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INCLUSION AS A GROWTH STRATEGY

POSITION PAPER

by Glenn Llopis

available at **Forbes**

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INCLUSION AS A GROWTH STRATEGY
Leading in the Age of Personalization

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6 Alarming Ways HR Executives Are Putting Enterprise Growth at Risk

1 Compliance Driven
Compliance can't be the only domain of the people most connected to the human capital of an organization.

2 Lack a Growth Mindset
HR Executives must think and act like a CEO.

3 Solving for the Wrong Performance Metrics
Re-evaluate existing performance metrics that evolve beyond employee engagement surveys.

SIX ALARMING WAYS
HR EXECUTIVES ARE PUTTING ENTERPRISE GROWTH AT RISK

4 Reinvent the Traditional Corporate Playbook
The days of forced assimilation are over.

5 Widening Enterprise Silos
Siloed departments fuel one-size-fits-all environments that put enterprise growth at risk.

6 Employer Brands are Inauthentic
Stop selling things that prospective talent will find to be hypocritical.

HR executives and their teams are not evolving fast enough and it's disrupting enterprise growth. As the need for human capital has reached an all-time high, the human resources department is ill equipped to tackle today's corporate transformation strategies.

Individuality is at the center of what is enabling business transformation. HR executives are struggling with how to guide their organizations to best serve the unique needs of a more diverse, informed and knowledgeable individual. For example: How do organizations recruit and retain top talent by offering an inclusive workplace culture that promotes cross-silo, cross functional cooperation that will embrace the unique ways today's top talent thinks, acts and desires to influence? How do organizations allow its clients and customers to provide feedback and then create the systems to ensure we operationalize that feedback to drive better outcomes across the en-

terprise? How do organizations, leaders and their employees become more openminded to adopt innovation mentality-based corporate cultures that promote readiness for change?

Wait, HR executives should be able to provide clarity, understanding and strategies around these issues? Absolutely! They are the people and organization experts, aren't they? Or, are they the compliance experts in support of people and the organization? While these questions are subject for debate, influencing growth strategies requires a growth mindset that HR executives were not expected to have in the traditional corporate playbook that designed the HR department as a cost-center.

Today's more informed and knowledgeable individuals in the workplace and marketplace are disrupting the status quo by redefining business models and reinventing industries. Unfortunate-

ly, the power of individuality and its influence on the business was not considered in the traditional corporate playbook – thus putting current transformational efforts to drive enterprise growth at risk.

HR executives are on call to reinvent the ways they work, influence and lead. It's time for a growth mindset and strategic approach that gets you and your department out in front of the change. Your department must reinvent itself from a cost-center; compliance mentality. It's about people analytics, workforce and leadership development and change management when it comes to talent management and the new role that inclusion must play. If corporate growth is at the top of your organization's strategic priorities, you must become a "growth thought partner" that significantly influences business outcomes and creates a clear path for people to define your company and its brand's future. To begin this process, there is a sense of urgency to solve the following six alarming ways HR executives are putting enterprise growth at risk:

1. COMPLIANCE DRIVEN

As one senior human resources executive I spoke to said. "The speed and needs of the business are not in alignment with what we're capable of delivering to them. What they need, we don't have the capability, understanding, resources and knowledge to deliver from an HR standpoint. So why would the business unit leaders come to us first? What business unit leaders expect from us is to be compliant to the needs of their people. We are considered order takers, and responsible for managing quotes and regulatory issues that can impact our organization's reputation."

Ensuring compliance with rules and behavior is an essential and crucial part of HR, especially in light of the ever-growing revelations about sexual misconduct and unconscious bias[1] in the workplace. However, compliance can't be the only domain of the people most connected to the human capital of an organization. HR executives must continuously reimagine and begin to create new systems to enable enterprise growth as individuality is at the core of transformation.

2. LACK A GROWTH MINDSET

It's often been said that "it's all about people," but this fundamental fact must now evolve within the office of corporate strategy. In the next 3 years, the HR department and its executives must co-exist within corporate strategy. It's no longer an option. And with this

responsibility it must become a requirement that all HR executives have at least 10 years of experience in running and leading a business unit with full profit and loss accountability. Having an MBA is just not enough.

Today's HR executives don't always have that in their arsenal. HR executives must create new strategies and systems to deploy and develop the talent management and leadership competencies across the enterprise to ensure that a growth mindset[2] exist from within the organization to get out in front of marketplace demands. HR executives must eliminate the attitude of "playing not to lose" that has created an execution-driven mindset that puts enterprise growth at risk.

HR Executives must think and act like a CEO[3].

3. SOLVING FOR THE WRONG PERFORMANCE METRICS

To move from compliance to growth, HR executives must re-evaluate existing performance metrics that evolve beyond employee engagement surveys and the management of politically charged diversity programs. HR's ability to influence enterprise growth must consider metrics/measures that capture both the soft skills and critical business needs. Here are few examples:

- **Readiness to Change:** The existence of methods and processes are in place for evolving as

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the rapidly growing multicultural, multigender, multigenerational, multitenure employee populations we serve evolve in ways to drive growth.

- **Big Data (People Analytics) Related to Inclusion:** Beyond quotas, capabilities are in place for capturing big data to reveal enterprise-level trends related to inclusion that measure decision making, teamwork, and interdependency on diversity of thought and opinions in new ways that drive growth.

- **Individual's Freedom:** People need to feel like they can be their whole selves; meaning they don't have to hide aspects of themselves from leaders or coworkers (regardless of hierarchy or rank) to most effectively introduce new ways to drive growth.

- **Employee Feedback Loop:** Methods for getting feedback from employees about their ability to influence and how that feedback is accounted for in our growth strategy.

- **Knowledge-Sharing About One's Current State of Health:** Processes are in place to share and apply lessons learned about a particular employee population's state of health so that insights don't get stuck in a silo, but instead get shared across the organization in ways that influence growth (not only in the workplace, but in the marketplace).

As my organization has experience first-hand, introducing new performance metrics is often met with resistance because it requires the entire enterprise and its leaders to reevaluate their own existing metrics and systems to support new metrics. Don't let complacency stand in the way of growth. If the foundation is broken, fix it. Without a strong foundation, growth is always at risk and never sustainable.

Be bold and allow the following mantra to serve as your inspiration, "our growth strategy; our new way of thinking- was influenced by the HR department." Yesterday's cost-centers must think differently to influence tomorrow's growth.

4. MUST REINVENT
THE TRADITIONAL CORPORATE PLAYBOOK

The corporate playbook was created to serve a one-size-fits-all approach to people. It wasn't designed to account for diversity of thought in how to best lead and serve differences in people. And now that

"individuality" has disrupted the status quo, businesses must find new ways to drive growth through the abundance of differences that exist in the workplace and marketplace. Why? Because it has become less about the business defining the individual and much more about the individual defining the business.

Here are some examples of what two executives from a Fortune 50 company said about the pros and cons of what happens when the business defines the individual:

- **Executive #1:** The pros are that you know what is expected. You have a set goal and an end state. It is a very directive type of leadership but is what we typically fall back. The cons are a lack of ownership and buy in. We are just soldiers being sent on a mission.

- **Executive #2:** The pros are role clarity and clear expectations due to the narrow definition of what good looks like. The cons are you never see over the wall of what could be. The opportunity to deliver greater value is lost. And the chance for the associates to find satisfaction, joy and meaning in that journey to deliver greater value is lost.

Here are what those same two executives said about the pros and cons of what happens when the individual defines the business.

- **Executive #1**: The pros are a much more engaged and creative workforce. The cons could be slower results, but the results would be much more impactful and sustainable.

- **Executive #2:** The pros lie in the potential for associates to unleash value to the organization is significantly greater. It is just plain more fun and rewarding. The cons are if you don't have the team and/or culture that is consistent with the expectations. Leaders and peers across the enterprise must all be aligned or mismatched expectations will lead to frustration.

Individuality is today's new normal and HR executives must be held accountable to reinvent the corporate playbook before the marketplace passes their organizations by and they lose the top talent that understands how to drive growth. The days of forced assimilation are over.

5. WIDENING
ENTERPRISE SILOS

To drive enterprise growth, HR executives must create new leadership accountability systems for making sure the organization is welcoming at every level to every individual. That means focusing on individuals not as "one-size-fits-all" templates and but rather making a concerted e¬ffort to know and account for the realities and the values of what each individual can bring to influence growth in the workplace and marketplace. HR executives must lead this movement.

Two opportunity gaps that HR executives can immediately act upon to solve widening operational silos:

- **Revisit your organization's beliefs and values:** Per my organization's research, the power of individuality has made it more difficult for organizations to consistently live, apply and practice a set of values that were defined by the business (that carry throughout their mission and vision statements). Since today's more diverse, knowledgeable and informed individual is defining the business, the individual is now evaluating the connection between the organization's "why" and their own personal "why" and if there is direct alignment to their own beliefs and values. When the business defines the individual, the individual feels a sense of forced assimilation and lack of belonging. Now that the balance of power has shifted, this not only has significant strategic implications in the workplace but also in the marketplace. HR executives should allow the individual to influence the organization's values and beliefs or at the very least allow them to enlighten you about how they feel about them and whether or not they believe they are authentic.

- **Lead inclusion as a growth strategy:** Breaking down silos is instrumental to maximizing human

capital to create a more interconnected and cross-functional enterprise. Individuality is about removing the need for permission and allowing the individual's unique perspectives and opinions to influence more. Siloed departments fuel one-size-fits-all environments that put enterprise growth at risk. Leading inclusion as a growth strategy[4] – eliminates complacency and gives people the courage to see and seize opportunities previously unseen. Click here[5] to measure your leadership's and organization's readiness to lead inclusion as a growth strategy.

6. EMPLOYER BRANDS
ARE INAUTHENTIC AND MASKING REALTIES

Stop trying to be so perfect when it comes to people. People don't want perfect, they want to know that the organization they serve has room to grow and they themselves could define, influence and close gaps. In fact, when you are marketing an employer brand that sounds too perfect, you are already creating a trust barrier with prospective top talent because they know that given the current climate in today's workplace – no one is perfect.

HR executives must start being more vulnerable with the truth[6]. Stop selling things that employees don't agree with and/or prospective talent will find to be hypocritical. Today's employees want the opportunity to be part of the solution and not part of the problem.

The first 5 alarming ways HR executives are putting enterprise growth at risk is a clear depiction of today's new realities and truths that are making it difficult for an employer's brand to be authentic. What's even more alarming is that organizations are not investing enough to solve for these issues fast enough and thus they are not being accounted for in their corporate transformation efforts. Perhaps we are now beginning to understand why today's enterprise growth strategies are at risk.

Two recommendations to elevate this conversation:

1. Share this article, start the debate and get closer to a solution in support of your organization's business model and growth strategies.

2. Watch and share this video[7]. Encourage your leaders and employees to share their perspectives and thoughts in writing. Objectively use their feedback to identify the most pressing needs for your organization that you can act on now.

Inclusion as A Growth Strategy Part 1:

The Last Remaining True
Growth Opportunity

In the public life of the United States today, inclusion can feel like a quaint, impossible concept. News and social media sites are filled with group against group, one identity pitted against another identity, mistrust and anger all around.

But in the offices and warehouses of global institutions, C-suite leaders understand that for their enterprises to survive and thrive in a world in which their employees and customers span multiple countries, languages, generations, cultures and socioeconomic backgrounds — they need their organizations to be inclusive.

The world seems fractured at this moment in time. One reason people are quick to cling to and defend their particular identities (whether gender, cultural or generational, or any other designation we strongly relate to) is because the natural, yet clunky, first step in any pursuit of equality is to start with putting people in boxes and counting them. This is how most of our corporate diversity programs operate. As I said, it's a natural step — but it's just the first step.

Diversity does not automatically lead to inclusion. Diversity gets more attention because there's a formula — numbers to meet. Inclusion is not as easy to define, let alone measure and track.

