

Is your business doing enough for diversity, equity and inclusion?

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In recent years, business leaders have made significant investments in diversity, equity and inclusion (DE&I). However, ask employees about the impact of DE&I efforts within their companies and you'll hear a different story.



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Despite years of significant corporate investment in DE&I, outcomes have been modest at best, and our research backs up employees' perceptions that while their company has done enough in DE&I, many of the employees targeted with such programmes do not benefit from them.

Up to 75% of South African respondents surveyed, as part of our [2020 Diversity, Equity, and Inclusion](#) survey, reported that their company has a diversity programme in place, while nearly 60% stated that their company has done the right amount of work in terms of DE&I efforts. However, up to 38% of targeted employees in South Africa have not benefitted from these programmes. While this share may be comparably low compared to other countries where it goes up to 75% - it is more than a third of targeted employees.

The growing value of DE&I is further backed up by our study [Decoding Global Ways of Working](#), in partnership with The Network and local affiliate CareerJunction. South Africans researched as part of the study were found to care more about diversity than the global average. 82% of South Africans said that diversity and inclusion had become more important to them in the past year, compared to 69% globally.

Diversity and inclusion was also particularly meaningful to the country's young people, with 87% saying D&I had become more important to them in the past year. Half of the South African respondents overall would even refuse to work for an employer that does not match their beliefs in this area.

Reimagining diversity, equity, and inclusion

All of these are examples of the overwhelming importance of prioritising DE&I efforts. However, we have hit a ceiling in terms of the impact this important work is making. This is largely because DE&I initiatives tend to segment people into groups and assume they define the workplace experience.

Locally, 11% and 3% of respondents stated that their company has done too much or far too much in terms of DE&I efforts, while 21% and 7% reported that their company has done too little or far too little when it comes to DE&I programmes.

In reality, individuals are made up of a variety of identities, for example a black female employee can also identify as LGBTQ and be a caregiver for siblings, while a white male employee might be a single parent and have a physical disability.

Leaders need to adapt their DE&I work for a new and diverse generation and attack the problem from an entirely new perspective. They must focus on three key elements to enable a significant change in DE&I solutions: Reframe why DE&I benefits the organisation, reset who should be the focus of DE&I efforts and reinvent how to develop solutions.

1. Redefine why DE&I benefits the organisation

“Diversity” is often framed as a collective effort to increase the representation of certain demographic groups inside a particular organisation. Over time, this view has increasingly expanded to include leveling the playing field so that members of underrepresented groups have the same opportunities for career development and advancement as majority-group employees (“equity”) and ensuring that they have a positive and supportive workplace experience (“inclusion”).

While this work is still critically important, the standard DE&I framework must be broadened considerably. If we take a step back and think about what business leaders are trying to accomplish within an organisation, we see that one of their primary goals is to unlock the value of human capital in order to gain a long-term competitive advantage.

To do this, companies need to ensure that as many people as possible contribute, collaborate, and ultimately thrive in the workplace. This in turn allows the organisation to attract and retain the best possible talent, from the broadest range of talent pools, and deliver differentiated business outcomes. DE&I is a fundamental tool that can be used to achieve this mission — and it should be framed as such. After all, human capital is often one of the largest investments a company makes — and we know that a more diverse workforce helps deliver better business outcomes.

2. Reset who should be the focus of DE&I efforts

DE&I work to date has generally been rooted in one basic approach. Companies tend to emphasise a specific set of diversity categories — such as women, people of colour, individuals who identify as LGBTQ — and a great deal of effort is put into designing solutions aimed at these groups.

But our research demonstrates that other factors may be just as important in defining any individual’s experience at work — or even more important. Certain demographic factors (like age, socioeconomic background, and immigrant status), life context (such as caregiver status or being part of a dual-career household), and physical and mental differences (such as physical disability, neurodiversity, chronic illness, mental health challenges, or even different

personality or problem-solving styles) can all play important roles in shaping who employees are when they come to work and how they experience the workplace.

Needs can also differ over time for each individual. Someone entering the workforce fresh out of university may prioritise learning and career advancement. When that person becomes a new parent, he or she may prioritise job flexibility. And when this individual assumes a leadership role, he or she may start to emphasise company financials over personal metrics.

By adapting the demand-centric growth (DCG) methodology, which focuses on people's foundational needs at an emotional level, companies are enabled to develop a holistic understanding of every employee and understand employees' core emotional needs.

When they ask the right questions, they can create an employee cohort map that captures the intersection of variables that truly matter to employees and understand what emotional and functional needs must therefore be met to optimise and satisfy a given group of individuals.

To truly succeed with DE&I efforts, companies need to better understand the intersection of identity, context, and an employee's journey over a career.

3. Reinvent how to develop solutions

When companies focus on a limited set of diversity categories, they don't necessarily capture all of the most important drivers of difference for employees; nor do they address employees' underlying functional and emotional needs.

Instead, they tend to devise pragmatic solutions that fit neatly into limited categories (offering paid maternity leave to women or creating an employee resource group for LGBTQ individuals, for example), without any tangible evidence that this will satisfy employees' most important needs. Simply stated, employees have a much more complex set of underlying functional and emotional needs that can't be addressed by simply offering, for example, a maternity or paternity leave benefit.

Organisations need to identify and address the differences that matter to employees, including context and the ways that needs change as an employee's journey and individual circumstances evolve. They must devise a more holistic set of interventions and solutions that meet these needs and contribute to a sense of belonging and inclusion.

With an employee cohort map, companies have the tools needed to move beyond the limited categories of diversity that have been the primary focus of DE&I initiatives, identify a more comprehensive set of communities that share common needs, and expand their efforts in those areas.

Companies have a once-in-a-lifetime opportunity to reinvent the workplace, transform the company culture, and develop a new approach to DE&I that will enable them to enter the post-pandemic world more resilient than ever.

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