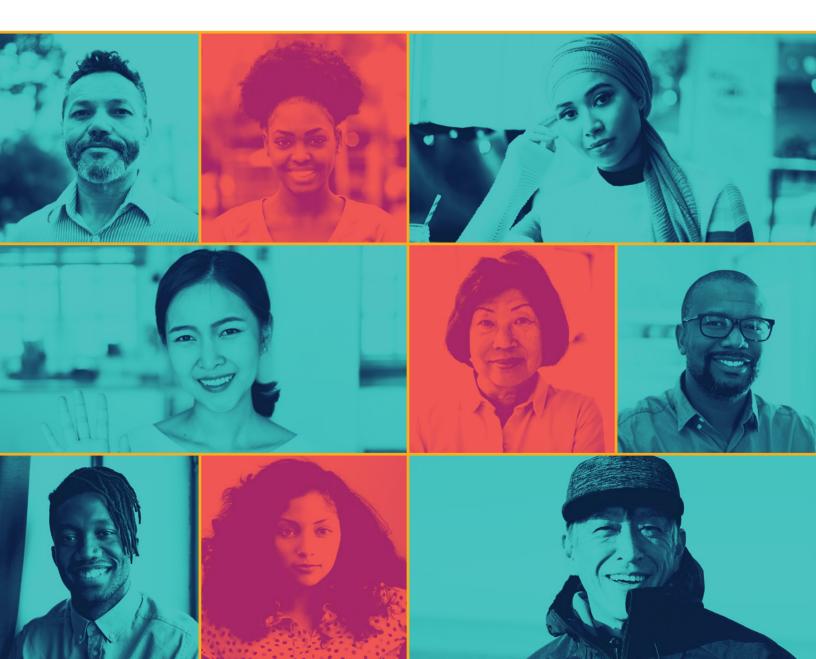




2021 DEI TRENDS IN PUBLIC AFFAIRS REPORT



EXECUTIVE SUMMARY

While it's clear from the results of the Public Affairs Council's new Diversity, Equity and Inclusion (DEI) survey that the public affairs profession lacks diversity, respondents do recognize the extent of this challenge. The survey measured diversity in two ways: actual diversity (the percentage of function staff who are people of color) and perceived relative diversity (how the respondent perceives the diversity of his/her function compared with the profession as a whole).

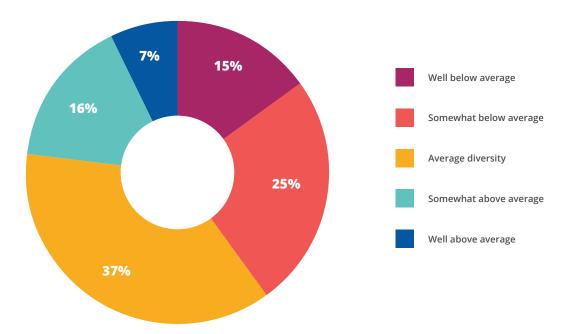
The percentage of public affairs function staff who are people of color is just 17%, a low number when compared to the average racial diversity of the United States (approximately 40%, according to the U.S. Census). A fair number of respondents (23%) report that there are no people of color in their public affairs function. When asked how their functions measured up against the broader profession, 40% of respondents rated

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their function as having below average diversity compared to the field. Only 23% rated their function as having above average diversity.

Diversity Comparison

Describe the racial/ethnic diversity of your public affairs function compared to the profession as a whole?



These two diversity measurements — actual and perceived — are in alignment. Respondents who perceive their public affairs function as having low diversity do in fact have low diversity; the average actual diversity is just 3% among those who characterize their function as having well below average diversity compared to the profession as a whole. Those who perceive their function as having average diversity have an actual diversity measurement of 14%. Those who perceive their function as having well above average diversity have an actual diversity measurement of 51%. Thus, the data suggests that how the respondents perceive their function's diversity lines up with the actual diversity of their function. Put more simply, the respondents are viewing their function's diversity as it actually is, rather than as they think it should or could be.

Beyond the actual diversity of their own functions, respondents' perceptions of the overall diversity of the profession were also low. When asked how they would describe the racial and ethnic diversity of the profession to someone who worked in another field, the average rating was 30, on a scale where zero corresponded to "not at all diverse" and 100 corresponded to "very diverse." The great majority (86%) offered a rating of 50 or less.

Perceived Diversity

When asked to describe the racial/ethnic diversity of the public affairs field to someone not in the profession, respondents gave the profession a 30 on a scale of 0 to 100, with 0 being not at all diverse and 100 being very diverse.



