## **Diversity**

## 4 Ways Managers Can Be More Inclusive

by Sydney Finkelstein

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**Summary.** Dozens of studies have demonstrated that more diverse teams make better decisions than less diverse teams. Many leaders know this, but still struggle with making the day-to-day work more inclusive. Managers can follow four key practices to truly become inclusive leaders and, not coincidentally,... **more** 

Management teams and organizations that prioritize inclusion attract better talent and perform better. Dozens of studies have demonstrated that more-diverse teams make better decisions than less-diverse teams.

Many leaders know this but still struggle with making day-to-day work more inclusive.

By definition, inclusive leaders embrace the notion that *every person* counts. If that sounds fairly straightforward, it really isn't. In bringing this mindset to life, leaders wind up embracing a number of unconventional management practices. They boldly depart from old standbys like credentials-based hiring, command and control, hierarchy, and even traditional goal setting. When I conducted over 200 interviews with great bosses as part of my research into the secrets of so-called superbosses, I identified four practices that managers follow to truly become inclusive leaders and — not coincidentally — build innovative, high-performance, high-growth businesses.

Hire for talent, not a résumé. Inclusive management starts before employees even walk in the door. Inclusive leaders don't hire the way managers traditionally do, hewing to some established formula for assessing a recruit's desired credentials or background. Rather, they create their own formulas, seeking out underlying qualities such as exceptional intelligence, creativity, and flexibility, and recognizing that the best candidates — the truly exceptional ones — might well be unorthodox hires. It's not about lowering your standards; it's about realizing that many standards, like prestigious but unpaid internships, are markers of privilege, not innate talent. Relying on the same credentials that everyone else relies on is not only a great way to reproduce an unlevel playing field but also a great way to get into a costly bidding war for the same tiny talent pool everyone else is paddling around in.

## **Drucker Forum 2017: Growth and Inclusive Prosperity**

This article is one in a series related to the 9th Global Peter Drucker Forum, taking place in November 2017 in Vienna, Austria. By contrast, inclusive leaders are open-minded and shrewdly opportunistic, extending their search for new employees into groups that other companies have overlooked. Bill Walsh, the legendary coach of the San

Francisco 49ers, started an internship program in the NFL for minority coaches, allowing participants a fast track into the NFL, and himself a chance to tap into a vast source of talent others had ignored. Advertising great Jay Chiat was one of the first in his industry to regularly hire women and minorities to creative positions. This was not only because he was trying to support social justice but also because he saw in these groups a new pool of potential all-stars.

**Unleash everyone's creativity.** Traditional leaders inadvertently squelch creativity. They might talk about innovation and the necessity of adaptation, but they really only want employees to do what they're told — with clear rules, instructions, boundaries, goals, and no excuses. By contrast, inclusive leaders invite team members at *all* levels to contribute their own original thinking — indeed, they *require* it.

Such leaders follow a simple but powerful rule: They define the core vision of the team or organization, and regard everything else as potentially open for innovation. As a protégé of famed restaurateur Alice Waters told me, "Alice is flexible in many ways and yet she is totally streamlined in her own vision." In her case, this vision entailed absolute fidelity to the quality and freshness of the ingredients. Everything else her staff might have wanted to try was open to negotiation. A former team member of restaurant innovator Norman Brinker remembered that Brinker "would challenge you. He would say: 'What do you think you could do there? What is working? Go try something...' It was very empowering because it gave you a license to say, 'We can do some things differently!" Unlike their more conventional peers, inclusive leaders believe it's "innovate or die," and the only way to stay alive is to set aside their assumptions and fears and welcome good ideas from everywhere. It doesn't matter if the person making the suggestion is several levels down from everyone else in the room. In fact, that's precisely the kind of thing an inclusive leader likes to see.

Use opportunity as your primary development tool. Traditionally, leaders place arbitrary limits on the potential of their employees: Before you can take on more responsibility, you have to be a certain age or from a certain background, for example. If you've ever said, "I was unofficially doing the job for two years before they promoted me," you've worked in this kind of company. All too often, women and minorities in these organizations are particularly compelled to prove themselves over and over again before being given real responsibility.

By contrast, inclusive leaders, who are bent on creating cultures in which anyone can contribute to important outcomes, open the doors of opportunity as wide as possible. Their core belief is that the people they hire can and should do anything, and further that their team members should continue to develop rapidly and in new directions throughout their careers. For example, while Thomas Frist was leading Hospital Corporation of America, physical therapists would sometimes become senior executives simply because Frist saw something that others didn't. And at Oracle, Larry Ellison helped a receptionist, Anneke Seley, learn computer programming. She went on to occupy management positions in customer relations, and later started Oracle's inside sales department — now a multibillion-dollar operation.

Foster competition and collaboration. Many leaders pay lip service to the culture of their teams or organizations but don't invest much time ensuring that their people gel into a unified, high-performance team. Inclusive leaders do — and in a fairly unique way. Whereas traditional leaders might foster either a competitive environment or close collaboration between team members, inclusive leaders do both at once. In founding the Motown record label, producer Berry Gordy created a warm, collaborative environment that allowed friendships to form between the musical acts he signed, but he also sparked healthy competition among the artists to outshine others.

By being both intensive and nurturing, this kind of culture helps sustain an insider mentality on the team. Employees come to think of themselves as a "band of brothers and sisters" united against the world. Such competition paired with collaboration also generates a cohort effect when it comes to talent: The more you help people become better, the more they help one another get better. By mobilizing both collaboration and competition, inclusive leaders create a kind of cauldron in which ideas collide, prompting new ideas to arise. This cauldron in turn fuels exceptional performance, particularly when activating the energies of women. (As some research suggests, women compete better when they feel they are doing so as part of a team, on behalf of and with others.)

Embracing and integrating these four practices might require that you unlearn old habits. In my work with senior executives, I've found that some "get" how to become more open and inclusive more readily than others. Usually, the ones who grasp inclusive leadership the quickest are those who display the greatest curiosity and courage (traits that others have regarded as integral to inclusive leadership). If you don't feel that you possess an especially curious or courageous personality, never fear — you can *learn* these traits. One place to start is to make a conscious effort to part ways with the egotism that runs rampant in corporate environments. Give up your need to be "the expert." Practice asking more questions, even if you fear looking foolish.

If you practice curiosity and courageousness, and then incorporate the management behaviors described here, you'll increase your odds of becoming an inclusive leader and building a high-performance, high-growth organization.

This post is one in a series leading up to the 2017 Global Drucker Forum in Vienna, Austria — the theme of which is Growth and Inclusive Prosperity.

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