Introduction

In an age of rapid transformation, it is critical for organizations to engage diverse talent in order to future-proof their businesses, more effectively mitigate risk, and capitalize on the broadest possible range of opportunities. Another push for diversity comes from the moral imperative for companies to provide equal opportunities to all people.

Yet it is not enough to simply hire diverse talent. If organizations want to fully capitalize on the benefits that diversity promises, they must consciously foster inclusive environments in which all employees feel valued. An inclusive culture is the key to unlocking success in today's corporate environment.

“I truly believe that D&I drives innovation and performance, and to role model this behavior, I commit myself to empowering others, listening more than speaking and staying out of my comfort zone as much as possible. It is the unknown which creates stagnation.”

– Jonathan Beane, Senior Vice President of Global Diversity and Inclusion at 21st Century Fox

INCLUSIVE CULTURES UNLEASH THE POWER OF DIVERSITY

Diversity is gender, race, ethnicity, religion, national origin, sexual orientation, gender identity and expression, disability, veteran status, political affiliation, education, experience, age, work style, communication style, socio-economic background, cross-cultural competency and perspective.

Inclusion is the establishment of an environment that creates opportunities for all employees to realize their unique potential by bringing their whole selves to work.

METHODOLOGY

Russell Reynolds Associates surveyed 2,167 male and female executives around the world to understand how companies align themselves around diversity and inclusion (D&I) and published its first D&I study, Diversity and Inclusion Pulse: 2017 Leader's Guide. In honor of Pride Month, we set out to build on existing evidence and provide guidance to leaders by answering the following questions:

1. What are the perceptions and experiences of LGBTQ+ executives in the workplace?
2. What is the impact of committed leadership on the inclusion of LGBTQ+ executives?
3. What does inclusive leadership look like?
Perceptions and experiences of LGBTQ+ executives

How do LGBTQ+ executives feel in the workplace? In reality, we often find that individuals see inclusion differently based on their unique backgrounds and experiences. Our research highlights three ways in which the experiences and perceptions of LGBTQ+ executives differ from others. While the self-reported sample of LGBTQ+ executives is small, at 4 percent of the overall respondent base, we saw some distinctive trends worth noting.

LGBTQ+ executives believe that their companies are not doing enough to attract and retain diverse talent.

While companies often have D&I programs in place, they may not adequately address the unconscious biases that leave diverse employees feeling excluded. Companies that get D&I right not only ensure all senior employees complete unconscious bias training, but also work to eliminate “process bias,” asking questions like: Are our hiring panels diverse? Do we know where we lose diverse talent in the hiring process (or career progression), and why? Effective leaders not only ask these questions, but also find solutions.

My company prioritizes ...

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43% of LGBTQ+ executives say that diverse talent has left their organization due to a lack of inclusion vs. only 29% of the overall executive population.

Relative to the overall executive population, LGBTQ+ executives attribute much greater importance to a lack of inclusion as a key factor in diverse executives leaving their organizations.

In order to be more informed about why talent leaves, companies can track executive churn rates by demographics, probing to see if diverse talent leaves more frequently than the majority, or leaves at a certain life stage. Another way to get context on executive churn rate is via exit interviews, so the organization can address talent retention issues moving forward.

LGBTQ+ executives view leadership commitment and accountability to D&I differently compared to the overall executive population.

Overall, LGBTQ+ executives perceive senior leaders to be less committed to D&I compared to others. Effective senior leaders drive accountability by setting D&I goals for upper management, tying executive compensation to those goals and creating D&I scorecards to measure progress.

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Respondents: 758 total; 66% are male and 33% are female. 92% are heterosexual, 4% are LGBTQ+; 4% chose not to respond. Responses shown: “Somewhat Agree” or “Strongly Agree”.

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The impact and behaviors of inclusive leaders

Our research shows that board chairs, CEOs, and those in top leadership positions occupy a unique position of influence that allows them to impact the experiences of employees within their organizations. Employees thrive when leaders are visibly committed to D&I and model inclusive behaviors – and that means taking diversity in its broadest definition, whether in terms of gender, ethnicity, sexual orientation, or any other criteria. When modeled from the top, inclusive behaviors can cascade throughout the organization and make inclusion of all a reality.

WHEN SENIOR LEADERSHIP CHAMPIONS D&I, EMPLOYEES ARE MORE LIKELY TO FEEL¹...

- More ENGAGED: 25%
- More as if they BELONG: 41%
- More CREATIVE: 47%
- More likely to STAY: 43%

So what does it mean to be an inclusive leader? Exactly which actions a leader can take to be inclusive is not always clear; this is especially true when considering our evidence on the differing perspectives of LGBTQ+ executives. Ultimately, effective leaders recognize that inclusion can mean different things to different people, and work towards improving the experiences of all employees. There are certain steps any leader can take to ensure that all diverse groups feel included within their organization:

BEHAVIORS OF INCLUSIVE LEADERS: DO LEADERS AT YOUR COMPANY...

- Hold themselves and others accountable to meeting D&I goals
- Communicate the importance of D&I to the organization
- Make a visible commitment to D&I
- Set and communicate D&I goals
- Create an environment in which others can safely voice different opinions
- Create collaborative opportunities and leverage different perspectives
- Emphasize D&I as part of business strategy
- Make D&I an organization-level, rather than HR-level, priority
- Recognize and reward inclusive leaders

AUTHORS

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Reach out to your local author to learn more about this study and RRA’s Diversity and Inclusion Practice.

WITH THANKS TO: Jonathan Beane, Senior Vice President of Global Diversity and Inclusion at 21st Century Fox

Russell Reynolds Associates is a global search and leadership advisory firm. Our 425+ consultants in 46 offices work with public, private and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today’s challenges and anticipate the digital, economic and political trends that are reshaping the global business environment. From helping boards with their structure, culture and effectiveness to identifying, assessing and defining the best leadership for organizations – our teams bring their decades of expertise to help clients solve their most complex leadership issues. Find out more at www.russellreynolds.com. Follow us on Twitter: @RRAonLeadership

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