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# Build an Inclusive Culture

## *3 Strategies to Maximize Innovation*

a fierce white paper

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### SUMMARY

Every organization aims to operate at 110 percent, and leaders often search for the most effective ways to take their organizations to the next level. However, during this quest for achievement, many company leaders overlook the most crucial determining factor of success: having an inclusive culture.

Uncovering the most innovative ideas is not an individual endeavor. In his book *The Wisdom of Crowds*, James Surowiecki writes, “In part because individual judgment is not accurate enough or consistent enough, cognitive diversity is essential to good decision making...you can let a thousand flowers bloom and then pick the one that smells the sweetest.” In other words, more ideas mean better ideas. Diversity of thought—the idea that more than one path, more than one solution exists—is key to understanding the potential of diversity and inclusion as an organizational resource.<sup>1</sup>

The best solutions reveal themselves when planning efforts, projects, and meetings are approached collaboratively and with an air of curiosity. Leaders who give diverse voices equal airtime are nearly twice as likely as others to unleash value-driving insights, and employees in a “speak up” culture are three and a half times as likely to contribute their full innovative potential.<sup>2</sup> An inclusive approach also directly improves company culture by creating a greater sense of organizational unity—a clear correlation exists between employee morale and knowing that diverse views are both safe and welcomed.

**in•clu•sion** noun  
the action or state of including or of being included within a group or structure.

### why innovation

- 1 more engagement
- 2 more growth
- 3 better results

<sup>1</sup> Workforce Diversity Network. “Thinking About Diversity of Thought.” Accessed March 22, 2017. [http://www.workforcediversitynetwork.com/docs/Articles/Article\\_ThinkingAboutDiversityofThought\\_Woods.pdf](http://www.workforcediversitynetwork.com/docs/Articles/Article_ThinkingAboutDiversityofThought_Woods.pdf).

<sup>2</sup> HBR. “How Diversity Can Drive Innovation.” Accessed March 22, 2017. <https://hbr.org/2013/12/how-diversity-can-driveinnovation>.

Building an inclusive culture is essential for any organization wanting to maximize innovation, create measurable impact, and maintain a competitive edge. And developing an inclusive culture is widely considered valuable: a third of those surveyed in a 2017 Fierce diversity and inclusion survey believe their organization could do more to promote inclusion.

### PROBLEM

Many organizations are not doing enough to ensure inclusion is embedded into their company culture. As a result, organizations are missing opportunities to create better client solutions, improve the working lives of their employees, and ultimately become industry leaders.

**1 in 3** believe their organization could do more to promote inclusion.

The absence of inclusion is depleting employee morale and limiting innovation. Employees across all organizational levels want to have their thoughts considered during decision-making processes, especially when a decision is high-stakes and could influence company growth or culture. When employees feel unacknowledged or marginalized, retention and overall results take a direct hit. Creative disobedience slows execution. Encouraging diversity of thought—where different views are seen, heard, and valued—is needed to create a sense of inclusion and a desire to “get it done,” whatever “it” is.

**90%** of businesses consider innovation a priority.

A subtle yet pervasive issue is the “illusion of inclusion.” Members of an organization may think they’re taking steps towards inclusion and collaboration when in reality other perspectives are not genuinely being considered. Leadership will often go through the motions of hosting collaborative meetings or one-on-ones but end up moving forward with a decision that was predetermined. There is an absence of truly listening to, and truly applying, the thoughts and ideas being shared.

<sup>3</sup> Deloitte. “Deloitte Survey: Innovation among top 5 priorities for 96% of companies.” Accessed March 23, 2017. <https://www2.deloitte.com/om/en/pages/about-deloitte/articles/innovation-among-top-5-priorities-for-96-percent-of-companies.html>.

Approximately 90 percent of businesses consider innovation a priority<sup>3</sup>, yet lingering issues related to diversity (who we are) and inclusion (how we behave) are limiting creative potential. Any organization that claims innovation as an intention needs to prioritize creating an inclusive culture facilitated by all levels of leadership, and with fervor. “Inclusion strategies need to be incorporated as a cultural initiative across all levels of the organization as opposed to a single person being responsible for its success, including C-level, executive, and the front lines,” said Stacey Engle, EVP of Marketing at Fierce. “Only when diverse perspectives are made an integral part of decision-making processes will organizations see the game-changing advantage of inviting new people and ways of thinking to the table.”

