What do Diversity and Inclusion mean to you?

What comes to mind when you think about Diversity and Inclusion in the workplace? Is it merely the latest HR fad? Is it simply about ticking boxes to ensure compliance with the Equality Act 2010? Is it just about ‘doing the right thing’? Or can it make a fundamental and positive difference to the culture and performance of an organisation?

**Shifting definitions of diversity in the workplace**

People often talk about diversity in terms of both ‘visible’ and ‘non-visible’ categories of difference between people; or as ‘inherent’ and ‘acquired’. ‘Visible’ categories of difference include things like age, gender, ethnicity, physical disability, pregnancy and maternity; while sexual orientation, education, occupational background, political views, religion or belief, some physical disabilities, mental health conditions, and socio-economic status are in the less or non-visible category.

Another angle comes from academic Scott E. Page’s idea of ‘cognitive’ diversity, in other words, the “differences in how we see the world, how we think about the world, how we try to solve problems, the analogies we use, the metaphors, the tools we acquire, the life experiences we have”. This definition can be linked or symbiotic with the above categories of difference.

*In other words, diversity can be anything that makes individuals who they are – whether superficially or meaningfully so.*

Workplace policies designed to promote understanding of diversity at work have often focused on the prevention of discrimination against certain categories of difference in recruitment or career progression. While these types of policy remain important building blocks in a fair and enabling workplace culture, and are strongly reinforced by legislation designed to protect certain groups from disadvantage, they are often grounded in terminology of ‘prevention’ and therefore can only go so far in helping employers to become truly, and positively, inclusive.
Progressive employers increasingly taken a more positive, creative and nuanced understanding of difference as a source of new ideas, constructive challenge and more innovative ways of working; in other words, something to be actively sought out and celebrated. Take Apple's definition of diversity, which equates diversity with innovation:

“The most innovative company must also be the most diverse. At Apple, we take a holistic view of diversity that looks beyond the usual measurements. A view that includes the varied perspectives of our employees as well as app developers, suppliers, and anyone who aspires to a future in tech. Because we know new ideas come from diverse ways of seeing things.”

[Source: www.apple.com/diversity]

How is inclusion different from diversity?

Inclusion is often understood as a more active concept than diversity; the *vehicle* which enables different people to be themselves, express themselves, and realise their full potential, in the same workspace. Inclusion is not the same as ‘integration’, and several studies have highlighted difference and creative conflict as crucial catalysts in generating the competitive benefits of diversity. Inclusion is about putting in place the conditions which enable people with diverse backgrounds, insights and experiences to work together openly, respectfully and collaboratively.

This positive definition of diversity and inclusion opens up exciting new ways of understanding how innovation and problem-solving happen in business.

The business case for diversity and inclusion

Alongside the moral case, there are also very good business reasons for building diverse and inclusive organisations. Diversity and inclusion create a competitive edge by helping companies to:

*Avoid partial solutions to complex problems*

Although it’s almost a cliché to say that complex problems require complex solutions, on too many occasions we have seen what happens when homogenous groups of decision-makers are cut off from divergent and contrary perspectives. From the Bay of Pigs to the 2008 financial crisis,
‘groupthink’ emphasises conformity, avoids difficult questions and prevents independent thinking. And groupthink is just as likely to occur within workplaces as in international affairs, if not more so. Diversity and Inclusion are the enemy of groupthink. According to US research by Scott E. Page, the presence of diversity in teams is usually of greater importance than that of skill in overcoming complex problems.

A lesson from history: JFK started out his presidency by consulting the “wise old men” in the CIA and military, who provided a partial view based on uniform cultural assumptions, resulting in the Bay of Pigs debacle.

Embrace change

Business challenges are becoming more complex by the day. Globalisation, technology, climate change, demographics, investor short-termism, political uncertainty and changing social values combine to create unprecedented volatility in the business environment. The ability to reinvent products, services and processes on an almost continuous basis increasingly lies at the heart of business survival and growth. Becoming diverse and inclusive is in many ways about cultivating a mentality of openness to challenge and change, which carries the added business benefits of receptiveness to new ideas, and agility in anticipating, responding and adapting to market changes.
Embed innovation

As methodologies such as Google’s Design Sprint, and the global FabLab movement show, divergent, ‘open source’ thinking at both the ideation and validation stages plays a critical role in discovering creative and robust solutions to business problems. This challenges the conventional view that innovation results from the application of codified knowledge to a problem using linear, sequential steps. Rather it focuses on the power of the serendipitous; the genuinely fresh insights created when diverse bodies of knowledge, both codified and tacit, are brought together through a process of active collaboration in an enabling and trust-based environment.

Research has shown how teams comprising individuals with diverse personalities, backgrounds and perspectives generate more innovative products, processes and services, resulting in tangible improvements to day-to-day business.

Reflect your customers

In a globalised world, a company’s customers are becoming more and more diverse. It is important for all businesses to be able to reflect their customer base to serve them better, not only on the customer service frontline, but also in anticipating and coming up with new products, processes and services which meet diverse demographic needs. A real-life example of this comes from BT, which encourages members of Kaleidoscope, its LGBT network, to participate in market research for the company’s marketing strategy and products. This feeds into the company policy to raise its profile as an employer and preferred supplier with LGBT communities. Studies have also shown that diverse workforces provide a better, more culturally sensitive customer service to diverse customers.

