How to Build a Diverse and Inclusive Workplace

The Ultimate Guide to Navigating the New Talent Landscape

Where people meet potential

Recently, the critical topic of Diversity and Inclusion (D&I) has been amplified by events and movements like #MeToo and Black Lives Matter. Diversity and social justice are reaching new levels within social consciousness and are beginning to significantly influence business decisions. They have also become important factors in how employees and candidates evaluate the attractiveness of employers.

According to a survey conducted by Salesforce,[1] 80% of business professionals believe businesses have a responsibility to make a positive societal impact, but only 36% reported that their organizations were actively working to achieve diversity. It's up to employers to actively close that gap.

THE ULTIMATE GUIDE SERIES:
DIVERSITY AND INCLUSION
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1 Salesforce, 2017.

Companies that focus on fairness and take steps to increase diversity have a better chance of attracting and retaining top talent. Additionally, organizational psychologists have been studying diversity in organizations for decades. Researchers have demonstrated positive business outcomes for organizations with diverse workforces, especially those with diversity within their leadership teams and board rooms.[2] Research findings have been consistently supportive of the benefits of diversity. Organizations with greater diversity see benefits like:

– Higher employee satisfaction

– Decreased turnover

– Increased productivity

– Better reputation

– Higher customer satisfaction

– Greater innovation and creativity

– More effective problem solving

While many organizations would readily admit that they want to focus on D&I and believe it to be valuable to the overall health of the organization, they don't know what to do or where to start. We need to concentrate efforts on both our **people** and our **processes** in order to remove systemic bias and inequity in all talent programs, practices, policies, and protocols.

In this guide, we explore our five core principles to integrate D&I into your organization and culture:

Global: thinking about cultural nuances all around the world.

Integrated: Taking a holistic, integrated approach to building an inclusive culture – that starts at the top.

Personal Insight: providing individuals with personalized information about their underlying characteristics that lead to inclusive behaviors.

Role Modeling: using allyship as a framework for inclusive leadership development and behavior modeling across the organization to affect change.

Accountability: showing commitment to action by setting goals and measuring progress.

More than 50% of employees want their workplaces to do more to increase diversity.[3]

2 Hunt, Prince, Dixon-Fyle, and Dolan, 2020.
3 Glassdoor.

The Global Principle

When we consider D&I, many of us within the United States (US) and United Kingdom (UK) think about gender, race and possibly age, or even neurodiversity. It is easy to assume that, across the world, we all share similar D&I priorities and are in similar states of readiness for D&I interventions. In fact, the picture is more complex, with D&I priorities being perceived differently across the globe. Nordic countries, with their established focus on social justice and balanced gender roles can be the most receptive to radical interventions. In the US there can be more apprehension, given a more legislative culture.

When it comes to D&I, so much what of what organizations are able to do is governed by either local laws or culture. In France it is illegal to ask a candidate's race when they apply for a job; in the US it is required to be asked about race in order to monitor and report adverse impact. In Germany, it is often the convention to put a photograph on a CV or resume, while in the UK, a photograph would likely be removed or obscured before passing to a decision maker in order to prevent unconscious bias. Additionally, some countries have unique protected groups; for example, military veterans in the US and religious groups in the Middle East and Asia.

These global differences influence the kind of intervention that can be implemented for a particular organization and/or the minority group targeted. As an example, while we may want to recommend an intervention to increase inclusion in interviews by asking candidates in advance whether they require any adjustments or accommodations, we need to remember that this is illegal in certain countries (e.g., US and France). Another common D&I intervention is a mentoring program to increase opportunities for individuals within certain minority groups; the targeted minority group may be qualitatively different from one country or location to the next. It is important to remember that who the minorities are will vary globally.

As such, any D&I strategy or intervention needs to, as best it can, take a global view and take into account the myriad of legal and cultural differences that could lead to the success or failure of interventions in different countries.

The Integrated Principle

Increasing a company's focus on D&I with a goal of changing organizational behavior can be a slow and challenging task. Have you ever tried to change your own behavior by trying to break a bad habit or make a lifestyle improvement? In general, it doesn't come easily and it doesn't happen by 'telling' – being told what you need to do. Real change takes personal commitment, a supportive environment, and more than one intervention. It doesn't typically happen by making one small change; it requires multiple small changes to create a system that supports your new behavior. The same is true for organizational changes.

When it comes to organizational change, one intervention will not motivate and sustain change, regardless of the topic. Additionally, if the interventions that are delivered tend to focus on raising awareness instead of making process design modifications, sustainable changes are not likely to be observed. Interventions that become embedded in an organization (such as mentoring) in a systematic and sustained manner, are always going to be infinitely more effective than a one-off training. Behavioral scientists often talk about the difference between messaging and design. Messaging is the act of telling people to do something, design is the act of changing organizational procedures to embed principles, such as inclusion, within them.

