

'Diversity, Inclusion, and Competitiveness' –

JAMK Centre for Competitiveness Webinar on November 14, 2012

Summary written by Ms. Riitta Saastamoinen

*Enhancing competitiveness is a concern for business people all over the world. Diversity and Inclusion (D&I) strategies and practices are one effective way to approach competitiveness improvement. Therefore, JAMK Centre for Competitiveness arranged a webinar on the topic, with visiting panelists **Dr. George Simons, Mr. Elmer Dixon, and Ms. Joy Hawkins**. JAMK University of Applied Sciences representatives in the webinar were **Dr. Murat Akpinar, Mr. Steven Crawford, and Ms. Riitta Saastamoinen**. The whole webinar is available online at <https://connect.jamk.fi/p50543002/>. This summary presents some of the points and ideas raised in the discussion.*

The discussion started by Dr. Simons introducing 6 myths that Diversity & Inclusion (D&I) work attempts to reconstruct. Then, Ms. Saastamoinen laid the Finnish ground for the discussion by introducing a development strategy of the Finnish Ministry of Employment and the Economy that envisions the Finnish work life to be the best in Europe in year 2020 (Työelämän kehittämisstrategia vuoteen 2020). D&I practices play an important role in achieving the aims of this strategy.

Diversity, inclusion and engagement, the three key words that inform the D&I work, were opened up by Ms. Hawkins. **Diversity** refers to the *“unique characteristics or differences that each of us have”*. Those characteristics and differences include

- 1) unique characteristics (e.g., personality, style or approach of doing things),
- 2) internal dimensions (e.g., race, ethnicity, gender, age, sexual orientation, disability),
- 3) external dimensions (e.g., marital or parental status, educational background, religion), and
- 4) organizational dimensions (e.g., type and level of one's work, status or length of employment in the organization).

Based on this inclusive definition, all work places have diversity, but Ms. Hawkins pointed out that just having it is not enough: it is what companies and people do with that diversity that counts. For that, positive actions are needed, as reflected in the words 'inclusion' and 'engagement'.

According to Ms. Hawkins, **inclusion** means *“welcoming and embracing the strengths of our differences, encouraging involvement, and providing equal access to opportunities and information.”* To take diversity and inclusion still a step further, **engagement**, *“emotional and intellectual commitment to the organization measured by promoting organization, staying, and striving to do one's best and make the organization the best it can be”* is needed, as the engagement of the employees is the way to competitiveness. Mr. Dixon argued for the importance of engagement with data from work places in US, according to which 8-12% of employees are usually fully engaged (ready to “go the extra mile”), 75-80% are engaged (fulfill their tasks and do that effectively enough), and 8-12% are disengaged. The last group is estimated to cause in US alone the costs of billions of dollars every year in lost productivity. D&I activities are important in reducing these costs.

Mr. Dixon continued to discuss the major **global reasons for companies to commit to D&I**. While managing diversity well enhances productivity, it also affects costs in many ways. For instance, companies save in recruiting and retraining costs, when they maintain their work force better. In addition, due to the global trends of customers and markets as well as the workforce changing, companies that apply D&I practices are better prepared for these changes. For instance, a company that understands diversity is more capable of responding to the needs of diversifying customer base, or of creating new kind of products and services for changing markets. This is related to the research-indicated strength of the diversity: well-managed multicultural teams outperform homogenous teams in the quality of problem-solving, decision making and innovation.

On a more practical note, Mr. Dixon introduced **global best practices for D&I**. For a success in D&I efforts, among others,

- CEO commitment needs to come first
- committed, knowledgeable leadership is required
- D&I approach has to be positioned throughout the whole organization and be interwoven with every aspect of the organization
- effective diversity management should be rewarded
- results need to be measured
- the organization systems and culture need to be consistently reviewed from D&I perspective
- both managers and employees need to develop cultural competence, which requires providing ongoing awareness and skills-based training.

The first question from a member of the audience concerned **how to address the issue of language in a diverse organization**. Dr. Simons pointed out to two common language related challenges in international work contexts. First, people who work in a non-native language tend to have the disadvantage of processing information slower, and therefore the native speakers easily dominate discussions. Second, while people may use same language, back in their minds they have different cultural connotations for terms. For example, the idea of what ‘a team’ or ‘a strategy’ is, varies from one culture to another. To overcome these challenges, Dr. Simons suggested that multicultural work groups could pay attention, among others, to clarifying ambiguous terms and to moderating discussion so that everyone has a chance to participate. Mr. Dixon added that language-related challenges, like missing promotion because of one’s lack of language skills, or having interpersonal conflicts due to differences in employees’ levels of language competence, are greatest on the line level, and therefore also the need for ongoing awareness training is strongest there.

The next question was about **how to motivate the employees** who are very busy with their work and the task they have to accomplish, so that they would find time and have personal interest to get to know their colleagues who are from different backgrounds. Mr. Dixon brought up the idea that people are motivated to do things which importance to the organization they can see. Therefore, it is important to make D&I to be part of organization’s values and other aspects, and to communicate that and the reasons for it to the employees. Also, employees tend to model the behavior of the leader, so managers can make changes with their personal example. Ms. Hawkins echoed to the importance of modeling by noting that organizational statements mean nothing, if people in the leadership positions do not model inclusive behaviors.

Later, Mr. Dixon emphasized the need for a paradigm change in order for the organizations to embrace inclusion. Typically, organizations have a limited variety of central norms and preferred behaviors. In order for employees to succeed, they have to perform inside these limits. To include different individuals, a broader variety of ways to work, behaviors, ways to see the world, ways of speaking, etc., need to be accepted. However, this does not mean that “anything goes”. Mr. Dixon presented a basic question for the organizations to ask when they consider cultural differences: **“Do those differences really make a difference in accomplishing the goals of the organization?”** The evaluation should be done on four levels: if the difference in question does not prevent the organization from achieving its goals **1) legally, 2) safely, and in a 3) cost effective and 4) productive way**, that difference must be embraced in the organization.

At the end of the discussion, Mr. Crawford spoke about the foreign students who come to Finland and try to find ways to stay, but face challenges in that even though a need for more foreigners to come to work in Finland has been recognized. Panelists then commented on **the role of governments and government policies in D&I**. Mr. Dixon noted that for a country to attract the best and brightest employees, it has to have foundations for inclusive environment. He also stated that D&I work has to be proactive: companies should not just wait what government tells them to do. Dr. Simons broadened the idea with his view that *“legislation tells what you should do; good models show what you can do”*. Ms. Hawkins described the relationship between business and government as a partnership and a dialogue. For example, the businesses can ask the government to look at regulations that stand in way of D&I, like matters related to employing foreigners. Ms. Hawkins suggested that a neutral party can help to create a dialogue between government and business. Such role could be taken by, for instance, an educational organization like JAMK University of Applied Sciences.

If you are looking for support in developing Diversity & Inclusion practices in your organization, please, contact JAMK Center for Competitiveness, senior lecturer Steven Crawford, steven.crawford@jamk.fi.