Moving beyond corporate statements on diversity to build a truly inclusive environment for staff

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Abstract

Purpose – *This paper aims to analyse how leaders can foster inclusive environments within their companies that support a diversity of employees. The piece discusses the rise of ''cancel culture'', arguing that protecting against cultural misstep is increasingly important due to the rise of social media.*

Design/methodology/approach – *The piece uses experience in senior leadership, as well as personal lived experience of diversity and inclusion in the workplace to draw conclusions around how DE&I policies can be improved.*

Findings – *It is essential that senior leaders and HR teams build a strong diversity strategy that accounts for the lived experiences of staff, and pushes for real, concrete change in the workplace.*

Originality/value – *Conversely to the actions of many large corporations, here the author posits that creating an external image centred around diversity and inclusion is not enough to create a psychologically secure environment for employees.*

Keywords Human resource management, Diversity, Leadership, Wellness

Paper type *Viewpoint*

This article analyses how leaders can foster inclusive environments within their companies that support a diversity of employees. The piece discusses the rise of "cancel culture", arguing that protecting against cultural misstep is increasingly important due to the rise of social media. The piece uses experience in senior leadership, as well as personal lived experience of diversity and inclusion in the workplace to draw conclusions around how DE&I policies can be improved. It is essential that senior leaders and HR teams build a strong diversity strategy that accounts for the lived experiences of staff, and pushes for real, concrete change in the workplace.

Corporate social responsibility has become increasingly important in recent years, with organisations keen to protect their external image against criticism. To retain both staff and customers, businesses must engage in practices that are seen to have a positive influence on society as a whole. This shift has occurred as the workforce balance has tipped more towards Generation Z (employees born between 1995 and 2010), who have a much stronger view on the perceived ethics of the employers they work for than any previous generation of workers.

To win the hearts and minds of Generation Z, companies and employers will need to consistently demonstrate their credentials as good global citizens, with inclusive environments and proactive stances on world events. Successful employers will build programs in their businesses to understand the perspective of their employees and react and emote accordingly.

The Generation Z outlook, allied to a squeeze in labour availability and the dominance of social media and the 24/7 news cycle, enables disaffected employees to create reputational harm in a way they perhaps could not do in the past. Conversely, the same social media forces could enable companies to build a more thoughtful and positive brand image amongst employees and customers.

Building a positive brand image is not a process that can be achieved with words alone. Reputation comes from within – leaders must carefully craft an inclusive environment for their staff before hoping that their external messaging centred around diversity and inclusion will be effective. As such, it is essential that businesses move beyond sweeping corporate statements on their organisational culture, instead engaging in real concrete action that builds a welcoming and inclusive environment for all staff. Only once this internal culture is strong can organisations consider promoting their inclusivity externally.

Protecting against cultural misstep

Defending a reputation often leads to an increased concern among leaders about cultural missteps, and for good reason. The social media ecosystem moves at lightning speed; no longer do employees need to break stories to the tabloids – they can easily and quickly report any misgivings at work using a Twitter account alone. Stories can also circulate to a much larger audience; everyone now has direct access to a wide range of people from all across the globe, in a way that simply was not the case even 20 years ago. As a result, the potential for reputational damage caused by cultural misstep is greater than ever before.

"Cancel culture" is the buzzword of the moment in this domain, used to refer to the process of negatively branding a person or company when they are perceived as behaving in an unsavoury manner or taking a social position at odds with the one deemed to be "correct" at the time. This is alarmingly easy when social media is right at our fingertips – it only takes one negative post to gain traction on social media for popular opinion to turn sour. According to the 1% rule, about 1% of internet users are responsible for creating content, whereas 99% are merely consumers of that content. This deep imbalance can lead to posts going viral extremely easily, as there will always be more users reading and sharing content than creating it. When combined with the fact that negative posts tend to be more popular than positive ones, cultural misstep on the part of companies can spiral very quickly in the digital world.

