



# The Power of Difference

Exploring the role that inclusion  
& belonging have in building  
organisational culture.

Research Report Findings from **KultraLab**, in partnership  
with the **World Retail Congress** and **inBeta**

**Kultra**Lab





# Executive Summary

There has been a positive shift in attitudes to DEI (Diversity, Equity and Inclusion) in many organisations, but progress has been slow. In particular, there appears to be a lack of clarity around inclusion, and the practical ways in which it can be embedded into an organisation's culture.

Therefore, this report – 'The Power of Difference' – is here to help change the way organisations think about inclusion. It aims to get to the heart of what inclusion really means, what it should look and feel like, the potential of best practice in inclusion for every organisation and, crucially, how to deliver it.

KultraLab has undertaken significant qualitative research among senior practitioners in the retail and consumer industries, as well as quantitative research among employees. From this, we have identified five pillars on which best practice in inclusion should be built:

■ Awareness

◆ Insight

◆ Strategy

◆ Commitment

◆ Behaviour

Each of these five pillars is examined in detail in this report, in order both to highlight areas of challenge to progress and to make practical recommendations to drive inclusion forward.

Drawing on all the above insights and research, KultraLab has developed a three-part robust inclusion framework. This includes the:

1.

## Measure

### How inclusive is your culture today?

Our Inclusion Culture Index helps organisations assess how inclusive their culture is today and identifies current strengths, risks and areas of opportunity.

2.

## Identify

### How proactive is your approach to inclusion?

Our Inclusion Organisational Maturity Index helps organisations to identify, define and benchmark how holistic and mature their overall approach is to developing inclusion within the workplace.

3.

## Embed

### Invest in the right solutions and behaviours to drive change

The KultraLab digital Inclusivity Coach outlines the core behaviours that must be developed and embedded across the entire organisation to foster feelings of inclusion.





# Foreword: From Diversity to Inclusion – where are organisations now?

In recent years, there has been a positive shift in attitude towards organisational approaches to DEI (Diversity, Equity and Inclusion). Good intentions have been backed by investment. According to the World Economic Forum, it is estimated that by 2026, organisations will have spent \$15.4 billion on DEI-related efforts. Organisations have been on a journey, and progress has been made, but the gains have been painfully slow in coming.

The research we conducted between December 2022 and February 2023 reveals that organisations have struggled to approach DEI systematically and holistically, with diversity often being the primary focus for their efforts. What this journey has exposed in particular is the lack of clarity around 'inclusion' and the practical ways in which it can be embedded into an organisation's culture. If businesses don't have a clear understanding of what inclusion really means, how can they expect meaningful progress to be made?

### This is what this report focuses on.

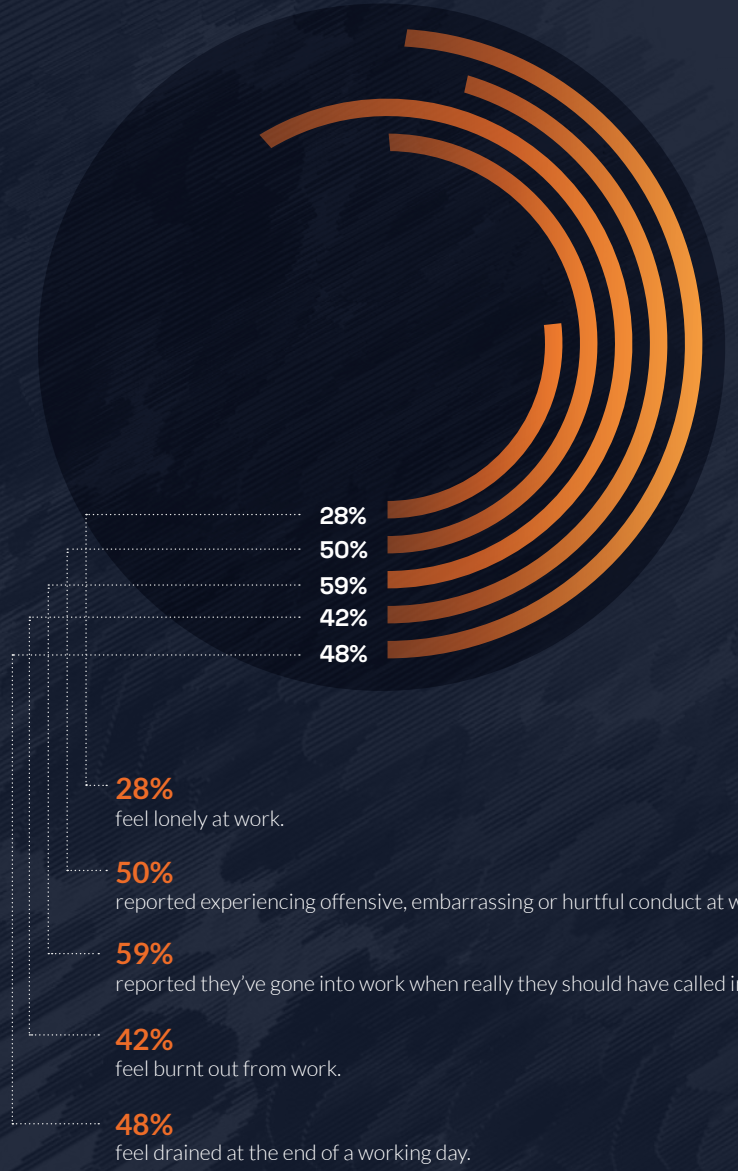
We want to get to the heart of inclusion: what it looks like, what it feels like and, crucially, the potential it unlocks for organisations that know how to unleash 'The Power of Difference' through greater inclusion and belonging in the workplace.

At KultraLab, we're passionate about behaviour and culture. We fuse together coaching, behavioural science and technology to unlock the potential of the workforce. We want to help consumer organisations move the DEI conversation forward from the ground up and create meaningful cultural change, where inclusion is an embedded ideology.

In partnership with the World Retail Congress and inBeta, therefore, we've undertaken a significant piece of research to explore what practical and strategic things organisations are and are not doing, and what more needs to be done for 'difference' to be seen as a power to be unlocked.

We've interviewed over 40 leaders from global consumer organisations and run a survey with 500 employees from the broader workforce to get their views on this important topic.

What struck us most going through the findings was how frontline employees are currently feeling. Despite all the positive intent, a significant proportion of employees don't have a positive experience of being at work on a day-to-day basis.





What stands out here for us is the potential benefits that could come with creating more inclusive cultures. Given the knowledge and resources at the disposal of organisations, the workforce seems to be nowhere near as happy and included as it should. Why are we seeing these stats? And how can leaders use their influence and position to unlock the power of inclusion?

At KultraLab, we've developed a blueprint for five key pillars that will move businesses from awareness to action and help to embed inclusion within every organisation. To drive inclusion across the workforce, organisations must invest time in assessing where they are against each pillar of this framework.

Over the course of this report, we explore each of these themes in more detail, drawing on what our interviewees and survey data have revealed to identify and root out previously hidden blockers to progress and chart a clear blueprint for progress inclusion.

