

The Business of Belonging

Making your DEI&B investments matter



/ KIDDY &
PARTNERS

DEI&B

When it comes to diversity, inclusion, equality and belonging (DEI&B), at **Kiddy & Partners and t-three**, our ultimate aim is to help clients to create a culture of belonging. Why? Because diversity alone is not enough to right the wrongs of centuries of workplace inequality, nor to reap the many benefits of DEI&B. But belonging needs to stand upon a foundation of diversity, equality and inclusion.

What's the difference?



But is it worth it? Is there a business case for DEI&B?

If you get it right, the business benefits
of DEI&B are valuable and wide-ranging, for example:



An HBR study found that diverse companies have 19% higher innovation revenue, and 9% higher EBIT margins



Companies with more women in the C-Suite are more profitable



Ethnically diverse companies are 35% more likely, and gender-diverse companies are 15% more likely, to outperform financially



47% of millennials actively look for diversity when considering potential employers



Many of these statistics reflect the benefits achieved by increasing diversity alone. When coupled with an inclusive environment where individuals have a sense of belonging, the benefits are amplified. Yet diversity and inclusion are still poor in many organisations, who are finding themselves disappointed by the results of DEI&B training programs which aren't delivering the outcomes they wanted. It's certainly not easy, but from our work supporting organisations to develop inclusive leaders and inclusive cultures that promote a sense of belonging, we've identified the main barriers that must be tackled to achieve better outcomes.

Content

In this eBook we look at four of the biggest challenges facing organisations in progressing DEI&B:



1

Overcoming fear of sounding misinformed or unintentionally offensive



2

Tackling the pervasive yet subtle impact of bias



3

Going beyond the tick box, embedding DEI&B into culture



4

Avoiding backlash and other unintended consequences



Fear of sounding misinformed or unintentionally offensive.

Organisations must develop trusting feedback cultures underpinned by truth-telling to enable everyone to lean into the discomfort of where they are at, to understand their true impact and how they make others feel.

Fundamentally, this is a quest for open dialogue, which ensures accountability and helps to make speaking up become part of your organisation's DNA. Speak up strategies have broader effects, in aligning on vulnerabilities, accelerating performance outcomes and creating unified alignment without dampening diversity, to reduce the fear and develop transparent, transformative interactions as the norm.

Dr Brene Brown, author of *Dare to Lead*, says "To not have conversations (about DEI) because you feel uncomfortable is the definition of privilege". Whilst we can understand the ideology, we also recognise that the fear of saying the wrong thing, being seen as ill informed, or non-inclusive, is real, and can prevent us from having those conversations to avoid offence or creating unintentional conflict regardless of background.

Key questions for many leaders are:

- How do we lean into our discomfort around it?
- How do we navigate the complexities of the unknown?
- How do we face the challenge of communication when we are unsure of the boundaries?

Of course, education is the catalyst for change, however; change can be intimidating, especially when it challenges our established beliefs and practices. Embracing DE&I can lead to incredible opportunities for success, innovation and growth but this can only be achieved within a culture of psychological safety, open honest dialogue and a spirit of finding our purpose through difference, not in spite of it.

Help teams to find a safe space to talk openly about their fears, concerns, work with them to understand the benefits, values and best practices associate with diversity and inclusion. Promote awareness and enlightened empathy by reducing biases fostering understanding. By embracing diverse perspectives, together leaders can create a workplace culture that thrives on curiosity, collaboration, innovation and problem-solving.

What can we do about it?

- **Get curious**, by getting under the roots of the fear to solicit feedback and build awareness through enlightened empathy; truly looking to understand people and their realities, seeing the world through their eyes.
- **Build leadership commitment** by preparing leaders to role model inclusive leadership behaviours, helping them to understand how they can show up in all aspects of their day-to-day work. Encouraging constructive self-reflection, for example using targeted and structured feedback against inclusive behaviours using assessment or 360 degree feedback tools, builds awareness and openness to alternative ways of approaching situations.
- **Create opportunities for open truth exchange**, helping leaders to lean into their discomfort, spot their biases and navigate the complexities of the unknown. One of the ways our clients achieve this is by using our inclusivity Truth Teller tool (as an example of this, see the Mitie Case Study on page 10-11), which starts that all important conversation. It promotes an open feedback culture where people feel comfortable to own their feedback in the spirit of trust and openness.



