Diversity training isn't enough

Enhancing the effectiveness of DEI training to create a more fair and diverse workplace.

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INTRODUCTION

In the professional workplace, diversity, equity, and inclusion (DEI) policies have become a fundamental part of employee training. The intended impact of these programs is to be "revising practices, behaviors, and mindsets," (Caprinom, 2023) however, their impact often falls short. The modern DEI training landscape often seems more like employers are "checking a box" off their to-do-list in order to prevent liability rather than fostering genuine growth and development (Friedersdorf, 2023).

Young professionals should not be satisfied with this and need to equip themselves with the tools to challenge their workplaces to genuinely uplift employees. This article provides findings on the importance of DEI training for overall strategy execution by establishing what fairness is in the workplace and the complex nature of DEI landscape. To empower both employees and employers suggestions are provided on research back methods to improve DEI culture.

WHAT IS FAIRNESS?

Fairness in the workplace is often synonymous with equity not equality (Livingston, 2020). Equity is relevant in the context of workplace fairness as 9 out of 10 Fortune 500 companies have "equity" as a core value. (Kropp et al., 2022). Employment equity is defined by the Government of Canada (2023) as working conditions which are free from barriers and disadvantages that acknowledge the need for special measures to accommodate individual differences.

Another component of equity is that achievement is contingent on the perception of employees. While a business may consider itself fair, the ultimate determination lies in the beliefs of the employees (Mollica, 2004). Therefore, performance improvement will result only once employees perceive their work experience as more fair (Kropp et al., 2022). Most employees perceive their workplace as unfair with only 18% of employees perceiving work to be highly fair (Kropp et al., 2022). To address how to make workplaces more fair, it is essential to establish a definition of fairness within the context of DEI.

WHY IS DEI TRAINING CHALLENGING?

While other types of workplace training are effective for developing skills and changing behaviors, DEI training lacks effectiveness as it involves navigating complex societal issues, historical contexts, and deeply ingrained biases. This complexity makes DEI training distinct and necessitates tailored approaches to foster understanding, empathy, and inclusive behaviors in the workplace.

Short-term training methods are ineffective in making a genuine difference in personal biases and behaviour of employees. Despite this, most DEI training is focused on avoiding liability via a single presentation for new employees followed by a simple quiz (Nathoo, 2022). This type of training works for traditional topics such as workplace safety because it reduces workplace injuries, boosts productivity, and creates a safer workplace which is vital for both employees and employers. In these instances, using quizzes can reinforce and summarize key safety concepts (Martin, 2019). The uniqueness of DEI training in comparison to other types of workplace training makes this approach extremely ineffective. Research warns that employers must be extremely cautious in designing programs that aim at reducing these personal biases by focusing on longer-term impact (Fitzgerald et al., 2019).

DEI training can have a negative impact, often reinforcing stereotypes. Research has determined that training employees on their underlying stereotypes actually makes them more prevalent in a person's mind (Nahoo, 2022). Additionally, forcing individuals to suppress stereotypes can be counterproductive as it increases the focus on the stereotypes rather than dismantling them (Galinsky & Moskowitz, 2000).

The intention of traditional workplace training is to help employees understand their role within the business and assist the employee in supporting the business in achieving sustainable performance and long-term growth. Researchers have concluded that DEI training is unique in that it doesn't necessarily reduce the effects of biases the same way traditional training, such as safety training can reduce human error and workplace injuries (Fitzgerald et al., 2019).

Finally, due to the sensitive nature of the topics discussed, employees can often become defensive or even resistant to change, particularly if DEI training is made mandatory. Firms often utilize negative language in their training that can result in an implied threat of job loss or litigation (Dobbin & Kalev, 2016). Regardless, when people are reprimanded regarding their "behaviour" they are more likely to do the opposite or rebel against the training (Bregman, 2012). By making these courses mandatory like other workplace training, participants are more likely to develop a greater amount of animosity towards diverse workplaces and respond with resistance and frustration. Instead voluntary training actually generates the opposite response where employees are more open to the information they learn (Dobbin & Kalev, 2016).

