Diversity and Inclusion at the Workplace:
A Review of Research and Perspectives

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Diversity and Inclusion at the Workplace: A Review of Research and Perspectives

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Abstract
In recent years, the discourse on diversity has seen a shift to that of inclusion. While there is a rich body of research in the area of diversity, inclusion has emerged as a fairly recent area of exploration and the varied meanings and interpretations of the terms make it ripe for examining the literature on diversity and that of inclusion to offer a deeper and nuanced understanding of their meanings and conceptualizations. This review in attempting to do the same also examines the intersectionalities of leadership with diversity and inclusion, and offers insights for taking the research forward.
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Diversity and Inclusion at the Work Place: A Review of Research and Perspectives

Introduction

Having a diverse workforce is increasingly being recognized as instrumental in improving the firm’s performance, and also an imperative that organizations can no longer choose to ignore. It is well recognized today that diversity adds both tangible and intangible value, even if it requires working through the issues and costs that sometimes accompany it. What we see today is the discourse increasingly shifting to one of inclusion, over and beyond that of diversity.

Empirical studies on organizational practices of inclusion are somewhat limited, barring a few [1, 2]. This is understandable since inclusion has only recently entered the lexicon of popular discourse. Areas of organizational practices for inclusion have been related to recruitment and selection, training and development and socialization activities like meals and parties [1]. A more encompassing examination of sustained inclusive practices, approaches and measures is still largely missing.

Perceptions of inclusion are often referential to an assumed mainstream in an organization. Few studies have looked at the experience of inclusion from the point of view of the privileged in the equation [3]. Fewer have examined inclusion from the point of view of other less common demographics of interest in the diversity literature, such as that of migrants [1].

Scope and Coverage

This review focuses on understanding diversity and inclusion and reflecting on questions around them, in addition to clarifying the meanings and interpretations of the terms associated with it.

- What exactly do diversity and inclusion mean?
- What influences diversity and inclusion and what do we know about research regarding them?
- What are the fault lines in managing issues around them?
- What role do leadership and organizational climate play in shaping them?
Understanding Diversity

The term diversity is often used to describe:

- The composition of work groups
- Demographic differences

Emphasis on diversity focuses on the composition of work groups around factors that generally distinguishes one individual from the other, mostly in terms of observable demographic characteristics such as gender, race, ethnicity, or age, or in term of non-observable attributes such as education or socio-economic status [4, 5].

Definition of Diversity: As may be expected there are various definitions of diversity. Some of the common definitions include: ‘The mixture of attributes within a workforce that in significant ways affect how people think, feel, and behave at work, and their acceptance, work performance, satisfaction, or progress in the organization’ [6]. Diversity has also been described [7] as ‘the varied perspectives and approaches to work members of different identity groups bring’. While demographic diversity may be a visible lead indicator, diversity of thought is seen as the end game [8].

Diversity Perspectives

Initially, the business case for diversity was built on the assumption that women and minorities would outnumber the traditional ‘white’ male worker, and since this was a foreseeable future, businesses were left with no choice but to learn to manage a diverse workforce productively [9]. Organizations in the United States are legally bound to support diversity, owing in part to the US Civil Rights Act of 1964, affirmative action and equal employment opportunity [10]. Since the initial focus in the 1980s on women and people of color, the meaning of diversity has expanded to include other forms of demographics such as religious practices and sexual orientation. Diversity and inclusion in the current context encompass other invisible forms of differences among people that include factors such as educational background, functional specialties, working styles, thinking styles and even personality traits [11, 12]. Some [13] argue that when diversity efforts focus more on visual identities such as race, gender, age or disability, without addressing hidden identities emergent from differences in values, beliefs, attitudes, cultures or needs, it may actually hinder development of inclusive cultures by overemphasizing differences rather than commonalities.
Different diversity perspectives have been proposed [14, 15]. According to the typologies proposed, they can vary from a negative view of diversity marked by resistance (diversity as a threat) to more positive approaches such as -

- **Discrimination and fairness perspective** (differences problematized): Involves focus on justice and the fair treatment of all members, as a moral imperative.

- **Access and legitimacy perspective** (where differences are thought to create opportunities such as access to new markets or consumers): Based on the recognition that the organization’s markets and constituencies are culturally diverse and therefore matching the organization’s own workforce is a way of gaining access and legitimacy to those markets.

- **Learning and integration perspective** (seen as offering opportunities and providing sustained benefits in the long run): Premised on the belief that the skills, experiences and insights of diverse employees is a potentially valuable resource for learning and change, and is valued in the workgroup for attainment of its goals.