This is why inclusion is one of the last remaining true growth opportunities for businesses. Starting with this article and for the next five in the series, I will explore what C-level executives think about inclusion, what they're doing to increase inclusion, and what role inclusion plays in their growth strategies. For this series, I invited CEOs, Chief Human Resource Officers and other senior executives from 19 global corporations to share their insights. In the articles that follow I'll share their stories and vulnerabilities, but for now let me set the stage for what I believe is the most important growth strategy leaders can embrace today: inclusion.

An inclusive organization is one that builds systems that actively enable people to:

1. be and express whatever identity they authentically claim, and

2. at the same time, look for ways to elevate the individuality of others.
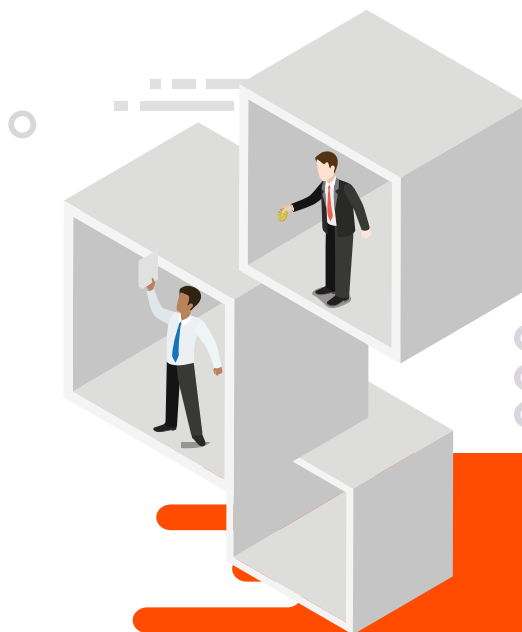
Inclusion is active: It's a system for making sure the organization is welcoming at every level to every individual. Inclusion is also a behavior that opens our minds to the importance of being more interconnected and interdependent upon each other — within our departments and across the enterprise. Today's speed of change and transformation demand it.

In organizations with a mandate to produce more, sell more, gain more market share, and keep Wall Street at bay, it's easier to place people in boxes and just tell them what to do. That's what I experienced during my days in Corporate America and I quickly came to the realization that the organization was trying to define my capabilities and control the ways I should think.

That may have been efficient a few decades ago for determining performance predictability models. But

we live in an age in which boxes and broad categorizations of employees and consumers aren't relevant anymore. Yet that old corporate playbook hasn't kept up with our new reality. Our blindness to this new reality results in widening performance gaps and missed opportunities for growth.

YOU ALREADY KNOW HOW IMPORTANT INCLUSION IS

We all know we're in the midst of a massive Cultural Demographic Shift℠ (CDS) – a term my organization coined as a way of saying that large cultural segments of the population are reaching critical mass or numbers sufficient to have a significant effect on what we all do and how we all act. According to the U.S. Census Bureau[8], the United States is projected to become a majority-minority nation for the first time in 2043. While the non-Hispanic white population will remain the largest single group, no group will make up a majority.

Also consider that, combined, Millennials and Generation Z will be the largest workforce of our time. Millennials alone are "more ethnically diverse, more technologically savvy and more educated than their predecessor generations. A fifth of them have immigrant parentage and the majority have friends with a different ethnic background." (The Keckley Report October 2, 2017, "My Take: Millennials aren't Buying What We're Selling"). This same holds true for Generation Z (see this Wall Street Journal article[9] for more insight into Generation Z).

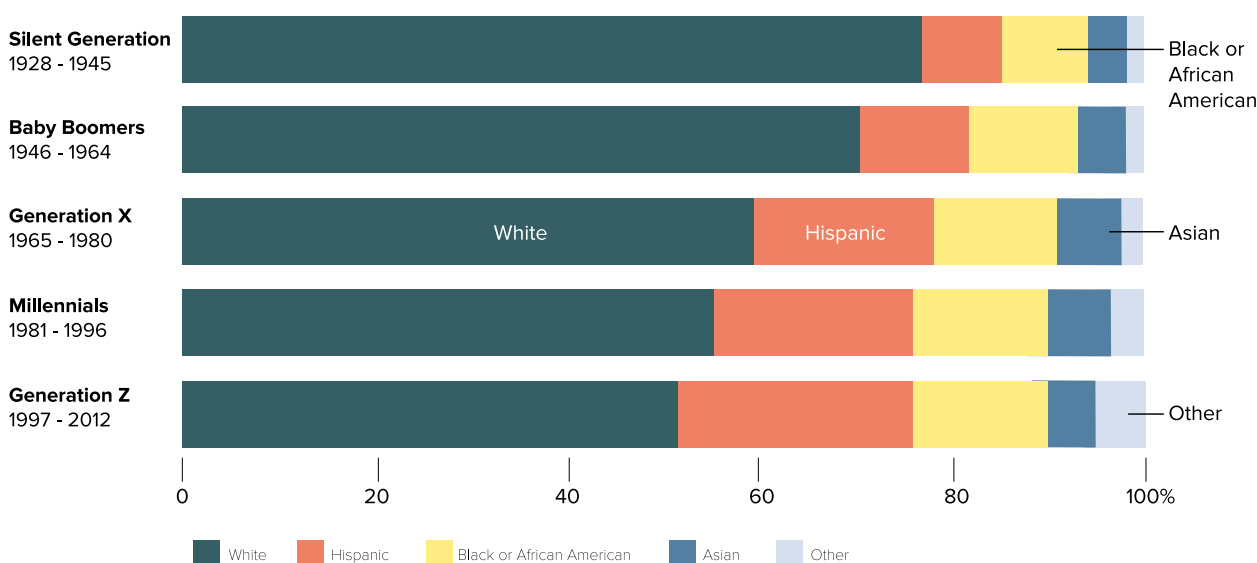And both groups are keenly aware that Corporate America can't control them.

Millennials and Generation Z embody individuality in this age of personalization. If you are not ready for the inclusivity and personalization they demand, they will leave you behind, quickly.

These realities should be reflected in every organization's growth strategy, from how you plan for future growth, allocate capital and financial resources, create the right products and services, form the most effective workgroups and organizational teams, and identify the strategic partnerships to strengthen your organizational knowledge and wisdom. These shifts have a significant impact on your ability to win the war for top talent, build brand loyalty, and conceive of and successfully introduce new innovations in your products and services.

If you're still trying to identify the business case for inclusion, then you and your business do not get it. The business case is: without inclusion, your business will experience gradual and then rapid declines. With inclusion, you'll be poised for growth.

Generation Z and
The Cultural Demographic Shift™

Culturally diverse populations have reached critical mass.

Estimated living population, as of July 2018

Silent Generation 1928 - 1945	White	Hispanic	Black or African American	Asian / Other
Baby Boomers 1946 - 1964				
Generation X 1965 - 1980				
Millennials 1981 - 1996				
Generation Z 1997 - 2012				

Legend: White | Hispanic | Black or African American | Asian | Other

Source: Census Bureau. Adapted from "Gen Z Is Coming to Your Office. Get Ready to Adapt." - Wall Street Journal.

By Design, Organizations are
Not Built for Inclusion

It's no wonder organizations are struggling with inclusion. They're not built for it (yet).

Let's break this down:

- The corporate playbook was not designed to lead or serve mass differences.

- For decades, brands have not only attempted to define how employees should act or behave at work, but also have tried to influence consumers to make certain purchases to create idealized "lifestyles."

- Today we've entered a new age of personalization, in which employees and consumers want to align with brands that are capable of leading and serving them based on a person's own values, unique needs and desires. This shifts the balance of power from brands and businesses to individuals.

Brands that make employees and consumers feel included on an individual level will have a huge advantage over those that don't. But it takes a concerted, strategic effort that many organizations are not investing in the right way.

You wouldn't buy an old typewriter factory and try to turn it into a hotel without making some structural changes. So why would you think you can be inclusive without making some deliberate and planned changes to the structure of the organization and mindset of its leaders?

That level of inclusion requires having systems and process in place to enable inclusion throughout the enterprise in ways that are measurable and attainable. It also requires that your organization, your leaders and your workforce all have the mindset and agility to be authentic and to respond to others being authentic without the fear of judgment.

Rather than Diversity & Inclusion, call it *Inclusion & Diversity*.

Start with inclusion and you'll empower people to be their individual selves.
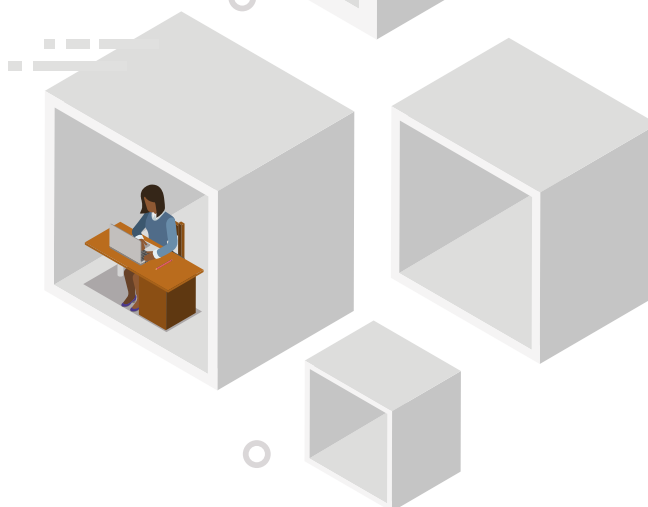
Your Organization is Not Prepared for Inclusion

— But You Can Change That

Based on interviews I conducted for this series, and also on data my company has collected for years, I can say with confidence: your organization is not fully prepared and nor are your competitors. That means there's a growth opportunity here for any organization that is courageous and smart enough to move inclusion and individuality to the center of their growth strategies.

Everyone I spoke with feels the urgency for inclusion, and recognizes it as a mandate — not just because it's the right thing to do, but also because it's the profitable thing to do. They all recognize that it's a strategy for growth.

The most consistent gap that I've identified is that organizations are not certain what they should be solving for to operationalize inclusion. Why?

I'd like to share some perspectives based on my organization's 10 years of research. In 2018, this topic is no longer only about diverse people with cultural, gender and/or generational differences. This is about everyone in their organizations taking ownership to commit themselves to getting to know their employees and consumers as individuals — and creating strategies that serve the like-mindedness within those differences, rather than practicing reputation management around the differences that corporations are not yet prepared to serve.

Yes, this is hard to do. But it's certainly not impossible if your organization makes the investment to properly lead inclusion as a growth strategy.

I've started advising clients to make a change that seems small but is actually deceptively powerful. Rather than Diversity & Inclusion, call it Inclusion & Diversity — with the goal of eventually removing the word diversity altogether, since we are all diverse individuals. Also, we must be bold enough to recognize that the word "diversity" has slowed down efforts to be more inclusive. (Side note: according to research conducted through client roundtables, eight out of 10 senior executives would rather remove the term diversity completely, claiming that it is too politically charged. This is the same reason senior executives believe they can't remove it.)

I know, moving words around seems cosmetic. And it

is, at first. That's okay. It helps leaders begin to make a critical mental shift. Why does the order of the words matter? Because diversity doesn't solve for inclusion (as already noted above). A diverse team doesn't mean an inclusive team.

Inclusion solves for individuality, and individuality solves inclusion — and together, they both solve for diversity. This fact should remind us that we must start solving for the right thing: Leadership in the Age of Personalization.

Start with inclusion and you'll empower people to be their individual selves, and to reach the full potential of how they can individually influence the organization. That individuality and inclusion, in turn, will result in the diversity you know you need in order to be the most innovative your organization can be.

Inclusion is Not a Function — It's a Growth Strategy

Unfortunately, the steps organizations take to ensure diversity don't go far enough to also ensure inclusion.

An approach that focuses only on diversity tends to be reactive and overly tactical. Diversity and Inclusion (D&I) has always been a cost-center – a compliance-driven functional area that is often part of the Human Resources or Corporate Social Responsibility department. Just because you think you're doing it right doesn't mean you're doing enough. A cost center mentality always limits opportunity.

Compliance and CSR are important, but inclusion shouldn't be confined to a functional area – it should be a mindset that all leaders and employees embrace that influences how they interact with and engage with their colleagues both internally and externally.

