LEADING INCLUSION

RECOMMENDED ACTIONS FOR LARGER ORGANISATIONS

The approach to diversity and inclusion for any organisation will depend upon several unique factors relating to the nature of the business and its working environment. Accountancy and finance teams can often lead by example. Leading practices are often easier to adopt in these teams than in some others. In this appendix we set out some suggested actions, but these should be applied within the existing organisational culture and structures. Whatever activities are undertaken, they should be handled sensitively in relation to the different cultural and societal norms in each market, if you are working on a global basis.

Strategy and leadership

1. Establish a diversity and inclusion policy which sets out your organisational principles, and then integrate these into all aspects of the employee lifecycle, eg recruitment, reward processes, performance management, leadership assessment and training

Develop a robust business case for diversity and inclusion and why it matters to the organisation. Reflect upon the improvements in decision making and innovation and how these can be applied to the organisation. These should be linked to an employee-centric case that embraces equal opportunity and fairness, a workplace where bias has been mitigated to the greatest possible extent and where individuals can be themselves. Understand the impact of policies on the well-being of employees and develop appropriate strategies.

Understand the aspiration for the organisation across the diversity and inclusion agenda and how success can be measured (see point 10 below).

Ensure that the language that is used across the organisation reflects openness and opportunity for all. Words such as 'ambitious' or 'dominant' may have implications for some applicants that they do not for others, such as expressing social status or class.

Performance management processes need to be based upon visibly equitable treatment for individuals, ensuring that related processes that reward contribution are not open to bias or interpretation. Promotion needs to be visibly on merit.

The language of learning and development needs to reflect diversity. It needs to reflect the ethos of collaboration and inclusiveness. Competency models should embed aspects of diverse behaviours in their performance statements.

2. Review legal and regulatory frameworks

In many countries, the legal and regulatory frameworks protect people from discrimination in the workplace. This can lead to financial penalties that financial professionals should be aware of and understand, not to mention the brand and reputational damage that can be done by non-compliance. Ensure that you are aware of these requirements and consider them as part of the corporate governance and risk-management frameworks. Finance teams need to work closely with human resources and other relevant teams to ensure that any changes in regulatory or other frameworks are embedded.

Culture and belonging

3. Establish a sense of belonging

A sense of belonging for employees is one of the most fundamental aspects of life at work, and through a diverse and equitable culture where opinions are valued without concern as to reprisal or consequence, such that employees can perform at their best. It is a psychological need that must be met for employees to feel connected to their organisation and its objectives. Appreciate that this links strongly to other practices in the organisation, such as setting out a clear purpose and strategy, establishing a clear line of sight between the objectives of the individual and the organisational strategy.

4. Be fair towards all employees

Fair treatment is also another key component. Ensure that salaries and benefits are awarded equitably irrespective of any discriminatory factors. Unfair remuneration leads to resentment and undermines an effective workplace culture, and also carries legal risk.

Create networks that help support individuals (such as employee resource groups and community outreach groups).

Conflict resolution processes need to be collaborative.

5. Focus on innovation and creativity

A focus on creativity is essential to encourage diversity and inclusion in organisations. The sense that any opinion matters and that any idea will be listened to creates a sense of inclusion and respect. Organisations need to reward ideas, encourage innovation and respect agility across the workforce. This culture needs to be strongly aligned to the business goals of the organisation. As an example, finance business partners are often at the heart of the decision-making processes. They should ensure that they embrace diverse opinions in assisting leaders and teams to reach decisions.

6. Support flexibility in the workplace

Recognising the challenges that each generation faces and how they need to accommodate these into their working patterns is essential. As more individuals become carers, as generations seek improvements in work–life balance, so the need for flexibility in the workplace is increasingly essential. Allowing people to work when they are able, while ensuring that their and the organisation's objectives are met, is essential in attracting a diverse workforce.

Responsibilities

7. Lead from the top and hold leaders accountable

As with any component of organisational culture, effective and accountable leadership on the issue sets the tone for the whole organisation. All organisational leaders, irrespective of their function, need to commit to and positively endorse the diversity and inclusion strategy and through their actions be seen as role models and as accountable for when things do not happen quite as they should. Finance leaders are no exception to this. Above all, the leadership needs to be empathetic, applying their emotional intelligence in the context of the digital age. As finance leaders often have roles that enable them to work across the organisation, it is vital that they do not shirk leading this agenda.

The leadership team should communicate and execute a diversity and inclusion component of the business strategy. In so doing it is important to recognise and activate the broad range of diversity in the workplace and recognise the dynamic nature of this agenda. As leaders, they need to ask whether they are tapping fully into the potential of their workforce and, specifically, those in the departments for which they are responsible.

8. Employees' role

The recommended actions for employees are in the accompanying briefing Recommended Actions for Individuals.

9. Role of support functions such as HR and Finance

These teams should lead and influence the agenda. They need to foster an environment where diversity and inclusion is supported. They should ensure that the policies and procedures are in place to measure and to interpret the results of D&I initiatives against the organisational values.

Measurement and accountability

10. Measure, review and reinforce

Measurement is always an essential part of evaluating the success of any strategy. It is important to review progress regularly using both qualitative and quantitative measures. Employee surveys can be used to evaluate the progress of initiatives and provide feedback on the effectiveness of the culture. Benchmarking against other organisations can provide comparisons that highlight further opportunities. Finance teams in many organisations are the custodians of data from a variety of sources. Ensuring the integrity of the data and that it is free from bias are key skills of the accountancy professional.

Use reinforcement communications to underline progress and actions to further improve the diversity and inclusion agenda.

Consider how external reporting can be used. Finance teams should work with their peers to ensure that they contribute effectively. Increasingly, this does not mean merely reporting against statutory requirements but is an essential part of the relationship with suppliers, customers and other stakeholders. Monitoring and reporting on the human, and social and relationship, capitals is important. This may include measuring gender or ethnicity pay gaps or data about recruitment, promotion rates, compensation, employee attrition and supplier diversity.