



U.S. DEPARTMENT OF COMMERCE

BUSINESS DIVERSITY PRINCIPLES

Each of the following six principles presents a set of strategies and objectives aimed at promoting equity and economic development. These principles function as an organizational framework for best practices and offer clear actions that institutions can take to drive equity, innovation, and economic growth.

Executive Leadership: Strive for diverse C-suites and corporate boards by developing clear strategies to increase diversity among the organization's executive ranks. Understand and break down barriers to executive roles for internal and external candidates. Ensure leaders model equitable and inclusive behavior and possess key competencies, such as empathy, cultural competence, and inclusive leadership. Ensure leaders have the necessary resources to drive business diversity efforts, such as toolkits, research, and access to DEIA professionals. Recognize leaders' commitment to Business Diversity and hold them accountable through performance evaluations and compensation.

Organizational Strategy: Use comprehensive assessments to evaluate the current state of Business Diversity within the organization, including demographic data across all levels and departments, company policies, practices, and workers' perceptions. Develop and maintain DEIA councils, which oversee the implementation of Business Diversity initiatives and ensure alignment with overall company objectives. Regularly share progress updates to promote transparency and accountability.

Workforce Development: Cultivate and maintain a diverse talent pipeline by partnering with educational institutions and community organizations and allocating resources for workforce development initiatives and accommodations. Remove barriers to entry, using demographic data to understand workforce composition, identify gaps, and shape organizational strategy. Equip workers, including those from underserved communities, with the necessary skills for advancement.

Human Resources: Prioritize the promotion of internal talent, regularly review promotion data to identify barriers, and provide senior leader sponsors for workers from underserved communities. Establish and maintain employee resource groups for workers from underserved communities. Clearly communicate potential internal career paths and advancement opportunities. Foster work-life balance through HR policies, such as flexible working arrangements, comprehensive parental leave, support for caregivers, and inclusive benefits packages.

Business Opportunities: Create an inclusive supply chain that expands opportunities for entrepreneurs from underserved communities at all levels, from food service to construction to financial and consulting services. Invest in mentorship and training programs that help companies navigate industry challenges, build capacity for procurement opportunities, and enhance skill sets. Facilitate access to capital for companies through strategic partnerships and other innovative approaches. Provide networking opportunities for entrepreneurs from underserved communities and encourage recognized certifications to enhance visibility and credibility. Implement inclusive request-for-proposal processes that eliminate barriers and ensure transparency and accountability.

Community Investment: Invest in capacity building and innovation within communities and ensure the organization's community investment initiatives are accessible to all and promote economic mobility. Use scholarships, incubator programs, and other community-based initiatives to break down barriers and expand opportunities for people from underserved communities to access employment and business opportunities. Understand the organization's target communities' needs and barriers to access. Set measurable goals to track the success of these initiatives.