championing diversity

IN NORTHERN VIRGINIA’S LEADERSHIP

Early results from the Northern Virginia Champions for Accountability Badging Program
ACKNOWLEDGEMENTS

The Northern Virginia Chamber of Commerce and the Northern Virginia Community Foundation would like to thank the members of the Champions for Accountability task force for their important contributions to the design and launch of this new initiative:

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Laila Salguero
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championing diversity

IN NORTHERN VIRGINIA’S LEADERSHIP

Early results from the Northern Virginia Champions for Accountability Badging Program

Elizabeth Hughes, Senior Director, Insight Region® Center for Community Research
The Community Foundation for Northern Virginia
September 2022

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introduction

Northern Virginia is home to nearly 9,000 executives from traditionally underrepresented demographic groups, including women and persons of color. Unfortunately, despite the large and growing size of this population, women and non-white leaders account for just 47 percent of executives, a rate that is well out of proportion with their share of the Northern Virginia workforce (74 percent). Women of color, particularly Hispanic women, face some of the steepest odds of making it into the c-suite; in Northern Virginia, a white man is nearly five times more likely to occupy an executive role than a woman of color, and seven times more likely than a Hispanic woman.

While this issue is regional—and national—in scope, its solutions do not have to be. Individual employers throughout the region can take steps now to recruit, recognize, and promote talent from underrepresented groups and diversify their c-suite and board.

The Northern Virginia Champions for Accountability Badge, a joint initiative of the Northern Virginia Chamber of Commerce and the Community Foundation for Northern Virginia, recognizes employers in Northern Virginia that have taken one of the first steps toward organizational diversity: they are willing to collect, share, and act on data about the demographic composition of their c-suite and board.

This report summarizes preliminary findings from the first cohort of badge recipients—“Champions”—who submitted a complete application in spring-summer 2022, including Champions’ data collection and sharing practices, the state of diversity in their c-suite, and the state of diversity on their board. Data from the cohort are not meant to reflect the state of diversity, equity, and inclusion (DEI) efforts across the region; rather, they provide a snapshot of the composition of the c-suite and boards of 53 of the region’s employers and detail how those companies are responding.

The Chamber and Community Foundation recognize that this badging system is just the beginning: that the first—but by no means last—step to diversifying our leadership is to acknowledge where we are ... as a region and as individual employers.
the face of leadership
IN NORTHERN VIRGINIA

By the latest Census counts, Northern Virginia was home to approximately 19,000 chief executives, of which nearly 9,000 were women and persons of color.

This diverse group of executives includes 3,600 white women, 3,400 men of color, and 1,900 women of color. Compared to earlier in the decade, the absolute size of this broad population has grown by 56 percent (compared to well-represented white male executives, who grew by 36 percent). The fastest growing group was women of color. See Figure 1.

Despite the large—and growing—size of this group, substantial disparities remain between the composition of Northern Virginia’s c-suite and the composition of its workforce (see Figure 2). Just 28 percent of the region’s executives are persons of color, a group that comprises the majority (52 percent) of Northern Virginia’s labor force. Women in Northern Virginia face a similar level of disparity: 29 percent of executives are women, compared to 47 percent of the labor force. Individuals who identify in both categories—women of color—face the greatest gap: 24 percent of the workforce, but just 10 percent of the region’s executives. In contrast, white men make up about a quarter of the workforce and account for over half of executives.

Figure 1.
Demographics of executives in Northern Virginia

<table>
<thead>
<tr>
<th>Race-Ethnicity</th>
<th>2011-16</th>
<th>2016-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>White women</td>
<td>7,300</td>
<td>9,900</td>
</tr>
<tr>
<td>Men of color</td>
<td>2,300</td>
<td>3,400</td>
</tr>
<tr>
<td>Women of color</td>
<td>1,100</td>
<td>1,900</td>
</tr>
</tbody>
</table>

Source: Insight Region analysis of American Community Survey data, accessed through University of Minnesota IPUMS.

Figure 2.
Demographics of Northern Virginia’s labor force and executives, 2016-2020

<table>
<thead>
<tr>
<th>Race-Ethnicity</th>
<th>Laborforce</th>
<th>Executives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-white</td>
<td>52%</td>
<td>48%</td>
</tr>
<tr>
<td>White</td>
<td>28%</td>
<td>72%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender</th>
<th>Laborforce</th>
<th>Executives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>47%</td>
<td>53%</td>
</tr>
<tr>
<td>Male</td>
<td>29%</td>
<td>71%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Intersectionality</th>
<th>Laborforce</th>
<th>Executives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women of color</td>
<td>24%</td>
<td>22%</td>
</tr>
<tr>
<td>Men of color</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>White women</td>
<td>27%</td>
<td>53%</td>
</tr>
</tbody>
</table>

Source: Ibid
**A relative rate index (RRI)** quantifies the extent of underrepresentation in Northern Virginia’s c-suite. The RRI is calculated by dividing the rate at which a given demographic group achieves an outcome (being an executive) by the highest rate for any demographic group. The inverse of this figure is taken to ease interpretation. For example, 1.13 percent of white women are in an executive role in Northern Virginia, compared to 2.69 percent of white men (the highest rate), generating an RRI of 0.42 and an inverse RRI of 2.4; a white man is 2.4 times more likely than a white woman to occupy an executive role. As shown in Figure 3, the RRI is highest (worst) for women of color; white men are nearly five times more likely to occupy an executive role. Hispanic women face the steepest odds of being at the top.

