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The Inclusion Breakthrough
Unleashing the Real Power of Diversity

by Frederick A. Miller
and Judith H. Katz

THE SUMMARY IN BRIEF

All groups possess the inherent potential of diversity, but to truly leverage it you need inclusion.

Many attempts at making diversity work inside organizations have failed. Human resources experts Frederick A. Miller and Judith H. Katz wrote *The Inclusion Breakthrough* to help create an image of what real success can look like. They write about what could be — what is available to organizations if they allow and enable themselves to flourish, to grow and to come together and do their best work.
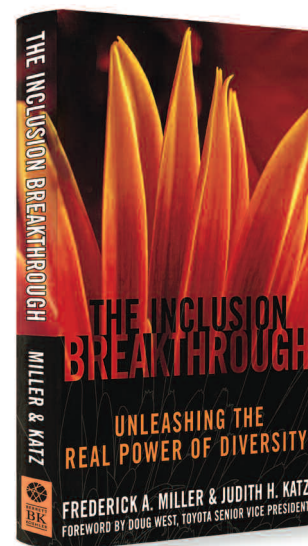
The Inclusion Breakthrough represents what Miller and Katz have learned from their work during the past 30 years with a wide range of industries, from long-established manufacturing and service organizations to entrepreneurial startups, from Fortune 500 companies to nonprofit foundations, from city and county governments to school districts, colleges and universities, and from individual coaching sessions and small-scale educational events to 100,000-person system-wide interventions.

What has emerged from their work is a methodology for change and creating organizational breakthroughs. *The Inclusion Breakthrough* is their effort to capture the insights, experiences, frameworks and interventions from their decades of real-world experiences.

According to management guru Ken Blanchard, "*The Inclusion Breakthrough* is a 'must-read' for organizations that want to move diversity work to a new level."

IN THIS SUMMARY, YOU WILL LEARN:

- How to build the platform for change.
- How to create momentum in your organization.
- How to make diversity and inclusion a way of life.
- How to leverage learning and challenge the new status quo.

CONTENTS

THE COMPLETE SUMMARY: THE INCLUSION BREAKTHROUGH
by Frederick A. Miller and Judith H. Katz

PART 1: THE NEED FOR AN INCLUSION BREAKTHROUGH

Organizations today are being forced to live by their wits. Their survival depends on their ability to out-think their competition, which can only be accomplished by catalyzing the intellectual resources of their people into creative new solutions. A single person's brilliance or a single group's point of view is no longer enough to sustain an organization's growth in the face of global competition. Tomorrow's successful organizations will be those that harness the collective and synergistic brilliance of all their people, not just an elite few. The stock-market stars will be the organizations that capitalize on the diversity of their work force.

But capitalizing on diversity requires more than simply hiring a diverse work force. Radical changes are also needed in both the structure and culture of most organizations — in their policies and practices, the skills and styles of their leaders and the day-to-day interactions among all their people.

Many organizations will fail to make these changes because they seem too radical. Those organizations will not survive. To many people and most organizations, diversity seems like a problem, not a solution. Differences are to be avoided, not embraced and utilized. Age-old hierarchies, traditions and biases must not be questioned or examined. To make these changes to embrace and capitalize on diversity will require a true breakthrough — an Inclusion Breakthrough.

The first step is to ensure that diversity is seen as mission critical. When the current and future success of the organization is tied directly to the need for diversity, it becomes a powerful tool for organizational change and higher performance. ●

Diversity in a Box

Each person is a unique individual who also belongs to several different social identity groups. A wide range of differences can exist even among people who look, sound and act alike. This *Paradox of Diversity* is a way of framing diversity that captures one's similarities and differences.

We are like all people: As human beings we share similar needs and wants — to experience joy and love, to be safe, etc.

We are like some people: We share culture and experience.

We are like no other people: We are each unique unto ourselves.

The aspects of ourselves that are like some other people constitutes our connection to specific social identity groups, those with which we share similarities, such as age or living in a particular region. But we don't necessarily identify with each group to which we belong, such as — "people with red hair" or "people who drive a Toyota convertible." Regardless of whether or not we identify with a particular group, others might put us in it because the identification has meaning to them, such as — "people who attended Cornell" or "people who live in the Bronx."

