterns, locate problem areas, and address issues proactively and systematically. Provide support where it is needed, especially to managers. Retention programs need to be more targeted than ever. Create mentor and sponsor programs and where possible, short-term development opportunity assignments.



+ TRANSPARENCY

Transparency:

There is power in transparency, setting goals, and measuring your progress, as it enables you to bring the entire workforce on the journey with you. It accelerates scaling solutions and drives change at the right levels. Publishing diversity results allows for authentic conversation and is the best way the organization will truly move the needle. It holds leaders, managers and employees accountable and is a strong leadership message to the organization and industry that it takes all of us to tackle the challenges - and we must be bold.





DEFINING DIVERSITY

Diversity is a many-layered metric, encompassing workforce composition, compensation levels, and hiring trends. Tracking diversity metrics, therefore, can be equally complex.

A recent report in Harvard Business Review (HBR) uncovered that companies and geographies which value diversity, show a direct uptick in market share. To understand the question of diversity measurement and which diversity metrics organizations should track, we need to think about how technology can help organizations.

The talent marketplace is highly competitive, and monitoring diversity metrics is essential to productivity, retention, and recruitment success. Organizations can no longer get away with inequity. You need to be tracking seniority levels, compensation and diversity on teams to implement fair and inclusive practices to prevent issues and ultimately reduce hiring costs.

Is your retention level consistent across women and BIPOC/Sexual Orientation/Persons with disabilities? It is important that work environments are conducive to all these individuals, and new hires are not left looking for greener pastures only a few days/months into their tenure.

Are your diversity metrics uniform across different departments? Average male/female ratios may not be an accurate indicator of gender diversity. For roles such as HR or marketing, organizations have traditionally hired more women than men, while in technology or managerial positions, biased hiring remains a challenge. It is important to track diversity in all its forms at the team level and not just at the company level to truly leverage the diversity of thought in the work the various teams produce.

Are organizational practices perpetuating bias? Often, internal policies carry forward existing biased attitudes, instead of battling them. Generally historically men were hired/promoted based on potential, but women and underrepresented populations were hired/promoted based on performance, which led to severe under leveling for women and underrepresented populations.

The issue of performance versus potential-based evaluation is a discussion that needs to be addressed. Are performance review programs to focused on the work being done versus the potential of the employee?



TRACKING DE&I METRICS

Once you understand which metrics to target, it is time to dive deep into the solutions marketplace and find the right technology. Fortunately, HR Tech companies are turning the spotlight on employee data collection, revealing valuable insights into diversity.

Products like Culture Amp and SurveyMonkey make it easy to survey employees, but keep in mind that data collected thoughtlessly becomes noise. Be intentional in what you measure and what you want to improve for the business by improving a certain diversity metric.

- Every organization is unique; approach every vertical, team, and department as an individual unit.
- Choose the solution carefully; for example, does the platform feature
 powerful analytics with real-time data; detailed dashboards that can bring
 a unique diversity focus to your metrics.
- Don't look for rapid improvement; be patient

Break down big goals into smaller milestones and regularly monitor diversity metrics. Look at increases/decreases on a micro v. macro level, which may be hiding the real issues.

By following some simple guidelines, organizations can achieve significant improvements in their diversity index, which has been proven to translate into positive business outcomes. Tracking and continuously working on diversity metrics can positively impact HR essentials, such as recruitment and culture. Inclusivity, powered by comprehensive diversity metrics and detailed insights, is so important for HR and the organization.

