

The inclusion imperative

FU.SE Global Dialogue Series on the Future of Work
The Adecco Group Foundation



Introduction

This is a time of a great uncertainty for people around the world, who fear for their and their loved ones' health and also for their livelihoods. Equally, companies are grappling with having to balance the protection of employment with fiscal obligations to stay viable.

Inclusion and diversity have been buzzwords in management circles for many years. COVID-19 is now testing whether corporate leaders truly act on them. In the short term, are they going the extra mile to support their more vulnerable workers and stakeholders? In the long term, are they taking this unique opportunity to durably embed new workforce practices that can make their workforce more inclusive?

The crisis is unleashing economic, behavioural and structural changes that are forcing many companies to re-think all aspects of their business, from supply chains to distributed work. It is creating a unique chance to embed inclusive workforce practices from top to bottom. Companies that succeed in engaging the full talents and abilities of their workforce will be positioned more strongly for the future: more agile, more creative and more adaptive to change.

"It's going to become clear now who really understood that in times of stress, the only real path forward is through diversity and inclusion, versus those who have these commitments merely as items in their annual report or as window dressing."

Laura Liswood, Secretary-General of the Council of Women World Leaders; author, The Loudest Duck, Moving Beyond Diversity (Wiley & Sons)

This report explores the opportunities companies to durably increase diversity as they prepare for the post-COVID world. It is based on expert interviews and analysis of data and case studies, focusing mainly on the US and Europe, where data is most available. Chapter 1 briefly introduces the various ways in which COVID-19 is having different impacts – direct and indirect – on different groups of people. Chapter 2 looks at some responses from companies that have appreciated the importance of upholding the values of inclusion and diversity in the current time of stress. Chapter 3 looks to the longer term and offers actionable priorities for leaders to take advantage of the current upheaval to build more a more inclusive workforce and more equitable and sustainable organizations.

Carl Frey, Oxford Martin Citi Fellow at the University of Oxford, draws an analogy between the current crisis and the Great Depression of the 1930s: "Before the depression, companies had instituted welfare capitalism schemes including holidays, benefits and even stakes in the companies and when they were no longer able to afford them, these disappeared. After that, trust in companies' ability to provide for stakeholders in a broader way deteriorated". Companies today, says Frey, have an opportunity to "walk the talk when it comes to being responsible stakeholders."

KEY TAKEAWAYS

- All stakeholders share responsibility to tackle the inequality COVID-19 has created.
- 2. Business cannot afford to sacrifice their commitment to inclusion and diversity in the short term because today's decisions will shape the future workplace.
- Companies that rethink their processes, values and culture to make their workforce more inclusive, equitable and diverse will gain a stronger position: they will become more agile, more creative and more adaptive to change.

Chapter one: An unequal crisis

Income, age, gender, ethnicity, sexual orientation and disability status are among factors that affect how people are experiencing the economic, social and health impacts of the pandemic. Companies committed to building an inclusive workforce need to understand how these emerging trends might affect the different population groups.

People on lower incomes are more likely to experience a loss of earnings or uncertainty about their financial future. One reason is that many of these jobs cannot be done remotely (Figure 1) or are in sectors that face an uncertain future, such as leisure and hospitality. Moreover, they involve close contact with other people, which increases the risk of exposure to the virus.

People on lower incomes are also more likely to be employed on temporary contracts or even work in the informal economy. Therefore, they may be subject to little or no social protection and a greater risk of being laid off. In the EU, 27% of blue-collar workers with basic skills are on temporary contracts (Figure 2). Globally, 60% of workers are in the informal economy.¹

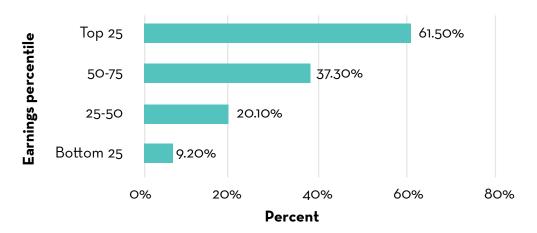


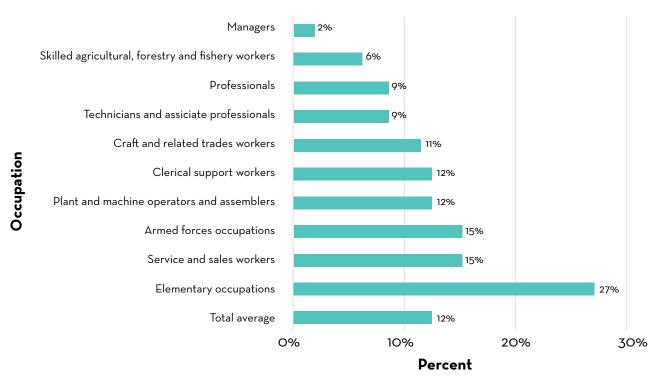
Figure 1: Share of workers who can telework by weekly earnings of full-time wage and salary workers