Diversity can sometimes be more about representation, targets and quotas. To unleash the full potential of inclusion, however, businesses now have the opportunity to make a further leap forward in terms of culture. For it is culture that needs to be front and centre of the debate around inclusion and this is why a key thread throughout this report is about how organisations and leaders can drive progress more effectively through a cultural shift in collective responsibility, engagement and a commitment to demonstrating empathy and active listening to develop strategies that positively impact everyone in the organisation.

Thank you to everyone who got involved with this research. We look forward to hearing further views on this important topic

**Steve Baggi,**  
CEO and Founder, KultraLab

**Ian McGarrigle,**  
Chairman, World Retail Congress

**James Nash,**  
Founder and Managing Partner, inBeta



### Awareness

The attitudes, awareness, knowledge, resources, intent and value towards inclusion across the organisation.



### Insight

The quality, diversity and frequency of measurement to produce meaningful insights to drive targeted action.



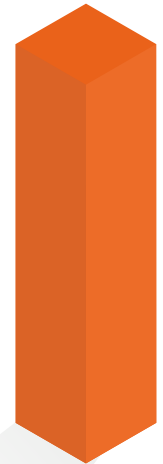
### Strategy

The level of strategic intent, ownership and leadership to drive forward the inclusion agenda.



### Commitment

The level of challenge, investment and change made to organisational systems, infrastructure and messaging to get to the heart of inclusion (and create lasting change).



### Behaviour

The day-to-day habits and ways of working as individuals, managers, leaders and teams.





# Definitions

For the purposes of our interviews with senior practitioners in the retail and consumer industries, as well as for our employee survey of 500 employees, we have used definitions from the CIPD's 'Building Inclusive Workplaces Report' (2019), except where otherwise indicated.

## **Inclusion:**

By 'inclusion' we mean the deliberate intent, efforts, behaviours and activities from organisations and all colleagues to ensure that all employees, regardless of their background, identity or circumstance, feel valued, accepted and supported to succeed at work.

## **Diversity:**

By 'diversity' we mean the mixture of people within an organisation and refer to all aspects of human difference. Diversity refers to demographic differences of a workplace group – often at team or organisation level.

## **Equity:**

'Equity' recognises that treating everyone equally has shortcomings when the playing field is not level. An equity approach emphasises that everyone should not be treated the same, but according to their own needs.

## **Belonging:**

'Belonging' in the workplace is an employee's feeling that their uniqueness is accepted and valued by their organisation and colleagues. It is the outcome of successful Diversity, Inclusion and Equity interventions.

## **Culture:**

The relationships, interactions and behaviours that make up an organisation. 'Culture' is the collective result of how people within their organisation think, behave and react. Culture is dynamic and constantly changing. It's built on collective and individual experience. It's about sense-making. A sense of inclusion and belonging is something ingrained in culture.

## **Intersectionality:**

'Intersectionality' is a concept that describes the interconnected nature of social categories such as race, gender, class, sexuality, ability and other forms of identity. It recognises that individuals experience discrimination and oppression in multiple ways, and that these different forms of oppression cannot be understood or addressed in isolation from one another.



# Pillar 1

# Awareness

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## Challenge:

Traditional education and training on inclusion isn't creating the awareness needed to change hearts and minds.

## Recommendation:

Build knowledge and awareness collectively, in order to engage, motivate and drive lasting change.



Pillar 1

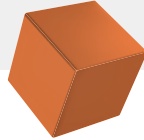
# Awareness

Positive intent doesn't necessarily lead to action or behaviour change. How organisations talk about inclusion is at the heart of a consistent approach to awareness. A new approach to education around inclusion is essential.

## The role of education

Education has often been associated with training, e-learning modules and courses to build new knowledge and skills. But how effective are these approaches, especially given that our brains tend to forget 90% of new knowledge within two weeks?

Winning hearts and minds is the first step in building self-awareness and awareness of the difference in others. And the good news is that there are many cost-effective ways to build awareness around inclusion. How?



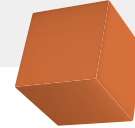
### **Harness the power of storytelling.**

Every individual in your workforce will have a unique perspective on different topics. They will have rich experiences that have shaped how they show up at work and how they engage with your culture. Invite stories, create spaces for sharing. This also builds social cohesion and unity.



### **Build a culture of curiosity.**

Actively encourage your colleagues to seek perspectives different from their own. Encourage two-way feedback. We don't learn if we don't challenge our own perspectives and assumptions.



### **Make learning and development bespoke to your organisation.**

Like other topics, education on inclusion does not lend itself to a 'one-size-fits-all' approach. Therefore, organisations need to get creative with how they build awareness and a mindset shift across their workforce through the resources and material they provide.



A big area for us in inclusion, I think, is all about education. We need to recognise that it has become massively important to create education all the way through our learning system. How do we support that? Because as a business we know that we must if we want talent to be and feel included in our businesses of the future.'

**Alison Hands,**  
**Retail Managing Director**



We're heading to a bite-sized approach. It's a really, really good way to land relatively short, sharp messages in a very intuitive, online way and it is compulsory for all people in our stores. So that helps and brings the inclusion agenda to the fore, as well as helping with diversity discussions.'

**HR Director,**  
**Retail**





## The role of values

An organisation's values can play an important role in building and reinforcing the awareness needed to underpin inclusion and belonging.

Organisational values can be really powerful when they not only serve as the guiding light that bonds a team or entire workforce with a shared sense of purpose for achieving common organisational goals, but also when they are deeply ingrained into the culture and co-created by employees.

However, values also run the risk of being perceived as a way of paying lip service to inclusion. Values that are not designed with inclusion in mind can in fact be seen as exclusionary. They can unintentionally undermine, rather than underpin, trust and engagement.

So how can organisations raise awareness of both the potential and pitfalls of values for inclusion?

“

I think today people are shopping along their value system. People are working at places that align with what they believe in. So, you have to be able to sort of show the proof of what you are doing in this space.’

**Head of DEI, UK**

“

People tell me: “You’ve asked me to behave in such a way around values – but they aren’t my values, they are the company values.” Is that inclusive? Or not? How do we allow people to be the “best versions” of themselves when they and we are all different from one another? They may bring other great values with them, but we risk creating a culture where the mismatch means we end up recruiting people who are all the same.’

**Sarah Perrott,  
UK People Director**



# The employee perspective

How employees engage with and perceive their organisation's values can tell us a lot about the culture and attitude towards inclusion. Nearly a third of employees in our survey feel that they have to hide parts of themselves or their identity at work, and a similar percentage feel that their colleagues do not know the "real me" at work.

**Statement:** I feel I have to hide parts of myself or my identity at work.



**Statement:** People do not know the 'real me' at work.



The open comments from our employee interviews make the point that organisational values impact their sense of inclusion and belonging at work.

“

I feel as though we have to act a certain way at work and fit a personality type and if you are different to that, you won't really fit in or gain advantages.’

**Employee, Retail**

“

I try not to talk about racial or gender issues because my management is conservative and so are the organisation's values.’

**Employee, Retail**



## Creating a trusted environment for building awareness

A trusted environment for learning is vital. Organisations that really want to help their people learn about inclusion must try to reduce the 'fear factor' associated with learning about what are often complex issues. They can show commitment to their people through developing values that are inclusive and resonate with the workforce.

