



INCLUSIVE LEADERSHIP COMPASS



NAVIGATING INCLUSION AS A LEADER:

Introducing the Inclusive Leadership Compass

Introduction

In today's changing and complex world, inclusion is a hot topic.

A culture that is inclusive of diversity helps promote innovation, creativity and improves decision-making. It can enhance agility, minimize errors and reduce the risk of being blindsided. Moreover, as organizations are increasingly judged by their impact on stakeholders and communities more broadly, an inclusive culture ensures workplace equality, helps cultivate loyalty among diverse customers and supports entities in positively managing their reputation over time. As one commentator put it, "diversity and inclusion is [now] a business strategy, not a HR program."¹

Against this backdrop, the concept of "inclusive leadership" has received increased focus. It is now widely accepted that an inclusive culture must start at the top, with a critical mass of leaders role modelling inclusion on a day-to day basis.

However, while many organisations have responded to this need with workshops on unconscious bias or calls for leaders simply to "be more inclusive", few would attest to having made deep inroads into building a sustained capability across their leadership.

So why is inclusive leadership such a challenge? We see two stumbling blocks.

First, while the language of "inclusive leadership" is now widely used, its meaning is less well understood. The implications of this are broad. At a strategic level, this lack of clarity means organizations cannot reliably support the development of inclusive capabilities across leadership cohorts or measure the progress of interventions undertaken. At a practical level, research shows that many leaders are simply not confident in their understanding of the specific behaviors that impact people's experiences of inclusion (or exclusion).² As such, many are reliant on trial and error and unable to be intentional in their efforts to be inclusive on a day-to-day basis.

Second, as with other self-assessments, many leaders are not good at judging how inclusive they are. For example, Deloitte's research found that just one third (36%) of leaders could accurately judge their inclusive capabilities as others saw them, with a third (32%) overestimating their effectiveness.³ Similar findings have been seen in research by Zenger/Folkman who also found that leaders who are the poorest at valuing diversity were more likely to overrate their capability.⁴ The implications? While feedback from others is always important for leaders, it is particularly true in the context of inclusion. As Zenger/Folkman put it: "Inclusivity is in the eye of the beholder. You might intend to be inclusive, and even think you are inclusive, but your impact on others might be very different."⁵

To help address these challenges, we present a new model of inclusive leadership - the Inclusive Leadership Compass. As its name suggests, this model orients leaders' attention towards the four critical sites of influence and action, helping them role model inclusion intentionally and confidently in different leadership contexts. Importantly, when applied as a 360-assessment tool, the model allows leaders to understand their inclusive leadership shadow, including any blind spots, which in turn enables them to make changes to their behaviours to better harness the diversity of their people for improved performance.

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- Zenger/Folkman



First principles - defining inclusion

Perhaps unsurprisingly, any attempt to measure inclusive leadership requires an understanding of what is needed for people to feel "included" by leaders. Arguably, this should be a relatively easy task given the attention "inclusion" has received over the last few years by those in the field and organisations in general. And yet, as our own research and inquiries revealed, there is no real consensus as to what inclusion actually means.

For example, while some definitions speak in general terms (e.g. inclusion means embracing all people regardless of their differences), others are narrower and focus on a particular theme (e.g. inclusion is about having a voice at the table). At a theoretical level, differences in interpretation are also emerging. Specifically, while some believe concepts of "equality", "belonging" and "respect" are integral to inclusion itself, others see these as distinct areas of focus, leading to the rise of acronyms such as "DIE" or "DIEB" or "DIB".

A robust definition is critical as it enables "inclusion" to be translated into action and the full value of diversity realized. In this context, the Inclusive Leadership Compass is grounded in the following holistic definition of inclusion which comprises four distinct elements:

"First, people feel included when they are treated **"equitably and with respect."** Participation without favoritism is the starting point for inclusion, and this requires attention to non-discrimination and basic courtesy.

The next element relates to **"feeling valued and belonging."** Inclusion is experienced when people believe that their unique and authentic self is valued by others, while at the same time have a sense of connectedness or belonging to a group.

At its highest point, inclusion is expressed as **"feeling safe"** to speak up without fear of embarrassment or retaliation, and when people **feel empowered to grow...** Clearly, these elements are critical for diversity of thinking to emerge."⁶

Importantly, this framing stands in broad agreement with the frequently cited definitions of "inclusion" by Miller and Katz (2002) and Catalyst (2014).

Miller and Katz (2002): Inclusion means...⁷

A sense of belonging: feeling respected, valued, and seen for who we are as individuals; and a level of supportive energy and commitment from leaders, colleagues, and others so that we—individually and collectively—can do our best work.