Source: U.S. Bureau of Labour Statistics²

 $^{1 \}underline{\text{https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_626831.pdf}$

² https://www.bls.gov/news.release/flex2.tO1.htm

Percentage of temporary employees by occupation



Note: Elementary workers are defined as involving "the performance of simple and routine tasks which may require the use of hand-held tools and considerable physical effort." Average 2013-2020.

Figure 2: Percentage of temporary employees by occupation

Source: Eurostat³

Older workers are more at risk of serious health consequences if they contract the virus. Younger workers are more likely to work in the "gig economy," where lack of employee protection leaves them with the choice to either lose their livelihood or keep working even if they are uncomfortable with the risks.⁴

Women more frequently work in jobs that expose them to high risk of catching the virus: globally, women comprise an estimated 70% of frontline health care workers. Women are also facing a higher risk of unemployment due to the crisis: in the US, for example, women comprise almost two-thirds of restaurant workers. While women account for half the US payroll, in March 2020, they made 58.8% of new unemployment claims. A similar picture emerges in Europe, where the unemployment rate among women in the eurozone increased more than among men between February and March 2020.8

Across the world, women represent less than 40% of total employment but makeup 57% of those working on a part-time basis, which is more likely to get cut in a crisis. Many women do not have access to safety nets as these frequently depend on formal participation in the labour force. In South Asia, over 80% of women in non-agricultural jobs are in informal employment; in sub-Saharan Africa, the figure is 74%; and in Latin America and the Caribbean, 54% of women in non-agricultural jobs participate in informal employment.

³ https://appsso.eurostat.ec.europa.eu/nui/submitViewTableAction.dc

⁴ https://voxeu.org/article/covid-19-inequality-and-gig-economy-workers

⁵ https://www.womeningh.org/operation-50-50

⁶ https://time.com/magazine/us/5658416/september-2nd-2019-vol-194-no-8-u-s/ and https://www.bls.gov/ncs/ebs/benefits/2017/ownership/private/table32a.htm. Cited in: https://thehill.com/changing-america/respect/equality/488509-the-hidden-burden-of-the-coronavirus-on-women

 $^{7 \} https://www.epi.org/blog/women-have-been-hit-hard-by-the-coronavirus-labor-market-their-story-is-worse-than-industry-based-data-suggest/$

⁸ https://ec.europa.eu/eurostat/documents/2995521/10294732/3-30042020-CP-EN.pdf

⁹ ILOStat

The closure of schools and nurseries put more pressure on women than men. Data from before the pandemic show that it is mostly women who care for their children: they are, for example, ten times more likely than men to take time off work when their children are sick.¹⁰ In Japanese families, wives do seven times more housework than husbands and report to struggle with childcare responsibilities under the COVID-19 school closures.^{11,12}

In late March, LGBT advocacy groups in the UK registered an increase in homophobia by 36%.

Early figures indicate an increase in women experiencing domestic violence under lockdowns. ^{13,14,15} Similarly, some LGBTQ+ support services have reported a rise in calls as safe spaces are forced to close and some youths are in lockdown with unsupportive families. ^{16,17,18}

People of colour appear to be at greater risk of severe health impacts from Covid-19. They are also more at risk economically: in the US, black and Hispanic workers are less likely than average to be able to work from home, and more likely to work in the gig economy.

People with mental health issues and/or physical disabilities are being disproportionately hit. Services such as counselling and physiotherapy may be closed,²³ isolation may worsen existing mental health conditions,²⁴ private homes may not provide workspaces adapted to physical disabilities. History indicates that people with disabilities are at higher risk of job loss during downturns.²⁵

While nearly 40% of Asians and 30% of Whites can telework, only 20% of Black or African Americans have this possibility.

