Inclusion is the Key to Diversity Management, but What *is* Inclusion?

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GUEST EDITORIAL

Inclusion is the Key to Diversity Management, but What *is* Inclusion?

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All human beings are born free and equal in dignity and rights. They are endowed with reason and conscience and should act towards one another in a spirit of brotherhood.
–Universal Declaration of Human Rights (Article 1), adopted by the United Nations
General Assembly Resolution 217 A (III) of December 10, 1948

"Diversity makes business sense"—this slogan greeted me as I walked into the lobby of a large international high-tech company headquartered in California. I was there at the invitation of the CEO to evaluate the company's diversity policies. As a first step, before embarking on a large-scale organizational study, I asked members of upper management to allow me to conduct qualitative interviews with employees from different levels in the organization and of various backgrounds. Although some interviewees expressed the belief that the company was "blind to ethnic and gender differences" and therefore fair in its practices (a mistaken perception of fairness), many women and members of racial and ethnic minority groups talked about lost job opportunities, missed promotions, and lack of engagement. Interviewees with diverse backgrounds indicated that they were not recognized or appreciated for their true identities but were expected to conform to the mainstream culture in the organization. The word most often used by interviewees to describe their emotions was *exclusion*. They felt left out of social and informational networks and barred from the organization's decision-making process. One middle-aged Latina manager, recalling the difficulty in rising to her current position, told me that her promotion was initially blocked because her supervisor expressed a concern that she "did not possess the communication skills needed for a managerial job." "That was nonsense," she said. "The fact was that I just didn't fit in—and management's solution was to exclude me." She fought the decision and eventually was promoted. She was not alone. One interviewee after another recounted similar stories of being excluded from networks of information and decision making because they were different than the mainstream. After more than 30 in-depth interviews, it finally dawned on me that inclusion was the key to effective diversity management and that we needed to understand what inclusion meant. That was almost two decades ago.

Since then we have made some strides in (1) recognizing the importance of inclusion in the context of diversity; (2) laying out the theoretical foundations for understanding inclusion; and

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(3) providing initial research evidence of the connection between inclusion and individual, organizational, and community factors related to outcomes. More work is needed for us to more deeply understand the construct of inclusion and to draw linkages that will support evidence-based practice to create and sustain climates of inclusion in organizations.

THE IMPORTANCE OF INCLUSION IN THE CONTEXT OF DIVERSITY

In recent decades, many countries around the world, including the United States, have made significant progress through legislation and public policies toward creating a more equitable work environment (Mor Barak, 2014). The combination of antidiscrimination laws and affirmative action programs has helped more women, members of ethnic and racial minorities, members of sexual minority groups, older workers, people with disabilities, and members of other marginalized groups become part of the labor force. Concurrently, more businesses and human service organizations aspire to have a positive diversity climate as indicated by content placed on their websites and the appointment of increasing numbers of diversity officers who often report directly to the president or CEO of the organization (Anderson & Billings-Harris, 2010).

The recent focus on diversity in the management literature takes on special urgency in the context of human services organizations. Human services organizations have traditionally served a wide array of communities with a high representation of diverse, disadvantaged, and oppressed groups. This diversity has not typically been mirrored in the workforces of those organizations.

It is important to remember that workforce diversity is not about anthropological differences among individuals that make them special or unique; diversity is about belonging to groups that are different than whatever is considered mainstream in society. In essence, it is about being susceptible to discrimination and negative employment consequences as a result of associations with or outside certain social groups (Mor Barak, Cherin & Berkman, 1998). In the United States the prevailing racial and ethnic categories are those used by the U.S. Census Bureau (e.g., Caucasians, African American, Latino/Hispanic, Asian American). These categories are no longer representative of the increasingly diverse U.S. population (nor were they representative when they were originally generated) and certainly not for any national context outside of the United States. My proposed solution to the difficulty of finding a universal definition for diversity that can be relevant in different cultural contexts is to define diversity not by naming specific categories but by identifying the process and the consequences of diversity.

> Workforce diversity refers to the division of the workforce into distinction categories that (a) have a perceived commonality within a given cultural or national context and that (b) impact potentially harmful or beneficial employment outcomes such as job opportunities, treatment in the workplace, and promotion prospects—irrespective of job-related skills and qualifications. (Mor Barak, 2014, p. 136)

Despite progress in increasing the representation of diverse groups in work organizations, it is the exclusion of these groups from circles of influence in the organization that keeps them from fully contributing to and benefiting from their involvement in the workplace. Fueled by population movement and the global economy, the number and types of groups that are marginalized and discriminated against continue to increase.