While there are very tangible reasons for promoting diversity and inclusion, and often a business case has to be made to make the argument more compelling, it is also, simply put, the right thing to do. As observed [16], there are multiple reasons for investing in diversity, not the least of which is because it is ethically and morally the right thing to do.

**Advantages of Diversity**

Diversity can provide many potential advantages to organizations. On one level it helps organizations to reach out to diverse customer groups and markets, and on another level by allowing for a variety of perspectives, it promotes innovativeness and superior work outcomes and performance.

- In one study of Fortune 500 companies, it was found that the top 25% of the firms in terms of women in senior management, actually yielded returns to their stockholders that were more than 30% higher than those of their peers [17]. Based on empirical evidence it is argued [18] that diversity does in fact pay.

- A survey in the United States [18] found racial diversity to be associated with increased sales revenue, more number of customers, greater market share, and greater relative profits. Gender
diversity was associated with increased sales revenue and customers, and greater relative profit.

- The findings that more women as board members translates to higher financial returns, was based on a study commissioned by the Times of India group [19] to examine the relationship between companies with women on their boards and profitability. Using the top Indian 100 companies as listed on the Bombay Stock Exchange, the study reports a positive impact of women representation in top leadership and as board members, on ROE.

- In a report by Deloitte it is argued that diversity and inclusion lead to improved business outcomes and diversity means more than 'just having a sprinkle of women and a dab of color' [8].

- Diversity management alone is insufficient to improve performance [20]. Inclusive workplaces characterized by supportive leadership and empowered employees is required to translate the gains. Diversity management strategies or approaches have also been criticized for not addressing the exclusion of people from different identity groups and their limited access and participation in the organization [21].

- A Deloitte report observes that if just 10% more employees feel included, the company will increase work attendance by almost one day per year per employee [22]. The report also found that when employees think their organization is committed to and supportive of diversity and they feel included, they report better business performance in terms of their ability to innovate, responsiveness to changing customer needs and team collaboration.

- A catalyst report found that in India, employee perceptions of inclusion accounted for 43% of team citizenship behavior [23]. Organizations need to rebalance their focus on inclusion rather than prioritizing only diversity, to fully unleash the potential of diversity.

**Linkages to Success**

- A Forbes report [24] found that diversity was a key driver of innovation and critical for success of organizations on a global scale. The results indicate that diversity is crucial for encouraging different perspectives and ideas that foster innovation.

- There is also evidence to show that diversity can be directly linked to financial performance [25]. A recent study [26] examined the relationship between gender diversity and financial performance at the business-unit level, using more than 800 business units across two
organizations from different industries. The study found that employee engagement and
gender diversity independently predict financial performance at the business-unit level.
Employee engagement served as a moderator of the diversity performance relationship. The
basis for such findings is the notion that men and women bring different viewpoints, diverse
market insights and broader repertoire of skills for problem solving and innovation [25, 27, 28].

- Diverse organizations are thought to offer opportunity for greater creativity, innovation,
financial performance, organizational adaptability, better problem solving and information
processing, employee retention and enhanced profit and corporate image [27, 26, 29, 30, 31,
32].

- The link between heterogeneity and desirable work outcomes has been shown to be even more
important when the work involves tacit knowledge such as those of knowledge workers [33],
given that possessing of knowledge is not the privilege of any one group/race/individual.

**Negative Outcomes of Working with Diversity**

In certain cases diversity training could have some unintended consequences. As some rue [13],
backlash may occur in diversity training because of an overemphasis on differences and it could
strengthen stereotypes about minority group members. Research has also linked diversity to negative
outcomes such as personnel issues, costs due to harassment and discrimination, lower commitment,
inhibited decision making and turnover [34]. Demographic diversity has also been frequently
associated with a few negative group outcomes such as higher levels of conflict [35].

- Some scholars [36] point to the inadvertent creation of distinct categories for the sake of
diversity management. Intersections of multiple identities at work in organizations may be
ignored.

- Another study [37] shows how typecast “diverse” employees have been placed in positions of
lower power and status than those enjoyed by others in the organization. In other words,
diversity has a flip side too and diversity management runs the threat of becoming a means for
creating and perpetuating distinctions rather than seeking assimilation and integration.

- Studies have reported that female and racial ethnic-minority employees in the United States
are more supportive of organizational diversity initiatives than their White male counterparts
[38]. This leads to greater polarization in the work groups.
Common Diversity and Inclusion Initiatives

- The most common diversity and inclusion initiative has been diversity training and several studies have tried to assess the impact and correlates of success for it [39, 40].

