

United Nations Global Compact-Accenture CEO Study 2021

# Gender Equality, Diversity and Inclusion Spotlight

Special Edition

## Note from the Authors

The findings in this leadership briefing of the UN Global Compact are supported by Accenture and are part of the world's most comprehensive insights on business contribution to the UN Sustainable Development Goals to date.

The insights in this Gender Equality, Diversity and Inclusion Spotlight, curated specially for Uniting Business LIVE, represents the views of 1,122 CEOs — 143 female, 866 male and 113 not indicated — and 1,300 business practitioners across 113 countries and 21 industries.

The study captures the perspectives of 103 CEOs in Africa, 163 CEOs in Asia, 400 CEOs in Europe, 173 CEOs in Latin America, 65 CEOs in MENA, 77 CEOs in North America, 28 CEOs in Oceania, and 113 CEOs who did not indicate a region. Responses were collected between April and June 2021.

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Embedding Leadership  
Accountability





# Opening letter from Dr. Musimbi Kanyoro

The COVID-19 pandemic has swept the globe, leaving almost nothing untouched.

The dire and unprecedented challenges prompted us to use our annual CEO survey at the United Nations Global Compact to ask how the crisis has had an impact on those who are frequently excluded from fully participating in the workplace, like women and indigenous peoples or, those with disabilities or a sexual orientation that makes them targets of discrimination.

We found answers that bore out many of our biggest fears.

Labor statistics tell us that women in the workforce have suffered greater job losses than have their male counterparts as a direct consequence of the pandemic, reversing decades of progress.

Corporate efforts to equip workers with added skills, such as those aimed at reducing the digital skills gap in the workplace, were scaled back by the pandemic as well. And foundational initiatives, such as community programmes, suffered setbacks in resources.

Limited financial resources rank among the biggest barriers preventing implementation of sustainability strategies, according to more than half of the female CEOs we surveyed, and nearly half said the pandemic has reduced their budget for sustainability.

But we found many more bright spots that give us hope.

Most companies are implementing flexible work arrangements to support working parents.

Small and mid-sized companies are inspirational in addressing the gender gap. Those with less than US\$25 million in revenue are setting some of the most ambitious targets when it comes to women's leadership, many of them participating in the Target Gender Equality initiative of the UN Global Compact.

We celebrate the positive changes we see and the progress that has been made. Nearly all of the CEOs we surveyed indicate to have ongoing diversity and inclusion initiatives. Most told us that their initiatives focused on building a representative workforce across race, gender, LGBTIQ+ and disabilities did not suffer negative impacts despite the challenges posed by the coronavirus pandemic. Four out of five CEOs say they have instituted practices and procedures to eliminate systemic racism. They told us they are committed to building workplaces that have non-discriminatory practices, deploy equitable opportunities and represent the full range of backgrounds, experiences, and perspectives in communities.

However, we know there's much more room for improvement and a long road left to travel towards equality. While business leaders have expressed a genuine urgency to build a diverse and inclusive culture, they have been slow to adopt accountability measures and have failed to hold their leadership responsible for meeting and publicizing diversity and inclusion targets.

We are making progress every day but we know there is more work to be done. As CEOs and companies put their policies of inclusion into practice, we look forward to seeing their action plans and - most importantly - their results. We know that companies have the power - and must use it urgently to imagine, create and sustain a better world that values all people, providing them with respect, dignity and equality.



## **Dr. Musimbi Kanyoro**

Senior Global Advisor, Target Gender Equality Board Member, UN Global Compact

Dr. Musimbi Kanyoro is a member of the UN Global Compact Board and also serves as Senior Advisor to "Target Gender Equality" an accelerator programme of the UN Global Compact which supports companies in setting and meeting ambitious targets for women's leadership. Musimbi Kanyoro is an accomplished leader with more than three decades of experience working on Gender issues in the context of International and Multilateral Organizations. Kanyoro is the immediate past President and CEO of the Global Fund for Women and the current Board chair of the United World Colleges (UWC) and Women's Learning Partnerships. (WLP). She also serves on the Boards of London School of Economics (LSE) and Care International (CI).