To not have conversations (about DEI) because you feel uncomfortable is the definition of privilege.

- Dr Brene Brown

Case Study: Diversity & Inclusion at Mitie



Mitie Group plc saw an opportunity to step beyond traditional unconscious bias training for a more mindful approach to issues around D&I. Employee feedback showed a need for the organisation to focus more on the needs of women, race and ethnicity, disability, sexuality, and age-diversity in the workplace.

Against the backdrop of the company's merger with Interserve, the pandemic and the Black Lives Matter movement, Mitie wished to create an innovative inclusion programme aimed to deeply connect their people to each other. Mitie wanted to challenge the way that their people think, and following a tendering process opted to partner with t-three to design an engaging programme that would reach the entire organisation. A key component was encouraging colleagues to have authentic and open conversations. Most importantly, Mitie wanted to create an environment where every employee felt able to bring their authentic and whole self to work. To meet these goals, together the 'Count Me In' programme was conceived. **We designed the programme as a journey of growth that would happen over four phases:**

- **Count on Me:** starting point in which employees look at their own strengths and biases.
- **Count on Us:** a focus on team culture, providing the opportunity for teams to create an environment of trust and empathy in which colleagues feel safe to speak up.
- **Count on Mitie:** as part of an inclusive organisation all employees feel a sense of belonging.
- **Count on the Future:** the Count Me In initiative continues to support and encourage an inclusive culture as well as to ensure that ED&I strategies remain in focus going forward.

The first two phases encouraged employees to reflect on their own understanding of diversity and inclusion while developing new awareness around it. While doing this they also worked on creating an environment that was safe for everyone to speak up in. The programme was carefully constructed to be continuously developed over time with new training developed on further feedback from employees at the organisation.

As the programme progressed, the focus shifted from internal reflection to ensuring that the organisation had a culture of psychological safety that allowed them to speak up and speak out. The programme focussed on non-executive employees, but extended into leadership levels with reverse mentoring and training to help manage escalations. While this was happening, the Executive Leadership and Group Leadership teams pledged their commitment to the programme, to create an environment of inclusion throughout the organisation where each person feels comfortable in being themselves at work. In all leadership meetings at Mitie, D&I is a standing topic with quantifiable metrics for follow-up and measurement across the company. The 'Count Me In' programme has gone on to win a number of industry awards. Mitie has also been recognised as one of the UK's Top Employers for the fifth year running. A key highlight of Mitie's entry was the 'Count Me In' programme.

After the programme was implemented across Mitie they found:



Over 24,000 employees have engaged with some or all the learning activity.



Average NPS across all activities is 99%.



Over 17,000 inclusivity commitments made by employees at all levels.



The number of colleagues registered in Mitie's diversity networks grew fivefold.



Mitie continued to report their Gender Pay Gap and they voluntarily published their Ethnicity Pay Gap report.



This initiative helped Mitie to become number 10 in the top 50 Inclusive Employers in the UK.



Mitie has improved gender and racially diverse representation in senior leadership roles, 21% of Women and 8% of Racially Diverse.



The pervasive yet invisible impact of bias

Cognitive biases present a thorny challenge for DEI&B because we're all influenced by biases but are largely unaware of their existence.

Given that they operate at an automatic, subconscious level, being made aware that our judgements and behaviour can be influenced by biases does little to improve the quality of judgements or behaviours. The best you can do is recognise that we're all influenced by biases, actively try to spot biases in each other's' thinking, and then change those faulty assumptions before they have an unfair impact on decisions and outcomes.

First, let's explore: **How do biases show up?** The detrimental impact of biases is well-documented across a range of areas of work, from recruitment decisions to selection and promotion decisions¹. But they also influence our behaviours in more subtle ways, such as who we choose to offer our support to, who we reach out to collaborate with or seek opinions from, how we allocate resources and opportunities, not to mention overall workplace dynamics.