- Gender diversity programs are one of the most common areas of focus [24], followed by programs focused on ethnicity, age, and race. The Forbes report also observes that Asia-Pacific companies were more likely to have programs that focus on age and nationality, and European companies were more likely to look at disability or sexual orientation as a basis for diversity.

- Other initiatives include demographically targeted recruitment and mentoring.
Understanding Inclusion

From Diversity to Inclusion

Diversity and inclusion have predominantly been studied from an Anglo-Saxon perspective and most of the studies have originated in the West, studied predominantly from the point of view of gender and race. There are limited studies [41] that have explored the meanings and conceptualizations of diversity and inclusion in other countries and nationalities.

Several researchers also call for a shift in emphasis from workforce diversity to workplace inclusion [6].

Distinct but Interrelated Concepts

- While diversity focuses primarily on demographic makeup of groups and organizations, inclusion emphasizes encouraging participation and moving beyond merely appreciating diversity, toward leveraging and integrating diversity into everyday work life [5, 34].
- According to one study trying to differentiate the meanings of diversity and inclusion [5], diversity emphasized the differences and the demographic composition of groups or organizations, whereas inclusion focused on employee involvement and ways to increase the participation of all employees and to leverage diversity effects of the organization.
- The inclusion literature is still under development and there appears to be limited agreement on the conceptual underpinnings of the construct [42].

Context of Inclusion in India

Research and reports on inclusion in the Indian working context are few [43, 23] with the dominant focus being that of inclusion in education [44, 45]. The Constitution of India [46] prohibits discrimination on the grounds of religion, race, caste, sex or place of birth. Equality of opportunity in matters of public employment is also laid out as a directive principle. Through the directive principles of state policy, the Constitution, as a protective measure to correct age old social, economic, political and economic deprivations, lays down that the State shall promote with special care the educational and economic interests of the scheduled castes and tribes. This serves as a protective measure in terms of reservations in educational institutions for the socially and economically marginalized segments,
much akin to the affirmative action route in the United States. While educational institutions and public sector organizations are required to recruit considering adequate representation of backward castes and tribes, in reality, discrimination and differential treatment still exist, as the Thorat Committee report on caste discrimination suggests [47]. Even with reports such as these and with safeguards built into the Constitution, discrimination and segregation continues in India, with educational institutions and organizations yet to fully implement the reforms suggested, and few speak of the need for a privilege check [48].

Some of the major categories of excluded groups in India include women, Dalits, Adivasis, Muslims and persons with disabilities [49]. It also includes other disadvantaged groups such as transgenders and bonded laborers. According to the National Sample Survey Organization report for 2012, the labor force participation rate for women stands at a dismal 23.3%, while for Muslims it is 33.8%, OBCs 40%, Dalits 41.2%, Adivasis 46%, and other social groups stand at 37.5% [50]. With a large informal sector, bonded laborers, who are unorganized, poorly paid and with little job security, are thought to comprise 10% of the labor market [49]. Bonded workers are generally blocked from changing employers in search of better work conditions, toil for exploitatively long hours against low and often irregular wages, and have very few labor protections offered as part of their employment. Although India outlawed bonded labor in 1976, through various forms of subversions, it continues to exist even today. Around 400 million workers are employed in the informal sector in India currently [50]. In other words, out of every 100 workers, 86 work outside the legal protection, social contract and security the rest of the workforce takes for granted. Thus, the meaning of inclusion takes on a wholly different perspective for those in the informal economy of which bonded labor forms a part.

A recent move by India’s supreme court in April 2014, accorded legal recognition for the first time to transgender people as a ‘third’ gender, by classifying them as ‘Other Backward Classes’, thereby allowing for their reservations in education and public employment [50]. It is one more step towards creating a more inclusive climate.

On paper, Indian laws offer women workers maternity benefits, equal pay as men for similar work and protection against sexual harassment. There are also laws for protecting against other forms of exploitation and discrimination at work. However, while there are laws for protection of minorities, the record for implementation tends to be poor as noted by some [50].
Thus, while the Indian constitution has created space for access without discrimination, and there are laws to safeguard and protect the interest of minorities, inclusion in its full form is far from being achieved. Directive principles and reports such as the Thorat report serve as guidelines and markers, but they do not necessarily translate to inclusion. Even in terms of guidelines, while there are some policy guidelines for inclusion in education [51], there isn’t an equivalent guideline for inclusion in the workplace. More importantly, the meaning of diversity and inclusion in the Indian context may well go beyond identities of gender to include class, caste, religion, language, region and location, political affiliations or other such differences, both visible and invisible. This review focuses primarily on the understanding and practice of inclusions in the organizational context.

