

Reframing Diversity

Board executives and senior diversity professionals working together for strategic impact

Executive Summary

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Main summary

This study focused on the practices of large public, private and voluntary sector organisations. A total of 34 senior diversity professionals and 16 Board level executives from 34 different organisations were interviewed in this study.

We found that organisations gain most from diversity when:

- it is treated as a **core strategic issue**,
- executives can see **immediate business results**,
- executives become active '**diversity leaders**', and
- they work effectively in **partnership** with their senior diversity professional.

We know that equality and diversity programmes should be aligned with an organisation's core strategic objectives. Not only is this alignment critical to achieving equality and diversity goals, but it also enables organisations to benefit from the business opportunities diversity offers.

However, more than ten years after calls for effective links to be made between diversity and the achievement of strategic objectives, published examples of UK organisations making a strategic impact with diversity remain rare.

Our research provides hard evidence indicating why many organisations in the UK are failing to achieve this and why this failure may be preventing equality and diversity becoming more widely established in the workplace.

We offer recommendations for ensuring that diversity can be positioned strategically and sustain its objectives in the long term whilst contributing to the achievement of core organisational strategic objectives.

Key findings

- **Alignment** between an organisation's strategic objectives and diversity is critical for achieving long-term diversity goals.
- Executive support for investment in diversity is highly unlikely to be sustained in the long term unless a **demonstrable return** on this investment is made.
- The level of executive engagement in diversity that is required to achieve its objectives is unlikely to be sustained unless executives can see an early contribution in the **short term** to the achievement of the organisation's strategic objectives.
- Executives are **not always motivated by the legal or ethical imperative** sufficiently to adopt the leadership position on diversity as a shared Board-level responsibility.

Early results

We argue that it appears to be difficult to engage executive-level support for the long-term objective of greater diversity, and then to sustain that support.

Our research indicates that executive-level support for diversity may be lost unless:

- diversity is **strategically aligned** with achieving the organisation's core objectives; and
- its contribution can be clearly demonstrated **early on**.

This means moving away from the traditional 'business case' towards a more action-focused 'business opportunity' approach that concentrates on achieving a positive strategic impact with diversity that can be clearly demonstrated early on in an organisation's diversity programme.

Waiting five or more years before an organisation begins to see evidence of the strategic contribution that greater diversity can make is too long. In order to maintain the optimum executive commitment we suggest that diversity professionals adopt a circular rather than linear implementation model. This means that instead of developing a strategy that seeks firstly to create greater diversity and then eventually to build on the benefits of this to support core organisational objectives, early strategic contributions which can make a clear demonstrable impact are built into the action programme from the very beginning.

A dysfunctional relationship: diversity professionals and their executives

Our research has, for the first time, focused on the characteristics of executive leaders of organisations in the UK, their senior diversity advisers, and the relationship between them.

We find that senior diversity professionals with certain characteristics are most likely to effectively align diversity goals with the achievement of the strategic objectives of their organisation. There also needs to be a stronger and more communicative partnership between senior diversity professionals and their executive leaders.

We find that executive leaders can acquire specific characteristics enabling them to lead diversity most effectively within their organisation and draw strategic benefits from their diversity programmes. We highlight the need to grow Board-level executives who are future 'diversity leaders' as well as to sustain current 'diversity champions'.

Diversity professionals

Our study draws on interviews with senior diversity professionals identifying key skills and attributes they see as critical to their role. Less than half of them refer to industry, commercial or business knowledge and understanding as a characteristic that they identify as important or that they use in their role. Conversely, the majority of the executives we spoke to referred to this characteristic as critical in enabling senior diversity professionals to make a strategic impact with diversity in their organisations.

While senior diversity advisers were clear their role included positioning diversity strategically within their organisation, they highlighted important structural barriers to achieving this in practice. These barriers include insufficient resources, being positioned in HR, and a lack of clarity on how their performance is measured. Executive perception of the senior diversity professional as an implementer rather than a strategic influencer may also partly account for the lack of Boardroom access described as another key barrier by several interviewees.

Executives

Our research indicates that executives are currently taking different approaches to diversity. Whilst some of them see themselves as a figurehead supporting the senior diversity professional at Board level to achieve diversity objectives, others are proactively using the support of their senior diversity professional to lead their organisation in making strategic gains from diversity and to influence their Board colleagues to do the same.

Among the 16 executives we interviewed, we identified nine – whom we call ‘**executive diversity champions**’ - who act as a support for the senior diversity professional and link them to Board colleagues, whom they sometimes influence to buy in to the importance of diversity as a concept. Our research suggests that the ‘executive champion’ role is not generally directed at making an organisation-wide strategic impact with diversity. It is more concerned with supporting the senior diversity professional in achieving the organisation’s diversity objectives.

We call for a new model of executive who is committed to diversity at a strategic level

across the Boardroom. We found seven examples of executives with this style - whom we call ‘**executive diversity leaders**’ - who see themselves as leading diversity in their organisation and ensuring that it can draw strategic benefit from diversity. Their essential attribute is a business-led interest in diversity and capability to draw from it tangible strategic gains . Such early strategic gains appear critical to achieving longer-term diversity objectives.

Unless executive leaders become more active ‘executive diversity leaders’ who consider diversity as a core strategic issue and apply to it the commitment, resources, measures and accountability structures that they would afford to any other business issue, we conclude that its potential for strategic contribution will remain severely limited.

We argue that there is a need for both these roles – and that ‘champions’ will remain important - but that we need more powerful, proactive ‘executive diversity leaders’ in particular.

Recommendations

- **Ensure immediate strategic benefits**
Organisations should evolve their diversity management model so that they aim for measurable strategic benefits from the outset and realise them quickly.
- **Measure strategic success**
Better protocols need to be established for quantifying the strategic contribution of diversity.
- **Develop diversity professionals' strategic capability**
Further targeted work is needed to enable senior diversity professionals to identify and develop appropriate characteristics to more effectively direct the long-term

achievement of diversity goals and its short-term strategic contribution to their organisation's success.

- **Grow more 'executive diversity leaders'**
As a routine component of effective leadership at all levels, professional bodies and leadership development providers should address in their programmes and qualifications structures how executives can develop as effective diversity leaders.
- **Work together in closer partnership**
Senior diversity professionals and their executive leaders should develop a more mutual and positively reinforcing working relationship.

Diversity Professionals' Forum

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