To deliver the best solutions, we need positive, inclusive, diverse environments where we are able to learn from each other. We also know that to be seen for who you are—and to feel a sense of belonging—is a universal human need. We believe it is our responsibility to create a space where every team member can bring their authentic selves to work.

— 2021 TXI DEIB Vision Statement
One of the recommendations from our 2021 DEIB roadmap was to run our very first equity audit. We had never done one of those before, so we engaged our partner at ETHOS Talent to help conduct the audit. The approach was very thorough: collecting, researching, and analyzing data across various areas.

By the numbers, ETHOS engaged with:

- 42 Total Survey Responses
- 27 Cultural Artifact Documents
- 14 Research Interviews
- 5 Community Interviews
- 4 Meeting Shadows
- 14 Slack Channel Shadows

Based on this analysis, ETHOS conducted an overall assessment of the organization, which informed the five strategic recommendations:

### Top Five Recommendations

1. **Short Term: Develop Distributed Team Best Practices (Recruitment and Retention).**

   TXI employees reported that the organization has created a supportive, welcoming, and caring environment across geographies and time zones, noting that there has been investment in creating a community among distributed employees. In interviews and surveys, a concern began to arise that Chicago (as the long time headquarters) still carries an outsized impact:

   "As the pandemic slows there’s increasing chatter about Chicago, which is understandable and great, but also makes non-Chicagoans feel outside of the ‘core group.’" - 2021 Equity Audit

   The report states that by “developing best practices that support a healthy distributed team culture that are widely reported out, shared with new employees, and routinely checked to ensure inclusion, TXI will be able to continue fostering a culture of belonging across its employees.”

   Following the equity audit, we expanded our benefits in line with recommendations
(including the new annual WFH expense allowance). We have formally made the shift from “Remote first” to “Remote only” to support hybrid and distributed teams and reduced the focus on Chicago as a preferred location. In 2022, we are investing in new ways to foster connection and belonging that we hope are more effective than Chicago-based rent (including all company retreats and co-working weeks to gather and collaborate face to face).

**2. Short Term: Redesign Employee Evaluation Process (Promotion).**

By the time of the Equity Audit in 2021, TXI already had robust and documented promotion processes. However, employees expressed confusion around the evaluation process involved. Since TXI is on a growth trajectory while also transitioning its management structures, Ethos recommended that 2021 was the right time to evaluate the current levels structure and evaluation system to set standards for the company’s future.

The report states “By tying evaluation criteria to the organizational vision and making this messaging clear, the business is more likely to realize its goals and progress as a best-in-class example within the industry. Productivity improves when managers clearly articulate a sense of direction, expectations, and desired behaviors to employees because targets are mutually understood. Perhaps most importantly, a clearer process helps retain top-performing employees who understand their path to leadership.”

As we are evolving from a flat company to one supported by managers, ETHOS recommended some iterations on our review and promotion process. Following the equity audit, we redesigned both the review process and the promotion process to be more transparent and equitable, creating our career grid.

Learn more about the new 2021 Career Grid

**3. Medium Term: Strengthen Career Development through 360° Feedback and Career Conversations (Retention and Promotion).**

The audit process highlighted the need for a stronger feedback culture to support both individual growth and the newly designed promotion process. The recommendation was to include multiple forms of feedback (direct report, peer to peer, and manager feedback) in a 360 process. The audit report also recommended raising the new career grid framework as a means of mentoring and coaching employees into the career paths they most want to pursue.

Following the equity audit, we redesigned our feedback process to design rounds of both developmental and evaluative feedback. We introduced new feedback tooling in Culture Amp and new feedback training for the entire company.

Read more about the evolution of Feedback at TXI
Medium Term: Strengthen the Middle Management Layer (Retention and Promotion).

Before 2020, we had largely been a flat organization (without managers to support individual growth). We had “sponsors” or career advocates that could help to advise and encourage employee development - but not take accountability for supporting the individual in their team at TXI. The equity audit pointed out the need for a stronger structure to help people to learn and grow in their careers.

Following the equity audit, we followed the recommendations in creating a cohort for those new managers, rolled out manager training, and started skip level meetings with the leadership teams. More work is planned for 2022 with the manager cohort, including a book club and personalized review for manager effectiveness.