Bailey Jackson was one of the first people to identify that some differences matter more than others. Those that make the biggest difference are ethnicity, gender, marital status (and children), race, sexual orientation, language, physical ability, socioeconomic status, religion and mental ability. These differences can affect the hiring process. Many people and organizations claim they are color blind, gender blind or blind to differences. Although they consider this stance to be a positive attribute, it implies a disregard for differences. Many people have been raised to see differences as a deficit and therefore assume that differences will cease to be problematic if they are ignored.

Unfortunately, most organizations end up with a *diversity in a box strategy*. They see diversity as getting in the way of success by forcing the organization to do something it doesn't want to do. Or they see it as an issue to be managed, shaping it and getting it to "fit" in the existing structure of the organization. The result is either a singular focus on representation and awareness or ignoring the issue altogether.

Radical Change Is Required

Creating a culture of inclusion requires radical change. But the improvements that result from the change are equally radical. People must learn to work differently — every project team scans the organization to make sure it has the best and most diverse team for the job. Instead of disagreements in meetings that lead to strained compromises or avoidance, disagreements lead to better decisions based on a more complete vision of the problem and possible solutions. Work assignments are made with consideration for outside-of-work responsibilities, so people freely give their whole selves without worrying about their jobs consuming their lives. Members of the organization and customers feel loyalty to the organization because of the quality of its products and services and its social, environmental and commercial values. ●

Positioning for Radical Change

The most critical component of any effort to change culture is positioning the organization and its leaders to create and support the change. When an organization's leaders understand that leveraging diversity and building a culture of inclusion is mission critical and that every dimension of the organization will be affected, big questions arise. "How can we make changes of this scope, intensity and depth?" "Where do we start?" "How can we ensure success?"

Eleven Inclusive Behaviors

The key competencies for creating an Inclusion Breakthrough begin with 11 Inclusive Behaviors:

- All individuals must learn to greet others authentically.
- Individuals must create a sense of safety for themselves and their team members.
- In a truly inclusive environment misunderstandings are addressed and disagreements resolved as soon as possible.
- Team members must take the time to listen, listen, listen and respond when people share their ideas, thoughts and perspectives.
- Everyone must communicate clearly, directly and honestly.
- Everyone on the team needs to understand the group's tasks and how each task relates to the mission of the organization.
- Every person on the team has a contribution to make, so make sure all voices are heard.
- Ask other team members to share their thoughts and experiences, and accept all frames of reference.
- Notice the behavior of each person on the team and speak up if you think people are being excluded.
- Make careful choices about when the team will meet and what it will work on.
- And finally, be brave.

In the course of answering these questions, an organization must position the effort so that leaders are leading. People take their cues from those at the top. They watch to see whether leaders believe that they have a stake in the change, whether they are investing their time and energy toward making the change and whether they are aligned with each other as they move forward with their efforts. Senior executives often do not expect the effort to require their personal involvement. However, although change can start anywhere in an organization, it can succeed only if it is led from the top. Leaders need to know how ready the organization is for change and understand its scope and boundaries.

Making High Performance a Way of Life

When the organization recognizes that leveraging diversity and inclusion is crucial to its overall success, it moves the effort from a loose collection of best practices to an organizational strategy to improve performance. It becomes a *way of life* in the organization. The way of life model outlines that journey through five levels of development.

Level one: Developing individual awareness. The implied benefit and desired outcome is to change the way people see difference.

Level two: Implementing various diversity and inclusion programs and activities. At this point, organizations may institute additional programs, such as mentoring, support networks, high-potential career development and targeted recruiting.

Level three: Combining programs and activities into an initiative. The various elements of the diversity work are evaluated and those activities that fit with the strategic intent of the organization are knitted together into a diversity initiative.

Level four: Linking and aligning the initiatives into the strategic work of the organization. This means integrating new competencies and practices into all of the organization's other major strategies and initiatives: leadership, quality, mergers and acquisitions, strategic alliances, downsizing or re-engineering.

