Managing Diversity in a Global Organisation

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Women in the COO Community

The cultural, operational and logistical challenges of DE&I across regions

Online Zoom Forum with:

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Managing diversity sensitively in a multi-regional organisation is of paramount importance due to the complex challenges and nuances associated with diverse cultural contexts and legal frameworks differing in different areas.

Many large multinational firms may initially dismiss the relevance of diversity and inclusion policies in their various regions; however, it is crucial to recognise that diversity and inclusion are very different: DE&I goes beyond mere representation and necessitates the creation of inclusive environments where individuals from different backgrounds feel valued and empowered to contribute.

By managing diversity sensitively, organisations can tap into the full potential of diverse talent, drive innovation, improve economic performance, and ultimately build stronger and more sustainable global operations.

The direct consequences of this are better customer and market outcomes, as the organisations themselves become as diverse as the customer base they are serving. Conversely, failure to acknowledge and adapt to local cultural differences and legal requirements can lead to potential backlash, resistance, and alienation within the organisation.

Sensitivity in managing diversity ensures that policies and initiatives are respectful of each region's unique characteristics, which fosters a sense of belonging among employees and enhances their engagement and productivity.
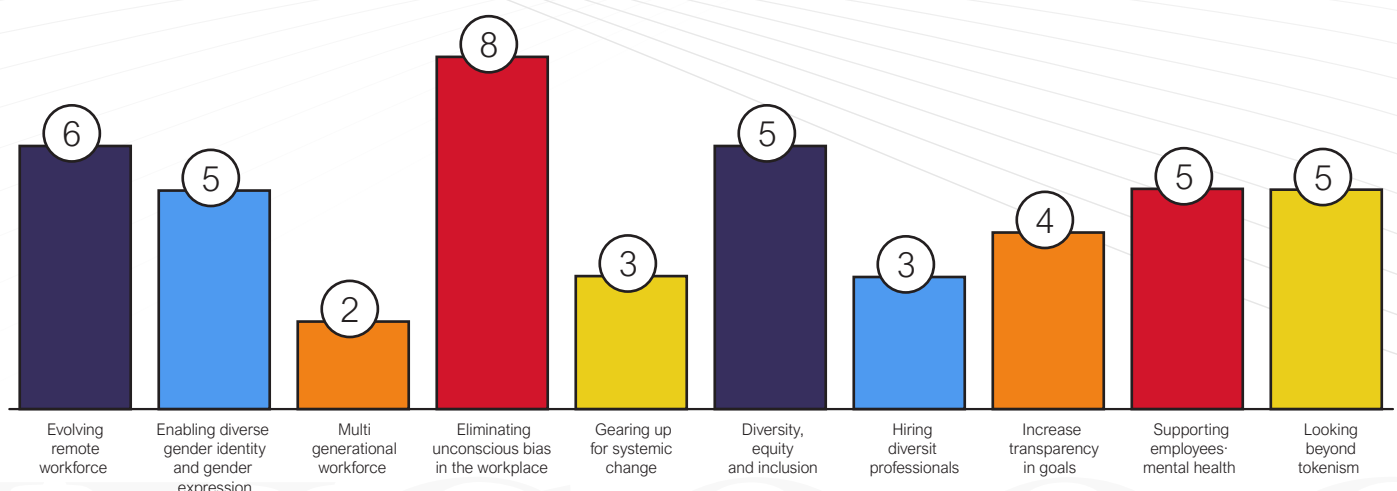
Challenges and Adaptation:

» **Acknowledge the Challenges:** Recognise that managing diversity in a multinational organisation comes with unique challenges. No one-size-fits-all approach exists, and policies need to be adapted to fit local cultures and legal requirements.

» **Coherence and Overall Outcome:** Aim for coherence in overarching organisational values and culture throughout the firm. While details must vary by region, there should be a 'zoomed-out' focus on the overall outcome of promoting diversity and inclusion, in order to drive and motivate the specific policies applied at the regional level.

» **Avoid Regional Bias:** Avoid the notion that one region is more progressive or superior to others in terms of diversity and inclusion. Every region has its own strengths and challenges, and it's important to address them without prejudice.

