

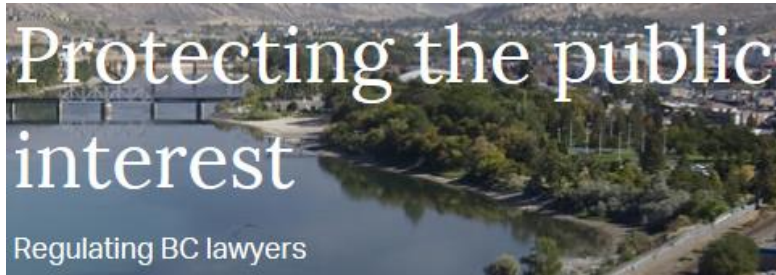


Diversity Forum:

The Value Proposition of Inclusion

*Claire Marchant, Practice Advisor/Equity Ombudsperson
Law Society of British Columbia*

The Law Society of British Columbia: *Regulating in the Public Interest*



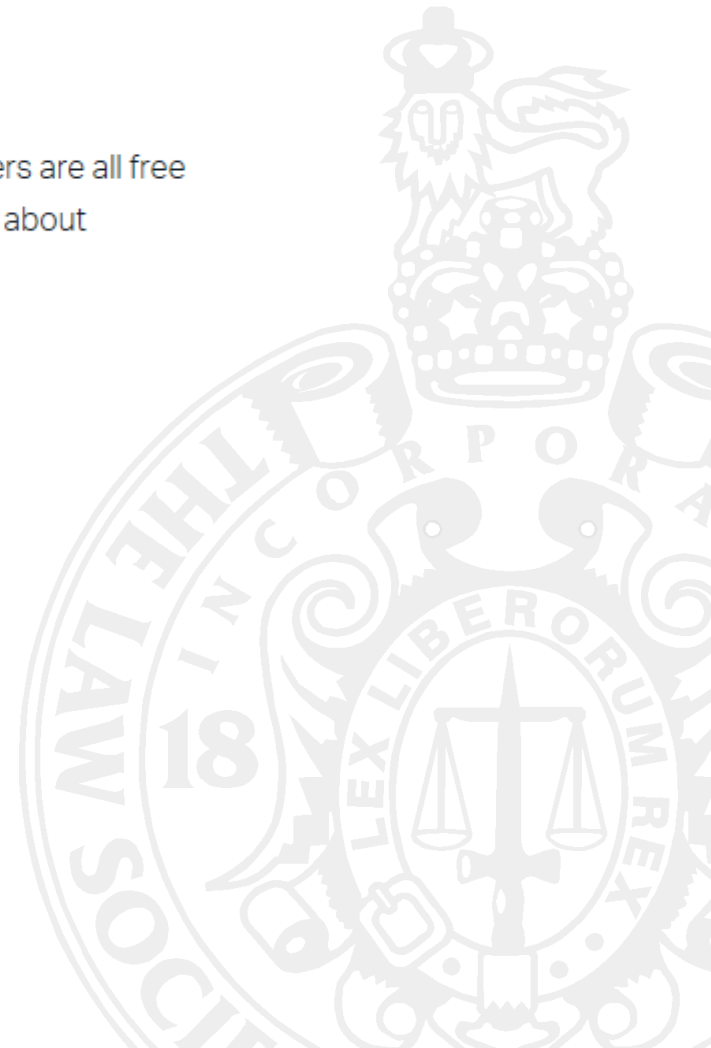
The Law Society of British Columbia: *Practice Advisor/Equity Ombudsperson*

Equity Ombudsperson

Lawyers, articled students, law students and support staff of legal employers are all free to contact the Equity Ombudsperson for assistance in resolving concerns about discrimination and discriminatory harassment.

Practice advisors provide advice on:

- Law Society Rules
- Code of Professional Conduct for British Columbia
- practice management
- practice and ethics advice
- client identification and verification
- client relationships and lawyer/lawyer relationships
- help with directing enquiries to the Ethics Committee
- scams and fraud alerts





Diversity & Inclusion – *In Context*

Definitions

“Because diversity represents all the ways we differ, inclusion harnesses those elements productively. Beliefs, backgrounds, talents, capabilities, and ways of life – inclusion aims to leverage them to facilitate an environment of involvement, respect, and connection, and ultimately, create business value.”

