

## **Diversity Alone Is Not Enough**

Today, experts are talking about the need to move from diversity and inclusion (D&I) towards equity. As D&I frameworks evolve, the task before HR decision-makers becomes more complex.

In this interview, Paul Coyle, head of the international Entrepreneurial Mindset Network, offers a primer on D&I strategy. He prompts people leaders to ask themselves a series of questions:

- What is the current D&I data at your company?
- Is a conversation about equity taking place among managers and employees?
- How can you leverage equity to further your company's goals?
- Is your motivation to ensure legal compliance, or to be a changemaker and leader in the D&I field?
- How can your company do more to lead the way?

If you need the milestones of the recent debates about D&I, this is the place to start. Check out Paul's in-depth advice for figuring out your next steps.

### **How and why can companies go beyond diversity?**

The important and enduring questions surrounding equality and diversity issues are under intense scrutiny at the moment, following the death of George Floyd, the actions of the Back Lives Matter movement, and the highlighting by the coronavirus pandemic of known socio-economic inequalities around the globe. In mid-July 2020, the UN Secretary-General, António Guterres, urged major reform to the UN Security Council, the International Monetary Fund, and the World Bank to address what he termed "systemic inequalities".

How can we respond to these challenges as individuals, leaders, and companies? Before we even begin to decide what actions to take, we need to ask ourselves what is meant by the terms "diversity", "inclusion", and "equity", and how to make use of these concepts to improve the workplace. We must also question our assumption that other people will share our understanding of the meanings and importance of these terms.

Only by understanding the differences in these concepts, and working to build a shared understanding, can we create meaningful dialogue that will lead to much-needed action and ultimately social reform. We need to create the opportunity for honest and frank discussions in a way which has not happened in the past. Are you prepared to hear things that challenge you and make you feel uncomfortable, and that would help to open your eyes to the experiences of other people?

### **Diversity**

Diversity is a recognition of how people of varied identities and differences are represented throughout our organisations. This diversity may be represented in terms of race, ethnicity, gender, disability, and sexual orientation, but it must also address additional differences arising e.g. from socio-economic status, thinking and communication styles, national origin, tribe, and caste.

Some might say that diversity metrics have improved in recent decades. However, there is still a very long way to go. According to Forbes, [a recent survey](#) found that "only 16% of corporate directors believed their companies scored 'excellent' for recruiting a diverse workforce [...] and 83% believed that companies should be doing more to promote gender and racial diversity". What are the statistics for your company's performance?

### **Inclusion**

A company could have a diverse workforce but still be lacking in terms of inclusion. Fundamentally, inclusion is a question of how we treat each other. It is about a culture of belonging: one where everybody can participate and make their distinctive contribution. Everybody would like to go to work and be their real self. Nobody wants to have to pretend in

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order to fit in. On the other hand, if you are made to feel comfortable to share your whole self at work, then you can be your best self. That is good for you and it is good for the company too.

## **Equity**

Equity seeks to ensure that there is an equality of opportunity and that everybody is treated fairly. Equity issues are more difficult to address because they often derive from long-established structural systems of inequality which are difficult for individuals or companies to solve. Nevertheless, recent events show that there is an urgent need for a more open debate about the causes of a lack of equity and how these should be tackled. This is a debate that every person in a company needs to engage with. Is the conversation happening in your company?

## **Legal frameworks**

Personal opinions about what is right and wrong cannot override legal obligations. Many countries and economic territories have laws that forbid discrimination on the basis of a wide range of criteria and case law is helping to force organisations to meet their obligations. The best leaders ensure that their companies are ahead of the curve, taking it upon themselves to promote the need for change and implementing actions that will improve their organisational culture.

Companies need to be aware of their performance in terms of diversity, inclusion, and equity, and at minimum to comply with their legal requirements. Ideally there needs to be board level commitment and a willingness to effect change, even if that change leads to a transformation of the traditional ways of doing business. The debate about diversity and inclusion should be set firmly within the context of the company's strategic objectives and informed by the relevant data. Is a discussion of equality influencing your company's ambitions for the future?

A commitment to inclusion and equity has to be baked into the organisation's values and not be seen as an add-on or only dealt with as an exception. It is not a matter of only acting when things go wrong. It is necessary to take a proactive approach to inclusivity. We must imagine more than incremental change and push against our traditional conformist instincts. Involving everybody in the organisation will deliver solutions that are appropriate to the company's strategy, history, human capital, and resources.

## **Why should D&I be a strategic priority?**

### **Performance**

Diversity and inclusion mean that everybody in the company has an opportunity to fulfil their potential by playing to their strengths and making their distinctive contribution. Diverse workforces are more closely connected with their clients, so they are better informed about market needs.

