



Radical Inclusion Playbook

3 Strategies for accelerating D&I progress in your organization

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How we got here

Diversity is at the top of the agenda for many C-Suite leaders. Likewise, many organizations have publicly broadcast their commitment to diversity, with over two-thirds of executives rating diversity and inclusion as an important issueⁱ.

Though many businesses take the diversity pledge, *organizational obstacles* impede the execution of well-intentioned diversity efforts, resulting in a lack of D&I progress. Resistance can take the form of overt pushback, but in today's business climate in which no one wants to be viewed as discriminating, it often manifests as *stealth resistance*; indifference to diversity gaps, passive nonsupport for inclusion efforts, or claims of higher competing priorities.

In this light, this paper describes diversity difficulties and defines three non-traditional routes that organizations can take to navigate through organizational obstacles to enhanced diversity and inclusion.

A dishonorable discrepancy

In spite of increasing verbal commitments and financial investments, many organizations report a lack of progress in diversity. A 2019 article from Time stated that "While business targeting diversity is flourishing, diversity is not."ⁱⁱ It's akin to the proverbial hamster running hard on a wheel but going

nowhere fast. Few businesses claim that they have mastered the diversity challenge, supported by sobering facts. For example:

Race:

The 2019 Time article reported that people of color who make up nearly 40% of the U.S. population remain acutely underrepresented in most influential fields and only held about 16% of Fortune 500 board seats in 2018.

Age:

44% of people report they have observed age discrimination in the workplace, and age discrimination is recognized by the World Health Organization as a "prevalent and insidious problem" that can act as a dangerous employment discrimination tactic, even if it's unintentional.ⁱⁱⁱ

Gender:

Women make up only 22% of top executives in North America and Canada^{iv} and there is a gender wage gap in 97% of occupations^v with women being paid 80 cents on the dollar of their male colleagues^{vi}. Among the greatest gender challenges are what has been referred to as the "broken rung"; the difficulty women have moving up into management roles.

These gaps are unacceptable, not only to D&I and HR leaders, but to anyone who sees their injustice and

the negative business impact that accompanies them.

Overt as well as unconscious bias is prevalent in the US, so one might be tempted to leave the problem to government leaders and sociologists. However, investors and stakeholders expect those of us in business to *operate according to a higher order; an order in which we transcend biased beliefs and actions that interfere with organizational performance.*

A less visible dilemma; diversity beyond “face”

Face refers to race, gender, color, age, sexual orientation and other diversity characteristics represented by the protected classes. While there is much to be done to eliminate bias and discrimination in these domains, there is another form of bias that must also be understood.

Cognitive diversity represents the different styles of thinking, mental frameworks, and lenses with which people see the world. Well-known personality assessments have been used for decades to address cognitive differences, although rarely associated with diversity efforts.

Cognitive style differences can be measured and are in fact at the root of many personality conflicts. People can easily be “excluded” because of the way they think.

Accusations from the excluder sound like “she’s so analytical and slows us down”, or “he’s always rushing to get things done”. Instead of *valuing these differing styles*, less informed leaders use these differences to exclude people. People tend to involve others with whom they are comfortable – people more like them, whatever the style, even when the outcome is less effective than involving others who think differently.^{vii}

In light of this, even though cognitive diversity adds another layer of complexity to the already intricate biases with which organizations must deal, it deserves to be on the radar screen of anyone who’s invested in diversity and inclusion (D&I).

Understanding Covert Bias: Boxing & Shelving

It’s helpful for those of us who act as D&I change agents to consider unconscious bias as being *covert*; as in operating in the shadows, due in part to our hidden neurological wiring.

Boxing: The prehistoric parts of our brains, particularly the amygdala, automatically put people in categories – in *boxes*, such as man or woman, young or old, black or white, fit or unfit, gay or straight.

Shelving: Our brains then put the boxes on *shelves*, denoting value,

such as young equating with inexperienced, or old being the equivalent of slow. The lower shelves are reserved for people who are perceived as being *different*, of less value, potentially risky, and “outside your circle”. The upper shelves are reserved for people who are *just like us*, valuable, in your inner circle, and they become your “go to people”.

The brain, specifically the RAS (reticular activating system), filters out data that is inconsistent with your existing views of these people, leading to *self-perpetuating bias*.