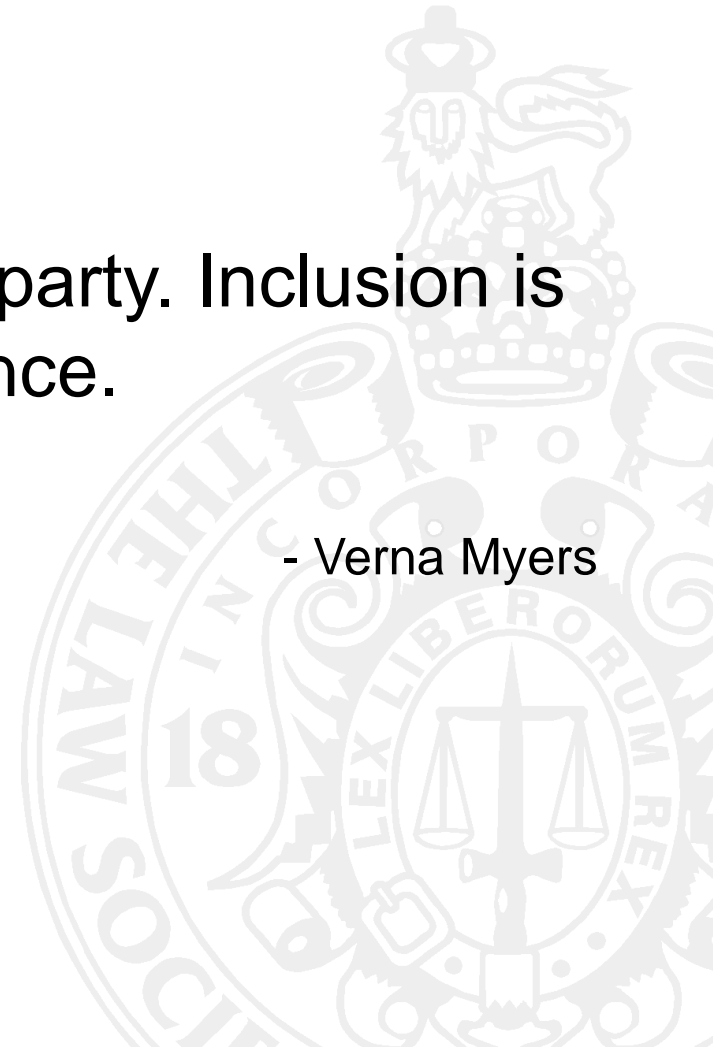
- Rob Danna, *Strategic Inclusion as a Value Proposition? Absolutely*

Diversity & Inclusion – *In Context*

Definitions

“Diversity is being invited to the party. Inclusion is being asked to dance.

- Verna Myers



Diversity & Inclusion – *In Context*

Shifting Perspectives

Non-Millennials

- Representation
- Religion
- Demographics
- Equality

Millennials

- Respecting identities, unique experiences, ideals, opinions, thoughts
- Connecting team members to foster listening, being heard, respect

Source: *The Radical Transformation of Diversity and Inclusion: The Millennial Influence*, Deloitte, 2015

Diversity & Inclusion – *In Context*

The “M” Word

- How many people employed in the US today are millennials?
 - 17.2%?
 - 30.7%?
 - 53.5%?

Source: *Millennials@Work: Perspectives on Diversity and Inclusion*

Diversity & Inclusion – *In Context*

The “M” Word

- How many people employed in the US today are millennials?
 - 17.2%?
 - 30.7%?
 - **53.5%?**
- During Q1 2015, Millennials became the largest share of the American workforce (surpassing Generation X).

Source: *Millennials @Work: Perspectives on Diversity and Inclusion*

Diversity & Inclusion – *Employee Perspectives*

Why do employees think it matters?



