

# Confronting the *Illusion* of Inclusion

Think You Know How To Lead Inclusively? Think Again.

Nearly every Fortune 100 company<sup>1</sup> has publicly shared that they have broad strategic diversity, equity and inclusion initiatives in place. But for all the resources poured into these initiatives, many organizations have little to show for it.<sup>2</sup> While most leaders believe fostering inclusion is important, employees often lack confidence in their leaders' sincerity. Our latest research<sup>3</sup> has found that more than one-third of employees across all levels view senior leadership actions meant to drive inclusion as performative or insincere – and when senior leaders' actions are seen as insincere, only 3% of employees report experiencing an inclusive culture. Conversely, when employees feel senior leaders are sincere in their efforts to drive inclusion, seven out of 10 report experiencing an inclusive culture.

1. Colvin, C. (2022). Once neglected, DEI initiatives now present at all Fortune 100 companies. HRDive.

2. Zheng, L. (2022). The failure of the DEI-industrial complex. Harvard Business Review. <https://hbr.org/2022/12/the-failure-of-the-dei-industrial-complex>

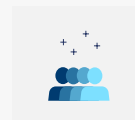
3. Demystifying inclusion: Rewards and realities of fostering an inclusive culture. (2023). Kincentric.

## ABOUT THE INCLUSIVE CULTURE STUDY

Our global inclusion study examined the experiences of inclusion and how inclusion is driven or derailed by organizational culture as part of our Inclusive Culture series. We surveyed 4908 full-time employees working in Canada, India, Singapore, the United Kingdom and the United States. Designed by Kincentric researchers, the Inclusion Diagnostic (an assessment tool with 25 measures) was used to uncover precise inclusion gaps and opportunities.

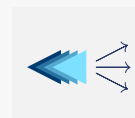
## WHAT IS INCLUSION?

When inclusion happens, employees...



### Are valued for their contributions:

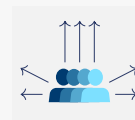
Are respected and appreciated for their contributions, talents and inputs.



**Are enabled to use their voice:** Are free to speak up, express ideas, offer constructive input or challenge the status quo.



**Have decision-making influence:** Have impact on how decisions are made at the organizational, team or individual level.



**Can contribute their best:** Use their talents to contribute fully to their job, team and organization.

These **four elements of inclusion** are necessary to power up the full contributions of employees and teams.

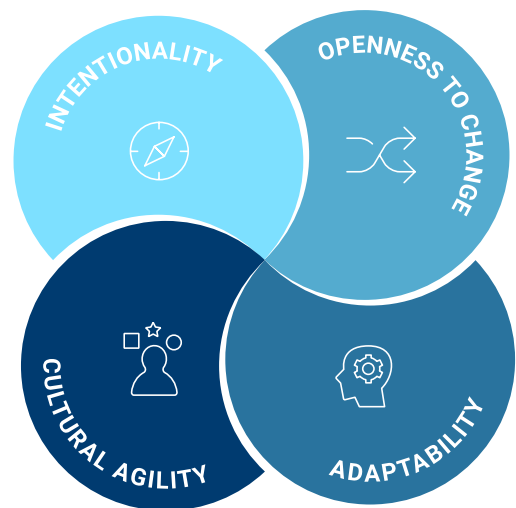
Companies need more than bold declarations to make lasting systemic progress in these areas and many organizations must undergo a profound transformation to establish a true culture of inclusion. To be successful, this culture change must start from the top with leaders who lead inclusively and serve as role models for their teams.

Our experience shows that when inclusion is leader-led, it fosters ownership and accountability that cascade throughout the organization. Unfortunately, our research has also found that all too often, leaders are operating under the *illusion* of inclusion, with the perception that their culture is more inclusive than it really is – or at least more inclusive than employees perceive it to be. Senior leaders have a more favorable day-to-day experience of inclusion and more often report having decision-making influence as well as feeling valued for their contributions – two key elements of inclusion (see earlier sidebar).