Think about how you view innovation. Sure, you may take a functional approach – funding a state-of-the-art innovation lab and a team of experts to explore innovative ideas full-time. There are upfront costs associated with that endeavor, but you also know that enabling true innovation will pay off over time. You likely also want an innovative spirit to permeate the organization. An enterprise that truly values innovation will want people at all levels and in all departments to learn how to be innovative.

Inclusion is no different.

You might have a functional area devoted to making sure the company has systems for ensuring inclusion. That department might be seen as a cost-center. But if it's successful in creating systems that infuse inclusion throughout the enterprise, and in training everyone how to think more inclusively (just like people might be trained to think innovatively) – that's when inclusion becomes a growth strategy rather than a cost.

But to do this correctly, corporations must stop controlling the individual and finally allow individual employees and consumers – whose influence is growing stronger every day – to guide the organization's growth strategies.

Inclusion is all about letting the individual touch the business, influence more and help the organization mitigate risk and neutralize uncertainty. In fact, employees and consumers often know the requirements for the business better than their own leaders and the brands (they just don't have a platform to share and express their ideas and ideals). Inclusion is about creating interdependency on people and their unique experiences and capabilities. It is about fostering environments in which leaders can best see, sow, grow and share opportunities for the betterment of a healthier whole.

Our first steps toward anything will be flawed. There's no shame in that. As leaders, our efforts so far have been on getting those diversity numbers up. But today, that's just the minimum requirement for any

organization. Simply achieving diversity will not give you a competitive advantage. You have to put that diversity to work. And that's where inclusion comes into play. The organizations that figure out inclusion will be the ones to achieve the growth they seek.

Throughout this article series, I will explore what this means and how companies are trying to operationalize inclusion in various ways.

In the next article, I'll start at the top by examining the role of enterprise leadership in operationalizing inclusion. In the meantime, I encourage you to assess your readiness to lead inclusion as a growth strategy.

Stop controlling the individual and allow the them to guide the organization's growth strategies.

Create an environment for – and build systems that actively enable people to:

- Be and express whatever identity they authentically claim, and

- At the same time, be curious about and celebrate the individuality of others.

Inclusion As A Growth Strategy Part 2:

Leadership In The Age Of
Personalization

This article continues a series on how inclusion can fuel an organization's growth strategy. I invited CEOs, Chief Human Resources Officers and other senior executives from 19 global corporations to share their insights. These leaders were very generous with their time and their thoughts on a topic that has become so charged that it's often hard for people to make themselves vulnerable enough to get past the list of corporate accomplishments and just have a conversation about it.

As I mentioned in the first article, it's more comfortable to tout diversity victories – the metrics that show the diversity numbers moving up. But this is an area of organizational management in which no one is perfect. An organization might be able to point to increasing numbers of women or people of color within the ranks, even in leadership roles. But that doesn't mean diverse populations feel or are included within an organization.

So, I set out to explore what C-level executives think about inclusion, what they're doing to increase in-clusion, and what role inclusion plays in their growth strategies.

First, let me offer some definitions for the various parts of the title: Inclusion as a Growth Strategy – Leadership in the Age of Personalization.

- **Inclusion** – A system for making sure the organization is welcoming at every level to every individual. Individual can apply to employees, consumers or clients – whoever the company has identified as a target audience. Inclusion is also a behavior that opens our minds to the importance of being more interconnected and interdependent upon each other – within our departments and across the enterprise.

- **Growth Strategy** – Whatever goals the organization has set in order to be ready to grow the business today and ready for what will be needed to grow the business in the future.

- **Age of Personalization** – Our new era is one based on individuality, which requires a concerted effort to know and account for the realities and the values of individual customers, consumers and employees.

A few months ago I published a series on inclusion and individuality in healthcare[10]. With this new series I am taking the subject beyond healthcare and exploring how inclusion is being employed as a growth strategy for organizations in a variety of industries.

Inclusion: A system for making sure the organization is welcoming at every level to every individual.

Organizations are Unprepared

My company has created a methodology and conducts an assessment to determine an organization's readiness to lead inclusion as a growth strategy that goes well beyond the Human Resources and Corporate Social Responsibility silos. The methodology focuses on creating a much broader enterprise-wide approach that operationalizes inclusion across four "solve" areas that are interconnected and interdependent upon each other. They include the following:

1. **Enterprise Leadership:** Solidify the right inclusion-based performance metrics to drive better outcomes across the enterprise to ensure the organization is solving for the most sustainable growth opportunities.

2. **Workforce Representation:** Create an inclusive culture to attract top talent, strengthen your employer brand and build high-performance teams to generate growth.

3. **Consumer Experience:** Build connection and trust with your customers by allowing them to share their feedback and develop systems to act on that feedback to accelerate growth.

4. **Population Health:** Be proactive in getting to know and addressing the unique health needs of your employees, customers and their communities in ways to drive growth.

Based on the responses of thousands of leaders at hundreds of companies, most organizations are not ready for inclusion. In fact, they are far from it:

	CPG	Financial Services	Apparel	Retail	Healthcare	Technology
Overall	51.37%	56.02%	53.76%	53.98%	57.57%	74.28%
Leadership	50%	75%	51.56%	70.31%	57.1%	87.5%

0% – 50.1% = Unprepared   *50.2% – 87.9% = Average*   *88% - 100% = Ready*

In this article I focus on enterprise leadership. In the articles that follow, I will focus on the other areas.

> " Human beings often make decisions based on comfort, convenience and habit – the assumption that if everyone was like me they would do what I want to do and how I would do it. Our first impulse is simply to make the decision that offers the path of least resistance to get the result we're looking for. As a result, obviously, we don't necessarily recognize the opportunity to find like-mindedness in our differences."
>
> – Jeff Pilof,
> **SVP of Supply Chain for CVS Health**

Today our organizations are multi-generational, multi-cultural, multi-gender and multi-tenure. With so many different mindsets and backgrounds, it's difficult to get everyone on the same page. Even people who check the same diversity boxes are not the same.

I am Cuban-American, but other Cuban-Americans will not bring to their work the same experiences or capabilities as I bring to mine. We all fall into many groups and categories and we bring our own mindsets to everything.

So when leaders try to make their organizations "friendly" to these large, impersonal categories of people, all they really do is succeed in making people feel devalued and boxed in. Our individuality drives this need for inclusion.

The winners are going to be the organizations that can take this abundance of differences and find like-mindedness within it and allow differences, through inclusion, to be their competitive advantage.

> " Businesses thrive over time through innovation... Innovation by definition is thinking outside the box. Thinking outside the box is diversity of thinking"
>
> – Arnold Donald,
> **CEO of Carnival Corporation**

Organizations are now accountable to serve a more informed individual. When I started my career, there was a corporate playbook where the business defined the individual employee. You went to work as an employee and there were certain ways that the business wanted you to operate within the workplace based upon what the business goals were.

Now the corporate playbook is stuck. And it's stuck because historically, it was written to serve a one-size-fits-all environment where the business would define the individual. Now that individuals are more informed, they want to have greater influence on how the corporate playbook is not only re-written, but how it performs and executes based on serving the unique needs of the people it is serving.

Leadership in the Age of Personalization

For inclusivity to permeate an organization, start by engineering diversity, according to Arnold Donald, CEO of Carnival Corporation. He oversees a portfolio of global cruise line brands, including Carnival Cruise Line, Holland America Line, Princess Cruises and more.

"Businesses thrive over time through innovation," said Donald. "Innovation by definition is thinking outside the box. Thinking outside the box is diversity of thinking. You are far more likely to develop sustainable diversity of thinking if you have a sustainably diverse group of people organized around a common objective with work processes to work together because they're different from each other."

But diversity doesn't happen naturally.

"As human beings it's natural for us to cluster with people like ourselves – it's just natural, there's nothing evil about it," said Donald. "In business you've got to interrupt that."

I like the use of the word "interrupt," because it emphasizes the fact that to achieve this we have to be deliberate about it. We have to interrupt the unconscious tendency to

identify with people who we think are most like us, because that tendency works against an inclusive workforce.

Jeff Pilof, SVP of Supply Chain for CVS Health, agrees: "Human beings often make decisions based on comfort, convenience and habit – the assumption that if everyone was like me they would do what I want to do and how I would do it. Our first impulse is simply to make the decision that offers the path of least resistance to get the result we're looking for. As a result, obviously, we don't necessarily recognize the opportunity to find like-mindedness in our differences."

Carnival's Donald then went beyond diversity to say once you have a diverse team, you have to train people how to deal with that diversity. That's where inclusion comes into play.

"Every voice has to be heard," said Donald. "Everybody has to feel that they have an equal chance of being recognized or rewarded for contribution. He cautioned to beware when people start saying things like: "That person doesn't fit our norm, doesn't fit our culture."

" **If you're focused on compliance, you're not going to embrace the value that diversity creates..."**

– Greg Carmichael,
 Chairman, President and CEO of Fifth Third Bank

That's a sign that your organization or team might be in danger of being overtaken by the competition.

Why? Because that person who doesn't quite fit the "norm" might be aggravating, but that's the person who also might be your disruptor.

As Donald puts it: "That's the person challenging the status quo, the one who's going to make you think about things you're not thinking about. If you throw that person out every time they become inconvenient, then you're really undermining inclusion and innovation."

 Diversity is just the first step.

Without Inclusion, Diversity is Powerless

A consistent theme was that leaders agree that without inclusion and diversity, there's no true innovation.

- The Dow Chemical Company CEO Jim Fitterling: "If we do not continue to invest in the development needs of our workforce – and change the way we work – we will quickly find ourselves behind the pace of innovation. Biases and barriers – conscious or unconscious – get in the way of true innovation and agility."

- Sempra Energy CEO Jeff Martin: "Inclusion of new people, ideas and perspectives is the only way we can tackle the exciting opportunity in front of us. We need to find new and better ways to serve our customers, new and better ways to provide them with clean, affordable and reliable energy."

- UPS CEO David Abney: "Inclusive companies make successful companies. Research has shown time and time again that companies with more diverse workforces and leadership consistently outperform the competition. For companies to succeed, they must anticipate evolving needs of diverse business stakeholders and connect even more customers, suppliers, employees and communities for success."

But to get that innovation, you have to get the most out of diversity – which means facilitating inclusion.

Greg Carmichael, chairman, president and CEO of Fifth Third Bank, emphasized the importance of moving beyond the common approach to diversity that focuses mostly on compliance – getting those numbers up: "If you're focused on compliance, you're not going to embrace the value that diversity creates. The value is the diverse thinking, the innovation that enables that to occur, the deep understanding of these different segments that you have to serve and need to serve and how they're changing. You don't get that if you're just trying to be compliant."

Carmichael mentioned two of the bank's most important customer segments – women and Hispanic customers – that the financial institution would not be able to serve as well if they didn't make an effort to have and listen to those voices within the organization.

> " **A narrow definition of diversity limits itself if it solely focuses on the physical attributes of groups and not their thinking and behaviors"**
>
> – Jeff Pilof,
> **SVP of Supply Chain for CVS Health**

For the majority of households today, "the woman is in charge of the financials," said Carmichael. "That's very different than what it was 20 years ago. If you look at our call centers in the volume of calls that we're getting now from Hispanic customers versus just what we had five years ago, six years ago, it's more than doubled. Those things require us to step back and think about our business and how we lead our business in making sure that we have the right mix of skill sets and diverse thinking at the c-suite level, at the board level to address some of these shifts that are occurring. This isn't trying to make certain quotas happen. This is purely doing what we think is right for the business to be successful on our business going forward."

Carmichael is committed to inclusion because it's the best strategy for his bank going forward: "You look at our workplace, of the 18,000 plus employees, 60% are female. We have one of the most diverse boards, if not the most diverse board in banking of all the large banks right now. We're 33% female, 25%+ of people of color. I think inclusion is absolutely a fundamental building block of growth in our business," Carmichael continued. "I don't think we can grow and do the things that we're talking about and serve the customer segments that we have without having a diverse inclusive workforce."