Catalyst (2014): Inclusion means:⁸

Employees feel included when, simultaneously, they perceive they are both similar to and distinct from their coworkers. Perceiving similarities with coworkers engenders a feeling of belongingness while perceiving differences leads to feelings of uniqueness.

Introducing the Inclusive Leadership Compass

Inclusive leadership is a relatively new approach to leading and distinct from other leadership theories in its unique application to the diversity context. It is demonstrated when an individual's belief in the social and economic importance of diversity motivates them to focus energy on adapting to and empowering diverse talent, as well as harnessing people's differences to create value. The Inclusive Leadership Compass is predicated on this specific understanding of the term "inclusive leadership."

More specifically, our research shows that inclusive leaders exhibit four practices which span the distinct but reinforcing dimensions of self, others, team and organization:

1. Embrace difference (Self)
2. Empower diverse talent (Others)
3. Enable diverse thinking teams (Teams)
4. Embed diversity and inclusion across the organization (Organization).

These four dimensions reflect the multi-faceted nature of inclusion itself, as shown on the previous page.

1. Embrace difference (Self)

The path to inclusive leadership starts with the leader themselves - the personal values, beliefs and attributes that influence their motivation and ability to behave inclusively in an authentic and sustained way.

These include strong egalitarian views and a belief in the value of difference, along with a willingness to subordinate their self-interest for the benefit of others where required. They also include personal attributes such as an openness to different people, ideas and change more broadly; a high degree of self-awareness enabling adaptation and self-regulation; and humility, with their preparedness to be vulnerable promoting connectivity, learning and growth.

2. Empower diverse talent (Others)

The mounting expectation towards a "more human kind of leadership" is deeply rooted in how inclusive leaders relate with others at an interpersonal level.

In essence, inclusive leaders treat people with dignity and respect - regardless of their differences - and exert considerable effort to self-regulate their own biases and treat others fairly. They view their people through a very human lens, understanding their individuality and demonstrating empathy and genuine concern for their well-being.

Driven by the goal to help people thrive, inclusive leaders proactively throw their support behind diverse talent, clearing or creating new pathways to success. Similarly, they encourage autonomy and delegate decision making authority to people, balancing this with their availability for consultation on problems when the need arises.

3. Enable diversity thinking teams (Teams)

Inclusive leadership is often thought of through an individual lens and with respect to equality and inclusion of diverse employees. As we describe above, this is a critical dimension. However, with the shift towards teams and the value inherent in harnessing their collective intelligence, a focus on leading diverse groups is also important.

Inclusive leaders recognize this and give attention to inspiring a sense of shared purpose among team members. They also lean into their personal attributes of humility and openness to create an environment of psychological safety where members feel safe to speak up without fear of negative consequences. Inclusive leaders are skilled facilitators enabling the constructive exchange of different ideas. They manage dominant voices and encourage quieter ones; coaxing creative abrasion while avoiding unproductive conflicts.

Understanding their role as coach and the dynamic nature of leadership itself, inclusive leaders also support team members in becoming more inclusive themselves. For example, they set clear standards of acceptable behavior, create opportunity for dialogue about differences and facilitate capability development.

4. Embed diversity and inclusion across the organization (Organization)

To unlock its full potential, diversity and inclusion must run through the core of the organization, with business systems aligned to reinforce behaviors and enable the sustained cultural shifts required.

Knowing this, inclusive leaders step up and use their power to challenge the status quo, influencing the adaptation of systems and structures that reinforce the centrality of diversity and inclusion to the organization's purpose and business strategy. For example, they articulate a compelling vision, emphasizing inclusion as a fundamental organizational value. Similarly, they integrate diversity and inclusion into business reporting and accountability measures, and work to ensure these aspects are important considerations in talent-related processes. In addition, inclusive leaders are visible advocates for flexibility across the organization.

Introducing the Inclusive Leadership Compass



Self

Embrace

Embrace difference



Others

Empower

Empower diverse talent



Organization

Embed

Embed diversity and inclusion across the organization



Team

Enable

Enable diverse thinking teams



Final remarks

It is now widely accepted that leaders play a critical role in creating a culture that is inclusive of diversity, with many organizations aspiring to build their leaders' capability in this regard.

The first step is fostering a shared language and understanding of inclusive leadership. Following this, leaders need to understand how their current leadership approach aligns with the various dimensions of inclusive leadership both from self-reflection and feedback from those whom they lead. Armed with this insight, leaders can leverage their strengths and address their gaps, moving themselves, their teams and their organizations towards true inclusivity.

References

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The Inclusive Leadership Compass, and accompanying 360 assessment tool, is a proprietary tool of Chalk & Cheese Consulting Pty Ltd. For more information, please visit or contact:

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