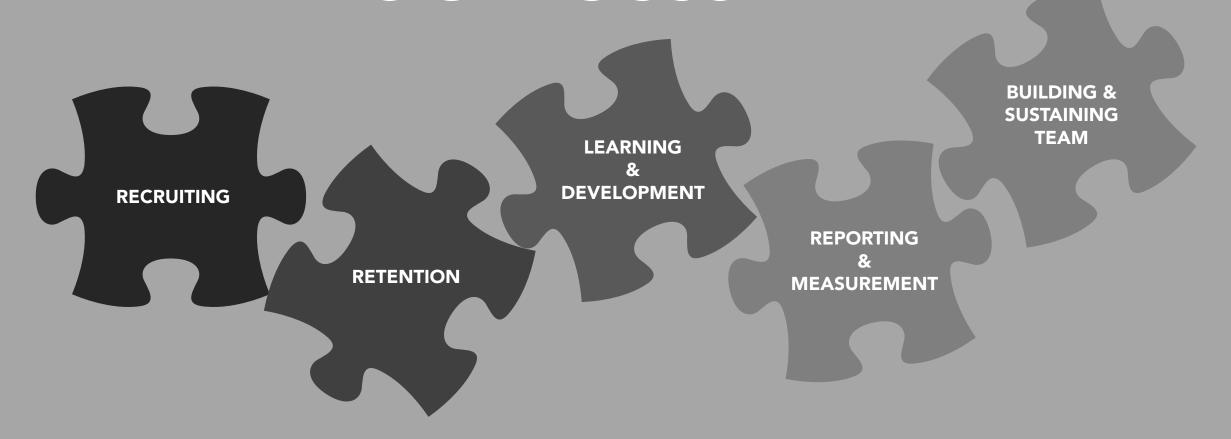
If employees feel fairly treated and included at the company, they are more loyal, work harder and exude a sense of community and belonging.

That is the entire aim of employee engagement, right?





FIVE AREAS OF FOCUS



RECRUITING PRIORITES



BARRIERS & CHALLENGES

- Recruiting barriers due to personal connections, especially in internships, and entry-level compensation
- Diverse employees/candidates often get pigeonholed into multicultural accounts based on their ethnicity
- Hiring managers want diverse candidates but want specific big agency, sector or brand experience and are unwilling to train
- Overall entry-level understanding of media industry is limited
- Leadership commitment: Does the recruitment strategy align with broader DE&I strategy? Do leaders have KPI's that align to those strategies?
- Narrow approach to candidates' sources, how talent is assessed, how resumes are received etc.
- Unconscious bias in interviewing process
- Rush to hire/to fill empty seats



RECRUITING ACTIONS

			ACTION STEP	METRIC			
	Diversity Education	INDEPENDENT	Refresh behavioral based interview training	Implement minimum completion thresholds all staff (80%) and all leaders (90%)			
		HOLDCO	Educate recruiters, HR and all leaders on unconscious bias & points of difference training	Representation in hiring/success of training			
		INDUSTRY	Educate leadership on why this is important; tying business/client reasons to this change and optimization	Executive Leadership makes public commitment to DE&I			
2	Published DE&I Strategy	INDEPENDENT	Create DE&I measurable goals by department/leader mapped to performance reviews & tied to bonus/compensation	All leaders and managers have at least one goal related to DE&I annually tied to performance			
		HOLDCO	Publicize diversity data publicly, consistently update it - make public statement/commitment with clear KPI's	Publicly publish diversity data annually and provide quarterly data to 4A's to publish aggregated benchmarks			
		INDUSTRY	Consistent and Industry-wide salary banding	Industry transparency across entry and junior compensation banding. Compensation tied to cost of living by location			
3	Diversity Recruitment Strategy	INDEPENDENT	Build awareness of careers in marketing industry in local markets. Engagement with local colleges/education	Engage with at least one local college: host agency open house			
		HOLDCO	Diversity recruitment strategy that ladders back to organization's KPI's	Agencies submit diversity recruiting data (Presented/Interviewed/Hired/Retention) data to Holdco HQ anonymously for comparison			
		INDUSTRY	Make Diversity Recruitment everyone's goal (especially leaders) Transparent accountability	Agree industry KPI's for diversity hires YoY			

RETENTION PRIORITES

Culture of Leadership

Help Managers
Lead & Grow
Diverse Talent

Performance
Review & Plan
Process

BARRIERS & CHALLENGES

- · Lack of management and leadership commitment, often a plug and play process without strategic decision making
- Lack of skills to manage diverse employees and organizations
- Human Resources needs to decide what it should be in the organization (role it plays)
- Training managers to be more self-aware of their responsibility in the process and their biases
- A lack of sense of belonging needs to be more connection between leaders and employees
- Lack of BIPOC in Human Resources; misuse of tools
- Lack of mentors and sponsors
- Lack of "safe spaces" for employees to provide feedback or ideas
- Lack of transparent career pathing



