



THE VALUE OF DIFFERENCE

Eliminating bias in organisations

Binna Kandola

"Electrifying! Rigorously researched and densely argued, this book will challenge all of us. Essential reading for anyone who leads a company or public body"

Trevor Phillips Chair, Equality & Human Rights Commission

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The moral right of Binna Kandola has been asserted

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Introduction

Rebooting Diversity

The diversity movement has stalled. The steady progress towards fairness for all people regardless of their race, sex, physical ability or religion which we hoped would be delivered by laws, policies and increasing awareness just hasn't happened. Diversity has hit its own glass ceiling, unable to make real, lasting change in the ways organisations work or the lives of the people affected by those organisations.

We've spent a lot of time, energy and money chasing the ideal of diversity, and we have precious little to show for it. When we can point to improvements in the way people are treated or the opportunities available to them, we quickly become aware of the length of the journey that remains. Meanwhile those who resist the very idea of diversity can characterise the achievements of the movement as a mass of pious, ineffectual gestures that make no real impact on daily life or the goals of organisations.

This sense of slowing progress is matched by a feeling that the urgency surrounding diversity has declined. We're not getting anywhere with diversity because nothing is compelling us to. People are bored with hearing about diversity issues. They'll take an interest in the occasional high-profile discrimination case, but only to whistle at the seemingly high sums awarded to the winners.

The Value of Difference

Diversity has lost its energy through absorption into the machinery of organisational life. It's been legalised, proceduralised, standardised. And it's lost its personal meaning. Diversity has become something that can be encapsulated in a sub-clause of a mission statement, measured by a sheet of checkboxes. The true meaning of diversity – the quality of human relationships – has drained away, leaving a paradox behind: the organisational belief that diversity has been achieved through bureaucratic absorption, versus the feelings of individuals that their situations are no better – or even worse – than they were before diversity ever took flight in organisational thinking.

One reason why diversity has stalled is linguistic. “Diversity” sounds like a definable, fixed goal, a quality that can be measured. Indeed, “diversity” is stasis. The word tends to make us think that we can achieve a state of diversity, recognised according to some universal measure, and then stop. In this reading, diversity is an end-state with a clear, unambiguous definition. And if some people feel that progress towards diversity has slowed or stopped – well, that must mean that we've arrived at our journey's end.

The term ‘inclusion’ is a more active word, conveying a sense of managed change and continuous effort to maintain diversity. However, inclusion is usually fragmented into individual initiatives with separate owners. If ‘diversity’ is a state that can be reached and then perpetuated, ‘inclusion’ is a principle that relies on champions. It is therefore reliant on the interest and energy of leaders – and therefore carries no guarantees.

Why is it that, try as we might, we seem unable to drive diversity forward in our organisations? Do we have the wrong policies? The wrong measures? The wrong definitions? Should we keep tinkering with our structures and systems in the hope that we will somehow nudge the organisation into a more diversity-friendly configuration?

It seems to me that we're acting like the drunk who lost his house keys in the road, but searched for them only under the streetlamp because that is where the light was. We're looking for fixes for diversity in the places where we happen to have some solutions, rather than venturing into the unlit areas where the problems really lie. To achieve true diversity, we need to look in the dark places: within our own prejudices and habits. We have to face the forces of discrimination which have been driven underground by the early progress of diversity

campaigners – and which exist in us all.

The aim of this book is to reboot diversity: to reclaim the concept, to set it in new motion, and to make it happen. I aim to shed new light on diversity by evaluating what psychologists know from our own experience as practitioners, and what others have discovered and shared in the psychology literature. As well as shedding light, I'm going to show you how to do something positive about your diversity situation.

Fundamentally, diversity is about behaviour and outcomes. It's about how relationships are enacted. It's about how we perform in everyday situations, based on how we think – and how we think about how we think. In other words, diversity is a process, not a structure. And once we can appreciate diversity as a process, we can begin to make changes.

And it's important that we do get the diversity movement moving again. Diversity is a vital component in social, economic and political development. It plays key roles in:

- assessment: determining who gets to take part, exercise power and set direction in our organisations;
- service: understanding and responding to the needs of an organisation's users;
- competitiveness: maximising value and productivity of the talent pool;
- innovation: creating new products, services and processes and bringing them to market;
- adaptiveness: ensuring agility in the face of environmental change;
- wellbeing: supporting the health and happiness of our people;
- cohesion: reducing conflict in society;
- globalisation: building and supporting relationships between different communities.

I show in this book how diversity is being held back by unconscious bias. We're all affected by unconscious bias to some degree or other. While our prejudices may vary, we're all the same in having prejudices.