Jacqui Canney, EVP of the Global People Division for Walmart, started off our conversation by admitting: "I wish I had all the answers, but I'm glad we're talking about it." To me, that was a truly authentic and inclusive thing to say. It's a great way to invite someone into a conversation in a way that conveys mutual respect and curiosity.

In the course of our conversation, Canney agreed with the idea that diversity cannot stand alone. She said there's a danger when diversity is mismanaged. "You can have a very diverse team, but we all look differently, we come from different places, we think differently. But if the leader can't manage you to the maximum of the diversity, it's actually worse. You have a diverse team that's not being managed to their strength. If you're managing for inclusion that is where you get the best ideas, where you get the most innovation, where you can get growth. Our leaders are feeling the pressure to be able to do that really well, and that's a lot of what I feel like my job is, is giving them the opportunities to equip them so that they can learn to be better at that. We're working on it." I'll share more of Walmart's story throughout the series.

Jeff Pilof from CVS brought it back home to individuality for me.

"A narrow definition of diversity limits itself if it solely focuses on the physical attributes of groups and not their thinking and behaviors," said Pilof. "Now, it's important to represent voices from groups, but what's really at heart is the individual. What's great about individuality is that if you take every one of the protected classes, each individual is still as unique as an individual fingerprint. You're unique in a way because you'll check all those boxes differently than the next person."

And that's the heart of the matter: unless it's paired with inclusion, diversity strips people of their individuality.
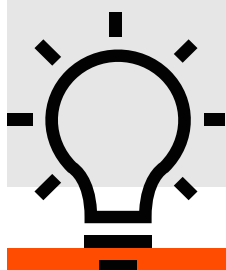
The Age of Personalization

Our new era: based on individuality, which requires a concerted effort to know and account for the realities and the values of individual customers, consumers and employees.

There are a number of indicators that reveal whether or not an organization has systems in place to engineer inclusion throughout the enterprise. Each organization has to define what the metrics of success would be for them, but certain indicators can serve as a framework for helping leaders think through what those metrics might be. Things like:

- Is it someone's job (meaning, someone is accountable) to make sure leaders have the knowledge, skills and tools to make their departments more inclusive?

- Does the organization have performance metrics that measure how well you work together across functions and silos as an organization?

- Do you have organizational processes for getting to know people as individuals, and then for sharing that knowledge and applying what you've learned throughout the organization?

These are just a few examples of what leaders need to start thinking about in order to be ready to lead inclusion as a growth strategy. In the next article, I'll get more specific about how to create an inclusive workforce. In the meantime, I encourage you to assess your readiness to lead inclusion as a growth strategy.

Inclusion As A Growth Strategy Part 3:

Inclusive Hiring And Inclusive Working

This is the third article in a series on inclusion as a growth strategy in this age of personalization. In the first two articles I explained why organizations can't grow and evolve their businesses, employees and consumers without inclusion, and the role of enterprise leadership in making sure leaders know how to facilitate inclusion throughout an organization.

This time we'll explore an inclusive workforce — how to create inclusive cultures that attract top talent, strengthen the employer brand, and build high-performance teams to generate growth.

An inclusive workforce is reflected in at least two major ways — how you decide whom to hire, and how you enable those you hire to do their work. You need processes in place to make sure your hiring practices and procedures are open and available to a variety of people. But inclusion doesn't stop there. You also need processes in place that ensure that the way people get their work done enables inclusion across the enterprise and enables individuals to harness their full capabilities to identify what they solve for and influence the workplace and the marketplace.

My company has created a methodology and conducts an assessment to determine an organization's readiness to lead inclusion as a growth strategy that goes well beyond the Human Resources and Corporate Social Responsibility silos. The methodology focuses on creating a much broader enterprise-wide approach that operationalizes inclusion across four "solve" areas that are interconnected and interdependent upon each other. They include the following:

1. **Enterprise Leadership:** Solidify the right inclusion-based performance metrics to drive better outcomes across the enterprise to ensure the organization is solving for the most sustainable growth opportunities.

2. **Workforce Representation:** Create an inclusive culture to attract top talent, strengthen your employer brand and build high-performance teams to generate growth.

3. **Consumer Experience:** Build connection and trust with your customers by allowing them to share their feedback and develop systems to act on that feedback to accelerate growth.

4. **Population Health:** Be proactive in getting to know and addressing the unique health needs of your employees, customers and their communities in ways to drive growth.

This article focuses on Workforce Representation.

According to the data from an assessment my company uses to measure an organizations readiness to lead inclusion as a growth strategy, clearly there is a lot of room for improvement.

	CPG	Financial Services	Apparel	Retail	Healthcare	Technology
Overall	51.37%	56.02%	53.76%	53.98%	57.57%	74.28%
Leadership	50%	75%	51.56%	70.31%	57.1%	87.5%
Workforce	55.56%	57.64%	75.69%	68.75%	59.03%	79.86%

0% — 50.1% = Unprepared   *50.2% — 87.9% = Average*   *88% - 100% = Ready*

As I discussed in the opening article of this series and in an earlier article on workforce representation, diversity initiatives are typically more focused on meeting certain quotas. Those practices are motivated by compliance.

Imagine your organization is expanding into the Miami market. You're considering two different candidates to lead the expansion: a Cuban-American who has never lived in Miami, or a non-diverse person who has lived and worked in Miami her whole life. Whom would you hire?

Under the quota mandate, you would probably choose the Cuban-American. But is that really inclusive? I'll answer that: no. It's a decision based on optics and numbers. It's a decision based on diversity, not inclusion. One may argue that the candidate who has never lived in Miami might have the right capabilities, even without the Miami experience, and that may be true. And if you really are measuring and comparing capability on equal footing, then by all means – hire the person with capability.

But be honest with yourself about what you are truly measuring and comparing. Given the amount of marketplace nuance in Miami, you can't just assume that any Cuban-American would be the right person for the job. It goes back to individuality, not just ethnicity. Hire based on individual capabilities and experiences, not just optics. Nowadays we are quick to hire based on optics and this is starting to backfire as the optics may not lead to performance. This is where compliance-driven thinking gets in the way of influencing growth.

Diversity without inclusion solves for quotas. That is not a solution that will lead to growth.

To achieve inclusion, we need to be motivated by wanting people to be able to exert their individual influence for the benefit of the organization. The right solution is to embrace inclusion as an enterprise strategy that places all people at the center of corporate strategy and transformation.

Inclusive Hiring – Breaking the Cycle of Exclusion

A common barrier to inclusive hiring, especially for middle and higher positions within the company, is the narrow definition of what kinds of experience would make someone an attractive hire.

If you're hiring someone to lead a particular product division, and you're only looking at people who have had experience in the past leading that type of product division, then you are merely perpetuating a system that is exclusive, not inclusive.

A sign of inclusive hiring is the ability for leaders to understand that experience and education are not the only indicators of potential. Inclusive leaders give at least equal weight to individual capability.

Carnival CEO Arnold Donald drives this point home by emphasizing the importance of looking beyond actual experience.

"You have to look beyond 'They never worked in the area, they've never run a business similar to this before,'" said Donald. "That's not the criteria. The criterial is: do I believe they can? And what else are they bringing to the table? If you wait for the perfect candidate, you're never going to have diversity because the diverse people haven't had a chance to do it yet."

Donald's next point reflects a commitment to diversity of thought. If someone hasn't held this particular job before: "they're going to look at it differently than somebody who has been doing it like the rest of us, all the time," he said.

And that's the key to unlocking innovative thinking. As I pointed out in the previous article, when you don't purposely bring in people who think differently, then you are blocking innovation and positive disruption.

Speaking of innovation – once you've got people on board who might think differently, have you created an environment that allows them to share those thoughts to challenge the status quo?

Break the Cycle of Exclusion

Understand that experience and education are not the only indicators of potential. Give at least equal weight to individual capabilities.

Inclusive Working – How Work Gets Done

Does your organization facilitate inclusive working? To answer that, think about these questions:

- Do your leaders have tools and resources for helping employees bridge silos and functions, to get cross-functional support to make better decisions and improve outcomes across the enterprise?

- Does your organization feel like a place where anyone can harness their full capabilities, no matter their background?

These are signs of a workforce that's not just inclusive in its hiring, but is also inclusive in how people are enabled to get their work done.

Banfield President Brian Garish encourages HR to play a role in the organization's growth strategy.

"HR cannot play in a silo, they have got to be the glue that holds the organization together about information around associates and the thinking around inclusion and what inclusion truly means to the organization. Not just around hiring or employment practices. It's about how work gets done. It's about being that cultural champion on how collaboration occurs. How can you help facilitate the necessary conversations? Our chief HR officer plays a role in strategy, not just creating a strategy for her team or her department or our business, but more of a strategic role of how the work gets done and how the team operates."

When I'm trying to assess how inclusive an organization is for its workforce, I ask about the impact employees can have on the organization no matter their place in the hierarchy. The best case scenario is that all employees can have an impact on the organization, and they KNOW they can have an impact.

Facilitate Inclusive Working

Provide tools for helping employees bridge silos and functions, to get cross-functional support to make better decisions and improve outcomes across the enterprise.

To answer that question, an organization first has to have a way to measure how employees feel about the impact they can have on the organization. It's one thing for a leader to say: "Of course, everyone can have an impact." But if employees don't feel like it's true then: a) it's probably not actually true; and b), even if it is true, if employees don't feel it, it doesn't matter.

So, how do you build an organization that feels like a place where anyone can harness their full capabilities and have an impact, no matter their background or hierarchy?

The gap exists because we put employees in boxes or on certain career paths, and we don't give equal weight to individual capabilities and interests. We often don't know our people well enough to know what they could potentially grow into. If they were hired into Department A, we start to see them as on the Department A career track, so we direct them to training opportunities that focus on skills relevant to advancing within Department A. It becomes harder for leaders to see that person beyond his or her Department A identity.

Walmart is piloting a program to tackle this very challenge. Jacqui Canney, EVP of Walmart's Global People Division, shared how they're addressing this gap by giving leaders tools to help them get to know their employees so they can tailor their path of development. It's a system of development they've been piloting that focuses on core areas for each individual: exposure, experience, education, and evaluation.

She describes the categories: "It's like a human algorithm, each person has their individual plan. Do you need an exposure to department managers? Do you need exposure to world leaders if you want to be a senior person? Are you getting experiences to actually apply what you're learning in your education? How are you performing? What are you great at?." This gives leaders something to measure, and also gives employees specific ideas about what kind of development will help their careers.

Canney mentioned a particular frustration: "Sometimes you don't have the network – which a lot of our underrepresented minorities will tell you is one of the reasons they're not picked for work. Now they know how to ask for the right development or how to focus on their own."

It's an interesting way to create some metrics around a person's potential and interests – concepts that otherwise can be hard to track because they're not as easy to measure as a list of key performance indicators.

Processes for Letting People Expand their Influence within the Company

A big reason diversity programs fail to result in sustainable levels of inclusion that drive growth is because organizations are not committed to embracing differences as opportunities. Instead they continue to strip employees of their identities and make them assimilate to the needs of the organization.

> " An accountant with strong graphics skills may wish to assist with a creative project... look beyond a person's title and leverage the individual's skills in multiple capacities."

— Kristin Gwinner,
Chief HR Officer and SVP at Chico's FAS Inc.

People want to be significant, not just successful. Every individual brings to the team a unique blend of thinking, expertise and experience that gives them distinction, skills and interests that make them particularly suited to solve certain problems. In other words, every individual can have a unique influence on a business opportunity. But most people are not given the opportunity to discover what this influence could be. I often refer to this influence as what they solve for.

Consider the competitive advantage for any company that figures out how to help their employees and leaders figure out what they individually solve for, and then gives them opportunities to wield their influence.

Chico's has engineered a few different ways to let employees experiment with and expand their influence beyond their current roles.

Kristin Gwinner is Chief HR Officer and SVP at Chico's FAS Inc. She said they are launching an internal gig program that consists of assignments that allow associates to gain experience and exposure to other areas of the business. This allows people to use their talents in different ways, to learn about other positions throughout the organization, and to continue to build their skill sets.