Level five: A way of doing business. As an organization unleashes the synergies gained from integrating its leveraging diversity and inclusion efforts with its strategic goals, it can measure the benefits in new or improved processes and outcomes. ●

PART 2: THE ELEMENTS OF AN INCLUSION BREAKTHROUGH

Some organizations talk about the bold actions needed to unleash the potential of their work force and about capitalizing on diversity to deliver higher value to the marketplace. Few, however, attempt to use differences as strategic assets critical to maximizing competitive advantage. Even fewer take advantage of the opportunities diversity provides for the work force, marketplace, community and customers. Leveraging diversity creates the opportunity to improve everyone's performance, enhancing the organization's capability to innovate, and serve all its customers and constituents, and succeed in the 21st century.

The inclusion breakthrough cycle examines key components for leveraging diversity and creating a culture of inclusion by focusing on five key elements:

- New competencies.
- Enabling policies and practices.
- Leveraging a diverse work force.
- Community and social responsibility.
- Enhanced value to a diverse marketplace. ●

New Competencies

Today's organizations must function in an increasingly competitive marketplace that shifts constantly without warning or apology. Faced with intensifying global competition, organizations are being forced to perform more efficiently and effectively. They need to solve problems, execute decisions and serve customers faster, at lower costs and with less waste. They must improve every aspect of their organization every day. Such change cannot be incremental — it must happen quickly, and it must provide for a breakthrough in how the organization functions.

An inclusion breakthrough calls for a new sense of *we* — a sense of "we are all in this together" and "we are not all the same … and our differences are critical for our success." In today's organizations, new competencies are required both for leading and following, and, like a computer, these new competencies must be continually upgraded and expanded just to stay current.

As leveraging diversity becomes the means for achieving higher performance, all members of the organization — not just the leaders — must acquire competencies for building inclusion.

External forces. Changes in the external environment require organizations to change and adjust their portfolios of competencies rapidly. Those external factors — new laws, regulations and industry shifts — are an invitation for organizations to do new things not only out of necessity but also to improve efficiencies and the overall environment of the workplace.

Working in an inclusive work culture. Team leaders must figure out how to address needs and issues such as:

- Accommodating a Muslim worker who requests time off for prayer during the day.
- Finding a TTD and interpreters for a worker who is deaf.
- Responding to people's requests to telecommute or go on a more flexible work schedule.
- Addressing the concerns of single people who feel that they are asked too frequently to cover for people who have families, and who believe their work and personal life balance is not considered.
- Communicating and working effectively with someone who has newly immigrated to the country and for whom the dominant language is not his or her first language.

New definitions of competence. Senior leaders, team leaders and team members must possess competencies that support a culture of inclusion and translate that into higher performance. ●

Enabling Policies and Practices

No matter how stringently an organization requires people to learn new sets of competencies and behaviors, no significant or sustainable change will occur unless the organization's established rules, written and unwritten, also change.

What gets measured, monitored and rewarded is what matters. It follows, then, that new competencies must be integrated into performance reviews, evaluations, developmental plans, merit rewards and recognition programs. In the absence of these enabling and accountability mechanisms, people will not have any tangible reason to change or face consequences for their noncompliance or defiance. Unless the inclusion breakthrough is integrated into the organization's policies and practices, the new required competencies will be relegated to a wish list.

Organization G was hit with a class-action suit, charging the organization with systematic performance appraisal and career-pathing bias against people of color and white women. An independent study of performance appraisals and promotion records showed that people of color and white women consistently received lower performance ratings than those received by white men, particularly when the managers conducting the appraisals were white men. Even when performance appraisals were similar across gender and racial lines, people of color and white women were not promoted as rapidly as their white male counterparts. Interviews with managers revealed that many gave higher scores to people with whom they had personal relationships, socialized more often and were more comfortable.

Allegations Lead to Multi-Million-Dollar Settlement

Although there were very few allegations of overt racism or sexism, the damage from these comfort-based appraisals were tangible enough for Organization G to agree to a multi-million-dollar settlement. Although the cost of the settlement was substantial, the incalculable cost of the problem — decades of preventing many people from giving their best efforts and a work force in upheaval — was even greater.