This problem is national in scope and, by comparison, our region’s level of representation in executive roles is actually high. In 2016-2020, among the 50 most populous metro areas, Northern Virginia had the 13th highest score for representation among white women, 25th for men of color, and the 6th highest for women of color. See Figure 4. To put these figures into context, while a white man is 5 times more likely than a woman of color to hold an executive role in Northern Virginia, several large metros have disparities where white men are 15+ times more likely to serve in these top positions.1

---

**Figure 3.**
**Relative disparity by sex and race-ethnicity of Northern Virginia workers**

*Likelihood that a white man will be an executive over a given population (inverse RRI)*

<table>
<thead>
<tr>
<th>Demographic Group</th>
<th>RRI</th>
</tr>
</thead>
<tbody>
<tr>
<td>White men</td>
<td>1x</td>
</tr>
<tr>
<td>White women</td>
<td>2.4x</td>
</tr>
<tr>
<td>Men of color</td>
<td>3.1x</td>
</tr>
<tr>
<td>Asian men</td>
<td>2.1x</td>
</tr>
<tr>
<td>Black men</td>
<td>4.1x</td>
</tr>
<tr>
<td>Hispanic men</td>
<td>5.1x</td>
</tr>
<tr>
<td>Women of color</td>
<td>4.9x</td>
</tr>
<tr>
<td>Asian women</td>
<td>4.1x</td>
</tr>
<tr>
<td>Black women</td>
<td>5.9x</td>
</tr>
<tr>
<td>Hispanic women</td>
<td>7.2x</td>
</tr>
</tbody>
</table>

*Source: Ibid*

**Figure 4.**
**Relative disparity in executive roles among the 50 most populous metro areas**

*Likelihood that a white man will be an executive over a given population (inverse RRI)*

- **Northern VA rank**
  - White women: #13
  - Men of color: #25
  - Women of color: #6

*Source: Ibid*
The result of this sorting perpetuates economic disparities for women and people of color and creates homogenous leadership in a region with high levels of diversity.

**ECONOMIC DISPARITIES**

Executives are not just in positions of power—they also earn substantially more than managers and individual contributors. Among full-time, year-round workers with a bachelor’s degree or higher, the typical (median) executive in Northern Virginia earned $200,000 in 2016-20, compared to $125,000 for a manager and $97,000 for non-managerial staff. Executives in the private and non-profit sectors earn at least twice what the median non-manager earns. See **Figure 5**.

**Figure 5.**
Median earnings of executives, managers, and staff, by sector

![Figure 5](chart.png)

*Source: Ibid*

**HOMOGENOUS LEADERSHIP**

Northern Virginia has one of the most racially diverse labor pools in the country—for example, using the Gini-Simpson Diversity Index, there is a 69 percent chance that a randomly-selected worker in Northern Virginia will identify as a different race-ethnicity than another randomly selected worker. This score renders Northern Virginia the 8th most diverse metro (out of the 50 most populous metros) and falls just 11 percentage points below complete equality (i.e., a metro with exactly the same number of White, Black, Hispanic, Asian, and other-race workers would score 80 percent).

Our c-suite is not nearly as diverse—there is only a 46 percent chance that two randomly-selected executives will be of a different race-ethnicity, a differential of 23 percentage points from the region’s overall diversity. Compared to other-diverse peer regions (diversity index above 60 percent), this gap is average, and comparable to the composition in, for example, New York City and Houston. See **Figure 6**.
Northern Virginia has one of the most racially diverse labor pools in the country, with a far less diverse c-suite.

Figure 6.
Diversity of executives and workers in 20 most diverse, large metro areas

<table>
<thead>
<tr>
<th></th>
<th>Diversity of Executives</th>
<th>Diversity of Labor Force</th>
<th>gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Riverside</td>
<td>4%</td>
<td>59%</td>
<td>63%</td>
</tr>
<tr>
<td>Miami</td>
<td>8%</td>
<td>57%</td>
<td>66%</td>
</tr>
<tr>
<td>Los Angeles</td>
<td>10%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
<td>San Jose</td>
<td>10%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
<td>Las Vegas</td>
<td>15%</td>
<td>56%</td>
<td>70%</td>
</tr>
<tr>
<td>DC-Maryland</td>
<td>18%</td>
<td>53%</td>
<td>71%</td>
</tr>
<tr>
<td>San Francisco</td>
<td>21%</td>
<td>51%</td>
<td>72%</td>
</tr>
<tr>
<td>New York City</td>
<td>22%</td>
<td>48%</td>
<td>70%</td>
</tr>
<tr>
<td>Houston</td>
<td>23%</td>
<td>48%</td>
<td>71%</td>
</tr>
<tr>
<td>Northern Virginia</td>
<td>23%</td>
<td>46%</td>
<td>69%</td>
</tr>
<tr>
<td>Austin</td>
<td>25%</td>
<td>37%</td>
<td>62%</td>
</tr>
<tr>
<td>Orlando</td>
<td>25%</td>
<td>42%</td>
<td>67%</td>
</tr>
<tr>
<td>New Orleans</td>
<td>27%</td>
<td>33%</td>
<td>61%</td>
</tr>
<tr>
<td>Chicago</td>
<td>27%</td>
<td>36%</td>
<td>63%</td>
</tr>
<tr>
<td>San Diego</td>
<td>28%</td>
<td>40%</td>
<td>67%</td>
</tr>
<tr>
<td>Atlanta</td>
<td>28%</td>
<td>37%</td>
<td>65%</td>
</tr>
<tr>
<td>Sacramento</td>
<td>31%</td>
<td>35%</td>
<td>66%</td>
</tr>
<tr>
<td>Phoenix</td>
<td>33%</td>
<td>27%</td>
<td>60%</td>
</tr>
<tr>
<td>Dallas</td>
<td>34%</td>
<td>34%</td>
<td>68%</td>
</tr>
<tr>
<td>Virginia Beach</td>
<td>34%</td>
<td>27%</td>
<td>61%</td>
</tr>
</tbody>
</table>