## SOLUTIONS

Shifting a workplace culture towards one of greater inclusion can begin immediately through the following solutions, led by an executive sponsor: shifting the organizational mindset, involving all levels of leadership in diversity and inclusion objectives, and encouraging organization-wide collaborative conversations.



**Level set the organizational mindset.**

### **Foster an environment of trust: be financially, emotionally, and intentionally transparent.**

An inclusive culture is largely defined by whether employees feel comfortable sharing their ideas. In order to create this sense of comfort, leaders must first create a foundation of trust where sharing ideas is encouraged. When employees don't trust their leaders, expression and communication become inhibited. On the contrary, when trust is established, channels of communication expand and fears of retaliation or punishment around expressing disagreement subside. Transparency is an essential component of creating this foundation of trust, on both an individual and organizational level. Effenus Henderson, Co-founder of The Institute for Sustainable Diversity and Inclusion, shared his insight on trust:

“As a former Chief Diversity Officer, I understand the importance of trust. It is one of the primary elements of behavior that leaders must display to ensure inclusive work environments. Engagement is reinforced by acts of trust, respect, transparency, and clear expectations for all who work within the organization. In my opinion, innovation and problem solving is enhanced when leaders are intentional about inviting those with different perspectives, styles, and backgrounds to weigh in on critical business decisions. Inclusive leaders understand that trust is a very important attribute for everyone and a significant requirement for organizational sustainability and mutually beneficial outcomes.”

Transparency in the workplace can be categorized as either financial, emotional, or intentional. To build trust, transparency must be implemented across all three of these categories. **First**, organizations need to expose on a continual basis the financial status of profits and how they relate to each department's monetary goals. **Second**, to incorporate emotional transparency, leaders need to bring the truth of their own thoughts and feelings to conversations of all types—whether in large board meetings or one-on-one conversations—to model the openness and authenticity that coincides with a transparent, inclusive culture. **Lastly**, organizational intentions need to be clearly communicated and established as the driving force behind day-to-day work so that employees will clearly know whether their own values align with those of the organization. Chris Douglas, EVP of Training at Fierce, furthers this idea: “A sense of team and unity, both of which are inherently part of an inclusive culture, are generated when employees across all levels are aligned with the same mission and intention—an essential ingredient for building trust.”

Transparency is crucial when shifting an organization's collective mindset to one of inclusion. When leadership fully reveals rather than hides critical information, workplace relationships are strengthened, employee engagement increases, and diversity of thought can thrive.

#### **Scan for integrity: address current problems and evolve inclusion as a value.**

Many organizations have approached inclusion through diversity strategies such as affinity groups and proactive gender and ethnic considerations during hiring processes. Although striving for diversity of thought is the most progressive way to approach diversity, these more traditional methods intended to advocate for and welcome differences in background related to gender, race, generation, religion, and sexual orientation should remain a proactive focus. The political climate in the aftermath of the 2016 election has brought issues of equality and safety to the forefront, and these lingering concerns need to be addressed head on if organizations intend to tap into their full innovative potential and create an inclusive culture.

Fierce's survey on diversity and inclusion revealed significant problems that still persist in today's workplace. When asked about having witnessed discrimination, 18 percent say they have seen others discriminated against based on race, 21 percent on gender, and 20 percent based on political beliefs. The survey also revealed an unsettling statistic that should serve as a wake-up call to organizations across all industries: a quarter of women reported having felt unsafe at work.

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The bottom line: organizations cannot maximize innovation when foundational diversity and inclusion issues involving respect, acceptance, and safety still exist. When the basic individual need for belonging is not met, progress in the workplace, of any kind, is hindered. Executive sponsors and leaders should ask employees direct questions, either in person or through an internal, anonymous survey when sensitive topics are involved, to assure integrity is intact around inclusion as a value on a fundamental level and to become aware of any existing problems. Simultaneously, organizations should focus on evolving the organizational mindset around inclusion to encompass diversity of thought—an essential precursor to growth and innovation.

