

# **BECOMING A DIVERSE AND INCLUSIVE ORGANIZATION: THE CASE OF ORGANIZATION X**

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## **ABSTRACT**

Organizations focus more and more on diversity and inclusivity. The reason for this is clear: it brings benefits for society as well as for the organization. What is still unclear, is how to become a diverse and inclusive organization. In this research, this problem is investigated by taking Organization X as a case. The members of the board and the managers of the organization were interviewed and the remaining employees participated in a survey, by which the whole organization took part in this research. The results showed that Organization X has good intentions, but that they have to take it a step further in order to actually become diverse and inclusive. Their level of diversity and inclusivity can be improved by taking a holistic approach that involves the whole organization, avoiding bias in the hiring process by making it more structured, and communicating their progress on the matter to the world.

## INTRODUCTION

The world is changing and growing fast. Globalization has led to more heterogeneous organizations and cross-cultural teams. It is important to manage workforce diversity in this globalized environment, since people have many differences in terms of backgrounds, personalities, values and beliefs (Ely & Thomas, 2020). Especially in times like this, where cases of institutional racism in the Netherlands come to light (Hutten & Mustafa, 2021), organizations have a legal responsibility to make sure their work environment is safe and inclusive (Young & Jones, 2019). Organizations are starting to see the need and the benefits of diversity and inclusivity, and are therefore increasingly integrating these topics in their organization (Kuknor & Bhattacharya, 2020; Bernard, 2019).

However, increasing diversity does not increase performance by itself. Organizations should not only recruit underrepresented people, but also use their knowledge and experiences as resources for learning. It is important that employees feel included, and that they have the power to have an influence and make contributions (Ely & Thomas, 2020). They should believe their position in the organization is important and that their unique personal characteristics are valued. This has a positive effect on trust, satisfaction, employee engagement, and commitment (Brimhall, 2019). For these reasons, organizations should hardwire diversity, equity and inclusivity into all of their business processes (World Economic Forum, 2021).

This requires business leaders to embrace a broader vision of success. It is not just about maximizing shareholder returns anymore; it is also about learning, flexibility, creativity, innovation, equity, and human dignity (Ely & Thomas, 2020). Leaders can foster an inclusive organizational climate by seeking input from all organizational members, no matter their job position, job responsibilities, or educational background, and encourage them to take initiative and participate. It is about engaging others (Brimhall, 2019). Qi, Liu, Wei and Hu (2019) call this 'inclusive leadership' and confirm that this leadership style stimulates innovative behavior among employees.

The reason why it is important for organizations to be more diverse and inclusive is quite clear: it has positive effects on employee and organizational performances. What is less clear, is how

diversity and inclusivity within organizations can be increased and improved. This is also the struggle of Organization X, the case organization for this research.

Organization X is a supply chain director that provides sustainable packaging. Currently, they mainly pursue a double bottom line, by focusing on ecological and economic goals. To create the triple bottom line, more social goals need to be integrated (Belz, & Binder, 2017). Organization X formulated four impact statements that they want to achieve in 2026. One of those statements is that “all employees of Organization X are contributing to continuous improvement and propagation of sustainable business operations”. A subgoal of this statement is that “Organization X wants to create a diverse and inclusive organization in terms of leadership, background, gender etc.” To achieve this, there are still many steps to be taken. Organization X formulated a diversity policy a while ago, but it is not finished nor implemented yet. The organization really wants to be more diverse and inclusive, that is why they dedicated one of their goals to it. They understand why it is important, but they do not know which steps to take to achieve this.

The research question that is going to be addressed in this research is:

*How can Organization X increase their level of diversity and inclusivity within the organization, and what are the potential benefits?*

In order to answer this research question, a qualitative research method is used. Specifically, a case study approach is used, where Organization X is the case. Data is collected through a week of field work, semi-structured interviews with the management and board members of Organization X, and a survey among the remaining employees. With the results of this research, Organization X can take further steps towards being a diverse and inclusive organization. This is also relevant for other organizations in the wholesale distribution industry, and the Human Resources field.

This paper consists of five chapters: introduction, theory, method, results, and discussion. The purpose of the introduction is to introduce the topic of this research, show what is already known and why it is necessary to do further research on this topic. After the introduction, the theory

provides a deeper understanding of the relevant literature. The method section explains the method that is going to be used to answer the research question. The results section presents the findings of the interviews and the survey. Lastly, the discussion interprets these results and provides recommendations.

## **THEORY**

Since diversity and inclusivity are the center of this research, these topics are further explained in this theory section. First, the topics are defined, to clarify what ‘diversity’ and ‘inclusivity’ means for organizations. The importance and challenges of both topics is discussed as well. Second, this section describes the potential benefits of diversity and inclusivity in organizations, and third, which steps to take towards a diverse and inclusive organization. Finally, the theory is summarized by using a theoretical framework.

### **Diversity in the organization**

***Definition.*** Diversity is about the differences and similarities that exist in a collective mixture. These differences and similarities can be demographic in nature, but they can also represent behavioral variations (Hasan, 2019). Diversity has four main fields: personality (e.g. skills, abilities, traits), internal characteristics (e.g. gender, sexual orientation, race, ethnicity, intelligence), external characteristics (e.g. nationality, religion, culture, marital status), and organizational characteristics (e.g. position, union, department). While part of these are determined by birth, others can be changed over time (Handayani, Udin, Suharnomo, Yuniawan, Wahyudi, & Wikaningrum, 2017). A diverse workforce is where individual differences are recognized, understood and accepted regardless of gender, age, class, physical ability, race, ethnicity, sexual orientation or spiritual practice (Tamunomiebi, & John-Eke, 2020).