Evolving Definitions of Inclusion

- In one of the early descriptions of the term it is described as the extent to which individuals are ‘allowed to participate and are enabled to contribute fully’ [52].
- It is also seen as ‘the degree to which an employee is accepted and treated as an insider by others in a work system’ [53].
- Varying along a continuum of exclusion-inclusion, it has been discussed as ‘the degree to which individuals feel a part of critical organizational processes. These processes include access to information and resources, connectedness to supervisor and co-workers, and ability to participate in and influence the decision making process’ [54].
- It is also seen as ‘the removal of obstacles to the full participation and contribution of employees in organizations’ [5].
- As ‘the extent to which employees believe their organizations engage in efforts to involve all employees in the mission and operation of the organization with respect to their individual talents’ [55].
- Focused on the need for belongingness, some researchers [56] define inclusion as ‘when individuals feel a sense of belonging, and inclusive behaviors such as eliciting and valuing contributions from all employees are part of the daily life in the organization.’
- One of the most widely accepted, contemporary approach to viewing inclusion defines [42] it as ‘the degree to which an employee perceives that he or she is an esteemed member of the work group through experiencing treatment that satisfies his or her needs for belongingness and uniqueness’.
Inclusion is viewed both as a process and a condition [57]. Defined as ‘an active process of change or integration, as well an outcome, such as a feeling of belonging’ [22], inclusion is thought to incorporate both an active process of change (to include) and an emotional outcome (I feel included).

Feelings of inclusion are thought to be driven by perceptions of fairness and respect, and value and belonging. In other words, when employees feel included, they would not only say that they are treated fairly and respectfully, but also that their unique value is known and appreciated, and they belong to the group. Thus, a first level of inclusion is contingent on equality and participation, where employees look at other reference groups (e.g. male vs. female) to see if the organization treats them fairly in terms of pay, rewards etc. Being valued and feeling a sense of belongingness is the uniqueness element of inclusion. What this means is that employees are also constantly checking to see if their uniqueness is being affirmed and appreciated by the group and the organization, and whether they have a voice in decision making. This then represents the second level of inclusion - about having a voice and being connected [22].

**Theoretical Underpinnings of Inclusion**

In conceptualizing inclusiveness, many researchers draw on social identity theory, optimal distinctiveness theory and the need for belongingness.

- According to social identity theory [58, 59] one’s self concept is derived from being members of specific social groups, especially those groups which have higher perceived social identities. Underlying the notion of inclusion is an individual’s need to belong to a larger social group, which in turn is related to employees’ psychological well-being [60].
- As per the optimal distinctiveness theory [61], individuals seek to be accepted by valued groups to optimize their need for belongingness and individuation [42, 62].
- Inclusion has been identified as focusing on the psychological experience of feeling accepted and treated as an insider in the workplace, while maintaining one’s uniqueness [53, 42]. Focusing on recognizing and valuing the uniqueness of diverse individuals for fostering inclusion [13] it has been called as celebrating the “me” within the “we”.
- People appear to have the two opposing needs of belongingness and uniqueness in group settings. When individuals feel too similar to other group members, they try to set themselves
Individuals can vary in their experience of exclusion or inclusion depending on the degree of uniqueness and belongingness experienced [42]. When both uniqueness and belongingness needs are met, the individual experiences inclusion. This happens when the individual is treated as an insider and also allowed or encouraged to retain their uniqueness. On the other end of the inclusion spectrum, is exclusion, where individuals experience both low belongingness and low uniqueness. That is when an individual is not treated as an insider and others in the group are more valued or included. When there is high belongingness but low value in uniqueness, state of assimilation exists. This is when the individual is treated as an insider in the work group only when they conform to organizational or dominant culture norms and downplay their uniqueness. On the other hand, where there is high value in uniqueness and low belongingness, the state of differentiation exists. Under this condition, the individual is not treated as an organizational insider but their unique characteristics are seen as valuable and required by the organization or work group. The above can be represented in a two by two matrix as shown in Figure 1 below.

