How to create a culture of

DIVERSITY, EQUITY, AND INCLUSION

Introduction

According to a survey from Monster, 62% of job seekers would turn down a job offer if they feel the company did not value an inclusive and diverse workplace culture. Culture is an important value that organizations can offer prospective and current employees, customers, and the public.

Central to culture is creating an environment where a wide swath of individuals can collaborate, communicate, and achieve short and long-term goals together. Empowering employees to bring their full selves to work every day isn't just good for business, it's just plain good.

So, what can HR leaders do to foster healthy and happy workplace culture? The key is diversity, equity, and inclusion, also known as DE&I.

What is DE&I?

Diversity, equity, and inclusion in the workplace means recruiting, hiring, and retaining employees that are from different backgrounds, have different skills, and are treated as equally vital parts of the greater organization. This means that your team should be reflective of the overarching diversity of society at large—and should even go one step further by making the workplace even better than society at large.

Diversity is what makes individuals unique and goes beyond social categories such as gender, age, national origin, or marital status. While protecting and promoting the inclusion of employees from protected categories is vital to an organization's culture, diversity should also include employees with a variety of skills, both hard and soft, viewpoints, education, experience, and expertise.

What the law says about diversity, equity, and inclusion

In the United States, there are a number of laws that deal with workplace equality, including the Equal Pay Act of 1963 and Title VII of The Civil Rights Act of 1964.

More recently, regulations around DE&I fall under the Equal Employment Opportunity Commission (EEOC). This government agency creates and enforces laws protecting individual employees, mainly by specifying social categories that commonly face discrimination.

Companies can include statements of commitment based on EEOC's categories; for example, the US government's statement on equal employment defines discrimination on the basis of "race, color, religion, sex (including pregnancy and gender identity), national origin, political affiliation, sexual orientation, marital status, disability, genetic information, age, membership in an employee organization, retaliation, parental status, military service, or other non-merit factor."

Of course, despite law and regulation, discrimination is still rampant in the workplace. According to recent studies, 20% of American workers experience bullying, harassment, or discrimination. Despite widespread efforts to combat this phenomenon, many companies are not succeeding in enforcing even the most basic anti-harassment standards, let alone fostering an organization-wide culture of DE&I.

Take, for example, the fact that in 2018, a Pew report found that 40% of women and 16% of men had experienced sexual harassment in the workplace. In 2019, $68.2 million in damages were paid out on harassment charges filed with EEOC. That same year, a Glassdoor survey found that 61% of employees in the US witnessed or experienced discrimination and 43% witnessed or experienced racism in the workplace.

Despite the law and organizations' social responsibility to actively move the dial on diversity, many companies are overlooking the pressing need to create a healthy and inclusive culture. This isn't just harmful to employees, and illegal, it is also counterproductive.

With culture increasingly becoming an important asset, investing in building a diverse and inclusive workplace isn't just right—it's smart.

Why should an organization promote DE&I?

The moral reasons for fostering a healthy culture in the workplace and giving all employees equal opportunities are obvious. But if these weren't convincing enough, research has shown that greater diversity also means greater profitability. Companies with ethnically diverse executives are 33% more likely to have above-average profitability than their more homogeneous peers and gender diversity is similarly related to a 20% increase in the likelihood that a company will be more profitable.

Diversity is also recognized as a driving force for innovation. When people with diverse backgrounds and skills collaborate in the workplace, the cross-pollination of different approaches often produces better results than an echo chamber.

Providing an inclusive work environment for employees and enabling each individual to bring their fullest selves to work every day will foster engagement and loyalty. This, in turn, contributes to vastly improved retention and a happier, more productive workforce.

As mentioned earlier, this generation of workers values culture and seeks out companies that prioritize diversity, equity, and inclusion. One survey found that 66% of job seekers consider culture when deciding whether to take a job. If you want to attract and keep top talent, keep investing in culture and promoting diversity, equity, and inclusion.

The risks of ignoring culture are significant. Sometimes discrimination and discriminatory practices are subtle and might be written off as one-off incidences. But ignoring these will eventually poison an organization's culture and potentially curb growth. The flipside of good culture is toxic culture, which is associated with a range of damaging effects:

- Higher turnover
- Lower productivity
- Challenges recruiting talent
- Negative reputation
- Potential litigation and damages
- Higher personnel costs

So, how can HR help propel diversity, equity, and inclusion, and foster a healthy workplace culture? It's an ongoing process, but there are some ways to get started.

Creating culture

'Culture' describes the shared values, goals, attitudes, and practices that characterize an organization. This is about more than just hollow statements. It's about the way people feel about the work they do, what they believe in, how they understand the company, and where they fit into the big picture.

