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Creating a Diverse and Inclusive Workforce at Home and Abroad

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Creating a Diverse and Inclusive Workforce at Home and Abroad

By Susan McCune of SIRVA

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You don't have to look far to see why companies have a renewed focus on diversity. Study after study has confirmed companies with a diverse workforce are more appealing, successful, innovative, and competitive than those with a homogeneous workforce.

Delivering through Diversity, a 2018 McKinsey & Company study, found that companies with gender-diverse executive teams were 21% more profitable than companies with less diversity. And companies with more ethnic/cultural diversity were 33% more likely to outperform on profitability. Boston Consulting Group concurred. Its *Diversity and Innovation* survey looked at 1,700 companies across 8 countries and found those with diverse leadership generated 19% higher revenue due to greater innovation.

These results shouldn't be surprising, because diverse employees bring different experiences, skillsets, opinions, worldviews, attitudes, and values to the office every day, and those different characteristics become intertwined like the fabric of a vibrant tapestry to make a company stronger.

It's easy to have a narrow definition of diversity, perhaps only taking into account race, gender, ethnicity, or sexual orientation, but diversity can take many forms, including age, religion, citizenship status, military service, mental and physical conditions, and even personal interests. Diversity can also relate to a family dynamic, such as raising a special-needs child, co-parenting with an ex-spouse, being a single parent, or caring for an elderly family member.

Regardless of how employees are different, the goal for today's companies remains the same: create a working environment where everyone feels welcome, included, and comfortable being themselves. Not only does creating such an environment set all employees up for success, but it also removes mobility barriers and ensures everyone can take advantage of opportunities to experience work outside of their home location. But, in diversity, companies face challenges with how to cultivate an inclusive and welcoming environment without singling anyone out or calling attention to their differences. It's a fine line to walk.

We've all seen how this plays out in school; it's the new kid's first day, and all they want to do is blend in with everyone else. But the teacher asks them to stand up and introduce themselves to the class, shining a spotlight on them. The intention is pure, but the execution is anything but welcoming. While we've all moved on from school, the yearning to feel included, but not singled out for being different remains.

Focus on Inclusiveness Not Diversity
When it comes to creating and sustaining a culture of diversity, many companies focus on the metrics. It might seem logical that if you want more employees from a specific under-represented group, that you launch an effort to recruit more of those employees.

Just like introducing a new student, the intention is pure, but the approach is misguided. In diversity, companies need to jettison their "we need more of these people" mentality and adopt an "if we build it, they will come" attitude. Fortunately, building an inclusive environment isn't as difficult as some might think. To do it correctly, you have to take a holistic approach.

Start with Recruiting
While focusing recruitment efforts on a specific group to "bump up the numbers" isn't the way to go, companies should do everything they can to build a workforce that is representative of the diverse world we live in. These efforts can take many forms, including working with students in university programs to educate them about your industry via your internship program, encouraging employees to mentor students, or partnering with universities and community groups to create developmental and networking opportunities.

When it comes to hiring, in addition to a candidate's experience and skillset, also consider how they can strengthen the company's ability to create an inclusive environment. Today, it's not merely about an employee's individual skills, but how they can help the company, as a whole, reach the next level.

Inspiring Current Employees
In addition to bringing new employees into the fold, companies also need to inspire their current employees to get involved and contribute to an inclusive culture.

For many companies today, diversity and inclusion is not just an HR initiative but a core value of the entire organization. Through internal programs, companies encourage their employees to bring their best, true selves to work and find a home within the dozens of small communities that exist within the larger organization.

Internal communities serve as opportunities for employees who have a shared passion about a particular topic or experience to interact with one another. These groups can span a range of interests, including LGBTQ, cultural/ethnic, women in tech, global outreach, helping families caring for those with special needs, and more. These communities in turn can sponsor a variety of activities, such as guest speakers and outings, throughout the year, all focused on bringing people closer together.

Large or small, communities provide a space for employees to connect outside of their particular work groups. Employees will find a welcoming place for building relationships and an inclusive sense of belonging. Membership is entirely voluntary, and the atmosphere is more like what you'd find at a friend's book club meeting than a corporate-sponsored diversity workshop.

Developing the Next Generation of Leaders
Diversity and inclusiveness should permeate every level of a company, from entry-level positions to the executive suite. To ensure that the next generation of leaders includes individuals with different perspectives and backgrounds, companies should develop programs to identify and prepare diverse talent for leadership roles.

Developing internal programs for leadership development is key. However, this can only be successful if there is a top-down expectation within the organization to cultivate strong and diverse teams and that diversity is integrated into each leadership development program. Additionally, companies should provide tools and resources to help leaders at all levels ensure they are creating an inclusive environment in their teams. This is less about educating employees about others and more by educating leaders of their own biases and setting them aside when making decisions about their workforce.

Setting an Example for Others
When companies work together to create a more inclusive environment, entire industries prosper. Company leadership should openly discuss efforts to promote diversity and inclusiveness at conferences, trade shows, and other industry events. By sharing what an organization has learned in their journey, they help other companies better understand the challenges and opportunities of cultivating a welcoming environment.

Don't Overlook Partners
Your supply chain partners also reflect your company's culture and values. If your goal is to build an inclusive environment that welcomes diversity, consider partnering with those companies who desire to do the same.

Charitable Activities
Your charitable activities should also reflect the diversity and interests of your employees. Consider matching employees' charitable donations, extend paid-time-off for employees to support the charities and volunteer opportunities they're passionate about, and develop relationships with leading diversity organizations in your community.