 **Appoint all organizational leaders as diversity and inclusion officers.**

### **Mandate diversity and inclusion training programs across all leadership levels.**

If diversity is an organizational value, it should be an active intention and point of knowledge of every leader under the organization's umbrella—not just a single appointed officer—in order to successfully and efficiently create an inclusive culture that facilitates innovation. Organizations can't maximize innovation when a lack of knowledge exists among leaders about inclusion and how to promote it.

The implementation of leadership training programs that relate to inclusion, such as Fierce's Team and Generations models, allows for conversational models that create a common language across an entire organization. "Successful training in diversity and inclusion will also expand the breadth of knowledge on the subject and promote a clear understanding of the distinctions between the terms 'diversity' and 'inclusion,' increasing the likelihood of behavior change within an inclusion strategy," said Clark Witten, VP of Learning at Fierce.

Fierce client CHRISTUS Health reported that the skills gained through Fierce leadership training eventually lead to an overall shift in culture. "The number one improvement since [undergoing leadership training] is the creation of a common language where people can understand principles and apply them," said Scott Hopkins, Director of Leadership Development at CHRISTUS Health. "...Concepts and language have allowed us to build other system-wide training programs and integrate aspects of Fierce into them, reinforcing the key concepts into our everyday lives."

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*Clark Witten, VP of Learning Fierce, Inc.*

### **Shift contexts: address personal and collective bias.**

An important aspect of appointing leaders as diversity officers is to hold the organization and its individual contributors accountable for bias and context. Bias, both individual and collective, can jeopardize attempts to create an inclusive culture when not addressed. Our preconceived contexts and biases can be overcome and made conscious through intention, conversation, and training.

Removing bias altogether is a tall order: more than 150 unconscious biases<sup>4</sup> have been identified, all of which can show up in the workplace. One form of bias that greatly hinders innovation is groupthink, which consists of withholding thoughts and feelings for the purpose of adhering to the perspective of the group. Groupthink prevents wisdom and creativity from being realized by silencing the unique ideas that diverge from the status quo, resulting in a single idea rather than multiple ideas. Groupthink is more likely to occur in workplace environments where views that veer from the consensus are discouraged. Leaders need to not only personally welcome opposition and diverse ideas, but they also need to encourage employees to speak out in order to put employee fears of retaliation to rest.

At the levels of both organization and leadership, contexts and biases should be a point of discussion met with action through training programs. Fierce program models including Coaching, Accountability, and Generations facilitate greater awareness around pre-existing contexts and provide simple, effective conversation tools that can help overcome biases. In addition to introducing training programs, bias within processes should also be addressed. “Organizations that successfully address bias expose and mitigate the structural biases that tend to permeate processes across the organization, whether in interview processes, supplier selections, or succession planning,” notes Witten.

Addressing forms of bias is a challenging and ongoing task, but with training programs and necessary conversations in place to address them, it becomes possible to mitigate the negative effects of bias on inclusion efforts and innovation. Previously published Fierce whitepaper titled [“Leveraging Diversity: 3 Context Shifts Build a Culture of Curiosity”](#) explores context in greater depth and provides additional insight on how organizations can implement this shift.

4 UNC Kenan-Flagler Business School. “The Real Effects of Unconscious Bias in the Workplace.” Accessed March 24, 2017. <https://www.kenan-flagler.unc.edu/~media/Files/documents/executive-development/unc-white-paper-the-real-effects-of-unconscious-bias-in-theworkplace-Final>

➔ **Encourage collaborative conversation amongst all employees.**

**Adopt the beach ball mentality.**

The Fierce Team model presents an analogy of a beach ball that has the power to create a new foundation of thought when adapted as part of a company mindset. Each brightly colored stripe represents a single reality or perspective, and in order to see the full beach ball, or “full reality,” each stripe is needed. Organizations can adopt the beach ball mentality by understanding that each employee represents a different colored stripe, and each perspective is required to see the full, collective truth of an organization.

