

Business Leaders Need to Rise Above Anti-Woke Attacks

Leaders must tackle inequities head-on, dispelling “woke” fears to create just, diverse, and thriving workplaces.

Bobbi Thomason and Traci Sitzmann • May 10, 2023

Reading Time: 8 min



As the debate over the word *woke* rages on, business leaders are grappling with the meaning and connotations of the term. (Spoiler alert: Woke means being aware of inequity and injustice.) Many

You have read 1 of your 2 free articles this month. To enjoy more articles like this, sub

contracting the “woke mind virus” or claiming that caring about “woke diversity” ignores the economy’s bottom line. But even politically moderate CEOs have become quick to reject the label.

Consider Larry Fink, CEO of the multinational investment firm BlackRock, who has led the charge of investing with environmental, social, and governance (ESG) goals in mind. In his annual letter to fellow chief executives in 2018, Fink asked, “What role do we play in the community? How are we managing our impact on the environment? Are we working to create a diverse workforce?” BlackRock has continually led the charge in making ESG a mainstream pillar of investing. Those efforts seem socially aware. Still, Fink claimed that those initiatives are “not woke.”

Or take the case of JPMorgan Chase CEO Jamie Dimon. After George Floyd’s murder in the summer of 2020, Dimon personally took a knee with employees in a New York Chase branch and went on to send a memo to the company’s employees that stated, “We are committed to fighting against racism and discrimination wherever and however it exists.” But, like Fink, Dimon has gone to lengths to separate stakeholder capitalism from the woke label, despite demonstrating awareness of inequity and injustice through commitments like JPMorgan Chase’s \$30 billion investment in advancing racial equity.

Why do corporate leaders hesitate to embrace the woke label when being aware of inequity and injustice aligns

with growing commitments to socially conscious business? One issue is the term's evolution. In its 21st-century usage, woke emerged as a watchword for Black Americans in the fight against police brutality and racial discrimination, but in recent years the term has been transformed into a cudgel for the conservative right to fight culture wars. Recent polling finds that Americans generally understand that woke means “being informed, educated on, and aware of social injustices,” and not “being overly politically correct.” But they are also slightly more likely to view being called woke as an insult, not a compliment.

The ideal of being aware and attentive to issues of inequity and injustice is a timeless standard that all leaders should strive for. Once leaders stop the semantic gymnastics and acknowledge the pervasiveness of inequity throughout the business world, they can follow clear scientific evidence to lead the charge toward making their organizations more equitable. While reclaiming the word woke may feel as futile as trying to

lasso a runaway train, the need to address issues of inequity in the workplace and beyond cannot be ignored.

How Did Woke Get Here?

Originally referring to being awake, the term woke has evolved to encompass being informed and aware of cultural differences. African American author William Melvin Kelley first used the term in 1962 in his *New York Times* essay “If You’re Woke You Dig It.” Kelley offered prophetic commentary on how the invention and reinvention of Black vernacular was often a direct response to appropriation by White Americans.

Following the 2014 murder of Michael Brown in Ferguson, Missouri, the phrase “stay woke” gained popularity through the Black Lives Matter (BLM) movement. People began using the term to signal support for BLM, and the *Oxford English Dictionary* added the term in 2017: “woke, adjective: Originally: well-informed, up-to-date. Now chiefly: alert to racial or social discrimination and injustice; frequently in stay woke.” Recently, the term has been used increasingly often in mainstream media and business conversations.

In response to the 2020 nationwide racial justice protests following the murder of George Floyd, many companies committed to confronting systemic racism. For example, in 2020-21, America’s 50 biggest public companies and their foundations collectively committed \$50 billion to address racial inequality, an amount that

appears unequaled in sheer scale. According to the Society for Human Resources, there was a 55% increase in job openings related to diversity, equity, and inclusion (DEI) following the nationwide racial justice protests.