WHAT IS INCLUSION?

The gifted comedian Groucho Marx (1959), in a humorous take on the sense of exclusion experienced by those who do not belong to the inner circles of society, famously said, "I refuse to join any club that would have me as a member " (p. 321).

One of the most significant problems facing today's diverse workforce is that of exclusion—both the reality experienced by many and the perception of even more employees that they are not viewed by top management as an integral part of the organization.

> The concept of inclusion-exclusion in the workplace refers to the individual's sense of being a part of the organizational system in both the formal processes, such as access to information and decision-making channels, and the informal processes, such as "water cooler" and lunch meetings where information exchange and decisions informally take place. (Mor Barak, 2014, p. 155)

To feel included in a workgroup, an individual must have two complementing needs satisfied: belongingness and uniqueness (Shore et al., 2011). Fostering a sense of belonging is essential, but if the "price of admission" is that employees have to give up their unique characteristics, then they are not experiencing true inclusion. For example, an African American manager who is not recognized for her unique characteristics and is expected to act like any other manager in the organization may experience belongingness but her uniqueness would not being recognized. On the other hand, if an employee is recognized for his uniqueness, such as an older employee who is respected for his experience and expertise, but is not invited to participate in meetings or social activities, then his need for uniqueness is satisfied but not his need for belongingness. Employees have to perceive that they are esteemed members of the workgroup via experiences that satisfy their need for both belongingness and uniqueness.

Sometimes the experience of exclusion is blatant. For example, an interviewee in one of my studies, the only woman in a team of engineers, shared her experience of not being invited to several team meetings and, when she complained, being told that these were "just informal gatherings, you didn't really need to be there." At other times the experience is more subtle. Another interviewee, an African American social worker in a large human services organization, indicated that she was always "the last to know" about things that were happening in the organization.

Although diversity and inclusion are sometimes used interchangeably, they are separate and distinct constructs. Diversity refers to demographic differences among members, including both observable (e.g., gender, race, age) and nonobservable (e.g., culture, cognition, education) attributes, and is considered a characteristic of a workgroup or organization (Nishii, 2013; Roberson, 2006). Inclusion, in contrast, refers to employee perceptions that their unique contribution to the organization is appreciated and their full participation is encouraged.

EVIDENCE-BASED MANAGEMENT PRACTICE OF INCLUSION IN THE CONTEXT OF DIVERSITY

As a child, I spent a week of my summer vacation at my cousins' magnificent villa, overlooking the Mediterranean. We walked in the gardens collecting flowers of different colors—blues, reds, pinks, lilacs, purples, yellows—and placed them in glass jars with water. By the end of the week, we had produced a magnificent collection of rainbow-colored water in separate containers. We placed the glass jars in a row on a shelf and proudly admired our creation. Then we got the brilliant idea for an experiment: If the individual jars had such wonderful colors, what an amazing color could all of them produce together? We poured the differently-colored water from the separate jars into one big container and held our breaths. To our chagrin, the result was a dull gray. That image stayed with me and now serves as a metaphor for what happens to people who are forced to blend in and give up their unique identities. Their brilliant distinctive ideas will fade into an assimilated dull gray.

Increasing diversity representation and achieving workforce inclusion is a two-stage process with each stage affecting the other in a circular way (Figure 1). The first stage is reactive—organizations recruit and employ a more diverse workforce. The second driver is proactive—organizations
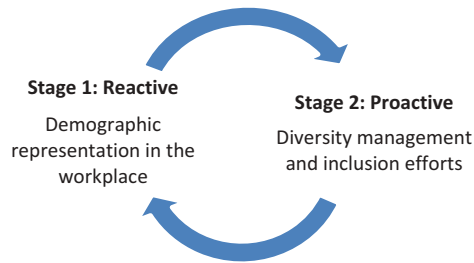
FIGURE 1   A circular two-stage process of diversity and inclusion.

Source: Mor Barak and Travis, 2009.

invest efforts in active diversity management with the aim of enhancing inclusion and fostering organizational effectiveness in their workforce (Mor Barak & Travis, 2009).