# Towards Equality: CEOs on Diversity & Inclusion

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# Diversity and inclusion appear steadfast on the CEO agenda despite challenges induced by the COVID-19 pandemic

**Diversity and inclusion appear to remain a priority for businesses across the world.** Despite the shock of the COVID-19 pandemic, CEOs state that they remain committed to building an equitable workforce.

In our recent survey of United Nations Global Compact participants, the resolve to preserve and protect diversity and inclusion is clear and strong.

Globally, 92% of companies<sup>1</sup> surveyed say they have ongoing diversity and inclusion initiatives, and 94% of CEOs<sup>2</sup> surveyed report that initiatives across race, gender, LGBTIQ+ protection, and disabilities were not negatively impacted by the COVID-19 pandemic.

## 92%

of companies surveyed have ongoing diversity and inclusion initiatives.

## 94%

of CEOs surveyed say that initiatives focused on building a representative workforce across race, gender, LGBTIQ+, and disabilities were not negatively impacted by the coronavirus pandemic.

“It is during times of crisis that you see an organization’s true character. When things are tough you see whether an organization walks the talk or if the rhetoric is just lip service. We had to decide whether we were going to live our values or not. I’m proud to say that even in tough moments like these, our organization has committed to supporting the communities in which we operate.”

— T. Taubie Molthabane, Chief Executive Officer, Cape Town International Convention Centre

# Companies are signaling a commitment to building representative workforces in the communities where they operate

**Surveyed CEOs claim they are shaping representative workforces in the communities where they operate.** Our research finds that 76% of CEOs attest to have a representative workforce in the geographies where they operate.<sup>1</sup>

Building a representative workforce requires deliberate action to capture the full spectrum of backgrounds, experiences and perspectives in the region being served. Creating a culture of trust, equality and inclusivity is necessary to harness the full potential of a representative workforce.

Our research suggests that the commitment is in place, as 86% of companies surveyed have enacted non-discrimination policies and 81% of companies surveyed have instituted an equal opportunity policy.<sup>2</sup> This is consistent with data from our WEPs Gender Gap Analysis Tool signaling that 75% of companies have such a policy in place.

## 76%

of CEOs surveyed say they have built a representative workforce in the communities where they operate.

## 86%

of companies surveyed have a non-discrimination policy.

## 81%

of companies surveyed have an equal opportunity policy.

“We believe that building a diverse and balanced workforce that reflects the customers we serve will help reduce inequality and create the right products and services for all our customer needs.”

— Debbie Crosbie, CEO, TSB Bank

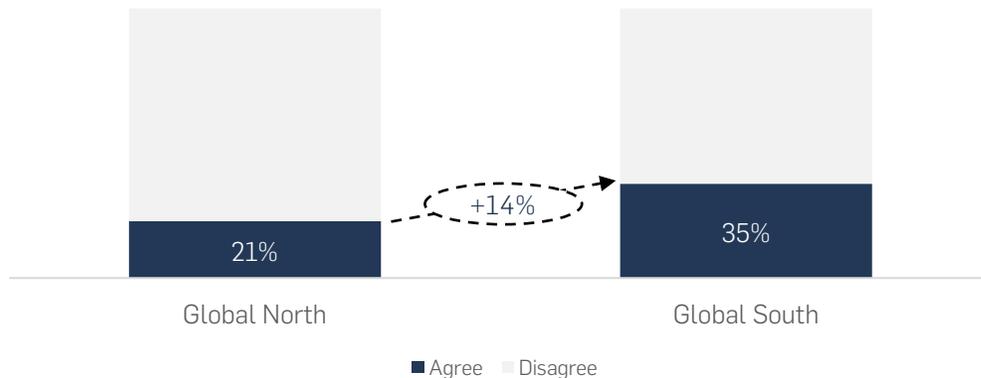
# However, foundational initiatives, such as community programmes, have suffered setbacks due to the COVID-19 pandemic

## Community Programmes

**Globally, more than one-fourth (27%) of CEOs** surveyed say the COVID-19 pandemic has negatively impacted their company's investment in local communities across their areas of operation.<sup>1</sup> These areas include health initiatives or housing programmes operated locally that support and incentivize a representative employee base.