Individuals with the greater underlying risk of disability were 30% more likely to lose their jobs during the financial crisis.³³

¹⁰ https://www.kff.org/womens-health-policy/issue-brief/data-note-balancing-on-shaky-ground-women-work-and-family-health/

¹¹ https://www.nippon.com/en/japan-data/h00546/wives-do-seven-times-as-much-housework-as-husbands-in-japan.htm

¹² https://thediplomat.com/2020/03/japanese-mothers-struggle-to-cope-after-virus-shuts-schools/

¹³ http://www.emro.who.int/violence-injuries-disabilities/violence-news/levels-of-domestic-violence-increase-as-covid-19-pandemic-escalates.html

¹⁴ https://www.theguardian.com/society/2020/apr/15/domestic-abuse-killings-more-than-double-amid-covid-19-lockdown?CMP=Share_iOSApp_Other&fbclid=lwAR1Dsb3VkoWVSr-tKQOsDIFYxoFszzYekodLh3_XOvlb8Ahl98jgcbybzaE

¹⁵ https://www.euronews.com/2020/03/28/domestic-violence-cases-jump-30-during-lockdown-in-france

^{16 &}lt;u>https://www.bbc.co.uk/news/uk-52039832</u>

 $^{17\ \}underline{https://www.reuters.com/article/health-coronavirus-lgbt/coronavirus-lockdown-exposes-lgbt-people-to-family-abuse-in-middle-east-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-family-abuse-idUSL8N2BA5SK-people-to-f$

 $^{18\ \}underline{http://www.lgbt.foundation/downloads/covidlgbtimpact}$

¹⁹ https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(20)30792-3/fulltext

 $^{20 \\ \}underline{\text{https://www.propublica.org/article/early-data-shows-african-americans-have-contracted-and-died-of-coronavirus-at-an-alarming-rate} \\$

 $^{{\}tt 21\,\underline{https://www.epi.org/blog/black-and-hispanic-workers-are-much-less-likely-to-be-able-to-work-from-home/less-likely-to-be-able-to-be-ab$

 $^{22 \, \}underline{https://www.equalityhumanrights.com/sites/default/files/briefing-letter-to-government-covid-19-coronavirus-19-march-2020.pdf$

²³ https://time.com/5826098/coronavirus-people-with-disabilities/

²⁴ https://apps.who.int/iris/rest/bitstreams/1272383/retrieve

²⁵ https://deepblue.lib.umich.edu/bitstream/handle/2027.42/95904/wp277.pdf

Chapter two: Putting inclusion and diversity at the heart of the COVID-19 response

While some inclusion challenges can be addressed only by governments or stakeholders together, many companies are embracing their responsibility to support vulnerable people in their workforce through the crisis. Examples of support fall under three main categories: financial support, working practices, and support for mental health and wellbeing.

"We're trying to pierce the 'let's get back to normal' narrative because normal wasn't so good for a lot of people."

Brian Gallagher, CEO of United Way.

Financial support

Most immediately, companies can focus on avoiding layoffs and financially support their most vulnerable staff with hazard pay and catastrophe pay. This is particularly important in countries where social security systems are less able to cushion against income loss. In the US, for example, two-thirds of workers are not entitled to sick leave.^{26,27}

Walmart, the largest employer in the US, committed to continuing paying workers if they fell ill with the virus or needed to go into quarantine.²⁸ It has also paid almost \$550m in bonuses to hourly staff—up to \$300 per person.²⁹ Chipotle announced a short-term 10% wage increase for its hourly workers.³⁰

Some companies are helping workers to find alternative short-term jobs. With demand for its ride-sharing services much reduced during the lockdown, Uber has been connecting its drivers with opportunities in logistics for companies such as Amazon. ³¹

America's biggest employers have introduced emergency policies, special bonuses and pay rises for most vulnerable employees.

Many more CEOs have taken voluntary pay cuts than in the 2008 financial crisis – a symbolic gesture that indicates appreciation of the societal value of fairness.³²

 $^{26 \,} https://time.com/magazine/us/5658416/september-2nd-2019-vol-194-no-8-u-s/. \ Cited in: https://thehill.com/changing-america/respect/equality/488509-the-hidden-burden-of-the-coronavirus-on-women and the supplementation of the coronavirus on-women and the coronavirus on$

²⁷ https://www.bls.gov/ncs/ebs/benefits/2017/ownership/private/table32a.htm. Cited in: https://thehill.com/changing-america/respect/equality/488509-the-hidden-burden-of-the-coronavirus-on-women

