

The Racial Equity Playbook Overview

Many business executives want to improve diversity, inclusion and equity, but are unsure where to start. We put together the following framework to help organizations develop plans to increase diversity and inclusion. We encourage you to review the framework, and then work on the tactics that are in our Playbooks 1.0, 2.0 and 3.0. The highest-level advice is that fast, gut decisions tend to be biased. Being intentional and systematic usually leads to better results. Keep your focus on race, and most specifically, Black people. Your organization is not truly inclusive until the most marginalized are treated equally.

Diversity Goals - When Are We Done?

Many executives ask how much diversity is enough or when they will have "fixed" the diversity issue. True diversity translates into better teams, higher financial returns, a healthier and more innovative work environment. So, that question is akin to asking when have you made enough profit. And as long as there is discrimination and racial bias in our society, you will have to work to counteract it in your organization. It is more important to make continuous progress, quarter after quarter, than hitting a specific numeric target. If you still want a target, you may want to consider [Project Include's Roadmap to Diversity and Inclusion](#) which proposes the following as a short term goal for race in organizations in the United States:

- 10% Black/African American/African
- 10% Latinx/Hispanic

Ideally, these percentages should be represented in all departments and levels of your organization. Your organization is not diverse if all programmers are white males, your call center is all minorities and HR is all female. We also encourage you to look at intersectionality. Black women will not have the same experience as white women or black men. For larger organizations, we recommend working towards the [MLT Black Equity at Work Certification](#). The actions in these Playbooks will prepare you for the internal portion of MLT's certification.

The work we did to put together this framework and the Playbooks came out of an initiative established by the GSB Black Alumni Association at Stanford Business School. For this reason, while we discuss diversity in general, we focus most specifically on achieving equity for Black people. However, in our view, your work is not done until you have achieved diversity across the board.

Overall, it is important to tackle racial equity as a systems problem, not a people problem (although you cannot tolerate problematic people). Policies and processes will need to be changed throughout your organization. Training helps build understanding for the changes and helps train employees in new processes but does not fix the problem on its own.

Here are the steps to get there:

Affirm Your Commitment - You have some level of commitment to making meaningful change if you are reading this. However, many leaders report that they have underestimated the level and depth of commitment needed to make change. Change is easiest if you already have a diverse board and executive team. If not, you will likely need to educate your organization's leadership (and maybe even yourself) on the importance of building an organization that looks like its customer base and/or the population where it operates.



Why are you doing this work? Most organizations get started because they believe it's the right thing to do and have a vague sense that it will be good for the organization. That is a good starting point, but you will benefit from digging deeper. As a leader, you may value the principles of diversity and inclusion, but have not invested deep thought or time into understanding exactly how it helps organizations and why it is hard to achieve. Armed with this knowledge, you will find yourself better prepared to take the kinds of actions required to drive meaningful change and to convince your organization of the benefits of doing so.

There is overwhelming data that suggests that building a diverse organization improves results. We suggest educating yourself and have some reference material in [Playbook 1.0](#). In addition, we recommend the article "[Straight White Male: The Lowest Difficulty Setting There Is](#)" which provides a good way to think about the power of privilege. We also recommend that you learn more about racism and how it works with this [antiracism resource](#), or take the [implicit bias](#) test to learn more about your biases. If you are skeptical of claims of systemic racism, we'd encourage you to read [The Color of Law](#), [The Color of Money](#), and/or [The New Jim Crow](#).

Hold the Organization Accountable - To make progress, it's best to firmly understand where you are today and measure the progress you make. We recommend creating diversity metrics and making attainment of these metrics part of your annual strategic plan. Ideally, each manager would be accountable for making progress in their area of responsibility.

Take Action - Once you have a plan to hold yourself accountable, it is time to decide what actions you will take to drive diversity and inclusion. There are three components that need to be addressed for success:

- **Diversity** - bringing diverse people into the organization at all levels
- **Inclusion** - making the organization comfortable for different types of people, so they can thrive and you can retain them. Here's an article that illustrates [the importance of inclusion](#) and [why women and people of color leave](#). Michael Bush, CEO of Great Places to Work has a powerful video on inclusion [here](#).
- **Equity** - Promoting and paying all employees, including employees from under-represented groups, at equal rates.

The actions in these Playbooks should be considered guidelines, rather than strict prescriptions. If you don't run the company, consider what areas you can control or influence. You may want to read the [Large Company Guide](#) for tips. The important point is to continually take actions that will bring you closer to your goals. You might have some ideas not included in these documents or prefer a Playbook 2.0 tactic to a Playbook 1.0 tactic. That's OK! As a leader, we recommend that you take the actions that you think will have the greatest impact and then measure the results. The most important thing is to measure the results and hold yourself accountable.

Ready to get started?

We've put together some suggested actions, depending on where your organization is. While Playbook 1.0 is the first step, it won't necessarily be easy (if it were easy, you wouldn't need a playbook). By the time you progress to Playbooks 2.0 and 3.0, you will likely need a well-informed and skilled resource (either an employee or a [consultant](#)) leading this valuable work. From this perspective, consider the tactics in the Playbooks as guidance, not a strict prescription. The goal is to continue to progress on commitment, accountability and action. We put together these playbooks with small to medium-sized companies in mind. If you're looking to increase diversity and inclusion in your business unit or sphere of influence within a much larger organization, we will be offering suggestions for how to adopt these



recommendations in our Large Company Playbook Adoption Guide. To get an overview, you can view all the suggested Playbook tactics [here](#).

- [Diversity, Inclusion and Equity Playbook 1.0](#)
- [Diversity, Inclusion and Equity Playbook 2.0](#)
- [Diversity, Inclusion and Equity Playbook 3.0](#)

About the Racial Equity Playbook: The Racial Equity Playbook is a 100% volunteer effort from the Stanford GSB Class of 1994 Organization team, formed after the death of George Floyd. The Playbook is intended to help executives and managers wanting guidance on how to improve diversity within their organizations. For more information, visit racialequityplaybook.org.