The Personal Insight Principle

We believe that the basis of behavioral change is not usually training or other message-based interventions. 'Telling' people to improve their behavior with regard to inclusion or any other desirable action usually fails to have demonstrable effect. The most popular Diversity & Inclusion (D&I) intervention is unconscious bias training, with organizations spending US $8 billion annually on this and related types of training. There is huge variability in the quality of training offered. The best kind of training incorporates both awareness-based elements[4] (these are the problems), and behavior-based elements (this is how you change your behavior to address the issues). But even the highest quality training, on its own, will have only limited effects. Dobbin and Kalev (2018) found that a mentoring program can result in up to 40% increases in diversity amongst managers whereas unconscious bias training alone was responsible for only a 5% increase in the best case, with a 5% decrease being the worst case.

At PSI we believe that, rather than focus on training, it is more productive and effective to look at what individual differences predict inclusive behavior and help people develop those. By examining our personality and what drives our behavior, we can better understand what causes us to act more or less inclusively, then allowing us to address our behavior in a conscious way.

In the Diversity & Inclusion world, messaging interventions are often attempted. A good example is unconscious bias training. Many organizations invest in making sure employees understand that unconscious bias exists and affects their behavior. Raising awareness of an issue is a good first step, but more needs to be done. In her research study Weichselbaumer (2016) sent three batches of resumes out – on the first was a photo of a white woman with a western name, the second had the same photo of a white woman with an Islamic name and the third was the same woman, with an Islamic name and wearing a headscarf. The resumes were identical, apart from the photos and names. The first batch had a 19% call back rate, the second a 14% and the third, with the candidate wearing a headscarf – a 4% rate. As this study shows, when information is presented that categorizes individuals into a specific minority group, it can disadvantage them because resume screeners are unable to overcome their unconscious inferences. While unconscious bias training could minimally reduce bias, not having the gender, race and religious information at all would be a better approach to preventing resume screeners from inadvertently using it. This approach is known as blind hiring and is an excellent example of inclusion by design, rather than messaging.

When it comes to D&I, many organizations talk about the importance of increasing diversity and being equitable and inclusive, however without a targeted focus, processes, process-driven training, the changes will not be sustainable. We need to see a more comprehensive approach employed by organizations when they decide to tackle D&I. Rather than a one-off training or messaging campaign we need organizations to go beyond simply checking the box on diversity, equity and inclusion and really design inclusion into their everyday lives and practices. This is hard work, because it takes more thought, senior support and resource, and can't be sold as a quick win; but the long terms effects will be so much more rewarding and fair.

Implement Tech That Helps Eliminate Systemic Bias, Not Create It

Technology plays a central role in every organization's ability to make a tangible impact on D&I in the workplace, for better or worse. It can be the key to creating a truly fair and inclusive hiring process, when designed in from the start, or it can unintentionally be the main obstacle standing in your way.

Research has shown that enabling your job application process on mobile devices can increase the diversity of your candidate pool. However, improper implementation of hiring solutions, such as assessments on mobile devices can actually create adverse impact rather than improve it. When assessments that were designed and developed for a desktop or laptop computer are deployed on mobile devices, the underlying psychometric measurement can be affected. Due to different screen sizes and interfaces, candidates who complete certain types of measures on mobile devices could be disadvantaged and find themselves with a reduced chance of success. That's not good for anyone, thus technology, from the basic to the most sophisticated, needs to be considered.

Many organizations are now turning to solutions that integrate artificial intelligence (AI) into selection processes. This allows for the ability to process data while avoiding some human biases and errors. Take interviews for example. Research shows that interview ratings are influenced by rater biases, fatigue, motivation, and a host of other issues.[5] Machines don't have these problems. They can multitask, run data non-stop for hours, and they don't care if a candidate was the first or 100th person to interview.

However, that doesn't mean AI and machine learning models are impartial. Models are created by people with biases and using data that may have built in biases, so they inherently share some of our partialities. Consequently, human biases show up in our results and impact our decisions. We are obligated, therefore, to investigate our models for biases, figure out how biases enter the models, then isolate and mitigate biases as much as possible.

When implementing any technology tool into your HR system, you must determine whether the tools are empirically sound, rational, and fair. You need to ensure you can be confidently deploying cutting-edge technology and ensure you are gaining and maintaining the best talent for your organization in a way that helps move toward your diversity, equity, and inclusion goals. So, take steps to discover whether these methods are:

1. **right for your intended purpose**

2. **complementary to your current system**

3. **clear to stakeholders**

4. **largely free from biases.**

It's imperative that your assessment technology provides equivalent measurement across devices, regardless of group status.

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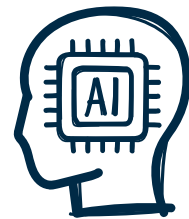
[5] Hoyt, 2000.