The Value of Difference

I also present in this book a method for tackling unconscious bias. It's a simple, practical and painless method. It's entirely free of ideology and makes no grand theoretical claims – though it is supported by psychological theories of cognition and behaviour. The method is based on evidence garnered from practical work with a range of organisations, and has been proven in practice.

I hope you'll use this book to reset your own organisational journey towards diversity. 'Diversity' is a state worth achieving. 'Inclusion' is an activity worth pursuing with conviction and consistency. By eliminating unconscious bias, organisations achieve self-awareness in their people and bring diversity goals within reach. It's about looking in the mirror at ourselves and the organisation we work in.

Get ready to reboot!

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1

PUSHING FOR DIVERSITY

The question 'What is the business case for diversity and inclusion?' provokes a whole range of responses. This chapter explores the evidence behind the business case. Some of the business reasons for pursuing diversity are negative, some are provoked by external pressures, others are inconsistent. This leaves us, however, with a small set of arguments which have the evidence to support them. Ultimately, I question why we should need a business case for treating people fairly and with respect. First though we need to see what people and organisations understand by 'diversity' and 'inclusion'.

Defining diversity

We all have an instant sense of what 'diversity' means. At its simplest, it means 'difference'. But whereas 'difference' can be taken to imply measures of relative worth amongst the qualities being compared, 'diversity' is a neutral term.

Diversity emerged as a term useful to organisations in the 1990s. Its emergence tracks the use of the same word in connection with concerns about humankind's impact on the planet: biological diversity, threatened by species loss in over-exploited lands and oceans, became a rallying cry for scientists, environmentalists and nationalists. The use of the term in organisational matters largely superseded 'equal opportunities', although equal opportunities should be more correctly thought of as a component of diversity rather than a separate area. Table 1.1 shows how a variety of organisations define diversity.

2

WHY WE'RE BIASED

Diversity and inclusion come to life in the interactions amongst individuals, between individuals and groups, and between groups. The psychological characteristics of these different types of relationship give us clues about the dynamics at work, and suggest ways in which organisations can change the way people deal with each other. The essence of this chapter is that we are all born to be biased. That is all of us. Including you. And come to that, me. It's part of being human.

The theories and models discussed in this chapter show how discrimination evolves in order to survive even as organisations seek to modernise themselves. They also help to explain why diversity has proved such a hard goal to achieve. It is our natural biases, I believe, that get in the way of our diversity goals and interventions and which consistently thwart even the most robust strategies.

Forging identities – creating categories

Social identity theory proposes the idea that each of us has not just one 'self', but many. Our different selves come to the fore depending on our social context. These selves correspond to widening social groups.

According to the theory, as developed by Tajfel and Turner, we each have a range of self-concepts that match the social groups to which we believe we belong.¹

3

THE OLD BOYS' NETWORK AND OTHER WAYS IN WHICH ORGANISATIONS ARE BIASED

This chapter explores how organisations can – and do – discriminate against individuals, despite the extensive framework of anti-discrimination laws. We examine how an organisation can acquire a corporate personality that embraces, but extends beyond, the individuals within its bounds, and behaves in ways which may surprise its members.

In the previous chapters we described how having bias is part of being human. The psychological processes at play mean that we are all conditioned to prefer some people over others. Organisations are created by us and so inevitably bias will be built into every aspect unless we remain very aware and vigilant.

Power in organisations

Organisations can be thought of as power structures. We develop organisations in order to achieve goals greater than those that can be accomplished by an individual working alone, and to perpetuate useful sets of working relationships. Organisations take on a legal identity of their own, distinct from the identity of the members who serve them. Similarly, organisations develop their own personalities, habits and myths. Within any organisation, power tends to pool in one or more places.

4

INCLUSIVE LEADERSHIP: REVISITING THE BUSINESS CASE

Introduction

Case study

An early survey of sexual harassment in the workplace, carried out by the Greater London Council in the mid 80s found that 75 per cent of women had experienced sexual harassment at some point in their careers. This figure was so high that many people rejected it out of hand. Many of those organisations that admitted sexual harassment existed blamed it on women: if only women would lighten up and learn to have a sense of humour then the problem would disappear. This is a perfect example of how an ingroup, when faced with an issue that doesn't affect it, dismisses it. And while this kind of statement looks crude to a contemporary audience, there's no doubt that this type of attitude persists widely, even if it is more rarely articulated than of old.

The leaders in any organisation will have a big impact on what the organisation takes seriously. This dominant group projects the moral boundary of the organisation, using its own preferences and interests as a template. If diversity is not a personal issue within it, then it will be dismissed as an irrelevance, a waste of money, and a capitulation to wrong-headed 'political correctness'.