By engaging with the topic of inclusion through education and values, individuals can learn to recognise and challenge their own biases, as well as gain a deeper understanding of the systemic nature of inequality, racism, and gendered and ableist stereotypes.

Determined efforts can help raise awareness and educate employees on the importance of diversity, equity and inclusion, while also providing a platform for employees to speak out against racism and discrimination.

'My organisation is encouraging reflective conversations on racism, disability and other societal issues; requiring all managers to complete diversity and disability awareness training; offering forums on diversity.'

**Employee, Medical Healthcare**

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'My workplace actively celebrates differences and is working hard to educate and communicate – there are still issues in pockets, but I can see the effort being made.'

**Employee, sector not provided**

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'Awareness and education through team events (for example importance of pronouns).'

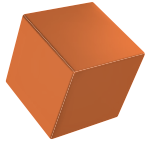
**Employee, Retail**

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'There is a campaign called #NoRoomForRacism to prevent it from happening and bring people together.'

**Employee, Retail**





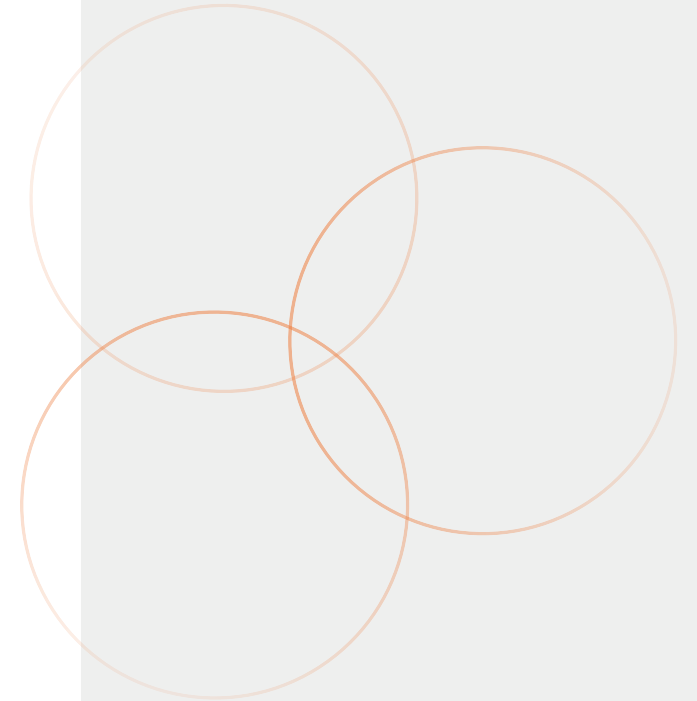
## Case Study 1:

### Driving inclusion in the professional services industry

Mitie is a leading facilities management and professional services company in the UK. Its 'Count Me In' learning and development programme challenged the way colleagues think about inclusion, while stimulating healthy conversation. The programme was developed based on feedback from Mitie colleagues regarding their experiences.

One of its core values is 'Our diversity makes us stronger'. The business wanted to ensure that Mitie is a place where every colleague feels they can bring their true selves to work. It saw the opportunity to push one of their core company values to the fore, because it believed that a truly inclusive organisation could only be realised from within.

[Source: Top Employers Institute]





## Case Study 2:

### Building awareness of inclusion in the lingerie industry

The lingerie industry – like the beauty industry – has dramatically changed how it uses real models, rather than relying on perceived images of perfection from the past.

We spoke to three leaders from this industry who all talked about the importance of authenticity; that this projection of non-judgemental inclusion cannot just be about selling product, it has to be embedded in the organisational values and reinforced in day-to-day behaviours – otherwise it will not work.

This raised the subject of ‘performative inclusion’ – appearing to be inclusive just for the benefit of the consumer or client. This could also be extended to other industries, where expected norms of working hours, for example, could exclude parents or workforce people with other caring needs.

The hypothesis we would propose here is: do this at your peril. If the brand image or stated values does not match how you treat your workforce, this will impact on recruitment and retention, and therefore, ultimately, performance.

“

Avoid “**performative inclusion**” where you create a brand image or a selling story that appears inclusive just to drive sales. Authenticity is key – if you are going to have a customer-facing perception of inclusion, and don’t reflect this in how your people feel about working for you, this lack of authenticity will expose you at some point.’

**Lydia Smith, Chief Diversity Officer, Victoria’s Secret & Co.**



## Practical ideas to help you build your Awareness pillar ...

**Start with building motivation and engagement.** We need a fresh perspective on education, one which is moving away from traditional training to behavioural change in the mindset around inclusion. There are more cost-effective ways we can do this – such as telling stories, role modelling and building a learning culture.

Organisations need to start feeling comfortable with sharing stories, using in-house ambassadors to talk about their lived experience and the role of 'allyship' more widely, so it doesn't feel like inclusion is simply the preserve of those from diverse backgrounds.

Businesses need to feel creative in how they demonstrate their intent and values towards inclusion, involving champions, influencers and the organisational network to share knowledge and learning across the organisation.

“

Start a conversation ... what's the culture we want to have for the business we want it to be? It starts with purpose ... why are we here ...?’

**Lizzie Downes, CPO, Pendragon PLC**

**Provide your people with the resources they need to understand.** Employees need to feel supported by their organisation in their learning journey. Reflect on the tools and resources already provided and discuss with employees what would help them build their confidence and understanding of inclusion.

**Create a safe space for learning.** Part of the way forward for inclusion may lie in creating a learning environment in psychological safety. This can help organisations to build trust, create a curious learner culture in a safe space, hold each other to account, embrace the unfamiliar and tell powerful stories.

Trust is a crucial precursor to providing a good workplace education, whatever the subject.

### According to Dr. Timothy Clark there are four steps to creating psychological safety



#### Learner safety

(do I feel safe to make mistakes?)



#### Contribution safety

(do I feel safe to come out of my shell and contribute?)



#### Challenge safety

(do I feel safe to openly challenge?)



#### Inclusion safety

(do I feel I belong?)





## Practical ideas to help you build your Awareness pillar... continued

**Make more use of reverse mentoring.** It is helpful to use initiatives such as reverse mentorship to further awareness of inclusion. This allows employees to find someone they can build a relationship with who understands the aspect of inclusion that they are unsure of, someone they can be honest with about it and ask for help around how to talk about it.

“

[Reverse mentorship] allows me to ask questions and refine what I might have thought historically.’

**Global Chief Commercial Officer**

“

We have implemented reverse mentoring which the executive team takes part in - I have two - it is a good way of understanding lived experiences. We meet once per month to understand their cultural experiences and also promotion hopes. It’s been very successful, and we can share learnings on how we can do better. This is being rolled out to the senior leadership team.’

**UK Retail HR Director**

**Co-create your values with your employees.**

Organisations could build awareness and educate on inclusion by involving employees in shaping their values beyond just a set of statements. For values to be effective, they need to be linked to behaviours and must have clarity on what this looks like in practice. They also need to make sure that the values they promote are aligned with inclusionary practices and behaviours. Most of all, they need to really understand what the overall purpose of their values is.