RETENTION ACTIONS

ACTION STEP METRIC Leadership getting to know employees on a human level/more Leadership participate as peers in workshops and trainings **INDEPENDENT** personally **Culture** of Create KPI's to hold leadership accountable; ensure they Building anti-racist accountability into every manager's review and **HOLDCO** are measured quarterly and tie to compensation performance improvement plan Leadership Create a "Multicultural Advisory Board" (4A's) who will provide guidance on and review leadership **INDUSTRY** Transparency and vulnerability in communications communications Surveys to rate managers on inclusive practices. Conduct Equitable Training: Coach managers on how to navigate this space pre- and post-assessments. Include retention and **INDEPENDENT** Help on how they can develop and grow their diverse teams promotion questions Managers Equitable Training Playbook: Create a north star for agencies to Retention data - establish benchmark starting point using work to attain. Include best practices on management and cultural **HOLDCO Lead & Grow** historical data and review annually. competency Diverse Provide resources for mentorship and coaching models (4A's) Survey sentiment of BIPOC and diverse populations **Talent INDUSTRY** Remove 30-day timeline for PIPs and hold managers and leaders Performance of team, rate of retention and quantity of PIPs more accountable in the process. Managers must meet own **INDEPENDENT** issued tied to compensation performance to file PIPs. Use PIP as success tool v, termination tool Update 360 Reviews - Reviewers chosen by employee and manager. Training Combination of employee equity survey and YoY review of **Performance** HOLDCO

Review & Plan Process

INDUSTRY

on how to provide proper feedback and how to evaluate in a nonbiased way

Tie unconscious bias tools to 360 reviews and feedback reviews. Conduct reviews at least twice yearly

employee performance. Conduct calibrations on growth by individual and team

100% compliance by agencies

LEARNING & DEVELOPMENT PRIORITES

Leadership Investment In Training - Shift Perceptions

Develop & Deliver Education Curriculum

Time Investment to Ensure Meaningful Change

BARRIERS & CHALLENGES

- Limited or Lack of consistent resources and budget; cross functional investment it shouldn't just live in HR
- Understanding that not everyone is at the same place need to meet people where they are
- Holding managers accountable to long-term outcomes and ensuring employees have time to invest in learning
- Allowing time for meaningful change when demands on employees' time impedes on success
- Creating a consistently inclusive environment through culture change versus just rolling out unconscious bias training and believing the work is done
- Lack of BIPOC and diverse perspectives or lens in education
- Lack of action and application-based learning too focused on perspective and take-away learning
- A need for cultural and personal shifts to open willingness to hear messages and be open to taking actions (even when they are hard)



LEARNING & DEVELOPMENT ACTIONS

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METRIC

Leadership Investment In Training -Shift Perceptions

INDEPENDENT

Dedicate budget for DE&I training. Set an annual goal for employee training in this space

Clear roles & responsibilities from DE&I leads and company leaders

HOLDCO

KPI's linked to allocated budget % and action item alignment with business goals/360 reviews. Commit to not making DE&I the first budget cut

Allocate % of agency budget to training (including DE&I) and be transparent. Set thresholds for all employees to attend training & hold managers accountable in reviews

INDUSTRY

Develop standards for what personal information is shared and for what purpose to build trust. Consistency in scorecards with some customization. Include use of independent research vendors

Commit to transparency around training investment. Link DE&I training to retention/attrition data

Develop & Deliver Education Curriculum

INDEPENDENT

Establish a program budget, requiring direct involvement and action from leadership. Create an evergreen "resources, content & programs calendar"

Make DE&I programs and training budget a % of billings and tie to compensation

HOLDCO

Develop strategic curriculum plan; link accountability to leaders/managers and align across all agencies in the group

Group-wide surveys offering transparency. Consistent performance metrics for leaders around DE&I metrics, rewarding agencies and leaders who perform

4A's to serve as beacon, offering awareness programs while also further building resource channels for education materials, tool-kits and templates, etc. Offer industry insight and guidance