²⁸ https://www.supermarketnews.com/retail-financial/walmart-establishes-emergency-leave-policy-after-associate-tests-positive

²⁹ https://www.cnbc.com/2020/03/19/walmart-announces-special-cash-bonuses-for-hourly-associates-during-national-health-crisis.html

³⁰ https://www.chipotle.com/covid19

³¹ https://technocodex.com/uber-starts-listing-other-jobs-for-its-drivers/

 $^{32 \, \}underline{\text{https://blog.aboutamazon.com/company-news/amazons-actions-to-help-employees-communities-and-customers-affected-by-covid-19} \\$

Adapting workflows and providing supportive tools

Workflows in most industries are being significantly adapted. When staff cannot work remotely, companies need to equip them with the necessary protective equipment, enforce behavioural rules such as physical distancing, and provide access to medical support such as temperature checks.

82% of organisations offer flexible work for employees with school-age children.

When telework is possible, companies find ways to help workers adjust to teleworking. In many cases, this means that the company must consider the personal circumstances of employees to a greater degree than before.

Take, for example, dual-career couples with young children, who now need to combine parenting responsibilities with working from home. In 75% of two-child families in the UK, both parents have a career. ³³ One survey found that 82% of international businesses offer flexible work for employees with school-age children, and 36% are aggregating online learning content to help them with home-schooling. ³⁴ Novartis offers workers' families free access to Coursera and Khan Academy programs. Samsung has allowed employees with children to work four-day weeks.

Balancing work with family life has become more difficult during the crisis. It already was a challenge for many workers before schools and childcare facilities closed, and it will continue to pose problems after they begin to reopen. Companies have an opportunity to continue showing greater awareness of the need to account for the personal circumstances of their individual staff.

"Now everyone has that emotional insight about the challenges of balancing work and home life. Vulnerability is the new normal - now we all have a common interest, enemy and situation that shows no discrimination,"

says Sarah Cheyne, Global Head Talent Experience and Inclusion, Adecco Group.

Many companies have supported workers with disabilities with the logistics of home working. IBM helped workers with disabilities to move equipment such as large monitors and ergonomic chairs to their homes and launched a dedicated Slack channel for them to request additional support.³⁵

Cross-company learning from such occurrences could significantly improve the post-crisis workplace experience of staff with disabilities, who have previously not been properly supported: in November 2019, for example, a UK union reported that employers rejected requests from 67% of workers with disabilities for reasonable adjustments to the workplace.³⁶

Only 40% of human resources managers feel confident in the way their company handles disability accommodations.

³³ https://www.workingfamilies.org.uk/wp-content/uploads/2019/02/BH MFI Report 2019 Full-Report Final.pdf

³⁴ https://www.i4cp.com/file/coronaviri/survey-results-covid-19-response-diversity-inclusion-march-18-2020/download

³⁵ https://www.ilo.org/global/topics/disability-and-work/WCMS 739022/lang--en/index.htm?shared from=shr-tls

³⁶ https://qz.com/work/1830548/coronavirus-is-making-the-workplace-more-accessible/

Mental health and wellbeing

The mental health implications of the pandemic have been profound, from anxiety about health and income to frustration with social isolation.³⁷

75% of managers view employees' mental health as the top concern.

Mental health was by far the top concern in a recent finance industry survey. ³⁸ An Ipsos MORI poll found that one in five people are worried about mental illness, with women twice as likely to be affected.³⁹

Even before the pandemic, many companies were increasing their focus on worker wellbeing and satisfaction. Nonetheless, mental health is new ground for many companies: one survey found that only 31% of managers have the confidence to sensitively discuss mental health and signpost staff to expert sources of help.⁴⁰ Providing support during the pandemic could leave a lasting impact on companies' ability to engage with this crucial issue.

Cristina A. Wilbur, Head of Group Human Resources at Roche, says:

"We try to acknowledge a variety of circumstances our people are facing, whether home alone or with young children who need school support or a couple working and dividing a flat that might not be large. This is about acknowledging the circumstances our people are in. We provide curated content, a live wellness site we have created for our people so they have places they can go for exercise classes and breakfast meetings so people can connect at different times."

Sarah Cheyne emphasises that it is important to actively engage, involve and communicate with your workforce as you consider planning for rebound; using data to drive decisions and actions. She calls for engaging the workforce through surveys to understand practical and wellbeing concerns. The Adecco Group conducts a regular pulse check every few weeks to evaluate employees needs and expectations around working remotely, wellbeing and clarity around health and safety guidance.