The power of diversity and inclusion: $1 + 1 = 3$. My colleague Scott Page (2007) provided a simple but elegant way to demonstrate the power of diversity, which he termed *superadditivity*. If an organization hires two employees with similar training, characteristics, and ways of thinking, then the result is additive, i.e., the organization has twice the talent. But if the organization hires two employees who represent very different backgrounds and ways of thinking, the result is super-additive. The first person's talent and the second person's talent are coupled with the interaction between them that could generate new ideas, constituting the third entity in this equation. A case in point is the International Monetary Fund (IMF), a body conceived at the United Nations conference in July 1944 with the goal of promoting international financial stability and monetary cooperation. A couple of years ago, I was invited to give a keynote address at the IMF on global diversity. Why was the IMF interested in diversity? After examining the dramatic failure of the IMF to predict the 2008 global financial crisis, the organization's Independent Evaluation Office (2011) concluded that the IMF needed to create an environment that encourages candor as well as diverse and dissenting views. More specifically, the evaluation report argued that the IMF needs to "change the insular culture of the IMF through broadening the professional diversity of staff" (p. 21). As a result, the IMF's executive board responded that "there should be no doubt that we are committed to fostering staff diversity in all its dimensions, including diversity of opinions" (Independent Evaluation Office, 2011, p. 41).

Managers of human services organizations often assume that because their workers' education includes sensitivity to and efficacy in dealing with diverse clients, they should also be skilled in dealing with diversity among their peers, subordinates, and supervisors. However, this may not necessarily be the case. In an interview I conducted in preparation for a large organizational diversity study, a manager recounted how disappointed she was when she had to reprimand one of her workers for making an offensive remark to a colleague from a different ethnic background. The manager noted that the worker "should have known better; after all, he is an experienced social worker."

Overall, accumulating research in the past few years has strongly supported the basic hypothesis that diversity representation and diversity management with a focus on inclusion have a positive impact on organizational performance. This conclusion has emerged from both the corporate-based studies and, though considerably fewer, studies in the human services and public sector. Authors have used many indicators for both the predictor variables of diversity and inclusion and the outcome variable of organizational performance, which gives credence to the basic underlying hypothesis of all of these studies, namely that diversity is good for workers, the organization, and clients and customers. However, it is important to note that several studies have presented mixed findings that underscore the complexity of the relationship among diversity, inclusion, and organizational performance and the need for more research in this important area.

PRACTICAL MANAGEMENT TOOLS AND APPLICATIONS

The first step for any manager interested in improving organizational climate of inclusion is to generate an assessment of the organization. Because the research into inclusion is relatively new, there are only a few tools available but there is accumulating evidence regarding their reliability and validity. A comprehensive article in the *Journal of Business Ethics* provides a review of measures related to diversity climate (see Buttner, Lowe, & Billings-Harris, 2012) covering a couple of measures that have been validated in previous studies, Specifically the Mor Barak et. al.'s measure of diversity climate (Mor Barak, Cherin & Berkman, 1998; for the complete scale and psychometric properties see Mor Barak, 2014, pp. 317-323) and the Chrobot-Mason's (2003) diversity promise fulfillment scale. With respect to the construct of inclusion, Shore et al (2011) provide a solid review article in the *Journal of Management* on the conceptual development of the term and there are three available measures for inclusion, two focusing on work groups (Nishii, 2013; Roberson, 2006) and one on multi-level organizational inclusion (Mor Barak, 2014, pp. 311-317). Based on this assessment, managers can identify the areas that need improvement and devise an intervention that would target that area.

The second stage is to examine the connection between specific management policies and practices (e.g., initiating training for inclusion) and organizational performance. With respect to organizational performance, studies typically focus on one of three units of analysis: (1) *individual level* (e.g., job satisfaction, organizational commitment), (2) *workgroup level* (e.g., quality of ideas, intergroup conflict), and (3) *organizational level* (e.g., quality of client service, productivity).

Managers who are true leaders can inspire their employees to transform their workplaces into inclusive organizations. What are the building blocks of an inclusive organization? It is a work organization that not only accepts and utilizes the diversity of its own workforce but is also active in the community; participates in state and federal programs to include population groups such as immigrants, women, and the working poor; and collaborates across cultural and national boundaries with a focus on global mutual interests (Mor Barak, 2000, 2014).

In conclusion, the concept of inclusion provides great promise for effective management of for-profit, nonprofit, and governmental organizations alike. The inclusive workplace is an action-oriented model for integration of organizations with society via expanding circles of inclusion, i.e., inclusion of the organization's own workforce and via programs with the community—at the state level or across national borders— to promote inclusion of diversity groups that may not be represented in the organization's workforce. Yet despite advancement in the representation of women and members of minority groups in the human services workforce, there is still a lot to be done to make the workplace more inclusive. The extent to which workers from diverse backgrounds feel included in their organization may have a direct bearing on their job satisfaction and commitment to the organization. As a result, this sense of inclusion or exclusion coupled with the overall organizational culture and climate may influence the quality of services that workers provide to their clients and the workers' health, mental health, and social functioning.

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