CEOs surveyed from the Global South report facing harsher setbacks to community programmes relative to those from the Global North. Countries facing existential financial challenges were forced to sacrifice community investments in the interest of business survival. Prioritizing investment in community programmes enables business to create meaningful partnerships and address the community's most pressing challenges.

**Figure 1.**  
% of CEOs who say "community programmes" is among the top 3 sustainability efforts most negatively impacted by the COVID-19 pandemic by region



**Note to readers**

Global North and South definitions are not geographical boundaries and are distinguished on the basis of Gross National Income per capita. High-income economies with \$12,535 or more are referred to be in the "Global North". Upper-middle income, lower-middle income and, low-income economies within the range of \$1,035 and \$12,535 GNI per capita are referred to be in the "Global South."

[World Bank](#)

“We owe everything we have to our community and never plan to leave. Creating jobs that pay a living wage is our most important role.”

— Sawsan Wazzan Jabri MSc., LD., Co-Owner, General Manager, & Chief Dietician, Nutrition and Diet Center Lebanon

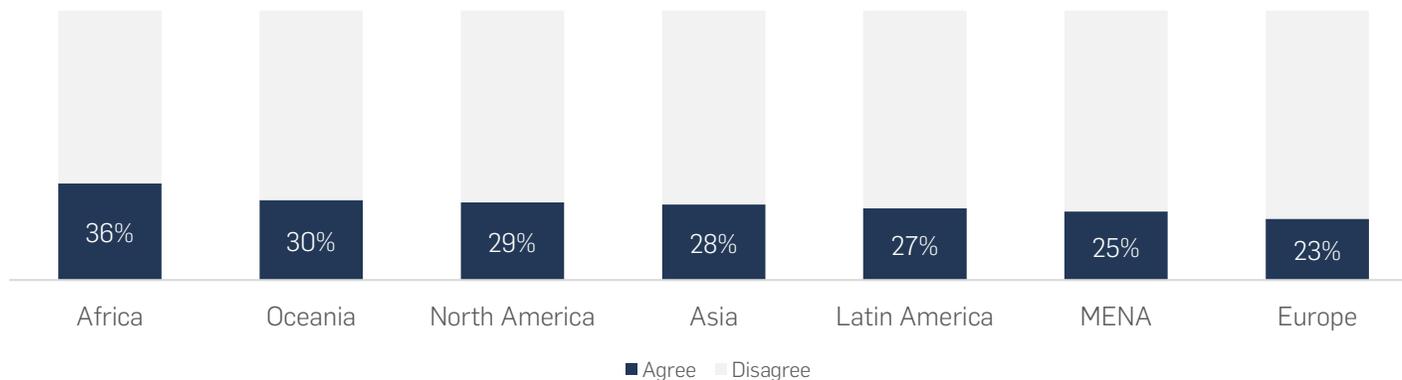
# Similarly, the COVID-19 pandemic risks widening the digital skills gap across the workforce with negative implications on diversity and inclusion

## Skills Development

**Globally, one quarter (26%) of CEOs** surveyed report that their efforts to upskill workers — particularly those aimed at reducing the digital skills gap across the workforce — have been negatively impacted by the COVID-19 pandemic.<sup>1</sup> CEOs surveyed from Africa experienced the most pronounced negative impacts to skills development programmes.

With the rapid emergence of the digital economy, experts estimate that one-third of all jobs are likely to change radically as tasks become increasingly automated.<sup>2</sup> As the world transitions to a green economy, it is critical for CEOs to equip their workforces with the requisite skills of the future.