Adecco has maintained high levels of employee engagement thanks to digital tools that allow to checking on their needs, wellbeing, and personal development.

Companies can enhance comfort by moving away from 'always-on' communication norms – for example, requiring all calls and meetings to be held between core hours, such as 10 am to 3 pm, and making it clear that employees are not expected to be always reachable outside of these core hours.

Some firms are offering access to therapy and wellness tools to help employees deal with stress and uncertainty. Starbucks is giving baristas and their families up to 20 free therapy sessions a year, and access to self-care apps like Headspace and PwC is making "wellbeing coaches" available. 42,43

³⁷ https://www.sciencedirect.com/science/article/pii/S0140673620304608

³⁸ https://blogs.cfainstitute.org/investor/2020/03/27/countering-coronavirus-through-inclusive-culture/#_prclt=rFK9YRoL

³⁹ https://www.ipsos.com/ipsos-mori/en-uk/Covid-19-and-mental-wellbeing

⁴⁰ https://www.cipd.co.uk/about/media/press/mental-health-coronavirus

⁴¹ https://www.wsj.com/articles/starbucks-to-offer-free-therapy-to-all-workers-11584363600

⁴² https://www.businessinsider.com.au/companies-offering-more-mental-health-benefits-amid-coronavirus-2020-4?r=US&IR=T

⁴³ https://www.businessinsider.com.au/coronavirus-has-encouraged-companies-to-add-mental-health-benefits-2020-3?r=US&IR=T

Short-term inclusion: Strategies to protect the vulnerable

Financial support Help your most vulnerable employees: Identify your most vulnerable employees (including temporary and contract/agency workers) and explore how you can support them financially, e.g. Hazard pay for vulnerable staff, including catastrophe pay Commitment to protect salaries, jobs and contract/agency workers as far as possible, for example through flexible hours or shorter work weeks Extra paid time off for hourly workers and more for most vulnerable groups, such as older associates Partner with other industries to help staff find other work opportunities Accept that work/home obligations may overlap and support for Adapting workflows workers who struggle to juggle both: Provide access to online resources to help workers with homeschooling Reduce stress by letting children briefly participate in virtual meetings Support teleworkers to define their schedules around family duties Offer flexible working arrangements for workers with care responsibilities, e.g. four day work weeks or additional days of paid care Logistics support to ensure the right technology, software and equipment for home working for workers with disabilities (e.g. captions in virtual meeting rooms for hearing impaired workers) Mental health and Put people first and recognize that the crisis can have an impact wellbeing on your staff's mental wellbeing. Encourage managers to hosts regular check-ins with teams to understand their needs and be sensitive to their physical and mental wellbeing, especially with vulnerable workers. Ask about workers' personal circumstances to determine appropriate support measures. Provide access to wellness apps and tools or webinars on how to maintain mental health amidst stress and anxiety. Avoid 'always on' mentality and 'remote burnout' through clear scheduling and communication protocols. Cultivate team spirit online to keep the day-to-day routine as normal as possible through virtual happy hours.

Chapter three: An inclusion reboot

Companies that provided tailored support to vulnerable staff and partners during the crisis will have earned their trust and support. As the crisis begins to pass, companies will have an opportunity to deliver on that trust by designing post-COVID workplaces that show they truly view inclusion and diversity as foundational principles.

COVID-19 is prompting the business to rethink how they operate: surveys indicate widespread consideration of measures such as more remote working, accelerated automation and reconfigured work sites (see Figure 3). Such decisions may impact inclusion either negatively or positively. The crisis has presented organizations with an unprecedented opportunity to institutionalize inclusion and diversity into their values, processes and structures.

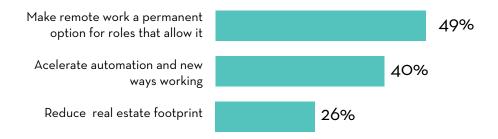
"We're in a situation where the former rules don't apply. We now have a blank slate for solving problems..."

Laura Liswood, Secretary-General of the Council of Women World Leaders; author, The Loudest Duck, Moving Beyond Diversity (Wiley & Sons)

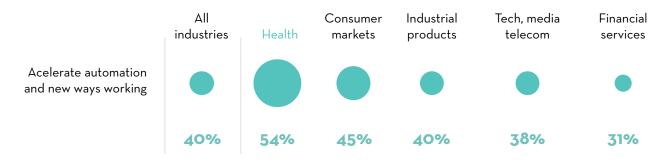
"We're in a situation where the former rules don't apply, structures are being blown up. We now have a blank slate for solving problems, to be more creative and innovative."

says Laura Liswood.