Develop benchmarks for actions and guide timetable for change. Create scoresheets and evaluations to measure success. 4A's trade stamp of approval to add validity

Time
Investment
to Ensure
Meaningful
Change

INDEPENDENT

INDUSTRY

Mandate time for all FTE to prioritize training

Program calendar with required and desired training.
Allocate time in #hours quarterly. Manager held
accountable if employee did not attend required training

HOLDCO

Bake DE&I training into overall training programs and commit to purpose driven DE&I training

Program calendar with required and desired training, Allocate time in #hours quarterly. Managers held accountable if employee did not attend required training

INDUSTRY

Accountability & consistency in tracking and reporting

Measure attendance across employees/managers/leaders and report industry-wide (helping everyone)

REPORTING & MEASUREMENT PRIORITES

Standardized Scorecards & Best Practice Methods 2

Dedicate
Budget to DE&I
Tools & Give
DE&I Seat At
The Table

3

Share Goals &
Objectives,
Ensure Executive
Leadership
Sponsorship

BARRIERS & CHALLENGES

- Need to develop KPI's that don't objectify employees; timing of measurement; quantitative vs qualitative
- Lack of trust to self-Identify
- Lack of trust in consistency and transparency of reporting
- Intersectionality difficult to track and report because of the limited self-identification categories and employees feeling unsafe
- Limited accountability in reporting (minimal changes)
- Transparency and consistency on the measure and reporting process
- Fear of failure (inertia) to admit current status and set goals (communicating the journey)
- Unsure how to celebrate or define failure ability to grow/be agile
- Lack of clarity around what "Diversity" means measurement across all diverse groups



REPORTING & MEASUREMENT ACTIONS

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METRIC

Standardized
Scorecards &
Best Practice
Methods

INDEPENDENT

Clarity on who is responsible for data and who is accountable for output. Assign appropriate resources to execute on collection/maintenance of data and management of best practice

Clear roles & responsibilities from DE&I leads and company leaders

HOLDCO

Establish consistent measurement KPI's. Measurement beyond just representation to include retention, promotion, pay equity and engagement to inclusion/belonging

Determine 1/3/5/10 - year goals for headcount, hiring, attrition and promotion. While gender diversity is important, it should not be used to inflate results

INDUSTRY

Develop standards for what personal information is shared and for what purpose to build trust. Consistency in scorecards with some customization. Include use of independent research vendors

Help support the development of a scorecard and industry toolkit around data reporting. Include scorecard in RFP

Dedicate
Budget to
DE&I Tools &
Give DE&I
Seat At Table

INDEPENDENT

Dedicate budget to DE&I resources and tools

Have PM define projects and assign resource (diverse talent) to projects, Track hours to determine resource usage

HOLDCO
Leadership accountability for DE&I KPI's and goals in partnership with HR/Talent

Reporting quarterly to staff;, make public commitments to DE&I initiatives/actions for representation/retention etc. and in work produced

Benchmarking industry standards for inclusive and anti-racist behaviors

Industry pulse check:Industry-wide engagement survey to gauge employee experience holistically and neutrally. Resulting in agency's performance against industry

Share Goals & Objectives, Ensure Executive

Leadership

Sponsorship

INDEPENDENT

INDUSTRY

Conduct employee surveys to check the pulse of the agency at the onset and on regular cadence after

Ensure at least 80% of agency employees participate in survey

HOLDCO

Assess relationships/partnerships and the intersections between the Holdco and Agency brands

Recruitment & Retention

INDUSTRY

Collaborate with CEO/Leadership on challenges and solutions and set actions with outcomes that are measurable/accountable

Measure goals/objectives; measure both demographic and culture/inclusion scores

3

BUILDING & SUSTAINING DE&I PRIORITIES

Strategic
Framework Building A
Sustainable
Culture Of
Difference

Financial &
Leadership
Commitment
To DE&I
Function

Prioritizing
DE&I Within
Organizational
Culture

BARRIERS & CHALLENGES

- Lack of budget/ unclear on budget/ budget changes without notice
- Not prioritizing DE&I when other "priorities" come up leading to reactionary actions
- Lack of collaboration across the talent team and the rest of the organization
- Lack of understanding around what/why DE&I work is important; treated like a PR campaign versus a business imperative
- DE&I role/team set up as a "savior" role, always underfunded and underrepresented when it counts; often voice is overlooked
- Unrealistic expectations on what is required of the DE&I lead and what it looks like to be successful
- Lack of legitimacy for the DE&I leader to be seen as strategic to the organization (often viewed as event planner or training lead)