**Figure 2.**  
% of CEOs who say “skills development” is among the top 3 sustainability efforts most negatively impacted by the COVID-19 pandemic by region



“Upskilling the workforce is critically important to prepare for the level of change we are experiencing. If workers do not have the proper skills today, they may be left out of the labor market as soon as next year.”  
— Clara Arpa, CEO, ARPA

# Topic Spotlights

1. Advancing gender equality →

2. Protecting LGBTIQ+ communities →

3. Eliminating systemic racism →

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# CEOs highlight 3 critical focus areas to further integrate diversity and inclusion in the workplace

## 1. The COVID-19 pandemic has widened the economic gender gap increasing the urgency for action and ambitious target setting

### The majority of surveyed companies report to have gender equality policies in place

**Globally, 82% of companies** surveyed say gender equality is embedded in their corporate sustainability strategy and our research highlights three areas of intervention that companies are taking to foster gender equality in the workplace.<sup>1</sup>

According to the ILO, women in the workforce experienced 5% job loss versus 3.9% for their male counterparts as a direct result of the coronavirus pandemic, reversing decades of progress.<sup>2</sup> Implementing flexible work arrangements is one of several methods that can support working parents and reduce employment loss among women.

**Globally, 87% of companies** have implemented or plan to implement flexible working arrangements in response to the COVID-19 pandemic.<sup>3</sup> However, based on data from the WEPS Gender Gap Analysis Tool only 27% of companies track the number of employees that take

advantage of flexible work benefits, disaggregated by sex.

Today, women on average earn 16% less than men across the world.<sup>4</sup> 65% of companies globally report to ensure pay equity, rigorously analyze pay decisions and take action to mitigate identified gaps across their workforce.<sup>5</sup>

**Over half of companies surveyed (55%)** report to have policies supporting working parents, including parental leave, childcare and post-parental leave support.<sup>6</sup> To alleviate the pressure on working families, it is critical that companies implement holistic policies to support a sustainable coexistence of work and care responsibilities, allowing women to advance in the workplace.

**Endorse the Women's Empowerment Principles** – join over 5,000 CEOs empowering women in the workplace, marketplace and community. [www.weps.org](http://www.weps.org)



“One key issue that still exists in many developed economies is the gender pay gap. It is important for a company to review their remuneration policies and emphasize equality as a top priority”

– Sherman Kwek, Group CEO, City Developments Limited

## SMEs are setting the most ambitious gender equality targets

**Our research finds that companies with less than \$25 million USD in revenue are setting some of the most ambitious gender equality targets:**

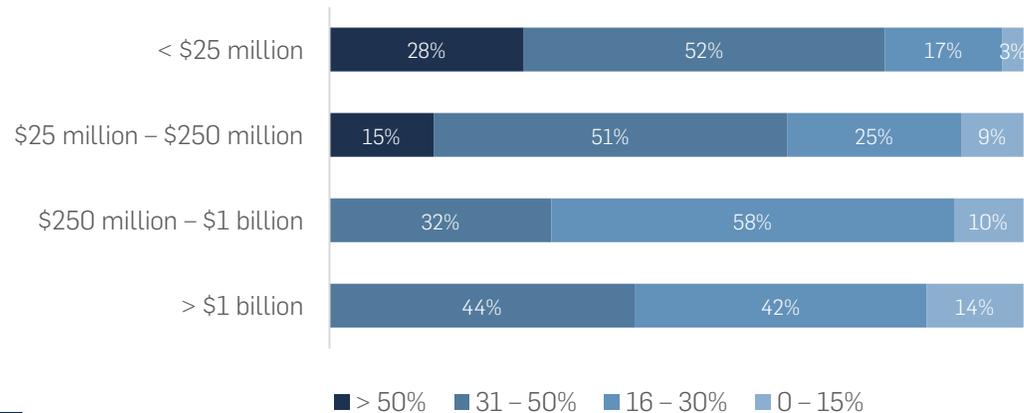
80% aim to achieve greater than 30% women's representation at the C-Suite and Executive Management levels, in comparison to 66% of companies with more than \$1 billion USD in annual revenues.<sup>1</sup>