Source: Ibid
champions for accountability badge

These figures reveal a mismatch between the overall diversity of our region’s leaders and the diversity of our population. What they do not show, however, is what this disparity looks like at a company level and how our region’s employers are responding.

To better understand the state of—and response to—leadership diversity in Northern Virginia, the Community Foundation for Northern Virginia and the Northern Virginia Chamber of Commerce partnered to launch the Northern Virginia Champions for Accountability Badge, a commitment by employers throughout the region to collect, analyze, and act on data related to the diversity of c-suite leaders and board members. The initiative was developed in collaboration with a task force composed of cross-sector chief diversity officers. See Exhibit A.

To become a Champion, employers were required to submit an application detailing (a) current staff data collection and sharing practices, (b) demographics of staff, executives, and board members, and (c) efforts to diversify these groups. Champions did not need to complete all sections to receive a badge. The application was open from May through July, 2022. Applicants had the option to complete the application online or to email an electronic version directly to staff. There were 103 applications started online or submitted to staff; 50 were excluded due to duplicate or incomplete information.

A total of 53 employers completed the application and became “Champions”. See Exhibit A. Their data provide a useful perspective on company-level c-suites and boards, but should not be considered representative of the typical Northern Virginia employer:

- **Demographics.** Champions reported a higher percentage of White employees than the region’s overall workforce (59 percent, versus 48 percent) and a much higher percentage of female employees (68 percent, versus 47 percent).

- **Sector-Industry.** Over two-thirds (69 percent) of the 2022 Champions hailed from the non-profit sector, which has a higher percentage of both female executives and workers and tends to have less demographic disparity between workers and executives. See Figure 7. Most Champions represented one of three broad industries (health care and social assistance, 22 percent; religious, grantmaking, professional organizations, 22 percent; and professional and scientific services, 19 percent), which also limits the generalizability of this sample.

**Figure 7.**
Demographics of workers and executives, by sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>POC</th>
<th>women</th>
<th>women of color</th>
</tr>
</thead>
<tbody>
<tr>
<td>private</td>
<td>56%</td>
<td>23%</td>
<td>7%</td>
</tr>
<tr>
<td>non-profit</td>
<td>45%</td>
<td>24%</td>
<td>27%</td>
</tr>
<tr>
<td>public</td>
<td>42%</td>
<td>23%</td>
<td>12%</td>
</tr>
</tbody>
</table>

Source: Ibid
# EXHIBIT A.
## CHAMPIONS FOR ACCOUNTABILITY 2022

### 2022 Champions

<table>
<thead>
<tr>
<th>AHC Inc.</th>
<th>Loudoun Free Clinic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alexandria Tutoring Consortium, Inc.</td>
<td>Loudoun Literacy Council</td>
</tr>
<tr>
<td>Arts on the Horizon</td>
<td>ManTech</td>
</tr>
<tr>
<td>Blake Willson Group</td>
<td>Medical Care for Children Partnership Foundation</td>
</tr>
<tr>
<td>CareFirst BlueCross BlueShield</td>
<td>MITRE</td>
</tr>
<tr>
<td>Carpenter’s Shelter</td>
<td>Music to Free</td>
</tr>
<tr>
<td>Cigna</td>
<td>ND Point Strategies</td>
</tr>
<tr>
<td>CLA</td>
<td>Northern Virginia Chamber of Commerce Foundation</td>
</tr>
<tr>
<td>Communities In Schools of NOVA, Inc.</td>
<td>Northern Virginia Community College</td>
</tr>
<tr>
<td>Community Foundation for Northern Virginia</td>
<td>NOVA ScriptsCentral</td>
</tr>
<tr>
<td>Community Lodgings</td>
<td>OAR Nova</td>
</tr>
<tr>
<td>Cooley Reston Office</td>
<td>OAR of Arlington, Alexandria, and Falls Church</td>
</tr>
<tr>
<td>Criterion Systems Inc.</td>
<td>Our Minds Matter</td>
</tr>
<tr>
<td>Dewberry Inc</td>
<td>Peraton</td>
</tr>
<tr>
<td>Dominion Energy</td>
<td>Real Food for Kids</td>
</tr>
<tr>
<td>Evans Consulting</td>
<td>Ronald McDonald House Charities of Greater Washington DC</td>
</tr>
<tr>
<td>Fairfax Court Appointed Special Advocates</td>
<td>Saint Gabriel’s Episcopal Church</td>
</tr>
<tr>
<td>Girls on the Run of Northern Virginia</td>
<td>Senior Services of Alexandria</td>
</tr>
<tr>
<td>Healwell</td>
<td>The Arc of Loudoun</td>
</tr>
<tr>
<td>Human Capital Strategic Consulting</td>
<td>The Arc of Northern Virginia</td>
</tr>
<tr>
<td>Human Resource Certification Institute, Inc.</td>
<td>The Compass Group, Inc.</td>
</tr>
<tr>
<td>Insight Memory Care Center</td>
<td>The Sequoia Project</td>
</tr>
<tr>
<td>IntelliDyne, LLC</td>
<td>The Women’s Center</td>
</tr>
<tr>
<td>Just Neighbors Ministry</td>
<td>Trimner Beckham</td>
</tr>
<tr>
<td>Langley Residential Support Services</td>
<td>Wesley Housing</td>
</tr>
<tr>
<td>Leadership Prince William</td>
<td>Western Fairfax Christian Ministries</td>
</tr>
<tr>
<td></td>
<td>Willing Warriors</td>
</tr>
</tbody>
</table>