Wich of the following is yout company planning to implement once you start to transition back to on-site work?



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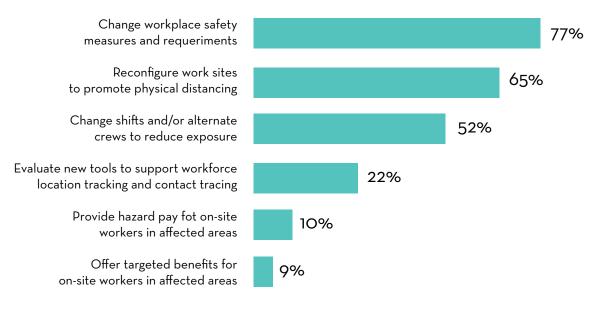


Figure 3: Expected durable changes

Source: PwC COVID-19 US CFO Pulse Survey April 22, 2020 base of 305

Companies that approach the post-crisis era in an open and forward-looking way can come out on the other side has not just survived, but transformed, says Cristina A. Wilbur at Roche:

"There is a reactive and a creative mindset. A reactive mindset deals with what comes at you. A creative mindset realises the options at your disposal. If we can get mindset right, so many more things are now possible".

Remote and flexible work: Adapting jobs to the individual

The post-industrial knowledge economy is fundamentally different from the assembly lines of the 20th century, but many companies have so far struggled to shake off the norms of this era – such as workers gathering in the same physical location from 9 am to 5 pm to perform tasks that could now be done from anywhere. This may not change for many workers, such as blue-collar jobs in manufacturing, retail sales jobs, delivery jobs, which make up a significant share of employment around the world. Yet, for many roles, COVID-19 is likely to significantly accelerate the trend towards hybrid workplaces in which remote digital teams co-exist with physical locations. And all workers can benefit from more flexible work arrangements, including those who cannot telework.

Research shows that remote work can increase productivity and worker satisfaction.⁴⁴ Some digitalnative companies have shown how 'distributed' work can give more autonomy to staff. Nonetheless, many established companies were slow to adapt until prompted by COVID-19.

"Most employers saw remote working as an accommodation to a small portion of the workforce, but this is going to become way more common going forward,"

predicts Brian Gallagher.

⁴⁴ https://nbloom.people.stanford.edu/sites/g/files/sbiybj4746/f/wfh.pdf

Digitizing teams requires not only a rollout of software and infrastructure but also changes in processes, management, leadership and corporate culture, which – once made – are likely to prove difficult to reverse. If done in the right way, these changes could profoundly improve workforce diversity, as remote and flexible work structures can benefit disfavoured groups.

Teleworking can, for example, potentially help to address obstacles to women's economic empowerment identified by the ILO: pressures to conform to traditional gender roles, achieving work-life balance, lack of affordable childcare and lack of transport. Women generally have more complex out-of-work schedules than men and can benefit more from homeworking – but surveys show they have also been less likely to be offered this option (see table 1).46

The COVID-19 working from home experiment can help women because it may change how household and parenting obligations are distributed between men and women. Studies have shown that an increase of 3 weeks in the duration of fathers' leave can durably shift the split of gender responsibilities in households.⁴⁷ Companies can encourage this culture change for example through non-transferable paternity leave policies that may now be more appealing to men. Such policies are among the best tools to increase women-men equality in the workplace.^{48,49}

Share in %	Women	Men
Working remotely helps me advance my career	62%	53%
Home is where I am most productive while working	50%	37%
I do not work remotely because my company does not allow it	40%	25%
I have quit a job because the company didn't offer flexible work	24%	17%

Table 1: Remote work for men and women Source: Zapier⁵⁰

Many other types of worker stand to benefit from more flexible work, including:

- Individuals with care duties, such as for a sick child, parent or relatives
- Workers who want to enhance their skills and career opportunities through part-time study
- Migrants whose visas restrict the amount of paid work they can undertake
- Introverted and 'neurodiverse' workers, who can be overwhelmed by open-plan offices and in-person meetings but are more confident to voice opinion through digital communication tools⁵¹
- Lower-paid workers who face long commutes to avoid the high cost of city real estate
- Younger workers, who tend to be more digitally savvy

Companies that take the opportunity to embed inclusivity policies as their processes and best practices for remote, flexible and distributed work evolve in the current context, will be better positioned to hire talented individuals who live outside capital cities - widening economic opportunity and saving money in the process.