To sustain an inclusion breakthrough and create the desired new culture, it is essential that all aspects of the organization's policies and practices be aligned with the new set of competencies. Without such alignment, it is hard to unleash the real power of diversity. These policies and practices must support the aspired-to culture and connect the inclusion breakthrough to the mission, vision and values of the organization. ●

Leveraging a Diverse Work Force

Most organizations believe that having a diverse work force in itself will create value. In reality, having a diverse work force is just having an under-leveraged asset unless there is strategic intent to unleash that diversity with the critical elements to support it. Less than that results in nothing more than a diversity in a box effort.

Strategies that focus on minimizing conflicts and other possible negative consequences of bringing different kinds of people together — are nothing more than status-quo strategies that maintain diversity in a box. To leverage diversity — to yield greater engagement, interaction, stimulation and exploration of a wider range of possible solutions — disagreements and conflicts must be addressed.

Leveraging Diversity Means Differences Are Not Ignored

Leveraging diversity means that differences are not ignored. When diversity is leveraged, innovation and creativity take hold from the sharing of new and different ideas, from the ability to create a new synthesis emerging from diverging points of views.

Organizations need people who are willing to bring new and different perspectives and skills. Perhaps even more, they need their current people to be willing and able to act in new and different ways. In a society that has made life difficult and dangerous for people who are new or different, this continues to be a major challenge for many U.S.-based individuals and organizations. As the work force becomes more diverse, the response from most organizations is to try to manage diversity, to contain it and keep it in a box. When people are forced to assimilate to keep their differences private and hidden, fitting in becomes their primary task. Just as important as building on what they have in common, creating workplaces that enable people to voice and build upon their differences is also essential.

By undertaking an inclusion breakthrough and creating an environment in which all people are encouraged and supported to do their best work, individually and collectively, an organization sets itself up to become the magnet for the talent upon which its future depends. ●

Community and Social Responsibility

In the past few years, many organizations have come to recognize the strategic advantage of being socially responsible and investing in their local communities.

An effective inclusion breakthrough strategy cannot focus solely within the walls of the organization. To thrive, companies must develop beneficial partnerships with the people, organizations and communities that provide them with their work force, customers, suppliers and distributors. They need healthy communities in which talented people will choose to live — communities with effective schools, breathable air, safe drinking water and uncontaminated food. They need a healthy overall economy in which their products and services can find thriving markets. They need a social and a physical environment that will sustain them over the long haul, not just until the day after the next quarter's financial reports are posted.

How to Be a Socially Responsible Enterprise

There are almost as many meanings to being a socially responsible enterprise as there are organizations. For some, it might mean raising the pay scale from minimum wage to a livable wage. It might mean investing in the community for sound schools or working with police and government officials for a safe community. For others, it might mean improving environmental practices.

A growing, worldwide movement holds organizations, especially large corporations, accountable for the effect they have on the world around them. In response, many companies are addressing their environmental and social policies and practices, including the effect they have on various social identity groups in the communities they serve.

In addressing a worldwide Mobil diversity forum in 1999, Lou Noto, former CEO of Mobil, said, "Successful organizations need successful communities. You cannot have a viable organization if you do not have a viable community." Accordingly, many organizations have taken the notion of investing in the local community to heart.

Progressive and forward-thinking business leaders are looking at all the communities where their organizations' facilities are located, not just affluent communities but also those struggling to survive. They are seeking investment in these communities not as a handout or public relations ploy but as a hard-edged necessity. As Whirlpool CEO David Whitwam said at a meeting of Michigan's Council for World Class Communities, "Unless our communities can attract the kind of people we want working in our company, our company cannot survive." ●

Enhanced Value to the Marketplace

As organizations start to reach out to a wider spectrum of customers, many continue to do so from a perspective that makes representation the goal and diversity something to be managed, tolerated or used as a tool to highlight certain opportunities. Some organizations may consider the diverse segments of the marketplace as niches rather than as core to business success, and see diversity through the lens of the box, as ancillary and not central to the organizations' definition of the marketplace.