***Importance.*** Currently, organizations do not show a realistic image of society. For example, senior leadership teams do not reflect the actual racial diversity, and women are still not represented in executive teams (Sims, 2018). Representation matters; not only in social media or in schools (Gershenson, Hansen, & Lindsay, 2021), but just as much in organizations. If people from underrepresented groups see that people that look like themselves are in leadership positions, they will get the feeling that their group has the possibility and ability to lead. In spite of that, the numerical presence of a group in an organization does not necessarily mean that there is also equal representation (Pinna, 2021), which is a challenge that comes with inclusivity.

**Challenges.** A challenge that comes with diversity is that it needs to be well managed. If diversity is not well managed, it may cause misunderstanding, suspicion, or discrimination (Tamunomiebi, & John-Eke, 2020).

### **Inclusivity in the organization**

**Definition.** Inclusivity is about providing equal opportunities for members of socially marginalized groups to participate and contribute, while simultaneously providing the members of non marginalized groups with opportunities. Employees should be supported in being their authentic selves and engaging in all organizational levels (Shore, Cleveland, & Sanchez, 2018). “In inclusive environments, individuals of all backgrounds – not just members of historically powerful identity groups – are fairly treated, valued for who they are, and included in core decision making” (Nishii, 2012). An inclusive organization is one that: values and uses differences on an individual and intergroup level within the workforce; works together with and contributes to its community; mitigates the needs of disadvantaged groups in its environment; and collaborates with people across national and cultural boundaries (Mor Barak, 2000).

**Importance.** The Optimal Distinctiveness Theory by Brewer (1991) may help to explain why inclusivity is important for organizations. According to this theory, human beings have two opposing needs. First, individuals have a need for differentiation. They want to be recognized for their unique personal attributes, and they want those personal characteristics to be regarded as positive differences in groups. Second, individuals have a need for inclusivity. They want some commonality and similarity among members of the group, to feel a sense of belonging (Leonardelli, Pickett, & Brewer, 2010). Inclusivity is important for everyone, but especially for those who have been excluded historically (Winters, 2014). Employees who are members of groups that have a discrimination history (e.g. women, people of color, LGBTQ, individuals with disabilities and more) may still experience exclusion from certain opportunities such as promotions, human resource investments, or decision making (Mor Borak, 2005). This is because it is less clear what organizations do for those individuals after they are hired (Shore, Cleveland, & Sanchez, 2018). It is important to be inclusive as an organization, since exclusion can have negative effects on psychological as well as physical health (Jones, Peddie, Gilrane, King, & Gray, 2013).

**Challenges.** Some people are still excluded from society, in the Netherlands as well, from the labor market to the housing market to education and more. However, the Dutch refuse to acknowledge this and claim they are color-blind, but what they actually do with this claim is denying racist feelings and harmful policies (Rose, 2022; Hutten & Mustafa, 2021). “Ignoring racial inequalities reproduces the very same racism that color-blindness claims does not exist” (Rose, 2022). Besides, Dutch people keep speaking about minorities as ‘the other’ or call non-white people ‘allochtonen’, which does not contribute to the actual inclusion of minorities. At best, they are tolerated, but in reality they are rarely seen as full members of the Dutch society. They are not considered ‘the same’ because people fixate on the part that is different and assume a lack of competences (Ghorashi, 2020; Rose, 2022). This shows in things such as the ‘Toeslagenaffaire’, an example of institutional racism, where a lot of people were wrongly labeled as fraudsters by the tax authorities, especially certain nationalities. Schuurmans (2021) believes that this is no outlier, but merely shows the weak spots in the system. According to Hutten and Mustafa (2021) we need to let go of a color-blind analysis and recognize that institutional racism still plays a role in Dutch legal practice today. Talking about diversity and inclusivity is a step in the right direction. Unfortunately the discussions about diversity and inclusivity have been limited to the ‘good intentions’ of organizations and institutions to become more diverse and inclusive, without taking it into practice. There still is a lack of cultural diversity in organizations and institutions, while at the same time the awareness of and calls against structural racism are growing. It is time to be critical and take the actions towards the inclusion of diverse groups beyond the ‘good intentions’ (Ghorashi, 2020).

### **Potential benefits of a diverse and inclusive organization**

Besides the benefits of diversity and inclusivity for society, there are multiple benefits for the organization itself as well. Researchers have found that diversity leads to higher-quality work, better decision-making, and greater team satisfaction (Ely, & Thomas, 2020). Besides this, diversity encourages creativity, flexibility and innovation (Handayani et al., 2017), which eventually leads to development and growth for the organization (Hasan, 2019). Further advantages of diversity in business are a wider labor pool, a wide customer base, and a positive image (Tamunomiebi, & John-Eke, 2020; Handayani et al., 2017). However, not all kinds of

diversity are related to performance. Moon and Christensen (2020) found that racial diversity is significantly related to organizational performance, while gender and age diversity are not (Moon, & Christensen, 2020). While all the benefits described above are centered around diversity, purely focusing on diversity is not adequate for improving organization performance. Leaders must also focus on inclusivity, in order to actually benefit (Sabharwal, 2014). Where a diverse workforce may provide the opportunity for greater innovation, it is unlikely that an organization benefits from it without focusing on inclusivity (Offerman, & Basford, 2014). This does not come as a surprise. When employees feel they are treated equitably, they are better able to reach peak performance, engagement and work quality (Robinson & Souppa, 2021). So, even though inclusivity is harder to achieve than diversity (Winters, 2014), the focus should be on both. Not only because of performance benefits, but also because diversity and inclusivity play a powerful role in shaping reputation (Young, & Jones, 2019) and customer relation (Mor Borak, 2000). The study of World Economic Forum (2021) shows that consumers have an increasing demand for ethical products. The past two years, this demand has risen by 40%. Besides this, consumers are six times more likely to keep supporting a company in the event of a misstep whenever they believe the company has a strong purpose (World Economic Forum, 2021).

