

Retail Practice

‘The fashion industry should be as diverse as its consumers’: A PVH perspective

Lance LaVergne, chief diversity officer of PVH Corp., discusses how fashion companies can attract young people and help emerging designers—and what it will take to disrupt the status quo.



Lance LaVergne has seen a substantial shift in the way companies approach talent acquisition and retention throughout his various diversity and recruiting roles at companies like Goldman Sachs, New York Life, Alcoa, and Wells Fargo. Businesses have gone from focusing solely on diversity to focusing on inclusion as well—ensuring that people are involved and engaged despite any differences in backgrounds—and most recently, on belonging and equity, which LaVergne considers to be the most interesting evolution: “What it reveals to me is that these concepts are important to business, to our organizations, to our culture,” he said.

In August 2020, LaVergne joined PVH Corp., where he heads global talent acquisition in the company’s newly expanded role of chief diversity officer. On the first day of Black History Month this year—February 1, 2021—PVH Corp., in partnership with the Council of Fashion Designers of America (CFDA), released the *State of Diversity, Equity & Inclusion in Fashion* report, which draws on McKinsey research and analysis to present a framework for making progress toward equitable workplaces in the US fashion industry. LaVergne said, “[The report] is terrific because it not only digs into the issues, but also identifies specific actions that people and organizations can take.”

He recently spoke with McKinsey’s Pamela Brown and Stacey Haas about the report’s key findings and about how the industry can begin to dismantle its many barriers to access and entry. The following is an edited version of their conversation.

McKinsey: The report came out just six months after you joined PVH. Which findings were most interesting or surprising to you?

Lance LaVergne: There are themes from the report that are fairly universal and that you’d come across in any industry—such as the issues of “othering,” where people feel like they are the only ones of their particular background in their company or challenges around upward mobility for certain communities. But what’s interesting to me personally is that issues around “look” and

aesthetic—Do you look the part? Do you fit in?—are particularly prevalent in the fashion industry. And that came out loud and clear in the report.

As we talked to people from underrepresented communities, we heard specific examples where they went to interviews and immediately got the sense, either subtly or even overtly, that they just didn’t fit the look. People talked about how, for luxury brands, if you don’t come from means—if you are not someone who has spent time in a socioeconomic environment where you can “appreciate” luxury brands—how are you going to be able to work for a luxury brand? Of course, there’s no merit to that perspective, because there are certainly people who have come from all different backgrounds who have been extraordinarily successful in this industry. But it’s a feeling that people who are underrepresented in our industry have felt and continue to encounter.

A consequence of some of the barriers to entry for different communities is that our industry can be self-perpetuating and lacking the diversity that comes from [including individuals with different backgrounds:] socioeconomic, racial, ethnic, LGBTQIA, pick a dimension of diversity. We end up with a narrow pool and a funnel of folks who continue to perpetuate the status quo.

As an industry, we have to be much clearer as to what we think is required to be successful in our business and look beyond some of those superficial background issues. We need to dig into the skills, traits, and qualities that are relevant to success.

Our consumer bases are incredibly diverse. We have to make sure that what we offer and deliver—whether in terms of product or experience—resonates with an ever-increasingly diverse demographic. The best way to do that is to have those perspectives represented among the people who are creating those products and experiences. So, as an industry, if we want to thrive and excel, we have got to find ways to remove those barriers to allow diversity to make its way into every aspect of our business.

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We want to be the industry of choice—the place where the best and brightest want to bring their talents and ply their trade. And that should be irrespective of your background or demography.

McKinsey: One big barrier to entry that the study highlighted was unpaid internships. If you're a low-income student, even if you really want to work in the fashion industry, you probably can't afford to do an unpaid internship. How can PVH—and the industry—knock down this barrier?

Lance LaVergne: Getting an internship is crucial in a career journey. That's how young people understand and learn about a business or company; it's how they test and learn and try things out. As an industry, we have to understand the economic dynamics that exist in different communities and do all we can to provide paid internships or work through organizations that provide internships. We don't currently have a lot of those partnerships in the fashion industry—they exist in other industries, like accounting and financial services—so there's an opportunity for PVH, particularly as one of the larger organizations in the fashion industry, to develop those partnerships and create vehicles that give students access to opportunities.

