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by Laura Sherbin and Ripa Rashid

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Leaders have long recognized that a diverse workforce of women, people of color, and LGBT individuals confers a competitive edge in terms of selling products or services to diverse end users. Yet a stark gap persists between recognizing the leadership behaviors that unlock this capability and actually practicing them.

Part of the problem is that “diversity” and “inclusion” are so often lumped together that they’re assumed to be the same thing. But that’s just not the case. In the context of the workplace, diversity equals representation. Without inclusion, however, the crucial connections that attract diverse talent, encourage their participation, foster innovation, and lead to business growth won’t happen. As noted diversity advocate [Vernā Myers](#) puts it, “Diversity is being invited to the party. Inclusion is being asked to dance.”

[Numerous studies](#) show that diversity alone doesn’t drive inclusion. In fact, without inclusion there’s often a diversity backlash. Our [research](#) on sponsorship and multicultural professionals, for example, shows that although 41% of senior-level African-Americans, 20% of senior-level Asians, and 18% of senior-level Hispanics feel obligated to sponsor employees of the same gender or ethnicity as

themselves (for Caucasians the number is 7%), they hesitate to take action. Sponsors of color, especially at the top, are hobbled by the perception of giving special treatment to protégés of color and the concern that protégés might not “make the grade.” The result: Just 18% of Asians, 21% of African-Americans, and 25% of Hispanics step up to sponsorship (and 27% of Caucasians).

Another difficulty in solving the issue is data. It’s easy to measure diversity: It’s a simple matter of headcount. But quantifying feelings of inclusion can be dicey. Understanding that narrative along with the numbers is what really draws the picture for companies.

For example, we worked with a Chile-based firm that would seem to have no problems with diversity. After all, one of their most valued employees is an indigenous Peruvian, a man who is respected, well-paid, and included in the leadership team’s decision-making discussions. Yet in a one-on-one interview he confided that he saw no future for his ambitions at that firm. “I know they value me,” he said, “but I am an indigenous person, and they are white, legacy, and Spanish. They will never make me a partner, because of my color and background.” Conventional measures would never flag this talented man for a flight risk; it’s up to the narrative to tell the tale.

At the [Center for Talent Innovation](#), we have constructed a unique, robust framework for measuring the things that matter. Our methodology relies on three streams of information: wide-ranging, anonymous, quantitative surveys provide the statistical foundation; [Insights In-Depth sessions](#), a proprietary web-based tool used to conduct facilitated focus groups within companies, provide the stories to flesh out the statistics; and one-on-one interviews enrich the statistics with deeper meaning. Within that framework our research has uncovered four levers that drive inclusion.

Inclusive leaders. This kind of leadership is a conglomeration of six behaviors: ensuring that team members speak up and are heard; making it safe to propose novel ideas; empowering team members to make decisions; taking advice and implementing feedback; giving actionable feedback; and sharing credit for team success. Of employees who report that their team leader has at least three of these traits, 87% say they feel welcome and included in their team, 87% say they feel free to express their views and opinions, and 74% say they feel that their ideas are heard and recognized. For respondents who reported that their team leader has none of these traits, those percentages dropped to 51%, 46%, and 37%, respectively.

Authenticity. It’s not surprising that everyone expends energy by repressing parts of their persona in the workplace in some way. But according to [our research](#), 37% of African-Americans and Hispanics and 45% of Asians say they “need to compromise their authenticity” to conform to their company’s standards of demeanor or style. [Our research](#) on women in the science, engineering, and technology industries shows that, regardless of gender, acting “like a man” can provide an advantage in becoming a leader in these fields. What a waste of employees’ energy, let alone their employers’ diversity dollars.

Networking and visibility. For women and people of color, the key to rising above a playing field that remains stubbornly uneven is [sponsorship](#). A sponsor is a senior-level leader who elevates their protégé's visibility within the corridors of power, advocates for key assignments and promotions for them, and puts their reputation on the line for the protégé's advancement. For those who feel marginalized by their gender, ethnicity, age, sexual identity, or educational and economic background, sponsorship is particularly crucial in invigorating ambition and driving engagement. Having a sponsor increases the likelihood of being satisfied with the rate of career advancement. Conversely, lack of sponsorship increases someone's likelihood of quitting within a year.

Clear career paths. For women, LGBT individuals, and people of color, the map to career success is murky. [Our research](#) shows that 45% of women off-ramp to take care of children, although elder care is increasingly pulling women off the career track, with 24% leaving to care for aging relatives. But a significant number of women also feel pushed off the ladder: 29% say their career isn't satisfying, and 23% feel stalled in their careers. Comments from women in focus groups note that they're frustrated by being passed over for high-profile assignments, and they have a general sense of missing out on the right opportunities. LGBT individuals and people of color, too, struggle to name a simple solution to open up a blocked career path. Ironically, it's usually the majority group that presumes to identify the reason these people aren't advancing, which too often results in the problem being oversimplified.

Companies should start from the simple but fundamental understanding that there are different perspectives, each of them valuable, and work to explore and identify the range of barriers holding these individuals back. Organizations can then formulate plans and programs that offer options and provide signposts that help women, LGBT people, and people of color find the path that's right for where they are in their lives and careers.

Focusing on these four levers can elicit real change. Our research finds that employees with inclusive managers are 1.3 times more likely to feel that their innovative potential is unlocked. Employees who are able to bring their whole selves to work are 42% less likely to say they intend to leave their job within a year. Those with sponsors are 62% more likely to have asked for and have received a promotion. And 69% of women who off-ramp would have stayed at their companies if they'd had flexible work options.

Diversity without inclusion is a story of missed opportunities, of employees so used to being overlooked that they no longer share ideas and insights. But diversity *with* inclusion provides a potent mix of talent retention and engagement.

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