On the other hand, there are also authors who claim that diversity does not always bring benefits to the organization, such as Jackson and Joshi (2011). They believe it can increase conflict and turnover, which negatively affects cohesion. Bernard, Anandan and RaviKumar (2019) explain that this is only the case if diversity is not managed properly. Besides, conflict does not always have to be something negative. Paletz, Miron-Spektor and Lin (2014) described that it depends on someone's cultural meaning whether that person sees a social interaction as a conflict and feels threatened by it. Conflict can be managed to anyone's benefit by understanding the possible differences in the cultural meanings of individuals (Paletz, Miron-Spektor, & Lin, 2014).

### **Becoming a diverse and inclusive organization**

The biggest challenge for organizations does not particularly lie with acknowledging the importance of diversity and inclusivity, but with actually integrating the topics in the organization. Çelik (2021) performed a study at the Dutch government in terms of diversity and



inclusivity. This study shows that an important bottleneck why diversity and inclusion policies and initiatives are not successful is that the interventions are intertwined. It is essential that the distinction between diversity and inclusivity is made, since more diversity does not necessarily lead to more inclusivity. The study resulted in a roadmap towards more diversity and inclusivity, consisting of four steps. The first step is to formulate an unambiguous vision on diversity and inclusion and involve the entire organization in the approach. It is important that leaders play an exemplary role in this (Çelik, 2021; Gallegos, 2014). The second step is to strengthen the inclusive culture. For example by offering training that includes diversity and inclusivity (Çelik, 2021; Robinson & Souppa, 2021), by making the inclusive organizational culture and inclusive leadership fixed parts in the employee satisfaction survey and by formulating competencies related to diversity for employees and managers to discuss in their performance appraisal (Çelik, 2021). The third step is to invest in inclusive leadership. Leaders play a crucial role in the recruitment and retaining talent, and should therefore promote an inclusive culture (Çelik, 2021; Gallegos, 2014; Shore, Cleveland, & Sanchez, 2018; Qi, Liu, Wei, & Hu, 2019). According to Brimhall (2019) engagement of all members of the organization is key. The fourth and last step of the roadmap is to promote diversity at the top (Çelik, 2021). Woods and Tharakan (2021) believes it does not stop there. Assuring that the internal organization knows about diversity and inclusivity is important, but job seekers must know as well. Besides that, it is very important to minimize selection bias. An organization may have the best intentions, but if there is unconscious bias among the hiring team, this prevents progress (Woods & Tharakan, 2021).

### Theoretical framework

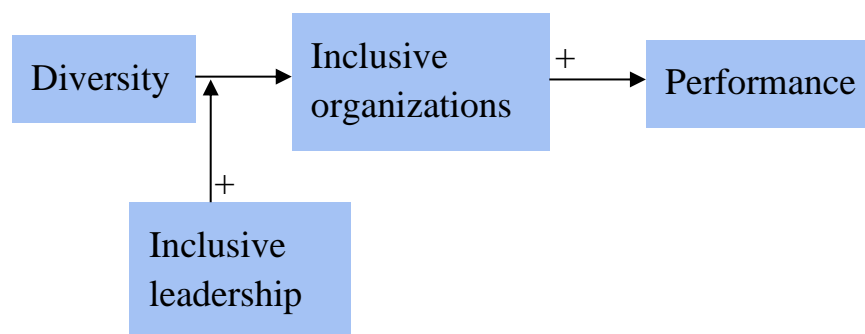


Figure 1 - Theoretical framework

To summarize, Figure 1 describes that tackling diversity in an organization may have a positive effect on the performance of the organization, for example in terms of creativity, flexibility, and innovation within the organization. However, one condition is that the organizations focus on inclusivity as well, since diversity is not going to increase performance by itself. Employees need to be included, and the leader has an important role in fostering an inclusive culture.

## **METHOD**

### **Research design**

In this research, a qualitative method is used to answer the research question. A qualitative case study employing a sequential design. This is because the research question addressed requires the collection of non-numerical data. It is about concepts, opinions and experiences. Since this research focuses on one organization, and is carried out within the boundaries of this organization, a case study approach is used. This approach allows for a deep understanding of diversity and inclusivity in the work environment, which help Organization X with identifying the steps forward, and may add useful insights to the current literature and other organizations facing similar problems.

### **Participants**

The employees of Organization X were the population in this research. The board members and managers of the organization were the sample for the interviews, and the rest of the organization was the sample for the survey. Organization X currently has three board members, eight managers, and 59 employees. The board members and managers were invited to participate in the interview via mail, which led them to a Google Sheet form where they could pick a date and time that was most convenient for them. All of them participated in the interviews, and read or signed the informed consent form with additional information (Appendix B). The employees were invited to fill out the survey via the internal communication system of Organization X and were also encouraged to fill out the survey by their managers. Eventually 41 employees participated in the survey.

### **Data collection**

Data was collected through four days of fieldwork, eleven online semi-structured interviews, and an online survey. The four days of fieldwork were meant to get to know the organization and the people who work there. It took place from the 11th until the 14th of April. During each day I

made field notes (Appendix A) of the information I received and the experiences I had. This formed the basis of the interview and survey questions.