Boxing & Shelving can have insidious effects on the beliefs and actions of managers. Based on covert biases, and often unconsciously, managers provide others more or less support, feedback, coaching and resources. (See table below.) This in turn leads to a *Self-Fulfilling Prophecy* in which the manager’s negative beliefs about a person or a group influence their actions. Unfortunately, those actions often turn those negative expectations into reality.^{viii} Consequently, if a leader deeply believes that an employee is subpar and will make no contributions of value, over time, it will probably become true.

Beliefs Influence Behavior

	People Inside the Circle	People Outside the Circle
1. Time	Give them more time	Give them less time
2. Information	Share more information	Share less information
3. Feedback	Give more and better feedback	Tend to give less quality feedback
4. Resources	Share more resources	Share fewer resources
5. Opinions	Ask for opinions more often	Don't value their opinions

Since bias is often rooted at the neurological level, attending a brief diversity training workshop most often does not lead to lasting change.

One of the greatest crimes leaders can commit is not only to box and shelve others but to *box and shelve themselves*. Engaging in undue self-criticism and negative self-talk makes

leaders withdraw instead of lean in, creates self-doubt instead of fueling confidence, and cultivates self-limiting beliefs that cause a leader to try to fit in versus leverage the most unique aspects of themselves.

Consequently, leaders must attend to their own thinking as well as that of their teams; “Healer, heal thyself.”

Radical Inclusion Playbook

There are three strategy routes that enable organizations to accelerate progress in D&I. They are:

Route 1 – Map your organization’s obstacles to diversity, equity & inclusion

Route 2 – Broadcast the business value of diversity

Route 3 – Infuse diversity-driven innovative thinking into everyday business



1. Map your organization’s obstacles to diversity, equity and inclusion

In the same way that you would not begin a great journey through complex terrain without identifying potential danger zones, organizations must first understand their specific obstacles and areas of resistance to diversity and inclusion. Below are six common obstacles to making progress in D&I.

Lack of Message Constasy	Ownership Challenges	Fuzzy Performance Expectations	Insufficient Resources	Institutional Bias	Diversity as a Numbers Game
Many senior leaders are willing to state that D&I is important, but how many times and when do they verbalize it? When only occasionally, it drops on the priority list	Typically it’s the Chief Diversity or HR office that owns D&I. It’s only when everyone raises their hands and says, “We are all the diversity people” that organizations can genuinely embrace D&I	Managers are expected to comply with non-discrimination laws, but there’s often lack of clarity on performance expectations about <i>what they should do proactively</i> to lead for D&I	Even when the right actions are planned, efforts to transform an organization’s diversity culture can be inadequately resourced: people, time, money and authority	Some businesses may harbor unspoken bias about entire categories of people. Likewise, culture legacy stories about heroes and deeds might unintentionally reinforce bias	D&I metrics are important but there is a risk that the focus remains on the numbers versus the deeper issues that reflect the true state of diversity, inclusion and equity
<i>“D&I is good but if we don’t meet our goals, there won’t be anyone left to include.”</i>	<i>“There are mostly older white guys on my team, but that’s a problem for HR to solve.”</i>	<i>“When I asked about the promotion criteria to VP, they didn’t say a word about inclusion.”</i>	<i>“Sure, I’m the CDO but with a team of two, a workforce of 5,000, limited budget and no authority, how much can I do?”</i>	<i>“We need more people like Joe, who closed more business deals than anyone else and he did it while golfing at his exclusive club!”</i>	<i>“We increased the number of black females we hired last year. That’s the point, right?”</i>

These obstacles may carry different weights in different organizations and it’s up to each organization’s leadership to prioritize the most relevant for their business and prescribe appropriate action.



2. Broadcast the business value of diversity

Measurable value

The challenges of increasing diversity become all the more puzzling given that it’s been clear for years that “diversity is good business”. Firms with higher levels of diversity and inclusion, in staff and management:

Demonstrate higher levels of company performance ^{ix}	Are: ^x 2X more likely to achieve financial targets
Are 35% more likely to have returns above industry means ^{xi}	3X more likely to be high performing
Have greater <i>access to new markets</i> and are 45% more likely to <i>grow market share</i> ^{xii,xiii}	8X more likely to achieve better business results

The correlations between diversity and business performance are so compelling that it obliges us to ask, why do more diverse businesses outperform less diverse businesses? One hypothesis is that *diverse organizations think more divergently, see more broadly, and solve problems and innovate more effectively.*