<table>
<thead>
<tr>
<th>Need for Uniqueness</th>
<th>High</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Differentiation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outsider</td>
<td>OK to be different BUT Minority feels alienated/stereotyped</td>
<td></td>
</tr>
<tr>
<td>Inclusion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insider</td>
<td>and OK to be different</td>
<td></td>
</tr>
<tr>
<td>Exclusion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outsider</td>
<td>Need to fit in</td>
<td></td>
</tr>
<tr>
<td>Assimilation/ Blending</td>
<td>Minority feels need to conform, only accepted if you look/talk/think like me</td>
<td></td>
</tr>
</tbody>
</table>

**Figure 1: Conceptualization of exclusion-inclusion based on uniqueness and belongingness** (Adapted [42])
A report by Catalyst notes that being included led to greater engagement in citizenship behaviors and greater innovativeness [23] for participants across six different countries that included Australia, China, Germany, India, Mexico, and the United States. Contrary to the trend in other countries, the Catalyst research found that in India, uniqueness and belongingness were not distinct contributors to inclusion.

**The Psychology of Inclusion**

Understanding the dynamics of inclusion and exclusion is a first step towards striving for it. The need for belonging, the need for maintaining a positive social identity and the need to also retain one’s uniqueness in a wider social context, all underlie the struggle for inclusion [60, 54, 63, 42].

A social psychological perspective for understanding exclusion and inclusion has been offered by some authors [64, 65]. Prejudice, discrimination and exclusion are seen as psychological processes that influence the inclusion of employees [65]. Offering a framework for understanding social inclusion and exclusion, Abrams and colleagues [64] discuss the various psychological effects of exclusion, motives invoked by it, and potential responses and interventions to address them. The psychological effects of exclusion may vary from:

- Threat to the self-concept
- Lowered self-esteem
- Anger, frustration, and emotional denial
- Cognitive impairment

These in turn may invoke motives of:

- Need to belong
- Need for meaningfulness, validity and distinctiveness
- Need for positive self-concept
- Reputation management
- Avoidance of threat or discomfort

Responses to exclusion vary from:

- Wanting to fight back
- Attempting re-inclusion through assimilation, ingratiation, or creating new boundaries that exclude others and include the self
- Question the legitimacy or basis of the exclusion
- Expressing hostility by way of prejudices
- Withdrawing in the form of reducing contact with the source of exclusion
- Engaging in self-defeating behavior

Either way, exclusion almost always carries negative psychological and behavioral outcomes for individuals, groups and the organization in the long run. A dynamic of exclusion, emerging from anger, resentment and frustration is the triggering of further exclusion, and ultimately conflict, with excluded individuals potentially becoming aggressive and even deviant [66, 67]. It is proposed that in responding to exclusion, a person is responding to the fundamental needs of belonging, self-esteem, control and meaningful existence. Threats to belonging and self-esteem could promote efforts towards re-inclusion or reconciliation, whereas threats to control and meaningful existence could provoke retaliation and attempts to regain control over others [68]. Interestingly, it is often marginalized members who become more prototypical members of the group, as a way of responding to the threat of potential exclusion and ensure inclusion [69]. It is the need to belong that drives this behavior, whereby, those who are closest to the out-group appear to strive hardest to resist similarities with them.

Forms or modes of exclusion can also be many [64]. They can take on different forms, such as:

- Ideological or moral
- Representational
- Categorical
- Physical
- Communicative

From visible manifest segregation and communicative practices that epitomize it, exclusion can also be in more abstract forms of ideologically grounded and based on popular societal representations, that are more hard to identify. At one level, exclusion can be transnational, based on geographical, religion, national or ethnic differences. At the societal level, this can manifest in the stigmatization of certain groups of people who don’t subscribe to a particular norm, such as gay people. Exclusion could also happen at the institutional level, where basis for inclusion and exclusion get defined by different institutions. The most common level is one of intergroup and intragroup where exclusion is directed at those outside the group prototype or even those within who don’t conform or who are not deemed legitimate members. Interpersonal and even intrapersonal exclusion exist, with interpersonal referring to the inclusionary or exclusionary cognitions and behaviors that exist between people, and
intrapersonal referring to the cognitive and emotional frames of an individual that serve as a basis of exclusion, such as a white person not having the necessary mental frames to think and feel like a person of color.

Suggested interventions [64] to counter exclusion include:

- Re-categorization through common group membership
- Encouraging dual identities or superordinate levels of relationships
- Creating opportunities to build cross cutting relationships that overpower divisions
- Offering alternative opportunities for defining the self
- Limit damage by better communication and ensuring transparent processes and justice

Exclusion that emerges from discrimination and bias starts with the categorization of others as members of one’s own group (ingroup) or other groups (outgroups). When individuals are encouraged to re-categorize themselves as members of a superordinate group (such as the organization) rather than separate groups (such as divisions based on gender or work functions), then this is thought to reduce prejudice, stereotyping and discrimination [70].