The interviews with the board members and managers of Organization X were semi-structured. The interview questions were based on the topics discussed in the Theory section, but also partly on the diversity and inclusivity questions of the B Impact Assessment (Appendix D), which is a tool that organizations can use to measure their impact (B Lab, 2022). I prepared an interview guide with these questions (Appendix C), but there was room for some flexibility in the wording or order of questions during the interview. The interview guide allowed for grand tour questions and floating prompts, since the answers to these questions often provide a lot of valuable information (Leech, 2002). Furthermore, the interviews were held online, which on the one hand saved a lot of travel time and costs, but made the interviews less personal on the other hand.

After the interviews, further data was collected via an online survey, to get a better understanding of the employees' view on diversity and inclusivity within Organization X, so the whole population was investigated. The questions were partially based on the interview results, but also on scientifically proven diversity and inclusivity questions (Appendix E) from the tool that is used to measure employee satisfaction named 2daysmood. The survey (Appendix F) was spread via Google Forms, because it is easy to use. The organization works with Google Forms as well, so the participants were already familiar with this environment.

### **Data analysis**

The data that was obtained from the interviews was analyzed by recording, transcribing, and coding each interview. Each interview was recorded with the recording app on the phone. The initial plan was to make a back-up recording with Google Meet, but unfortunately this is no longer possible for free. The recording was used to literally transcribe the interviews, so the transcripts show exactly what the participant said. For this part of the analysis, oTranscribe was used to ease the process. After this, the transcripts were coded with ATLAS.ti, which is a useful software for building coding frames. These steps of analysis took place after each interview. Saturation happened after interviewing every board member and manager within Organization X. This is when there was no new information possible.

The results of the survey were analyzed by first reading all the answers that were given by the participants. After this, all the data was transferred to Excel, since this is a useful tool to make calculations and transform data into graphs. The scores given by the respondents in the survey, were used to calculate averages and visualize this information by transforming it into graphs. Other answers such as explanations and suggestions were summarized where possible and transformed into tables.

### **Ethical Considerations**

The following ethical considerations were taken into account. First, participation in the interviews as well as in the survey was voluntary. Second, participants had to give informed consent for the interview. Before the interviews take place, the participants receive a consent form, explaining the key elements of this research and what it means to participate. Participants had to sign this form or give verbal consent during the interview. Third, participation in the survey was anonymous. Fourth, participants were able to answer with “Rather not say” or formulate an answer with the “Other, namely...” option, and have the option to explain their answer. Last, all data obtained in this research were treated with confidence and were only used for this research and not for other causes.

## RESULTS

### Motivation behind the goal

The goal regarding diversity and inclusivity was a result of an SDG workshop, where every employee who was interested could join. The goal is part of the Impact Statement of Organization X and represents the social aspect of sustainability, since the organization realized that they focused purely on the environmental side before. The interviews show different knowledge and opinions among the participants about the goal. P1 already started with a diversity policy before this topic was integrated in the Impact Statements, but this policy is unknown by most of the other managers. The board members know it exists, but they also cannot explain what it is about exactly. Most participants however do know about the current goal. About half of the participants mentioned the importance of diversity. Participant P5 said:

*“A reflection of society, of the world. Of course you want people to come and work for you from all angles and that makes your team the strongest. If you all have the same types, then yes, you can get a blind spot that prevents you from discovering everything. The more diversity, the more ideas, the more that is also thought up and the best plans arise.”*

A few other participants mentioned as well that Organization X wants to be a reflection of society. Besides this, they talked about the benefits a diverse team can bring to the organization. Different people with different backgrounds can create other dynamics and different perspectives that can ultimately help the organization go forward. P4 compares it to a football team:

*“If you only have defenders, scoring becomes very difficult.”*

However, not all participants were able to tell why Organization X wants to be diverse and inclusive. Where a few participants needed an explanation of the concepts, others knew what it was, but did not get the reason behind making it an organizational goal. P11 believes it is a nonsense goal, and explains this claim as follows:

*“I’ve always been color blind to skin color, so it really doesn’t matter to me what color someone is [...] The only thing I do have a problem with is that it is put on the agenda and that you have to give priority to someone from a different background. I also think that is reverse discrimination towards others and I am very strongly against that.”*

P2 and P7 also believe it should not be a goal in itself, and that it is mainly important to look at someone’s capabilities, in order to be able to hire the best person for the job. So, Organization X has implemented the diversity and inclusivity goal based on the SDG’s, but it is not yet clear to everyone what this means or why it is important.

### **Perception of a diverse and inclusive organization**

According to the participants, a diverse organization is again a reflection of society, and consists of different people with different genders, ages, backgrounds, and in different positions. This includes working with people with a distance from the labor market or refugees. P1 mentioned:

*“Ideally some kind of balanced organization of young people, old people, man, woman, people of different origins, cultures, different norms and values, people with disabilities.”*

The participants describe an inclusive organization as an organization with an open culture and a safe working environment, where people are not judged on their appearances, employees are allowed to express themselves and make mistakes, and where people collaborate with each other. P7 describes this as:

*“An organization where everyone is welcome.”*

### **Current situation according to the board members and managers**

***Progress towards the goal.*** Most participants state that they believe Organization X is on the right track, but that they are not there yet. Inclusivity is rated higher than diversity. Four

participants state that they believe there is no discrimination in the organization. P4 for example said:

*“I do not believe that there is discrimination within our organization, but I also realize very well that in the position where I am [...] it might take a little longer for those kinds of signals to reach you [...] And for that you need an organization in which everyone feels safe and comfortable enough that if someone is confronted with this, they will report it.”*

When it comes to diversity, some participants believe the organization is already diverse, while others acknowledge that the board consists of three white men, that it is not well distributed in management positions, and that most of the employees within Organization X are Dutch white people.