### 2022 TASK FORCE MEMBERS

- **Nathan Carter**  
  *Chief Diversity, Equity, and Inclusion Officer*  
  Northern Virginia Community College

- **Laila Salguero**  
  *Chief Diversity, Equity, and Inclusion Officer*  
  Peraton

- **Stephanie Turner**  
  *Vice President, Inclusion, Diversity & Social Innovation*  
  MITRE

- **Dawnita Wilson**  
  *Vice President, Diversity & Inclusion*  
  JBG Smith
Nearly all of the 2022 Champions collected basic demographic data—that is, race-ethnicity and sex-gender—about their c-suite and/or board, predominantly through self-identification (91 percent). Far fewer Champions collected data on leaders’ disability status or LGBTQ+ status. See Figure 8.

These results are not surprising, as many employers already collect demographic data to comply with federal employment laws, which require data on staff race-ethnicity and gender but not on disability or LGBTQ+ status. Some companies—such as those based in California or listed on the NASDAQ—must also collect data on their board demographics to satisfy mandatory “comply or explain” diversity quotas. Federal law encourages employers to collect data by asking employees to self-identify the demographic groups that best describe them; observer identification is only recommended when data are required to satisfy a federal mandate and an individual does not voluntarily disclose. Smaller employers not subject to these federal requirements likely also collect basic demographic data about staff, though research suggests such processes may not be routine or standardized.

While most employers are likely able to quantify the percent of workers, executives, and board members who fall into a given demographic group, employers are typically not required to share these data internally (i.e., with staff) or externally (i.e., with the public). Research suggests that about half of very large companies publicly release their staff diversity data, a status that is monitored through watchdog sites like Open Diversity Data. Non-profit entities may also be incentivized to release staff demographic data; for example, those listed on Candid GuideStar can earn a higher tier of “trust” in the system’s online database by disclosing such information.

The Champions for Accountability application did not ask about public disclosure of data, focusing instead on the practice of sharing data with staff. Among the 53 Champions, 78 percent report regularly sharing data on the diversity of their leaders and/or board members with staff. Almost all Champions were able to provide data on the race/ethnicity or gender of staff (91 percent), executives (94 percent), and board members (85 percent) in their application.

Anecdotally, a number of local employers were interested in participating in the Champions for Accountability badging system but could not secure internal permission to include staff and board demographics in their application. This barrier to data sharing was common in larger, more complex companies where, for example, a regional office required permission from its national headquarters, or a human resource officer needed sign off from multiple senior executives before disclosing data.

### Figure 8.
Champions for Accountability Data Collection & Reporting Practices

<table>
<thead>
<tr>
<th><strong>EMPLOYER COLLECTS DATA ON</strong></th>
<th><strong>%</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>race-ethnicity</td>
<td>100%</td>
</tr>
<tr>
<td>sex-gender</td>
<td>98%</td>
</tr>
<tr>
<td>disability status</td>
<td>56%</td>
</tr>
<tr>
<td>LGBTQ+ status</td>
<td>37%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>EMPLOYER ASKS INDIVIDUALS TO SELF-IDENTIFY</strong></th>
<th><strong>%</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>91%</td>
</tr>
</tbody>
</table>

Source: Insight Region® analysis of 2022 CFA badge applications
WHAT WE LEARNED ABOUT
THE STATE OF C-SUITE DIVERSITY

The average Champion’s c-suite was predominantly White (73 percent), followed by equal shares Black (10 percent) and Asian (10 percent). The average Champion had just 3 percent Hispanic executives.

The demographics of these executive teams track closely with the overall composition of Northern Virginia’s executives. See Figure 9. Overall, Champions’ c-suites were more closely representative of their staff (for example, 59 percent White staff, compared to 73 percent White executives) than the overall region (where 48 percent of workers are White, compared to 72 percent of executives).

The gender composition of Champions’ executives and workforce skewed heavily female, with the average Champion possessing roughly two-thirds female executives and workers. Generally, the 2022 Champions had executives whose gender reflected their staff, but not the region.