Despite these low diversity averages and perceptions, the infrastructure is in place in many instances to make progress. Sixty-five percent (65%) of respondent organizations have formal DEI plans in place, 77% provide DEI training for employees, and half partner with other organizations or groups to advance DEI efforts.

LACK OF DIVERSITY SEEN AS BARRIER TO ENTRY

How the diversity of the public affairs profession is perceived by those outside the profession is considered by the respondents to be a potential barrier to entry. Sixty-one percent (61%) say the perceived diversity of the field discourages individuals from entering the field.

Despite concerns about low diversity, 83% of respondents believe diversity and inclusion in the profession will increase in the next three to five years; 69% say it will increase "somewhat" and 14% say "much more." The primary driving factor for this movement is organizations making conscious commitments to hire more diverse candidates, according to three-quarters of the respondents. Additionally, most respondents (84%) report that their

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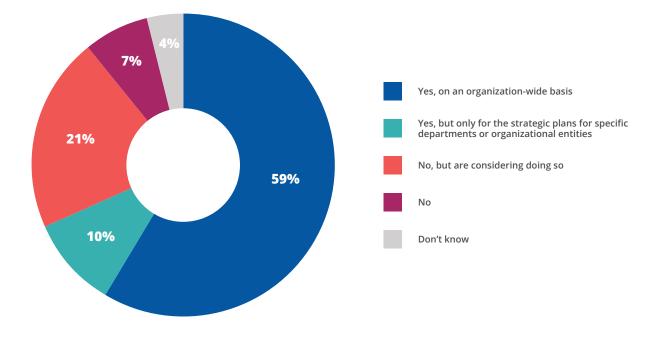
organizations have a process to encourage diversity in hiring, and 36% say their organizations have codified this process with specific requirements and/or goals.

MOST ORGANIZATIONS INCORPORATE DEI INTO STRATEGIC PLANS AND STAFFING

It's encouraging that organizations, larger companies in particular, are putting structural plans in place to improve diversity and DEI practices. Most respondent

Most respondent organizations (65%) have a formal, organization-wide DEI plan, with corporations outpacing associations 77% to 48%, respectively. plans on an organization-wide basis, and an additional 10% do so in strategic plans for specific departments or other teams. It's not surprising that large corporations are taking the lead in this area, with 82% incorporating DEI goals and strategies into their strategic plans for all or part of the organization, compared with 65% for small to mid-size corporations and 57% for associations and professional societies.

organizations (65%) have a formal, organization-wide DEI plan, with corporations outpacing associations 77% to 48%, respectively. A majority of organizations (59%) build DEI goals into their broader strategic



Does your organization incorporate DEI goals and strategy into its strategic plan?

A majority (57%) of organizations have one or more staff primarily focused on DEI. And an additional 26% have staff with DEI responsibilities as part of their

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job description, but not the primary focus. More corporations have staff with DEI as a primary part of their job description (67%) than do associations (43%).

DEI training for staff is common, with 77% of respondents stating that their organization offers DEI training for all or some employees. Most (63%) state that the DEI training is mandatory for at least some employees. Common topics covered in DEI training include types of discrimination in the workplace (88%), counteracting unconscious bias (86%), understanding cultural differences (85%) and fostering an inclusive culture (85%).

Respondents were asked to comment on how DEI training in their own organizations can be improved. Some of the repeated themes/comments include:

- More emphasis on the business value of DEI
- Don't "check the boxes;" rather, design intentional, multi-step programming to enhance organizational performance
- Stronger support and commitment from leadership
- Address the root causes of racism
- More focus on societal equity issues
- More diverse trainers
- More team centric and interactive training to apply concepts and best practices

ASSOCIATIONS AND CHARITABLE NONPROFITS TOP GROUPS TO PARTNER WITH ON DEI

Although associations are generally not as far along at advancing DEI planning as corporations, in many cases they are the preferred groups to partner with on DEI efforts. Half (50%) of respondent organizations have partnered with other groups to advance DEI and 20% are considering partnering. Of those that have partnered with other groups, 46% have partnered with trade associations/professional societies. Charitable/community non-profits also led the list of preferred partner groups at 46%. The public affairs function has a primary role in 29% of DEI partnerships.

50% of respondent organizations have partnered with other groups to advance DEI. The top groups to partner with include:



HOW DOES THE PROFESSION IMPROVE REPRESENTATION OF PEOPLE OF COLOR IN SENIOR-LEVEL POSITIONS?