It's likely your organization already has a pervasive culture, whether this was intentional or not. And the current culture might not be built around diversity, equity, and inclusion. Rebuilding your organization's culture won't happen overnight—and it shouldn't.

Creating culture is an ongoing process. Even if your organization has focused time and resources on diversity, equity, and inclusion policies, it is worth stepping back periodically to assess whether there are any gaps or concerns that need to be addressed. Here are five steps to check you your culture and make it better:

1. Identify your mission

Finding the cultural pillars of your organization means identifying the core values that inform company policies and operations. This unifying principle isn't just about financial goals or disrupting industries. It's about how your organization will make the world a little bit better, starting from within.

An important aspect of this articulates your organization's commitment to diversity, equity, and inclusion and how this fits into the mission. Once you have identified your mission, get it down in writing and start incorporating it into your processes and organizational assets.

Examples of where to incorporate your organization's mission are in the code of conduct, onboarding materials, employee handbook, or in diversity, equity, and inclusion trainings.

2. Diversity audit

Find out how employees feel about the organization and take a long hard look at your policies. One way to do this is to send out an anonymous questionnaire gauging culture and delivering insights to better understand what needs to be changed.

Also, ask whether your organization is truly diverse—including at the executive level. What proportion of your staff are people of color? Are women equally represented? What is your organization doing to actively empower employees from diverse backgrounds to bring their full selves to work every day? DE&I is about more than policy; it's about actual representation.

For employees with physical disabilities, inclusion entails implementing physical changes in the workplace to ensure adequate accommodation.

Of course, recruitment and hiring should consider candidates regardless of physical or psychological conditions. But in addition, it's vital to build accessibility into the workplace. This includes making doors wide enough for wheelchairs or other devices, having elevators or ramps instead of just stairs, and building accessible bathrooms or eating areas.

In today's age, it's also important to build an accessible digital workspace for employees with diverse needs.

For individuals with hearing or vision impairments, day-to-day operations will rely on the availability of assistive technologies like screen readers or transcription technology. Plus, with many more employees working from home than ever before, digital accessibility should be a top priority.

3. Cascade the culture

Culture runs down from the top like a waterfall, so get your organization's leaders, managers, and executives on board to ensure that culture informs day-to-day operations across departments. This can involve implementing special diversity training for managers and supervisors or inviting leaders from across the organization to weigh in on culture. When frontline leaders are invested in culture, they will lead by example and will be more likely to make employees feel welcome and included. Welcome and included employees are more engaged, productive, and less likely to seek new employment.

Plus, when individual employees are intentionally included and made to feel valued, they also become better teammates.

4. Communicate, communicate, communicate

Keeping employees actively involved is integral to keeping your finger on the pulse of organizational culture. Create ample opportunities for people to express themselves and be sure to include them in decision-making processes. This may include town hall meetings, sensitivity training, anonymous online surveys, and other forums to keep your people aligned with the culture.

The best way to promote diversity is to consider diverse perspectives, so ask your people about what matters to them, how they feel day-to-day, and what they think could be improved. Employees that feel unheard will be less engaged—and less engaged means less productive and less loyal.

It's also important that when implementing new policies, everyone gets the memo. Knock down information silos and keep people aligned with transparency and open information. Using an online platform, especially with more and more employees working from home at least part of the time, is integral to your communication strategy.

5. Seek out all kinds of diversity

Beyond non-discrimination in hiring practices, bringing in people with diverse backgrounds and skillsets will enrich the work environment and encourage greater innovation. This isn't just about special categories or checking boxes. It's about enhancing productivity and improving culture by including a spectrum of outlooks, talents, and perspectives.

Take, for example, candidates with humanities backgrounds being recruited by hi-tech companies. For many roles in technology-driven verticals, technical skills are the main focus. But many employers have found that there is also a need for team members that are creative, out-of-the-box thinkers with greater intellectual flexibility and for those with strong social skills and emotional intelligence.

Not only is having a staff with diverse skills good for business, but it also contributes to a healthier culture. In this sense, while hitting targets is great, maintaining culture and promoting diversity, equity, and inclusion effectively relies on soft skills.

Soft skill development

Technical skills are an important part of an employee's toolkit, but soft skills are equally—and sometimes more—important. An integral aspect of culture is prioritizing the promotion and development of soft skills from recruitment onward.

While many candidates will already have highly developed soft skills, these can also be honed. Like any ongoing professional training, soft skills should be taught and revisited at multiple junctures through the employee journey. Emphasizing soft skills demonstrates that there are more important things than the bottom line—namely, culture.

What are some soft skills?