Ideally, diversity and inclusion will help to drive up bottom-line performance. In practice, there are many obstacles within organisations that prevent this happening. A failure to improve equity means that employees are often unable to give their best, and this underperformance will inevitably undermine the achievement of strategic and financial objectives. It is also important to understand how these issues play out in international teams and in various locations with different cultures and laws.

### **Change management**

There need to be mechanisms in place that ensure all voices can not only be heard but can influence change management processes. Even when these mechanisms exist, people can still be worried about being seen as troublemakers and, more often than not, they choose to be silent. Unfortunately, many company cultures are dysfunctional and if efforts to improve inclusion are ineffective, then eventually talent will simply walk away. What improvements are needed in your own organisation?

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### **Innovation**

Innovation depends upon utilising the widest range of ideas. Workplace diversity ensures that there will be more than one way to look at a problem and also more than one way to solve it. When members of diverse teams see things in different ways, they can recognise new and different market opportunities, and they can explore unmet market needs.

New products, services, and ways of working all depend on people who feel that risk-taking is supported, that they are encouraged to say what they think, and have a safe space to challenge the status quo. The Harvard Business Review reported that [diversity and inclusion underpin innovation](#) and can drive up business performance. Does your company see difference as a source of creative tension and innovation?

### **Strategy and operations**

Most companies have a strategy which includes understanding their customers and getting the best out of their employees. Diversity, inclusion, and equity all help a company to achieve those standard business objectives. Equal opportunities need to be reflected at all levels of operation in a company. Diversity is relevant to how people are recruited. Inclusion needs to be considered in terms of how tasks and roles are allocated, appraisals conducted, and in the design of incentives and reward schemes. Organisations need to have a checklist of policies designed to ensure equitable treatment, for example bullying and harassment procedures, and they need to monitor whether these policies are effective.

The question is whether companies have the ambition to go beyond meeting the minimum legal standards. They could choose to look at and learn from the best practice of other companies e.g. the ones that win awards for best employer. They might look to standards outside their own country e.g. the UNESCO definitions of gender equality. They could choose to take the lead and set standards of performance that others will want to follow. Could your company do more to lead the way?

### **Does bias training work? When and how?**

#### **Awareness**

Unconscious bias training (UBT) programmes aim to help people to recognise that, over their lifetime, they have developed a particular way of seeing the world. Such training can help people to recognise bias that they are unaware of in normal circumstances. An article in Visual Capitalist identified [50 types of cognitive bias](#) in the modern world! With this greater understanding, people can become more aware of their behaviours towards others, as a first step towards trying to eliminate any discrimination in their actions.

However, the UK Equality and Human Rights Commission published a report that concluded that [UBT was effective in raising awareness](#) but in itself it was unlikely to reduce explicit bias: “evidence for UBT’s ability effectively to change behaviour is limited”. A senior leader recently told me, “Of course this sheep-dip type of training doesn’t work. It allows people to let themselves off the hook. You need to make people uncomfortable if they are going to understand the concept of privilege.”

#### **Experiential learning**

There are significant advantages to teams attending equality training together, along with their leader, so that the whole group has the opportunity to gain a shared understanding of the issues involved. Diversity Theatre is a group training activity where actors present situations set in the workplace that involve examples of prejudice and discrimination, often based on real-life case studies. Participants are able to witness the problems and are then engaged in discussions of the options for appropriate responses by the performers. This type of training can be useful but there remain limitations about how much the individuals are challenged to change their behaviours.

Read: [Does Unconscious Bias Training Work? It Depends.](#)

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So how can there be meaningful change? The first step is for each one of us to recognise that we are all subject to a wide range of unconscious bias. The second step is to make a sustained effort to understand more about equality issues and to become more self-aware. It is important to question our assumptions and to be aware of the limited range of sources of information that we use. For example, readers of this article may have noticed the deliberate absence of company case studies. This is because typically a very limited range of companies are held up to us as examples.

A greater diversity in the range of examples, case studies, and role models will help us all to avoid reinforcing the existing hierarchies and inequitable systems. You need to choose the examples which are most appropriate to your company context and which feel inclusive in terms of your personal situation. This will bring previously overlooked people into the debate and enable them to play more active roles.

Finally, we need to take action. We can all take a lead in advancing equality in the workplace. You don't need to be in a formal leadership position to exercise leadership. Leadership is the ability to make a convincing case for change and to inspire other people to get on board. In that sense, if you believe that diversity, inclusion, and equity are important, you can ask yourself what you personally are going to do about it. What are you going to do today?

**By Paul Coyle, Director of the Entrepreneurial Mindset Network. With thanks to members of the MINDSET LEAP [Leading Experts and Advisors Panel] Dax Ashworth, Pauline Miller Judd, Sherisa Rajah, and Martine Robins, who contributed to this article, and also to Kathryn Myers.**

Link to original article <https://www.meritsummit.com/blog/article/diversity-alone-is-not-enough-interview>