Following the recent publication of Diversity and Inclusion Pulse 2017 – a global study of 2,167 senior executives – Nora Viskin, the Knowledge Director for Russell Reynolds Associates’ Diversity and Inclusion practice, sat down to talk about the current state of diversity and inclusion (D&I) efforts in organizations today, emerging best practices, and what leaders can do to improve D&I efforts in their organization. Joining her were Kalpana Denzel in Singapore, Juncal Garrido in Barcelona, Kurt Harrison in New York, and Cecyl Hobbs in San Francisco.

**Nora Viskin:** Improving diversity and inclusion are growing priorities for many organizations. What are some concrete first steps that a CEO or director can take if they want to make D&I a strategic issue for their organization?

**Cecyl Hobbs:** Agree on a definition of “diversity” for your organization. This might include inherent differences such as ability, age, gender identity, race, and sexual orientation as well as acquired forms such as veteran status, religious affiliation, or even educational and sector background. For example, we worked with a client who realized that the team was largely comprised of people with engineering backgrounds from a single country. As a result, the team was missing out on some important perspectives and ways of approaching the business that were vital to its ongoing success.

**Juncal Garrido:** CEOs and directors need to think about their D&I strategies as holistic, organizational culture changes and communicate the importance of D&I not only in words but with actions.

**Kalpana Denzel:** They also need to acknowledge that it takes a long time to change culture and the journey requires patience and courage. As Cecyl said, they must start by defining and sharing their vision and laying out a clear roadmap. It should be relatable and actionable, and impact all layers of the organization, across all geographies. The CEO and directors need to take measures to ensure that everyone feels heard, recognized and involved in the strategy and subsequent initiatives.

**Juncal Garrido:** They need to put impactful, passionate and influential leaders in place to model and drive change.

**Kalpana Denzel:** And create a top-down and bottom-up approach. Leaders, including the CEO, need to role model inclusive behavior and thinking. When the organization sees a behavior change at the top, skeptics turn into believers.

**Kurt Harrison:** Agreed, and they need to make it a normal part of each employee’s everyday life and work. To do this, they must first educate the organization around the business case for improved diversity. Share the metrics, which all point toward more diverse organizations consistently outperforming those that are less diverse. The C-suite and board need to lead by example with diversity of their members, so that they can provide a template for success to help retain diverse employees and attract new ones. But unless the rank and file truly understand the benefits of D&I, both to the organization and to them personally, it is difficult for a D&I mindset to firmly establish itself.

**Cecyl Hobbs:** Remember, business transformation initiatives ultimately succeed when embraced broadly by the organization – whether it is the line of business executives working hand-in-hand with the technology organization to drive digital transformation, or executive leaders from all backgrounds working together to create a diverse and inclusive organization. Deloitte was recently in the news for plans to eliminate employee resources groups. What probably received less attention was the intent behind the move, which was to broaden involvement and sense of accountability for the success of D&I efforts. That is, it was an attempt to more directly involve “allies” in the success of employees from varied backgrounds by creating “inclusion panels.” We’ve also
seen clients who successfully appointed executive sponsors to serve employee resource groups where there was previously no direct affinity relationship. For example, a white straight cis-male executive might become the executive sponsor for an employee group for trans-persons of color. Imagine the possibilities generated by this type of engagement.

Kalpana Denzel: Leaders can drive this conversion by communicating the "why." It benefits everyone. It drives innovation. It creates the needed friction to get better business results. It helps attract and retain talent.

Nora Viskin: What impact are you seeing D&I efforts have on talent strategy in organizations today?

Cecyl Hobbs: We’re seeing organizations begin to evaluate the elements of their culture that foster or hinder diversity, inclusion, and belonging. This includes providing unconscious bias training programs as well as taking the important step to diagnose D&I pain points in the culture.

Kalpana Denzel: It’s critical to think through onboarding as well. Recently, a client was struggling to integrate local Asians into their company's European culture - because many Asians couldn’t transition quickly enough they were unfairly dismissed as not being able to perform. We conducted research using psychometric assessments to benchmark Asian talent to non-Asian talent and surveyed the Asian talent on their experiences onboarding into the company. Results showed that the Asians were equally strong as non-Asians on the key competencies - but needed quality onboarding, mentorship, and support to adapt to the very tough culture. The company now uses our psychometric assessment for all senior Asian hires in the region to check culture fit, has built in a customized, longer onboarding plan for Asian talent, and selected senior leaders to serve as sponsors. This was a company who was doing very well on the "D" by strategically hiring Asians at all levels, but were failing at the "I."

Kurt Harrison: I think most companies have improved measurably in recruiting diverse talent. However, where they consistently fall short is in the engagement and retention of diverse talent. As we know, diversity is the "hardware" but inclusion is the "software.” Many firms have been self-defeating in applying massive resources to diversity recruitment but scant resources to onboarding, engagement, and inclusion. This will have to change to avoid the repetitive cycles of hiring and attrition with diverse talent.