***Underrepresented groups.*** The employee pool of Organization X mainly consists of Dutch people. There are a few Belgian people and a handful of people with an underrepresented origin, such as Moroccan or Chadian. There is one person from the LGBTQ+ community. Besides this, there are a few people with a distance to the labor market, who joined Organization X via an organization called De Risse.

***Hiring process.*** The hiring process starts with the manager. Once someone is needed, the manager determines the competencies and draws up a profile in collaboration with the HR department. This goes to the recruiter, who looks for candidates, screens them and reports back to the HR manager. Potential candidates are invited to an interview with the concerned department manager and someone else. It depends on the situation who the second person is. In general, candidates have three interviews.

***Hiring criteria.*** In job interviews, the managers look at skills and competencies, but also at attitude and behavior. Someone needs to be able to work in a dynamic organization, where no day is the same, and should have some affinity with sustainability. Besides this, it is important that someone knows what they are good at and where they need help with. It is not a



precondition that someone needs knowledge about the function. What is more important, is that they have the motivation to do the job, and are willing to develop themselves. P3 explains:

*“What is also important is that people have an active view of what the work entails and that they can also think along about that extra step, which we often expect, that they can shape it and that they also enjoy doing it.”*

Furthermore, most participants mentioned that they find it important that someone fits with their leadership style and the team. P7 thinks this is a bit tricky to say, and rather thinks you should look at someone’s strength. However, P11 strongly believes a new employee should fit into the team, and even mentioned that some beliefs do not match with the current team. P11 explained it as follows:

*“I should hire someone because you can't exclude anyone, while someone holds a belief where exclusion and women's oppression is quite central [...] and I can't accept that.”*

Still, everyone gets a chance in the beginning, P11 added. On the other hand, P6 believes that basically everyone can fit in. So, that is something the participants do not yet agree upon.

**Organizational culture.** The organizational culture within Organization X is dynamic, open, informal and flat. That is how most participants described it. Employees are allowed to make mistakes and have opportunities to develop themselves. Although, the culture is a bit different in the warehouse downstairs, according to P10:

*“People upstairs think a lot more about it. But they are also behind their own laptop and if they have five or ten minutes, they will also go to that knowledge platform about sustainability, what else can I do and things like that [...] People downstairs are busy with completely different things.”*

Some participants said there have been disagreements or even conflicts within Organization X, but that they have never gotten out of hand. In general it is solved quickly and no-one takes it

personally. Managers P3 and P8 even see it as something positive, to learn from or put you in a different line of thought.

***Involving employees.*** Employees within Organization X are involved in different ways, according to the participants. Organizational wide there is an email address to which employees can send new ideas. Each quarter this is reviewed by the board, and the person with the best idea gets a price. At the department level, every manager makes use of stand up meetings at least once a week, where employees can share ideas and ask questions. They all see this as something quite important. For example, P2 said:

*“It's ridiculous to hire people and then tell them what to do. I'd rather have my team members tell us what to do. They are the specialist.”*

This is why most participants try to encourage their employees to think along and come up with new ideas. They try to involve them in decision making, but employees have to be a bit assertive in this, and sometimes there are also decisions that need to be made by the manager. P1 on the other hand is a bit more skeptical and believes that the management's perception is different from reality.

***Measuring employee satisfaction.*** Employees get the opportunity to choose a smiley that represents their mood, in the tool 2daysmood. The managers review the results and take this into account in the stand up meetings. This is not the only way employee satisfaction is measured. Managers try to keep in touch with their employees by having one-on-one conversations about how they feel and what they need, or by walking around the department or drinking coffee or smoking together. It is mostly informal. However, P8 mentioned it has to do with trust as well:

*“Everything stands and falls with the honesty of the person sitting opposite to you. To what extent does this person want to express themselves fully to you?”*

When employees do not want to discuss something with their manager, they can go to someone else or HR or to the confidant.

### Current situation according to the employees

Figure 2 shows the average results of the survey for question 3 and 10. These questions asked the respondents how diverse and how inclusive their department is. As is visible in the figure, diversity within Organization X scores an average of 7,10 and inclusivity an average of 7,44. Appendix I presents more detailed information about these scores, such as the distribution of scores between departments, age groups and genders.

There are two outliers in the scores of question 3, about diversity. One respondent gave a score of 1, with the explanation that there is only one person in his department, himself. A respondent from the Sales Retail department gave a score of 2, and commented: *“little diversity”*. The other scores have a range between 5 and 10, with 7 as the most chosen answer.

Question 10, about inclusivity, has two outliers. Two respondents gave the inclusivity in their department a score of 1. A respondent from the Warehouse commented: *“We’re not involved, does not seem necessary to me as well”*, and the other respondent is the one with only one person in his department. The other scores have a range between 4 and 10, with 8 as the most chosen answer. There was one respondent who gave a 4, who explained that there is a separation between the office and logistics.