Figure 9.
Average composition of Champions’ executive team versus workforce

<table>
<thead>
<tr>
<th>race-ethnicity</th>
<th>white</th>
<th>black</th>
<th>asian</th>
<th>hispanic</th>
<th>other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Champions</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>executives</td>
<td>73%</td>
<td>10%</td>
<td>10%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>workforce</td>
<td>59%</td>
<td>16%</td>
<td>9%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td><strong>Northern VA</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>executives</td>
<td>72%</td>
<td>5%</td>
<td>11%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>workforce</td>
<td>48%</td>
<td>12%</td>
<td>16%</td>
<td>18%</td>
<td>7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>gender</th>
<th>male</th>
<th>female</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Champions</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>executives</td>
<td>32%</td>
<td>65%</td>
</tr>
<tr>
<td>workforce</td>
<td>31%</td>
<td>68%</td>
</tr>
<tr>
<td><strong>Northern VA</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>executives</td>
<td>71%</td>
<td>29%</td>
</tr>
<tr>
<td>workforce</td>
<td>53%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Source: Insight Region® analysis of 2022 CFA badge applications
Recruitment and selection strategies generally fell into one of two categories: (1) increasingly standardized strategies that emphasize data, the elimination of bias, and widening the pool, and (2) increasingly targeted strategies that focus on the active recruitment and hiring of candidates from specific demographic groups. See Figure 10. These dual approaches to staff diversification are not mutually exclusive and can be used concurrently with great success (see Exhibit B on page 12). However, the latter strategy—increased targeting, also known as “voluntary affirmative action”—should be done in accordance with Title VII, EEOC guidelines, and the Virginia Human Rights Act, which prohibit employers of a certain size from engaging in demographic-conscious selection procedures unless they can produce sufficient justification, a thorough assessment of existing procedures, and a written plan that adheres to EEOC standards. For example, while employers are permitted to establish numeric goals, they may not create rigid quotas or set-asides where only individuals of certain races, gender groups, or identities are considered for a role or that unduly harm members of non-targeted groups, such as by refusing to hire any people from those groups or firing individuals to reach a target.

Figure 10.
Dual approaches to DEI hiring among Champions For Accountability

<table>
<thead>
<tr>
<th>INCREASINGLY STANDARDIZED</th>
<th>INCREASINGLY TARGETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>“we are significantly increasing the number of platforms used to post job openings [to increase applicant diversity]”</td>
<td>“we regularly sponsor and attend conferences targeting minority and underrepresented professionals to recruit qualified talent.”</td>
</tr>
<tr>
<td>“we actively seek out new sources to recruit from, such as military hiring initiatives, local and nation-wide college and university partnerships, and diverse set of job boards.”</td>
<td>“[we actively recruit from] HBCUs in underserved areas.”</td>
</tr>
<tr>
<td>“we have a mandatory commitment to developing a diverse candidate slate for all external open senior level [roles] focused on females and racial/ethnic minorities”</td>
<td>“employees involved in staffing have specific questions and processes to identify diverse candidates”</td>
</tr>
<tr>
<td>“we are [developing]…behavioral interview training for supervisors to help eliminate biases and focuses on demonstrated work behavior versus subjective preferences”</td>
<td>“diversity would be a criteria whenever we need to recruit executive managers”</td>
</tr>
<tr>
<td>“we updated our ‘culture’ interview step, which was identified as the step after which many of our candidates of color no longer remained in the process”</td>
<td>“when a position becomes open in the future, [we] will of course seek to fill it with a candidate who not only can best serve the organization but also comes from a diverse pool of applicants”</td>
</tr>
<tr>
<td>“we implemented…a rating scale [and] the same questions for each candidate to help eliminate bias”</td>
<td></td>
</tr>
</tbody>
</table>

Source: CFA badge applications
EXHIBIT B.

SPOTLIGHT ON CLA (CliftonLarsonAllen)

To help us hire top candidates without bias and bring the wealth of diversity and customs that fully reflect the communities we serve, we have:

- Invested in growing the cultural competencies of those who participate in campus recruiting.
- Elevated meaningfully deep relationships with university campus recruiting offices.
- Doubled our presence at minority-serving institutions across the country.
- Engaged in discussion with CLA leaders to connect DEI recruiting activity with our leadership succession pipeline.
- Committed to meaningful outreach to diverse groups that include veterans and individuals with disabilities.
- Established behavioral-based criteria for resume review and interview questions, putting all candidates on an equal footing.
- Grew our relationship with the National Association of Black Accountants (NABA) by granting $1 million to seed its Pathway to College program, support human capital needs, and create scholarships, in addition to providing office space for NABA’s headquarters in CLA’s Greenbelt, Maryland location.

We are buoyed by our recent trends:

- Veterans increased by 36% in May of 2021 compared to the same time period in 2020.
- Individuals with disabilities increased by 36% in May of 2021 compared to the same time period in 2020.
- Minority hires increased to 29% total, which is up 7% when comparing the trailing 12 months through October 2021. In our DC location, we are 52% minority and 48% female. Principals and signing directors are 39% minority and 48% female.
- Recruiting experienced hires total more than 50,000 candidates in our recruiting database, including many added from our NABA relationship.
- Campus recruiting gives us presence on more than 200 campuses, including minority-serving institutions and Historically Black Colleges and Universities around the country. One example is Bowie State University.

Thank you...

@Kevin Kirsch, Director of Diversity, Equity, and Inclusion (DEI)
@Mona Birchfield, Principal, BizOps
C-SUITE DIVERSIFICATION THROUGH RETENTION AND ADVANCEMENT

Hiring practices can help to diversify the overall staff, but those individuals must be retained, engaged, and promoted for these strategies to have a lasting effect on c-suite composition. Champions identified two common actions they were taking to develop and advance staff as part of their strategy to diversify the C-suite: compensation and mentoring / support.