Stereotypes

One of the most common types of biases is stereotyping. Stereotypes are labels that encapsulate what a person believes about, and expects from, other people. They're dangerous because they're often untrue, involving inaccurate assumptions and over-extensions, and leading to views that members of a particular group are more alike than they really are, and that members of different groups are more different than they really are. The extent of this challenge is highlighted by research showing that stereotyping can lead to racial discrimination even when the person making the judgement avows to be completely indifferent to racial stereotypes².

A striking example of stereotyping came from a US study involving 5000 CVs in response to job adverts, each with a randomly assigned a stereotypically African-American- or White-sounding name. CVs for candidates with stereotypically white-sounding names received 50% more callbacks for interviews. This bias persisted regardless of occupation, industry, or employer size³, and has also be found against immigrant applicants across a variety of occupations towards applicants with foreign experience or Indian, Pakistani, Chinese, and Greek names compared with English names⁴. Although recruiters justified their decisions based on language skill concerns, the study showed that listing language fluency, multinational firm experience, or education from highly selective schools did nothing to diminish the bias.

In-group bias

Also known as the 'similar-to-me' bias, in-group bias is one of the other main types of bias that poses a challenge for DEI&I. Essentially, it's the tendency to feel a stronger degree of affinity with, trust of, and therefore favouritism towards people who we see as similar to ourselves. In the recruitment context it reflects the tendency for interviewers or recruiting managers to appoint candidates in their own self-image; people who are like themselves.

In-group bias affects our thought processes in various ways. For instance, interviewers tend to notice and remember more detailed information about candidates similar to themselves, asking more questions to obtain information about 'similar-to-me' candidates. In contrast, they tend to notice and remember less information about candidates they see as different to themselves, ask fewer questions, and selectively retain information that confirms their existing stereotypes about them.

What can we do about bias?



Whilst informing and educating people about cognitive biases is a first step in becoming aware of them, Nobel prize-winning Professor of Psychology Daniel Kahneman and co-authors explain why traditional training programmes alone are likely to be of limited value⁵. Essentially, the impact of biases is not mitigated by awareness of their existence, due to the fact that they operate at an automatic, subconscious level. As other academic experts add, “**you can't just outlaw bias... The positive effects of diversity training rarely last beyond a day or two, and a number of studies suggest that it can activate bias or spark a backlash**”⁶.

- Make people aware of the powerful impact of biases through education about cognitive biases, but don't stop there.
- Adapt your recruitment and selection processes to minimise the impact of biases. For example, make screening of CVs and applications 'blind' – remove or obscure anything that isn't relevant to job performance, particularly aspects known to trigger stereotypes such as name, age, gender.
- Ensure interview panels are diverse, to balance our in-group bias.
- Ensure any assessment interviews are structured, situational in nature, to encourage interviewers to focus only on relevant factors.
- Use a range of metrics to inform recruitment and promotion decisions and commit to appoint the candidate(s) whose final score is the highest on the relevant metrics, not let intuition or liking to override the data.
- Apply the same conditions to ensure your promotion decisions and processes are equally as robust. Often organisations pay much more attention to making their recruitment processes robust, but then allow biases to creep into and potentially dominate promotion processes by allowing these to be informal, unstructured and driven by subjective management opinions.
- Extend this thinking to consider how biases are impacting decisions made on more everyday tasks and activities, such as who is offered a potentially high-impact opportunity or project, who information is shared with or whose views are sought.



To take the **Before You Make That Big Decision** assessment, [click here](#).



To read the **Why Diversity Programs Fail** article, [click here](#).



Going beyond the tick box, embedding DEI&B in culture

Achieving real inclusion and belonging takes more than a tick box exercise or a seminar on a specific protected characteristic.

Just because an organisation or community achieves a greater level of diversity within its population does not mean it is inclusive. For instance, many organisations put lots of effort into attracting a diverse range of potential employees to join their organisation by promoting the image of a diverse and inclusive external employer brand. However, if the organisation's internal culture is not inclusive then the experience of those individuals is unlikely to be positive. If those people are not invited to share their unique views, ideas, opinions or to make contributions, then the benefits of diversity will not be reaped.