The key to DEI training is teaching employees to work with a diverse group of people and learning to have the difficult conversations but not place people in categories or give them labels (Bregman, 2012). To do so, effective training will have to overcome the complex nature of DEI, such as sensitive topics, deeply held opinions and biases, and resistance to change.

WHY IS DEI IMPORTANT FOR STRATEGY?

DEI programs can enhance organizations' competitive position, agility, innovation, and brand perception (Milanesi, 2023). With such factors being the foundation of a strong DEI program, DEI training can thus have a significant impact on strategy execution within an organization.

DEI training can help develop a deeper understanding of diversity-related issues, prejudices, and help further promote inclusive practices across an organization. The resulting diversity from these training helps organizations achieve success because they are also better equipped and able to handle the needs of a diverse customer base (Fayad, 2022). Additionally, this creates better opportunities for an organization to achieve a competitive advantage by releasing more targeted product and services, branding, and marketing messages (Fayad, 2022) to capture target markets thus, successfully executing strategy.

In the current economic landscape, innovation and creativity is essential for successful strategy execution. Effective DEI training is known to promote innovation, even more so when the learning from such training promotes diversity of perspectives (Redstone, 2021). In a Harvard Business Review study, researchers found that companies with fair employment practices, participative leadership, top management support for diversity, and open communication had revenues that were an average of 12.9% higher than competitors (Lorenzo & Reeves, 2018). These factors can be cultivated in an organization through strong DEI training practices. DEI training has long lasting effects as it aids groups of employees to be better focused and working towards the same goal which will drive innovation and is crucial for successful strategy execution (Friedersdorf, 2023).

Diversity Programs That Get Results

Companies do a better job of increasing diversity when they forgo the control tactics and frame their efforts more positively. The most effective programs spark engagement, increase contact among different groups, or draw on people's strong desire to look good to others.

% change over five years in representation among managers

Type of program	White		Black		Hispanic		Asian	
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
Voluntary training			+13.3		+9.1		+9.3	+12.6
Self-managed teams	−2.8	+5.6	+3.4	+3.9				+3.6
Cross-training	−1.4	+3.0	+2.7	+3.0	−3.9		+6.5	+4.1
College recruitment: women*	−2.0	+10.2	+7.9	+8.7		+10.0	+18.3	+8.6
College recruitment: minorities**			+7.7	+8.9				
Mentoring				+18.0	+9.1	+23.7	+18.0	+24.0
Diversity task forces	−3.3	+11.6	+8.7	+22.7		+16.2	+30.2	+24.2
Diversity managers		+7.5	+17.0	+11.1	+12.0	+18.2	+10.9	+13.6

Exhibit 1: The Effect of Diversity on Managerial Representation (Dobbin & Kalev, 2023)

Per Exhibit 1, when looking at the resulting impact of DEI training, underrepresented employees were more likely to take the initiative to seek out mentorship for more senior positions after training (Chang et al., 2019). That impact is also supported by another study which found that minority employees had an increased chance of achieving managerial positions when firms implemented effective DEI training (Dobbin & Kalev, 2018).

Diverse leadership is important to strategy execution as it can boost financial performance. A study by McKinsey and Company found that organizations in the top quartile for gender and ethnic diversity on executive teams were 25% more likely to have above-average profitability than competitors in lower quartiles (Dixon-Fyle et al., 2020). Additionally, more diverse organizations have 19% higher innovation revenues and 9% higher EBIT margins than lower diversity firms (Lorenzo & Reeves, 2018).

DEI training has numerous distinct connections to effective strategy execution. The enhanced decision-making that DEI training can cultivate, if done right, clearly impacts an organization's culture and financial performance in a way that leads to financial and non-financial success.

WHAT SHOULD EMPLOYERS DO?