As companies have made their teams more diverse, many have learned what research has found for decades: Diversity has the potential to make teams smarter and companies more profitable.¹ However, realizing these benefits requires specific execution and the right conditions.² Otherwise, diversity can complicate coordination, increase conflict, and foment social tension.³ And the challenges are not contained within organizational walls. Some companies have been criticized for “woke washing,” defined as communicating social activism that is inconsistent with their practices or purpose.⁴ Other organizations have been critiqued for participating in “woke capitalism,” when their social activism primarily serves their own self-interests.⁵ And still others have been explicitly targeted by politicians through “anti-woke” legislation.⁶

While executing any organizational change is difficult, rolling out diversity initiatives is particularly hard.⁷ Years of research illuminate what is happening amid the current backlash and retreat from diversity initiatives.⁸ First, some backlash comes from those opposed to diversity initiatives. For example, there is evidence that organizational multiculturalism ideology is not always perceived as inclusive by White employees, and while

emphasizing the business case for diversity initiatives can minimize the backlash, it does not negate it.⁹

Groups in power are motivated to believe that meritocratic systems and personal virtues determine life outcomes.¹⁰ And our brains do a lot to hold on to that conviction. One series of studies found that when presented with evidence that their group has benefited from privilege, White participants claimed hardships in order to deny that they had benefited from racial privilege.¹¹

Backlash also comes from those who genuinely care about diversity initiatives and are pushing organizations to do more or be more consistent in their actions. Workers at several companies, including Adidas, Apple, and Whole Foods, have noted that the organizations' public statements of support for racial equity do not align with internal practices and promotions. Recent and ongoing layoffs in the tech industry that are gutting DEI roles — behemoths Amazon and Twitter among them — have led many to question the sincerity and commitment of the pledges those organizations made just a few years ago.¹²

Whether your company realized the need to do something and wants to do more, didn't do enough, or did something imperfectly, the response should be to increase awareness of injustices and implement initiatives that work — not decrease awareness, deny the

need for action, or ignore accountability because some people are uncomfortable with being labeled woke.

How Can Leaders and Companies Be Aware?

So how can leaders become more aware of injustice and work toward addressing racial and gender inequity? Specifically, we call for leaders to be mindful of their individual positions and collective actions.

As a first step, leaders must consider their relationship to injustice, inequality, and the term woke. This requires self-reflection that involves digging into their assumptions, emotions, thoughts, and perceptions about race and social identity. The term *digging* is borrowed from the [gender and racial equity framework](#) developed by Tina Opie and Beth Livingston. If leaders feel inclined to shy away from the woke label or engaging with DEI initiatives, they can dig to discover why. Are they concerned about political name-calling, or do they feel that they should be doing more? Are they afraid of making mistakes or causing offense by engaging with social issues? By becoming more aware of their own biases and motivations, leaders prepare themselves to effectively lead on social issues.

The first step
enables leaders
to implement

solutions to address inequity within their organizations. Notably, if leaders want to do that, there are tried-and-true interventions for diversifying the workforce and progressing toward equity. Not all diversity initiatives are equal. Organizations must be aware of evidence on how to implement DEI interventions effectively and then build roles and structures accordingly. For example, employing a chief diversity officer is important, and progress is maximized when a chief diversity officer works alongside task forces throughout the organization.

Another intervention that organizations often employ is diversity training. However, the effectiveness of diversity training depends on how the training is executed. When employees are treated as potential change agents, diversity training can be a helpful tool for promoting inclusion and representation. However, when employees are treated as culprits and feel that they are being scolded for bad behavior, training is ineffective. Once leaders know why they are implementing interventions and what they want to achieve, they will be equipped to pick initiatives that align with their goals.

This internal audit also prepares leaders to face voices beyond the walls of their organizations. In the wake of Silicon Valley Bank's (SVB's) collapse, some conservative critics attributed the demise of the bank to its "wokeness." In reality, there were broader concerns

that demanded the bank's attention, and leaders and businesses should see SVB as an example of *why not* to be distracted by the "woke boogeyman." Indeed, [numerous sources](#) detailed how the bank collapsed because of investment and risk strategies that left it with insufficient cash to weather a mass withdrawal of assets. Additionally, SVB was far from being an exemplary model of a diverse organization: Only 6% of its U.S. employees were Black, and its 12-member board had only one Black director.

As agents of change, leaders play a vital role in fostering corporate environments that value diversity, equity, and inclusion — qualities that do, in fact, lead to more resilient and adaptable organizations in the face of challenges. Just because the term woke has been hijacked as a pejorative, that does not mean that organizations should do nothing or shy away from acknowledging their awareness and efforts to address societal injustices.

