

State of Diversity, Equity & Inclusion in Fashion

February 2021

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SECTION 1

Statement of Intention

The Council of Fashion Designers of America (CFDA) and PVH Corp. are committed to **Diversity, Equity & Inclusion (DEI)**, and through this partnership are advocating for measurable change in the American fashion industry. Achieving equity and full parity will take time and require an investment from all of us on what has been, and will continue to be, a collective effort. Each step forward puts us closer to our shared goal.

To advance our commitment, this research began in 2019 with the objective of gaining a better understanding of how our industry can be more diverse, equitable, and inclusive, particularly through the lens of racial equity as it relates to talent acquisition and retention. Through this study, we seek to emphasize the experiences of Black employees and industry voices, and other underrepresented and underserved communities across all industry disciplines and levels. Related themes such as allyship and intersectionality are also explored.

The tragic and senseless acts of racial injustice in 2020, including the losses of all victims of racism in the United States, as well as the wide-reaching and disproportionate impacts of COVID-19 on underrepresented and underserved communities, have highlighted the critical importance of this work.

This analysis draws on a McKinsey & Company survey of over 1,000 working industry professionals across 41 companies, 20 stakeholder interviews, and three focus groups with college students and emerging designers. This research was conducted over the fall of 2020 after considerable development and planning. The data highlights the experiences and structural challenges of inequity in the industry and outlines actions that the industry, companies and individuals can take. From this investigative research, we established a foundation based on findings on the state of diversity, equity, and inclusion in American fashion.

The data lay bare the experiences and structural challenges of inequity, and this report outlines actions that the industry can take, ranging from the individual to small, medium, and large companies.

Through this research, we identified six areas of intervention and opportunity: Awareness, Access, Promotion, Advocacy, Compensation, and Belonging. By addressing these areas, supported by significant data insights and personal narratives, we aim to provide guidance for companies to quantify their culture's strengths and opportunities for improvement; offer insight into actionable steps towards a more diverse, equitable, and inclusive future.

The **State of Diversity, Equity & Inclusion in Fashion** report builds upon the CFDA and PVH's co-authored 2019 industry briefing *Insider/Outsider: Inclusion & Diversity in the American Fashion Industry*. Together, the CFDA and PVH continue to partner with the industry to build a future that is better for business, better for creativity, and better for people.

Our research shows that there are meaningful signs of advancement. Survey respondents most frequently used the words "evolving" and "improving" to describe the state of DEI in fashion today. With that in mind, few believe that these actions will result in lasting change so it is critical that we as an industry work to make this a lasting movement and not a moment.

**OBJECTIVES OF THE
CFDA AND PVH'S
STUDY ON DIVERSITY,
EQUITY & INCLUSION
IN FASHION**

Observations

Majority (59%) of respondents report their company has taken action in response to racial injustice

Of those who report that their companies have taken action in the last year, **16% do not believe it will result in lasting change**, while an additional 40% are “not sure” about the longevity of change

- Explore **biases, pitfalls, and obstacles in talent acquisition and retention practices related to diversity, equity and inclusion**, with a particular focus on racial equity.
- Uncover **challenges in acquiring, nurturing and retaining** diverse talent.
- Through the lens of talent acquisition and retention, **identify the unique challenges and experiences of intersectionality in fashion (advancement, opportunity, pay)**.
- Explore **ways of confronting unconscious bias in the workplace**.
- **Identify leadership best practices** when it comes to diversity, equity, and inclusion, especially as they relate to talent acquisition and retention.
- Understand how all of the above impacts and changes **for companies of all sizes and resources**.

SECTION 1.5

Key Terms

Before the overview of findings, we must define key terms to ensure a consistent understanding of the main concepts we will be referencing in this research:

- **Allyship and Ally**

Allies are individuals who are visible and vocal advocates for minority group inclusion and provide support as needed.

- **DEI**

Diversity, equity, and inclusion.

- **Diversity**

Who is represented in the workforce (the composition of employees across various elements of difference (e.g., gender, race/ethnicity, age, sexual orientation, disability), measured at each level of the organization).

- **Equity**

Equality of opportunities and resources relative to the unique needs of individuals and communities.

- **Inclusion**

How the workforce experiences the workplace (the degree to which organizations embrace all employees and enable them to make meaningful contribution).

- **Intersectionality**

Intersectionality is an analytical framework for understanding how aspects of a person's social and political identities combine to create different modes of discrimination and privilege. Examples of these aspects are gender, sex, race, class, sexuality, religion, and disability. The term was coined in 1989 by American lawyer, civil rights advocate, and scholar Kimberlé Crenshaw¹.

- **Mentorship and Mentor**

A mentor is a trusted counselor who serves as a sounding board and provides advice, guidance, and support.

- **Meritocracy**

Hiring, rewarding, and promoting people based on their talent, qualifications and capabilities.

- **POC**

People of color.

- **Sponsorship and Sponsor**

A sponsor is a senior leader who is invested in the success of a junior colleague or peer through committed support of their career, including actively championing their progress and creating opportunities.

- **Tokenism**

Actions that are the result of pretending to give advantage to those groups in society who are often treated unfairly, in order to give the appearance of fairnessⁱⁱ.

The survey headcount was based on those currently employed, which includes furloughed employees but did not include people who had been let go.

Large Company: Corporations/Large Brands at 250-1,000+ employees

Medium Company: Companies at 50-249 employees

Small Company: Companies at 49 employees and under

Totals throughout may not sum to 100% due to rounding.

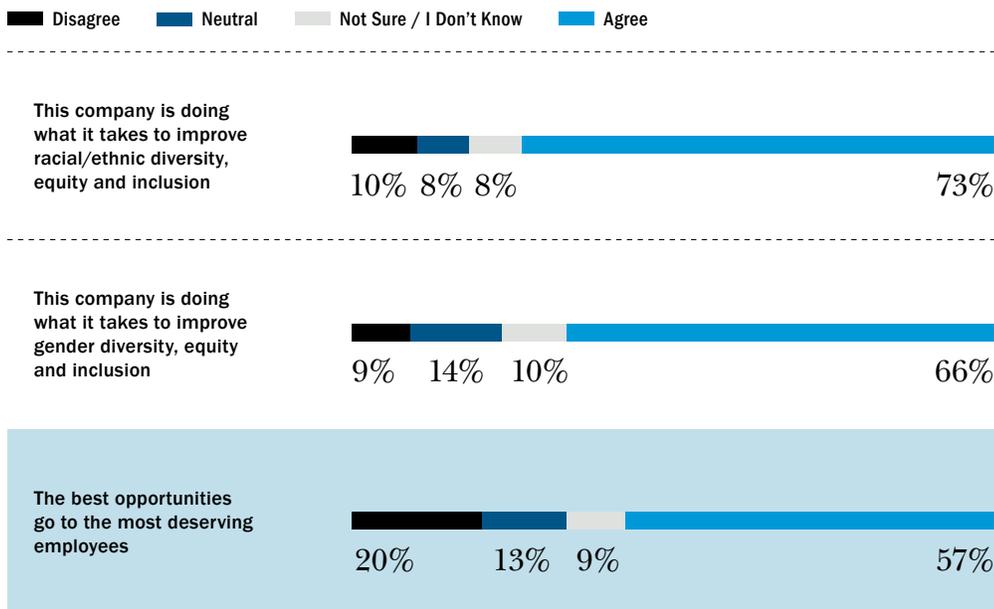
SECTION 2

Current Perceptions of DEI in the Fashion Industry

In our survey of over 1,000 industry employees, almost 60% of respondents say that their companies have undertaken internal or external DEI actions, with four in five believing that the response is authentic. In addition, the majority of respondents (78%) believe that their companies value the differences that people bring to the workplace.