Diversity and Inclusion Makes for a Better Place to Work

The generations agree: a prevailing reason employers emphasize diversity and inclusion is to improve the workplace experience. Millennials and Gen Xers also see heightened opportunities for all employees.

Reasons Employers Emphasize Diversity and Inclusion (Top 3)

	Employed Millennials	Employed Gen Xers	Employed Boomers
#1	To make it a better place to work in general (38%)	To increase opportunities for all employees (27%)	To make it a better place to work in general (29%)
#2	To increase opportunities for all employees (31%)	To make it a better place to work in general (25%) Because of outside pressures (25%)	To make themselves look better/improve their reputation (26%)
#3	To improve employee morale (28%)	To make themselves look better/improve their reputation (21%)	Because of outside pressures (25%)

Source: *Millennials @Work: Perspectives on Diversity and Inclusion*

Diversity & Inclusion – *Tangible Results*

The Value Proposition

- Profits
- Performance
- Communication
- Team
- Adaptability
- Recruitment
- Retention
- Customers



Diversity & Inclusion – *Tangible Results*

The Value Proposition - Profits

“Companies with inclusive talent practices in hiring, promotion, development, leadership, and team management generate up to 30 percent higher revenue per employee and greater profitability than their competitors.”

Source: *Diversity and inclusion: The reality gap, 2017 Global Human Capital Trends*, Deloitte, 2017

“A 2015 McKinsey report on 366 public companies found that those in the top quartile for ethnic and racial diversity in management were 35% more likely to have financial returns above their industry mean, and those in the top quartile for gender diversity were 15% more likely to have returns above the industry mean.”

Source: Rock, David and Grant, Heidi, *Why Diverse Teams are Smarter*
Harvard Business Review

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Profits

“In a global analysis of 2,400 companies conducted by Credit Suisse, organizations with at least one female board member yielded higher return on equity and higher net income growth than those that did not have any women on the board.”

Source: Rock, David and Grant, Heidi, *Why Diverse Teams are Smarter*
Harvard Business Review

“U.S. based think tank Catalyst (2007) found that companies with a share of female board directors outperformed on three financial measures: return on equity (53% higher), return on sales (42% higher), and return on invested capital (66% higher).”

Source: *Research Report Towards Gender Parity: Women on Boards Initiative*, Deloitte, 2016

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Performance

- Inclusive teams outperform their peers by 80% in team-based assessments.

Source: Deloitte Australia.

- Diverse and inclusive teams are more innovative, engaged, and creative.

Source: *Diversity and inclusion: The reality gap, 2017 Global Human Capital Trends*, Deloitte, 2017

But why? What's driving these results?

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Performance

Diverse teams are smarter:

- Focus on and determine facts more accurately
 - Example – the jury simulation study (Journal of Personality and Social Psychology)
- Innovative
 - Example – study shows culturally diverse teams more likely to develop new products (Economic Geography)
 - Imagine what's possible - Companies that drive innovation by leveraging employee ideas and knowledge meet product revenue targets 46 percent more often and product launch dates 47 percent more often than industry peers.

Source: Hoffman, Lane, Posner, and Nagel, *Measurement: Proving the ROI of Global Diversity and Inclusion Efforts*, Global Diversity Primer
- More effective problem solving
 - Example - the Medici Effect

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Performance

Employees who are engaged are more productive:

- Study: Diverse work teams, with proper management and training, produced results six-times higher than homogeneous teams.

Source: Hoffman, Lane, Posner, and Nagel, *Measurement: Proving the ROI of Global Diversity and Inclusion Efforts*, Global Diversity Primer

- People need to feel included to speak and contribute.

Source: *Diversity and inclusion: The reality gap*, 2017 Global Human Capital Trends, Deloitte, 2017

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Communication

- Even if we are both speaking the same language, we might not be communicating effectively:
 - Different vocabularies
 - Different communication choices
 - Different communication styles
- Diverse, inclusive teams bridge these communications gaps and allow us to feel heard and truly hear each other.