In addition, business leaders from the smallest companies are aiming to achieve their representation goals sooner than larger companies: 85% of the smallest companies aim to achieve their women's representation goal at the C-Suite and Executive Management levels by 2021 – 2025, in comparison to 67% of companies with more than \$1 billion USD in annual revenues.<sup>2</sup>

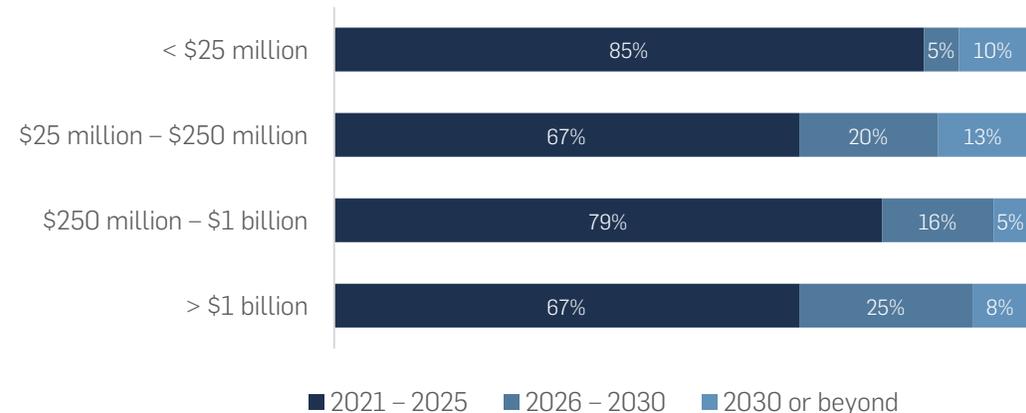
Small and medium enterprises' early ambition is establishing the necessary foundation to build a gender-balanced workforce. Their commitment to gender balance provides a blueprint for embedding diversity throughout the workforce. Explore how companies are advancing women's leadership through ambitious target setting in the Target Gender Equality case studies [here](#).

**Join Target Gender Equality** – set and meet ambitious targets for women's representation and leadership

**Figure 3.**  
Target for women's representation at the C-Suite/Executive Management level by revenue (USD)



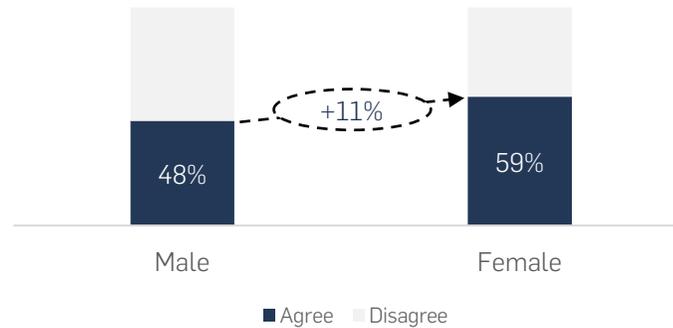
**Figure 4.**  
Time to achieve women's representation goal at the C-Suite/Executive Management level by revenue (USD)



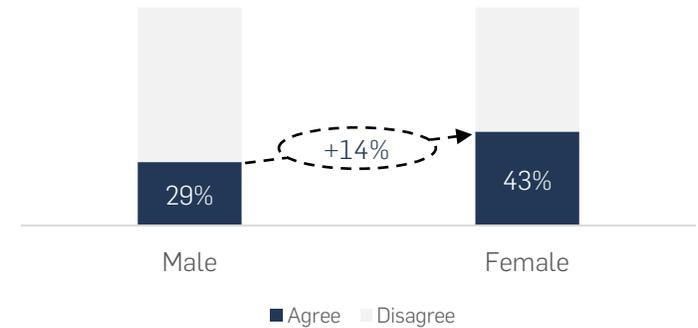
## Female CEOs indicate that they have faced disproportionately higher financial barriers during the pandemic