RESPONDENTS GENERALLY AGREE THEIR COMPANIES VALUE DIFFERENCE AND SUPPORT DEI; HOWEVER, 20% QUESTION OPPORTUNITY MERITOCRACY

Company diversity, equity, and inclusion initiatives, N = 1,081, %



Observations

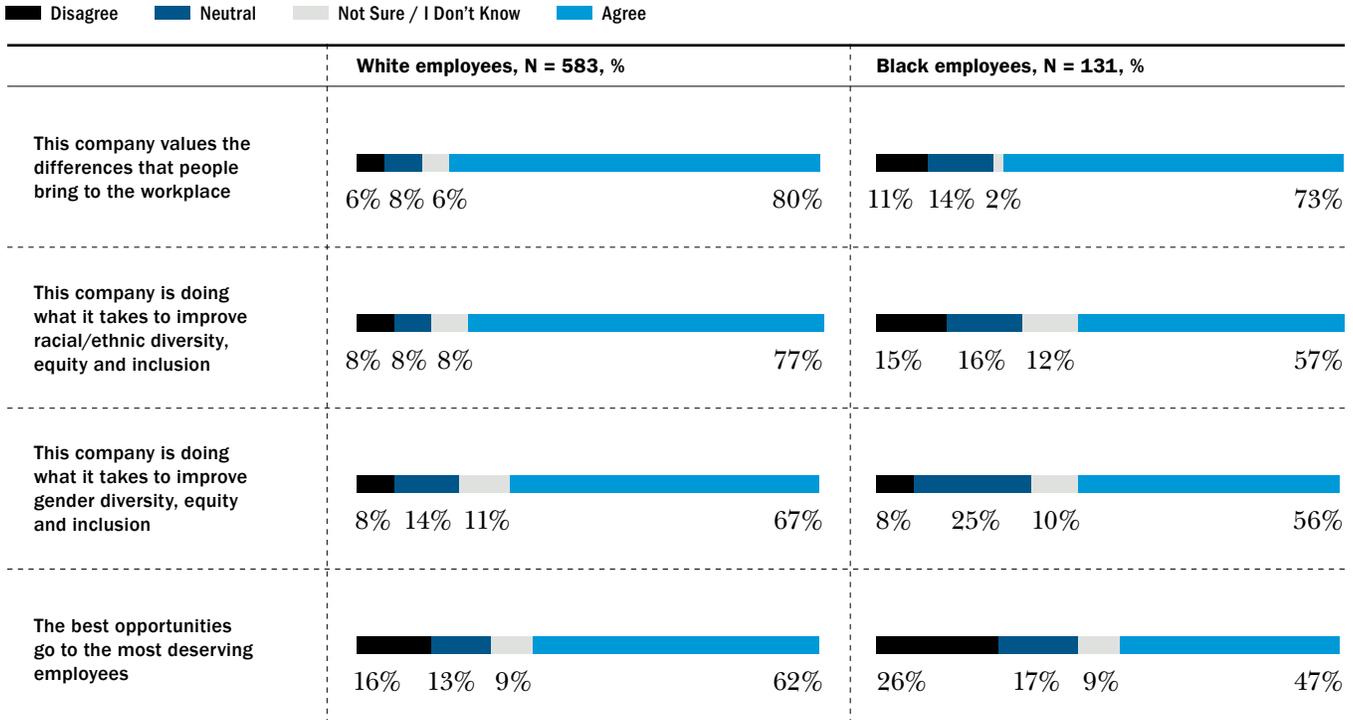
Certain groups were even more likely to question the meritocracy at their company (i.e., they disagree that “the best opportunities go to the best people”), in particular:

- **Employees at large companies** (24% disagree) vs. at small companies (15% disagree)
- **Employees of color** (23% disagree), especially Black employees (27% disagree), vs. only 16% of white employees
- **LGBTQ+ employees** (24% disagree vs. 20% of heterosexual employees)

Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

BLACK EMPLOYEES IN PARTICULAR QUESTION MERITOCRACY OF OPPORTUNITIES AND WHETHER THEIR COMPANIES ARE DOING WHAT IT TAKES TO IMPROVE RACIAL DEI

Company diversity, equity, and inclusion initiatives, %



Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

Clearly there is still work to be done. Representation in executive and leadership roles is still lacking. In an analysis of 2019 data for the apparel and beauty industry collected by McKinsey & Company’s Women in the Workplace research, **employees of color only comprise 16% of C-suite roles and 15% of board seats, despite comprising 32% of entry-level positions. In contrast, white men comprise more than half (54%) of C-suite roles and the majority of board seats (72%), despite only comprising 26% of entry-level positions.** An example of this can be seen when looking at a sample of ten leading fashion and apparel companies based in the United States. We observed that the only three employees of color at the C-suite level were chief diversity officersⁱⁱⁱ, many of whom are part of the human resources departments of their organization.

This has fueled criticisms about the authenticity and staying power of actions being taken. Of those who report that their companies have taken steps, less than half (44%) believe that it will result in permanent change. Black students who were interviewed in our focus groups spoke about their perceptions and a shared view was put forward that Black culture is trendy right now, and their view is that brands are trying to capitalize on these trends. These students expressed skepticism and have real concerns about entering the fashion industry during this moment.

“Black is cool now, but what if in a few years racial equity is not at the top of [fashion company’s] concerns? Will they tell me that I can go now? I’m concerned about getting [into an entry-level fashion job], staying a few years, and then realizing that I’m very passionate about something I cannot do”, a Black student said.

RESPONDENTS AGREE AND HIGHLIGHT CHALLENGES TO DEI, INCLUDING LIMITED DIVERSITY IN MANAGEMENT AND LACK OF SPONSORSHIP

Biggest challenges to racial/ethnic DEI in management	Total N = 1,081, %	Percentage POC Respondents N = 372, %
There is already strong racial/ethnic diversity in management at your company	22%	16%
Persons of color don't receive as much sponsorship	20%	28%
There are too few qualified persons of color in the pipeline	18%	18%
Persons of color are judged by different standards	15%	25%
Persons of color are less likely to be promoted to first-level manager roles	12%	16%

Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1081

SECTION 3

Biases and Challenges Unique to the Fashion Industry

It is important to have an **understanding of the unique biases and challenges in the fashion industry**. Below are themes gleaned from our research to provide context for the workplace dynamics and actionable insights that we will touch on further in this report:

- **“Taste”**

Assumed to be inherent/intrinsic and therefore linked, sometimes unconsciously, to perceived socio-economic status.

- **Aesthetic**

The importance of fitting the aesthetic of a brand — from how one looks to what one wears to one’s lived experiences.

- **Connections**

A reliance on referrals — a “job gray market” — where not all jobs are posted and most jobs are attained through personal networks.

- **Low Pay**

Frequently not being paid in money but in product, discounts, exposure, and access to influence, especially with unpaid internships and at the entry-level.

- **Geography**

The focus on geographic specificity with New York City (high cost of living) as American fashion’s capital.

- **Mentorship**

Criticality of mentorship given the importance placed on networking and navigating internal politics of organizations.

- **Buying Power**

Untapped, yet growing, diverse customer bases (e.g., Black buying power increased by 48% from 2010 - 2019 vs. 40% white customers, and is projected to grow to \$1.8T by 2024).

- **Cultural Appropriation**

Brands creating products based on diverse cultures don’t always provide the credit or compensation for the source of ideas and contributions and/or the misuse of cultural designs for popular culture.

SECTION 4

Overview of Findings

Our findings across the talent pipeline have emerged, and while many of the findings are sobering, they are not surprising. Suggested interventions span across individuals, organizations, and the broader industry.

Nevertheless, some findings led to insights that were particularly noteworthy:

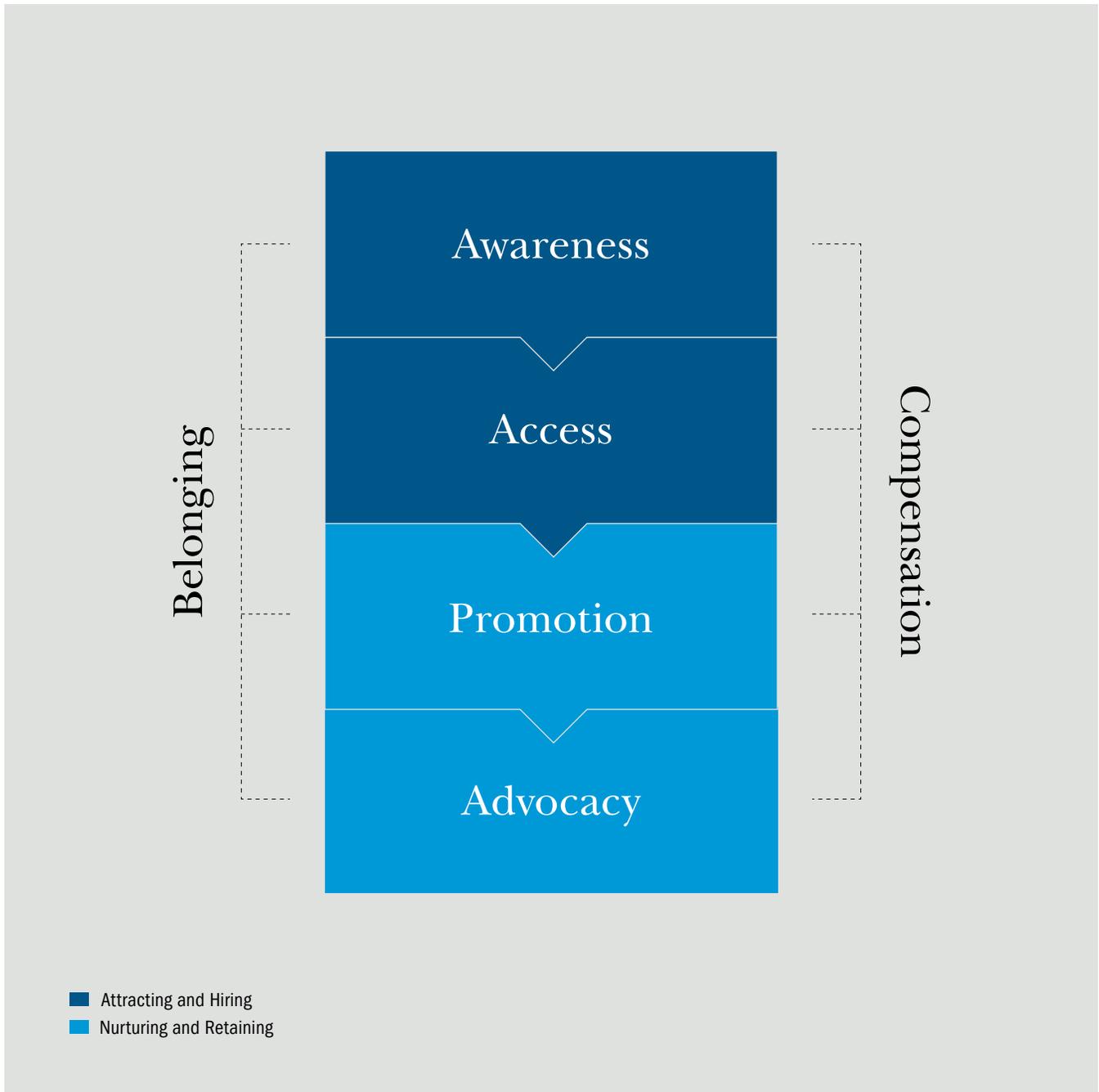
- Almost **60% of respondents** say that their companies have undertaken internal or external DEI actions, with four in five believing that the response is authentic.
- A majority of respondents (78%) believe that their companies **value the differences** that people bring to the workplace.
- 50% of employees of color report that a career in the fashion industry is **not equally accessible** to all qualified candidates, and almost one in four question the meritocracy of opportunities.
- **Black employees report** greater inaccessibility to the fashion industry (68%) vs. white employees (37%).
- **LGBTQ+ employees report** greater inaccessibility to the fashion industry (51% disagree) vs. heterosexual employees (41%).
- Black employees report **feeling less prepared** for their first job search (38% report that they were “not at all equipped”) vs. white employees (19%).