It is critical that leaders are aware of the potential disconnect between their experience and the experience of employees and act accordingly, but that may be easier said than done. Even leaders with the best intentions may make choices or model behaviors that deter progress. For example, rather than take ownership, some CEOs assume inclusion work is best led by a chief diversity officer, a CHRO or others in the HR function. In reality, fostering a culture of inclusion requires **all leaders** within an organization to lead in a credible, intentional and inclusive way. Leaders set the tone for what matters in their organization and the responsibility of fostering an inclusive culture starts with them. To do so successfully may require them to do things differently, adapting new mindsets and building new capabilities to lead inclusively.

## The core capabilities of inclusive leadership

Inclusion is a lived experience and everyone within the organization must commit to fostering inclusion each and every day. But because of their influence, leaders in particular must strive to develop the core capabilities of inclusive leadership: **intentionality, openness to change, cultural agility and adaptability.**



## What do these inclusive leader capabilities look like in practice?

**INTENTIONALITY.** Intentional leaders drive inclusion in their organization. Their sense of ownership is foundational to creating an inclusive environment in which people are truly valued, can use their voice, have decision-making influence and can contribute their best. Leaders who take this approach dedicate their efforts to making meaningful progress in creating more inclusive workplaces.

### Let's look at an example:

Focused on being responsive to a groundswell of concerns from employees during a listening tour, Michael decided to put out a personal statement about his organization's commitment to equity and inclusion. However, his employees did not respond as Michael expected – neither positively or negatively, but simply unreactive. Michael was initially confused by the lack of reaction. After receiving feedback that employees questioned the sincerity of the statement and whether or not the organization would follow through on its promise, Michael came to realize that more personal accountability was needed. He sought to identify ways in which the organization may have fallen short in delivering on the promises made in its effort to be more inclusive. Committed to action, Michael decided to do two things differently: he chose to focus on his own behaviors and engaged a coach to help him understand his own biases and growth areas. Michael simultaneously worked with his leadership team to determine how the organization could better engage in strategic efforts to foster more inclusion in the broader organization.

### Put it into practice:

**Apply an inclusion lens to everything.** Make it a point to regularly explore the unintended consequences of your actions and decisions. Ask yourself: Could what I'm doing stall or undermine my organization's efforts to be more inclusive, causing unforeseen negative impacts on the business? Go even deeper and ask yourself: What inner work is required for me to gain the courage to explore and address my non-inclusive behaviors – even if it's uncomfortable – while challenging others to do the same?

**CULTURAL AGILITY.** Demonstrating cultural agility is all about being able to flexibly change your own perspective and behavior based on the often subtle commonalities and differences across people with varied backgrounds, personalities and capabilities for the benefit of your employees and teams. Culturally agile leaders experience cultures and individuals with greater levels of nuance using humility and curiosity.

### Let's look at an example:

In our work with clients, we find a consistent need to help leaders overcome affinity bias (the tendency to favor those who are most like us). Case in point: Zoe, the VP of Finance at a client firm, received a slate of internal candidates for a coveted rotation geared for emerging talent, which offers more visibility to the C-Suite. While all candidates were nominated by their managers, the option to apply for the rotation was never formally advertised, nor was there a formal vetting process to generate the slate that was provided to Zoe. A deeper review of the internal candidate list revealed that many of them were often the “go-to” referral by their manager for exciting, high-visibility opportunities, based more on managers' favoritism toward employees like themselves even though there are other worthy high performers on those teams.

This form of affinity bias, which we measure as part of our Inclusion Diagnostic, is a derailer of inclusive cultures. Additionally, affinity bias, as demonstrated in the example, perpetuates homogeneity of ideas, perspectives, approaches and ways of working, stifling innovation and the advancement of diverse talent. We find that organizations that purposely challenge this way of working and champion cultural agility ensure more visibility of top talent across the organization and a develop a new, more inclusive decision-making process.

*Put it into practice:*

**Reconsider the individual relationship you have with each member of your team:** Consider to what extent you have been taking each team member’s unique perspective and background into account, and how you can foster a relationship in which you adapt your leadership style to make it unique to each person. This may mean changing the way you communicate with, recognize or incentivize each member of your team.