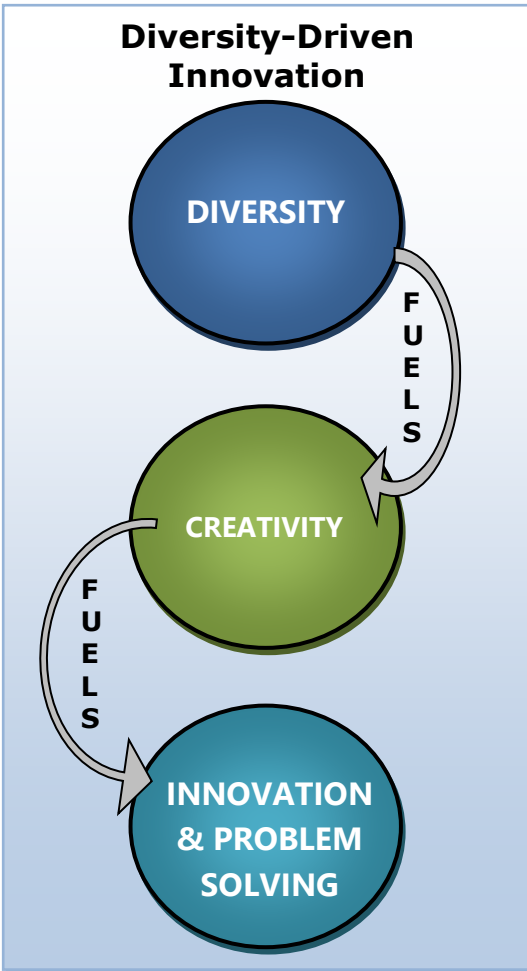
Lo and behold, the data overwhelmingly supports this:

- More diverse organizations are **6X** more likely to be innovative^{xiv}
- Companies with *more women* are more likely to introduce *radical new innovations* into the market^{xv}
- Businesses run by *culturally diverse leadership teams* are more likely to develop new products^{xvi}
- *Firms with more ethnic and racial diversity* in management have **2X** the *innovation revenue* versus companies with below average diversity in management^{xvii}

These organizations **leverage divergent thinking**, *from the team to enterprise level*, to produce major innovations (Big I), as well as make incremental improvements and solve day-to-day business problems more effectively (little i).

Divergent and diverse thinking is akin to the value of *portfolio diversification*. Greater portfolio diversification equates with reduced risk and increased opportunities to take advantage of shifting market conditions. Greater *workforce diversification* translates into the greater chance to take advantage of *emerging business opportunities*.

The truth is that *diversity fuels creativity, and creativity fuels innovation.*



Innovation needs innovating

HR and D&I leaders might think that innovation leaders don't need any help from them. Nevertheless, everyone in an organization should think about innovation given that 84% of executives state that innovation is vital to their growth

strategy^{xviii}. In spite of this, significant innovation gaps remain with only 6% of those same executives being satisfied with their company's innovation performance.^{xix} The reality is that achieving high levels of innovation is difficult for a company in any given year, and remarkably difficult to sustain over time.^{xx}

Innovative thinking does not come naturally to most people. We're efficient, reflexive thinkers who seek to confirm what we already know. When we are on autopilot, we are confirmation machines, not innovation machines^{xxi}. Given the importance of innovation, along with the unfulfilled expectations of leaders, *diversity is the perfect partner for innovation.*



3. INFUSE DIVERSITY-DRIVEN INNOVATIVE THINKING INTO EVERYDAY BUSINESS

D&I; a theme of good but not good enough

Many organizations take action to improve D&I but must ask if the actions are sufficient to affect change as the chart on the next page depicts.



Considering the above challenges, one diversity guru said, "diversity without inclusion is useless."^{xxii}

Misan Sagay, a black filmmaker and member of the Academy of Motion Picture Arts and Sciences, says, "More attention also must be paid to what happens once people of color are hired. A lot of the times they want our physical presence but not our voice."

This is often the case when organizations have reasonable diversity acquisition rates but low

diversity retention rates. For example, at the time of this report, Google struggles to retain diverse talent, with the highest attrition being among African American employees.^{xxiii} This happens particularly when diverse hires experience *unmet promises* of a culture in which they can grow and feel valued and respected.

In order to leap beyond the obstacles and overcome resistance to diversity and inclusion, a new approach is required.