We have organized the key findings into six specific opportunity areas, which we dive into more comprehensively below:

- **Awareness**
- **Access**
- **Promotion**
- **Advocacy**
- **Compensation**
- **Belonging**

AREAS OF OPPORTUNITY

Suggested interventions span across individuals, organizations, and the broader industry – and will need to operate across all levels to drive sustainable change.



Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

SECTION 5

Levers for Change: Awareness and Access

There is an overarching lack of awareness of the breadth of opportunities within the fashion industry. This is especially true in low-income communities, communities of color, and the pre-college pipeline. A Black student said, **“It’s hard for people of color to reach for opportunities they don’t even know about,”** and a non-profit leader who works in this space pointed to the lack of information about fashion in underrepresented communities.

For those interested in being a designer, fashion schools play a critical role as a key feeder into the pipeline. Of the 16 independent designers we spoke with, 80% reported attending fashion school. However, an analysis of students at six of the top U.S. fashion schools¹⁴ point to missed opportunities in Black representation and financial barriers to attendance. Less than 10% of the 2020 undergraduate reported student body is Black, and students on financial aid (comprising 33% - 53% of the student body) have on

average less than a quarter of their cost of attendance covered by a need-based scholarship or grant award. As a former creative director pointed out, **“What happens to students who can’t afford to go to fashion school? If they can’t get in or afford to get in, there is no hope for them to even enter the pipeline. If no one is coming through the pipeline, then we will never see change.”**

WHAT WE HEARD: INTERVIEWEES POINT TO A LACK OF AWARENESS OF OPPORTUNITIES AVAILABLE IN THE FASHION INDUSTRY

There is lack of understanding about the breadth of roles available in fashion...

“We have to let people see and try different roles so they can know that they exist and can really start to see themselves in them. There’ll be more different people at the dinner table and that just makes for a better party.”

– Magazine Editor-in-Chief

...due to discrepancy in information shared and underinvestment in community outreach

“The barrier is opportunity and information — **I don’t believe the information is widely dispersed for the opportunities available.** Companies need to spend resources to recruit the minority community, otherwise it’s a bubble.”

– Non-Profit Leader

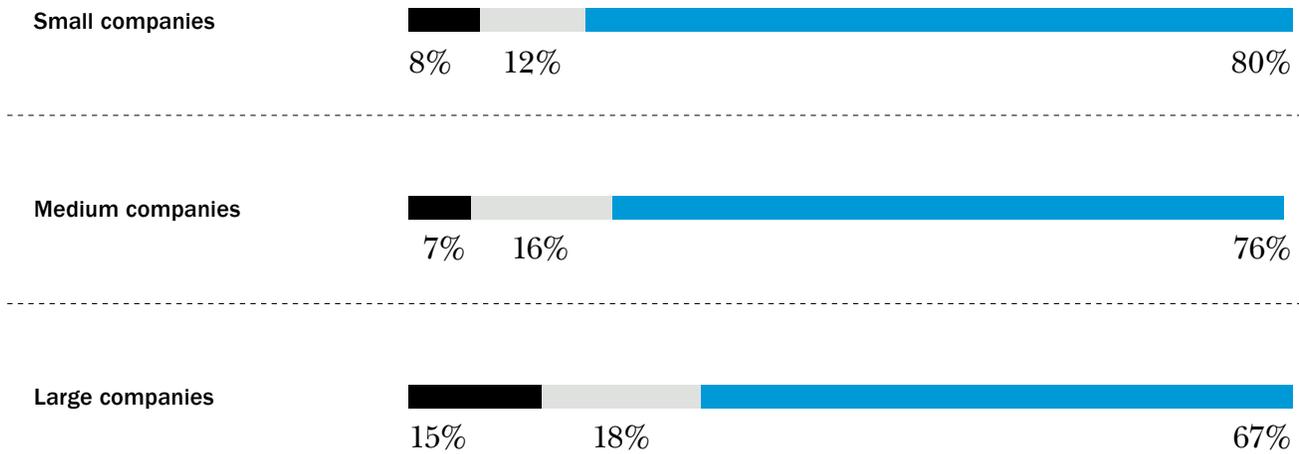
“I live in a lower income area and I do not have access to [fashion] programs or opportunities around me. This is something that I think that people in higher income areas do not recognize. **If they don’t come into our space, we will not have access to these opportunities...it’s hard for people to reach for opportunities they don’t even know about.**”

– Black Student

EMPLOYEES AT SMALL AND MEDIUM COMPANIES ARE MORE LIKELY TO REPORT FAIR AND OBJECTIVE CRITERIA IN HIRING

Perception that hiring at their company is based on fair and objective criteria, %

Disagree Neutral Agree



Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

Hypotheses from interviewees for why this is the case include closer proximity to the hiring decisions at a smaller company, or perhaps less opportunity to observe a lack of fairness given the small number of employees being hired annually.

The next hurdle is hiring. Almost a quarter of Black employees (22%) report disagreement with the statement that hiring is based on fair and objective criteria. There is a perception of unfairness in hiring, primarily due to unconscious bias and the reliance on referrals. Perceived socio-economic status and race are often intertwined with ideas about “taste” or “looking like a [brand’s] girl.” A Latinx fashion editor commented, “There’s a pre-judgement that if you don’t grow up with rich things, you don’t know what luxury means.” Another Latinx fashion executive wondered

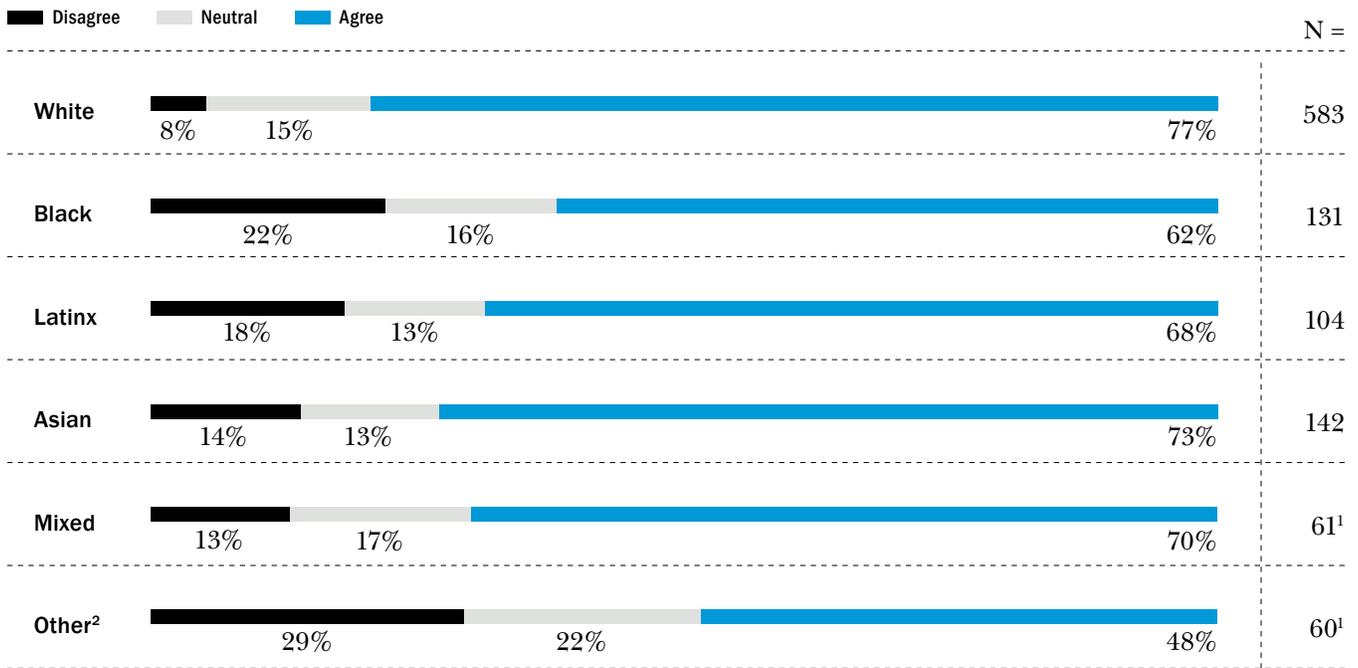
if she would have been able to get her first job in fashion if she had not been wearing an outfit from a luxury brand.