The study also helped us realize that access isn't just a challenge for students and young people; there's also a commercial aspect to it that we probably hadn't quite fully understood, but we've now built

it into our strategy. There are myriads of designers who would love to have access to a company like PVH. The platforms and resources that we have at our disposal could be game changing for an up-and-coming designer. I was talking with one of our senior design professionals, and he walked me through how PVH's supply chain enables us to produce a garment at a substantially lower price than it would take an emerging independent designer—almost an order of magnitude difference in cost. It's one example of how difficult it can be for emerging designers to get a foothold in the industry. So we're looking into creating access to our supply chain and access to stores and distribution channels to create an economic benefit that will expand the universe of emerging designers.

McKinsey: Access is one challenge, but an even more basic challenge that the report highlighted is lack of awareness of opportunities in the fashion industry. For many young people from diverse backgrounds, a career in fashion isn't even on their radar. How can organizations address this lack of awareness?

Lance LaVergne: It certainly starts very early on. You can go into middle schools and high schools with programs and initiatives that not only bring awareness to the more interesting aspects of fashion—the design, the marketing—but also peel the onion a little bit to let young people know that fashion companies are regular businesses. We have

technology, accounting, finance, human resources, and operations. Not everybody is creative and wants to be a designer, but they want to be connected to this industry because it is exciting.

So you can start early and make young people aware of the opportunity. But then you want to carry that on into college, when they start to think about where they can get an internship, what to do after they graduate, and how they'll pay their student loans. We want fashion to be top of mind for students who have not typically considered working in our industry.

Accounting firms do a great job of reaching out early, building internship programs, engaging college students. Fashion can absolutely do the same thing. We have schools and programs dedicated to what we do, so working through those vehicles with greater outreach and engagement is another way to create more awareness that should ultimately lead to greater diversity in our business.

McKinsey: You've been working in the diversity, equity, and inclusion [DE&I] arena for about two decades now. What's changed? And what's next?

Lance LaVergne: There has been a very interesting evolution around the concepts and the work; even the terminology changes over time. I love the fact that we have gone from just diversity to inclusion to belonging, which to me is the most interesting evolution.

The difference between inclusion and belonging is the notion that when you walk into a place, it feels like home, like it's yours. There is never this notion that you're lucky to be there or you're on tenuous footing—that if you make a mistake or misstep, you're out. You can put your feet up on the desk, with a hole in your sock, and it's OK because it's your spot. That's a bit of an exaggeration, but there absolutely are places where we feel that way. For a lot of people, though, that place is not their work

environment. So what I like about the work that we're doing is we're trying to identify what that really means: How does that experience [belonging] manifest for people, and what can companies do to make that experience a reality?

One of the newer words that has emerged in the diversity and inclusion space is equity. Some people at first are unsure about what it means. Is it equity, is it equality? Equality is a nice ideal, but if I'm already six feet, four inches tall, I don't need the same stepstool to see over the fence as someone who is five foot eleven. And if you want everybody to have the same view, the five-eleven person will get a stepstool of five inches. That's equity.

As for what's next, we will accomplish a number of things that were highlighted in that study, which will then free us up to devote energy and attention to new challenges and new opportunities. The work is never done, because there will always be another horizon to reach where we're creating greater inclusion, greater belonging.

We have been in one of the most interesting times we have seen in a generation, and it's at times like these, times of difficulty and retrenchment, when you realize the importance of diversity and inclusion work. When economics or opportunity sets contract, that's when people and companies make hard decisions, and sometimes those decisions can revert to old behaviors and old means. That's when it's especially important to lean in from a DE&I perspective, to make sure that business decisions are grounded in objective measures, so that the progress you've made in creating greater diversity, equity, and inclusion survives those exogenous periods of disruption.

For more from Lance LaVergne, see the videos accompanying this article on McKinsey.com.

Lance LaVergne is chief diversity officer and head of global talent acquisition of PVH. **Pamela Brown** is a partner in McKinsey's New Jersey office, and **Stacey Haas** is a partner in the Detroit office.

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