

## Building a Diverse Company Culture Means Empowering Employees

[Fredrik Nilsson](#) | January 13, 2021

Diversity and inclusion aren't just things that happen. They take effort and action. This is as true for the business world as it is for society as a whole, and the fight for representation and inclusivity is just as ongoing. But there are reasons for optimism: The growing number of businesses championing the value of diversity is encouraging — even within industries that typically hire from within, traditionally male-dominated sectors and those operating in less diverse geographic areas. Businesses are increasingly recognizing the value in bringing new voices to the table, welcoming those with new perspectives, different experiences and fresh ideas.

That value goes beyond building a better culture: It impacts profitability as well. One [recent study](#) found that companies with diverse management teams were 19% more profitable than those without, while [another found](#) that gender diversity leads to a demonstrable increase in productivity.

### Cash Transfers Help Grandparents In Malawi Raise The Next Generation

Simply put, today's businesses have little excuse for not embracing diversity and inclusion. And although shifting the culture of a company isn't something that happens overnight — particularly at a time when widespread remote work has made "company culture" feel more nebulous than ever — businesses can start by ensuring that their recruitment and onboarding efforts emphasize the values that they wish to espouse while encouraging new and current employees to make their voices heard.

### Understanding What Diversity Really Means

It isn't enough to hire employees with a diverse mix of racial, ethnic and gender identities. Inclusivity means more than just having those voices in the room. They need to be elevated, encouraged and — above all — listened to. An employee with a different perspective on an issue or challenge must feel empowered to make their voice heard. Even the most demographically diverse company in the world will enjoy little benefit if those voices feel marginalized and silenced.

The solution to this is complicated. It isn't as simple as sending out a memo assuring employees that their perspective is valued. Organizations must be aware of the message they are sending both internally and externally and ensure that their actions match their stated values. As businesses have embraced the social justice movement in recent months, many have [rightly demanded](#) that these organizations demonstrate a commitment to inclusivity that goes beyond words. That commitment isn't something that can be forced — it must be genuine and authentic. And if efforts to embrace diversity are not sustained, they won't have long-term impact. Think of company culture like a good friendship: It takes a long time to build and a lifetime to maintain.

Recruiting a diverse workforce is about convincing those who can add new and valuable perspectives that your company is the right place for them to flourish. Particularly amid the rise of social justice movements, ideas like corporate social responsibility (CSR) have taken on increased emphasis, and recruiters are now embracing issues and goals that resonate with younger generations. In addition, efforts like mentoring programs have helped to leverage the knowledge and experience of older employees. It should not be overlooked that while many diversity efforts revolve around new, young talent, [research has shown](#) that age diversity contributes significant value to the workplace as well.

Recent research [conducted by IE University](#) has shown that local CSR actions improve brand perception by more than 53%, while actions related to the organization's core business increase perception by just 33.2%. And it isn't just millennials — research conducted by my company has indicated that even longtime employees have begun to display increased interest in CSR and heightened engagement. Encouraging diversity through responsible social action has the ability to produce positive change at every level of the organization.

### **This Isn't Just Theory — It's Been Done**

Making improvements to company culture can be a daunting task even at smaller organizations, but we've seen evidence that it can be done even at the largest companies in the world. Since CEO Satya Nadella took over, Microsoft has undergone a highly successful — and highly public — [organization-wide culture change](#). *(Full disclosure: Microsoft is a frequent collaborator with my company on a number of projects.)* Many companies have looked to Microsoft as the premier example of how to implement institutional change on a major scale, and it's largely due to the fact that Microsoft's culture shift exemplifies the type of empowerment-driven, top-down strategy I've outlined here.

Microsoft recognized that today's technology lends itself to democratization. Rather than consolidating power with a handful of executives and administrators, Microsoft shifted that power into the hands of smaller teams and even individual users. Nadella built upon this by publicly highlighting the stories and accomplishments of individual Microsoft employees, which not only provided recognition to those employees, but made leadership recognize and appreciate the meaningful contributions being made at every level of the company by individuals with a wide range of backgrounds and experiences.

Microsoft is just one example, but the company's size and high profile make it a good one. If an organization like Microsoft can shift its image to create and sustain a better, more diverse company culture, other organizations have no excuse.

### **New Voices, New Ideas**

Unfortunately, the Covid-19 pandemic has been a major roadblock for many businesses in their path to a more inclusive workforce, with studies showing that [women in particular](#) have been hit harder than other demographics. But organizations should not let this stumbling block affect their overall commitment to diversity. Examples like Microsoft have helped to clearly demonstrate that those who elevate new voices and new ideas will be rewarded for it — both in the short term and the long term.

The next big idea can come from anywhere. Research continues to show that organizations that make an effort to embrace new ways of thinking will soon find themselves reaping the benefits of not just a better company culture but improved productivity and profitability as well. Keeping up with the pace of innovation is always a challenge, but encouraging productive discourse that challenges conventional thought is an important method of ensuring that diverse new ideas are given the consideration they deserve.

<https://www.forbes.com/sites/forbestechcouncil/2021/01/13/building-a-diverse-company-culture-means-empowering-employees/?sh=548f53284f3d>