In addition, **almost half of respondents (48%) report receiving a referral for their jobs, which disproportionately benefits white employees (57%), compared to Black employees, where less than a quarter (23%) were referred.**

Only 11% of Black employees found a job in fashion through friends or family members versus 26% of total respondents.

BLACK EMPLOYEES ARE GENERALLY LESS LIKELY TO SEE HIRING AS BASED ON FAIR AND OBJECTIVE CRITERIA

Perception that hiring at their company is based on fair and objective criteria, %



¹ Results directional due to small sample size
² Others include Native Americans, Pacific Islanders, and those who indicated "Other" or "Prefer not to say."
 Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

A Black student who went to fashion school but has accepted a full-time job in a different industry said, "I had to do the calculations of taking this job in fashion versus this other business job that put me on the path to leadership. I weighed the likelihood of getting promoted and had to believe the likelihood was low based on having less experience, opportunities, and networking."

Lastly, the disconnect between the sales floor and the corporate ladder presents a unique opportunity for large fashion brands to capitalize on their existing diverse talent. Sales floors are typically diverse – Black employees comprise almost a fifth (18.9%) of the sales staff at department and discount stores, 22% at shoe stores, and 12% at clothing stores³. Some companies are already aware

of this – a chief human resources officer told us, **"Think about how smart these people are. They already know the product, the experience, the brand and they're already working for you, and yet there's this glass ceiling where we don't have that many people transitioning from stores to corporate."** A pathway from the sales floor to corporate is still lacking.

This experience is echoed by students, many of whom held retail jobs throughout high school and college. A Black student said, "It felt like I had no shot in moving up in the company. I worked at [brand], on the sales floor for years... and when I decided to leave, they were trying to offer me 30 more cents per hour to stay versus growing me within the company."

SECTION 6

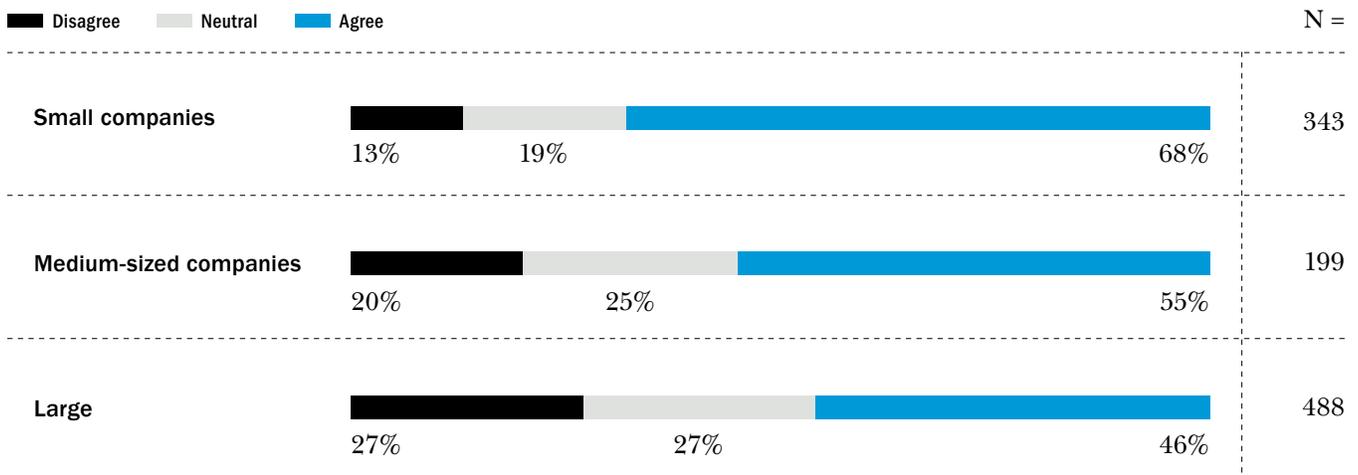
Levers for Change: Promotion and Advocacy

There are real concerns around whether promotions are fair. **Black employees reported the lowest agreement (50%) that promotions are based on fair and objective criteria.** When asked to diagnose the biggest reasons for lack of racial equity at the management level, 16% of respondents of color point to the lower likelihood of a person of color being promoted to first level manager roles.

Respondents of color expressed that their race/ethnicity has had a negative impact on receiving raises and promotions in the past (26% employees of color, vs. 1% white respondents), particularly Black (40%) and Asian (27%) respondents.

COMPANY SIZE APPEARS TO INVERSELY ORRELATE WITH THE PERCEPTION OF FAIRNESS IN PROMOTIONS

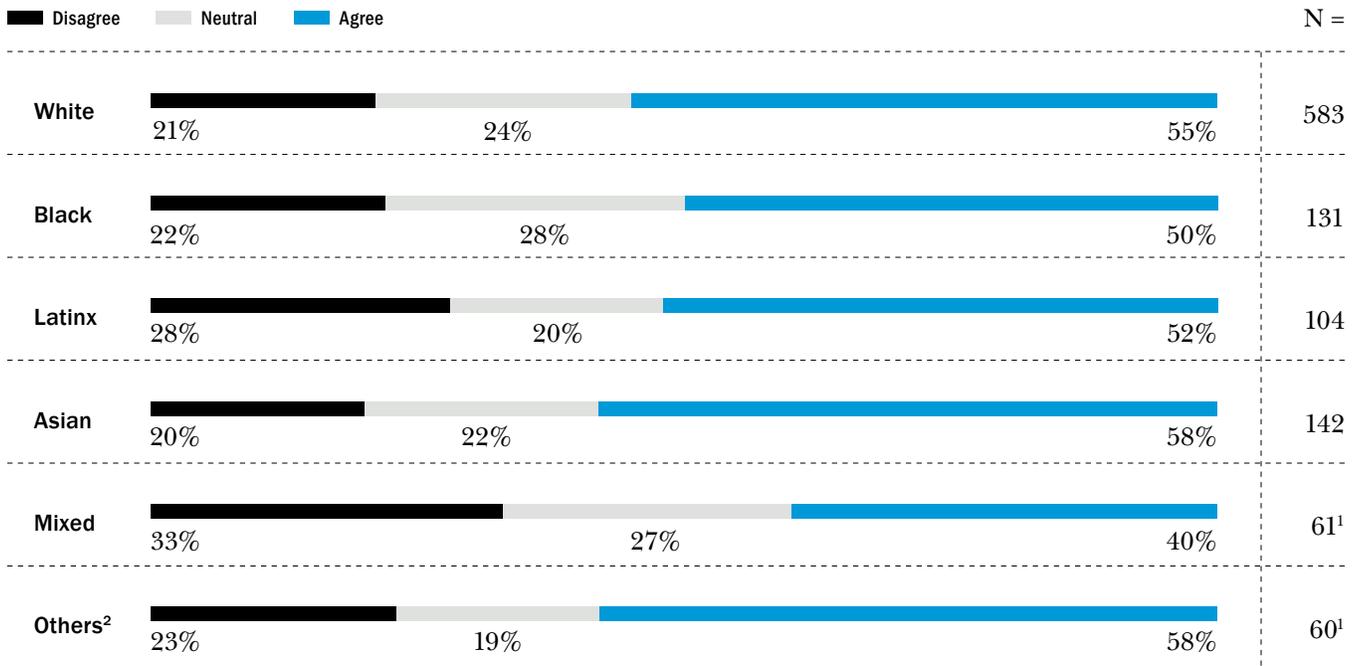
Perception that promotions are based on fair and objective criteria, %



Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

LATINX AND MIXED RACE EMPLOYEES ARE LESS LIKELY TO REPORT THAT PROMOTIONS ARE BASED ON FAIR AND OBJECTIVE CRITERIA

Perception that promotions are based on fair and objective criteria, %



¹ Results directional due to small sample size

² Others include Native Americans, Pacific Islanders, and those who indicated "Other" or "Prefer not to say."

Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

At higher levels of promotions, interviewees point to a perception of tokenism. A fashion editor at a magazine told us, "I never knew that working at a fashion magazine was even a possibility. I didn't know of any stylists, and as a Latino, I never saw any names on the [magazine] masthead that reflected my heritage, background, or who I was. It felt like Harvard – I had heard that people could get in, but they were elite and not people like me."

This has also led some talented Black interviewees to attribute their success to factors outside their competence and talent. We heard it across the board:

- A chief diversity officer told us, "I do know I was in some of these roles because I am a Black female...I want to say 'no, there was no impact,' but I'm smarter than that."

- A highly accomplished former creative director reported someone once quipped, "The reason why we've had successful careers is we're tall and thin."
- An independent designer said, "You want to understand the reason why [you're being called on now] – is it because they identify with the work, or because they feel a need to fulfill a quota? On one hand, it's amazing because there are so many talented designers of color who deserve recognition...and are finally being seen because these gatekeepers are forced to address their presence. It's unfortunate knowing that it's not always real."

Respondents reported that a range of personal characteristics negatively impact receiving a promotion or raise, whether that was promotions or raises in the past or those they anticipated in the future:

- **Just over a quarter (26%) of employees of color report race/ethnicity** as having a negative impact on previous raises and promotions; particularly Black women (42%) and Asian women (27%).
- **Older respondents (aged 56 - 74 years old) report age having a negative impact** (17% previously; 35% future).
- **Women report anticipating that being a parent will impact future raises/promotions (14%)** much more than it has in the past (6%), with white women anticipating greater impact.

Lower levels of promotions have structural reasons,

namely, the lower levels of advocacy and mentorship that are available to employees of color. Fewer employees of color reported having at least one person who creates or advocates for new opportunities for them (28% vs. 33% for white employees) and having a senior person advocate for them regularly (33% vs. 44% white employees).

The lack of sponsorship is especially acute for Asian and Latinx employees, who reported the lowest levels of sponsorship at 23% and 26% respectively, compared to 33% of white employees who report having at least one sponsor. Surprisingly, Black respondents report the highest level of sponsorship (35% of Black employees reported having one or multiple sponsors). Still, the impacts are observed and felt. A Black fashion executive from a luxury brand told us, “You can tell that there are certain individuals being put on a [leadership] track and people feeling comfortable grooming that person, and I don’t see that happening with my Black female counterparts.”

There is a gap in mentorship, with only 36% of employees of color reporting that they have a senior person to go to for advice during a challenging time, compared to 47% of white employees. This is particularly crucial given the role of networking in the fashion industry and the prevalence of nepotism and internal politics. Interviewees also pointed to the importance of mentorship, especially for those whose parents did not, or do not, hold white-collar jobs. A Black former creative director said, “It’s challenging for anyone if you don’t understand how to make allies or how to control your own narrative...it’s hard to survive in the treacherous waters of the fashion corporate world.”

Compared to white employees, employees of color report lower rates of mentorship and advocacy:

- **Employees of color report lower mentorship, particularly receiving advice during challenging times, and lower rates of consistent advocacy,** supporting what was heard in one-on-one interviews.
- **Asian employees report the lowest likelihood of receiving advice** during a challenging time (32% vs 47% for both white and Black employees).
- **Latinx employees report the lowest rates of having someone frequently advocate for them** (28% vs. 44% white employees) and **being recommended for stretch (long-term) assignments** (18%).

COMPARED TO WHITE EMPLOYEES, EMPLOYEES OF COLOR REPORT LOWER RATES OF MENTORSHIP AND ADVOCACY IN SOME KEY AREAS

Actions of someone more senior in the organization, %

		White employees, N = 583	Employees of color, N = 452
Ally	Stood up for you when you were under fire	35%	29%
	Advised you during a particularly challenging time	47%	36%
Mentor	Told you about an opportunity you wouldn't have known about otherwise	13%	15%
	Helped you make an important career decision	11%	12%
	Regularly advocated for you	44%	33%
Advocacy	Recommended you for a "stretch" assignment	24%	26%
	Advocated for a compensation increase for you	21%	17%
	Put you forward as a candidate for promotion	17%	14%

Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

SECTION 7

Levers for Change: Compensation

Insufficient compensation stands as a significant barrier to entering and thriving within the fashion industry.

Low compensation came up as a consistent theme in our research. In our survey findings, we saw that. The impact of low compensation continues even after getting a full-time job in the fashion industry.

- 35% of entry-level employees report supplementing their income.
- 14% of all entry-level employees state that they supplement with income from parents.

In addition, the need to supplement income disproportionately impacts not just entry-level employees:

- 37% of Black employees report having to supplement their income vs. 23% of white employees.
- 33% of employees from small companies state having to supplement their income vs. 26% employees from medium-sized companies.

The most common form of income support reported by entry-level and employees from small companies is parental support (12% entry-level; 14% small companies). Black employees, however, cite needing to supplement parental support with additional income from freelancing and the gig economy (20%). All of this points to inequity of compensation existing across races and ethnicities.

It starts with internships, a critical stepping-stone to securing a full-time job. Deciding between a low-paying fashion internship versus being paid for doing something

else was a real struggle for the students we spoke with. It is especially so for those who need to move to New York from another city.

Many reported working another job to be able to afford internships, which in turn impeded their opportunity to attain full-time roles. “I had to get another job to earn some money. I would come in and they would ask me ‘why do you look so tired?’ I couldn’t stay back and go the extra mile like the others because I had to go in to my other job and that makes it very hard to succeed here,” a Black student who interned while working at another part-time job told us.

“I felt like I had to choose between doing what I wanted and doing something practical that pays so that I can live and eat. **I can’t move from [other city] to New York City on \$15 an hour.**”

– Black Student

Observations

Employees of color report highest rates of wanting to **leave the fashion industry because of compensation** (44%), driven mostly by mixed race (73%) and Latinx (51%) employees

Employees of color are more likely to seek out **better advancement opportunities in other industries** (32% vs total), led by Latinx employees (58%)

BETTER PAY TOPS WHY RESPONDENTS MIGHT LEAVE THE FASHION INDUSTRY, BUT ADVANCEMENT AND INCLUSIVITY ARE KEY REASONS AS WELL

Respondents' top reasons for thinking about leaving the fashion industry	Total N = 387, %	Employees of Color, N = 127, %
Better pay in other industries	42%	44%
Want to try something new	39%	42%
More sustainable lifestyle/ work-life balance in other industries	36%	32%
Better culture in other industries	27%	21%
More opportunities for advancement in other industries	26%	32%
Better benefits in other industries (e.g., health insurance, employee perks)	25%	27%
Looking for a more inclusive and diverse environment	10%	15%

Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

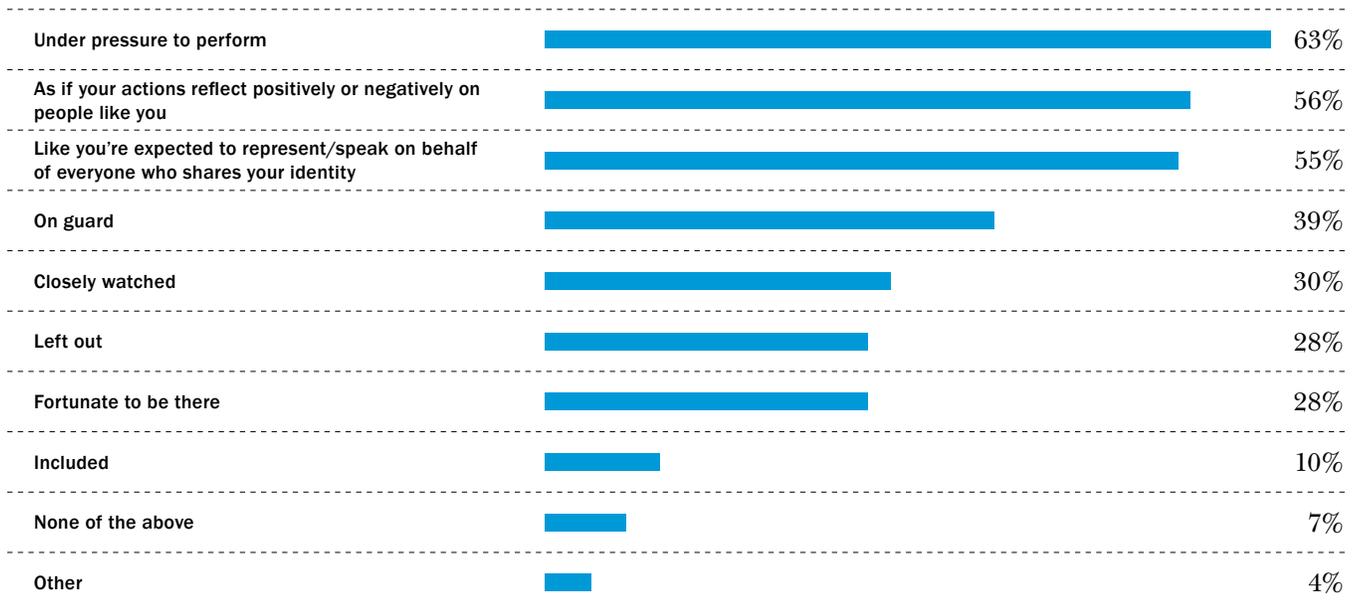
SECTION 8

Levers for Change: Belonging

More troubling, employees of color feel like they do not belong. Black employees in particular **point to an environment of non-inclusive behavior**. Almost a quarter (23%) of respondents observed biased behavior with some frequency, with race/ethnicity and physical appearance being the most common biases. Two in three Black employees report frequently being the only person of their race/ethnicity in the room, resulting in a feeling of increased pressure to perform.

