

Certainty – The Death of Diversity and Inclusion

Generally, people prefer predictable outcomes. Predictability helps us determine what our thoughts and actions will generate. Whether performing simple actions such as moving from one room to the next, or complex actions such as attaining business goals, it is wise to employ predictable steps to achieve desired results. This applies to diversity and inclusion (D&I) strategies as well. All too often however, we seem to approach D&I initiatives with a sense of certainty: outcomes sought will be accomplished by setting D&I wheels in motion. Given the high index of change associated with D&I, a desire to make predictability synonymous with certainty is unwise. So what should we be wary of when predictability and certainty become knotted? How do we untie the two? This newsletter is devoted to answering these questions and their impact on D&I.

Logic and probability are the foundation of predictability. To accomplish tasks and solve problems, it is useful to determine logical paths forward. But since multiple ways to accomplish objectives are often available, it is important to determine which pathways are more likely to achieve desired outcomes. Within Merriam-Webster's definitions of logic, the following is included: interrelation or sequence of facts or events when seen as inevitable or predictable. For probability, Merriam-Webster includes the following definition: the chance that a given event will occur. Many business leaders approach strategies and decisions using this combination of logic and probability. Together, they foster predictability and lead to sought-after outcomes.

In business, sustainable revenues and profitability are desired outcomes. Good business leaders excel at understanding and communicating the language of financial growth and profitability. They manage limited resources to generate not only desired, but predictable results. Many business leaders liken D&I initiatives to business operating strategies. Over time, D&I efforts are expected to improve productivity and eventually add to business profitability. These outcomes are logical and reasonable, but too often, leaders are convinced little involvement from them is necessary once D&I initiatives are launched. Leaders have a sense of certainty that if they are just and fair, and encourage their managers to take advantage of a wider range of talent, D&I will become a clear reality.

When leaders attempt to fit D&I into the same box as other operating strategies, three things can derail their efforts:

- 1) Lack of business incentives (i.e., rewards and recognition) for diversity champions and endeavors

Incentives are a fundamental tactic used to achieve operating business objectives. However, incentives are infrequently applied to D&I business objectives. A decision not to incorporate incentives into D&I strategies suggests a presumption of certainty: managers can and will accomplish D&I goals along with their other business goals. It is presumed managers are

motivated to “do the right thing”, especially when they have the opportunity to cast a wider net and increase their talent pool. This logic produces a win-win scenario and is hard to argue. However, probabilities of success have not been high considering the innumerable diversity initiatives implemented over the years. This indicates there are other factors impacting D&I, particularly human apprehension to change and related behaviors.

Since all business projects and initiatives are subject to human factors, incentives are useful tools to motivate desired behavior and mitigate undesirable behavior. Whether management is guiding operating or D&I goals, incentives can help drive results. For D&I strategies in particular, the key is to not only incorporate incentives, but utilize them in ways that attain sustainable results. This is just as applicable to non-profits where incentives can lean toward organizational standing and position.

2) A business case for D&I heavily based on financial outcomes and performance

To avoid misconception, I must begin by stating operating results are essential and cannot be ignored in pursuit of organizational goals and objectives. D&I goals and objectives are no exception. If increasing diversity and inclusion decreases the viability of a healthy organization or community, nobody benefits. Instead, the business case for D&I should be more closely aligned with strategies for creativity than strategies for revenue and productivity. Creative environments are valued more for an ability to generate and substantiate ideas versus generate timely revenues and profits. D&I outcomes and returns should be measured and assessed similarly.

One belief among many leaders and diversity advocates is that the business case for D&I must be directly tied to operating outcomes and financial returns. There is a sense of certainty that as diverse human resources are integrated into organizations, positive correlations will emerge between D&I and operations. The assumption is that integrating individuals who meet target criteria (e.g., creative backgrounds, diverse backgrounds) will help organizations bring increased value to the marketplace and a better value proposition than competitors. To this end, leaders apply familiar business models that manage, measure and assess investments and returns in monetary terms. Quick analysis tools such as dashboards are often created to measure and assess progress. However, measuring contributions using linear correlations of targeted individuals to operating results does not necessarily reveal how effective your organization is or can be. Such measures can tell you where you are, but they cannot tell you how to get to where you want to go.

For the D&I business case, qualitative outcomes require as much prominence as quantitative outcomes. It does little good to have heterogeneous environments when heterogeneity is not valued and utilized. Accordingly, measurement and assessment tools should give leaders a sense of trends in areas such as richness of perspectives, reflection of the broader community

and market, and ability to offer input by those who differ from the status quo. To properly assess these and similar outcomes, feedback instruments are required that query both internal and external stakeholders. When correlated with operating results and numbers of individuals from targeted backgrounds, these types of measurements provide a roadmap to assess and optimize benefits from D&I strategies. This holistic approach is more predictive of how well current D&I strategies can drive desired outcomes and signal when changes are necessary.

