

INCLUSION STUDY HIGHLIGHTS

Demystifying Inclusion – Rewards and realities of fostering an inclusive culture

HIGHLIGHTS

KINCENTRIC A Spencer Stuart Company

INCLUSION STUDY HIGHLIGHTS

There is a lot of discussion and ambition in organizations around fostering an inclusive culture. But this desire for inclusion is crowded with confusion. What exactly is inclusion? What drives it within organizations? What derails it? How should organizations measure it? And **what are the tangible outcomes of an inclusive culture**? So much of the confusion comes from the assumption that diversity, equity and inclusion are the same thing. But they are not. In fact, they are three different yet integrated concepts. Diversity is about composition. Equity centers on fairness. Inclusion ensures everyone is valued. People often think inclusion is about welcoming differences, or feeling included, but it is so much more.



Our research uncovers four elements of inclusion – ensuring people are **valued**, are enabled to use their **voice**, have **decision-making influence** and can **contribute their best**.

CEOs can leverage the impact of inclusion to unlock untapped potential, transforming the talent they have into the talent they need. It engages, it energizes, it empowers. But fostering inclusion requires senior leaders to lead in a credible, inclusive way; it's enhanced through the actions of people managers, and depends on fundamental shifts in the norms, behaviors and unwritten rules that can undermine a culture of inclusion. The ripple effects have a greater impact than leaders may think – generating business outcomes that drive talent retention and improve team performance.

Kincentric conducted a global study of nearly

5000 employees

to better understand experiences of inclusion and how it is driven or derailed by organizational culture.



Inclusion can maximize the potential of people and teams

Teams are up to **4X** more equipped to navigate tough issues in an inclusive environment.

CEOs, CHROs and other senior leaders cannot afford to ignore the rewards of inclusion. Our research shows that an inclusive environment can facilitate better team dynamics and performance. Teams are more equipped to navigate tough issues when there is conflict or when making team decisions. And the benefits do not end there. Favorable experiences across all elements of inclusion link to higher scores in employee engagement, with over 87% of employees rating the aspects of engagement positively. Individuals are also **1.8X more likely to stay with their organization and 2.3X more likely to have a sense of belonging.**

Inclusion benefits everyone in organizations and leads to stronger business outcomes.



Exclusion is happening... more than you think

73% of employees experienced some type of exclusion in the last 12 months.

An overwhelming number of employees are enduring some form of exclusion. Our research shows that exclusion happens when people are singled out or overtly mistreated; devalued; dismissed or penalized. And while people of all backgrounds experience exclusion, our research shows that people from underrepresented and marginalized groups face experiences of exclusion at higher rates.

As many as **63% of employees have witnessed a person being excluded or unfairly treated. Senior leaders are 2X more likely to witness an act of exclusion** than individual contributors, giving them a better view of when exclusion is happening. Some common ways employees experience exclusion include an individual's ideas getting shut down in a group, someone being demeaned because of their cultural background or a co-worker being excluded from team activities.

Everyone stands to lose when exclusion takes place, regardless of whether they were the recipient of or witness of an exclusionary act. Leaders, along with the organization as a whole, must do the hard work of assessing the prevalence of these behaviors to root out exclusion to ensure all employees are valued and can grow and thrive.



Drivers and derailers of inclusion lie in the depths of your culture

Only **1 in 3** employees say they work in a culture that powers inclusion.

Cultivating a culture of inclusion requires a deep look beneath the surface of an organization to better understand the unwritten rules, norms and behaviors that may be derailing or driving inclusion. Alarming, more than **40% of employees report working in a culture that stalls inclusion**, where behaviors such as creating an environment in which an individual is afraid to speak up, exerting pressure on others to conform to norms, making biased performance decisions and viewing one person's gain as another's loss run rampant. Leaders must focus on the positive aspects that will strengthen a culture of inclusion while working to eliminate the real-time exclusionary behaviors that get in the way. With this understanding and a focus on inclusive leadership behaviors, organizations can foster an environment with more consistent experiences of inclusion for everyone.



Senior leaders can make or break an inclusive culture

75%

of employees who view senior leaders' actions as credible experience an inclusive culture. Yet, when senior leaders' actions are seen as insincere, only 3% experience an inclusive culture.