2 IN 3 BLACK EMPLOYEES REPORT FREQUENTLY BEING THE “ONLY” IN THE ROOM, RESULTING IN INCREASED PRESSURE TO PERFORM

Black respondents’ feelings of being the “only” of their race/ethnicity, N = 86¹, %



¹ Results directional due to small sample size
Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

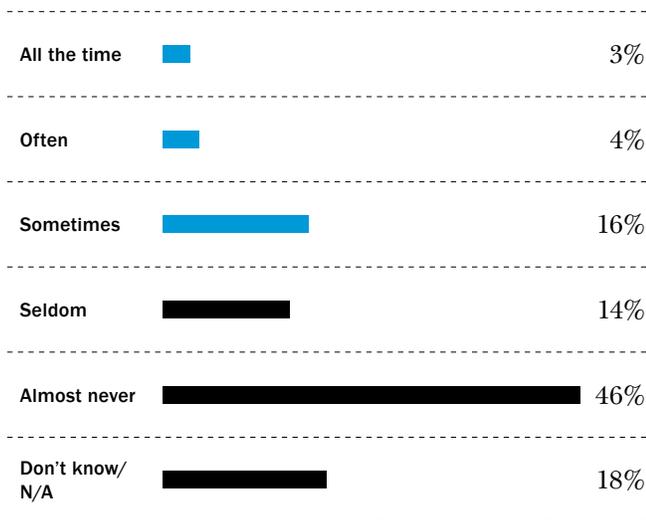
Additionally, two in three Black employees experienced microaggressions, with one of the key issues being that their competence is doubted. Interviewees point to other microaggressions from the subtle – wanting to touch their hair – to the overt. A Black fashion executive at a luxury brand told us, **“I’ve had a white peer say to me that I don’t have to worry about layoffs because [the company] can’t let go of the Black person, or they verbalize that they think I got a promotion because I’m Black.”**

A consequence of this results in Black talent not wanting to enter the industry.

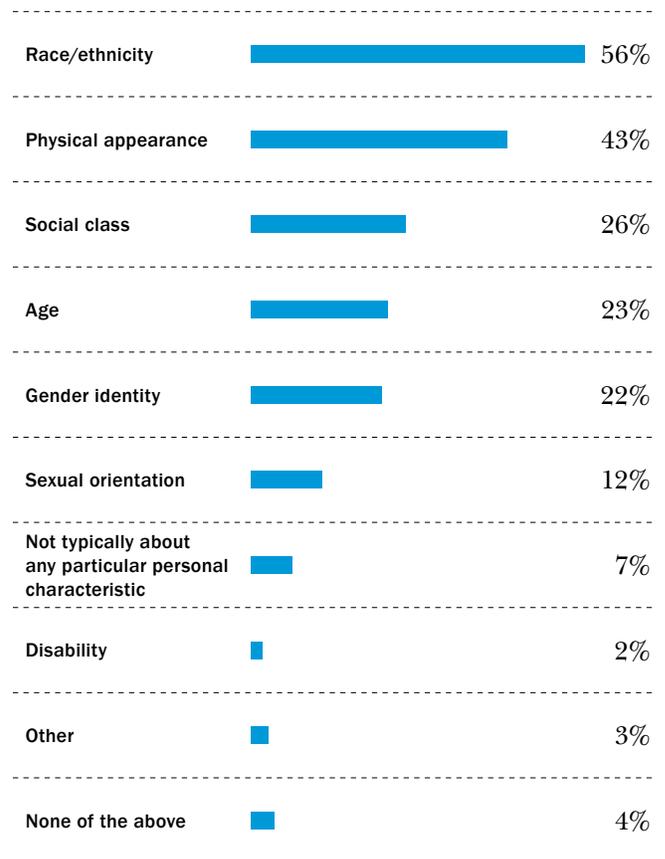
This is in part due to not being able to bring their “full self” to work. A Black student said, “You get these jobs and you feel like you can’t talk the way that you talk... it’s a huge challenge. I’m going into the creative industry where individualism is celebrated, but that element of being yourself doesn’t necessarily work for me as a Black woman.”

ALMOST A QUARTER OF RESPONDENTS OBSERVED BIASED BEHAVIOR WITH SOME FREQUENCY, PARTICULARLY AROUND RACE/ETHNICITY AND APPEARANCE

Observation of biased behavior, N = 1,081, %



Personal characteristic that biased behavior is most frequently directed towards, N = 265, %



Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

Further observations on microaggressions are seen in additional key findings below:

- **Black (67%) and LGBTQ+ (65%) employees report highest rates of experiencing microaggressions,** primarily around competence
- **Latinx and Asian employees report lower rates of microaggressions compared to even white employees** (57% white, 52% Latinx and 44% of Asian employees report experiencing microaggressions)
- **There is limited variance between small and medium-sized companies** in number of respondents reporting experiencing microaggressions (55% small vs. 57% medium) and types of microaggressions experienced

Despite the stereotypes of fashion as being inclusive for LGBTQ+ employees (especially gay men), **18% of LGBTQ+ employees report that they would not recommend** others like them apply for a job in the fashion industry. **16% percent of Black employees (vs. 9% of white employees) report that they would not recommend** others like them apply for a job in the fashion industry.

The most common microaggressions experienced include the following:

2 IN 3 BLACK EMPLOYEES REPORT EXPERIENCING MICROAGGRESSIONS; LGBTQ+ EMPLOYEES ALSO REPORT BEING DISPROPORTIONATELY TARGETED

Being interrupted or spoken over	40%
Having your judgment questioned in your area of expertise	27%
Having others take or get credit for your ideas	25%
Needing to provide more evidence of your competence than others do	18%
Being mistaken for someone at a lower level than you	12%
Hearing insulting or disrespectful remarks about you or people like you	10%
Feeling like you can't talk about yourself or your life outside of work	10%
Being mistaken for another colleague of a similar race/ethnicity	9%
Hearing others express surprise at your language skills or other abilities	7%
Receiving insulting or disrespectful comments about you on social media	1%

Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081

SECTION 9

Taking Action

So what can the fashion industry do about this? The issues of inequity that fashion faces are systemic, and change will need to happen within the broader ecosystem. Collectively, we believe individuals, companies, and the industry-at-large can all take actions to address the root causes of inequity. Below, we provide a starting list of actions.

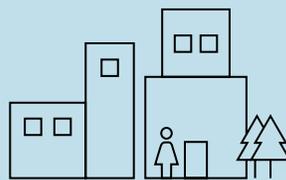
INTERVENTIONS THAT CAN BE MADE ACROSS INSTITUTIONS AND BY INDIVIDUALS TO DRIVE HOLISTIC CHANGE

Issues of diversity, equity, and inclusion can be systemic and require coordination between individuals and institutions to drive change:



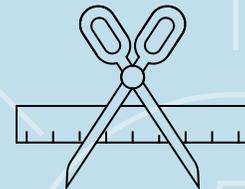
1. Individual

Interventions taken by individuals in their day-to-day actions and thinking



2. Companies

Interventions taken by companies to drive structural change within their talent pipeline and with employee retention efforts



3. Industry

Interventions taken by the ecosystem of industry shapers and influencers, including associations like the CFDA, fashion schools, coalitions of companies, agencies, and funding sources

ACTIONS INDIVIDUALS CAN TAKE

Behaviors and actions that everyone should take to create a more equitable and inclusive environment



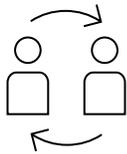
Start within: ~60% of all respondents reported experiencing microaggressions

Actively engage in unconscious bias training – both provided by employers and individually sourced
Audit and make necessary changes to your own biases and assumptions about underrepresented groups across the full spectrum of diversity



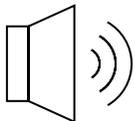
Listen actively

Create safe spaces for honest and respectful dialogue between people from underrepresented groups and others about bias and mistreatment (e.g., not becoming defensive or making it about your own feelings when hearing about others' experiences)
Get involved with employee resource groups/roundtables to learn about different cultures/experiences from colleagues