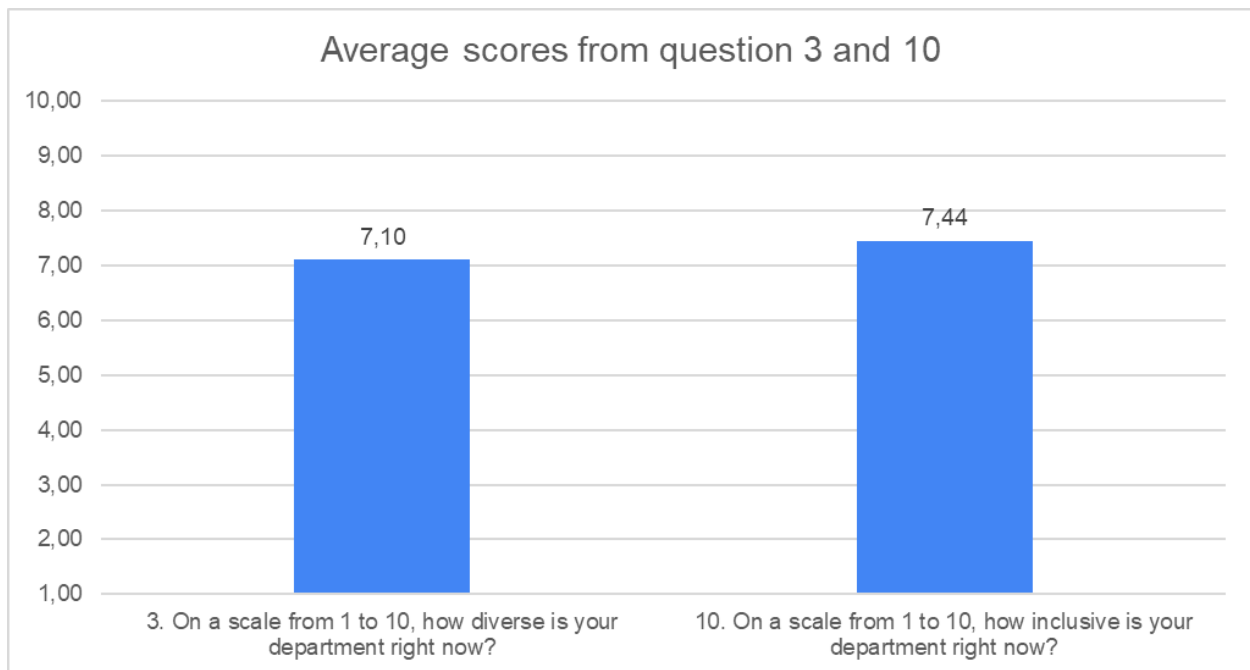


Figure 2 - Survey results question 3 and 10

Figure 3 shows the scores for the questions 4 to 8, about diversity topics, and 11 to 14, about inclusivity topics. What stands out, is that question 11, about involvement in decision-making, has the lowest score, while inclusivity in general scored quite high. In this question seven employees chose a score of 2, whereas in other questions this number is chosen by a maximum of three employees. These seven respondents are from the Sales Retail and Warehouse department. Four of them provided an explanation of their score: 1) there is a top-down structure, 2) not clear if the manager uses the input while making the decision, 3) it is unclear when decisions are made, the evaluation is missing, and 4) bad communication about crucial points such as wage changes.

The second score below a 4 is from question 8, about openness to more diversity. Something that is mentioned frequently in the explanation, is that it is not about someone's origin, but about capacities and qualities. One respondent mentioned that more diversity may not be at the expense of quality.

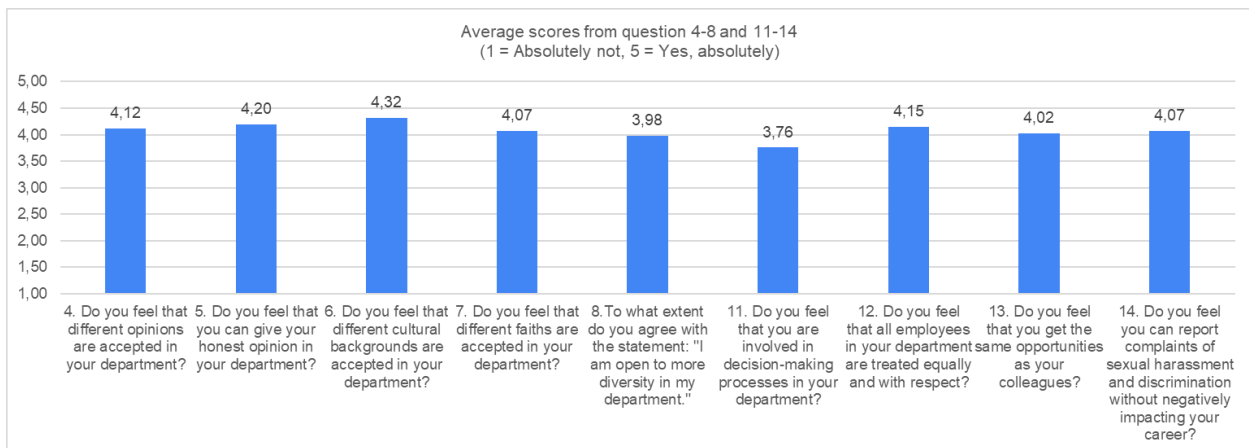


Figure 3 - Survey results question 4-8 and 11-14

Figure 4 shows the results for question 16 of the survey, which is about discrimination. The results show that 12% of the respondents have ever felt discriminated against in their department. Figure 5 shows that 40% of these respondents felt discriminated against based on their handicap or chronic condition, 20% based on their gender and 20% based on their age. Only 40% reported these feelings.