» **Avoid 'Diversity Washing':** Multi-regional organisations often have outwardly impressive data regarding the ethnicity of its employees and managers, but if the organisation is not inclusive, and alienated this diverse talent, then it will lead to poor culture and high attrition rates. It is therefore key to focus on both Inclusion and Diversity to achieve the desired outcomes.

Regulatory and Global Collaboration:

» **Regulatory Support:** Regulatory bodies can play a crucial role in driving diversity and inclusion efforts by making it a regulatory requirement. This helps bring the issue to the forefront and ensures organisations prioritise diversity initiatives in order to continue to be compliant.

» **Connectivity with Other Regulators:** It is important that communication and collaboration between regulators across different regions continues to occur, to build a more universal global standard for DE&I to which organisations can hold themselves. While ESG tends to be high on the agenda for global Regulators, outside the UK the overriding focus has been on E – on environmental concerns, and not so much on DE&I which impacts heavily on the S and the G.

» **Focus on DEI (Diversity, Equity, and Inclusion):** Diverse representation alone is not enough. It is vital to ensure that diverse talent has equal opportunities to contribute to the organisation's strategy and goals and to advance within the firm to have diverse voices at all levels of the organisation. The goal is to foster an inclusive environment where everyone feels valued and empowered.

Which 4 of the following challenges and trends have you experienced most in the last 12 - 24 months, becoming a priority agenda item?

Evolving remote workforce	Enabling diverse gender identity and gender expression	Multi generational workforce	Eliminating unconscious bias in the workplace	Gearing up for systemic change	Diversity, equity and inclusion	Hiring diversit professionals	Increase transparency in goals	Supporting employees· mental health	Looking beyond tokenism
6	5	2	8	3	5	3	4	5	5

Leadership and Accountability

» **Leadership Commitment:** Diversity initiatives should be supported and championed by top-level executives, especially the CEO and COO. Having diversity and inclusion as part of the organisational code of conduct can further reinforce commitment. If these initiatives percolate through all employees from the grass roots to the boardroom, they will have far greater impact.

» **Accountability and Metrics**: Set measurable targets and metrics to track progress on diversity and inclusion. Regularly review and celebrate successes while identifying areas for improvement.

» **Unconscious Bias Training:** Implement training programs to raise awareness of unconscious biases and promote a more inclusive mindset among employees. The importance of these initiatives is in their ability to make employees question the views they hold, and to approach things from a more nuanced perspective.

Create Dynamic DE&I frameworks:

» **Localise Strategies:** Tailor diversity and inclusion strategies to fit specific regional conditions and cultural sensitivities. What works in one region may not be suitable for another.

» **Embrace Technology:** Utilise technology to support diversity and inclusion efforts, for example by using tech to accommodate employees with disabilities.

» **Encourage Global Connections:** Foster an open-minded and inclusive environment that encourages global connections and ideas. Diversity of thought is vital for creativity and problem-solving, and this can be encouraged through enhanced connectivity between diverse employees within an organisation. Managing diversity in a multi-regional organisation requires a thoughtful and adaptable approach, recognising the uniqueness of each region while promoting a cohesive global vision of inclusivity and belonging.

» **Utilise Available Frameworks:** Look to trade bodies and industry resources for guidance on implementing diversity and inclusion frameworks. There is an enormous amount of material that can provide excellent guidance on the establishment and improvement of existing DE&I programmes. Where these need to be region-specific, examples produced by other entities operating under the same legal, cultural and regulatory conditions can be extremely helpful, especially where policy is set centrally within the organisation, and the policy makers do not have direct exposure to the cultural/regulatory environment.

What is the purpose of Diversity?

DE&I initiatives ensure that organisations reflect the diverse society they serve and offer equal opportunities to everyone, resulting in improved relationships with the industry and the creation of better products and services. Undoubtedly, the diverse talent makes the world a more interesting place.

DE&I is regarded as a moral duty, representing the right way for a humane society to operate, and the core focus of DE&I lies in its impact on people and the environment. By embracing diversity, organisations can mobilise and connect people worldwide, leveraging their expertise to drive global strategies forward. This approach empowers and comforts individuals within the organisation, delivering genuine value to employees, shareholders, and customers. Overall, DE&I serves as a driving force for positive change, both ethically and financially, while fostering an inclusive and prosperous organisational culture.

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