Diversity & Inclusion – *Tangible Results*

The Value Proposition - Team

- Employees who feel included are more invested in their employer's success
- Connect the team to the mission
- Connects into performance – problem solving, innovation, engagement



Diversity & Inclusion – *Tangible Results*

The Value Proposition - Adaptability



“What if we don’t change at all ...
and something magical just happens?”

Copyright 2004 by Randy Glasbergen.
www.glasbergen.com



“I want you to find a bold and innovative way to do
everything exactly the same way it’s been done for 25 years.”

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Recruitment

Diversity and Inclusion is an Important Factor in Millennials' Job Search

Millennials are significantly more likely than older generations to consider the diversity and inclusiveness of a workplace to be an important criterion in their job search.

"If I were to look for a new job tomorrow, a diverse and inclusive workplace would be important in my job search" (% agree)

47*



Employed Millennials

33



Employed Gen Xers

37



Employed Boomers

*Significantly higher than other generations

Source: *Millennials @Work: Perspectives on Diversity and Inclusion*

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Retention

“A recent study from The Center for Talent Innovation found that 23 percent of women feel stalled in their careers and feel that they are being passed over for important opportunities without a clear reason”

Source: Sherbin, Laura and Rashid, Ripa, *Diversity Doesn't Stick Without Inclusion*, Harvard Business Review

Millennials are more comfortable than other generations talking about issues of diversity and inclusion in the workplace

"I am comfortable discussing diversity and inclusion in the workplace" (% agree)

Employed Millennials **64***

Employed Gen Xers **57**

Employed Boomers **54**

**Statistically significantly higher than Boomers*

Source: *Millennials @Work: Perspectives on Diversity and Inclusion*

Diversity & Inclusion – *Tangible Results*

The Value Proposition - Customers

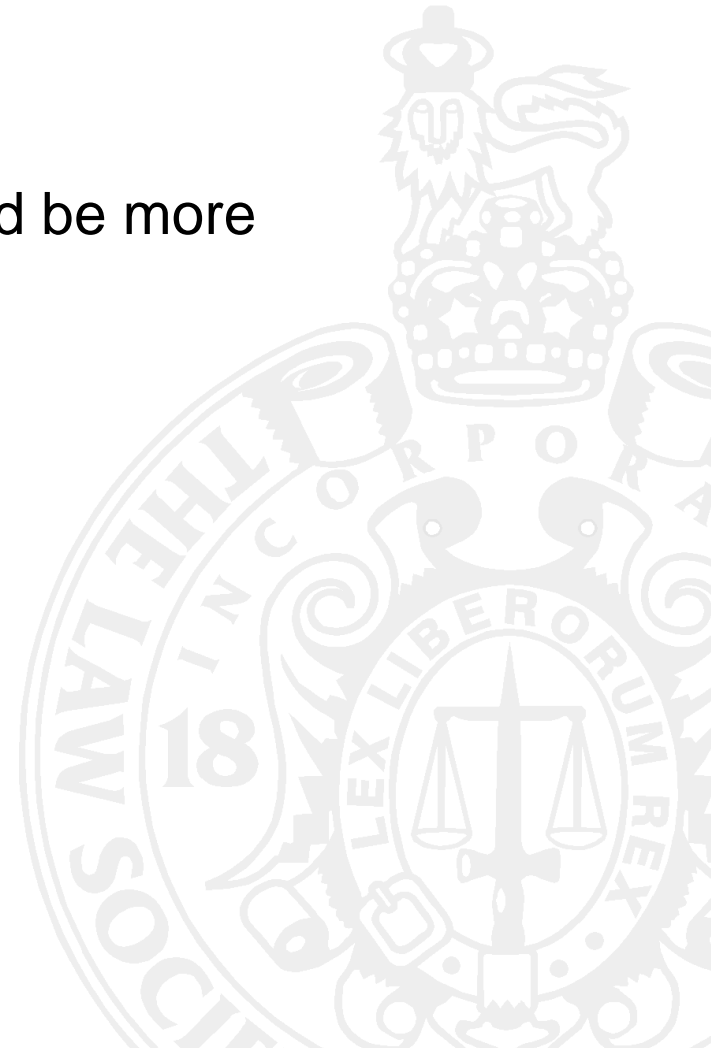
“Companies that embrace diversity and are competent at inclusion enhance customer loyalty. When the workforce is diverse and representative of target customers and partners there is an inherent understanding of the unique requirements of different markets. It has been found that “more than half of all international joint ventures fail within two or three years, due to a lack of cultural competency versus technical or professional expertise.” Communities seek out organizations they can identify with or feel supported by.”