Read more about introducing managers at TXI

Long Term: Add Diversity to the Leadership Team (Recruitment).

The equity audit recognized the increased diversity within the company and the ownership group over the last several years. The recommendation from the audit was to continue to pursue this goal with both the manager cohort in the company and the TXI leadership team.

We have established 3 year targets for this goal as part of our company priority to Correct for Overrepresenation. In the meantime, we are bringing in new external advisors (our first formal Advisory Board) to bring in diverse and fresh perspectives to guide and advise our Leadership team.

See the 2021 Annual Board update
Key Themes from the Audit Report

**Strengths**

**Enablement**

- I know how my work contributes to the goals of TXI.
  - 91% agree (43% strongly agree, 48% agree)
  - 0% disagree
  - 7% neither agree nor disagree
  - 2% other

- I have access to the things I need to do my job well.
  - 91% agree (36% strongly agree, 55% agree)
  - 0% disagree
  - 9% neither agree nor disagree.

**Inclusion**

- TXI respects that everybody has a valid and useful perspective.
  - 91% agree (55% strongly agree, 36% agree)
  - 2% disagree (0% strongly agree, 2% disagree)
  - 7% neither agree nor disagree

**DEIB Readiness**

- 97% of employees agreed that Diversity, Equity, and Inclusion is important to them personally.
  - 64% strongly agree, 33% agree
  - 0% strongly disagree, 2% disagree

- 95% of employees agreed that Diversity, Equity, and Inclusion is important to Leadership at TXI.
  - 57% strongly agree, 38% agree
  - 2% disagree
91% of employees agreed that Diversity, Equity, and Inclusion are important to their peers at TXI.
  - 60% strongly agree, 31% agree
  - 5% neither agree nor disagree
  - 5% other (both responses suggest a difference between peers)

Areas to Improve

Evaluation, Feedback, and Growth

- I receive clear, actionable feedback on how to improve in my job.
  - 45% agree (7% strongly agree, 38% agree)
  - 16% disagree (2% strongly disagree, 14% disagree)
  - 29% neither agree nor disagree
  - 10% other (most responses indicated being too new to have a perspective)

- My job performance is evaluated fairly.
  - 50% agree (17% strongly agree, 33% agree)
  - 7% disagree (0% strongly disagree, 7% disagree)
  - 31% neither agree nor disagree
  - 12% other (most responses indicated being too new to have a perspective)

Clarity

- Informal power dynamics (i.e. seniority, social privilege, employment status) are defined, identified, and addressed.
  - This is the most disagreed with question among pooled data
  - 40% agree (2% strongly agree, 38% agree)
  - 23% disagree (5% strongly disagree, 17% disagree)
  - 33% neither agree nor disagree
  - 5% other

- Everyone at TXI knows and understands their level of responsibility and authority in the organization.
  - 43% agree (5% strongly agree, 38% agree)
I believe my total compensation (base salary+any bonuses+benefits+equity) is fair, relative to similar roles at other companies
- 54% agree (14% strongly agree, 40% agree)
- 16% disagree (2% strongly disagree, 14% disagree)
- 24% neither agree nor disagree
- 5% other
  - Both responses mentioned an awareness of accepting a lower salary for the sake of work culture

DEIB: All Response Data

- Diversity, equity, inclusion, and belonging are important to me personally.
  - 97% agree (64% strongly agree, 33% agree)
  - 2% disagree

- Diversity, equity, inclusion, and belonging are important to my peers.
  - 91% agree (60% strongly agree, 31% agree)
  - 0% disagree
  - 5% neither agree nor disagree
  - 5% other

- Diversity, equity, inclusion, and belonging is a priority for Leadership at TXI.
  - 95% agree (57% strongly agree, 38% agree)
  - 2% disagree (0% strongly disagree, 2% disagree)
  - 2% neither agree nor disagree

- TXI hires people from diverse backgrounds.
  - 83% agree (33% strongly agree, 50% agree)
  - 2% disagree (0% strongly disagree, 2% disagree)
  - 5% neither agree nor disagree
  - 10% other (most responses said this is an area of improvement)
DEIB Free Responses