INFUSION: A new play to accelerate progress in D&I

This Radical Inclusion Playbook defines the What, How, Who, When and Why of leveraging diversity-driven innovative thinking to progress D&I in an organization.

WHAT

In order to build an environment in which diversity is cherished, inclusion is a habit, and all people are valued, *diversity-driven innovative thinking* must be **radically infused into the organization** so it becomes a part of how the organization does business, every day. This reflects leveraging diverse and divergent thinking from diverse people to more effectively innovate, solve problems and make smarter decisions.

WHEN

This *inclusion infusion solution* is best administered in the *critical business challenges* that the business faces regularly. Though there are many, three **Critical Innovation Opportunities** – CIOs – stand out during which divergent thinking can be leveraged for better innovation, problem solving and decision-making:

1. **Innovation Meetings** such as product and service innovation, design thinking, technology innovation and digital transformation sessions

2. **Business Improvement Discussions** such as six sigma, continuous improvement, customer experience management and agile sessions

3. **Strategy and Planning Sessions** such as business strategy development, department planning sessions, and sales strategy and planning sessions

HOW

The chart on the next page describes one way to operationalize diversity-driven innovative thinking.

One component of the How is to a) designate *Diversity Champions* who facilitate meetings that leverage diversity for greater innovative thinking, and b) train Team Leaders and members to conduct team meetings to leverage diversity for the business value it brings.

The chart also describes the organizational *Ecosystems* required to support diversity-driven innovative thinking.

Radical Inclusion Playbook; Operational Components

Designate Diversity Champions	Develop Teams
<ul style="list-style-type: none"> • Designated: Diversity Champions are designated in major divisions in the organization, coming from individual contributor or manager roles: larger organizations: 1 for every 75-100 people, smaller organizations: 1 for every 25-50 people • Certified: Champions are certified as <i>diversity-driven meeting facilitators</i> to facilitate important group decisions, strategy development, innovation and problem-solving meetings, leveraging D&I to generate innovative thinking applied to specific business challenges. They're also certified to coach and advocate the value of leveraging diversity for greater innovative thinking 	<ul style="list-style-type: none"> • Team Leaders: Trained to <i>unlock new levels of innovative thinking at the team level</i>, leveraging diversity and inclusion, governed by explicit performance expectations • Executives: Senior leaders consistently emphasize the importance of diversity, equity and inclusion, positioning it not as an HR mandate but rather as a business imperative • Team Members: Trained to work with each other from a position of value and respect, making it safe to express new and divergent ideas and making the best use of each person's unique skill set and perspective
<p align="center">Align the Ecosystem - to support diversity-driven innovative thinking</p>	
<ul style="list-style-type: none"> • People Management Systems – Reward leaders for acquiring, developing, engaging, retaining and leveraging diverse and all talent • Knowledge Management Systems – Maintain skills & knowledge data bases and agile people-to-project allocation systems • Analytics/M Measurement Systems – Collect/analyze people analytics & measure business outcome linked to diversity-driven innovation 	

WHO – Roles.

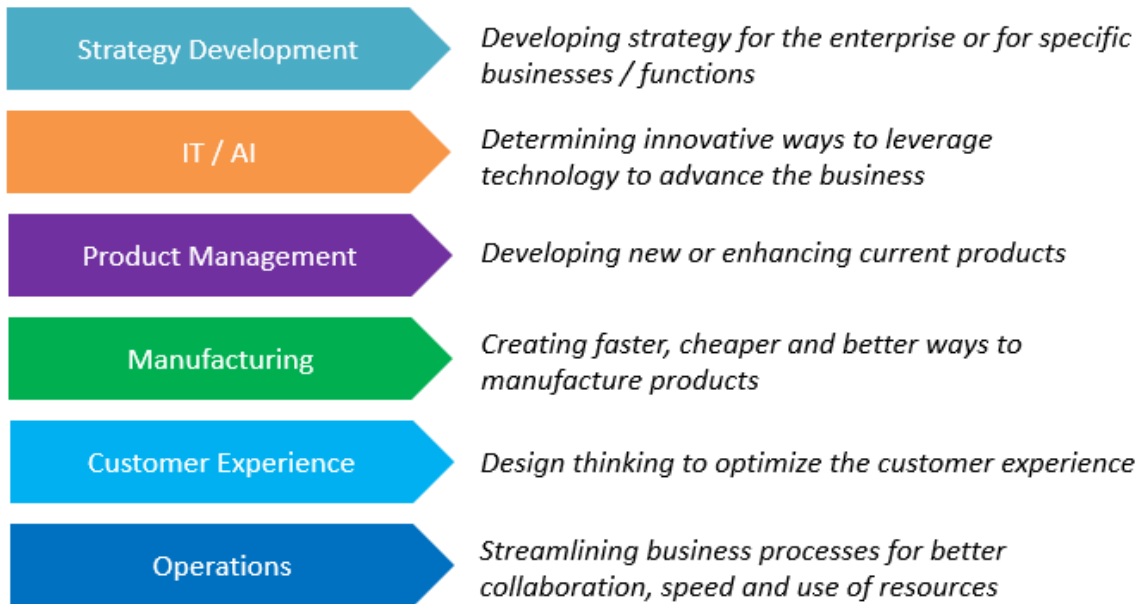
The most important qualification for a Diversity Champion is that they care about advancing the cause of D&I in their business. *Diversity Champions* can come from any function and make significant contributions, especially when they have experience in such roles as:

