



National Urban League

The Facts About Diversity, Equity, and Inclusion

Diversity is and will always be one of America's greatest strengths: A diverse America is an innovative and prosperous America.

Diversity is not about lowering standards or giving unfair advantages.

Diversity is about merit.

Diversity fosters unity, belonging, and opportunity in workplaces, schools, and communities.

Diversity brings a wide range of voices and perspectives, driving innovation and progress.

Diversity, Equity, and Inclusion are the foundation of the American Dream, benefitting individuals, communities, and the nation.

Diversity is about securing America's future: a future where innovation thrives, prosperity is shared, and our collective strength as a nation is amplified through the contributions of all.

What is Diversity, Equity, and Inclusion (DEI)?

Diversity, equity, and inclusion are core American values and principles rooted in our nation's history of advancing "liberty and justice for all." Diversity is supported by most Americans: 81% of Americans believe that companies should reflect the racial diversity of the nation. ([Harris Poll/Black Economic Alliance Foundation](#))

- **Diversity** includes differences based on characteristics such as race, gender, sexual orientation, age, ability, veteran status, income, and more.
- **Equity** ensures the fair, just, and impartial treatment of all individuals whereby everyone has equal access to opportunities.
- **Inclusion** focuses on creating environments where all people feel welcomed, respected, valued, and can contribute their talents and ideas freely.

Does Diversity, Equity, and Inclusion lower standards?

Diversity, equity, and inclusion are NOT about lowering standards; the focus is on ensuring that all who have merit have opportunity. In practice, diversity, equity, and inclusion programs remove barriers to create equal opportunities for everyone.

Are Diversity, Equity, and Inclusion programs just quotas?

No. Diversity, equity, and inclusion programs are not quotas. Quotas are prohibited in employment, education, and other sectors. Quotas are illegal, but setting measurable goals are not. Instead, diversity, equity, and inclusion programs focus on setting measurable goals, which are common in business for driving progress. American businesses set goals for everything they do – earnings, share price, growth rate – what gets measured gets done. Goals ensure accountability and help create equitable opportunities without dictating hiring decisions or outcomes.

When the Supreme Court ruled against affirmative action in college admissions, did that decision make Diversity, Equity, and Inclusion programs illegal?

No. The Supreme Court ruling on affirmative action in *Students for Fair Admissions v. Harvard/ UNC* specifically addresses the consideration of race in college admissions decisions at those two schools for qualified applicants - **only**. There is nothing unconstitutional about employer diversity, equity, and inclusion programs or training programs, corporate or government commitments to racial equity or diversity, targeted recruitment programs for underrepresented groups, or business goals to improve diversity in contracting. Diversity, equity, and inclusion programs create opportunities, promote fairness, and drive progress by fostering a broad range of talent and perspectives in workplaces, schools, and communities.

Why is Diversity, Equity, and Inclusion essential for America's economic success?

Diversity, equity, and inclusion drives innovation, increases productivity, and unlocks the full potential of our workforce.

- Studies show that companies with workforces that are diverse on multiple levels, including by race, are more innovative, productive, and profitable.
- A [report](#) by Accenture found that non-inclusive workplace cultures cost American companies \$1.05 trillion annually, primarily due to high turnover, low productivity, and low employee engagement.
- A [2020 study by Citi](#) estimates that the United States would have gained \$16 trillion dollars in Gross Domestic Product (GDP), if we had closed racial gaps in wages, access to higher education, lending, and mortgage access between 2000 and 2020. Similarly, a 2021 [Brookings study](#) found that U.S. GDP would have been \$22.9 trillion higher from 1990 to 2019 if opportunities and outcomes were more equally distributed by race and ethnicity.

Do businesses who focus on Diversity, Equity, and Inclusion lose profits?

No. More diversity means more profit. [McKinsey's latest research](#) showed that in 2023 the bottom 25% of large firms in terms of ethnic diversity **underperformed** their peers by 24% and the top 25% overperformed by 27%. Furthermore, the bottom 25% of firms by gender diversity underperformed their peers by 31% and the top 25% overperformed by 18%.

Is “DEI” under attack?

Despite widespread support to advance racial and economic mobility for all, opponents of diversity, equity, and inclusion have distorted its purpose, using online intimidation and racist rhetoric reminiscent of segregationist eras.

- [At least 80 bills](#) in more than 30 states target diversity, equity, and inclusion training in education. Since 2023, at least 250 bills have been introduced to restrict diversity, equity, and inclusion in government, and over 200 bills across 36 states aim to ban diversity, equity, and inclusion practices in the private sector, with at least 16 states enacting laws ([Movement Alliance Project](#)).
- Opponents have filed lawsuits against companies funding scholarships for students, pushed for book bans erasing American history, and pressed companies to rollback efforts to attract the best talent and secure the most innovative and qualified suppliers. These regressive and archaic attacks seek to take us backwards, preserving economic inequality instead of expanding access and inclusion, undermining opportunity instead of creating fair opportunities for all, and promoting division instead of fostering unity and progress.

Why does America still need Diversity, Equity, and Inclusion programs?

America still needs diversity, equity, and inclusion programs because they are essential to securing our nation’s strength and leadership in an increasingly competitive world. As the world’s largest economy, America’s success means ensuring equal opportunity for everyone, unlocking the full potential of our diverse talent and perspectives to drive progress well into the 21st century.

- Diversity, equity, and inclusion policies are aimed at eliminating recognized disadvantages, not creating them. History has shown that without clear and specific guidelines that encourage diversity and inclusion, institutions continue discriminatory and exclusionary patterns that hold us all back.
- In Fiscal Years 2022 and 2023, the U.S. Department of Education [reported the most civil rights complaints](#) in its history, most of which allege discrimination on the basis of race, sex, or disability.
- Black and Hispanic-owned businesses continue to face discrimination and bias in lending, are charged higher interest rates (3.09% more and 2.91%, respectively), and on average Black, Hispanic, and Asian American owned businesses paid \$8 billion more in annual interest than white-owned firms. (Source: [Foster Consulting and Business Development Center. University of Washington](#))
- Black, Hispanic, and women workers face continued disparities in earnings, leadership roles, and workplace segregation. According to data pulled by the Legal Defense Fund, National Employment Law Project, Southern Poverty Law Center, and the Lawyers’ Committee for Civil Rights Under the Law, “Black people remain relegated to lower wage jobs and less lucrative industries compared to white people with similar levels of education. The most common occupation for white workers in 2019 was in management (at a median hourly

wage of \$32.69), while Black workers were most commonly employed as cashiers (at a median hourly wage of \$9.62) and Latinx workers most commonly worked as construction laborers (at a median hourly wage of \$13.90).”

- Black and Latino workers [face higher unemployment rates and lower wages](#) than white workers.