**Female-led businesses have reported greater financial constraints** in progressing sustainability as a direct result of the COVID-19 pandemic. More than half of surveyed female CEOs (59%) say that limited financial resources rank among the top three barriers preventing the implementation of their sustainability strategy, in comparison to 48% of male CEOs; and 43% of female CEOs surveyed report that the COVID-19 pandemic has reduced their budget for sustainability initiatives, compared to 29% of their male counterparts.<sup>1</sup>

**Figure 5.** CEOs who say that a lack of financial resources is a top 3 barrier to implementing their sustainability strategy



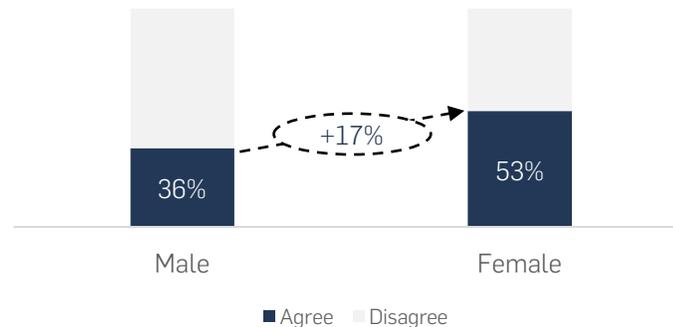
**Figure 6.** CEOs who have reduced their sustainability budget due to the COVID-19 pandemic



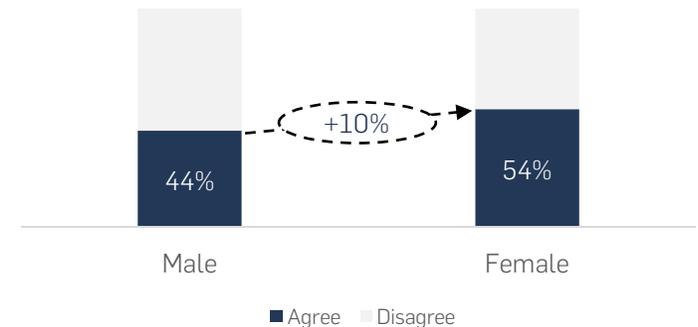
## Despite these challenges, female-led businesses are doubling down on their commitment to sustainability

**Despite these financial challenges, more female-led businesses report to be doubling down on sustainability** in the wake of the COVID-19 pandemic than their male counterparts. Over half of female CEOs (53%) surveyed strongly agree that the COVID-19 pandemic has highlighted the need to transition to more sustainable business models, compared to one-third (36%) of male CEOs; and 54% of female CEOs surveyed report to have adopted more ambitious sustainability milestones due to the COVID-19 pandemic, compared to 44% of male CEOs who report the same.<sup>2</sup>

**Figure 7.** CEOs who believe COVID-19 has highlighted the need to transition to more sustainable business models



**Figure 8.** CEOs who have adopted more ambitious sustainability milestones due to the COVID-19 pandemic



## 2. CEOs across the world seem to be slowly enhancing their protection for LGBTIQ+ communities across the workforce

**Protection for LGBTIQ+ communities remains at a nascent stage globally** among companies surveyed: our research shows that only 45% of CEOs surveyed globally agree that their company has expanded resources and protection for LGBTIQ+ communities across the workforce.<sup>1</sup>

69 UN member States still criminalize consensual same-sex relationships<sup>2</sup> and few countries legally recognize the identity of transgender people, yet businesses have a responsibility to respect the human rights of LGBTIQ+ communities.<sup>3</sup>

As a guide for business, the UN published the Standards of Conduct to offer a practical framework for developing and strengthening policies supporting the rights of LGBTIQ+ communities.<sup>4</sup>

# 45%

of CEOs surveyed agree that their company has expanded resources and protection for LGBTIQ+ communities across the workforce.