Cecyl Hobbs: Some of the savvier organizations are looking at the end-to-end processes underlying talent strategy in the way they might approach a customer experience strategy - attracting, hiring, developing and retaining talent. In particular, they are measuring results and examining breakdowns at each step. Those companies are looking not just at how to improve diversity by hiring executives from other companies - which is an important step - but they are also evaluating what can be done internally to improve early identification, development, mentoring and retention of a diverse set of high potential managers.

Nora Viskin: All four of you have a global view of D&I and what's happening around the world. At the same time, Cecyl and Kurt, you're based in the US; Juncal, you're in Europe; and Kalpana, you're in Asia. Are there topics or issues that each of you see that are unique to your region?

Kurt Harrison: Absolutely. Europe seems to be ahead of the US in terms of institutionalizing health care, family leave, paternity leave, and gender equality in the workplace. The US also lags behind in promoting diverse talent into senior leadership roles, especially in technology and financial services.
Cecyl Hobbs: Similarly, the retention and development of women, and in particular, women of color. Gender diversity and inclusion have certainly received a lot of attention in the US, with signs of progress at the board level. However, there is still much work to be done in addressing concerns about gender equality across a number of sectors in US-based companies – and it's tied into concerns about pay equity, expectations around parental leave and division of parental responsibilities, and individual company cultures. Suffice it to say, when we talk about gender equality in the US workplace, it's worth remembering that many women of color experience the dual impact of D&I challenges. We could probably do a whole discussion on this topic alone.

Juncal Garrido: Europe is still focused on Diversity, and on gender in particular. Interestingly, many companies are leveraging diversity mandates to make the hires they need to drive a digital transformation.

Kalpana Denzel: Asia is comprised of a hugely diverse set of markets where diversity takes on very different meanings. In Australia, a developed market, the focus may be women and inclusion. In Japan, diversity is around age. In China, it could be bringing in talents from international MNCs. For Family businesses, it’s attracting corporate talents who can adapt to their culture or talents from the markets they’re expanding in to. For some markets, it’s about religion. For most international MNCs in Asia - it's all about bringing in Asian nationals as they move away from having too many expat leaders. Asia is complex, but diversity and inclusion can be introduced in any discussion regardless of market or sector.

Nora Viskin: What do you consider to be the most interesting finding in the latest D&I Pulse survey?

Juncal Garrido: I was surprised that 45 percent of organizations align their efforts to create an inclusive culture with their business strategy, I’d expected it to be lower.

Cecyl Hobbs: I’m struck by how low D&I ranks [eighth] relative to other corporate goals such as product/service innovation [first] and finding the right people [second] despite wide agreement by senior leaders that it is important. I believe D&I is intrinsically linked to those corporate priorities, among others. Embracing D&I with a thoughtful, strategic approach can be a source of competitive advantage for companies.

Kalpana Denzel: Agreed.

Kurt Harrison: It was amazing to see that 74 percent of companies agree that D&I is critical to their success, and yet the vast majority of them fail to incorporate it into one of their top corporate priorities. Companies need to “walk the walk,” not just talk about the benefits of D&I, but proactively incorporate a defined D&I strategy into their talent acquisition construct.

Nora Viskin: Are there any clear or emerging D&I role models? Or decisions that organizations have made, or practices that have been put in place, that other leaders should consider adopting?

Cecyl Hobbs: The most promising examples of D&I progress I’ve witnessed have been companies that ensure D&I leadership efforts directly report to the CEO.

Kalpana Denzel: It really does have to start with leadership. One role model I’ve seen was a regional head who came to Asia to start up the division here. He was able to create the team and culture from scratch. From the onset, he wanted an organization of diverse Asian talent with an inclusive culture. He had to educate the global team who thought he was a little crazy! But he insisted and advocated for training programs, the establishment of KPIs, talent rotations, and development programs. He was on a mission to leave behind an Asian Organization to lead Asia and because he was committed – and it was a startup – he succeeded. The journey has to start early and have committed leadership who see D&I transcending everything the organization does.
**Kurt Harrison:** Articulating the clear business benefits of a coherent D&I strategy across the organization is the best way to achieve buy in. Everyone knows that D&I is a “good” thing, but to have the organization truly embrace it and live it and proselytize it, they have to believe it will be of a tangible benefit to both themselves personally, as well as the organization as a whole. Education of the work force as to how a diverse and inclusive organization can be a benefit to everyone greatly increases the likelihood that employees will embrace it.

**Nora Viskin:** The D&I Pulse is an annual survey tracking the D&I experiences of global executives. What needs to happen over the next 12 months for there to be significant year-over-year improvement?

**Cecyl Hobbs:** I would love to see more company leaders state what diversity and inclusion mean for their companies, and explicitly link that definition to a set of priorities related to hiring, developing, promoting and retaining talent from a variety of backgrounds and with a variety of experiences. More to the point, I’d hope to see broader pipeline reporting by companies across industries, with alignment of those figures to their defined D&I goals.

**Kalpana Denzel:** It goes right back where we started our discussion. Boards and executives need to define the vision, the roadmap, and the measures. Then we’ll start to see the needle move.
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