This scenario reflects the issue of cultural misalignment. Achieving greater diversity can be considered a change to the surface level of culture – the visible manifestations, in this case the numbers of employees belonging to different demographic categories. The organisation appears more diverse, but if the changes do not go beyond the surface to also reflect changes in the deeper elements of culture that really drive outcomes; people's attitudes, beliefs and behaviours; then it will not be inclusive, and the benefits of diversity will not be seen. Consequently, many organisations now recognise the importance of ensuring that efforts to increase diversity are coupled with efforts to create an inclusive culture.

What does an inclusive culture look like and how do you go about creating one?

Chavez and Weisinger (2008) outlined three main objectives which help to create a more inclusive culture:

- Establish a relational culture within which people feel proud of their own uniqueness, while becoming socially integrated into a larger group by celebrating the 'me' within the 'we'.
- Maintain an inclusive culture where employees are intrinsically motivated to learn from each other, so that organisational members can discover and appreciate multiple perspectives.
- Incorporate an organisational strategy that capitalises on the multiple perspectives individuals contribute to enhance creativity, productivity, organisational attractiveness, and employee well-being.

Creating an inclusive culture requires embedding DEI&B behaviours into all areas of the organisation and its decision making.

- Start by making these behaviours explicit. Often, this is through developing a behavioural framework that offers a practical blueprint for turning this practice of new inclusive behaviours into habits that stick.
- Encourage your people to reflect on how they operate, the impact of this on inclusion, and then support them in challenging themselves to do things differently.
- Equip people with new tools and capabilities to integrate conscious inclusion into everything they do.
- Empower teammates to deliver DEI&B initiatives, and practice everyday inclusion.
- Keep the conversations going. Create an honest, supportive feedback culture so that people can speak up when something has made them feel unheard, uninvolved, or unappreciated. Allow others to feel comfortable to enquire and seek to understand others' differences without fear of saying the wrong thing.