⁴⁵ https://www.ilo.org/infostories/en-GB/Stories/Employment/barriers-women#persistent-barriers

⁴⁶ https://zapier.com/blog/women-in-remote-work/

⁴⁷ https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3225239

⁴⁸ https://zapier.com/blog/women-in-remote-work/

⁴⁹ https://www.penguin.co.uk/books/559/55983/quiet/9780141029191.html

⁵⁰ https://www.accenture.com/us-en/about/company/coronavirus-business-economic-impact

⁵¹ https://whenwomenwinpodcast.com/episode-1-iris-bohnet-on-why-diversity-training-doesnt-work-process-improvements-and-overcoming-unconscious-biases/

Bringing evidence and structure to decision-making as well as hiring and performance evaluation

Virtual work can help to address a common inclusion challenge: more confident personalities tend to dominate discussions, with more reserved members of the group finding that their ideas are ignored, and that they are passed over for promotions.

Distributed workforces can lead to managers taking a more structured approach to meetings and decisions. For instance, in a large videoconference, the chair will often mute participants and request suggestions for spoken contributions to be written in chat bars. This can encourage people who are usually drowned out by louder personalities to communicate their ideas.

"Technology creates a much more democratic engagement from people"

Brian Gallagher, CEO of United Way

"Technology creates a much more democratic engagement from people. Face to face, there is a tendency for those in the group who are most confident to take more airtime. The ability for others to electronically raise their hand and engage is fundamentally different when you work remotely than physically."

according to Brian Gallagher.

"On a conference call you need rules of the road about how to hear people – this implies you will be more conscious about ensuring everyone's voice is heard,"

agrees Laura Liswood.

"In physical conferences, people are over or under-heard, people interrupt. If you have a regulated way of speaking, you can eliminate those disparities".

Collaboration software enables companies to elicit input from a far wider range of people than is possible in physical meetings, by using tools such as flash polls, surveys, message boards, sentiment studies and digital town halls.⁵²

Another common inclusion challenge that may be addressed through remote working arrangements is unconscious bias that affects hiring and performance evaluation decisions. There is evidence that removing these unconscious biases by formalizing processes and making them more transparent and accountable can significantly help women, LGBT+ staff and other non-dominant groups advance in the workplace.⁵³

⁵² https://hbr.org/2019/10/using-ai-to-eliminate-bias-from-hiring

⁵³ https://www.conference-board.org/blog/postdetail.cfm?post=6383

"Women and under-represented groups have been the victim of poor performance evaluations to date," says Laura Liswood, due to bias in informal approaches. Digital working often requires implicit processes to be made explicit, which research shows can make hiring and evaluation decisions more fair and lay open and remove unconscious biases,^{54,55} – although algorithm-based tools, when used, must avoid reinforcing existing biases.⁵⁶ For LGBT+ staff, remote work can help mitigate workplace bias and create a space where employees are truly respected, irrespectively of different appearances.

Cognitive diversity and problem-solving

The COVID-19 crisis creates an opportunity to reach out to a broader range of perspectives: "Crisis leadership requires both command and control and a consensus approach. The latter requires more empathy, better listening skills, making sure everyone feels included and supported, which are qualities which have historically been identified as skillsets that non-dominant groups are more likely to have"

says Laura Liswood.

Academic research shows that more diverse groups are more effective at problem-solving:⁵⁷ a 2018 study of 1,000 companies across 12 countries by McKinsey and Co found those with more gender, ethnic and cultural diversity in executive teams were more likely to experience above-average profitability.

Another study, analysing 1,800 professionals and 40 case studies, found that companies with high levels of both *inherent* diversity (qualities a person is born with, such as gender and ethnicity) and acquired diversity (traits gained through life experiences, such as working in different cultures) were 45% more likely to grow their market share and 70% more likely to capture new markets.⁵⁸

33% of companies with more culturally and ethnically diverse executive teams were more likely to see above-average profitability.

Since the crisis requires high levels of agility and speed in problem-solving, it creates opportunities to spread responsibilities more widely across organisations. If done with an inclusion mindset, this can improve opportunities for overlooked staff who have unique perspectives or valuable character traits such as resilience and creativity. A more 'federated' approach to decision-making – giving more autonomy to workers and promoting key individuals to manage issues raised by the crisis – create chances to spread power across the workforce.

