

# WHITEPAPER

## Why Diversity Matters Now

by Joe Gerstandt

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Diversity and inclusion may be the most poorly understood issues in business today. While many of us have come to believe that investments in diversity and inclusion are primarily about compliance, political correctness, sensitivity or special treatment, the truth is something different.

Diversity means difference. Difference can show up a lot of different ways, but within the context of work we can probably focus primarily on identity diversity (age, race, gender, geography, etc.), cognitive diversity (different thinking styles, mental orientations, and mental tools), and behavioral and communicative diversity. Diversity and inclusion work at its core is about sustainable and profitable practices — especially the effective and efficient identification, support, and deployment of talent to achieve business objectives.

Not only is there still need for clarity on what diversity and inclusion are, we should also get clear on this business case stuff. Do not be confused by what you have heard or read claiming that there is no business case for diversity, or that the business case is somehow fuzzy. Hogwash. Again, organizational diversity and inclusion work are largely about successfully finding, keeping, and using talent, which is increasingly business critical. The business case for diversity and inclusion is alive and well.

A specific business case is dependent upon the organization and the nature of the actual investment, but a few of the sources of value (explored in more depth in the December 2009 Journal of Corporate Recruiting Leadership) a case can be built on include:

## Competitive Advantage

For more and more organizations in more and more industries, innovation is the new opportunity for competitive advantage. This is no secret, as there has been a great deal of discussion and analysis regarding the evolving role of innovation. Innovation is about more than just bringing new products or services to market. It also includes other aspects of business, such as approaches to collaboration, talent management, and engaging new markets.

Despite our affection for the myth of the lone genius, innovation does not take place in isolation. It happens at intersections. It happens when different experiences, perspectives, professions, organizations, and cultures rub up against each other. Without an understanding of, and some appreciation for, the value of difference (in opinion, identity, culture, profession, perspective, etc.) organizations will be hard-pressed to drive sustained innovation. Frans Johansson examines several great examples of this in *The Medici Effect*, including the story of the great Bletchley Park collaboration, where an incredibly diverse group of characters gathered to break the German coding system during WWII.

## Demographic Changes

We are approaching a point where racial and ethnic minorities and women will represent 70% or more of new entrants into the workforce. Organizations that are not good at attracting, engaging, and retaining women and people of color need to fix that quickly, or they are going to be competing for a shrinking percentage of the available talent. Companies that only fix part of this will find themselves with costly retention and engagement problems. Real commitment to workforce diversity is no longer optional.

## Talent

Regardless of our intentions, diversity is one of the social variables that can drastically diminish our ability to actually identify talent. In *Blink*, Malcolm Gladwell shows us an example of this from the world of art. In the not-too-distant past, classical music was largely the domain of white men. "Women, it was believed, simply could not play like men.

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They didn't have the strength, the attitude, or the resilience for certain kinds of pieces. Their lips were different. Their lungs were less powerful. Their hands were smaller. None of this seemed like prejudice at the time. It seemed like fact, because when conductors and music directors held auditions, the men always seemed to sound better than the women."

As part of the push for legal protection, benefits, and fairness in hiring, musicians wanted the audition process to be formalized. This included erecting screens between the auditioner and those evaluating them. "In the past 30 years, since screens became commonplace, the number of women in the top U.S. orchestras has increased fivefold."

Some of the women who stood out the most in these new auditions were the same women that had auditioned numerous times before the screens were added without making the cut.

I am not talking here about hateful people intentionally discriminating against others. That is another topic altogether. I am talking about human nature getting in the way of our identification of talent. If we want to improve our ability to really identify talent, we have to be aware of the influence of human nature and work to offset it as individuals and organizations.

People, teams, and organizations that are indeed serious about talent must also be serious about diversity and inclusion. Once, again, I am not talking about being tolerant or being sensitive. I am talking about understanding the value of difference and understanding what can easily and quietly get in the way, regardless of our intentions or our character.

The future of your organization may very well depend on it.

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## About the Author

Joe Gerstandt works with Fortune 500 corporations, small non-profits, and everything in between. He also speaks at numerous conferences and summits each year, blogs at [joegerstandt.com](http://joegerstandt.com) and serves on the Board of Directors for the Global Diversity and Inclusion Foundation. Joe designs and delivers relevant, actionable and impactful sessions for client organizations, delivers powerful keynote messages and workshops, guest lectures at colleges and universities and travels the world spreading the good word.

You can find out more about Joe here:

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