- What are the biggest opportunities at TXI in diversity, equity, and inclusion?
  - Free response mentions:
    - 8/23 (35%) Diversity in Leadership
    - 4/23 (17%) Engage in Local/Global Communities
    - 3/23 (13%) Global Employees

- What, if any, implicit things at TXI would you like made explicit (i.e. policies, procedures, access to information, etc.)?
  - Free response mentions:
    - 7/20 (35%) Growth/Advancement
    - 4/20 (20%) Leadership Priorities
    - 3/20 (15%) Hiring Pipeline
    - 3/20 (15%) Logistics (time tracking/how projects are assigned/when to use company funds).

- Is there something else you would like to share that would improve TXI culture? (10 of 15 responses below)
  - “I see us trying in many areas, especially around transparency and fighting a sense of urgency. We are improving; yet, in stressful situations, can sometimes fall back into more negative patterns. I want to encourage us to keep trying and improving, although we aren’t quite there yet.”

  - “As the pandemic slows there’s increasing chatter about Chicago—which is understandable and great—but also makes non-Chicagoans feel outside of the ‘core group.’ That’s not always true, but it’s a trending theme that would be good to curb. Perhaps have a separate Chicago-focused Slack channel for some of the bonding and things that should happen for them but not leaving the rest of us out?”

  - “I’ve had severe imposter syndrome since I started, and while it has lessened as the weeks pass, I still feel anxious about it. I’ve spoken to several TXIers at different levels who have all shared that they too had imposter syndrome when they started here, some stating it lasted up to a year. I know that this is not TXI’s fault by any means, however, I wonder if there is a way to address or dispel some of the fears (maybe even baggage from previous toxic environments) that come with starting a new job at what most of us consider an amazing company. This is more of a question to you all vs a complaint on TXI.”
“I would like to see the company become active in changing the communities we live in. We currently are very inward-focused.”

“The cohesion of our client work to what our company strives to become a more diverse, equitable, inclusive company sometimes misses a leap. Perhaps with due time, I can understand the connection more. But for now, it’s ‘do lots of client work, and chisel off a bit of time per week to do better.’”

“The only reason I’ve put agree here a couple of times is that there have been a couple of occasions where it’s felt like a conversation that was being asked for was swept aside without allowing room for it to happen; the discussion about whether or not we should have an office with WeWork being an example. I don’t believe that this was a deliberate tactic, but I do think it might be a blind spot worth exploring.”

“We are a very progressive organization that has gone sharply left-leaning over the last couple of years where people who are more middle-of-the-road might not be as comfortable sharing their viewpoints. Several people are consistently loud in expressing their political or values (generally very left-leaning) that can drown out others or make others not want to engage.”

“TXI is a wonderful organization that’s also experiencing growing pains as it transforms into the next level. I think we have a ‘buddy’ problem in that people with the most influence and power often get the benefit of the doubt by virtue of proximity to leadership. It feels much harder for people outside that circle to get the same opportunities to grow, including leveling up. I don’t think this is necessarily intentional, but the effects cause a lot of ripples.

I’m also concerned about what I perceive as a potentially different set of rules for demand/leadership. For example, we recently hired 2 Directors—a title (level?) that isn’t documented or advertised anywhere in our rubric. We also seem to generously grant the level of principal to people interviewing for Demand or referred by Leadership and appear to have much more rigorous checks for existing teammates. I find it disheartening that among our principal level colleagues, almost all are white males, including the last 2 hires. No females at the principal level were hired at all in 2021.”

“I think that TXI could be a lot more transparent about people’s levels and compensation. We have already made strides toward that with the first DEIB report. However, I noticed there was not a lot of promotion or discussion about it. That makes me think not many people have looked at the data at the appropriate level of depth, and I wonder if that was intentional in order to keep salary information difficult to find. When I was first hired, for the first 6 months I didn’t actually know what my level was or why I was placed there. That information would’ve been really helpful to how I navigate my professional growth. To be
totally honest, I also felt like I was constantly being underestimated in my first year regarding my capabilities, and sometimes it felt condescending (even though I know that wasn’t the intent). I think that points to a general idea I’ve been picking up where associates and consultants are generally placed in a ‘junior’ level and seniors and principles generally placed in an ‘experienced’ level, and that juniors need to learn from experienced people. That feels inaccurate to me because I think learning can happen at all levels from anyone. I myself and constantly educating people who are above my level and salary band. I think we need to build in more explicit processes and opportunities for people to grow.”