Compensation. A focus on equitable compensation was identified as one such tool to retain and eventually promote talent. One Champion describes, “[refining] our performance management system to enable equity at all levels, [including] making sure that clear and transparent evaluation processes have been identified, communicated, and applied (promotions, salary decisions).” Another Champion noted that their company had “recently implemented an equity-based salary program that standardizes pay across all levels and creates transparency both internally and externally.” Developing a fair, standardized performance management system may address the diversity-innovation paradox where examples of innovation and leadership tend to be discounted when exhibited by someone of color.

Mentoring and Support. Numerous Champions remarked on the importance of coaching/mentoring initiatives as a way to retain talent and develop individuals into leadership roles. One Champion described, “professional development and mentorship programs [that] provide direct access to executive managers who sponsor and coach employees pursuing leadership opportunities.” The Champion added that the company’s employee resource groups also share manager and senior level job opportunities to encourage members to apply. While opportunities are available to workers “throughout all stages of career development and advancement, [the company focuses] on women and historically underrepresented individuals.” Other Champions discussed the importance of non-career related support, such as “quarterly meetings to check in with staff members to ensure we are providing support, benefits, and training that they need/want.” Such programs and strategies are not only important for developing a pipeline of the organization’s next leaders; they may also help employees develop a meaningful professional network and a stronger sense of belonging, both important ingredients in fostering an inclusive work culture and retaining staff.

the path to the top

While the Champions for Accountability application did not ask about the race-ethnicity and gender of specific positions within the c-suite, this information will likely prove critical for companies looking to source their next CEO from internal candidates.

Research has found that most (90 percent) internally promoted CEOs came from one of three functional roles—Chief Operating Officer, Chief Financial Officer, or profit or loss responsibility (P&L) leader—and the odds of promotion to CEO outside of these roles (such as marketing, risk management, human resources, or general counsel) are very low. The same study found that women hold just 13 percent of positions with high potential for CEO promotion, and 38 percent of positions with lower potential for advancement. Similarly, non-white executives hold only 13 percent of high potential positions (CEO, CFO, and P&L), and 20 percent of lower potential positions.
WHAT WE LEARNED ABOUT THE STATE OF BOARD DIVERSITY

Champions’ boards were slightly more aligned with the diversity of the region than their c-suite. The average Champion’s board was 63 percent White, 13 percent Black, 10 percent Asian, and 7 percent Hispanic.

These rates align closely with the composition of Champions’ workforce, but reveal a discrepancy with the broader community. See Figure 11. The gender diversity of board members was also substantially higher than executives; half (51 percent) were women, compared to two-thirds of executives.

Most Champions (72 percent) reported actively trying to diversify their board. Board appointments are complex and vary by employer and industry; in many cases, they are not under the direct control of the organization, but rather, the nominating committee composed of existing board members.

Figure 11.
Average composition of Champions’ board members, compared to their workforce and the Northern Virginia labor pool

### race-ethnicity

<table>
<thead>
<tr>
<th></th>
<th>white</th>
<th>black</th>
<th>asian</th>
<th>hispanic</th>
<th>other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Champion’s Board</td>
<td>63%</td>
<td>13%</td>
<td>10%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Average Champion’s Workforce</td>
<td>59%</td>
<td>16%</td>
<td>9%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Northern Virginia’s labor pool</td>
<td>48%</td>
<td>12%</td>
<td>16%</td>
<td>18%</td>
<td>7%</td>
</tr>
</tbody>
</table>

### gender

<table>
<thead>
<tr>
<th></th>
<th>male</th>
<th>female</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Champion’s Board</td>
<td>47%</td>
<td>51%</td>
</tr>
<tr>
<td>Average Champion’s Workforce</td>
<td>31%</td>
<td>68%</td>
</tr>
<tr>
<td>Northern Virginia’s labor pool</td>
<td>53%</td>
<td>47%</td>
</tr>
</tbody>
</table>

Source: Insight Region® analysis of 2022 CFA badge applications
Champions identified a number of strategies within their sphere of control to help diversify the board.

DEVELOP A MORE NUANCED VIEW OF DIVERSITY

Champions tended to take a much more inclusive approach to board diversification than staff diversification, noting a range of factors beyond gender and race/ethnicity such as age, experience, justice involvement, religion, and socioeconomic status that help to create “continuity and fresh perspective”. One Champion described “further defining our process of recruiting and vetting board members, both to identify gaps in needed skills as well as diversity of thought, gender, age, race/ethnicity, and professional backgrounds to ensure our board evolves to be reflective of the communities we serve.” One Champion described a data-driven, iterative process where diversity is about maintaining a balance: “we have begun using a matrix of our current board members’ background and skills so that we can specifically target [new] board members in demographic segments that are not as strongly represented.”

MAKE IT EASIER TO SERVE ON THE BOARD

One non-profit Champion eliminated board dues to make it easier for individuals across a range of backgrounds to participate: “we removed our ‘give or get,’ recognizing that the value of board members goes far beyond their ability to personally contribute on a financial level.” Similarly, a number of Champions described their efforts to dedicate a certain number of board appointments to community residents, “selected through a competitive process that solicited nominations and applications throughout our portfolio.” Another Champion described how board diversification, “in many ways, starts with [community] recruitment. As we have been actively seeking greater diversity and inclusion... we have created a more diverse pool of engaged and informed community leaders who want to stay involved with [the organization].”