**Make values relatable.** Organisations need to challenge the notion of authenticity when it is linked to bringing your ‘whole self’ to work. They need to make sure that values resonate with employees while also underpinning the goals of the organisation. ‘Performative inclusion’, for example, which promotes an inclusive brand but ignores promoting inclusive practices, will be felt by employees as inauthentic, as one of our interviewees told us. And they need to ensure that their values are accessible and relatable to employees, regardless of their background or perspective. Values don’t have to be ‘static’, rather they are an ongoing practice to keep the awareness alive to help bring more consciousness to evolving differences in people and perspectives across the organisation.

“

“(For retail organisations)... Product will always be important for us as retailers, but what we’re also learning is what’s happening behind the scenes; what the company is doing on a day-to-day basis from ESG/D&I; how they engage with communities; who they give their money to... are all driving (customer) behaviour as well.’

**Lydia Smith, Chief Diversity Officer, Victoria’s Secret & Co.**



# Reflective questions for our **Awareness** pillar



1 How can you better demonstrate your commitment to building a learning culture?

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2 How might your organisation's values help or hinder your ambitions to build a learning culture?

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3 How might you work with your colleagues to build collective knowledge, insight and connection?

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4 Who in your network could help you do this?

5 What would your company values look like if viewed through a lens of promoting inclusion?

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6 How do your values specifically relate to your company and how you want to be seen by potential talent and customers, rather than just being generic 'corporate-speak'?

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7 How do your values create a tone of psychological safety and inclusion?

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8 How do you avoid any risk of being exposed to 'performative inclusivity'? What steps can you take to avoid this? Have you asked your teams whether they feel the stated values of your organisation are reflected in how it feels to work here?



# Pillar 2 Insight

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## Challenge:

Inclusion has been difficult for organisations because they are unclear on what to measure – or how to measure it.

## Recommendation:

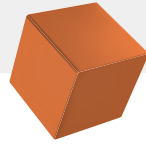
To bring change, organisations need to be clear about what inclusion means – and use the power of data to gather meaningful insight.



## Pillar 2 Insight

Collecting data helps organisations better understand their workforce and identify the actions that will drive change and embed inclusion. However, inclusion has been difficult for organisations to measure for a number of reasons.

This is because there is:



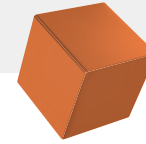
### **A lack of consensus on definition.**

There is no universal definition of inclusion. Different organisations and individuals may define inclusion in different ways, depending on their specific context, culture and goals. This has made it difficult for organisations to develop a standardised set of metrics for measuring inclusion.



### **Subjectivity.**

Inclusion is a subjective experience, meaning it can vary from person to person. What feels inclusive to one person may not feel the same way to another. As a result, it can be challenging to develop metrics that accurately capture the nuanced experiences of different individuals.



### **Intersectionality.**

Inclusion is not just about a single dimension of diversity, such as race or gender. It is a complex and dynamic interaction of various identity dimensions, including but not limited to age, gender, race, ethnicity, religion, sexual orientation, ability and socio-economic status. Measuring inclusion, therefore, requires an understanding of the multiple and intersecting factors that contribute to a sense of belonging and safety.



### **Limited availability of data.**

Data on inclusion may not be readily available, as individuals may not feel comfortable sharing their experiences, or organisations may not collect the necessary data. Moreover, measuring inclusion often requires qualitative data, such as narratives and anecdotes, which can be challenging to collect, analyse and interpret.

**To measure inclusion, you first need to define the core elements of what it really means.**

Inclusion is a nebulous, subjective term, but in general it means: 'the extent to which everyone at work, regardless of their background, identity or circumstance, feels valued, accepted and supported to succeed at work' (CIPD, 2019). How would you go about measuring this sentiment?



# The core parts of inclusion

We reviewed the academic literature on inclusion and synthesised the core parts that were most consistently referenced:

## Diversity

The mixture of people within an organisation, which refers to all aspects of human difference.

## Belonging

The sense of respect, care and feeling valued in your organisation.

## Psychological safety

Feeling able and safe to speak up and not hide mistakes, without fear of judgement.

## Trust

The feeling of trust across the organisation as well as within teams, enabled by honest and open communication.

## Authenticity

The feeling of being able to present yourself how you like at work, without the feeling of needing to hide parts of your identity.

## Decision-making

The level to which employees feel their ideas, suggestions and perspectives are considered and appreciated.

## Autonomy

The ability for employees to exert control over their own work and focus time.

## Fairness and equity

The level to which all employees feel promotion, reward and recognition is equitable and transparent.

## Absence of discrimination and harassment

The level to which employees feel their organisation does not tolerate any form of discrimination and harassment and have policies to support.

## The most consistently referenced outcomes were:

### Wellbeing

The extent to which employees feel energised by work and connected with others.

### Engagement

The level to which employees would recommend their organisation as a place to work and feel inspired to give their very best.





**Measuring inclusion is important if businesses want it to be taken seriously and, more importantly, if they want to track progress. We recommend that organisations think about data and measurement in two key areas:**

1.

The type of employee data they collect, to understand where exactly their areas of focus should be.

2.

How they're going to track progress and measure shifts in sentiment and other desired outcomes such as reduced turnover, absenteeism and improved engagement, motivation and innovation.

Engagement surveys can take organisations some of the way in gathering data on understanding attitudes to inclusion, but they need to think critically about the additional, often nuanced questions that enable organisations to get closer to the heart of important issues.

How can organisations gather meaningful data about their workforce and still respect individuals' rights to privacy and boundaries? Some of our interviewees made the pertinent point that data needs to be connected to action and outcomes. It's important to be transparent and clear about why you're asking for specific information and what it's needed for. Trust will break down if data is continually gathered without any change as a result.

“

How do we create an environment where people want to share data around inclusion? Well, people have got to understand the answer to some basic questions. Why do we want all this information? What will it mean for them? How will it help them? And sometimes that means working with the data you already have to show its impact before you ask for more.’

**UK HR Director**

It's also important that leadership advocacy is central to the drive towards measuring inclusivity. According to our interviewees, this isn't always easy.

“

We've spent the last four years getting our senior leaders more comfortable with inclusivity reforms. Having data is an important part of that.’

**James Goodman, HR Director, Tesco UK**

“

We need to understand the composition of the workforce, understand how people feel, engage to answer the right questions, focus on wellbeing in the context of D&I.’

**Liz Jewitt-Cross, People & Transformation Board Director and Consultant**



Employees recognise the value in data and measurement to gather meaningful insight, especially when it is advocated and invested in and linked to change and action.

“

We have appointed a DEI person at leadership level who reports to our CEO... We are getting better at collecting and reporting data.’

**Employee, Professional Services**

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In our last annual D&I Survey, we had a 70% response rate across all units, which gives us a great base [from] which to build a stronger D&I organisation.’

**Employee, Retail**

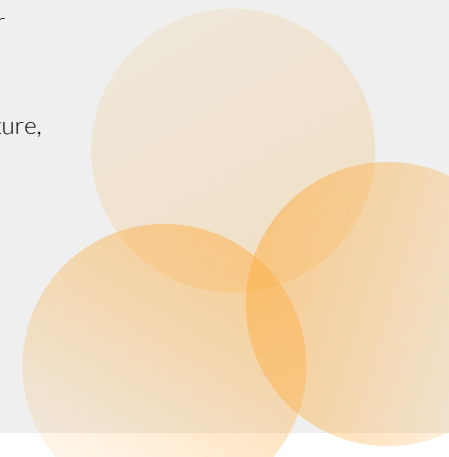
It is essential to capture key demographic data to understand the make-up of your organisation. However, organisations need to think about and be sensitive to how collecting data (i.e. via surveys) could feel uncomfortable for employees who are from minority groups, in a non-diverse workforce.