Nearly two-thirds of respondent organizations have a DEI plan in place, yet only one-third (35%) have a process in place to support the advancement of people of color to senior-level positions. Twenty percent (20%) have a formal process and 15% have an informal process. What's more, when respondents were asked the top reasons why they think the profession will become more diverse in the next three to five years, only 19% chose "organizations are promoting more diverse internal candidates to seniorlevel positions" as one of the reasons.

DEI PROGRAMS STRENGTHEN STAKEHOLDER RELATIONSHIPS AND CAN IMPROVE EMPLOYEE MORALE

The benefits of DEI initiatives are experienced both organization-wide and within the public affairs function.

Only 9% of respondents report that no organizationwide benefits have been realized as a result of the organization's DEI initiatives, programs and efforts. Of those who were able to identify specific benefits, the top benefits include improved cultural understanding (79%), improved employee morale (76%), better overall reputation of the organization (48%), and improved external relations (44%).

The respondents were less likely to report benefits from DEI initiatives specific to their public affairs function, with 19% indicating that no public affairs function-specific benefits have been realized. Among those who did identify specific benefits, the top benefits were greater cultural sensitivity when advocating on difficult issues (77%), stronger relationships with stakeholders/potential allies

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(63%), improved employee morale (51%), better relationships with elected officials (40%) and stronger employee support for the organization's political engagement (40%).



Top benefits public affairs functions realize from an organization's DEI efforts:

Twice as many respondents (45%) said their organization's DEI programs and initiatives have been effective in supporting DEI efforts in their public affairs functions, compared with those who said they have not been effective (21%).

A fair number (18%) report that their organization has not encountered any obstacles in its DEI efforts.

Among those who were able to identify obstacles, the primary ones were lack of internal resources to implement initiatives (50%), lack of tracking or benchmarking metrics to gauge progress/ accomplishments (50%), and lack of a coordinated effort throughout organization (31%).

HOW CAN WE HELP RESOLVE RACIAL INEQUITY AND ADVANCE SOCIAL JUSTICE?

Survey respondents were asked how the public affairs profession can help solve issues of racial disparity to make advancements in social justice. The responses below indicate repeated comments and themes.

- Find ways to recognize progress to keep DEI top of mind
- Develop initiatives to hire more people of color in leadership positions
- Create an environment for people to feel comfortable discussing racial disparity
- Engage in discussion of issues outside of traditional lanes, such as addressing structural racism and other contributors of social injustice
- Ensure communications departments are part of the discussion and outreach

- Share best practices
- Keep engaging diverse people and groups in the conversation
- Keep the issue front and center, continue to take action
- Use the corporate platform to advocate for policies that drive equity across all sectors, insist on supplier diversity
- Apply more pressure on the Hill and corporations to have a diverse workforce
- Analyze social justice opportunities, educate legislators about policy changes and work with appropriate stakeholder groups across industry sectors
- Develop alliances with Historically Black Colleges and Universities

Model change

METHODOLOGY

The Public Affairs Council's Diversity, Equity and Inclusion (DEI) Survey was sent to 1,100 public affairs executives between Feb. 9 and March 5, 2021, to examine DEI policies and practices in strategy and governance; hiring, staffing and training; working with external groups; and advancement and programming. The responses received were screened for completeness and to ensure only one response was included for each organization. The resulting sample consisted of 127 individuals. The sample provides good representation of the profession. A majority of respondents hold high-level positions, with 61% at the vice president or higher level in their organization. The respondents also have extensive experience in the public affairs profession, with 82% reporting at least 10 years of professional experience and roughly half (51%) with 20 or more years of professional experience. Corporations account for a majority of the sample (32% being large corporations; 21% being small to mid-sized corporations) but there is good representation from trade associations/professional societies (26%) and consulting firms/law firms/service providers to the profession (15%).

ABOUT THE PUBLIC AFFAIRS COUNCIL

Both nonpartisan and nonpolitical, <u>the Public Affairs Council</u> is the leading association for public affairs professionals worldwide. The Council's mission is to advance the field of public affairs and to provide its 700 member companies, associations and other nonprofits with the executive education and expertise they need to succeed while maintaining the highest ethical standards.

ABOUT THE FOUNDATION FOR PUBLIC AFFAIRS

The Foundation for Public Affairs invests in the future of the profession through workforce development initiatives focused on diversity and inclusion, and by conducting research on emerging issues and trends.

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