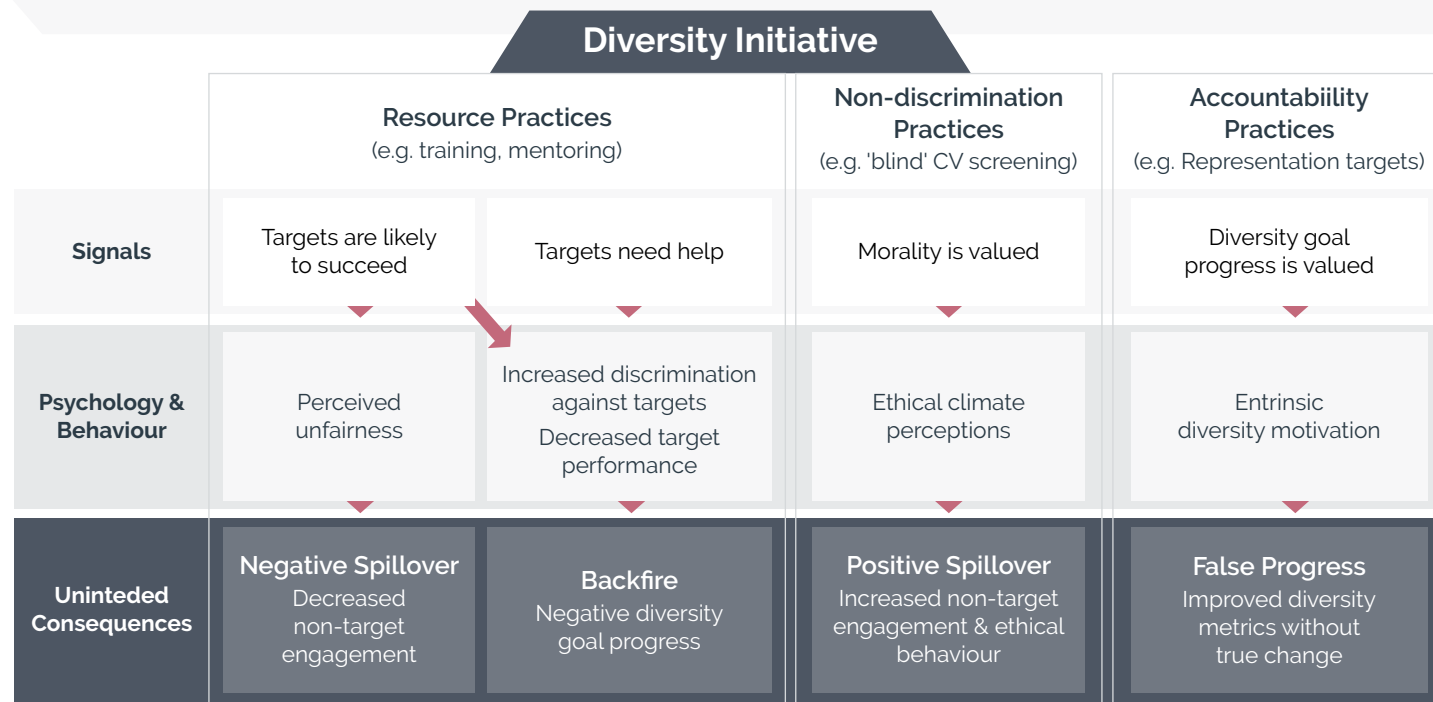


Avoiding backlash and other unintended consequences

As many organisations are painfully aware, making progress towards diversity and inclusion is not easy.

Published research into diversity intervention effectiveness reveals mixed results^{7,8} and to have any chance of improving the effectiveness of DE&I interventions in your organisation, it's essential that you understand why. Research has revealed that different diversity initiatives may trigger specific unintended consequences⁹.

As shown in the diagram below, there are four main unintended consequences to be aware of, which result from different types of diversity initiative:



(from Leslie, 2009)

1

Backfire

This is when an organisation implements something that causes a setback in diversity progress. For example, support is offered to women to address systemic biases which has resulted in a deficiency of women at senior levels of an organisation, but because of this they become even less likely to be given leadership opportunities due to this creating the perception that this support is offered because women need help due to having inferior leadership capability.

2

Negative spill-over

This describes negative effects on outcomes other than diversity goal progress. For example, an initiative to support a minority group causes backlash in the form of negative reactions from a majority group due to perceived unfairness and/or preferential treatment to members of the minority group.

3

Positive spill-over

This is a positive unintended consequence, where desirable effects on outcomes other than diversity goal progress are generated. For example, favourable reactions are created amongst the majority (non-target group) because they interpret this as showing that they work for a good employer.

4

False progress

This is where it appears that we've improved DE&I, because the diversity metrics have improved, but there has been no true change in peoples' attitudes, experiences and outcomes. Applied to gender diversity targets, for example, it applies in situations where more women are appointed to leadership roles, for example, but in a work context where discrimination, stereotypes and other biases still prevail. This reflects false progress, because whilst on the surface the organisation may appear more diverse, women's experience is likely to be poor, and their performance impeded because of explicit or implicit discrimination, microinequities or stereotype threat preventing them from being at their best.



How do we avoid unintended consequences?

1

Ensure that your approach to managing DE&I is inclusive.

Think about the impact of DE&I initiatives and management practices on members of majority and minority groups on different intersecting dimensions, across your organisation. Aim to create an inclusive culture, ensuring that both underrepresented and dominant groups are accounted for in diversity management. Focusing on minority groups can result in a 'backlash' from the majority groups, triggering counter-productive outcomes such as the perception of 'positive discrimination' and 'tokenism'. However, this shouldn't mean that you cannot offer support tailored for any specific group in recognition of the specific biases that they are likely to be facing. Instead, take care to help everyone understand that certain groups of people are likely to face unique challenges due to specific biases or stereotypes, and therefore it is appropriate to offer support to those groups in navigating such challenges. In addition, if others wish to attend these sessions or access this support, then they should have access to the same or similar resources.

2

Know what impact you're having (or not having)

As with any investment of time and resources, and particularly where it's important that progress is made, it is important to conduct a robust evaluation of any steps implemented, to check that they're working. As we've discussed, DE&I is a complex and challenging issue to address, so even when implementing evidence-based strategies that have been proven to work elsewhere, it is essential to test how they're landing within your specific context.