The Role Modeling Principle

As psychologists, we at PSI know that it is always, far, far more effective to *show* people what to do rather than tell them. This is why role modeling is one of our principles of successful D&I.

Organizational changes will not be successful without commitment, specifically leadership commitment. Leaders hold the power in the organization both formal and informal. They make critical decisions, design processes, identify who to sponsor and mentor, and send out communications. Their words and behavior are noticed and what they do signals to others what appropriate and acceptable behavior is within the organization. As the old adage goes – 'actions speak louder than words.' Leaders play a crucial role on the effectiveness of a cultural intervention.

Large organizational changes need the support of leaders, but the rest of the organization needs to be ready for the change as well. In the case of D&I, embarking on this kind of initiative requires the establishment and communication of clear objectives, ideally with measurable metrics, as well as, updated processes that allow for more diversity and inclusion opportunities. Individuals will not effectively make changes if they are not provided the guidance and support in their daily jobs.

The Accountability Principle

The important last step of any behavioral change is accountability. We all know that attitudes do not always lead to behavior. One can strongly believe that eating healthy is important, however it doesn't always stop them from making unhealthy food choices. Meaningful change is more likely to occur when accountability is built into the process, such as setting goals and then measuring (and communicating) progress towards them. People who make a public commitment to a realistic and achievable goal are much more likely to achieve it than those who do not. When it comes to improving diversity and inclusion it is important to establish a benchmark and work to show improvement.

This last step is also a way to urge an organization to action. The other principles are valuable for guiding the design and kinds of interventions to implement within an organization. However, without the accountability component, the projects may be implemented without any idea of how effective they have been at moving the D&I needle. PSI believes in implementing effective products and solutions that make a difference for our clients.

Turn Your Leaders into Allies

How does an organization ensure that their leaders are communicating a common message and demonstrating similar behaviors? Especially when it comes to diversity and inclusion, where a central tenet is that each person's life experience provides them a different perspective, how do you get all leaders on the same page? It's very likely that each leader is in a different place in terms of their understanding, awareness, and commitment to D&I. Because of this, it is important to create a consistent vision that will help guide behavior as leaders work to support the initiative.

Allyship has emerged as a framework that applies nicely to this issue of differing levels of commitment. In this framework, the end goal is to become a true ally for diversity and inclusion by actively advocating and taking action on behalf of D&I.

Allyship is not a new concept to those familiar with D&I literature. What we like about this model is that it recognizes that becoming an ally is a journey that starts with awareness and ends with individuals playing a more active role in championing change.

Here, we describe our **ABC Model of Allyship** and its three phases.

Inclusive Leader

Appreciates
Flexibility
Authenticity
Open-mindedness
Learning Orientation

Builds
Empathy
Embracing Diversity
Humility
Managing Conflict

Champions
Courage
Initiating Action
Leading Strategic Change
Resilience

Appreciates Inclusion

Allyship begins with an awareness of the issues and experiences of disenfranchised groups. It is an acknowledgement of differences and an openness to learning. Individuals in this phase are identifying privilege and seeing how it impacts and contributes to systemic bias within society and their organization.

Builds Inclusive Climate

The second phase of allyship moves from individual awareness and openness to the demonstration of behaviors. Individuals in this phase are helping to build an inclusive environment by gathering diverse perspectives, empathizing, actively listening, communicating transparently, and showing humility and authenticity. These behaviors, especially when modeled by leaders, build an environment of trust and psychological safety.

Champions Change

The last phase of allyship is one of advocacy. Individuals at this stage take their behavioral commitment to another level. They tend to look for opportunities to affect change formally and informally. To be successful at this stage, individuals need to be courageous, action-oriented, resilient, and willing to commit to large change efforts. Organizational change does not happen quickly or easily, but it won't happen at all without individuals in this phase. Ideally, the entire organization is full of allies, working together because the climate supports all of these behaviors.

From the allyship framework, we developed an **Inclusive Leader Competency model.** Inclusive leaders are D&I allies, and this model helps organizations and their leaders understand where they are along their journey towards allyship.

Creating a diverse, equitable and inclusive organizational climate is a large undertaking and requires the organization to tackle it by looking at all internal processes and at all levels within the organization. As summarized in this guide, organizations should make sure they:

– understand how their technology can help or hinder D&I efforts;

– approach the creation of an inclusive environment from multiple angles; and

– have a leadership team of allies to effectively drive change initiatives.

Organizations that can accomplish this will experience the many benefits of a diverse, equitable and inclusive environment.

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How to Take Action on Diversity and Inclusion

We recommend aligning your D&I actions to the core principles we have described.