“

I fear I would be marginalised as there is power in numbers and being the only black person puts me at a disadvantage.’

**Employee, Tourism and Hospitality**

We also heard one of our interviewees talking about measuring ‘invisible data’. This is about finding ways to measure the less ‘obvious’ and more subjective experiences of individuals, as well as their thoughts and perspectives on different cultural issues within their organisation. It means tapping into the traditions, organisational rituals, beliefs, habits and behaviours that are hardwired into the workforce, almost unconsciously. For a true understanding of culture, multiple levels of measurement and analysis are needed.





## Practical ideas to help you build your Insight pillar...

**Work out the data needed.** Organisations should start by understanding the data they need to assess their workforce, typically demographics and engagement levels. To build a deep understanding of the culture of an organisation, data on demographics, sentiment and how important inclusion is to people needs to be gathered.

Look at your employee lifecycle data by demographic, breaking it down into ethnic minority groups, sexual orientations and other protected characteristics. Look for any 'disproportional' experiences. A five-percentage-point difference in an engagement survey in large organisations will normally be statistically significant. Ten percentage points will be a considerably disproportionate experience.

**Link inclusion data to performance.** Data will be unique to every organisation. Start by being really purposeful and thoughtful about the data you need to collect to understand employee sentiment. Business leaders and CEOs need to make inclusion a critical business KPI (key performance indicator).

This means using data to understand how inclusion impacts on areas such as employee engagement, productivity, innovation and customer satisfaction, and the relationship between these factors. Make sure, however, that inclusion is authentic and not something that is used only to sell products.

“

Genuinely go through the six-monthly employee engagement using a reputable company. Make sure a question gets you under the skin of a problem. Demonstrate that you've listened and commit to making changes... and as you make changes, measure the benefit.’

**Ian Filby, Experienced UK Retail Chairman and NED**

**Turn data and information into meaningful insight.** Reporting and gathering data is not a one-off activity. It requires continual attention and focus, especially when organisations launch a new cultural initiative or change programme. Leaders cannot assume that because initiatives have been set in motion, outcomes are guaranteed.

Use project milestones as an opportunity to collect new data and track how sentiment is or isn't shifting. Respond to the data by tweaking plans or changing course. A granular attention to detail is essential on any behavioural-change journey.

### **Adopt a multi-layered approach.**

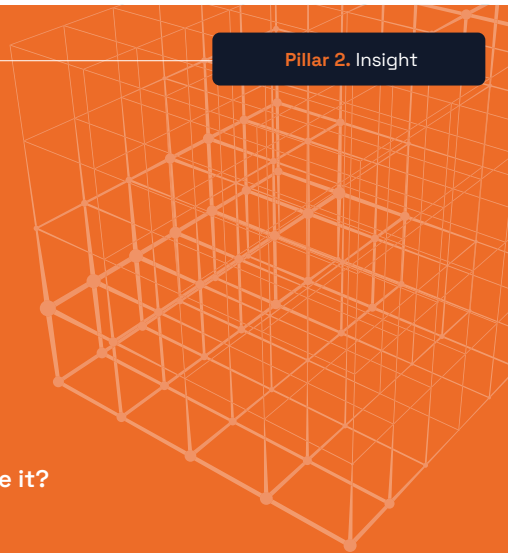
Move beyond surface-level measurement. There is opportunity for organisations to gain greater insight into the motivations, values and beliefs of their people. Use both qualitative and quantitative measures and challenge any initial interpretations of your data.

Organisations could create working data groups to collectively analyse and make sense of engagement and wellbeing surveys, as well as run workshops and focus groups to gauge employee sentiment in a safe space.





# Reflective questions for our Insight pillar



1

How can you build a case for gathering data to measure inclusion?

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2

How are you connecting inclusivity data to the bottom line?

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3

What can you do to give colleagues sufficient reason to feel safe to give you their data? How do you explain why you want it, and what you will do with it?

4

What do you do with the data once you have it?

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5

How do you actively demonstrate how you have used it in order to make changes that will support creating an inclusive culture?

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6

What role do listening forums play in your culture? How can you use 'you said ... we did ...' to demonstrate that it is worth people taking the time to share their opinions?



# Pillar 3

# Strategy

---

## Challenge:

Inclusive cultures won't just happen. They are fuelled by curiosity, intent, decisive action and courageous leadership.

## Recommendation:

Listen to your people, at all levels – everything you need to know is there. And ensure your executive team are committed both to making a difference and alignment around the same inclusion goals.



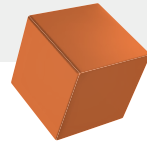


## Pillar 3 Strategy

There is already a strong business case for both diversity and inclusion. What is less clearly outlined in the research is the relationship between the two and the role that strategy plays in driving both.

### A case well made

Considerable research has alerted leaders to the benefits of DEI, such as:



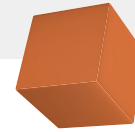
#### Improved creativity and innovation.

According to a study by McKinsey & Company, organisations in the top quartile for ethnic and cultural diversity are 33% more likely to outperform their peers on profitability.



#### Better decision-making.

Diverse teams can make better decisions because they consider a broader range of viewpoints, ideas and experiences. A study by Cloverpop found that diverse teams made better business decisions 87% of the time.



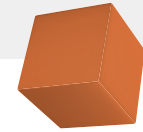
#### Increased employee engagement.

A more diverse workforce can lead to higher levels of employee engagement, job satisfaction and retention. A study by Glassdoor found that 67% of job seekers said a diverse workforce was important when considering job offers.



#### Improved customer satisfaction.

A diverse workforce can help organisations better understand and serve a diverse customer base. According to a study by Deloitte, organisations with inclusive cultures are twice as likely to meet or exceed financial targets.



#### Enhanced reputation.

Organisations that prioritise diversity and inclusion can improve their reputation and brand image, which can help attract and retain top talent. A study by Weber Shandwick found that 39% of job seekers said a company's commitment to diversity and inclusion was important when considering job offers.



**Our research suggests that diversity and inclusion are often terms used interchangeably, demonstrating that the nuances between the two are not well defined or understood.**

While diversity is about recognising and valuing difference, inclusion is about creating an environment where everyone feels valued and respected, regardless of their differences. In truth, many have made forward strides with diversity, though it's taken a lot of time and effort.