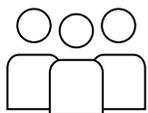
Advocate and mentor: Only 30% of all respondents reported having an advocate

Mentor and advocate employees who come from a different background than you (e.g., are of a different race, gender, age, sexual orientation, socioeconomic class) to ensure that you are contributing to a more inclusive support system
Include a diverse set of employees on teams/projects and create stretch opportunities to support their development



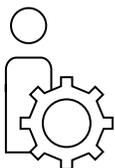
Speak up: 52% of all respondents reported not speaking up when they observed biased behaviors

Publicly acknowledge or give credit for contributions, ideas, and work
If you see something, speak up, especially when you observe discrimination against those from underrepresented groups (privately and/or publicly)
Acknowledge when you've said something hurtful without getting defensive



Enlist others

Reach out to peers to enlist them in getting more involved with gender and racial equality and anti-racism efforts
Organize inclusive social events that cater to all attendees (e.g., dietary preferences, family-friendly events)
Normalize listing pronouns and name pronunciations in email signatures or other digital tools (e.g., display on Zoom)



Educate and share resources

Learn about and share information and resources around training, development, promotions, sponsorships and mentorships both for yourself and with other colleagues
Educate yourself on labor laws and procedures to empower yourself in the workplace

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Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081, expert interviews, focus groups

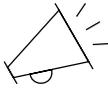
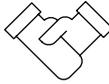
ACTIONS THAT COMPANIES CAN TAKE WITHIN THEIR ORGANIZATION

	1. Fundamental	2. Building Blocks	3. Leading
Tracking	Understand all representation baselines	Include DEI metrics as part of review process	Set and track annual diversity aspirations Hold leadership across the organization accountable
Attracting and hiring	Standardize and communicate hiring process Require diverse interview slates Require skills-based reasons for hiring Launch compensation and pay equity audits and adjust pay if needed	Strategically engage overlooked communities through partnerships Recruit from “non-traditional” sources Balance referrals with other talent sources Provide fair compensation for all interns	Include frontline staff in corporate pipeline Recruit externally from adjacent industries Offer housing stipends or stipends for other living expenses, especially for those demonstrating financial need
Nurturing and retaining	Provide clear and transparent promotion criteria Mandate consistent DEI, unconscious bias, and anti-racism training Develop inclusive work events Create truly safe spaces for discussion on DEI topics	Implement a feedback structure Track leadership sponsorship Formalize mentorship programs Measure and track key inclusion indicators	Develop equitable senior leadership pathways Provide support for new managers Create “reverse mentorship” programs Reduce instances of being an ‘only’
Product and service offerings	Track feedback and product experiences with customers of all backgrounds and identities for well-rounded product input	Expand range of product to include wider size ranges (e.g., petites and plus-size) and color options (e.g., wide spectrum of skin tones for “nude”-colored garments)	Address unmet needs for underserved populations (e.g., developing adaptive clothing range)
Vendors and suppliers	Hire diverse vendors and freelancers (e.g., photographers, makeup and hair teams)	Review diversity of supply, material and product sourcing (e.g., source from mix of women- and POC-owned businesses)	Ask for DEI metrics and include requirements for diversity as part of the vendor RFP process
Communications and partnerships	Ensure that marketing materials contain inclusive language and feature diverse range of models	Partner and collaborate with like-minded associations and companies	Publicly report out organization’s DEI metrics and action plans Fund scholarships through key educational institutions (e.g., fashion schools, HBCUs)

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Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1,081, expert interviews, focus groups

ACTIONS TO CONSIDER FOR INSTITUTIONS WITHIN THE BROADER FASHION INDUSTRY

Fashion schools		Improve student body representation	<p>Actively diversify student body through marketing/recruiting at underrepresented high schools, communities and regions</p> <p>Support student body diversity through grants and scholarships focusing on underrepresented and underserved high schools, communities and regions</p>
		Incorporate DEI in curriculum	<p>Train professors on being more sensitive to issues around DEI (e.g., not requiring students to purchase expensive fabrics for projects)</p> <p>Incorporate DEI into curriculum (e.g., how to design adaptive clothing)</p>
Associations		Foster discussion that leads to action	<p>Create safe spaces for underrepresented and/or intersectional groups to express shared experiences (with clearly defined expectations and ground rules for “safe space”)</p> <p>Convene roundtables between underrepresented/intersectional groups and senior leaders to share experiences and co-create actions without repercussion/retaliation</p> <p>Create allyship programs/training sessions for those who want to learn</p>
		Early interventions	Raise awareness on breadth of jobs in fashion through broad marketing campaigns and targeted outreach especially in underserved neighborhoods and pre-college
		Long-term mentorship programs	Develop long-term/company-agnostic mentorship programs (e.g., Black Retail Action Group; 6-8 years in length) to more broadly systemize mentorship across the industry
		Integrative development programs	Develop educational and training programs that address the future state of fashion and incorporate knowledge and skills in technology, digital, AI, etc.
		Provide tools and resources	Offer resources including database of compensation, suggested DEI surveys, and best practices in setting and tracking DEI metrics, especially for small/medium organizations
		Provide funding	Fund scholarships and grants for advancing DEI initiatives (e.g., paid internships, housing stipend support, professional DEI trainings)

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Source: Fall 2020 CFDA Diversity, Equity, and Inclusion Survey; N = 1081, expert interviews, focus groups

SECTION 9.5

Toolkit

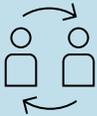
It is important for all of us to have real, actionable ways to make change when it comes to diversity, equity, and inclusion in the American fashion industry. In this section, we provide a DEI toolkit based on where you are on your DEI path. The toolkit is broken down by actions individuals, companies, and the industry as a collective can take no matter their experience or familiarity with DEI practices.

We recognize financial investment, time, size of company, and bandwidth all play a role in either getting started or moving the needle. We recommend reading through these strategies and interventions to determine which can be made now, and which can be made later. Whenever they can be taken, we all know there is a place to start.

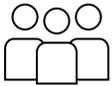
TONE FROM THE TOP IS CRITICAL – 8 THINGS YOU CAN DO AS A SENIOR LEADER TO ENACT CHANGE

Underlying all of this is leading by example and embedding DEI as a part of your team's DNA


Audit your own assumptions and understand your own biases by embarking on a personal learning journey (e.g., hire DEI coach, do your own reading and research to learn more, connecting with others outside company/industry)



Mentor and advocate for those who are different from you to ensure that you are contributing to a more inclusive support system (e.g., commit monthly coffee or video-call catchup with 2-3 who come from a different background)



Be a senior leader representative for employee resource groups to provide resources and a direct line of communication to other senior leaders (e.g., join ERG meetings and present issues and ideas on behalf of them to other senior leaders)



Encourage diverse teams internally and externally to ensure everyone has equal access to career-developing opportunities (e.g., hire diverse vendors, aspire towards diverse internal project team)



Say “yes” even when it's hard on tough topics (e.g., improve compensation to equitable levels for all employees, pay interns a livable wage) and make DEI part of everyday practice



Ensure that products and external communications are inclusive (e.g., inclusive product lines with different color shades, inclusive language in advertising, hiring diverse models to represent the brand)



Reinforce business importance of DEI in internal communications regularly and consistently and ensure that managers and leaders have clear expectations laid out



Invest and support industry groups with a mission to increase diversity

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FUNDAMENTAL INTERVENTIONS FOR COMPANIES – THINGS TO DO TO GET STARTED

Actions that are fundamental for equity, but are not being consistently done across all companies