Global

Make your interventions work in all countries you intend to implement them. You can do this by:

– Appoint an inclusion lead in every country your organization operates and ensure they are familiar with any relevant local laws

– Pilot your intervention in one department or country, and then used the lessons learned to secure a smooth global roll-out

– Consider carrying out a global D&I audit – this can give you a picture of where each country is in terms of D&I. These types of surveys can take several forms. You could look at something values-based which measure how aligned your employees are to your D&I goals. Alternatively, you could carry out a more traditional type of survey – where employees are asked questions around how inclusive they perceive their organization to be. PSI offers both types of tools and can also produce bespoke versions.

Integrated

Not one single intervention is going to bring about change in an organization; if an intervention sits on the periphery of your organization rather than being embedded in everyday behavior, it will not bring about meaningful change.

Examples of interventions that tend not to become fully integrated are trainings, webinars and awareness days. Whilst these are powerful signals that diversity and inclusion is important to the organization, they are transitory actions which will not become integrated in an organizations' fabric.

For a more integrated approach you can:

– Focus on interventions that create inclusion *by design* for example; blind hiring, inclusive meeting protocols, and inclusive language checkers

– Touch as many parts of the organization as possible – leaders, individual contributors, even suppliers and customers

– Ensure your actions are ongoing, with measurable impact.

Personal Insight

Many organizations choose to approach D&I from a group level perspective by providing training to large groups of people without focusing on the individual. Our approach provides individualized feedback to individuals on the underlying characteristics that drive inclusive behavior. This personal insight allows them to tailor their D&I development journey.
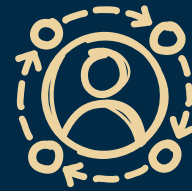
– Tailor your interventions to support behavioral change by understanding what behaviors are driving those changes.

– In order to understand behavior you first need to measure it. PSI offers two solutions for doing this – our **Intercultural Competence Questionnaire** and the **PAPI Inclusive Leader Report.**

Role Modeling

Role Modeling is critical in behavioral change. PSI's Inclusive Leader Report provides a strong mechanism for starting your leaders on their path to role modeling greater inclusion. There are many other ways you can encourage your leaders as inclusive role models:

Use an inclusive leadership 360
PSI has an inclusive leadership 360 which invites feedback for senior leaders on key inclusion dimensions. This is a powerful tool and can unearth some challenging feedback. Therefore, this should be used alongside appropriate coaching and follow up support. The feedback from this tool is comprehensive and can be used to construct a detailed development plan.

Coaching
If tools-based intervention isn't right for your organization, finding coaches that specialize in inclusive behavior to encourage role modeling in your leaders can be a good first step.

Consider visible 'quick-wins'
One of these is a 'My inclusion pledge' – encouraging leaders to publicly pledge a tangible action they will each take to make their working life more inclusive. Examples include:

– Not attending meetings over five people which are all-male – find a woman to invite, there will be one with a relevant perspective. Or, if you see the opposite in your organization and meetings can be all-women, find a man to invite.

– As above, but do not allow the meeting to be all-white or all people over 45.

– Having a coffee meeting with someone different from entry level ranks every four weeks to get their perspective on organizational issues (randomly selected).

– Committing to openly advertising all roles internally – whether formal jobs or the opportunity to lead new projects.

– Following a formal meeting protocol where all resources are shared in advance and a chairperson ensures everyone can respond on all points, and manages interruptions.

Accountability

Achieving success in changing an organization's behavior is most likely when there is a level of accountability. Without well-defined, measurable and achievable goals, organizations and their employees will not be able to track progress toward a more inclusive workplace.

The best way to establish accountability is to implement best practices around goal setting. With regard to D&I, some ideas are:

Identify Measurable Metrics
Think about the changes that are being made within the organization and measure their effects. Look at metrics within recruiting, promotions, and training opportunities. Use a climate survey to establish a baseline level of inclusion perceptions and continue to measure year-over-year to monitor progress.

Create goals and track them
Once you know what you can measure, set goals and track your progress towards them.

Communicate progress
An important step that is often overlooked is to communicate progress across the organization. Workers want to know if their efforts are paying off and many will appreciate being part of organization that is committed to an inclusive workplace.

Taking action, based on the five core principles of Global, Integrated, Personal Insight, Role Modeling, and Accountability will enable you to truly embed D&I at the heart of your organization and bring about sustainable change in this arena.

The Ultimate Guide to Navigating the New Talent Landscape

This playbook for HR Leaders dives into the future-critical areas of impact that every organization needs to keep top-of-mind and outlines actionable strategies to:

**Re-Imagine Your
Talent Life Cycle**

**Build a Diverse and
Inclusive Workplace**

Get Back to Business Safer

**Hire, Develop, and Lead
an Effective Remote Workforce**

**Lead the Way Back Through
Turbulent Times**

**Re-Engage and Re-Energize
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