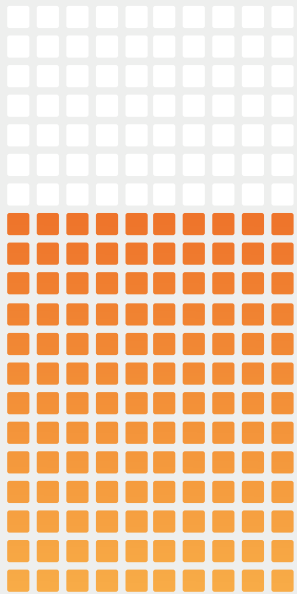


# The employee perspective

Our survey among our employees reveals that:

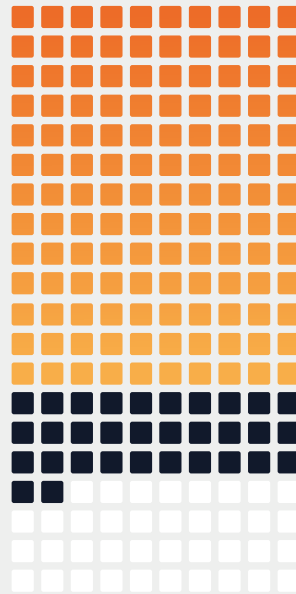
## 65%

feel their organisation values diversity (but 35% are neutral, disagree or strongly disagree).

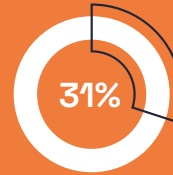


## 65%

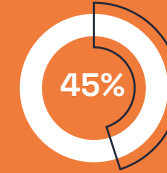
report that they believe people from all backgrounds and with a range of identities have equitable opportunities to advance their careers at their organisation (but 16% strongly disagree).



## Perceptions of organisational values towards diversity

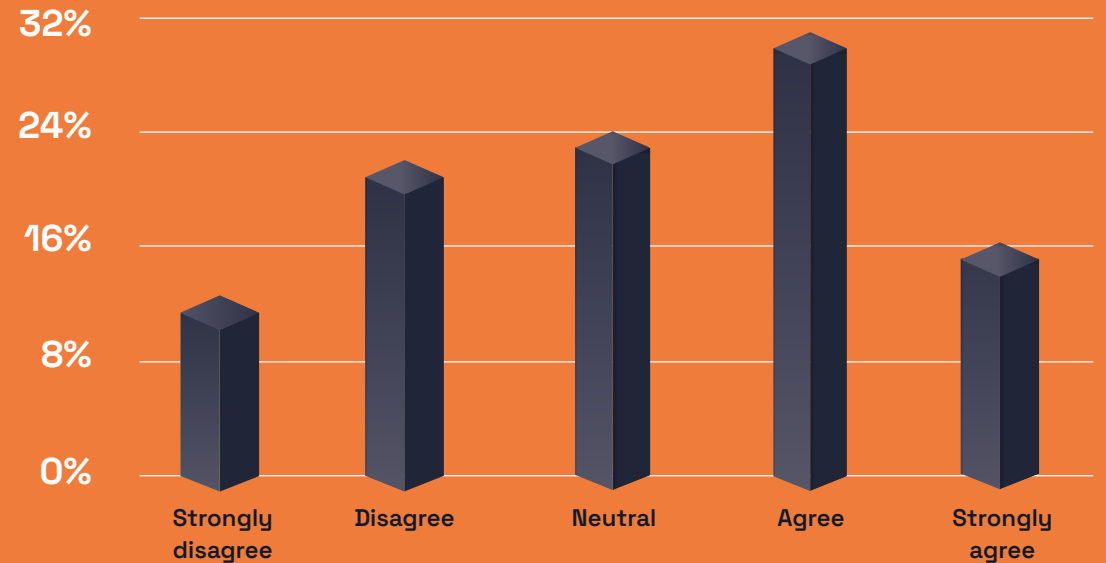


Feel leaders and managers are not representative of the broader workforce



Agree that leaders and managers at their organisation are as diverse as the broader workforce

Leaders and managers at my organisation are as diverse as the broader workforce...





However, understanding what inclusion is means engaging with the percentage of employees who disagreed with these statements.

Inclusion is about choice, and it's bespoke to each organisation. We've found that this can be difficult for organisations because it requires a fundamental shift in culture and mindset. It requires addressing power dynamics within an organisation, which can be uncomfortable and challenging.

“

Inclusivity comes back to the fact that we are all different. We bring differences: different skills, but more importantly, different cultural nuances to create a really great culture, which could be about people and performance or whatever we choose it to be.’

**Ian McLernon, CEO EMEA,  
Rémy Cointreau**

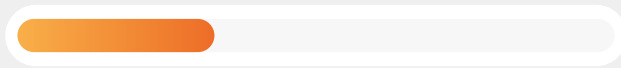
“

I think diversity and inclusion are completely different. You can claim to be diverse, but that doesn't mean you're going to be inclusive. “Inclusive” to me means to feel and be part of something. We are diverse in the way we bring people on board. But if we're not inclusive, diversity just isn't meaningful. And inclusivity is the thing we really need to drive our business forward.’

**UK HR Director**



We also asked the employees surveyed how they would describe their lived experience of being able (or not able) to be their true, unique self at work and their sense of belonging.



**30%**  
do not believe their unique background and identity are valued.



**50%**  
feel a sense of belonging at work.

**Here is what a few of them told us...**

“

Not being able to express and “be myself” at work is an incorrigible feeling truly; there is a constant sense of desolation and feeling that you’re “broken”.’

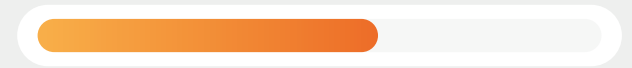
**Employee, Hotel and Food**

“

The means of interaction do not allow for the possibility, as this workplace confuses conformity with inclusion. The outlook is heavily conservative/neoliberal economically, with no room for any real divergence.’

**Employee, Retail**

The cost of getting this wrong will be considerable. Our employee research also shows that:



**60%**  
only 60% report recommending their organisations as a place to work.



**38%**  
nearly two in five (38%) report actively looking to leave in the next six months.



# What inclusion means for business strategy



Shaping a robust strategy requires executive teams to come together to:

While our research gave us many different views, the uncomfortable truth is that not enough organisations have made meaningful progress on their strategic approach to driving inclusion. Some have hired DEI professionals or invested in awareness programmes and networks. As welcome as that is, it is not enough on its own.

Building inclusion requires a sustained and intentional effort from leaders and the entire organisation. It requires leaders to tap into their biases, worries and skills gaps, as well as organisational structure, to create targeted interventions that really address root-cause issues. Overcoming these challenges requires a commitment to continuous learning, self-reflection and collaboration.

**So, what can be done?**





## Practical ideas to help you build your Strategy pillar...



### **Build targeted, focused strategic plans that focus on inclusion.**

DEI needs an integrated focus but quite different strategies for each strand. Inclusion needs its own meaningful definition of success. Interventions can be prioritised by focus area and by setting clear, measurable short- and long-term goals and design solutions that target the root cause of areas of challenge. Areas of strategic focus for inclusion might include making changes to key processes and approaches so that they become more accommodating and accessible for individuals with specific needs.

“

I experienced that virtuous spiral up – happier colleagues make happier work and a more profitable business, recognising that to recruit happier colleagues you have to change. If you want to stretch inclusion and diversity at board level, you’ve got to start filling the pipeline earlier – don’t fill a gap with the wrong person.’