The beach ball mentality, when used as a conversation model, can be acquired across all organizational levels sets up a foundation that invites conversation and creates a common understanding around collaboration. Fierce client Presbyterian Senior Living (PSL) demonstrated the impact the beach ball model can have on not only collaboration and problem-solving efforts but also financial gain: “One executive director of a [PSL] center told us about a beach ball conversation that saved over \$321,000 of revenue,” said Brian Parks, Executive Director at St. Andrew’s Village and Fierce Facilitator. MaryAnne Adamczyk, Senior Vice President of Corporate Relations at PSL, added, “they weren’t capturing all the reimbursement they could because the team was not working well together. They now use the beach ball conversation model to delve into problems.” By adopting the beach ball mentality, PSL increased collaboration which led to an increase in revenue.

**Start the conversation by soliciting input.**

For collaboration and innovation to occur, conversations need to take place. These conversations can be facilitated by any and all members of an organization. Actively seeking input goes beyond merely granting permission to share ideas and communicates that teams, leaders, and coworkers alike are interested in hearing other points of view. All members of an organization should feel comfortable sharing and requesting input in meetings, asking for feedback before and after cultural events, scheduling one-on-ones, and providing coaching to team members and colleagues when applicable. Conversations open the door to sharing perspectives that inevitably lead to the most innovative solutions.

Feedback conversations can have an instant positive impact on workplace culture, particularly when the following three progressive types of feedback are applied.

**First**, leaders need to solicit feedback from employees and let go of the traditional one-way feedback system. Leaders in the top 10 percent in asking for feedback were rated in average in the top 14 percent for leadership effectiveness.<sup>5</sup> Two-way feedback provides both leaders and their team members an opportunity to grow and remove what can otherwise be limiting organizational hierarchies, supporting an environment where equality is valued and inclusion is promoted. **Second**, in addition to one-on-one feedback, team feedback should also be addressed to cover collective bases—a culture is made up of the collective, and providing team-based evaluations in addition to one-on-one evaluations will develop a greater sense of team and reinforces the idea that performance is not just an individual endeavor. **Lastly**, feedback conversations should take place on a regular basis, as ongoing feedback has been found to be more effective than yearly or even quarterly formal reviews.

Lily Seto, the Coaching Strategist for BC Public Service Agency, echoed the need for ongoing feedback: “Performance reviews aren’t just annual conversations. They’re ongoing conversations. The actual review should be a reflection of all the conversations that take place throughout the year.”

## CONCLUSION

While traditional approaches to diversity are still needed, the next level of organizational expansion involves an entire cultural shift, comprised of a change in both the individual and collective mindset around diversity of thought. The following actionable solutions provide proactive ways to produce swift and measurable results:

- ➔ **Shifting the organizational mindset to one of inclusion**
- ➔ **Appointing all organizational leaders as diversity and inclusion officers**
- ➔ **Encouraging collaborative conversation amongst all employees**

Establishing an inclusive culture is paramount for maximizing innovation. As we progress forward, it’s clear that the future of an organization and its ability to fulfill its creative potential will depend on whether collaboration and diverse perspectives are prioritized as an essential part of company culture.

<sup>5</sup> Cognology. “The Psychology Behind Better Workplace Feedback (15 Surprising Facts).” Accessed March 24, 2017. <http://www.cognology.com.au/the-psychology-behind-better-workplace-feedback-15-surprising-facts/>.

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*Lily Seto, Coaching Strategist,  
BC Public Service Agency*

## ABOUT FIERCE

Fierce Conversations is a [training company](#) that teaches you how to have effective conversations. Fierce has taught thousands to become expert conversationalists who save their organizations time and money by knowing what to talk about, how to talk about it, and why it matters for the bottom line. Fierce programs have been successfully implemented at bluechip companies, nonprofits, and educational organizations worldwide, including Amazon, Capital One, Wal-Mart, CHRISTUS Health, Coca-Cola, CARE, and Crate & Barrel. The company has been honored as an Inc. 500|5000 company six times, named to TrainingIndustry.com's "Companies to Watch" list twice, and has won numerous awards for top companies to work for in the state of Washington. Learn how to have conversations that matter at [fierceinc.com](#).