Source: Hoffman, Lane, Posner, and Nagel, *Measurement: Proving the ROI of Global Diversity and Inclusion Efforts*, Global Diversity Primer

Diversity & Inclusion – *In Practice*

High-Level Solutions

- Firm culture change starts at the top
- Consider: What about firm culture could be more inclusive?
- **What do you think?**



Diversity & Inclusion – *In Practice*

High-Level Solutions

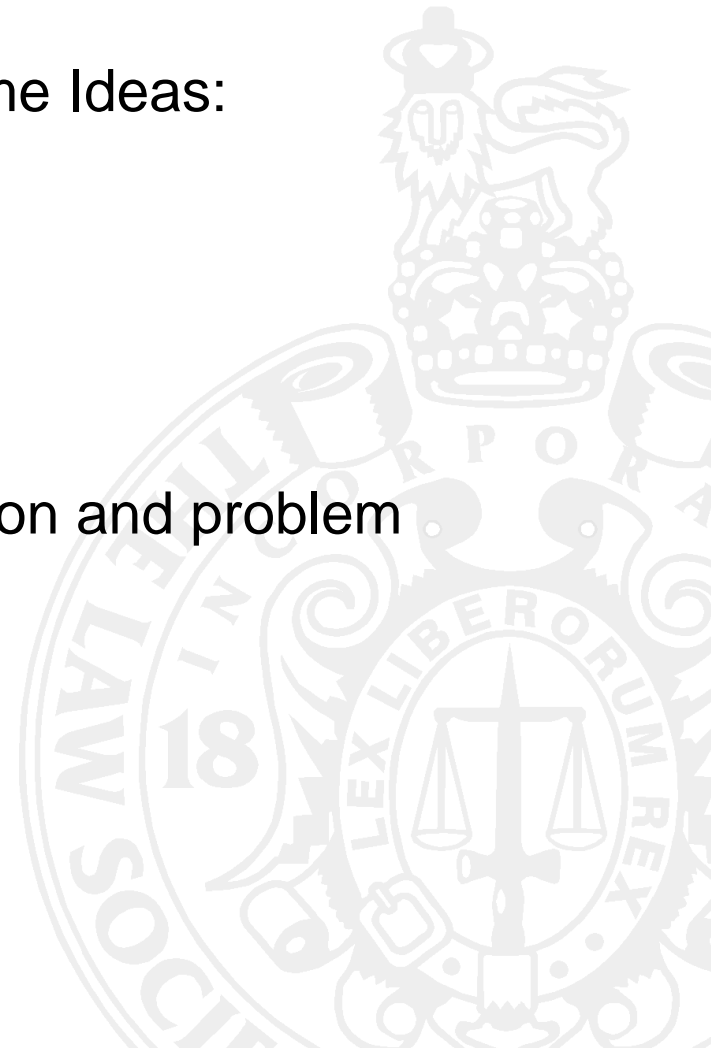
- Firm culture change starts at the top
- Consider: What about firm culture could be more inclusive?
- **What do you think?**
 - How can we retain employees who want balance?
 - How can we remove unconscious bias from our hiring process and performance management?
 - How can we hear each other better?
 - How can we let people know they are valued as an individual?

Diversity & Inclusion – *In Practice*

The Law Firm Setting

Creating an Inclusive Firm Setting – Some Ideas:

- Training
- Alternative billing arrangements
- Alternatives to full-time employment
- Mentorship
- Blind resume reviews
- Creating safe spaces for communication and problem solving





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