"For example, an accountant with strong graphics skills may wish to assist with a creative project," said Gwinner. "This gig program allows us to look beyond a person's title and helps us leverage the individual's skills in multiple capacities."

They also recently developed a career path site to help associates see the career possibilities.

"We visually represented several career path options that a position title can take, both traditional and non-traditional," said Gwinner. "We tried to show how positions in different departments could be a feeder into a role, or an output to a different role, based on the transferable skills."

This tool also introduces transparency, because the associate can see the title, job description and pay scale for each potential role along the path.

And there's still flexibility. "This interactive site doesn't have every option possible," said Gwinner, "nor does an associate need only take positions in the flow we designed. We encourage conversation with their leader or human resources, so we know what our associates aspirations and goals are, so we can work together toward achieving them."

> " **Silos exist in part because of leadership's fear of giving up good people when they want to achieve their own individual goals"**
>
> – Jeff Pilof, SVP,
>   **Supply Chain for CVS Health**

Willingness to Let People Grow Out of Your Department

Of course, for employees to feel free to pursue gig assignments or non-traditional career paths within a company, that company has to first make it clear that leaders are willing to support people as they branch out.

Jeff Pilof, SVP, Supply Chain for CVS Health, talked about how important that is — not just for the individual employee, but also for the benefit of the organization as a whole.

"Silos exist in part because of leadership's fear of giving up good people when they want to achieve their own individual goals," said Pilof. "As a result they tend to hold on to people. I look at it as an opportunity to have constructive influence across other parts of the organization by virtue of connecting people that understand what our portion does, and then marrying that up with the importance of understanding what those other areas do, to create the best outcome for all."

Pilof gave an example of someone he described as "a fantastic member of our team, one you'd love to hold on to forever. But he had an opportunity to go work in the asset protection space, and we have a lot of opportunities between inventory management and asset protection. It was a no-brainer to say sure, I support you, it's good for you and your career and your horizons. It also will be great to know that there's somebody in that space who understands what it is that we do."

He said it works both ways. Bringing someone in from another area helps his team learn more about how another world performs or functions. "Then it helps us to make smarter decisions because we can appreciate what our partners need from us," said Pilof.

Let People Grow Out of Your Department

Allow people to use their talents in different ways, to learn about other positions throughout the organization, and to continue to build their skill sets.

Build Inclusion Into the Structure

Other companies shared some ways they've tried to build inclusion into the structure.

Olivier Blum, Chief HR Officer at Schneider Electric, said as part of the company's talent and D&I strategy, they have been working toward a fundamental shift in their organizational model.

"We want everyone everywhere in the company to have the same chance of success irrespective of their nationality or location. To deliver on this ambition, we created a multi-hub model and systematically relocated global jobs to these hubs across the world to have a truly international leadership. So, instead of having one global headquarters, we now have three hubs located in Paris, Boston and Hong Kong. As expected, not only has this model been helpful in attracting local talent, it has been instrumental in ensuring that we are close to our customers and key markets and can make speedy business decisions with empowered local leadership. A few years ago, most of our global jobs were concentrated in one region, but the picture looks much more balanced now, especially in terms of decision making."

Wendy Carruthers, SVP of Human Resources for Boston Scientific, said they have a Global Council for Inclusion (GCI) focused specifically on creating a strong infrastructure for best practice sharing and open communication. The GCI includes every member of the executive leadership team, the company's D&I team and the global leaders of each of nine Employee Resource Groups (ERGs). The GCI meets quarterly to review the ERGs' work and to engage in "Real Talk" sessions with ERG leaders.

"These are transparent discussions in which ERG leaders help our leadership team better understand the inclusion challenges they face and explore ways to address them across the organization," said Carruthers. "The GCI also provides opportunities to identify 'islands of excellence' – local D&I programs and initiatives that can be adapted and scaled for other divisions or geographies – and come up with ways to implement those programs across the organization."

As she put it: "We're focused on removing obstacles so that all employees have, and believe that they have, equal opportunities for growth and promotion."

Build Inclusion Into the Structure

Create a strong infrastructure for best practice sharing and open communication.

" **We're focused on removing obstacles so that all employees have, and believe that they have, equal opportunities for growth and promotion."**

– Wendy Carruthers,
SVP of Human Resources for Boston Scientific

Can People Truly Be Authentic?

Another indicator of an inclusive workforce is that employees feel safe to be their authentic selves at work.

What does that mean in practice? After 10 years of research, here is my organization's definition of authenticity: **The ability to influence through consistent behavior that reveals your individual capabilities, experiences and values, without limitations, regardless of the audience before you.**

A lot of this will depend on an individual leader. If someone feels judged on a personal level for any reason, that person will not feel safe to be authentic.

But that doesn't mean there aren't ways to stack the deck in favor of authenticity. In fact, one way to create processes that make safe authenticity more likely is to have a structure in place to enable difficult conversations when needed.

- General Mills Chief HR Officer Jacqueline Williams-Roll: "We have a lot of forums at General Mills that actually allow leaders and employees to come together to practice things like courageous conversations, which are on topics that most of our employees are dealing with. It's an opportunity for leaders and employees to come together and talk about things that are on their minds. We did one around MeToo. We've done them on unconscious bias. We've done them on mental health in the workplace. We've done this on 'take a knee,' you know that was a really interesting one, because we had our veterans network and our black champions network actually cohost that session."

- Ingersoll Rand Chairman and CEO Mike Lamach: "Our new facilitated dialogue series, Bridging Connections, creates a safe space for employees to discuss complex social issues. In addition, our employee resource groups and inclusion networks bring people together across teams and geographies to share ideas. We've found that our people are often our best, most influential champions for inclusion."

- Salesforce President and Chief People Officer Cindy Robbins shared how they facilitate an organized airing of grievances: "One of the best examples of how we do this is through Chatter, our companywide internal communications tool. Everyone can have a voice on Chatter. In fact, we have an Airing of Grievances group where employees are encouraged to raise their concerns."

Everyone I spoke with admitted that they are on a journey. They haven't found a perfect system, because of course there is no perfect system. But as you can see from the variety of approaches mentioned here, there are indeed ways to create a structure that at the very least doesn't block inclusion — and, ideally, creates an environment that helps companies build inclusive workforces that create growth for the organization.

As I addressed in the first article of this series, inclusion is all about letting the individual touch the business, influence more and help the organization mitigate risk and neutralize uncertainty. Inclusion is about creating interdependency on people and their unique experiences and capabilities. It is about fostering environments in which leaders can best see, sow, grow and share opportunities for the betterment of a healthier whole.

Our organizations were not built this way originally. But with deliberate effort, we can put structures in place that enable us to lead inclusion as a growth strategy. In the next article, I will tackle this topic from the perspective of creating inclusive consumer experiences. In the meantime, I encourage you to assess your readiness to lead inclusion as a growth strategy.

Be Truly Authentic

Have a structure in place to enable difficult conversations when needed. This allows people to feel safe to be their authentic selves at work.

Inclusion As A Growth Strategy Part 4:

How To Personalize For Millions Of Customers

In the first two articles I explained why organizations can't thrive without inclusion, and the role of enterprise leadership in making sure leaders know how to facilitate inclusion throughout an organization. In the third article I explored how to create an inclusive workforce through a set of new performance indicators.

This time I'll dive into how to create an inclusive experience for consumers and clients. As I've done with the previous articles, I'll share the data my organization has collected about how companies rank their own abilities to be inclusive when it comes to the consumer experience they deliver.

My company has created a methodology and conducts an assessment to determine an organization's readiness to lead inclusion as a growth strategy that goes well beyond the Human Resources and Corporate Social Responsibility silos. The methodology focuses on creating a much broader enterprise-wide approach that operationalizes inclusion across four "solve" areas that are interconnected and interdependent upon each other. They include the following:

1. **Enterprise Leadership:** Solidify the right inclusion-based performance metrics to drive better outcomes across the enterprise to ensure the organization is solving for the most sustainable growth opportunities.

2. **Workforce Representation:** Create an inclusive culture to attract top talent, strengthen your employer brand and build high-performance teams to generate growth.

3. **Consumer Experience:** Build connection and trust with your customers by allowing them to share their feedback and develop systems to act on that feedback to accelerate growth.

4. **Population Health:** Be proactive in getting to know and addressing the unique health needs of your employees, customers and their communities in ways to drive growth.

This article focuses on Consumer Experience.

Across all four areas that the assessment examines (leadership, workforce, consumers and population health – which I'll examine in Part 5), companies scored lowest overall in the consumer category. These are self-assessments made by thousands of leaders at hundreds of companies.

It was surprising to me that organizations feel least prepared with processes in place to help them know and serve customers as individuals.

	CPG	Financial Services	Apparel	Retail	Healthcare	Technology
Overall	51.37%	56.02%	53.76%	53.98%	57.57%	74.28%
Leadership	50%	75%	51.56%	70.31%	57.1%	87.5%
Workforce	55.56%	57.64%	75.69%	68.75%	59.03%	79.86%
Consumer	40.1%	44.27%	40.1%	42.71%	43.75%	69.27%

0% – 50.1% = Unprepared   *50.2% – 87.9% = Average*   *88% - 100% = Ready*

I believe it's because when we're confronted with an audience of millions who might be scattered across the globe, we want to do some of the categorizing that we've already talked about (in previous articles) related to our employees. Categories can be helpful, but they can also be limiting if we think that's all we need to do in order to understand our customers. Building relationships with consumers has never been more challenging, with so much competition for their attention. And consumers have high standards. They want to identify with a brand they can grow with, a brand that earns their trust and makes them feel valued. They want to evolve with a brand whose products and services give their business or life meaning and significance.

> " **Whether you come into a branch, whether you go on social media, whether you send a text directly to an employee, we capture every one of those experiences and assess that interaction..."**
>
> – Greg Carmichael,
>   **Fifth Third Bank CEO**

But how do you build that kind of customer relationship with millions of people around the world? The fact that companies admit they're still trying to figure this out means this is a prime opportunity for building customer loyalty for those who get it right (or least make progress).

Let's explore what readiness really means. Here are a few of the questions I ask companies, to see if they have any methods in place to help them get to know customers beyond the typical satisfaction survey.

1. Do you have processes in place to get to know consumers/clients as individuals, and to make sure that knowledge is shared (as appropriate) with all employees who interact with customers/clients (call centers, marketing, public relations, etc.)?

2. Do you have processes in place to make sure you consider diverse consumer/client preferences when you streamline services or cut costs – to help you do so in a way that doesn't diminish the experience for diverse consumers/clients?

3. Can you think of an example of when you learned something about how a particular population accesses and/or experiences your products or services, and then you applied that lesson to the way you deliver your products or services?

An inclusive consumer experience doesn't mean you are inclusive to every possible person – obviously every organization targets some audiences and not others. But it does mean that within those target audiences, you have methods in place for learning something about how individuals access and experience your products or services, and then applying those lessons to the way your organization delivers your products or services.

*** This is not easy.***

Jeff Pilof, SVP of Supply Chain for CVS Health, explains one of the complications: "There could be thousands of customers who frequent a given store, and I'm actually trying to reach the individual. That takes a lot of customer insight and data intelligence to understand what the customer is trying to tell us. It takes a lot of technology and training and execution to connect one-on-one with the customer uniquely. All in, there's a lot of complexity to actually achieve what is otherwise a pretty simple idea."

So, how DO you get to know thousands of customers or clients as individuals? As I've done in the previous articles in this series, I consulted with C-level executives at a variety of global companies.

Processes for Getting to Know Consumers and Clients as Individuals

The challenge of getting to know customers as individuals would clearly be difficult for a company like Target, considering that "nearly every doorstep in America is within 10 miles of a Target store," according to Target CEO Brian Cornell.

Personalization can certainly seem like an impossible goal for a customer base so wide-ranging. But Cornell seems to recognize and appreciate the challenge. "Given our reach, almost anybody can walk into one of our stores," he said, "and that's why it's important that the products we sell and the people we employ reflect the diversity of our guests."