Our research shows that many employees doubt their leaders' credibility or sincerity when it comes to creating an inclusive workplace. In fact, we found that **37% view senior leadership's actions around inclusion as performative or insincere**, and an additional 26% are uncertain. **Of those who doubt the credibility of their leaders, only 11% view their people manager as inclusive**, underscoring how difficult it is for people managers to be seen as inclusive when senior leadership are not leading by example. Senior leaders shape how inclusive a culture is through their words and actions, which have ripple effects across the entire organization. It is therefore imperative that leaders don't just *talk* about being inclusive, but work to role model inclusive behaviors to shape the experiences of employees and teams while leading organizational efforts around inclusion.



Consistent experiences of inclusion create a powerful impact

Only **42%** of employees report an overall favorable experience of inclusion.

For many leaders, creating an inclusive workplace culture is a top priority, yet inclusion is not happening consistently in organizations. We found that **19% of employees have unfavorable views of inclusion and 39% report inconsistent experiences** – which can produce similar if not worse talent outcomes than unfavorable experiences. Our research also shows that senior leaders have more favorable day-to-day experiences of inclusion than managers or individual contributors, with as many as **62% of senior leaders feeling valued for their contributions, compared to 50% of managers and 28% of individual contributors**. Leaders must dig deeper to better understand the experiences of inclusion in their organization to ensure more consistency among employees at all levels. CEOs and CHROs can't take a piecemeal approach to inclusion or they will miss the opportunity to unlock talent and create powerful business outcomes.





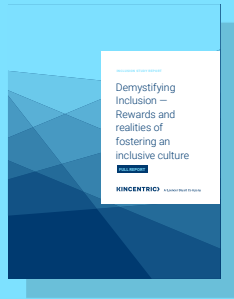
Inclusion doesn't just happen. It is *leader led* and, at the same time, requires a lens of inclusion to be embedded throughout every aspect of the employee experience.

Leaders must fully appreciate what inclusion really is — ensuring employees are truly valued, can use their voice, have decision-making influence and can contribute their best. They must also root out exclusion and address the impact on those who not only experience but witness these harmful acts.

It's equally important to realize that words, behaviors and actions have major ripple effects. Leaders who “walk the talk,” who lead inclusively with both credibility and consistency, can shift the unwritten rules and behaviors of their organizational culture that stifle inclusion. And those experiences of inclusion reap powerful benefits — from enhanced team dynamics and performance to higher levels of engagement and an increased sense of belonging and intent to stay.

The time to act is now. Make inclusion a key priority and you will not only maximize talent capability, but also company performance.

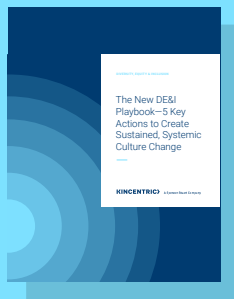
Related Insights



[Inclusion Study Report](#)



[Inclusion:
It's Not What You Think](#)



[DE&I Playbook](#)
[5 Key Actions to Create Sustained,
Systemic Culture Change](#)



[The World Has Changed:
Has Your Culture Changed With It?](#)

Thought Leaders

Anuradha Hebbar

Diversity, Equity & Inclusion
Global Practice Leader
anuradha.hebbar@kincentric.com

Dnika J. Travis, Ph.D.

Research & Insights
Director
dnika.travis@kincentric.com

Kincentric Research & Insights

Jeff Jolton, Ph.D.

Research & Insights
Managing Director
jeff.jolton@kincentric.com

About Kincentric

Kincentric, a Spencer Stuart company, helps organizations unlock the power of people and teams to ignite change and drive better business results. With decades of experience and specialist expertise in areas such as culture; employee engagement; leadership assessment and development; HR and talent advisory; and diversity, equity and inclusion, we use data-driven insights to architect solutions that add value, enhance agility and increase organizational effectiveness. For more information, visit kincentric.com.

Social Media @ Kincentric

Stay up to date on the trends and topics that are relevant to your business and career.

    @ KincentricCo

2023 © Kincentric, a Spencer Stuart Company. All rights reserved.

For information about copying, distributing and displaying this work, contact: permissions@kincentric.com.