According to a 2019 LinkedIn survey, the most sought-after soft skills are creativity, persuasion, collaboration, adaptability, and time management. While different studies have highlighted the importance of other skills, the main takeaway is that good employees are more than just super productive machines; they are relationship builders, out-of-the-box thinkers, and problem solvers.

Soft skills reduce performance gaps, enhance workplace relationships, and boost productivity. Helping your people improve throughout their tenure benefits everyone.

Saving culture from toxic teammates

As much as soft skills contribute to better teams, toxic behaviors tear them apart. The old proverb about bad apples is pretty astute—toxicity can be contagious, so preventing it or curbing it before it affects culture is vital.

Identifying toxic teammates

Managers and supervisors should be trained to keep an eye out for toxic behaviors and deal with them. It's important to know that toxic teammates don't go nuclear overnight—often, toxicity spreads slowly and subtly and may go unnoticed unless the culture is kept in check.

Sometimes colleagues approach HR or managers about toxic teammates, but that may be after the damage is already done. Identifying problematic behaviors early will ensure that toxicity is contained before it affects other employees.

Some traits of toxic teammates are:

- Bossiness
- Passive aggression
- Unwillingness to accept responsibility
- Gossiping
- Insecurity
- Unwillingness to collaborate
- Competitiveness
- Resistance to being managed
- Argumentative
- Disengaged

How to deal with difficult or toxic employees

There should be zero tolerance for bullying, discrimination, or any form of violence in the workplace. But toxic behavior isn't blatant. Often it manifests subtly, becoming worse over time and dragging teams down.

The first question to ask is whether an underlying issue causes these behaviors. Is the person struggling with work or in their personal life? This could be the source of their toxic behavior. If this is the case, try to address the root cause and offer support.

Maybe the employee needs a more flexible schedule or would benefit from health services, so take the time to speak to the individual and hear them out. Make it clear that if they need assistance, it is available—but that they'll have to take responsibility for their toxic behavior and do better.

Set clear expectations going forward, outline consequences, and check-in frequently to improve things. Consider letting the employee work from home for a bit if they (and their teammates) need some space.

If things don't get better, it may be necessary to take disciplinary action. Some people just can't change, and wasting precious time and resources mitigating toxicity is bad for business. Keeping toxic teammates around can also spoil the culture for everyone.

When dealing with a toxic employee, get everything in writing. Document any incidences—this will support the case for termination of employment if necessary.

The cost of perfectionists to their teams

One toxic trait that many people overlook is perfectionism. While someone willing to work until everything is perfect may seem ideal, perfectionism is linked to higher levels of burnout, stress, workaholism, anxiety, and depression. And it doesn't produce better results.

According to a metastudy of perfectionism in the workplace, performance and perfectionism were not related to each other—perfectionists are not better or worse performers than non-perfectionists. They are less likely to take risks out of fear of failure and may be indecisive or incapable of getting over past mistakes.

Perfectionists have high expectations of themselves and those around them. Because of this, they are often critical of others. At work, constant criticism can ruin team dynamics and negatively impact culture.

Like dealing with any other toxic teammate, sit down with the perfectionist employee and hear them out. Explain the harm of their behavior and clearly outline expectations. This isn't just about stopping the behavior; it's about helping employees recognize the value of their work and the work of others.
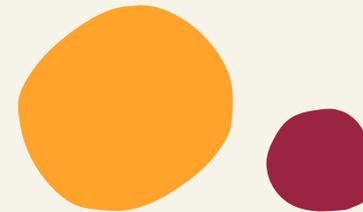
Can they change their behaviors?

Maybe. If perfectionism can be harnessed, it can be beneficial. But if the negative behaviors associated with perfectionism can't be mitigated, it might be necessary to part ways.

Some ways to redirect perfectionism is to keep management encouraging and supportive—perfectionists should understand that small mistakes aren't the end of the world.

Set reasonable expectations and keep an eye out for signs of stress or burnout. Encourage the employee to take time for themselves and set an hour to stop working.

If the employee's perfectionism is affecting their team, take active measures to repair the dynamic. Implement team-building training or activities, and keep communication lines open so that if any issue arises, it can be dealt with swiftly.

What is HR's role in creating a culture of DE&I?

HR leaders are integral to creating culture. From hiring to office parties, keeping an organization aligned and healthy depends on the policies, processes, and practices implemented by HR. Creating culture by promoting diversity, equity, and inclusion is a comprehensive and ongoing journey.

Here are some ways you can contribute:

- Institute regular sensitivity training. These shouldn't only be company-wide—strengthen teams and empower managers with targeted training towards specific goals.
- Design diversity, equity, and inclusion-focused hiring policies. This includes using inclusive language when advertising job openings and ensuring that the hiring process accommodates all types of candidates.