3) Expectation of visible financial impact in a short-term horizon (i.e., within one to two years)

Many world economies are influenced by short-term expectations and results, particularly our U.S. economy. One reason often cited is investors' fixation on quarterly earnings, but no matter what the underlying causes, effects on our logic and thought patterns are considerable. Short-term expectations give credence to the belief that strategies slow to bear fruit should be abandoned for strategies that bear fruit more quickly. This is particularly salient in business where speed to market generally constitutes an advantage. As with the business case, an air of certainty persists that integrating diverse people in essential positions will produce short-term results. Given the human challenges of embracing and managing change, it is highly idealistic to expect sustainable results in the short-term.

There are no magic formulas for human relationships and interaction. The best we have to work with are guiding principles. Accordingly, it is naïve to expect anything less than continual work and effort to produce sustainable results when disparate individuals and groups come together. This suggests that a longer-term horizon is better for measuring and assessing D&I outcomes. The longer horizon provides time to learn and adjust integration strategies and tactics as needed for optimal collaboration.

Unfortunately, learning is negligible when certainty is combined with expectations for short-term financial results. Certainty stems from lofty expectations that integrating new and different human talent will deliver short-term financial results. If expected certainties transpire, there is apt to be little analysis and assessment since the likely presumption is there is no need to do so. Conversely, strategies that do not produce desired results are often abandoned quickly and replaced without adequate analysis and assessment. This illustrates a significant trap in the quest for short-term results: the need to make things happen quickly leaves little time to reflect on action steps and analyze mistakes. While it is prudent to abandon strategies that are not working, it is important to learn from attempted strategies and use those lessons to improve future experiences. When no lessons are gained from previous D&I efforts, avoidable failures still exist.

It is always helpful to remember why diversity and inclusion strengthen an organization or community. D&I can build a deeper and wider base upon which to grow and develop. D&I can add knowledge and intelligence that expand existing capabilities. If we are to become inclusive

of different cultures, genders, races, sexualities, ages, physical and mental abilities, and other variations along the human spectrum, D&I goals must be two-fold:

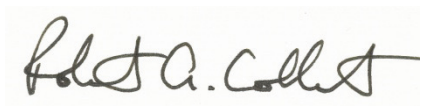
- 1) Cultivate environments where different backgrounds are valued and members of both diverse and status quo groups recognize their contributions to the whole
- 2) Infuse gifts and talents from a variety of backgrounds to strengthen the capabilities of organizations and communities

Organizations and communities that accomplish these two goals will go far in achieving predictable and desired outcomes.

When it comes to areas such as laws of nature and generalities, certainty has its place. We expect the sun to come up tomorrow; we expect change and evolution to be constant; we expect more viable choices to lead to better outcomes. These all have predictability that border on a sense of certainty. While no outcomes are absolutely certain, the power of repetitive and predictable outcomes is undeniable. Unfortunately, D&I cannot be accomplished from a mindset of certainty and rigid timetables. The reality is the D&I equation becomes more complex to solve as more variables are introduced.

Effort and perseverance are required to be successful with D&I strategies. It is also essential to use experiences and lessons learned to increase predictability along the way. This implies the need for leaders to be deeply involved in guiding D&I efforts to sustainable outcomes. In the quest for D&I outcomes, programs and external resources may get things started and may even preach certainty, but leaders and their regular involvement are the real keys to obtaining predictable and long-lasting results.

Should you have questions or comments regarding this newsletter, please contact me. If you find my thoughts intriguing and would like to hear more about my approach and methods, I welcome your inquiries. If you would like someone added to my distribution list or want to unsubscribe for future additions, please reply to my e-mail address.



R. Colbert Consulting

**Presenter and workshop facilitator:**

Robert Colbert has over 30 years of corporate experience. He began his career in public accounting, continued into the private sector, moved into the non-profit sector, and subsequently became a business and diversity consultant. During his career, he has had assignments in audit, finance, corporate development, technical sales, marketing and non-profit operations. His educational credentials include a BA from Minnesota State University, Mankato and an MBA from the University of Minnesota Carlson School of Management. He is also a CPA and holder of a U.S. patent. Robert

currently serves on the boards of Cammack Marshall Fund for Children, the Cleveland Neighborhood Association and the finance committee of Youthprise. In addition, he teaches tai chi in the Minneapolis community. His approach to diversity is informed by his tai chi practice and was developed and honed from experiences he and many others faced during their time in the private and non-profit sectors. His basic premise is that human beings struggle with change and variation; challenges that impede our ability to accept and value one another. To build sustainable diversity, our challenge is to find answers to an overlooked question, “How do we compensate for the human condition as it contends with change and variation?”