FOCUS THE CURRENT BOARD ON DEI

Building a culture of diversity, equity, and inclusion is not just the province of HR leaders working with staff—it is an important aspect of board relations and developing a DEI mindset among board members. In many industries, existing board members are responsible for seeking out and nominating candidates, which may lead to a rather homogenous group if members recruit solely from their own professional and social circles, as is common practice. One Champion described their efforts around shifting board culture when it comes to recruitment: “Our Governance Committee—when looking at the overall composition of our Board, who is rotating off and who to invite to join—is tasked with ensuring that we are looking beyond those we have always known to include new faces, ideas and perspectives.” Another Champion described “working with our current board to understand and reshape aspects of culture and policy to create an environment that fosters belonging.” Lastly, one key way to change culture is to be honest and transparent about that state of diversity on the board: “[We are exploring] actionable ways to increase board diversity. We have only just begun by acknowledging that our board lacks diversity.”
continuing the work

The Champions for Accountability badging system recognizes employers who are taking one of many steps toward building a culture of diversity, equity, and inclusion for their workforce: they have voluntarily shared data and their current progress on diversifying their staff, c-suite, and board.

By accepting their badge, the Champions will commit to the following actions:

1. Provide a voluntary, safe way for staff, senior leadership, and board members to provide self-identified demographic and share findings regularly with staff
2. Regularly review and update position descriptions / requirements to widen the pool of potentially qualified candidates (skills-based hiring)
3. Identify and recruit from candidate pools that represent a more diverse cross-section of talent
4. Develop clear, attainable pathways for staff to move into management and leadership positions

The Chamber and Community Foundation are committed to continuing their joint focus on leadership diversity in Northern Virginia and will continue to evolve and grow the Champions for Accountability badging system.
THE CHAMPIONS FOR ACCOUNTABILITY APPLICATION

1. How can we contact you about your badge? Name/Title/Email

2. Where is your business located? [select all that apply]
   Your business must operate in at least one jurisdiction in Northern Virginia to receive this badge
   - City of Alexandria
   - Arlington County
   - Fairfax, including Fairfax City and Falls Church
   - Loudoun County
   - Prince William, including Manassas and Manassas Park

3. What demographic data do you collect on your business’s c-suite and/or board? [select all that apply]
   Your business must operate in at least one jurisdiction in Northern Virginia to receive this badge.
   - Race-Ethnicity
   - Gender
   - LGBTQ+ status
   - Disability status

   If you have not selected any responses for Questions 2 and 3, you are not eligible for the Northern Virginia Champions for Accountability badge at this time.

4. Are individuals asked to self-identify when collecting demographic data? Yes/No

5. Does your business share data regularly on the diversity of its leaders with staff? Yes/No

6. Does your business have an individual who leads its diversity, inclusion, and equity work? Yes/No

7. What is the name, title, and email address for this individual? Note that this person may receive follow-up communications from the Chamber and Community Foundation.

8. Is your business currently trying to diversify its staff, e.g., recruitment and retention strategies?

9. Is your business currently trying to diversify its board, e.g., the process of nominating, recruiting, and vetting?

10. Is your business currently trying to diversify its executive managers, e.g., promotion and recruitment practices?

11. How many full-time employees work for this business?

12. At this time, are you able to report on the demographic composition of staff? Yes/No

13. How many staff members identify as… [if unknown, leave blank]
   - White, non-Hispanic
   - Black, non-Hispanic
   - Asian
   - Hispanic/Latino/Latina/Latinx
   - American Indian/Alaskan Native
   - Native Hawaiian/Other Pacific Islander
   - Other race-ethnicity, including two or more races
   - Male
   - Female
   - LGBTQ+ (e.g., agender, non-binary, transgender, asexual, bisexual, gay, lesbian, and queer)
   - Persons with a disability (physical, developmental, behavioral, sensory)
   - Other (please specify):

14. How would you describe the ownership of your business? At least 5 percent of the business or stock is owned by person(s) who identify as… [select all that apply]
   - White (non-Hispanic)
   - Black (non-Hispanic)
   - Asian Hispanic/Latino/Latina/Latinx
   - Middle Eastern and North African
   - Other non-White racial or ethnic identity
   - Male
   - Female
   - LGBTQ+ (e.g., agender, non-binary, transgender, asexual, bisexual, gay, lesbian, and queer)
   - Persons with a disability (physical, developmental, behavioral, sensory)
   - None of the above - business does not have an owner (non-profit)

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15. How many executive-level managers (e.g., CEO, CFO, COO) are employed by this business?

16. At this time, are you able to report on the demographic composition of this business’s executive-level managers? Yes/No

17. How many executive-level managers identify as... [if unknown, leave blank]
   - White, non-Hispanic
   - Black, non-Hispanic
   - Asian
   - Hispanic/Latino/Latina/Latinx
   - American Indian/Alaskan Native
   - Native Hawaiian/Other Pacific Islander
   - Other race-ethnicity, including two or more races
   - Male
   - Female
   - LGBTQ+ (e.g., agender, non-binary, transgender, asexual, bisexual, gay, lesbian, and queer)
   - Persons with a disability (physical, developmental, behavioral, sensory)
   - Other (please specify):

18. How many individuals serve on this business’s board?

19. At this time, are you able to report on the demographic composition of this business’s board? Yes/No

20. How many board members identify as... [if unknown, leave blank]
   - White, non-Hispanic
   - Black, non-Hispanic
   - Asian
   - Hispanic/Latino/Latina/Latinx
   - American Indian/Alaskan Native
   - Native Hawaiian/Other Pacific Islander
   - Other race-ethnicity, including two or more races
   - Male
   - Female
   - LGBTQ+ (e.g., agender, non-binary, transgender, asexual, bisexual, gay, lesbian, and queer)
   - Persons with a disability (physical, developmental, behavioral, sensory)
   - Other (please specify):