Tracking	Attracting and hiring	Nurturing and retaining
<ul style="list-style-type: none"> ✓ Understand representation baselines at all levels and refresh at regular cadence (e.g., annual). ✓ Set and track bold year-over-year numeric diversity aspirations for all roles and levels; track progress and hold leadership accountable. ✓ Include diversity, equity, and inclusion metrics as part of review process for managers across all levels of organization. 	<ul style="list-style-type: none"> ✓ Standardize and transparently communicate hiring process (e.g., types of documents that need to be submitted, number of interviews that need to be conducted, members on the hiring committee). ✓ Require diverse interview slates for all open positions including candidates sourced by external recruiters/headhunters (e.g., require at least 2 candidates from underrepresented groups to be considered for interviews). ✓ Require teams to articulate skills-based reasons for hiring, (e.g., create skills-based job descriptions and utilize objective criteria in making hiring decisions). ✓ Launch compensation and pay equity audits to understand baseline compensation differences and adjust accordingly. ✓ Partner with existing organizations to engage with overlooked and underserved (e.g. low-income neighborhoods and middle/high schools) to drive awareness of the breadth of roles available in the fashion industry (e.g., industry talks/career fairs, mentorship programs, fellowships, etc.). ✓ Recruit from “non-traditional” and underutilized sources (e.g. HBCUs, non-fashion schools). ✓ Balance referrals with other talent sources to reduce over-reliance on referrals. ✓ Ensure that internships have fair compensation for all interns in line with living wage for location. ✓ Look to hire talented people with transferrable skills from other industries (e.g., media, technology) as pipeline of diverse talent is being built in the short-term. ✓ Coordinate systems to include frontline employees and support staff in the corporate pipeline. ✓ Offer housing stipends for interns especially if based in high cost-of-living cities and for those demonstrating financial need. 	<ul style="list-style-type: none"> ✓ Provide clear and transparent promotion criteria to ensure all employees are aware of expectations. ✓ Mandate regular DEI, unconscious-bias, and anti-racism training for all employees to improve awareness. ✓ Develop more inclusive and safe for employees to socialize and ensure that team events/activities are welcoming to all (e.g., catering to all dietary preferences, events without alcohol). ✓ Clearly define and actively create safe spaces for challenging conversations on DEI (e.g., mediated with professionals). ✓ Implement a feedback structure and train employees on best practices around giving and receiving feedback to eliminate biases around feedback delivery. ✓ Track leadership sponsorship, identifying any gaps disproportionately affecting underrepresented groups, through surveys and as part of attrition problem-solving processes. ✓ Formalize mentorship programs across the organization. ✓ Measure, track, and communicate key inclusion indicators (e.g., sentiments of inclusion and belonging) through consistent employee surveys at regular cadence (e.g., monthly). ✓ Develop pathways for diverse talent into managerial/leadership roles (e.g., rotational leadership programs). ✓ Monitor support for recently-promoted managers from underrepresented groups to ensure they are receiving same levels of support and provide resources to address any gaps (e.g., providing executive coach, assigning senior mentor). ✓ Create “reverse mentorship” programs to pair early-tenure employees with executive team/senior leaders to mentor them on various topics of strategic and cultural relevance. ✓ Recognize and find ways to reduce instances of being an ‘only’ (e.g., only woman/person of color/person with disability on a project).

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SECTION 10

Looking Ahead

The problems are clear and the solutions are achievable, even if the execution seems complex. 2020 and COVID-19 have been devastating to the industry and to so many lives. As American fashion recovers, along with communities and industries all over, we all have the opportunity and responsibility to build better systems that allow all of us — not just a privileged few — to bring our full and authentic selves to an industry that so many are deeply passionate about. In the words of a Black fashion executive, **“At the end of the day, we want access to people, we want to be part of a community, we want to tell stories, we want to touch people, and we want to be part of the history.”**

CFDA AND PVH ON MOVING FASHION FORWARD

“The fashion industry, both in the U.S. and worldwide, has historically struggled with opportunities and pipelines for Black and Brown talent. We need to collectively address and change this. Our work with PVH will hasten the process and is key to CFDA’s overall DEI work around our IMPACT initiative, launching later this month to identify, connect, support, and nurture Black and Brown creatives and professionals in fashion.”

CaSandra Diggs (she/her/hers)

President, Council of Fashion Designers of America (CFDA)

“At PVH, we are on a journey to continuously learn and better ourselves, identifying the opportunities we have to grow and evolve. We are a people-first company, and we are prioritizing how we advance inclusion, equity and diversity in the workplace. The State of Diversity, Equity and Inclusion in Fashion report provides PVH, CFDA and our peers with greater insights into the issues our industry faces and provides tangible actions that will allow us to move towards a future that is more reflective of our diverse talent, our consumers and our communities. The insights derived from this study align with and support the commitments we have established that set a new level of transparency to drive meaningful change in our workplace, marketplace and communities. We know there’s still a lot more to do — and we are fully committed to doing the work.”

Lance LaVergne (he/him/his)

Chief Diversity Officer and SVP, Global Talent Acquisition & Associate Experience, PVH

INDUSTRY VOICES ON MOVING FASHION FORWARD

“Awareness is key especially within the disability community, being Black and disabled I feel like I have two targets on my back. I feel like I need to push harder for my voice to be heard. Black Disabled Lives Matter. Everyone needs to be aware of inclusion, diversity and letting us all feel equal whether you are Black, white, Asian, disability and non-disability. Inclusion and diversity is key for me. **I will continue to be an advocate and let my voice be heard.**”

Keisha Greaves (she/her/hers)
Owner and CEO of Girls Chronically Rock

“In 1962, at the age of 12, my very liberal camp counselor took me to an early Civil Rights rally at a Baptist church in Harlem. My eyes and ears opened and I became a young activist, going to all the Civil Rights, anti-war, and feminist protests. **I continue to teach myself and others to break the illusion of being separate.**”

Nian Fish (she/her/hers)
Creative Director, Producer of Fashion Shows, Events, and Films

“Life is complicated and to navigate it alone can be burdensome. Always seek the counsel of a mentor or advisor who only has your interest at heart with the sole goal of realizing your success. **Seek and cultivate these lifelong relationships, irrespective of race.**”

Martin Cooper (he/him/his)
Cofounder, The Punctilious Mr. P's Place Card Co.

“A diverse, equitable and inclusive industry specific to America has **to embody the collective ideals of what our shared morals claim to be.**”

Kenneth Nicholson (he/him/his)
Founder and Creative Director, Kenneth Nicholson

“The future of an inclusive fashion industry is **a space wherein the diversity of perspective and democratization of creative capital enable colorful and vibrant social narratives as complicated, humanistic, and disparate as our own identities.**”

Elena Velez (she/her/hers)
Designer, Elena Velez

INDUSTRY VOICES ON MOVING FASHION FORWARD

“Having all people in places of power.

Once we can see Black people at the helm of brands as design directors, creative directors, CEOs, and corporate boards I’ll know we’re close to an equitable fashion industry.”

Brandice Daniel (she/her/hers)
CEOs & Founder of Harlem’s Fashion Row and ICON360

“When we embrace diversity, equity and inclusion, we unlock the potential of our teams collectively

– and I have seen organizations greatly benefit from that. Unlocking potential is at the heart of everything I do in my role as Chief People Officer – from creating space for employees to voice their opinions and concerns to leaders in the company or setting goals that accelerate our work to reflect the communities we serve.”

Roseann Lynch (she/her/hers)
Executive Vice President, Chief People Officer,
Global People & Development, Ralph Lauren

“For me, an ideal future of a diverse, equitable, and inclusive fashion industry is when companies truly understand the business benefits and importance of having a diverse group of individuals in the room, and that it is not a trend.

When companies are aware that diversity, equity, and inclusion go beyond hiring a head of diversity, a person of color or two in roles, and few people of color in their ad campaigns or fashion shows.

The future is to eliminate tokenism.

The future of fashion would also ensure a company’s culture allows and is open for individuals from different backgrounds to thrive and grow. The future of fashion is to ensure that we increase the number of people of color owning fashion companies along with the number of leaders and key decision-makers of color in existing fashion companies.”

Stacie Henderson Capece Minutolo (she/her/hers)
US Head of E-commerce, Digital & Marketing for Tod’s Group &
Cofounder of Fashion Tech Connects

INDUSTRY VOICES ON MOVING FASHION FORWARD

“Back in 2014, there were no mainstream brands in the adaptive space, so when I began pitching my prototypes of modified mainstream apparel, I was constantly received with comments like “Well, if no mainstream brand has ever done this before, there must be a reason.” Because this was personal to me as a mom of a child with a disability, I was not willing to take no for an answer. I was willing to put in the time to do the necessary research, gather the data, create the business opportunity, and most importantly, do it all with the people with disabilities by my side. **Convincing an industry that for centuries didn’t design for anyone other than “able” bodies proved to be the greatest challenge. But the challenge eventually turned in my favor and is turning more and more every year.**”

Mindy Scheier (she/her/hers)

Founder and CEO, Gamut Management and Runway of Dreams Foundation

“As an emerging designer and business owner, **I am fully committed to building these values within the structure of the company.**

As we continue to move forward we envision creating space and language via targeted programs that grant opportunity and visibility to underutilized communities.”

Leonardo Lawson (he/him/his)

CEO, BOND Creative Search/MGMT & The Vampire’s Wife

“My commitment is to listen and learn about others’ experiences, not being afraid to hold others and myself accountable, and to raise the hard questions of diversity, equity, and inclusion through our brand and beyond. Most importantly, hire and collaborate with individuals and organizations who **fight for these positive values.**”

Siying Qu (she/her/hers)

Designer and Cofounder, Private Policy

State of Diversity, Equity & Inclusion in Fashion

February 2021

#FashionForInclusion

¹<https://en.wikipedia.org/wiki/Intersectionality> ²<https://dictionary.cambridge.org/dictionary/english/tokenism> ³Based on information listed on companies' websites as of Dec 2020 ⁴Includes Parsons, FIT, Pratt, Savannah College of Arts and Design, Rhode Island School of Design, and Academy of Art University; Fall 2020 College Board 'Big Future' U.S. Undergraduate College Report ⁵Evan Clark, "Black and in Fashion, Representation in the Workforce," WWD, June 4, 2020, <https://wwd.com/business-news/business-features/black-african-american-fashion-representation-workforce-1203647199/>