**Drivers and Outcomes of Inclusion**

- A Deloitte report found the drivers of inclusion to be merit based practices and policies, senior leader behaviors, managers’ behaviors and work life balance [22].
- One of the few studies [41] that have looked at inclusion from the point of view of the individual, the research identifies a person’s personality, locus of control, self confidence and self-esteem as factors influencing inclusion.
- Inclusive environments have been shown to influence employees’ willingness to go beyond their job related roles to engage in citizenship behaviors [10].
- At the interpersonal level, inclusion calls for respect and acceptance, empathy, listening skills, dignity, trust, decision making authority and access to information [41, 71]. Inclusion suffers when employees view others in terms of oversimplified stereotypes, thus creating and sustaining differences, rather than working to integrate and overcome differences.
- Inclusive work climates have been linked to employee outcomes of well-being, job satisfaction, and organizational commitment [72].
- Other outcomes of inclusion include high quality work relations, job satisfaction, intention to stay, job performance, creativity and enhanced career opportunities [42].
Climate of Inclusion

A climate or culture of inclusion is considered to exist when:

- ‘People of all social identity groups have the opportunity to be present, to have their voices heard and appreciated, and to engage in core activities on behalf of the collective’ [73].
- A multicultural, inclusive organization is ‘one in which the diversity of knowledge and perspectives that members of different groups bring to the organization has shaped its strategy, its work, its management and operating systems, and its core values and norms for success’ [29].
- A climate of inclusion is characterized by fairness [74], open communication and transparent recruitment, promotion and development [41]. In such a climate employees are willing to speak up and participate more fully [75], and discrimination and harassment tend to be lower [76]. It is also influenced by appreciation of members’ contributions by the leader [77].
- One of the signals of whether an employee feels included is thought to come from their work life balance, whereby an employee is seen as a whole person with a life outside the workplace as well. An employee’s ability to balance their work-life commitments is viewed also as a signal of the organization’s support for diversity [22].

There are, however, ambivalences and contradictions in practices of inclusion in organizations [78, 57, 1]. Some [57] caution that by ignoring the excluding effects that invariably accompany inclusive measures, power relations and conflict in organizations can become invisible. Others [5] emphasize the importance of “identity-blind” practices such as conflict resolution processes and other participatory systems that engage all employees at an equal level disregarding their identity groups.

Nonetheless, the more diversity and inclusion strategy is linked to the core business strategy, the more effective it will be [79]. A case is made that diversity and inclusion efforts ought to be treated as a culture change much in the way of other large scale OD initiatives.
Leadership and Inclusion

Understanding how Inclusive Leadership Works

To appreciate and explore diversity within groups and be mindful of one’s own and others’ salient identities that frame social identities, one approach suggested [80, 81] is for leaders to identify their own multiple sources of identity and to share with others. This is followed by a large-group discussion about the understanding of role of identities in interpersonal interactions. This self-reflexive exercise is thought to surface identities which might be most and least obvious to one’s own self and to others. It can not only help in removing confusion around one’s frames of references used for others, but people are also able to see that when certain identities are less important to them, they may overlook the same in others, or conversely, when certain identities are more central to one’s conception, these may erroneously be projected onto others. Such a process aids in not only unearthing differences across people’s identities, but also overlapping sources of identity among people, previously assumed to be different. The implicit can become explicit, and biases and stereotyping can all be consciously unearthed.

From a focus on whether leaders should or should not support diversity, the discourse has now shifted to how leaders can leverage differences and foster inclusion. Leaders play an important role in creating inclusive climates, in framing and championing the various diversity initiatives of an organization, and in shaping the conversation and dialogue from diversity to inclusion.

More recently there has been a shift from the positional based approach to leadership to one that argues that leadership is a shared phenomenon constructed across people [82]. Leadership is now thought of as a relational property [83] rather than an attribute or ability of an individual [84].

Social identity theory and LMX theory form the theoretical foundations for the relational and influence processes involved in leading diverse teams [76]. As per the social identity theory [85, 59] every individual has both a personal identity as well as a social identity. The social identity stems from association with group membership such as gender, race, nationality, language etc. Social identity theory along with self-categorization theory [86, 87] argue that memberships to groups are central to one’s self concept, providing both a sense of belongingness and distinctiveness, whereby individuals continually categorize themselves and others into in-groups and out-groups based on
those who are like them and those who are unlike them. Inclusion research [42] suggests that achieving both belongingness and uniqueness is central to experiencing inclusion. This is in line with the optimal distinctiveness theory [61] that argues that people have a dual need for validation of their own uniqueness as well as a need for belongingness in groups that is composed of individuals to whom they feel similar in some way. Even if the individual feels a sense of belongingness, if his/her unique identity is not acknowledged or accepted, the employee is forced to assimilate to the dominant social identity rather than truly experience inclusion and integration in the work group. Thus, leaders need to be aware of their own identity and those of others to be able to identify the intersectionalities and common identities that override visibly different demographics, thereby deemphasizing distinctions that may inhibit individuals from feeling included.