He shared an example. A Target team member, who is the mother of an autistic child, had an idea to add a

limited selection of sensory-friendly pieces to Target's marquee clothing brand for kids, Cat & Jack. In 2017 Target introduced the new pieces, which feature heat-transferred labels in place of tags, flat seams, and one-dimensional graphic tees that don't interfere with the skin, minimizing a child's discomfort.

"Due to the success of our adaptive styles within Cat & Jack and positive guest feedback," said Cornell, "we expanded our adaptive styles to be included in our women's brand, Universal Thread."

This is also a great example of the synergy between workforce and customer base. When employees feel safe to bring their authentic selves to work and when they feel respected on a personal level, they have innovative ideas that result in a more personalized consumer experience. Your employees' stories overlap with your customers' stories.

How Do You Listen To Your Customers?

Is "getting feedback" the same thing as "listening"? The way you design your feedback processes can play a huge role in whether or not you are able to really get to know your customers.

There are many ways to listen to customers.

- General Mills Chief HR Officer Jacqueline Williams-Roll: "We spend a lot of time with our consumers asking them what they would like, not necessarily what they want, but what needs are unmet. Obviously, we're looking for opportunities to meet them. We're doing things like lemonade stands, where we've got groups of employees actually going into supermarkets and interacting live with our consumers on products they're buying that belong to us, or maybe even products they're buying that don't belong to us. Those are also interesting insights. Like many companies, we have a website, a consumer service center. We obviously interact on social media. So we're getting feedback all the time."

- Fifth Third Bank CEO Greg Carmichael: "We absolutely have mechanisms for listening — and this is a work in progress. We call it the listening post. Whether you come into a branch, whether you go on social media, whether you send a text directly to an employee, we capture every one of those experiences and assess that interaction. If there's a complaint or problem, we have the infrastructure in place to elevate that appropriately. If someone comes in, they have an issue or complaint that they want to discuss with somebody, that is captured."

- Target CEO Brian Cornell: "Our whole leadership team also prioritizes visits to guest homes for one-on-one interviews to help understand their needs and intimately understand their experience with our brand. We call these conversations Guest Immersions. For example, our guests told us that they wanted to see our doll assortment be multi-cultural in skin tone, and now we offer a variety of skin tone options for dolls. Feedback from our guests, no matter which channel it comes through, is imperative in delivering on Target's purpose to help all families experience the joy of everyday life."

- Sodexo CEO of Geographic Regions and Region Chair for North America Lorna Donatone said Sodexo has implemented various ways to gather feedback and hear directly from clients, stakeholders and consumers. Those ways include third-party surveys, benchmarking and interviews; feedback through branded apps; cafeteria/dining hall kiosks that encourage consumers to rate their experience; taste-testing of menu refreshes with students and customers; regular meetings with client stakeholders; focus groups; and more. "Feedback is analyzed by our teams to continually improve our operations and services," said Donatone.

Listen To Your Customers
The way you design your feedback processes can play a huge role in whether or not you are able to really get to know your customers.

Consumer-focused companies are pretty good at getting feedback from people about products and services. Yet it's still challenging to make sure you're getting feedback that's authentic, useful and actionable.

> " **It's got to be so clear, that if the results aren't good, we can take meaningful action or make the necessary changes to give the client what they need to make sure we become a trusted brand that is always evolving and changing based on what's going on in their life."**
>
> – Brian Garish,
> **Banfield Pet Hospital President**

Consider this another indicator that you're on track to deliver a customer experience suited for this age of personalization: whether or not you have organizational processes to make sure customers aren't just answering questions that you want to ask. Make sure they feel seen, heard and respected by everyone with whom they interact.

Banfield Pet Hospital President Brian Garish said his leadership team has been rethinking how they survey customers.

"We ask these questions because we want to know this, we want to know this, we want to know this," he said. "But we didn't really have any meaningful change on it because we couldn't get at what the customer behavior was."

He sees a difference between wanting to know how customers feel about "x" versus wanting to understand the voice of the customer. He said they're testing a new version. They shifted their survey from 41 questions to 9, and divided it into the check-in and check-out experiences – how people feel about how they were greeted, and then how they feel about their experience in the exam room. His goal is to make it so that the insights they glean really do help his team understand why people are loyal or what improvements would make a difference – rather than simply giving them an answer to a question that the business has deemed important.

"It's got to be so clear," said Garish, "that if the results aren't good, we can take meaningful action or make the necessary changes to give the client what they need to make sure we become a trusted brand that is always evolving and changing based on what's going

on in their life."

Here's a story from another article[11] I wrote earlier this year that serves as a powerful example of an inclusive approach to getting input from thousands of people. Though the story talks about employees rather than consumers, it provides insight on how a global organization can evolve to allow individuals to define the business related to the organization's philanthropy strategy.

Mary Jane Melendez, Executive Director of the General Mills Foundation, told me about her work implementing an employee-centered strategy for deciding how the company would give back. She described a process for engaging with more than a thousand employees over four months in two dozen countries – often going three and four levels deep within divisions and departments. She was worried that getting so many perspectives would create chaos, but she said what she found was like-mindedness among the differences. As she put it: "Whether an employee had been here in Minneapolis for 30 years or was a new employee halfway across the world, the theme of their responses was that we are a global food company and our work should focus on hunger relief and food security."

> " **When we create more amazing personal experiences for each other, we also do so for our customers"**
>
> – Kristin Gwinner,
> **Chief Human Resources Officer and SVP at Chico's FAS Inc.**

Creating 'Moments That Matter'

In assessing your own company's approach to listening, consider whether or not you engage with customers in a way that invites them to tell you their whole story – beyond the immediate needs related to the specific product or service they get from you.

"The landscape of retail is changing rapidly," said Kristin Gwinner, Chief Human Resources Officer and SVP at Chico's FAS Inc., a retail women's clothing chain. "One thing we continue to focus on is providing what we call the Most Amazing Personal service to our customers, when, where and how they want to shop, with solutions that fit their lifestyle so that they feel confident and beautiful. We want to treat others with our core values and guiding principles in mind, not

from words on a piece of paper, but from the actions that you see take place."

Gwinner said they deliberately try to create what they call "moments that matter," for customers and employees. In fact, creating them for employees is one way to also train people on how to create them for customers.

Create 'Moments That Matter'
In assessing your own company's approach to listening, consider whether or not you engage with customers in a way that invites them to tell you their whole story — beyond the immediate needs related to the specific product or service they get from you.

"Moments that matter are times when a person can maximize an individual's experience from ordinary to extraordinary," said Gwinner. "The magic comes when you tailor it to what the associate or customer wants, and it is unexpected. The interesting part is that those that provide most amazing personal service are as excited to share as those that have received it."

Gwinner described several ways they do this for each other within the company. For example, tailoring the way they celebrate an individual's recognition celebration — secretly inviting the family of one person they know to be extremely close to her family, while inviting a mariachi band for someone else who particularly loves live music.

Seeing this individualized process in action with each other has helped associates carry this over into their customer interactions as well.

"When we create more amazing personal experiences for each other, we also do so for our customers," said Gwinner. "Our associates share moments when a customer comes in and wants help getting ready for an event that is important for them and we help them with the right outfit to make them feel beautiful. Or a customer we have known for years comes in after surgery and we call her by name and share how we have missed her. One customer shared how we made her feel when the store manager brought her to the back room during an emergency in the mall and fed her cookies and drinks to help keep her calm during a mall crisis. Creating experiences with others in mind makes a difference."

Sharing Insight Across the Enterprise

Once your employees have gained some insight about customers, do they have ways to share that knowledge across the enterprise — to make sure that insight is actionable and doesn't get stuck in a silo?

Share Insights Across the Enterprise
Once your employees have gained some insight about customers, create ways to share that knowledge across the enterprise — and make sure that insight doesn't get stuck in a silo.

Let's say a sales associate in a retail store observes that a particular in-store promotion touches someone deeply. The promotion, centered around Mother's Day, includes an oversized photograph of an older woman with a middle-aged woman, likely a mother with her adult daughter. The associate sees a woman notice the photo and get teary-eyed, so the associate offers more than the usual greeting – perhaps she expands her welcome to include an open-ended question that invites the woman into a conversation if she wants (or leaves room for the customer to decline, as well). We all know the difference between a greeting that is obviously just a required social interaction, and a greeting that invites real interaction. Maybe the associate learns that the customer has recently lost her mother.

An organization with processes in place for sharing information would give this associate an outlet that lets her share her experience with peers at stores around the country – so others might be aware of the possible impact this promotion can have on someone walking through their door.

This is a way to take an insight that might be personalized in the moment – one woman's reaction to a nationwide promotion – and take that level of individual-level insight to help others notice a similar level of individual insight. Just because I'm calling it "personalization"

doesn't mean it can't be insight that applies to many individuals.

But if there are no mechanisms in place for people to share knowledge, then we can't put that knowledge to use on a broader scale. Gwinner shared some ways that Chico's encourages sharing:

- They encourage employees to post best practices and ideas on their social intranet site

- They stream videos so others can hear and see new ideas or things they've learned

- They provide webinars, and leaders teach/facilitate internally and across all three brands on technical and leadership topics

- They use focus groups, surveys and listening sessions, encouraging associates to share feedback on ways to improve the company culture and inclusion

Creating the Right Customer Experience

Personalized customer experience can be enabled at any level of an organization. Take Jeff Pilof of CVS Health, who is working on it from a supply chain perspective – leveraging transportation capabilities to create a prescription delivery experience that is unique to each customer.

With on-demand delivery in many markets, and one- to two-day delivery of prescriptions across the country, it's creating an opportunity for the pharmacy to help people with adherence.

"Adherence to medication, which improves quality of life for many, is aided by convenience and affordability," said Pilof. "Coming into a store is convenient for some or sometimes but not all and not always. So, the idea is to offer options like economical delivery of their medication at the date and time or in a timeframe that works for each of them. Those are supply chain capabilities to create that experience for our customer that becomes a unique way in which we get that important product into their hands."

Banfield Pet Hospital President Brian Garish described his team's process of finding a solution to a different problem. They were trying to create a better system for calling customers to remind them that it's time for a particular check-up for their pet. Clinics had been making those calls from the front desk, which wasn't ideal.

The team's solution: make the calls from the call center, which has access to the schedule.

"And everyone thought this was a great idea, including me," said Garish. "I went home, slept, and luckily my brain was doing some great activity while I was sleeping. And I woke up and I started thinking back about all the decisions we made. And I start shaking my head on that one, because we're solving a problem that's existed for years, but we're solving it in terms of a 2010 solution, with calling people. We know people don't necessarily want to be called."

He said what they really needed was a 2023 solution. "It's about solving more of the future."

And with that, Garish expands this concept of inclusivity immensely. How do you not only create a personalized experience for your customers today, but also set yourself up to have personalized experiences that will be relevant in the future?

In the next article I'll broaden this topic a bit to consider how organizations can be proactive in getting to know and address the unique health needs of their employees, customers and communities to drive growth. In the meantime, I encourage you to assess your readiness to lead inclusion as a growth strategy.

Get to Know Consumers and Clients as Individuals
Create synergy between workforce and customer base. When employees feel safe to bring their authentic selves to work they have innovative ideas that result in a more personalized consumer experience. Your employees' stories overlap with your customers' stories.

Inclusion As A Growth Strategy Part 5:

All Employers Are In The Business Of Health

No matter what product or service you provide, as an employer you are also in the business of health.

Societal Health
Through the economic and environmental effects of your business.

Physical Health
Through well-designed benefit plans and wellness strategies.

Financial Health
Through equal pay and debt relief programs.

Have a a Holistic Approach
The key is getting to know your employees, consumers and communities and learning what they value and what they need.

If you approach these responsibilities with inclusion, you will harness a powerful strategy for growth.

This is the fifth article in a series on inclusion as a growth strategy in this age of personalization.

The first four articles covered a high-level overview of why diversity is powerless without inclusion, and how to create an inclusive approach to your workforce and to your consumer experience.