Improving diversity and inclusion requires a multi-pronged approach (Carter et al., 2021). Training is likely to be more successful when it is paired with other offerings. This includes systems that hold workers and leaders accountable for reducing bias, and offering networking opportunities for employees from underrepresented groups (Carter et al., 2021).

The goal is to help participants identify and reduce bias which allows participants to walk away with not just awareness but specific tools that can help them behave differently in the future (Hayle, 2022). As such, we recommend that employers do the following:

1. Help employees understand unconscious bias → Leaders should address how individuals are impacted by unconscious bias, and what actions continue to reinforce biases. One way to build awareness is to encourage employees to review, question, and assess their own personal biases (McClendon, 2022).
2. Level out the playing field → Organizations should leverage analytics to identify which employees are underpaid for similar roles or responsibilities. This can provide insights on patterns or trends that may exist for specific groups of employees who are being underpaid within areas of the business (McClendon, 2022).
3. Consistent conversations → To signal a commitment to diversity, organizations should try to have a series of all encompassing conversations throughout the year as opposed to once a year to demonstrate the importance of DEI (Carter et al., 2021).
4. Define diversity and inclusion → Before assessing the current diversity that exists in the workplace, define what diversity and inclusion means to the organization. From here, assess your own recruitment processes to help reduce any bias. Personality tests can also be used to understand people's attitudes towards diversity and inclusivity (Nedkoff, 2022).
5. Promote transparency and openness → Release diversity statistics and encourage other organizations to do the same. Having transparency signals to the world a reflection of the business and that there is self-accountability within the organization. Increase inclusive language in job listings to better reflect values to the employee pool and create safe spaces where underrepresented people can feel empowered to speak and be heard. (Hayle, 2022).

WHAT SHOULD EMPLOYEES DO?

Often employees are eager to join the process, however lack the know-how and confidence to take action. It is important to let employees know that there are many ways to contribute and support DEI efforts (Pedrelli, 2014).

There are a number of ways that employees can empower themselves to support diversity and inclusion:
1. Participate in employee engagement surveys → It is important to be honest and answer the questions being asked as the provided information can help organizations understand what they are lacking and what they need to do (Pedrelli, 2014).
2. Become culturally competent → Take the time to actively listen and learn about different cultures through watching or listening to videos, books, and media. Limit your own biases to those who are from similar backgrounds, hobbies, schools, and experiences as one's own (Pedrelli, 2014).
3. Communicate and educate → Diversity work is a journey, not a destination. It takes time, patience, and perseverance. Be tolerant of coworkers who do not yet appreciate the value of diversity or who may not always behave respectfully. Often, negative behavior comes from ignorance rather than malice. A willingness to educate can go a long way (Pedrelli, 2014).
4. Participate in Employee Resource Groups (ERG) → ERGs further an organization's DEI efforts by providing a forum for underrepresented employees to voice their needs to senior leaders, share resources and improve engagement (Catalino et al., 2022).
5. Commit to continuous improvement → Be willing to learn, accept feedback, and listen to the concerns of those around you. Even the most enlightened individuals can find opportunities for growth. This can even mean pairing up with people with different mindsets and values (Pedrelli, 2014).

CONCLUSION

In conclusion, adopting DEI practices can be challenging, difficult, and quite taxing for organizations regardless of their scale (Hayle, 2022). DEI takes time to develop and evolve, however, it is

essential for all teams across an organization to embrace transformative thinking that helps foster positive change, as its principles can benefit everyone (Hayle, 2022).

Failure to prioritize DEI and remaining indifferent to DEI practices can have significant firm-level consequences. There is the potential loss of losing diverse thinkers and perspectives which poses challenges to an organization's growth and the offering available to clients (Hayle, 2023). Increased diversity, allows for an increased understanding of client's situations and helps offer creative solutions.

DEI training requires dedication, persistence and a comprehensive approach. By prioritizing effective DEI training, organizations can foster a culture that values diversity while mutually benefiting the individuals in the workplace, the external clients and the overall success of the organization.

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