“… ’junior’ level and seniors and principles generally placed in an ‘experienced’ level, and that juniors need to learn from experienced people. That feels inaccurate to me because I think learning can happen at all levels from anyone. I myself and constantly educating people who are above my level and salary band. I think we need to build in more explicit processes and opportunities for people to grow.”

“We need to learn how to handle conflict and disagreement more. I don’t think we do it enough, or well, for that matter.”

Findings By Social Identity Type

- Young people (between 25-34) are more likely to disagree with the statement: “I believe my total compensation (base salary + any bonuses + benefits + equity) is fair, relative to similar roles at other companies.”
  - 53% agree (15% strongly agree, 38% agree)
  - 31% disagree (8% strongly disagree, 23% disagree)
  - 8% neither agree nor disagree
  - 8% other

- Women were more likely to neither agree nor disagree with the statement: “My job performance is evaluated fairly.”
  - 29% agree (0% strongly agree, 29% agree)
  - 6% disagree (0% strongly disagree, 6% disagree)
  - 59% neither agree nor disagree
  - 6% other

- Women were less likely to agree with the statement, “I receive clear, actionable feedback on how to improve in my job.”
  - 29% agree (0% strongly agree, 29% agree)
  - 29% disagree (0% strongly disagree, 29% disagree)
  - 41% neither agree nor disagree
  - 0% other
Women were more likely to neither agree nor disagree with the statement: “Everyone at TXI knows and understands their level of responsibility and authority in the organization.”
- 35% agree (6% strongly agree, 29% agree)
- 6% disagree (0% strongly disagree, 6% disagree)
- 59% neither agree nor disagree
- 0% other

While there were no significant trends related to racial identity in the data, White employees were 9+% more likely to agree with, “I feel like I belong at TXI.”
- 46% strongly agree
- 46% agree
- 8% neither agree nor disagree

White Supremacy Audit

We included nine questions in our survey that correlated to The Centre for Community Organization’s tenets of White Supremacy Culture in Organizations.

Across our survey, these three questions (related to “Power Hoarding” and “Paternalism”) were among the most disagreed with:

- **Power Hoarding:** Informal power dynamics (i.e. seniority, social privilege, employment status) are defined, identified, and addressed. *This is the most disagreed with question among pooled data.*
  - 40% agree (2% strongly agree, 38% agree)
  - 23% disagree (5% strongly disagree, 17% disagree)
  - 33% neither agree nor disagree
  - 5% other

- **Paternalism:** Everyone at TXI knows and understands their level of responsibility and authority in the organization.
  - 43% agree (5% strongly agree, 38% agree)
  - 17% disagree (5% strongly disagree, 12% disagree)
  - 36% neither agree nor disagree
  - 5% other
- **Paternalism:** Decision-making is a shared process that takes place amongst all employees.
  - 50% agree (12% strongly agree, 38% agree)
  - 10% disagree (0% strongly disagree, 10% disagree)
  - 29% neither agree nor disagree
  - 14% other (this question may have been phrased in a way that is confusing to some - answers pondered the necessity of “all employees” being involved in decision-making).

There were no statistically relevant trends related to the remaining six questions below:

- **Worship of the Written Word:** Employees are given the time to read important documents, and also to engage with and ask questions about them.
- **Quantity Over Quality:** TXI values processes as much as final products.
- **Fear of Open Conflict:** Leaders at TXI make space for emotions and think expansively about how problems are flagged in the organization.
- **Objectivity:** TXI respects that everybody has a valid and useful perspective. (This was a strength!)
- **Only One Right Way:** TXI accepts that there are many ways to get to the same goal and are open to alternative routes.
- **Perfectionism:** Mistakes are not seen as personal or do not reflect badly on the person making them.