There are a variety of consequences of being "cancelled" online, but they can be summarised as negatively impacting a brand's reputation. When popular opinion of a company collapses online, consumers are unlikely to forget about it quickly, and can begin disengaging with the business' products and services. This can even go as far as impacting profits and share prices, due to both customers and investors alike refusing to engage with a business or individual due to their actions. Leaders are understandably keen to avoid this and must avoid cultural crisis at all costs.

Understanding colleagues' lived experience

Cultural crisis has increasingly become an area of focus for leaders in recent years due to the rise of anonymous platforms allowing consumers and staff to critique businesses and senior leadership. Organisations can no longer afford to make a sweeping corporate statement on issues such as inclusivity and wellbeing without backing their words up with effective action to support their staff members.

There is a lot to be gained by companies that make an effort to understand their employees' lived experiences, building a culture that understands the additional challenges and

barriers one may face on a daily basis, due to characteristics such as their race, disability or sexual orientation. Everyday racism for example can affect colleagues' confidence and assumptions of how they might be treated inside as well as outside the workplace.

Building strong diversity strategies

When companies begin to meet employees where they are, understanding their unique lived experience, they can start to put the wheels in motion for a more formalised strategy on diversity and inclusion. A strong internal DE&I strategy can eventually lead to an improved external reputation, but leaders must not jump to that end point too early. It is all about creating an approach that considers the unique needs of different employee communities.

This understanding needs to come from new approaches to listening. Not just top-down surveys with questions set by management, but finding ways to let employees share their stories, questions and ideas in their own words, when it suits them. This process needs to be "always on", not just when management have scheduled an event. Once in place, you can start to answer the thorny questions. Is your C-suite pipeline as diverse as it needs to be? Are there appropriate support mechanisms in place for your disabled employees? Do you have a Black, Asian and minority ethnic pay gap at certain roles or departments of your organisation? Leaders must reflect, honestly, on the barriers affecting the experience of individuals from different demographic groups. The answers to these questions should provide the basis for the aims of any DE&I initiative, identifying specific pain points for which you would like to find solutions.

Finally, to build out a full strategy, organisations must take these areas of concern and forge solutions that are likely to land in their unique company culture. This process must involve ongoing listening and outputs should be rooted in the data and behavioural observations surfaced during that listening. For example, recent data across several global organisations showed that where employees have the option to pose questions to the company anonymously, women are seen to ask more questions about personal challenges than their male counterparts, which doubles in financial services firms. Colleagues of colour post three times as many questions about wellbeing as their white counterparts. These questions and disparities need to be surfaced and addressed as the starting point for your multiple communities to feel heard and included.

Walking the talk

Finding ways in which everyone, even your less confident employees – can feel psychologically secure in raising ideas, issues and concerns is a vital part of the strategy, and if done well, will lead both to important management insights, as well as positive feelings of inclusion. Digital technologies can support in this area, with advice platforms offering a safe space for employees to express any concerns or doubts and receive support from their peers.

Building a truly inclusive workplace environment is not easy and takes time. Regular line manager training on how to model your values and handle challenging conversations will be needed. And senior management will need to develop a new vocabulary as well – learning how to lean in and join the debate on emerging, even controversial topics, to demonstrate credibility and empathy, particularly in the eyes of the Generation Z cohort.

Building an inclusive workplace is no longer simply a "nice to have" – it is a necessity for any business aiming to maintain a strong employee brand. Employees have increased agency in their roles, and leaders will often find that if employees do not like a culture, they will easily leave. On top of this, the reputational fallout of negative external perceptions on

DE&I can be astronomical – social media has given an outlet for disgruntled employees to air their grievances. It is not enough to write a sweeping formal statement and call it a day. To build a culture that welcomes people of all backgrounds organisations must set clear, defined goals and ensure that leaders in the business have the opportunity to "walk the talk" on a regular basis.

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