No one wants to live a life they sleep through, and leaders don't want to define their tenure by burying their heads in the sand. In today's world, we must be awake to social inequities and injustices, recognize their impact within the workplace, and seek ways to dismantle them in our organizations.

Topics

[Leadership](#)[Workplace, Teams, & Culture](#)

[Leading Change](#)[Corporate Social Responsibility](#)[Diversity & Inclusion](#)

ABOUT THE AUTHORS

Bobbi Thomason, Ph.D., is an assistant professor of applied behavioral science at Pepperdine Graziadio Business School. Traci Sitzmann, Ph.D., is a professor of management at CU Denver Business School.

REFERENCES

1. K.W. Phillips, "[How Diversity Makes Us Smarter](#)," Scientific American, Oct. 1, 2014, www.scientificamerican.com; and C.L. Dezsö and D.G. Ross, "[Does Female Representation in Top Management Improve Firm Performance? A Panel Data Investigation](#)," Strategic Management Journal 33, no. 9 (September 2012): 2008-2018.
2. O. Richard, A. McMillan, K. Chadwick, et al., "[Employing an Innovation Strategy in Racially Diverse Workforces: Effects on Firm Performance](#)," Group & Organization Management 28, no. 1 (March 2003): 107-126.
3. S.K. Horwitz and I.B. Horwitz, "[The Effects of Team Diversity on Team Outcomes: A Meta-Analytic Review of Team Demography](#)," Journal of Management 33, no. 6 (December 2007): 987-1015.
4. J. Vredenburg, S. Kapitan, A. Spry, et al., "[Brands Taking a Stand: Authentic Brand Activism or Woke Washing?](#)" Journal of Public Policy & Marketing 39, no. 4 (October 2020): 444-460.
5. R. Douthat, "[The Rise of Woke Capital](#)," The New York Times, Feb. 28, 2018, www.nytimes.com.
6. D. Kihara, "[DeSantis Says Disney 'Crossed the Line' in Calling for 'Don't Say Gay' Repeal](#)," Politico, March 29, 2022, www.politico.com; and A. Durkee, "[Rejecting AP Studies, Restricting Libraries: Here's How DeSantis And His 'Anti-Woke'](#)

[Policies Are Impacting Florida Education,” Forbes, Jan. 20, 2023, www.forbes.com.](#)

7. S. Oreg and Y. Berson, [“Leaders’ Impact on Organizational Change: Bridging Theoretical and Methodological Chasms,”](#) *Academy of Management Annals* 13, no. 1 (January 2019): 272-307.

8. K.W. Crenshaw, [“Race, Reform, and Retrenchment: Transformation and Legitimation in Antidiscrimination Law,”](#) *Harvard Law Review* 101, no. 7 (May 1988): 1331-1387.

9. V.C. Plaut, F.G. Garnett, L.E. Buffardi, et al., [“‘What About Me?’ Perceptions of Exclusion and Whites’ Reactions to Multiculturalism,”](#) *Personality and Social Psychology* 101, no. 2 (August 2011): 337-353; and D.L. Kidder, M.J. Lankau, D. Chrobot-Mason, et al., [“Backlash Toward Diversity Initiatives: Examining the Impact of Diversity Program Justification, Personal and Group Outcomes,”](#) *International Journal of Conflict Management* 15, no. 1 (2004): 77-102.

10. E.D. Knowles and B.S. Lowery, [“Meritocracy, Self-Concerns, and Whites’ Denial of Racial Inequity,”](#) *Self and Identity* 11, no. 2 (2012): 202-222.

11. L.T. Phillips and B.S. Lowery, [“The Hard-Knock Life? Whites Claim Hardships in Response to Racial Inequity,”](#) *Journal of Experimental Social Psychology* 61 (November 2015): 12-18.

12. K. Butler, [“Big Tech Layoffs Are Hitting Diversity and Inclusion Jobs Hard,”](#) *Bloomberg*, Jan. 24, 2023, [www.bloomberg.com](#); and K. Atkinson, [“Corporate Diversity Pledges Fizzle Amid Layoffs, GOP Backlash,”](#) *Bloomberg Law*, March 9, 2023, [www.bloomberglaw.com](#).

TAGS:

[Equity](#)[Politics](#)[Social Justice](#)

REPRINT #: [64439](#)