5

DIVERSITY TRAINING

In 1988 diversity management was not listed amongst the 40 most common training topics in the UK.¹ Whereas by the early years of this century the Chartered Institute of Personnel & Development (CIPD) found that:

- 60% of organisations had diversity training events;²
- 78% of respondents think diversity training is 'somewhat important';³
- 32% see it as critically important.⁴

In 1997, in the US, 60 per cent of Fortune 500 companies provide some form of diversity training.⁵

It is evident therefore, that diversity training is an important and growing part of an organisation's learning and development.

But what exactly is diversity training? And can we say what is effective and what is not?

Diversity training can, I believe, be divided into three categories:

- awareness raising/managing risk
- behavioural
- attitudinal

6

THE 8Cs AND AN R: NEW TOOLS FOR ELIMINATING BIAS

Prejudice is one of the most complex problems we have in our society. But complex problems often have simple solutions. We can't see the solutions to our problems, so we assume the solutions are of the same order of complexity as the problems – with which we are all too familiar. We're mistaking our own lack of knowledge for some inherent difficulty in the solution. The research shows, however, that there are ways of tackling, if not eliminating bias in certain situations. These tools, which I have called the 8Cs and an R, are described here:

- creating plans
- combating negative images
- clarifying the question
- confrontation
- changing our viewpoint
- re-categorisation
- contact
- championing diversity
- creating the right conditions

7

DIVERSITY IN A DIVERSE WORLD

Global organisations will naturally have global policies on many subjects, e.g. health and safety and sustainability. Diversity is a further area where organisations attempt to create global standards. There can be little doubt that American organisations have been at the forefront of creating and implementing such policies. Often, though, this can prove frustrating for both the organisation's head office and their local offices. The former will be heard saying 'they just refuse to take diversity seriously' and the latter will protest 'they are trying to impose an American approach on us and it just won't work'.

There are often tensions between head office and local ones, but could there also be cultural differences in the understanding of attitudes towards diversity? This chapter explores some of the ways that countries differ in their approach to diversity.

The diversity of diversity

Diversity is often seen as a simple matter: a shorthand for referring to the removal of barriers that create and perpetuate inequality, deny opportunities to members of less-favoured groups, and distort the potential of organisations. Attempts to use decategorisation strategies emanate from this notion. At a higher level of abstraction, the simplistic concept of diversity can obscure the very real complexity that's inherent in diversity.

8

DEVELOPING STRATEGY AND CREATING A VISION

Creating and sustaining diversity isn't just about having good intentions, or good processes – and processes to monitor the processes. People in organisations also need to use methods that help us understand the concept and then change our mindsets. As we've seen, it's the powerful effects of our default behaviour that we need to short-circuit if we're to apply diversity fairly, consistently and authentically.

The vision detailed in this chapter takes the form of practices and methods that can be easily deployed in any organisation. None of these requires heavy reengineering of the organisation's structure or processes, and none asks people to be 'better people'. They have all been proven in practice, and are available to anyone who wants to improve the diversity performance of their organisation.

The menu on offer here is broad. Organisations need not apply all of these solutions: some will fit more easily into certain environments than others. What's important is that these are specific forms of action that managers and decision-makers can put into practice immediately. Too often, the answer to poor performance in diversity is 'more training'. But sending people back to the same sheep dip once a breach of diversity standards has occurred does little to change the climate in the organisation. If you're serious about doing better, you have to do something different.

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THE VALUE OF DIFFERENCE

Eliminating bias in organisations

Despite organisations spending considerable time, effort and money to ensure they operate fairly and provide equal opportunities to everyone, the feeling is that we have precious little to show for it. Why has this happened? What can we do next?

This book answers both questions by acknowledging that we are all biased – you, me, everyone. Unless we accept this and find ways of understanding how we can reduce bias, progress will always be limited. By examining the latest research into human behaviour, Binna Kandola explains why we are biased, how this makes organisations biased and introduces techniques we can adopt to eliminate bias.

"At last, a book that deals with the reality of bias in organisations and the limitations that policies and processes have in moderating its effects. Refreshingly it debunks the pat reliance on a business case"

Keith Clarke Chief Executive, WS Atkins plc

"Intuitive and perceptive – Hurrah for a pragmatic approach which moves diversity thinking to a new era"

Alison Dalton Diversity & Inclusion Manager, British Airways

"Fantastic... Every CEO who is serious about creating an organisation for the 21st Century has to read this"

Caroline Waters Director of People and Policy, BT plc

"Congratulations! This timely book injects new life into the question of diversity. Binna's analysis is compelling and provides a clear picture of where we are and where we need to focus in the future"

Baroness Prashar Chair of the Judicial Appointments Commission



Binna Kandola is a business psychologist, co-founder and senior partner at Pearn Kandola, leading business psychology practitioners. He has written several books including the award winning *Managing the Mosaic: Diversity in Action*.

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