- Hiring for a cultural fit doesn't mean hiring people that are all the same. Instead, look to hire candidates that share a commitment to diversity, equity, and inclusion. Lots of different people can work together and build incredible things—but only if they respect each other.
- Beyond hiring for culture, onboarding for culture is another important way that HR can offer guidance. Develop processes that will get new hires on board with organizational goals and values and keep talking about them throughout the employee journey.
- Anti-discrimination policies articulate your organization's commitment to diversity, equity, and inclusion. How these are drafted and communicated is vital to creating and upholding culture, and HR can help get it done right.

- An open-door policy will give employees the opportunity to discuss any concerns they might have, including whether they have witnessed or experienced discrimination. Encourage your people to speak up so toxicity can be identified and remedied quickly.
- Offer opportunities for learning and growth around diversity, equity, and inclusion. This could be cultural days, events marking pride month, special speakers, or inclusion training.
- Create inclusive policies. From respecting religious diversity with flexible vacation policies to offering parental leave, having a little flexibility will go a long way in showing that your organization respects its people's needs


COMPANY SHOUTOUT

Hey, team! Our new code of conduct has been released today. Please check it out now and let us know if you have questions.

How Hibob supports DE&I

We know how important it is to make holistic and culturally sensitive decisions about your people, especially in light of today's modern workplace trends. That's why we built bob, a people management platform that fosters an inclusive culture and boosts employee satisfaction with non-binary gender identification capabilities.

The main tools that bob uses to address these topics can be found using our Reports, Custom Gender Selection, and Pronoun Preference functionalities.

Use all of this people data to help you plan events, accommodations, and facilities, in addition to determining company policies and training. Put your people's wellbeing first and boost employee satisfaction by being inclusive.
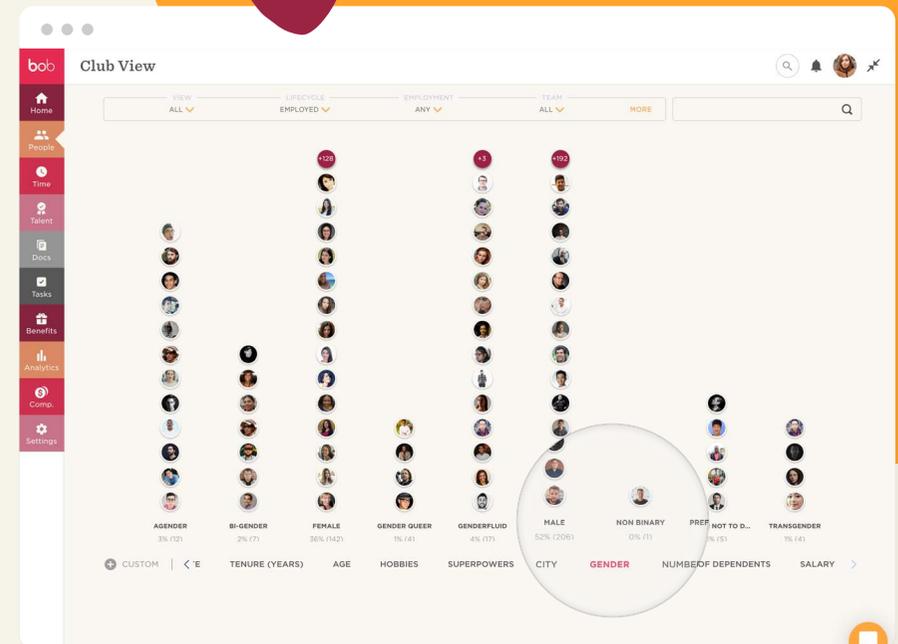
bob creates an inclusive workplace

Custom gender selection

HR admins can now add custom fields to the gender list, allowing the addition of non-binary identities in profiles. Grouping and filtering using custom genders can be applied:

- Personalized onboarding
- Employee Profiles
- Culture Clubs

Pronoun preference

Empower your employees by allowing them to customize their personal profiles with a drop-down menu that shares their preferred pronoun. Options include:

- They/them
- Xe/xem
- Ze/zir
- Add your own manually to meet your team's needs

Reports and insights

Shine a light on your company's gender demographics when looking at current and future headcount. Filter by accurate and relevant gender details by analyzing:

- Surveys
- Lifecycle Feedback
- Talent Groups
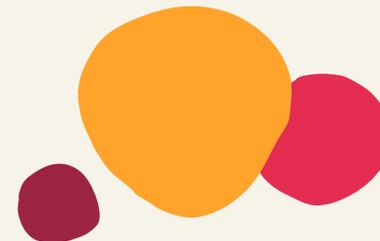
Now is the time to make smarter decisions when it comes to your people and organization.

To learn more about Hibob and our data-driven tools, get in touch with us at

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