21. What best describes your business?
   - Sole proprietorship
   - Partnership
   - Corporation
   - Nonprofit
   - Limited liability company (LLC)

22. In what year was your business founded?

23. What was your business’s annual revenue in the most recent calendar year?
   - Less than $25 million
   - $25-49 million
   - $50-$249 million
   - $250-999 million
   - $1 billion or more

24. May we contact you for a follow-up discussion / to profile your business as a best practice? Yes/No

   *Only data collected in this section will be placed in a public, searchable directory of businesses that have received the pledge. If you do not want certain information to be included in the directory, please leave that field blank.*

25. What is the name of your company?

26. How can the public find you online? If not applicable, leave blank. Website/Twitter/Facebook/Linkedin

27. In what Northern Virginia zip code(s) is your business located?

28. Does your business derive the majority of its revenue from government contracts? Yes/No

29. In which industry (NAICS) is your business licensed to operate?
ENDNOTES

1. For the purposes of this report, the terms “non-white” and “of color” are used interchangeably to refer to individuals who identify as Asian, Black, Hispanic, Middle Eastern / North African descent, mixed race, or some other racial-ethnic category. Note that because the EEO does not ask specifically about staff who identify as Middle Eastern and North African descent, this category was omitted from the Champions for Accountability application to ease reporting. For more on this topic, see Wang, H.L. 2022. The U.S. census sees Middle Eastern and North African people as white. Many don’t. NPR web series., and Neda Maghbouleh, N., A. Schachter, & R.D. Flores. (2022). Middle Eastern and North African Americans may not be perceived, nor perceive themselves, to be White. PNAS, 119(7).

2. For more information on the diversity of workers by metro area, see the Census Bureau’s compilation of EEO data available online at U.S. Census Bureau, 2014-2018 EEO Tables.

3. Companies with over 100 employees (and government contractors with 50 or more employees and at least $50,000 in federal contracts) collect demographic data as part of their mandatory filing requirements with the U.S. Equal Employment Opportunity Commission (EEOC EEO-1 report). Companies with 15 or more employees may collect demographic data to prove that they are compliant with Title VII of the Civil Rights Act of 1964, which prohibits discrimination based on various protected characteristics.

4. As of August 2022, NASDAQ-listed companies must annually disclose statistics on their board’s gender, racial/ethnic and sexual-orientation using the Nasdaq Board Matrix; by 2023, these companies must have at least one director who identifies as female, an underrepresented minority, or LGBTQ+. The quota increases to two directors in 2025-2026. The new rule is similar to the minimum standards for board diversity that have applied to public companies based in California.

5. A 2020 study found that while most companies want to run internal surveys, 80% did not collect any demographic data on their employees Companies cited issues with time and execution bandwidth, team trust and transparency, not knowing how to communicate results, and low survey engagement. See Young, L. 2020. Collecting Diversity and Inclusion data for your company. Union Square Ventures.


7. An unweighted average was used to depict the composition of the typical Champion c-suite, whereas a weighted average could be influenced by very large companies. For reference, 78 percent of executives were white, 11 percent were black, 6 percent were Asian, 2 percent were Hispanic, and 2 percent were other. 55 percent were male, 42 percent were female, and 3 percent were other.

8. Specifically, the EEOC considers the following three circumstances as justification for voluntary affirmative action: (1) an analysis shows actual or potential adverse impact caused by existing or contemplated practices; (2) prior discriminatory practices, which “can be initially identified by a comparison between the employer’s work force, or a part thereof, and an appropriate segment of the labor force”; or (3) “historic restrictions by employers, labor organizations, and others [creating] circumstances in which the available labor pool, particularly of qualified minorities and women, for employment or promotional opportunities is artificially limited.” See 29 C.F.R. § 1608.3(a-c).


10. See ACLU of Southern California. nd. Inclusion Targets: What’s Legal?


THE NORTHERN VIRGINIA CHAMBER OF COMMERCE

For 97 years, the Northern Virginia Chamber of Commerce has been the Voice of Business within the Region. Through its direct work on economic development, workforce issues, and a commitment to diversity, equity, and inclusion, the Chamber demonstrates on a daily basis why it is the largest and most influential Chamber in the greater Washington D.C. Metropolitan Region.

The Northern Virginia Chamber of Commerce Foundation

The Northern Virginia Chamber of Commerce Foundation supports the Northern Virginia community by establishing programs that benefit the citizens and businesses of Northern Virginia.

THE COMMUNITY FOUNDATION FOR NORTHERN VIRGINIA

The Community Foundation for Northern Virginia helps grow local philanthropy to respond to need, seed innovation and lead and convene the community. Comprised of donor advised funds, permanent funds, giving circles, and other charitable endowments, the Community Foundation is committed to building a community that works for everyone. In the last two years, the Community Foundation awarded $20 million in grants and scholarships and now reports more than $89 million in managed philanthropic assets.

www.cfnova.org

Insight Region®

Insight Region® is a growing hub for reliable, well-researched, and actionable data and analyses on issues critical to Northern Virginia. Through this work, we seek to inform charitable giving, inspire civic and social action, and foster a more inclusive, prosperous region.