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The business case for diversity

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Diversity may be a business necessity but it is not always easy to practise it

"Diversity isn't optional anymore," says **Sir Paul Jenkins**, Head of the Government Legal Service in the United Kingdom, quoting senior executives at IBM and KPMG. "It's business critical. It's about getting the best talent for your organisation, and understanding the needs of your customer and consumers."

"Talent doesn't recognise the sort of boundaries that societies that don't pay enough attention to diversity care about," said Jenkins at the recent SMU Office of Global Learning event, *Navigating the rewarding yet impossible world of diversity and inclusion*. "If you are not doing your best to encourage every part of society to come and work for you, you'll be losing out on some of the talent that we all fight to have."

Diversity in Britain

Jenkins, who is also the British Civil Service Diversity Champion, describes how his employers define diversity and prevents discrimination by reference to four "protected characteristics" of civil servants: gender; ethnicity; disability; and sexuality, including transgender people. This has led to an increase in minority representation in the civil service.

"As diversity champion, I'm aiming for a civil service workforce that is as diverse as the United Kingdom population which we serve with excellent role models in senior positions across the government."

He adds, "In the U.K. over the past 10 years, we've increased the percentage of minority ethnic civil servants from 5.6 to 9.3 percent. Women now make up a third of senior civil servants, and their numbers have increased by 40 percent over the last 10 years. We've trebled the percentage of civil servants with a disability. Several of our departments feature in the United Kingdoms' Top 100 employers for Lesbians, Gay, Bisexual and Transgender people."

While that speaks volume about the British civil service's commitment to diversity, hiring people of different protected characteristics may not be enough.

"Diversity is not just about how people are visibly different from each other in terms of race, gender, sexual orientation, etc," says **Serena Wee**, Assistant Professor of Psychology at the School of Social Sciences, Singapore Management University. "It is also about the different values, experiences, and perspectives that they bring to a discussion. I think it is this kind of diversity that is also important to organisational effectiveness."

"Having said that, differences in opinions can lead to disagreements and conflicts within groups, and group processes must be effectively managed in order for diversity to translate into organisational effectiveness," Wee told *Perspectives@SMU.*

Managing diversity

To achieve such diversity, Jenkins highlights the role that top management needs to play.

"You need people, particularly in senior roles, to actively talk about diversity and say why it's important to them. For example, if you have selection panels, they need to look diverse. If you have a black man seeking to join your organisation, and he's being interviewed by five white men, he'll feel, 'This organisation is not for me.' If you're a white woman, you'll also feel that way."

While it is important for top management to buy into the concept of diversity, the drive towards more diversity can – and often does – get stuck in the operational difficulties faced by middle management, says Jenkins. To complicate matters: what if the junior staff see the case for diversity, and want to make changes accordingly? How do junior staff broach the subject of diversity?

"I call middle management the 'glue' of an organisation: the sticky bit in the middle where it is difficult to get messages through, whether it is up or down," Jenkins muses. "Middle management often goes, 'Diversity is all very good but I have to meet targets.' The theoretical answer is: If you get diversity right, we'll all hit our targets more easily. But you'll need to be a very brave junior staff to say that to your middle manager. There is no easy answer, unless you have a very brave junior staff."

Because of the progressiveness of hiring practices in the British civil service, job seekers view it more favourably as a potential employer. Jenkins believes this is crucial in the age of social media, where the "reputation of recruitment is hugely important (and) social media will tell everyone you are getting it right". This has caused business leaders to come to Jenkins for advice.

"It is perhaps worth noting that the speaking engagements I get these days are from businesses who want to learn from what we're doing," says Jenkins. "The benefits of diversity are twofold: it's about talent, and it's about our customers. It's about recruiting and retaining the best, and it's about gaining the greatest insights into our customers' needs."

Despite the business benefits of embracing diversity, Jenkins believes it all boils down to the moral imperative.

"When I'm in the U.K., I always start off any diversity talk by saying, 'One should never lose sight of the importance of diversity because it is morally right.' If you have a business audience, you can watch them switch off at this point. If you have a political audience, you have to be careful because some of them might get the business case but not the moral case. I wouldn't dream of coming to a

foreign country and start lecturing on the moral case for diversity but, deep down, I think the moral case is the most important aspect of this."