

Combining a bird's-eye view with a laser focus for real DEI impact

Ethnic Diversity – Summary of a round table discussion with HR Leaders

Egon Zehnder were delighted to welcome a group of HR Directors to an intimate gathering to discuss their perspectives, the challenges faced and possible interventions on the topic of [Ethnic Diversity](#).

Below we outline a few key themes and conclusions that emerged during our conversation.

The Big Three and the Forgotten Three

Within the topic of underrepresented communities, Gender, Ethnicity and Sexual Orientation have started to receive substantial attention. While it is far from a job done, there is some good evidence of progress being made across all three dimensions. However, it is also important to highlight the three “*forgotten topics*”, those of Socio-Economic Characteristics, Disability and Age Discrimination. These equally significant topics have yet to receive a similar focus and as such, with them we are barely scratching the surface on the issues faced and the possible ways we can combat them.

The Macro vs Micro Lens

There has been an overarching theme when looking into the issue of Ethnic Diversity that companies tend to focus their energy on the macro-level insights. While problems can certainly be identified when looking at these aggregate statistics, one HR leader highlighted that “it is impossible to understand the full picture unless the micro level is embraced as well”. Indeed, when delving deeper into the organization and really looking into the lived experiences of employees, it paints a more pronounced picture of the array of issues being faced. One HR leader commented that “by looking at Ethnic Diversity through this different lens and discovering the micro aggressions faced, only then can companies generate meaningful change”.

Looking at DEI Holistically

When looking at how to approach issues surrounding DEI, many companies have shown a tendency to “*box topics into categories*” by focusing on one aspect at a time, such as Gender Diversity. While this specific topic may have been the first to gain serious attention, this method of focusing on each topic separately only serves to create a narrow view of the many challenges being faced. Instead, the HR leaders agreed that it is “far more useful and interesting to look at the ‘root causes’ when delving into DEI issues”, as this has led to a far more nuanced understanding of what employees are facing and has opened up the conversation to more complex issues, such as privilege. This holistic view has fostered a more inclusive way of looking at DEI and brought about a deeper understanding of the intersectionality of these topics, allowing companies to tackle issues by focusing on their culture as a whole rather than on distinct topics.

Psychological Safety

“Gaining the trust of employees and creating a safe environment is paramount to combatting issues surrounding DEI”, one HR leader told Egon Zehnder. Many colleagues may be concerned about making mistakes in language when talking about diversity and are simply lacking the vocabulary to be able to talk comfortably on the subject. This is particularly true of Ethnic Diversity, where some people may feel so worried about causing damage by using the *wrong* language that they then do not broach the subject at all, a silence that causes huge missed opportunities. Indeed, when implementing focus groups to look into microaggressions, one

company found it fascinating just how reticent employees were to speak up, and when they did, “the perceptions brought up were eye-opening, quite uncomfortable and a real wakeup call for the organization”.

Hand in hand with the importance of language comes the importance of data collection. At the current stage of the DEI journey, companies are unlikely to have the baseline data needed to implement initiatives to bring about real change. But how do companies gain the trust of their employees so that they feel comfortable and safe in being classified, in order to gather this baseline data? What is important to note is that data is not perfect but rather directional, and the data of “*prefer not to say*” is just as important and interesting in highlighting that there are people who are not comfortable with discussing their diversity in this manner.

Ultimately, trust is not built overnight. Trust comes from leadership, authenticity and demonstrating the recognition of people’s lived experiences. By “*holding the mirror up*” from the executive board down, companies can show just how serious they are about making change. One family-owned business described how they chose to introduce a new company value around diversity, and “with values only changing once in a generation this symbolic gesture really highlighted just how much this topic mattered to the whole business”.

Signaling intent through certain initiatives is another way in which companies have shown their commitment to diversity. While the setting of disability or ethnicity targets brings up huge debate and challenges, one company decided that they would go ahead and set these “no matter how imperfect” in order to prove to employees just how important these topics were to them.

Employee resource groups and inclusion committees – networks that focus on aspects of diversity – have become increasingly popular in the workplace today and are a sure-fire way of promoting trust across the business. These groups have gained momentum and, in some companies, are now fundamental partners to the business, working with them to define strategies and bring the employee voice to the table, making sure it is heard and is influential in decision-making.

Global vs Local

Ethnicity, in particular, does not lend itself to global action as other topics may do. While it may lend itself to global principles, country- and region-specific actions

are needed in order to drive the requisite change in their areas. One HR leader pointed out that “while the end goal may be the same, different geographies are at significantly different stages of the journey to get there and are facing starkly different challenges, even within the same company”. There is therefore a need for the mix of localization and globalization and a cultural sensitivity to go with this. That said, the pandemic has brought about one thing to use in a company’s favor, namely that “the remote nature of work has increased global interactions, which can then be mapped in order to provide a deeper understanding of the challenges being faced”.

Group Identity vs Individuality

Fostering an inclusive culture is of utmost importance, but where do we draw the line between encouraging group identity and encouraging individuality? Allowing people to maintain their distinctiveness, while also promoting a cohesive and collaborative environment, is a challenging balance that companies will have to face. This is also true in the context of new recruitment, where the “*equality vs equity debate*” is not yet formally spoken about and presents a challenge for search partners and clients alike as they try to reimagine recruitment around this. The detailed Egon Zehnder chapter on the [Reimagined Search Process can be found here](#).

The journey to a more diversely represented and inclusive culture will certainly be challenging and at times seemingly out of reach. However, the most important thing to remember is that it is not about having all the answers, so long as we ask the questions and sincerely attempt to make thoughtful progress across the full scope of DEI.

The discussion was hosted by Iva Piombini and led by Satyajeet Thakur, who recently wrote a report on the topic titled “[Ethnic Diversity: From Rapid Response to Lasting Impact](#)”.

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