Unleashing Innovation and Results Through Diversity & Inclusion

A Strategic Framework
Diversity is the mix of talent

Inclusion is getting the mix to work together
“If people think alike then no matter how smart they are they most likely will get stuck at the same locally optimal solutions. Finding new and better solutions, innovating, requires thinking differently. That’s why diversity powers innovation.”

Innovation requires a mix of people and behaviors

Diversity = the mix of thinkers

Diverse perspectives outperform IQ on innovation tasks...

Inclusion = getting the mix to collaborate

...when they have interactions that encourage and leverage unique perspectives.
Diversity levers

Three levers can diversify the mix of talent:

- Recruitment
- Advancement
- Retention

To improve diversity, it is vital for companies to address all three of these levers that impact a diverse mix of talent: recruitment, advancement and retention. Some companies, for example, focus primarily on hiring diverse talent, only to learn that they fail to retain those hires over time. Steady progress in all three of these areas produces sustained change.
Diversity offers opportunity and challenge

Potential for innovation

...but also...

Potential for team conflict

Because the potential for conflict is greater among people who differ the most from one another, diverse teams need strong inclusive cultures to enable them to innovate.
Inclusive culture

Each organization needs to develop its own blueprint for what the attributes of its inclusive culture will be. Exponential Talent’s research-based model guides companies to define their individual blueprint. Exponential Talent also helps organizations assess the inclusiveness of their culture, primarily through new or existing employee surveys or through focus groups and interviews.

Key attributes of inclusive culture are:

- EQUALIZING
- MATTERING
- BELONGING
- COLLABORATING
- SUCCEEDING
Tensions need management

Strategies to diversify the mix of talent in an organization often need to focus on specific demographic groups that are underrepresented such as women, specific racial or ethnic groups or people with disabilities. These strategies often must be exclusive in their design if they are to be fully effective in increasing underrepresented groups. This reality may create short-term tensions with inclusion goals. If these dynamics of exclusivity are not actively managed, an unintended consequence can be backlash toward individuals in underrepresented groups.
Inclusion is a journey

A company’s diversity and inclusion strategy needs to be tailored to its current level of maturity.

By continuously improving over time, companies are able to achieve greater and greater results.
Sustained results require change management focus

- Diversity
- Inclusion
- Change Sustainability
- Innovation, Brand & Business Value
- Leadership & Accountability
- Communication & Education
- Communities & Partnerships
- D&I Resources
Change takes a multi-level approach

Comprehensive, sustainable change requires effective engagement of critical stakeholders. To embed inclusivity in the culture of the organization, change has to occur at multiple levels. Top down, bottom up and middle out strategies should all be considered to develop a portfolio of effective change.
Process to develop diversity & inclusion strategy

**Assess**
- Engage key stakeholders
- Listen, understand and analyze
  - Analyze HR data
  - Review equity data
  - Analyze employee surveys
  - Benchmark as possible
  - Conduct D&I focus groups, interviews or surveys
- Review current D&I efforts and HR processes

**Plan**
- Create vision and long-term goals
- Determine priorities for change
- Design solutions
- Plan actions and timeline
- Define accountability
- Develop change management plan
- Align leadership

**Act**
- Implement accountability and governance
- Launch pilots and/or roll out solutions
- Lead and inspire change
- Educate and communicate
- Engage communities and allies

**Improve**
- Measure results
- Evaluate effectiveness
- Celebrate wins
- Plan and implement improvements

A robust strategic planning process is a productive way to inclusively engage critical stakeholders and build alignment for a plan of action. An inclusive approach to strategic planning is one way to model and demonstrate inclusion and engaging multiple perspectives to create a better, more effective strategy.
The diversity and inclusion strategy process helps organizations ask and answer key questions.

Some questions address the long-term such as vision and goal questions.

Other questions address the near-term such as priorities and actions.

When the process is complete, the diversity and inclusion strategy has the elements shown at the right.

### Key questions

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<thead>
<tr>
<th>Question</th>
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<tbody>
<tr>
<td>What should we change and why?</td>
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<tr>
<td>What’s our vision and goals?</td>
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<tr>
<td>What are our priorities?</td>
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<td>Which actions should we invest in?</td>
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<td>How will we measure progress?</td>
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<td>Who is accountable for change?</td>
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<td>How do we engage and align stakeholders?</td>
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<td>What will make change “stick”?</td>
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### Key strategy elements

- Why D&I
- Vision
- Goals
- Priorities
- Actions
- Measures and accountability
- Change plan
Reference
Summary: D&I strategy framework

INNOVATION, BRAND & BUSINESS VALUE

Diversity
Retention
Advancement
Recruitment

Inclusion
Equalizing
Mattering
Belonging
Collaborating
Succeeding

Leadership & Accountability
Communication & Education
Communities & Partnerships
D&I Resources
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