Here is some context: My organization has created a methodology and conducts an assessment to determine an organization's readiness to lead inclusion as a growth strategy that goes well beyond the Human Resources and Corporate Social Responsibility silos. The methodology focuses on creating a much broader enterprise-wide approach that operationalizes inclusion across four "solve" areas that are interconnected and interdependent upon each other. They include the following:

1. **Enterprise Leadership:** Solidify the right inclusion-based performance metrics to drive better outcomes across the enterprise to ensure the organization is solving for the most sustainable growth opportunities.

2. **Workforce Representation:** Create an inclusive culture to attract top talent, strengthen your employer brand and build high-performance teams to generate growth.

3. **Consumer Experience:** Build connection and trust with your customers by allowing them to share their feedback and develop systems to act on that feedback to accelerate growth.

4. **Population Health:** Be proactive in getting to know and addressing the unique health needs of your employees, customers and their communities in ways to drive growth.

This time the topic is Population Health – a phrase I am borrowing from my experience in the healthcare industry.

Many leaders, especially those who lead large organizations, realize that while their primary business might be consumer packaged goods or technology, they are also major players in the health of nearly everyone the organization touches. In fact, 40+ major non-healthcare corporations have come together in an organization called Health Transformation Alliance[12], to fix healthcare.

Leaders recognize that their organizations have a direct impact on health by providing healthcare for their workforce, and also have indirect impacts through business practices that affect the economies and environments of the communities where they operate.

There is also a cultural dynamic at play. The Hispanic and African-Americans populations are growing and becoming a larger percentage of the population as a whole – which means a larger percentage of workforce populations, as well. According to the U.S. Census Bureau, the United States is projected to become a majority-minority nation for the first time in 2043. Meanwhile, the healthcare industry is becoming more aware that diverse populations have higher rates of chronic disease than non-diverse populations. So, as they become a higher percentage of your employee and consumer base, will this raise your risk profile as an organization? Or, instead, will you see this as an opportunity to start leading and serving these emerging populations by addressing health concerns in an entirely different way? That could enable a whole different level of employee trust, loyalty and engagement, today and into the future.

These are some of the things leaders need to be considering today in their pursuit of inclusion as a growth strategy.

As organizations grow with these communities, both outside and inside the workplace, it's becoming imperative to have a better understanding of their state of health. From my experience and research I have found that culturally diverse populations don't feel welcome into the healthcare system. So employers are central players in understanding and addressing the state of health of their workforces and across their communities.

Once again, the data from the assessments my company conducts reveals that people rank their own organizations as not quite prepared to be inclusive in these areas.

	CPG	Financial Services	Apparel	Retail	Healthcare	Technology
Overall	51.37%	56.02%	53.76%	53.98%	57.57%	74.28%
Leadership	50%	75%	51.56%	70.31%	57.1%	87.5%
Workforce	55.56%	57.64%	75.69%	68.75%	59.03%	79.86%
Consumer	40.1%	44.27%	40.1%	42.71%	43.75%	69.27%
Population Health	59.83%	47.17%	47.67%	34.17%	70.4%	60.5%

0% – 50.1% = Unprepared   *50.2% – 87.9% = Average*   *88% - 100% = Ready*

> " It's a competitive workforce out there and we need to make sure we have the very best people and we take care of them, and healthcare is a big part of that"

– Greg Carmichael,
Chairman, President and CEO of Fifth Third Bank

Well-being involves more than just physical health. It's also about financial health and societal health. All of those aspects affect each other. If your finances are not stable, you might not seek treatment when a physical health issue arises. If your community does not offer adequate medical options or good-paying jobs, again your access to health services will be limited.

To explore this topic further, I'd like to share insights from interviews I've conducted with C-level executives from multiple global companies.

Physical Health

Greg Carmichael, Chairman, President and CEO of Fifth Third Bank, said "it's a competitive workforce out there and we need to make sure we have the very best people and we take care of them, and healthcare is a big part of that. We're a self-insured organization, as many banks are. What we absolutely fundamentally believe is we have a responsibility as leaders in the company to help do a couple of things. One is to educate our workforce about being a healthy individual. We want to make sure the programs we put in place incentivize our employees to get an annual physical, to walk everyday so many steps, to give them recognition and credit financial rewards for taking better care of themselves in the workplace."

Carmichael said they use an app that tracks points for taking certain goals and actions, like steps they walk in a day, going to a gym, getting a physical, participating in 5Ks, 10Ks, triathlons and other races. They can link to their peers and compete against each other.

When an employee reaches a certain goal, they get rewards that include money back in their paycheck that they can apply toward other health-related needs.

"We want you to be healthy, we want you to be engaged, we want you here for a long time," said Carmichael.

To that end, they've changed how they support employees about to become parents. They put a maternity concierge program in place to help new and expect-ing moms and dads do things like setting up a nursery, giving rides to school, whatever might be needed. It's a concierge service to help people be able to retain their job if they want to, going forward.

He also mentioned the opioid crisis. Fifth Third Bank is headquartered in Cincinnati, Ohio, "and Ohio is kind of ground zero for the opioid epidemic that's happening right now. It touches a lot of employees in one way or another. How do we help them understand what their options are and help them be successful dealing with that challenge?"

He said one of the challenges is making sure people are aware of the services offered. "I'm stunned sometimes when I hear people say, I didn't know we do that for employees, or, I didn't know that that was available to me. We've always got to find ways to be better, but if we're not looking for ways to be better, if we're not asking the questions, if our eyes aren't wide open ears were not listening, we're not going to get better."

Carmichael's point about making sure people are aware of what's available reminds me of a similar approach that is starting to emerge in healthcare discussions – though it goes in the other direction. It's more about making sure providers know more about their patients. It's what is referred to as a co-design approach. To co-design care means that doctors would have actual conversations with patients to learn more about their lives and individual needs – and, together, doctor and patient would design treatment based on the patient's own goals. Read "A Co-Design Approach to Treatment Advances Individuality in Healthcare[13]," featuring Dr. Jack Cox, Senior Vice President and Chief Quality Officer, Providence St Joseph Health. Again, it all comes back to seeing and serving people as individuals.

Financial Health

At the individual level, we can't separate physical health from financial health. Certainly, having medical benefits that cover many costs of healthcare is a good first step, along with programs that address the various ways in which our health status affects the rest of our lives – like Fifth Third Bank's maternity concierge program.

> " Because human beings are human, If you're distracted with real family needs and crisis, there's no way you can perform at your best."
>
> – Arnold Donald,
> **CEO of Carnival Corporation**

But finances in general – even those that aren't directly related to a health expense – can have an enormous effect on an individual's well-being.

Salesforce President and Chief People Officer Cindy Robbins talked about the role of equal pay. She said Salesforce has a number of programs in place to maintain a healthy culture and drive equality and inclusion at Salesforce as they continue to grow at scale.

"I'm very proud of the work we've done with equal pay, for example," said Robbins. "Two years ago, we made a commitment to ensure equal pay for equal work. Since then, we've conducted three global equal pay assessments, which has resulted in the company spending $8.7 million to address any unexplained differences in pay between men and women, as well as race and ethnicity in the U.S. Salesforce will continue to focus on equality, diversity, and inclusion at all levels, and we plan to review employee compensation on an ongoing basis."

Another factor that has a huge impact on an individual's life and stress level is student debt.

Banfield Pet Hospital employs veterinarians at more than 1,000 hospitals across the country. According to Banfield SVP of People & Organization Stephanie Neuvirth, doctors of veterinary medicine have the highest debt-to-income ratio of any profession – a burden she said negatively impacts their ability to feel financially secure.

"Earlier this year, Banfield rolled out a pilot program to help doctors with their student debt," said Neuvirth. "There are three parts to the program: financial guidance, monthly contribution and ability to refinance their debt."

Societal Health

As CEO of global cruise line operator Carnival Corporation, Arnold Donald recognizes the responsibilities and challenges of addressing the health needs for employees spanning 148 different countries.

"Because human beings are human," he said. "If you're distracted with real family needs and crisis, there's no way you can perform at your best."

He also considers it a responsibility for the company to assess how it affects the communities where Carnival Cruise Lines bring guests.

> " While addressing the global youth unemployment challenge has a positive impact on the people we employ, as well as their families and communities, it also helps our company prepare for the future"
>
> – Chris Nassetta,
> **President and CEO of Hilton**

"There are definitely different degrees and incidents of health risks and wellness in different communities," said Donald. "Not just geographic communities, but communities defined by ethnicity or nationality. I'm looking for the right practices to support and to incentivize" for employees, customers, and the communities they touch. "Wherever we go we like making the community better than it was before we did anything."

Another company, Hilton, is using its global reach to address youth unemployment across the globe.

Hilton President and CEO Chris Nassetta said youth unemployment rates pose major challenges across all countries and industries, with 71 million young people looking for work across the globe. And too many of youth across the globe don't have the minimum level of basic skills needed to be gainfully employed.

He said Hilton sees a tremendous opportunity to positively change this narrative.

"While addressing the global youth unemployment challenge has a positive impact on the people we employ, as well as their families and communities, it also helps our company prepare for the future," said Nassetta. "We are first and foremost a business of people serving people. For us, inclusivity is all about celebrating and encouraging diversity of thought in 106 countries. And it's not just the right thing to do – there's a business case for it as well. We've found that constantly tapping our team members for their perspectives, ideas and expertise makes them feel included and valued, which leads to a better guest experience – and ultimately, greater returns on our owners' investments with us."

Salesforce is taking on the responsibility of training its future workforce, and also considers it an opportunity to help bridge equality gaps.

> " It's not just about wages and education and training, but it's also about some of these other benefits because healthcare, wellbeing is really top of mind. And wellbeing is more than health, it's financial, it's mental, it's all of the things that come with that."
>
> – Jacqui Canney,
> **EVP of Walmart's Global People Division**

"Salesforce is a high-growth company, so I spend a lot of time thinking about how to fill the jobs of the future," said Robbins. "Rapidly advancing technologies such as artificial intelligence, robotics and biotechnology are driving fundamental change across industries and demanding new skills from the workforce. This rapid transformation has the potential to either widen equality gaps or bridge them. As a result, equality becomes an increasingly important consideration in how companies develop their workforce and educate our future generations."

She considers it the responsibility of business leaders to provide the opportunities and training necessary for the future workforce to succeed. She said Salesforce launched Trailhead in 2014, an online learning platform, to empower anyone — no matter their education level or background — to learn the skills needed to land a top job in tech.

"With Trailhead, Salesforce is providing an equal pathway to the jobs of the future for everyone," said Robbins. "We also created the Pathfinder Training Program to help people develop the technical skills needed to find great jobs. It's open to opportunity youth, veterans and professionals looking to re-enter the workforce. We believe that equal access to a quality education and training is critical to the success of the next generation."

A Holistic Approach

As you can see, a well-designed benefit plan can address all of these health-related categories – physical, financial and societal. Once again, the key is getting to know your employees, consumers and communities and learning what they value and what they need. Some companies have even started offering healthcare for employees' pets, because they know that's a value and having such resources could help relieve a potential point of financial and emotional stress.

Walmart takes a variety of actions to help people structure their pay and their wellness in ways that suit their individual needs. One example: employees can choose to get paid right after they work, because "it's health, it's mental wellness, it's financial wellness, it's all of those things combined," said Jacqui Canney, EVP of Walmart's Global People Division. "It's not just about wages and education and training, but it's also about some of these other benefits because healthcare, wellbeing is really top of mind. And wellbeing is more than health, it's financial, it's mental, it's all of the things that come with that."

She said one of the challenges they wanted to tackle was related to maternity, paternity and adoption. "Studies show that if you don't give paternal benefits, moms don't take the time that they need to take off or

that they're eligible to take off, because they're afraid they're going to fall behind in work."

Canney said the executive team had been considering increasing maternity benefits. They got feedback from associates (via town hall meetings and email) that they also desired an increase in paternal benefits, so that either a partner or father could take time off too. Adoption was another big one that associates were asking for.