Organisations can take this opportunity to create or strengthen Employee Resource Groups, employee-led voluntary groups that represent specific communities of workers.⁵⁹ ERGs have a rich history dating back to Xerox in the 1960s, which launched the National Black Employees Caucus to address workplace discrimination. Other approaches include Diversity and Inclusion Councils, groups of employees including senior leaders who advise on inclusion and diversity efforts, track progress and provide governance and oversight. Such councils could be powerful allies as companies undertake organisational reforms.

⁵⁴ https://www.reuters.com/article/us-amazon-com-jobs-automation-insight/amazon-scraps-secret-ai-recruiting-tool-that-showed-bias-against-women-idUSKCN1MK08G

⁵⁵ https://knowledge.wharton.upenn.edu/article/how-a-highly-diverse-team-can-help-untangle-complexity/

⁵⁶ https://hbr.org/2013/12/how-diversity-can-drive-innovation

⁵⁸ https://www.forbes.com/sites/camianderson1/2020/04/19/why-do-women-make-such-good-leaders-during-covid-19/#2ead1c1d42fc

 $^{59 \} https://www.forbes.com/sites/rebekahbastian/2019/02/11/how-to-foster-workplace-belonging-through-successful-employee-resource-groups/\#e0fab42dc73d$

COVID-19 has highlighted the need for more agile, flexible and responsive solutions. This gives organisations a chance to reflect on their processes and tools and re-imagine how we can operate more efficiently in a post-COVID world, according to Sarah Cheyne.

Last but not least, the current context provides an opportunity to make lasting change on how we develop leaders. Crisis leadership requires a different set of skills and behaviours that may help a new breed of leaders to emerge, who are more empathetic and seek input and listen. One case in point is the observation that countries and cities led by women have fared better during the COVID-19 crisis so far.⁶⁰

Long-term inclusion: Strategies to protect the vulnerable

Remote and flexible work: Adapting jobs to the individual	 Remain committed to flexible work. Flexible working is becoming the new working norm for the majority of office workers and for some blue collar workers. The practice of allowing flexible work should continue even after the crisis to decrease the gender pay gap and improve LGBT+ company fit and may also increase the representation of people with certain disabilities for which companies struggled to make suitable accommodations.
	 Support culture change in families. The COVID-19 experience rebalances roles in families. Companies can support this change for example through non-transferable paternity leave.
	Continue supporting mental wellbeing of employees.
Bringing evidence and structure to decision-making and hiring and performance evaluation	 Rethink HR processes (hiring, remuneration, evaluation, development, promotion, termination) based on the experience to ensure that every step is accessible and mindful of different groups. When formalizing these processes for the new hybrid work environment, include a diverse set of voices.
Cognitive diversity and problem-solving	 Ensure better decision making and more diverse leadership.
	 Develop processes and best practice that allow diverse groups to contribute to decisions in the remote work context.
	 Take the opportunity to review leadership development practices to ensure that learnings from the COVID-19 crisis, such as the importance of empathy and listening, are taken into account.

⁶⁰ https://www.forbes.com/sites/camianderson1/2020/04/19/why-do-women-make-such-good-leaders-during-covid-19/#2ead1c1d42fc

Conclusion

In this time of uncertainty, many companies face tough short-term choices to stay afloat. But the decisions they make now will have long-term implications for how our economies work. Companies should bear in mind that inclusion and diversity make them more resilient and creative – and the current disruptions can also create opportunities to advance the inclusion agenda in ways that would rarely be possible during 'business-as-usual'.

In the short term, companies have opportunities to demonstrate their commitment to inclusion, such as financial help for disadvantaged staff, tailored support for the transition to home working, and proactive support for employees' mental health.

In the longer term, leaders can rethink every facet of their company's ways of working: creating more flexibility to accommodate the unique circumstances of each employee; spreading decision-making power across the organisation; adopting a more systematic approach to sourcing feedback and forging decisions; recognising that character traits that emerge during crisis can be as important to organisational success as conventional qualifications; and ensuring accessibility of all processes.

Leaders should act now to put inclusion at the core of their COVID-19 response and grasp this opportunity the crisis has created. This will not only to prepare their companies for higher performance in future, but also contribute to creating a better normal.