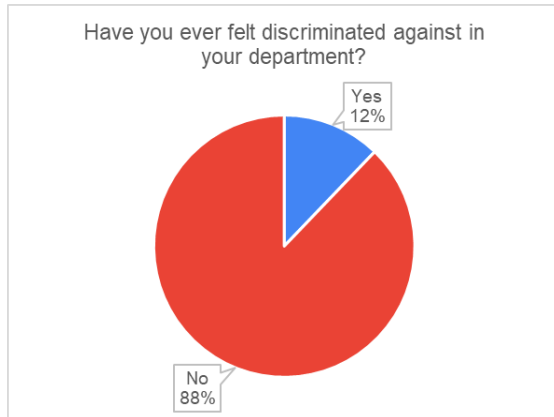


Figure 4 - Survey results question 16

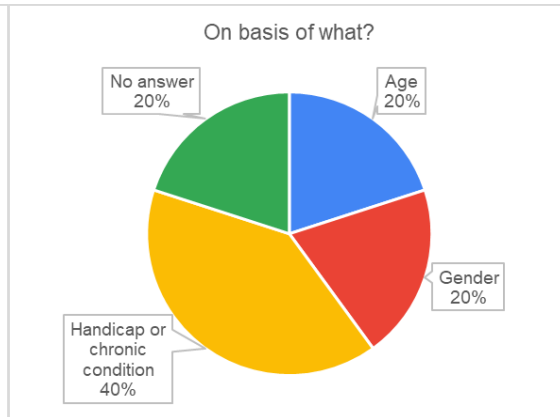


Figure 5 - Survey results question 16a

### Steps forward

**Interviews.** The participants mentioned a few things that Organization X can do in order to become more diverse and inclusive. According to P3, the focus should be on the policy, in which management is challenged to go for people who are currently less in the organization. With this, it is important that you name the WHY of the Simon Sinek circle in the right way, he mentions. P5, P7 and P10 believe that Organization X should express themselves more and share about the organization and about what they are doing with the outside world. P5 said:

*“I think it can reinforce each other, so if you are inclusive and ensure that people are allowed to be open to or allowed to think along, can talk, say, be enterprising. Then at some point you just attract people who might be a little more diverse and might also think differently.”*

Besides communicating externally, P8 and P9 see opportunities inside the organization. For example in encouraging employees to share ideas more often and in collaborating more with each other. Here, management has a major role in creating an environment that is and feels inclusive for people. An important aspect, but also a challenge of this is that you need to go beyond assumptions. People very quickly look for more crosses instead of more checks when they have a bad association with someone. P1 mentions:

*“I think the trick is to look at each person with an open mind and also get the positive things out of that, apart from the experiences you've had.”*

This means no judging, no filling things in yourself, but looking at someone’s qualities.

**Survey.** In question 9 and 17 the respondents were asked to write down what can be improved in terms of diversity and inclusivity in their departments. The results for improving diversity are presented in Table 1, and the results for improving inclusivity are presented in Table 2. In both questions, a lot of respondents answered with “no idea” or “nothing”, but a few respondents wrote down some points.

<i>What can be improved in your department in terms of diversity?</i>	<i>Employees</i>
More women, cultures, and/or people with another background/color	3
More diversity (i.e. a woman, someone of color/with another background) in the management team, board and/or sustainability team	2
More room and time for guiding diversity	1
Make different topics related to diversity more open for discussion	1
More diversity leads to better and different perspectives	1
There are no differences in origin or beliefs and there is a male in the leading position	1
Be aware of each other	1
Don't overdo it, not to many people from social workplaces	1
Look at motivation and skills	1
Nothing/already diverse	13

No answer/idea	17
Total	41

*Table 1 - Improvements for diversity*

<i>What can be improved in your department in terms of inclusivity?</i>	<i>Employees</i>
Ask colleagues for advice/ideas more often	1
Ask more for people's opinions with operational decisions	1
Listen more to each other, why people take certain actions	1
Communication is important, give more compliments to each other	1
Make different topics related to inclusivity more open for discussion	1
Will be difficult, it also has to do with culture. People from [place] don't easily have an opinion with the leader	1
Improve diversity/inclusivity in MT and the board	1
Rotation of work, is better now than before	1
Nothing/already inclusive	12
No answer/idea	21
Total	41

*Table 2 - Improvements for inclusivity*

## DISCUSSION

Organization X wants to be a diverse and inclusive organization, because they do not only want to tackle the environmental side of sustainability, but also the social side of it. The organization wants to be a reflection of society. The interviews showed that not every member of the management team or board has the same view about this topic. Where a few participants believed it was important to focus on diversity and inclusivity, others did not know what it meant or why the goal was implemented. Currently, it mainly is a concern for HR. This is a problem, since it takes the whole organization to work together in order to achieve this goal. It is important that diversity and inclusivity becomes a collective effort within Organization X.

There are two main reasons why two participants did not understand the motivation behind implementing the goal. First, they believed that they were already color-blind. It is interesting that this term popped up in the interviews, given that the theory I read about this explained that being color-blind should not be the goal. Ignoring racial inequalities actually reproduces racism, instead of reducing it (Rose, 2022). Second, they said it should mainly be about someone's capacities and qualities, not about their skin color or ethnicity. This was not only mentioned in the interviews, but also in the survey. There, some respondents said they were open for more diversity, but it should not be at the expense of quality. This somewhat aligns with what Ghorashi (2020) and Rose (2022) said about people assuming a lack of competencies with 'others'. One interview participant explained that people often assume things and therefore fill things in for themselves, also within Organization X. This is exactly the problem that Woods and Tharakan (2021) explained in their book, called unconscious bias. This should be avoided (Woods & Tharakan, 2021).

Two interview participants raised their concerns about positive discrimination in relation to this goal. They do not want to exclude anyone from working at Organization X, only because the goal tells them they need to get a more diverse team. They want to hire the 'right person for the job'. This concern is valid and understandable, but is not exactly what diversity is about. Hiring for diversity does not mean you should put certain people above others. It is about attracting a broader range of people to the organization, and giving everyone an equal chance of



working at Organization X. The fact that some participants were confused about the meaning of the goal, says that not everyone is equally informed or involved.