BUILDING & SUSTAINING DE&I ACTIONS

ACTION STEP

METRIC

Strategic
Framework Building A
Sustainable
Culture Of
Difference

INDEPENDENT

Create DE&I Taskforce. Understand baseline knowledge/interest across employees. Customize based on agency need and link actions to culture

Create metrics for recruitment, retention, engagement around DE&I and link results to compensation. Measure diversity in campaign/work output

HOLDCO

Hold Organization/CDO to set tone, framework and link to Holdco values. Set clear goals and hold leadership accountable to the goals

Create metrics for recruitment and retention around DE&I and link results to compensation. Measure diversity in campaign/work output

INDUSTRY

Support 4A's to set standards and best practices and allow both the 4A's and other industry partners to provide resources/support to members

Begin with minimum 12 points of commitment outlined by 600 & Rising. Share initiatives and learnings across industry to support all

Financial &
Leadership
Commitment
To DE&I
Function

INDEPENDENT

HOLDCO

INDUSTRY

Hold leadership accountable to retention of diverse populations, hold managers and teams responsible for developing diverse teams. Define how DE&I drives revenue. Allocate sufficient budget

Incorporate DE&I into performance review process. Leadership participation in training, outreach, mentorship. Transparent budget reporting

Connect advancement/promotion to DE&I goals. Hold everyone accountable to contributing to DE&I strategy and goals. Define budget needs and transparently report on spend

Incorporate DE&I into performance review process.

Leadership participation in training, outreach, mentorship.

Transparent budget reporting

Develop a unified DE&I code of conduct (4A's) across a coalition representing the industry to gain and retain admittance. Keep the spotlight on DE&I through transparency

of companies adhering to the Code of Conduct. # of organizations who have made public commitments and shared data. Evolution/Advancement of goals

Prioritizing
DE&I Within
Organizations
Culture

INDEPENDENT

Education - host anti-racist webinars and/or provide support and resources to employees; mandate training

of training/workshops/info series held. # of topics touched on. Impact through retention and growth

HOLDCO

Mandating BRG's across all Holdco's and in larger agencies. Leadership, especially executive leaders; sponsor each BRG and participate actively (attending/working/listening) Setting specific goals across each BRG. For Leaders # of events attended, # of goals co-created, % increase in BRG growth YoY. Provide comp incentive for BRG Lead

INDUSTRY

Community involvement that bridges the gap - long term.

of organizations you partner with. # of employees who engage with partners. # of community members who engage internally and support organizational initiatives



INDUSTRY ACTION

The industry is asking you to make a commitment to the priorities and actions outlined in this manifesto. Every organization is at a different stage of evolution so not all priorities and actions will apply to you. The manifesto has been designed in a way for you to select the priorities and actions that align with your organization, DE&I initiatives, goals and plan.

We ask that you make a commitment to transparency and sharing. If we are to solve the challenges of the industry, we must come together and be united in our efforts.

The ten-year challenge: Commit to taking the necessary steps within your organization to achieve population parity across the two most under-represented groups, Black/African American and Hispanic/Latinx. The only way this can be achieved is by addressing the whole people process, which means hiring, retaining and developing at all levels including leadership.

But this is not the only challenge as progress needs to be made across all areas of diversity, equity and inclusion and at all levels of the organization requiring you to actively play your role in sponsoring, communicating and participating in your DE&I strategy,

	2020	2022	2025	2030	2030
Black/African American	5.8%	1.5%	2.3%	4.5%	14.1%
Hispanic/Latinx	8.6%	1.5%	2.6%	5.7%	18.4%

- Growth over time (years) to achieve cumulative overall goal in 2030 that mirrors the US Census population size.
- Benchmark progress at 2/5/10-years



4-s EQUITY & INCLUSION MANIFESTO