### UN LGBTIQ+ Standards Gap Analysis Tool

Guides companies in tackling discrimination against lesbian, gay, bi, trans, intersex and queer people in the workplace and beyond. The Tool is a free, user-friendly and strictly confidential online platform that helps companies assess their current performance and identify opportunities for progress to ensure LGBTIQ+ inclusion.



Photo: UN Office of the Human Rights Commissioner/Thorsten Strasas

## Companies in North America are instituting protections for LGBTIQ+ communities at a higher rate than companies globally

**Our research shows that companies in North America are demonstrating global leadership in protecting LGBTIQ+ communities:** 77% of CEOs surveyed in North America say that their company has expanded resources and protection for LGBTIQ+ communities across the workforce, compared to the 45% global average.<sup>1</sup>

North American<sup>2</sup> companies are also leading on various diversity and inclusion metrics that may support their leadership on LGBTIQ+ protection: 50% of North American companies surveyed promote hiring diverse talent in comparison to 31% global average and 60% monitor inclusion and diversity metrics to identify patterns of exclusion, which globally is implemented by only 34% of companies in our research sample.<sup>3</sup>

### Among North American companies



have expanded resources and protection for LGBTIQ+ communities across the workforce.



have expanded D&I programs that promote hiring diverse talent.



monitor inclusion and diversity metrics to identify patterns of exclusion.

### 3. CEOs report that they are working to eliminate systemic racism across operations and the wider ecosystem

#### After a year filled with public protests and social activism, CEOs are stepping-up their response against systemic pressures on under-represented communities:

globally, 81% of CEOs surveyed say they have instituted practices and procedures to fully eliminate systemic racism across their operations and the wider ecosystem. CEOs in Asia (85%), Africa (85%) and MENA (85%) lead the way in instituting practices to fully eliminate systemic racism, followed closely by CEOs in Oceania (84%), North America (83%), Latin America (83%), and Europe (76%).<sup>1</sup>

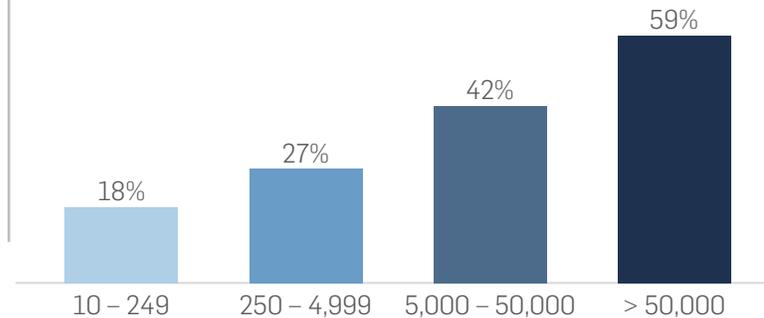
# 81%

of CEOs surveyed say they have instituted practices and procedures to fully eliminate systemic racism across operations and the wider ecosystem.

# 59%

More than half (59%) of companies surveyed with more than 50,000 employees say they have implemented unconscious bias trainings at all levels of employment. While bias awareness trainings are vital to fostering an inclusive culture, its ability to eliminate systemic racism remains inconclusive.<sup>2</sup>

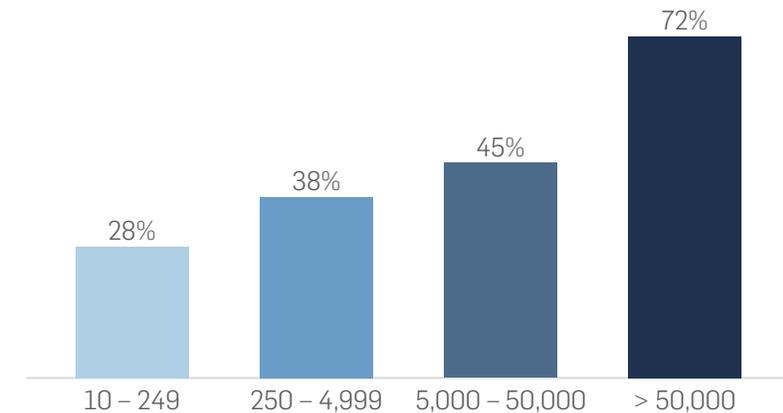
**Figure 9.** Unconscious bias training at all levels by headcount (e.g. racial bias training)