Preparing Candidates for Relocation
While some countries understand that diversity can have a positive effect on performance and potential in the marketplace, others do not share these beliefs. This inclusiveness gap creates challenges associated with relocation, in that certain countries may be socially, legally, or physically less welcoming of women, members of the LGBTQ community, and other diverse groups.

However, diversity in relocation extends beyond lifestyle choices and gender roles. It is supporting the employee who is the caregiver for their elderly parents, the single father who shares custody of his daughter, or the employee who has a wheelchair. Each of these people have unique needs which should be taken into consideration in preparation for a relocation.

For HR departments to choose candidates for a position (where they will be able to function fully without discrimination or be in physical danger) candidates need to self-identify and/or initiate a discussion regarding their concerns. If they don't – and HR can't legally ask these questions ahead of time – it's difficult to protect and fully inform and prepare candidates before relocating to an area that may be a challenge for them.

Since there isn't much we can do in the short term to change a country's culture to make it more accepting and welcoming of all employees, the next best thing is to prepare employees for what they'll face in these regions. By giving them as much insight as possible, you'll empower employees to determine whether they can build a life in a new region. The same approach applies to relocating employees to underdeveloped or even hazardous environments.

Advance Trips Offer First-Hand Insight
In the pre-decision phase, before a candidate accepts a relocation offer, employers should paint a vivid picture of what the destination city is like. This means discussing with candidates every facet of life in the new location – from living conditions, schooling options, and access to healthcare, to local customs, LGBTQ acceptance, and whether areas are accessible for those with a disability.

Getting this granular knowledge requires employers to visit and evaluate those areas where they expect to relocate employees. By sending global mobility "advanced teams" you can become an expert in the region.

Only after employees clearly understand what they could face in the new location can they make informed decisions. It's important to distinguish demographics and statistics from real-world experiences. Candidates who have a child with special needs aren't interested in how many schools are in the area; they're more concerned whether there is one school that can provide the specialized assistance or one-on-one support they're accustomed to back home.

Cultural Training is Vital but Often Cut
Providing cultural training to those candidates who have accepted a relocation can help them develop realistic expectations and adjust to life in a new location. Cultural training has historically included instruction in area history and geography, daily working and home life, values and cultural differences, and practical language training. However, new trends in cultural training turn the tables on these ideas and also require employees to look inward – to identify and examine their own cultural values and assess their own ability to adapt to a new culture. By identifying their own cultural values, traits, biases and perceptions, employees learn more about how these factors influence our views of the world. They learn how they can alter their behavior and be open-minded and receptive to the cultural perceptions and mores of other cultures. In addition to learning about the host destination, employees

also learn about themselves and how their inclinations, which seem natural in their native environments, could seem unnatural in their destination locations.

Such programs have a positive effect on employees and the companies for which they work. At SIRVA, we've found that employees who participate in cultural training are more self-aware, self-confident, and more versed in workplace interactions and business etiquette in the destination country.

We've also found that cultural training has a direct correlation to assignment success rates. *The Journal of International Business and Economy* reported that for American expatriates the premature assignment return rate is between 16% to 40% in developed countries and approximately 70% in underdeveloped countries. The journal cites the contributing factors to failed assignments include cultural shock, lack of cross-cultural training, family problems, spouse dissatisfaction, and the inability to adjust in the host country.

Moreover, the *Training and Development Journal* reported that assignees who have undergone either language or cultural training have a 90% assignment success rate compared to a 60% success rate for those who have not participated in such training.

Even though cultural training has a significant impact on the success of a relocation, companies looking to reduce relocation costs often cut these programs. This is because cultural training can be expensive compared to other relocation services, but it's also difficult for companies to make the business case for these services because they don't believe they can measure ROI. Services such as cultural training are also not as "visible" as other services like home sale, temporary living, and household goods moving.

Managing Expectations During Domestic Relocations
While employees are less likely to experience a significant inclusiveness gap when relocating within their home country, employers still have a responsibility to educate them on what they can expect life to be like in their destination city. Ensuring diverse employees' needs are met domestically is less about cultural acceptance and more about managing expectations.

For example, an employee in the United States who is relocating to New York City may not have the same size home they had in a Texas, given the higher cost of living. On the other hand, an employee moving within Australia, from Sydney to Alice Springs, may need to adjust to living in a completely different region and climate. Sending employees on a pre-decision trip before they decide to relocate offers them a chance to evaluate the destination first hand and determine if it can meet their lifestyle needs.

It's also essential to have flexible relocation benefits to meet the needs of all employees. For example, your relocation policy could offer a childcare or adult dependent reimbursement during a home finding trip. Or a single female employee may not be comfortable checking into a temporary housing option at night so you might consider offering a hotel stay for the night of arrival, allowing the employee to move into her apartment during daylight hours.

If you believe sending advance teams on multiple trips to evaluate foreign locations, providing immersive cultural training, or developing flexible domestic relocation policies in the name diversity is excessive, keep in mind that assignment failure comes with a high price tag. A failed relocation can cost a company millions on the assignment itself, as well as in lost revenue, and return on investment. And that's just the financial impact.

An employee who has a negative relocation experience is likely to leave the company, and other employees could lose confidence in the HR/mobility department, which could influence their decisions to accept a relocation offer in the future.

Better Ideas, Solutions, and Opportunities
A diverse and inclusive workforce offers benefits to employers and employees. It leads to better ideas, better business solutions, and better opportunities to grow, which benefits both the company and its customers.

Every company should be committed to creating an environment where employees can bring their true, best selves to work every day. Companies that focus on inclusivity, rather than singling out those who are different, can make employees feel welcome and comfortable enough to be and express who they are at home or abroad.