One common misconception of the expanding opportunities offered by a diverse marketplace is that these opportunities exist primarily in other countries. Too often, a focus on global diversity overlooks the chance to capitalize on the diversity that exists in the organization's home country.

Enormous, Untapped Opportunity to Serve

There is an enormous, untapped opportunity to serve African American markets, the Latino and Asian American markets — the two fastest-growing demographic market segments in the United States — the lesbian and gay markets, the deaf culture market, the women's market and other social-identity-group markets. Just as organizations have segmented their traditional market — white men based on age, education and income — there is an enormous benefit to delve deeper into the differentiation of populations and to see the market opportunities waiting to be explored.

Organizations that are good at interacting and partnering with people of different social identity groups and the diverse elements in each identity group are in the best position to connect with these market segments. But to make the most of this advantage, people with those competencies must be in positions of authority and influence, included in the core processes of the organization and able to provide input into organizational policies and practices. ●

PART 3: CREATING AN INCLUSION BREAKTHROUGH

Every organization is different. A rigid formula for change cannot be applied successfully. The methodology for an inclusion breakthrough is designed to be not a road map, but a series of signposts. The route each organization takes depends on its size, hierarchy, infrastructure, people, leadership and history. It provides tools for identifying themes and issues that prevent the people of an organization from doing their best work. And it

offers guidelines for addressing those issues in ways that will lead to sustainable success. Ultimately, it is designed to create an inclusion breakthrough — an environment in which every member of the organization can add value and enhance the organization's performance and competitive advantage for today and tomorrow.

The methodology is composed of four phases: building a platform for change, creating momentum, making diversity and inclusion a way of life and challenging the new status quo.

Although we present the phases sequentially, the components need not be implemented in this manner. Whereas some actions and strategies may be implemented only after certain resources and competencies have been developed, others may be carried out simultaneously. The methodology is flexible and adaptable to the needs of each organization. In different organizations, different interventions may be required at different stages, and some parts of some organizations will move at different paces. Therefore, those implementing the methodology must be flexible and adaptable as well.

These strategies are predicated on four essential building blocks of effective change:

- **Leverage:** Find and develop the most effective actions and points of opportunity to gain the maximum payoff from each action undertaken.
- **Linkage:** Coordinate and connect all organizational initiatives and activities so that they work together to create a total that is greater than the sum of its parts.
- **Leadership:** Equip both formal and informal leaders of the organization with the education and skills training needed to live and model an organizational culture that leverages diversity and builds inclusion.
- **Learning:** Recognize the process of change as an act of continuous discovery. ●

Building the Platform for Change

Phase I of the technology for creating an inclusion breakthrough focuses on identifying, developing and aligning resources and positioning the effort for implementation. It is the time for finding allies and partners and for laying the groundwork for change. In many ways, the most difficult part of the effort occurs before ever moving to the Phase I action items. Whether as an individual or as a group, taking the career-threatening risk of standing up and advocating for change requires a great deal of courage. That is what is required before real change can begin.

Change can start anywhere in an organization: in middle management, among line workers or in the human resources department. But for any change effort to be effective, have a lasting effect on an organization and be truly transforming — in other words, to be an inclusion breakthrough — it must be led and modeled from the top. Only the organization's senior executives can provide the commitment, resources and credibility required to convince people in the organization to stop behaving in the ways they have always behaved and to start adopting new, unfamiliar ways that may initially feel awkward, embarrassing and risky. Unless senior executives live the behaviors, values and attitudes of the inclusion breakthrough as the organization's new way of life, the rest of the organization will continue to follow the old ways. ●

Creating Momentum

Phase I of mobilizing for an inclusion breakthrough focuses on identifying, developing and aligning resources, and positioning the effort for implementation. As the more action-oriented Phase II gets under way, it is important to create momentum in the organization by emphasizing the mission critical nature of the process.

This is the time to make clear to everyone in the organization that life is going to change. Leaders of the effort must be prepared to be more visible. They must be ready to model the competencies and behaviors that they want to encourage in others and be prepared for the feedback, verbal and nonverbal, given to all pioneers of change. There will be new expectations, required competencies, and ways of behaving and working together.