Above all, an organisation-wide communication and education strategy is critical when it comes to DE&I, because unless people all appreciate the need for such interventions and support, there is a risk of backfire and negative spillover. Given that the issues emanate from unconscious biases, it is safe to assume that there will be people who do not believe that there is any issue that needs addressing. In one heavily male-dominated Australian Oil & Gas engineering organisation, for instance, research revealed that almost half of male engineers did not believe there to be a gender inequality issue in the industry¹⁰. However, interviews with women in this organisation revealed that one woman had to ask for a female toilet on site when she first started, since there was only men's facilities, and another talked about the annual golf tournament to which women weren't invited.

But where to start?

Start with the end in mind

We suggest you start with the end in mind. Consider where, as an organisation you want to be, before assessing where you are starting from. Our maturity framework approach helps you to map out the key elements of a diverse and inclusive organisation, and against each, provides a pathway towards achieving maturity in terms of DE&I management. It provides clarity on where you want to be, but also key milestones to reach on the journey there.

To help determine your current level of maturity in DE&I management, we recommend a broader DE&I audit. This is where we look at the culture you're operating in, the key norms that are driving 'how we do things around here' and what it feels like to work in your organisation. We also work with our employment law team, so we can check that this is built on a foundation of policies and practices that are compliant from the start. But that's just the beginning, because to move to an inclusive culture your people need to be living and breathing those policies. In short D&I needs to be part of your strategy, structure and must be sustainable.

By implementing behavioural audits, measurement and accountability systems, businesses can ensure their DE&I efforts are effective, consistent, and impactful. By thoroughly understanding where you're starting from you will be able to prioritise what areas you need to address and at what pace. Whether the burning platform is an issue with banter going too far or an increase in the number of grievances being raised, embracing a more inclusive culture will help you to get there.

Create an Intervention map

Underpin your DE&I management strategy with an intervention map, or logic model, to ensure that you're clear on what you're doing, why, what impact you expect it to have (specifically), and how you will measure this. Ensure that this separates out inputs and outcomes – both short- and long-term. This will help you target your interventions and guide your evaluation, providing clarity on why you're investing resources in each element of your DE&I management strategy, and how you expect it to have an impact.

Measure and re-measure, on multiple levels

To gauge what, if any, impact you're having, you need a baseline. You then need to measure again at different intervals over time on order to detect change in this baseline. Typically, you will be aiming to impact several different outcomes – for instance these may be at different levels of the infamous Kirkpatrick model: reactions, attitudes, behaviours and organisational outcomes or results. Consequently, you need to be able to measure all of these different outcomes, and to paint a full picture, may require both quantitative and qualitative data. Often, numerical data will tell you what or how much something has changed, but the narrative will help you understand why – or crucially, why not.

Conclusion

Creating a diverse and inclusive culture where people feel that they belong is not an easy challenge, but it's one that we must pursue. Here, we discuss some of the biggest challenges, that confront organisations in tackling this vital issue, yet they're not the only ones.

Ultimately, we believe that organisations don't change, people do – one behaviour at a time. So, in thinking about your DEI&B strategy, we suggest reflecting on the four key components of belonging¹¹, and ensuring that your solutions span these four key areas:

1. Competencies for belonging – do people have the skills and abilities to create belonging and inclusion?
2. Opportunities to belong – are there barriers to the way that your organisation or peoples' roles are structured and managed that present barriers?
3. Motivations to belong – do people have the inner drive to create belonging and connect with others or your organisation? (This may be an issue of values alignment, or how/what you are incentivising or rewarding).
4. Perceptions of belonging – do people have positive or negative experiences and attitudes towards connecting with others? Do these need to be explored and/or adjusted in any way?



Feeling that you belong and are included is a fundamental human need for us all.

Research shows that our need to connect with others is as strong as our need for food or water, and that the brain responds to social exclusion in the same way that it does to physical pain¹². So whilst it may not be easy to create a sense of inclusion and belonging within your organisation, its nevertheless an imperative. When you get diversity and inclusion right, you create a sense of belonging. And belonging at work means you feel seen for your unique contributions, connected to your coworkers, supported in your daily work and proud of your organisation's values and purpose.

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