**Ian Filby, experienced Retail Chairman and NED**

“

It takes a really humble leadership stance to be able to accept difference and intentionally hire in a diverse way ... (being) aware of what I am/they are good/not good at – and build the capabilities in (their) team. We need leadership maturity and braveness to say, “It’s okay someone isn’t like us” – if they fail we’ll work through it together without blame.’

**Lizzie Downes, CPO, Pendragon PLC**



## Practical ideas to help you build your Strategy pillar... continued



### **Drive leadership ownership for the inclusion strategy.**

Leaders must lead from the front. Any inclusion strategy should not be held exclusively by HR. CEOs and senior leaders from across the organisation must signal the importance of this agenda and reinforce words with deeds, by investing in the right resources to turn strategy into action. Leaders can support by ensuring their inclusion strategy is a core business priority, for which they are held accountable for their outcomes.



**Keep interventions practical, targeted and achievable.** As mentioned earlier, a lot of money has been spent on DEI initiatives, but impactful interventions don't need to be costly. Many of the solutions lie within your organisation already.

Setting up employee resource groups (ERGs), for example, can be a powerful way to create a sense of community and belonging within the organisation. Mentorship and sponsorship programmes can also help employees from underrepresented groups to develop their skills, build their network and advance their careers. There are also opportunities for employees to connect, socialise and learn from one another, by hosting social events that are focused on celebrating diversity.

Cultural events can also help to create a sense of belonging, and foster understanding and appreciation of different cultures and backgrounds. Lastly, if you know your industry has a bias towards certain universities, try to address that through different recruitment strategies.





“

**It's not just a leader thing ... it's an everyone thing. But if leaders aren't showing up and behaving authentically, it doesn't build momentum in the business. It's about authenticity and doing what you say.'**

**Nick Sedgwick, experienced UK  
Consumer Health and Beauty Executive**



# Reflective questions for our Strategy pillar



1 What is your strategy for building an environment where inclusive cultures thrive?

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2 How does your organisation talk about diversity, belonging, inclusion and equity?

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3 How do you talk about the organisational advantages of creating an inclusive culture?

4 What support do you need to build a strategy for inclusion?

---

5 How can you integrate it with other initiatives going on in your organisation?

---

6 What barriers can you identify and how might you overcome them?



# Pillar 4

# Commitment

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## Challenge:

Systemic change is not well understood in organisations.

## Recommendation:

Inclusion requires a 'whole-person' and 'whole-organisation' commitment to changes in culture, infrastructure and processes.





Pillar 4

# Commitment

The pandemic – and the subsequent shift to flexible, hybrid and remote working that it created – has taught us that even long-held assumptions about work, jobs and workplace design can be challenged.

Traditional ways of working had arguably worked against the inclusion of many talented people. Yet new ways of working may have created new obstacles and barriers to inclusion, perhaps through fostering a sense of isolation.

In addition, the traditional view of an 'ideal' worker, in spite of the development of flexible working options, still seems to be that of work being best done by a single person working full-time, without any interruptions or distractions. However, this model also risks being exclusionary, because it is based on old systemic assumptions about gender and ableism.

What is clear is that systemic change is not well understood in many organisations. For example, organisations need to become far more aware than they currently are of the impact of workplace design on inclusion. Employee inclusion is also influenced and impacted by organisational infrastructure (for example, processes, systems, environment). So how can businesses move towards inclusion by ensuring that the modern workplace is not effectively generating a sense of 'exclusion by design'?

## The employee perspective

There's still a sentiment across the employee data that there is pressure to 'fit in'. How do we make the organisational environment fit the people, and not vice versa?



In the legal profession, the recruitment stats may suggest that diversity is improving, but for many the focus remains on how much billable time each lawyer has achieved. The striving to meet these hours may lead to there being no time to play with the kids, look after your mental health or care for your elderly parents for example. If the sole goal for many is to make partner, which is often assessed based on the achievement of these targets, then nothing changes. There is however a recognition that this model is outdated, and most leaders in those businesses want to do the right thing. The problem is that they often just don't know how.'

**Lindsay Barnett, Managing Director, Lindsay Barnett HR Consultancy Services.**

Another danger is a focus on practices that could exclude for other cultural reasons when a minority nationally is seen as a majority locally.

In our survey, we asked employees to tell us in a few words about their workplace design. Answers were linked to feeling like a cog in a corporate machine, a lack of individuality and organisations not being naturally inclusive by design.

We found 50% did not agree that their unique talents are valued or utilised. How could changes in job design, flexible working and structure unlock talent that isn't being leveraged today?

50% did not agree that their unique talents are valued or utilised.





## The employee perspective continued

“

The work environment can be stressful and unsupportive. I feel like I'm just a small part of a big machine, and not valued for my contributions.'

**Employee, Construction**

“

The corporate world is not about individuality. You do best if you accept you are a number and are nothing but an employee.'

**Employee, Retail**

We asked employees what they felt would need to change for organisations to demonstrate true commitment to inclusion.

“

Probably offering more tailored support to all individuals to make them feel valued and less like cogs in a machine – maybe allowing them more opportunity to get involved with campaigns and share personal stories about equality and diversity.'

**Employee, Retail**

“

More or less the entire ethos would have to transform; if I had to pin one thing down, I would say that far less rigid systems are required, as they stifle diversity, inclusion and equity.'

**Employee, Retail**

For others, the design of the workplace is still designed in a way that drives their organisation against, rather than towards, inclusion.

“

I feel the lack of democracy and the heavy hierarchy holds us back overall – and our results are consistently disappointing because [of] the lack of meritocracy, opaque promotions and decision making.'

**Employee, sector withheld**

When only a few select individuals hold the power to make decisions, this can limit the perspectives and ideas brought to the table and lead to a lack of innovation and creativity in the workplace. Organisations would benefit from considering intersectionality and diverse needs as an opportunity to design more inclusive and accessible workplaces in order to unlock and retain talent.

“

I have an invisible disability and I am scared to show any weakness even though every day is a struggle.'

**Employee, Tourism and Hospitality**

These quotes show the importance of understanding the needs of individuals who may need support to do their job well. This is a core principle of equity, and while not the focus of this report, it is a key enabler of creating an inclusive culture.



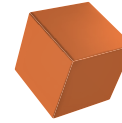
## From exclusion to inclusion

Designing organisations for inclusion involves creating an environment where all individuals feel welcomed, respected and valued when they walk in the door, regardless of their differences in background, identity or experience.

“

We've introduced a workplace passport where employees can note down any adjustments they need and speak to their line manager about this. It's important to talk about what matters to them.'

**UK Retail HR Director**



## Workplace design Case Study:

### AkzoNobel

AkzoNobel is a multinational that creates both paints and performance coating. It has encouraged employees to drive change from the bottom up. It introduced a programme for voluntary communities of employees because it realised that for any organisation to remain an engaging place to work, it is important to involve employees in driving the changes required.

The 'Your AkzoNobel' programme was specifically designed to empower employees to improve their work environment, because the business realised that involving employees at the ground level was a great way to leverage ideas from the front line to drive change. The ability of organisations to renew themselves faster than competitors is one of the best ways to drive business performance over the long term.