In developing the initial 12-to-18 month plan for implementing organization-wide culture change, the inclusion breakthrough leadership team should focus on building and sustaining momentum to make it happen. The elements of Phase II should be incorporated into the plan, including the strategies and actions that emerge from the data feedback process. ●

Making Diversity and Inclusion a Way of Life

After the organization has built a platform for change and created momentum for the change effort, the leaders of the inclusion breakthrough are positioned to apply what they have learned about leveraging diversity, building inclusion and strategic culture change to accomplish goals they could not have defined before embarking on the effort.

Key to developing an expanded and longer-term plan for achieving and sustaining the inclusion breakthrough is leveraging the new competencies, resources and organizational capabilities that have been gained since Phase I. They make a new realm of strategies possible. More significantly, they make a new realm of strategies *doable.*

Central to Phase III of the methodology is developing strategies that link the inclusion breakthrough to all of the organization's operations and process-improvement initiatives. Such strategies include applying inclusion-oriented competencies to achieve breakthrough transformations in customer service, product design and market-development planning. The starting point may be a culture change effort, but the results include a repositioning of the organization's products and services for a more sustainable future. ●

Leveraging Learning and Challenging the New Status Quo

Phase IV of the methodology to achieve an inclusion breakthrough might be described as "Going Forward Back to Phase I." To sustain the inclusion breakthrough, it must be continually recreated. Even a highly diverse group can grow static and overly comfortable with the new status quo unless it constantly strives to increase and leverage its diversity and expand its parameters of inclusion.

Just as the strategies of Phase III cannot be formed or implemented until the lessons of Phases I and II have been experienced and learned, the strategies of Phase IV use what has been learned from the first three phases to evaluate the progress to date and reassess the needs of the organization in light of the changes in perspective and circumstance since the start of the inclusion breakthrough.

Another key to the success of the inclusion breakthrough is the understanding that unforeseen issues will arise. The organization's senior leaders must build in the flexibility to deal with these unexpected issues as they arise.

Communicate Accomplishments Internally and Externally

Going public is necessary to maximize the full benefits of the inclusion breakthrough. To attract talented people from the broadest spectrum of backgrounds, having the right stuff is not enough. An organization must also be known as a place of opportunity for growth and success, financially and professionally, with a culture that welcomes people's passions.

Continuous Improvement and Continuous Change

Unleashing the real power of diversity is not about just adding on to business as usual — there is no such thing as steady state. The inclusion breakthrough is about continuous improvement and continuous change, the capability to respond to an ever-shifting and continually changing environment and having a wealth of resources capable of responding to that environment. And it continually raises the bar — as customers receive more, they expect more from both the organization and others they come in contact with, demanding that organizations meet and exceed their expectations.

To achieve this status, an organization must pursue a course of strategic visibility, seeking to raise public awareness of its workplace practices and accomplishments, especially among the people it wants to attract. ●

Conclusion: Breaking Out of the Box

To bring about the inclusion breakthrough in your organization, you have to start by making one within yourself. To lead an inclusion breakthrough effort, you must commit yourself to constant learning and growing. Part of creating a safe environment for growth and change is making it safe for people to experiment and to know that each step informs the next — to allow for mistakes, to deal with obstacles and to identify new opportunities along the way. It takes both patience and a sense of urgency to achieve a breakthrough: patience to position all the right elements and urgency for execution. Getting an inclusion breakthrough effort launched is really just the first step of the journey. To succeed and survive on this journey, you and others must be committed to the potential of all people in the organization and the positive power of their combined efforts. ●

RECOMMENDED READING LIST

If you liked *The Inclusion Breakthrough*, you'll also like:

1. *The 2020 Workplace* by Jean Meister and Karie Willyerd. Packed with insights, this book is a useful guide to help you and your organization create tomorrow's workplace of choice.

2. *Who* by Geoff Smart and Randy Street. Geoff Smart and Randy Street provide a simple, practical and effective solution for the single biggest problem in business today: unsuccessful hiring.

3. *Working GlobeSmart* by Ernest Gundling. Gundling presents a toolkit of the 12 global people skills that international managers, or anyone working with global partners, must acquire.