According to LMX theory, both leaders and their subordinates or direct reports are instrumental in the forming of quality relationships in the superior-subordinate dyad [88]. A high-quality exchange is one where the relationship is characterized by high levels of trust, interaction and support and not only do subordinates in such a relationship exhibit positive work outcomes of high performance [89], but when leaders develop quality relationships with employees, they also encourage high quality work relationships among and between members of the work group [90]. Research also suggests that leaders are more likely to develop high quality relationships with those who are similar and belong to the same social identity group [91]. Such in-group biases have to be particularly overcome for healthy working in a diverse workgroup. When leaders focus on creating high quality relationships with all of the members, it delegitimizes status hierarchies facilitating inclusion.

For reaping the benefits of diversity, leaders must demonstrate through their actions, belief in and commitment to diversity, create opportunities for dialogue about differences, and when required even alter rules for acceptable behaviors [92]. Leaders wishing to foster inclusion need to focus on creation of safe places that invite people to engage, demonstrate respect and willingness to understand and engage member’s differing perspectives. Empirical research has shown that when leaders solicit and appreciate employee input, it helps create work climates that are high in psychological safety [93]. Blindness to other’s social identities can also be damaging in a diverse work context. One of the ways that leaders contribute to being less inclusive is pretending that organizations are gender, racially or culturally neutral [94].
In addition, there is some research to show that certain styles and behaviors of leaders also foster inclusiveness more than others.

- Leadership plays an important role in creating and supporting inclusion in the workplace. There is evidence [42] that inclusive leadership and inclusive practices can be viewed as antecedents of inclusion. Based on a study of organizations in the United States, it was found that authentic leadership was linked to inclusion [10].

- Catalyst research [23] found empowerment was the behavior that most reflected altruistic leadership. Personal humility, courage, and accountability closely followed empowerment as key indicators of altruistic leadership within all six countries surveyed.

- Characteristics of the inclusive leader have also been identified as one who visibly champions diversity and initiatives linked to it, seeks out and values employees’ contributions, demonstrates a collaborative leadership style, has the ability to manage conflict, embodies merit based decision making, possesses cultural competency and creates a sense of collective identity [8].

- In some cultural contexts, leader behaviors were found to have a much stronger effect on employee innovation and team citizenship via inclusion, such as in China, where relatively stronger links existed between altruistic leadership, inclusion, innovation, and citizenship [23].
Creating Inclusive Workplaces

Many organizations today have employee resource groups [95], also known as affinity groups, which are essentially established networks to promote a welcoming environment for minority or underrepresented groups. Attempts to create inclusive workplaces must consider individual differences, needs and perceptions as well as focus on creating structures, systems and processes that make people feel valued and treated equitably [60].

Inclusive environments are places where individuals of all backgrounds feel fairly treated, valued for who they are and are also made part of core decision making. In such organizations, nontraditional employees are not expected to merely assimilate to dominant norms [96].

The specific skills and competencies required for inclusion have been explored in one study [71]. Using the critical incident method, researchers identified at three levels the required values, knowledge and skills for line/staff, middle managers and top leadership as shown in Table 1. The theme that appeared most recurrently was that of empathy or. Self-awareness and listening skills also cut across all levels of the organization.

Table 1: Values/Knowledge/Skills found necessary for creating inclusion

<table>
<thead>
<tr>
<th>Values</th>
<th>Knowledge</th>
<th>Skills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Humility</td>
<td>Self-awareness*</td>
<td>Active listening*</td>
</tr>
<tr>
<td>Acceptance of differences</td>
<td>Building healthy coalitions</td>
<td>Empathy*</td>
</tr>
<tr>
<td>Openness to new ideas</td>
<td>Awareness of relevant laws</td>
<td>Self-monitoring</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Macro viewpoint</td>
<td>Appropriate communication</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tact</td>
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<tr>
<td></td>
<td></td>
<td>Ability to relate</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Persuasion</td>
</tr>
</tbody>
</table>

*Common across all levels of hierarchy within an organization (Adapted [71])