"In less than 72 hours we took the decision to increase those benefits across those three categories, because that's what we all believed was the right and important thing to do even though financially it was a big number," said Canney. "We were able to roll that out within days, not months. I was really proud of what we did there."

It's this kind of diversity of thought that helps organizations be inclusive.

"Providing a benefit so that dads or partners can take time off too is important to keep the diversity and inclusion number," said Canney. "As you think about things that are in the system, like changing a benefit for maternity, but not changing it for paternity — maybe wouldn't yield the right results back to diversity. I think that's something that we all have to always be thinking about."

Canney used the word "system," and I think that is key here. As I've mentioned in previous articles, there are indicators we can use to help assess how ready we are to be inclusive today and into the future. We can't assume every leader will always know how to be inclusive, but having processes and systems in place is one way to nudge progress forward.

- Does your organization know its employee community well enough to understand the factors that have the biggest influence on the health of the populations it serves?

- Do you regularly evaluate the employee benefit plan design?

- Is your organization active within the community, in a supporting role or in an advocacy role, to address wellness-related factors like housing, walkable neighborhoods, or others?

- Do you have processes in place to share or apply a lesson learned about a particular population (so insights don't get stuck in a silo, but instead get shared across the organization)?

In the next and final article in the series, I'll tie these topics together and explore how they intersect to achieve organizational growth. In the meantime, I encourage you to assess your readiness to lead inclusion as a growth strategy.

Inclusion As A Growth Strategy Part 6:

The Most Essential Skill For The Age Of Personalization

I opened this series with two observations, one that might feel like despair and another one that inspires some hope.

First, in the public life of the United States today, inclusion can feel impossible as groups in the news and social media pit themselves against each other, with mistrust and anger all around.

But the hopeful part is that leaders of global institutions understand that for their enterprises to survive and thrive in a world in which their employees and customers span multiple countries, languages, generations, cultures and socioeconomic backgrounds – they need their organizations to be inclusive.

They may not be using that word yet. They might still call it diversity. They may not realize that diversity is not the same thing. They may not yet realize that there are steps they can take to make inclusion more likely within their organizations – and that when they do that, they are setting up their organizations for growth.

Establishing a Common Language for Inclusion

When I say inclusion is a growth strategy, what do I mean?

Throughout this series, you've read examples of what companies are doing to be more inclusive. I have shared some of the indicators that my company uses as ways to help measure how ready for inclusion organizations are.

In the opening article of this series, I defined inclusion like this:

An inclusive organization is one that builds systems that actively enable people to:

1. be and express whatever identity they authentically claim, and

2. at the same time, look for ways to elevate the individuality of others.

Inclusion is active: It's a system for making sure the organization is welcoming at every level to every individual. That's why I often use the words "inclusion" and "individuality" together. One is nothing without the other.

- An environment that is inclusive can be safe for people to be and celebrate their individuality.

- An environment that enables and celebrates individuality can lead to inclusion.

But neither guarantees the other.

> Individuals with a growth mindset
>
> " **Believe their talents can be developed (through hard work, good strategies, and input from others)."**
>
> In contrast, individuals with a fixed mindset believe their talents are innate gifts – and therefore put less energy into learning or developing new talents.
>
> – Carol Dweck,
>   **Ph.D., Professor of Psychology at Stanford University**

If you're encouraged to "be yourself" but not given any opportunity to contribute "yourself" to the success of the company, then that's just as useless as if you weren't encouraged to be yourself in the first place. And vice versa. If you're encouraged to contribute but not allowed to be yourself, then that's also not inclusive or individual.

Inclusion is not just a mindset, it's also a behavior. When we act in a way that elevates another person's individuality — rather than trying to get them to be or think just like we do — that action opens our minds to the importance of being more interconnected and interdependent upon each other.

Attitudes and mindsets often follow actions.
I've made the case throughout this series that brands that make employees and consumers feel included on an individual level will have a huge advantage over those that don't. But it takes a concerted, strategic effort. Many organizations are not making that effort — they haven't yet put inclusive behaviors into action.

The Growth Mindset

When I talk about growth strategy in the title of this series, I'm talking about business growth.

But business growth depends on individuals improving some core skills and the way they relate to each other. So I am also interested in the concept of the growth mindset.

You're probably familiar with the term "growth mindset" thanks to the work of Carol Dweck, Ph.D., Professor of Psychology at Stanford University and the author of the book, Mindset: The New Psychology of Success.

> " **Growth mindset is a concept that's extremely powerful for today's age because it helps us to adapt, it helps us to be able to cope constructively with the changes that come at us every single day."**
>
> – Andrea Derler,
>   **Ph.D., Human Capital Research Leader**

As she describes it here[14], individuals with a growth mindset "believe their talents can be developed (through hard work, good strategies, and input from others)." In contrast, individuals with a fixed mindset believe their talents are innate gifts — and therefore put less energy into learning or developing new talents.

Nobody is all one or the other. As Dr. Dweck explains in the article, "Everyone is actually a mixture of fixed and growth mindsets, and that mixture continually evolves with experience. A 'pure' growth mindset doesn't exist, which we have to acknowledge in order to attain the benefits we seek."

Growth mindset refers to individual growth rather than company growth. But company growth depends on the ability and willingness of employees to learn new skills, stretch themselves and take on new challenges. The inclusion that I've been talking about throughout this series is essentially a new skill.

An organization's ability to achieve this new level of inclusion will depend on its commitment to helping people develop this new skill — and it will depend on people acknowledging the value of this new skill and being willing to develop it.

To examine this topic more closely, I had a conversation with growth mindset researcher Andrea Derler, Ph.D. She is one of three researchers from the NeuroLeadership Institute who co-authored this Harvard Business Review article: "5 Mistakes Companies Make About Growth Mindsets."

As Dr. Derler puts it: "Growth mindset is a concept that's extremely powerful for today's age because it helps us to adapt, it helps us to be able to cope constructively with the changes that come at us every single day."

And there's no shortage of change coming at organizations.

> ❝ **Part of that growth mindset, and why this is so powerful, is it explains to us there is so much value in the other, there is so much value in somebody else's perspective. That's where people with fixed mindsets, for example, have a hard time..."**
>
> – Andrea Derler,
> **Ph.D., Human Capital Research Leader**

Dr. Derler said the NeuroLeadership Institute is the first to expand the growth mindset concept beyond the personal to include a definition of an organizational growth mindset. "We describe organizational growth mindset as a culture where all employees are seen as being inherently able to learn and to develop, and they also need to be rewarded and acknowledged for that. In an organizational growth mindset culture, you do not have the superstars. You do not have the ones who are the best and the rest are not. You have a community that believes that everybody, no matter what level they are, has, potentially, the ability to learn."

I value her expertise around growth mindset, and I wanted to bridge that with this inclusion topic so that we can all realize how crucial interdependence is in this age of personalization. To thrive in our organizations it's not just about what each of us individually wants, but it's about understanding the needs of everyone else around us so that we can be what we aspire to be.

Dr. Derler underscored the importance of collaboration: "The notion of collaboration and learning from each other is critical in the whole growth mindset component. Why is that? Because if I have a growth mindset, I do not believe that I am the expert anymore who is better than others, who wants to prove herself all the time. Quite the opposite. Together we'll learn more."

Her insights help us understand how having a growth mindset can help us learn how to work successfully with people who are different than we are.

Dr. Derler made some connections between the organizational changes that have been happening over the past few decades and how those changes might be challenging for those with fixed mindsets. For example, in places where different generations work together, it might be difficult for an older person to admit that a younger person might know more than them on a particular topic, or that the younger person's perspective can be valuable. (I wrote about this in more detail [here][15].)

"Part of that growth mindset, and why this is so powerful, is it explains to us there is so much value in the other," said Dr. Derler. "There is so much value in somebody else's perspective. That's where people with fixed mindsets, for example, have a hard time. They can still develop a growth mindset by understanding that it's actually a relaxing thought that I don't have to be the expert anymore."

What does a growth mindset look like?

According to Dr. Derler, "Coming across a situation that's challenging, if I'm in a growth mindset, I will think that the challenge is an interesting problem that I can solve. If I'm in a fixed mindset, for example, I will say, 'I can't do that. I can never learn it.' That's my thinking. What will I actually do when I'm in a growth mindset? I will do things that I would never do before. I would actually act in opposition to my fears. I will try new things that I never tried before. I will say, 'Okay, if it fails, that's okay. I'm okay with that.'"

Establish a Common Language for Inclusion

Use the words "inclusion" and "individuality" together. *One is nothing without the other*.

- An environment that is inclusive can be safe for people to be and celebrate their individuality.
- An environment that enables and celebrates individuality can lead to inclusion.
- But neither guarantees the other.

We Need Constructive Interruption

In our pursuit of inclusion, the traditional corporate playbook gets in our way. Its allegiance to hierarchies and its desire to control people makes us compete with each other and insist on being the experts. It makes us feel like we have to be good at the things we've been told to be good at, and so it removes our motivation to develop skills that haven't been declared desirable by the bosses.

It squashes our individuality, and it teaches us to squash the individuality of others.

In a world where new technologies and business models can make our own obsolete before we even know there's a new competitor on the horizon, we can't afford to have organizations filled with people whose individual capacities are stifled in any way.

That's why all organizations must be prepared for inclusion across all four areas covered through this series:

1. Enterprise Leadership

2. Workforce Representation

3. Consumer Experience

4. Population Health

Solving two or three isn't enough. Each of these four areas are all interconnected and interdependent and influence the ability to solve for the others.

A consistent theme emerged throughout the series – the need to actively interrupt our natural impulses, our own thoughts, and our organizational processes.

• Carnival CEO Arnold Donald and CVS Health SVP of Supply Chain Jeff Pilof both talked about the need to interrupt our natural tendency to cluster with people like us.

• Banfield President Brian Garish gave an example of interrupting his own thought process as he and his leadership team tried to solve a customer service challenge.

• Chico's chief HR officer and SVP Kristin Gwinner shared their strategies for interrupting the typical career paths with options for individuals to diverge and experiment.

Inclusive leadership requires constructive interruption.

Constructive interruption requires systems in place that will force those interruptions without us even having to think about it. We're not naturally inclined to interrupt ourselves.

That's why my organization defines an Inclusive Leader as:

• A leader who builds systems that actively enable people to be and express whatever identity they authentically claim, and at the same time looks for ways to elevate the individuality of others.

Again, inclusion is active: It's a system for making sure the organization is welcoming at every level to every individual. It's a system for making sure individual capacities are not stifled.

Inclusion is also a behavior that opens our minds to the importance of being more interconnected and interdependent upon each other – within our departments and across the enterprise.

Throughout this series I've provided numerous examples and stats and charts and numbers. If you've connected the dots you know: our organizations are filled with people who have many differences and also have many things in common. If you can honor the differences and find the like-mindedness, you will tap into a powerful strategy for growth. That strategy: inclusion.

ABOUT GLENN LLOPIS GROUP (GLLG):

- GLLG is a nationally recognized workforce/leadership development and business consulting firm with more than 10 years of experience with Fortune 500 companies.

- GLLG helps leaders operationalize inclusion as a growth strategy by disrupting the status quo to create new ways to grow and evolve – as the unique needs of employees, clients, and consumers transform traditional leadership and operating models in the age of personalization.

- GLLG's years of research has identified the most critical performance indicators for organizations to get out in front of the Cultural Demographic Shift™ (CDS) – a term that GLLG coined and has defined as what happens when large cultural segments of the population reach numbers sufficient enough to have a significant effect on what we do and how we act.

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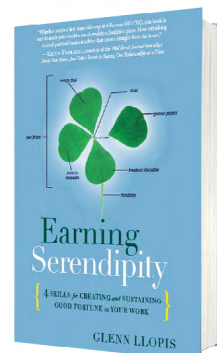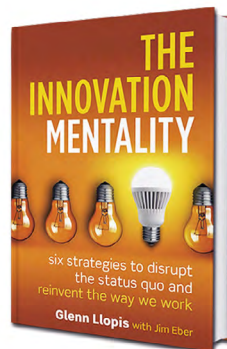
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