Attract and retain the best talent

It goes without saying that including people from a diverse range of backgrounds and communities in your workforce means access to the fullest range of talent, skills and perspectives across society. Another dimension to this has been highlighted by The Employers Forum on Disability, which found that ‘disability friendly’ changes made to recruitment practices also generated improvements in accessibility and fairness, benefiting all job applicants.
What can be done to build a diverse and inclusive organisational culture?

It is not enough to assemble a workforce embodying various categories of ‘difference’. Indeed, assembling teams with very different perspectives on how to get things done can result in misunderstanding and stalemate, or in even less likelihood of those with diverse views coming forward to express them. As Scott E. Page put it: “you just can’t put the ingredients in a blender and hope it’s going to work out”. Instead, there must be a systemic commitment to listening to and absorbing different perspectives, at individual, group and organisational levels.

Workplace Innovation has developed a holistic concept called The Essential Fifth Element, which is a method both to help companies assess and describe their workplace practices. This model highlights the interdependence of four distinct Elements which can combine to create a truly diverse and inclusive organisational culture.
The First Element: Jobs & Teams

**Job design** is a much-overlooked tool that can be harnessed to ensure that diverse skills are effectively recognised and used as well as developed. Jobs which empower people to make decisions about how they work and recognise that 'one size doesn't fit all', encourage all employees to grow in confidence, be engaged and make improvements to their day-to-day work.

Linked to job design, **empowered, self-managed teams** are an essential building block in which people share knowledge and problems, break down barriers and generate ideas for improvement, innovation and growth using insights that day-to-day work experiences bring. **Multidisciplinary teams** are an effective vehicle for bringing together diverse perspectives from different functional backgrounds to bear on the same problem, to achieve more complete solutions.

These approaches must be coupled with opportunities for regular **productive reflection** and **learning opportunities** both at individual and group levels. Diversity researcher Ian Dodds, for example, has shown that diverse teams work better together when trained in certain collaborative, reflective behaviours, focused on ‘respecting and exploring different ideas and opinions and differing points of view, and building on each other’s suggestions’.

*Read more about job design and self-managed teams, and gain insight into ‘effective teaming’ here.*

The Second Element: Structures, Management & Procedures

Too often, functional and physical boundaries between departments and teams interrupt workflow and present a barrier to inclusive decision-making, communication and innovation. An inclusive organisation is one which seeks to maximise the potential for **collaboration across departments and functions** by encouraging openness and ideas sharing between employees at all levels.

An inclusive organisation is also one in which decision making is delegated to the lowest practical level; managers respect the tacit knowledge that staff bring to their own tasks. Line managers instead understand that one of their principal roles is to **coach and develop teams and individuals**, and are empowered to acquire the skills they need to do so.

*Read more about breaking down organisational silos, hierarchies, and changing management behaviour.*
The Third Element – Employee-Driven Improvement and Innovation

Inclusive organisations create times and spaces where people can meet and think in different ways together. This might be achieved, for example, by providing spaces away from the immediate pressures of the workplace, establishing regular forums or awaydays that enable staff at all levels of an organisation to leave job titles and hierarchies behind, and to explore new ideas through open and free-thinking discussion. When employees come up with new ideas and improvements, there should be a formal follow-up mechanism – involving the employee themselves wherever possible.

Read about organisations which have make employee-driven innovation part of the day-to-day.

The Fourth Element – Co-created leadership and employee voice

The Harvard Business Review found that a company which articulates a positive vision of diversity, rather than one which seeks to downplay and absorb difference, makes employees feel more engaged and willing to share their differences openly. It is therefore critical for an organisation to develop core business practices and strategies which openly invite and integrate the diverse perspectives of their employees; and to share these with all employees on the basis of dialogue rather than ‘top-down’ imposition.

Inclusive organisations are also those where a diversity of employees from across the organisation are represented on a forum at which major decisions affecting the future of the organisation are openly discussed, and which plays a major role in shaping outcomes.

Read about real-life examples of co-created leadership in companies across the world.
Conclusion

Diversity and inclusion are not only ethical imperatives, then, but bywords for more creative, innovative, engaged and productive organisations. It is not enough simply to recruit a diverse workforce, implement training on ‘diversity awareness’ or invest in one-off consultancy initiatives. Diversity and inclusion, holistically understood, entail a systemic and strategic commitment from an organisation to recognising and tapping into the rich pool of talents, experiences, perspectives and ideas from its workforce. The business case for this commitment is clear. In the words of a report from the Department of Business Innovation and Skills, “Gestures cost money: to achieve benefits and avoid costs, businesses need to see diversity as a strategic resource”. Doing so will contribute to better products and services, enhanced organisational legitimacy and reputation, a more engaged and productive workforce, the cultivation of openness and flexibility, and greater agility in responding to an uncertain business environment.

Diversity and inclusion together represent a source of much-needed disruptive creativity and innovation in business.

*How does your organisation compare?*

Try our free online Diagnostic: [http://freshthinkinglabs.com/survey](http://freshthinkinglabs.com/survey)

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