When Organization X wants to hire someone, a job vacancy is set out. The department manager determines the competencies of the person they need, and the recruiter searches for potential candidates. This recruiter also does the first screening. At this moment, there is no specific strategy for attracting people from underrepresented groups to Organization X, while this is very useful when an organization wants to become more diverse (Woods & Tharakan, 2021). Some interview participants mentioned that Organization X should communicate more clearly what they do in terms of diversity and inclusivity, to let people know they find this important and that they are working on it. This could be a step in the right direction.

The work of the recruiter is followed up by job interviews with the manager of the concerned department and HR. From what I understood in the interviews, every manager does this in his or her own way. This makes sense, considering the organizational culture of the organization, which is informal. However, according to Woods and Tharakan (2021) this informal approach elicits little useful information about future work performances and increases the likelihood of biased decision-making. Therefore, it might be useful for Organization X to make their interview process a bit more structured.

The interview participants as well as the survey respondents believe that Organization X is already doing quite well. Most interviewees said that the organization is on the right track, and this is confirmed by the average scores from the surveys. On a scale from 1 to 10, diversity got a score of 7,10 and inclusivity a score of 7,44. Still, some improvement points were mentioned, namely: 1) more diversity in the top of the organization, 2) more room and time for discussing and guiding diversity and inclusivity, and 3) less division between the office and the warehouse. The first point indicates that there is less diversity in the top of the organization, which corresponds to the theory. Often, there is great representation at the entry level, but the more senior the positions, the less diverse they become (Woods & Tharakan, 2021). The second point shows that there currently is little room to discuss these topics. The third point was mentioned by one of the interviewees, but also by the warehouse employees, who feel that they are less

involved in decision-making. To come to a diverse and inclusive organization, it is important that Organization X takes the needs of their employees into account.

By improving upon all the points mentioned above, Organization X will increase their level of diversity and inclusivity. The participants already see some benefits in this, such as more ideas and different perspectives, which will lead to more innovation. This is what the theory describes as well. Woods and Tharakan (2021) add to this that it may also lead to new opportunities, because you see where the organization has been limiting itself, how to surpass these limits, and how to reach new customers. These are the potential benefits for Organization X. Benefits that are especially useful for an organization with the intention to internationalize.

## **Recommendations**

There is no “one size fits all” approach when it comes to diversity and inclusivity. Therefore, Organization X should mainly focus on what is best and most natural for their organization. To do that, I recommend the following:

- To make diversity and inclusivity a collective effort, Organization X needs to start with a unified definition of diversity (Çelik, 2021). This definition should emphasize that it is not just about growing diversity, but also about inclusivity, about ensuring that Organization X is a place where people feel empowered and included. As Woods and Tharakan (2021) said: “Diversity without inclusion is like being invited to the party but not having a seat at the table”.
- To avoid unconscious selection bias, Organization X should anonymize candidate information, train their team and structure their process, and use objective hiring assessments (Woods & Tharakan, 2021).
- To eliminate confusion about the diversity and inclusivity goal of Organization X, the team should be part of building the goal. They should be asked about their vision, what they believe needs to change, and how they can contribute. A holistic approach. With this, it is important that the goal is realistic and that progress is measured. Only when the entire team has a common understanding and a shared sense of responsibility, will it become a movement rather than an initiative (Woods & Tharakan, 2021).

- To attract people from underrepresented groups and become more diverse, Organization X should understand what representation looks like in the market, industry and location they operate in, to determine the diversity of the total candidate pool. This gives an idea of what to expect. Then, the vacancies of Organization X should reach people from underrepresented groups. If they do not know about the job, they will not apply to it. To do so, the organization should 1) let the world know about their progress towards diversity and inclusivity, and 2) empower current employees to refer underrepresented candidates for open positions. People from underrepresented groups often look for positive or representative signals about diversity. Furthermore, the job descriptions should be inclusive, and not have an overly stringent set of job requirements (Woods & Tharakan, 2021).
- The interview process should become more structured, to avoid bias. For example by choosing a set of topics to discuss in the job interviews. Determining how to structure the interview process should be a team project. By engaging the whole team, they get a sense of ownership (Woods & Tharakan, 2021).
- To answer the needs of the employees, Organization X should promote diversity at the top of the organization. As the Theory section implied, representation is extremely important there. Also, the organization should provide more room and time for discussing and guiding diversity and inclusivity. Make it open for discussion, and let employees share their views about it. This comes back to involving the whole organization again. Furthermore, the organization should let go of the idea that the office and the warehouse are two separate things, and see it as one organization working towards the same goals, who all need to be involved equally.

Lastly I would really recommend Organization X to read the book of Arthur Woods and Susan Tharakan. It provides even more information about how to create a diverse and inclusive organization.

### **Limitations and further research**

There are some limitations that arise in this research. First, this research consists of one case, which limits the theoretical generalizability. However, the case study approach allows for detailed knowledge about the organization. The strength of this research is particularization rather than generalization. Second, the interviews are held online. In online interviews, it is harder to recognize what the participant is feeling, since body language and emotions are hard to see through a screen. Besides this, the researcher has no influence on the place where the participants are during the interview. This affects the reliability, since it is preferred that the context is the same for each participant. Third, it is possible that the participants answer in a socially accepted way during the interview, which affects the validity of the research. Fourth, some questions that were asked in the interview steered a bit too much into one direction, which affects the objectivity of the researcher. Fifth, the survey contained some questions that were not applicable to all respondents, which may have caused the results to be less valid.

### **Further research options**

There are multiple ways to take this research a step further. Since this research focused on one specific case, an enrichment would be if multiple cases are included, so the results can be compared. Another possibility would be to conduct the research in bigger organizations, to see if there are any differences between small and large organizations. Furthermore, a longitudinal research could be performed, to investigate the long term effects of working towards a diverse and inclusive organization.

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