# 72%

Three in four companies (72%) with more than 50,000 employees are adopting inclusive recruitment strategies to achieve greater diversity across their workforce.<sup>3</sup>

**Figure 10.** Diversity & inclusion targets firmly embedded in recruitment strategy by headcount





United Nations  
Global Compact

# Call to Action: Embedding Leadership Accountability

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 **accenture**

# Despite growing conviction to build a culture of diversity and inclusion, business leaders across the world have yet to fully embed accountability measures

## Leadership accountability remains in a nascent stage globally

**While business leaders have expressed a genuine urgency to build a diverse and inclusive culture, they have been slow to adopt traditional accountability measures:** less than half of companies surveyed globally (42%) say they have taken action to ensure their leadership is accountable to diversity and inclusion targets; and only 38% of companies have publicly announced diversity and inclusion organizational targets.<sup>1</sup>

**42%** of companies surveyed say they have taken action to ensure their leadership is accountable to diversity and inclusion targets.

**38%** of companies surveyed have publicly announced diversity and inclusion organizational targets.

Figure 11.  
% of companies with a chief D&I officer that reports workforce metrics to CEO<sup>2</sup>

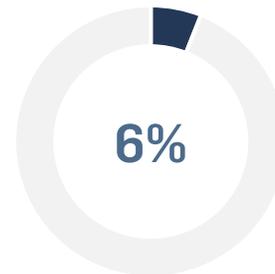


Figure 12.  
% of companies with executive remuneration linked to D&I targets<sup>3</sup>

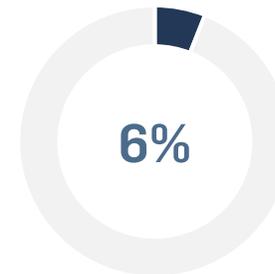
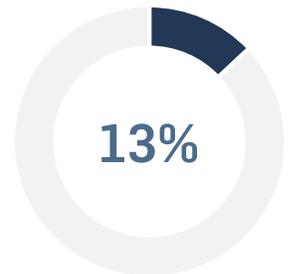


Figure 13.  
% of companies that conduct an annual review of D&I investments<sup>4</sup>



## ABOUT THE UNITED NATIONS GLOBAL COMPACT

As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with Ten Principles in the areas of human rights, labour, environment and anti-corruption. Our ambition is to accelerate and scale the global collective impact of business by upholding the Ten Principles and delivering the Sustainable Development Goals through accountable companies and ecosystems that enable change. With more than 13,000 companies and 3,000 non-business signatories based in over 160 countries, and 70 Local Networks, the UN Global Compact is the world's largest corporate sustainability initiative — one Global Compact uniting business for a better world.

For more information, follow [@globalcompact](#) on social media and visit our website at [unglobalcompact.org](http://unglobalcompact.org).

## ABOUT ACCENTURE

Accenture is a global professional services company with leading capabilities in digital, cloud and security. Combining unmatched experience and specialized skills across more than 40 industries, we offer Strategy and Consulting, Interactive, Technology and Operations services — all powered by the world's largest network of Advanced Technology and Intelligent Operations centers. Our 569,000 people deliver on the promise of technology and human ingenuity every day, serving clients in more than 120 countries. We embrace the power of change to create value and shared success for our clients, people, shareholders, partners and communities. Visit us at [www.accenture.com](http://www.accenture.com).

## ABOUT THE CEO STUDY PROGRAM

The CEO Study program, developed by the UN Global Compact and Accenture, is an effort to enhance understanding and commitment between the United Nations and the private sector. The program is an extensive review of the advancing corporate sustainability movement, and the publications coalesce dominant views of CEOs, business leaders and UN executives to track developments in sustainability.