**OPENNESS TO CHANGE.** Inclusive leaders embrace openness to change by learning, unlearning and challenging the status quo. They normalize the adoption of new ways of working and encourage process improvements. Our research and experience shows that leaders and teams that take this inclusive strategic approach can support teams more effectively and more easily find innovative ways to solve problems.

*Let’s look at an example:*

Teresa, a regional leader of a global tech firm, enjoys telling her team, “My virtual door is always open.” She does so with the expectation that

people will come to her with any challenges they face. Yet when an employee questioned the implementation of a new policy during a team meeting, Teresa quickly replied, “I hear you, but this is how it is and how I think things should work moving forward. If you have any issues or additional questions, reach out to me directly.” The team sat in silence, the meeting ended, and no one followed up. Teresa was bewildered – she felt like the meeting had gone well and was proud of her change management approach. After a few days, Teresa shared this scenario with her leadership coach. She was quickly humbled when she realized her openness to change was not what she assumed. Her coach helped her realize that by closing the conversation instead of asking follow-up questions and trying to understand the rest of the team’s perspective, she may have unintentionally displayed a lack of willingness to understand the team’s challenges or help them adapt to the new approach. As a result, with the support of her coach, Teresa dedicated time to have focused, virtual “power meetings” with each employee to better understand their concerns, taking the initiative to learn more about each team member’s needs to help her better champion change in the future.

*Put it into practice:*

**Don’t assume your reality is shared by others – learn to change and change to learn.** Ask tough questions that surface new and unconventional ideas, and always respect and validate people’s perspectives. Questions such as “What am I missing?” or “What if I’m wrong?” often yield fruitful discussions and avenues to explore.

**ADAPTABILITY.** Inclusive leaders can adapt and change through inclusive decision-making, problem-solving and situational awareness and adjust their actions based on data and insights.

*Let's look at an example:*

It's not enough to say "everyone's voice matters" – leaders must be adaptable enough to show teams what that looks like in action. Remy, a divisional vice president, was struggling to make decisions quickly while still incorporating the diverse expertise of his global team. He tested a new approach and held a pre-project planning session with his team before the initiation of a big new project. The team discussed questions such as:

*How do we reach a decision? Who is the ultimate decision-maker or responsible party? In what ways can we ensure our geographically dispersed team members have a voice and are heard? What is our process for when someone makes a mistake? How can we make sure that all failures are shared openly so that we can all have the benefit of learning from mistakes? What types of mistakes are manageable? What's non-negotiable?*

He found when the team could discuss these things in advance, problems were solved and decisions were made much more quickly.

*Put it into practice:*

**Learn from failures and don't be afraid to course correct.** Progress on inclusion demands a steadfast commitment to learning and refining your strategic approach using data and insights. You must also make it your duty to learn from the diversity and experiences of the people on whom you want to have the greatest impact. Undoubtedly, you and your organization will make mistakes amid this culture shift. However, this doesn't mean that

your efforts are in vain or ineffective; it's what you learn from your mistakes and do next that is the most influential and meaningful. Be transparent about how decisions are made and remain open to discovering which methods work and which don't in a new process or project. At times, this approach can be time consuming (and requires a healthy dose of vulnerability), but it is critical to reap the long-term gains from inclusive decision-making.

Without a doubt, becoming an inclusive leader is not an easy journey but it is nevertheless a necessary and enduring one. In the constantly changing and unpredictable world of work, leaders must display great fortitude and quickly make decisions that reflect the best interests of their increasingly diverse workforce. This is the way now and the way of the future.

By cultivating the capabilities of an inclusive leader, you can be the driving force at the top, sparking the change that makes inclusion a part of your organizational DNA. Indeed, leaders who live and breathe inclusion are true culture changers.

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If you have any questions, please feel free to [contact us](#). To receive communication and content from us in the future, please [subscribe to our mailing list](#).