Research-supported Methods for Advancing Corporate Equality

Combining the well-meant aims of equality efforts with practical, data-driven methods can offer businesses realistic, research supported tactics for advancing corporate equality.

The benefits of corporate diversity and inclusion should be clear to all. But how, specifically, can a company successfully advance equality? What does the data have to say on the matter?

In the 2020 study from McKinsey, Diversity Wins: How Inclusion Matters, it was shown that companies with a higher level of diversity are more likely than ever to outperform their peers. This is unsurprising to those in the industry. At this point, everyone has heard the arguments for corporate diversity, from the moral imperative to the good PR and the tangible benefits of a varied group of minds tackling every obstacle.

The real question facing firms now is how to make diversity a reality. Sadly, there are plenty of companies that have earnestly attempted to make themselves more diverse only to fail miserably.

So, what actually works? How can a company ensure that they are hiring diversely and capitalizing on the benefits of diversity? How can they successfully create an inclusive corporate culture and avoid alienating one group or another?

How to Acquire, Retain, and Advance Diverse Talent

A common reason that non-diverse companies often stay that way comes down to their talent sourcing. That is, many companies source a large portion of their prospective hires through referrals from other companies in their industry.

This seems, on its face, like a reasonable practice. It certainly does ensure that new hires are cut out for the job. However, it also leads to something of a talent echo chamber.

Employees of a relatively non-diverse organization are probably mostly connected to other non-diverse people. So, a non-diverse company that uses employee referrals more than any other sourcing channel will have a hard time increasing its own diversity. Alternative methods should be found, and to motivate this, it may be necessary to do away with any existing incentives for employees to refer new hires.

Once an alternative talent sourcing method has been found, the next goal should be to build diverse teams. Then, firms should encourage the members of those teams to support each other and provide their unique perspectives.

Key metrics should be chosen to measure how well the company is performing in this regard. There are many ways to analyze the diversity and inclusivity of a company statistically, and a wide variety of metrics should be used to make sure that a complete picture is made. For a company that has made some strides but wants to further increase their diversity and inclusion, there are a handful of actionable goals that will be especially important over the next few years.

First, it is important to make sure that the company's diverse talent is represented at as many levels as possible. Where appropriate, existing diverse talent should be advanced into executive, management, technical, and board roles. The company should also take the time to select appropriate metrics and targets for the representation of diverse talent.

Second, the company should ensure that leaders and managers have the power to advance diversity and inclusion and that they are accountable for progress on those fronts. Leadership should become the heart of the company's diversity and inclusion efforts.

Finally, the company needs to level the playing field in advancement and opportunity. Promotions and pay processes should be made as transparent and fair as possible. The goal here is to make the company into a true meritocracy. A meritocracy will naturally be diverse at all levels, so a goal of meeting diversity targets is a good way of removing bias from these decisions.

Concrete Plans for Inclusive Corporate Cultures

Metrics and statistics are all well and good, but the less tangible factors are no less vital.

A healthy company must have a culture of openness, inclusivity, and non-discrimination at every level. Managers and staff should be trained to spot and respond to microaggressions. There should be a zero-tolerance policy for discriminatory behavior, and the employees should establish norms for open, welcoming behavior. Leaders and employees should be asked to assess each other on how well they meet these standards.

Finally, it is vital to vocally and unequivocally support multivariate diversity. Multivariate diversity refers to the idea that every employee--indeed, every person--is more than just one thing, and a company needs to be diverse in more than just one way.

In other words, even if a company is very diverse in terms of ethnicity and gender, they may be lacking in other types of diversity, such as LGBTQ+ individuals. Employees should feel that they

can bring their "whole selves" to work with them. Leaders should express their commitment to building community among the diverse members of their teams, and to allowing workers to be their multi-variate and intersectional selves.

Not Just How, But Also Why

The 2020 McKinsey study also noted that the current global health crisis has shifted the value of inclusion and diversity. It has not made it less critical – on the contrary. While some firms may be thinking of COVID challenges first, the reality is that the long-term health of their firms mandates that equity, diversity, and inclusion continue to take a front seat. In this way, diversity can continue to be a powerful market differentiator and enabler of business performance.

It won't be long until the COVID crisis is done. At that time, companies whose leaders have welcomed diverse talents and made the effort to ensure multiple perspectives have been heard are likely to emerge from the crisis stronger. The clock is ticking now, behooving companies to lean on the research and make moves to improve their diversity profiles now.