- Design thinking
- Six Sigma
- Agile
- Innovation leader
- Internal consulting
- HR
- Strategy

WHO – Functions. The journey of enabling an organization to practice diversity-driven innovative thinking cannot be accomplished by one department alone. It takes partners. Those business functions that benefit most from innovative thinking are strong candidates for partnering.

As the chart on the next page depicts, there are a number of different functions that can potentially make for strong partners in leveraging diversity for innovative thinking.

Potential Diversity-Driven Innovation Partners



These functions are always on the lookout for better, smarter and more innovative solutions, which earmark them as potential diversity-driven innovative thinking partners.

WHY This; Why Now?

When organizations learn to value and utilize diverse perspectives from diverse people, the pay-off will be profound:

- **The business** will benefit from more innovative products and services, as well as the cost and time savings that come from streamlining operations
- **Leaders** benefit from having teams that are more proficient at solving problems

- **Diverse employees** benefit by feeling more valued, respected, and included
- **All employees** benefit by being in a culture in which diverse thinking is valued and collaboration is reality

Organic evolution

Diversity-driven innovation represents a unique opportunity to help organizations *evolve organically*. When a critical *mass* of departments and teams leverage diversity for innovative thinking, then diversity and inclusion will be prized for the powerful benefits they bring.

About Change-Ready Solutions

Change-Ready Solutions is a specialized training and management consulting firm that helps businesses leverage diversity to lead, change and grow:

- Training for managers and meeting facilitators to leverage diversity for greater innovation and problem solving
- Consulting to diversity teams to integrate D&I into everyday business activities



Bruce N. Fern is the founder and president of Change-Ready Solutions. His background is in the behavioral sciences which he applies to all of Change-Ready Solution's business solutions. He's an accomplished business leader who helps organizations leverage diversity, inclusion and equity for better decision-making, problem-solving and innovation.

Bruce was a leader in IBM's external consulting Talent & Change Global Center of Excellence and was the corporate VP in charge of agency leadership development for New York Life. Before that, Bruce founded and led for 15 years Performance Connections International Inc, a training and consulting firm specializing in employee engagement, talent retention, sales, service and leadership development. Before that, Bruce was the Executive Vice President of Consulting at MOHR/Blessing White, one of the nation's leading professional development companies.



NATALIE JENKINS

Natalie Jenkins has been a distinguished leader for over 20 years in providing consulting and training services to businesses to support organizational transformation. Natalie has enabled fortune 500 and non-profit enterprises alike to build productive, diverse and healthy employee cultures that drive long-term business results.

Previously, Natalie was one of the leaders of the start-up team at Waggl which provides a disruptive technology-driven continuous listening platform to market. Prior to Waggl, she was the Director of Strategic Innovation at New & Improved, a leading innovation and problem-solving training and consulting firm. Before New & Improved, Natalie was one of the founding members of the team that created Innova, then the exclusive U.S. distributor and global leader of training programs based on the work of creative thinking guru, Edward de Bono.

For questions about how to bring these strategies to your organization, please reach out to:



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We can push down, hold back or shut out people who are different, or we can value their diverse presence as the most extraordinary business asset we have.

Bruce Fern, President, Change-Ready Solutions

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