Leaders who wish to create inclusive cultures need to value the diversity of talents, experiences, and identities that employees bring, and at the same time, they need to find common ground [23], balancing the uniqueness and belongingness that is central to the notion of inclusion. If leaders tend to focus too much on the uniqueness, it could lead employees to feel alienated or stereotyped. On the other hand, focusing exclusively on blending can leave employees reluctant to share views and ideas that might set them apart, increasing the likelihood of groupthink. Thus, when employees feel unique and recognized for their differences, and they feel a sense of belongingness based on sharing some
commonalities and goals with others, organizations stand the best chance of benefiting from workforce diversity.
Future Agenda for Inclusion

To a great extent diversity and inclusion practices today are based on intuition and experience rather than empirical evidence [6]. Some organizations in the UK, have come together to create benchmarking tools or some form of standards. For example, there is the Equality and Human Rights Commission, a government agency, in the UK that promotes and monitors human rights and tries to enforce, through a code of practice and guides, practices for equality and inclusion.

There is also a newly created organization in the UK, called the National Equality Standard (NES) with Microsoft and Cisco among its 20 founding organizations, that attempts to create benchmarks for all legally protected diversity forms and conduct diversity audits. Independent auditors assess each organization that wishes to be audited for diversity. The organizations are in turn provided detailed reports on the extent to which their policies and activities fit with best practices.

Diversity and inclusion efforts initiated for feel good reasons or as a public relations vehicle, or when employers are insincere, may lead to no or negative impact [6]. It is also possible that managerial strategies to promote diversity and inclusion may in fact promote new types of differences and exclusions, as noted in a qualitative research [78], which can create unintended consequences of exclusion and one which employees may in fact resist.

There is a need to scrutinize the extent to which the rhetoric of diversity and inclusion actually meets reality and the expression of voice among minorities in today’s organizations. Thus, it is important to ensure that diversity and inclusion efforts are not reduced to tokenism, as perceived by minority group members, and are also seen as fair by others in the organization.

It is also important to realize that one size may not fit all. It is important to recognize that dimensions of diversity vary in scope and importance across cultures and organizational leaders need to be aware of them. India is acknowledged to be among the most diverse countries in the world, and Indians have unconscious competence to manage diversity. To make this competence conscious leaders within India may begin with an examination of the fundamental assumptions underlying the understanding of diversity and inclusion. Issues of exclusion in South Asia for example, revolve highly around gender and involve other complexities of caste, clan and biraderi, language, income, location, status such as a citizen or migrant, refugee or internally displaced person, etc. Thus, understanding inclusion...
requires adopting a local lens and being attuned to the particular subtexts that define exclusion-inclusion in the region.
Conclusion

Diversity is leveraged through inclusion, which requires employees to feel valued and included by an organization. It calls for simultaneously recognizing differences and overcoming them, by valuing differences in and across people in organizations. Central to the discourse on diversity is the principle of fairness and justice. Individuals have a need to belong, to be appreciated, to be treated fairly, and to be acknowledged from whatever source or basis they derive their identity from. Arguably, when organizations invest in diversity, they stand to gain, in both apparent and economic ways but also in other subtle forms of stronger allegiance, greater well-being and respect that they command in the process.

Creating an inclusive culture has to focus beyond diversity based recruitment and diversity training and include holistic ways to leverage on diversity. It involves rephrasing the conversation from demographic diversity to thought diversity and finally to inclusion, and addressing biases, both conscious and unconscious that may hinder acceptance and integration. When employees feel included, in a true sense, beyond mere lip service, they are able to bring the whole of themselves to the organization, expressing and giving voice in an unhindered way that enables effective problem solving, creativity, innovation and enhanced performance in multiple ways.

Most conceptualizations of inclusion allude to the notion of belongingness and uniqueness as discussed earlier. Based on previous research [23], what is interesting and bears further exploration is that participants to the Catalyst survey in India, did not report these dimensions as distinct elements of inclusion. It is therefore also worth exploring what meaning and interpretation, diversity and inclusion hold in an Indian context of work, where multiple identities jostle with each other for space. What particular identities are relevant and inform the discussion on inclusion? With the myriad identities that abound in India, do workers here have a different notion of diversity and inclusion? Does feeling included mean a negation of differing identities or is it their recognition? Is assimilation the key or integration? Do individuals in India seek identity blind strategies for diversity management or does it require a whole new approach that has hitherto been unexplored. What role do individual differences play in perceptions of inclusion and how do leader behaviors influence inclusion in a culturally sensitive manner? What specific leader behaviors are required to foster inclusion in an Indian context? These are just some of the questions that bear further exploration.
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