[Source: Top Employers Institute]



## Practical ideas to help you build your Commitment pillar...

### Focus on outcomes, not inputs.

Outcomes can help organisations to become more flexible and responsive in questioning what's really required to get the job done. Flexibility is broad in its conception but in practice could involve co-creating solutions with employees around job sharing, job crafting, job shadowing, flexible work hours and remote work options, to help employees cope with job demands while balancing their own needs.

### Audit your workplace

**infrastructure.** Employee inclusion is influenced and impacted by organisational infrastructure (processes, systems, environment). Evaluate the degree to which this infrastructure enables or impedes inclusion. Removing or changing these impediments could unlock opportunities for a more inclusionary culture in the workplace.

We've shared a couple of examples of where there might be blockers to inclusion based on where organisations have typically struggled with evolving their infrastructure in line with their ambitions to be more inclusive:



**Diverse Hiring:** One of the most important ways to promote inclusion is by ensuring that the organisation's staff is diverse and representative of the communities it serves. This involves creating a diverse hiring pipeline, removing biases from the hiring process, and prioritising diversity and inclusion as key factors in recruitment.



**Inclusive Policies and Practices:** Organisations should establish policies and practices that are inclusive and accommodating to all individuals, regardless of their background or identity. This includes policies related to diversity, equity and inclusion, as well as policies related to accommodations for disabilities, family leave, flexible work arrangements and other forms of support.



**Accessible Spaces:** Organisations should ensure that their physical and virtual spaces are accessible to all individuals, including those with disabilities or other accessibility needs.

“ But crucially, ‘Don’t brand changes as “DEI Initiatives” – make them “business as usual” to show commitment.’

Melissa Sterling, Global Wellness and Belonging Manager



## Practical ideas to help you build your Commitment pillar... continued

**Get employees involved in workplace design.** In a highly competitive market for talent, the best employees will also need to be deeply immersed in shaping the design of their roles and the way in which they work. Organisations need to allow employees to have an active influence in decision-making across their working lives. Employees should have a say in what works and what doesn't work for them.

**Challenge your existing policies, benefits and practices.** Your policies serve to shape pathways and opportunities for people, as well as protect them. Make these transparent and visible to everyone. Review these constantly. Culture and external factors change all the time; keep policies in line with what's going on in the real world.

“

If you're starting out on this journey, start small and deliver on the actions you set – don't fall on the first hurdle. Make some statements about why and how you're going to change. It's better to under-commit and over-deliver. People will believe your actions not your words.’

**Nick Sedgwick, experienced UK Consumer Health and Beauty Executive**

**Build a system of support, community and unity.** Listening groups or employee resource groups can help create a sense of community and support for employees from diverse backgrounds. They can also help organisations better understand the experiences of underrepresented groups and identify ways to better support them. Organisations should encourage the formation of these groups and provide resources to help them succeed.

**And, crucially, seek continuous feedback:** It is important to gather regular feedback from employees to identify areas where the organisation can improve its inclusivity efforts. This can be done through regular surveys, focus groups or one-on-one conversations with employees.

**Commit to learning and increasing your awareness and knowledge:** You may be afraid of talking about diversity or inclusion or a specific area of the topic. Make sure you do something about it! For example, get a coach or seek out a reverse mentor. Read articles and books relating to that demographic. Make it your focus to increase your awareness and knowledge and commit to continuous learning.



“

**Talk about DIFFERENCE – and  
why it matters – this makes  
inclusion about EVERYONE.’**

International Chief HR Officer



# Reflective questions for our **Commitment** pillar

1

Who are your working practices helping – and who are they hindering?

2

How have you ensured that people from different faiths feel valued and respected in your organisation?

3

What steps have you taken to ensure that you are addressing the needs of parents beyond the legal requirements?

4

How do you talk to your teams to understand how working practices could evolve to be more inclusive, without damaging productivity?







# Pillar 5

# Behaviour

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## Challenge:

Training is an enabler, but inclusive behaviours are essential for progress.

## Recommendation:

Inclusive behaviours must be demonstrated visibly and consistently by leaders, managers and champions at all times.



Pillar 5

# Behaviour

Organisational culture is based on underlying beliefs, values and observable behaviours. The latter can be conscious or unconscious, and the impact can be intended or unintended. Behaviours can be influenced by various factors, such as personal traits, culture and experience. Most importantly, for purposes of a more inclusive organisation, they can also be learned.

One of the most consistent themes arising from our research has been the importance of behaviours. Having a policy about developing inclusive cultures is important, but the key enabler of that policy will be behaviours – authentic behaviours that are present consistently, demonstrated at the highest level, and rewarded.

As such, we believe – and our research appears to support this – that behaviours play a crucial role in developing and maintaining organisational cultures, and this can be viewed through a number of lenses:

### Values

Behaviours help to reinforce the values of an organisation. If the behaviour of employees aligns with the values of the organisation, it reinforces those values and helps to create a culture that values those behaviours.

### Norms

Behaviours can establish norms within an organisation. When employees model certain behaviours, it can create an expectation that others will behave in the same way. Over time, these behaviours become norms, which then influence the culture of the organisation.

### Attitudes

Behaviours can also shape attitudes within an organisation. Positive behaviours can help to create a positive work environment, while negative behaviours can lead to the opposite.

### Communication

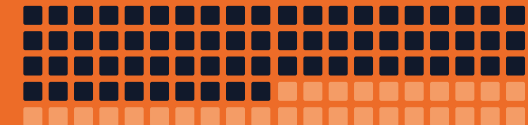
Behaviours can also impact communication within an organisation. When employees communicate openly, respectfully and effectively, it can help to create a culture of collaboration and open communication. Conversely, negative or unproductive communication can create a culture of distrust and conflict.

The behaviours demonstrated by leaders has been shown to be particularly critical:

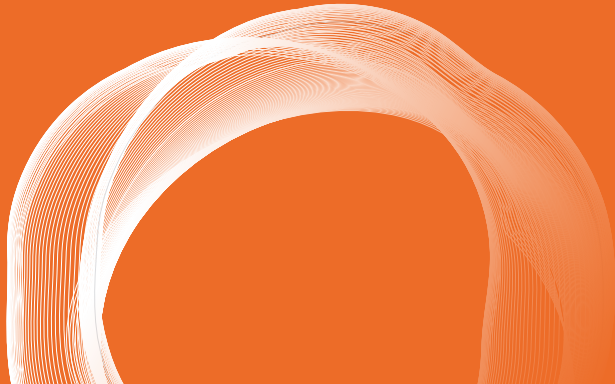


Inclusive leaders make employees feel over **80%** more motivated.

And conversations with managers often define employees' experiences at work.



**70%** of the variance in team engagement is determined solely by the manager.





## The employee perspective

Our research indicates that demonstrating inclusive behaviours will foster trust, psychological safety, authenticity, autonomy and respect among employees – the constructs which underpin inclusion.

Many employees in our survey mentioned their desire to see a management team more representative of the broader workforce. Not only demographically, but attitudinally and behaviourally:

“ We want to see a cultural shift at the top.’  
Employee, Food Processing and Service

“ [What their organisation is doing well but need to do more of is] having conversations about race and discrimination, but I haven’t seen any real change – especially in leadership roles/management. It just feels like box ticking.’  
Employee, Retail

“ CEOs should model the right behaviours.’  
Employee, Retail

“ I feel to an extent I can be myself, but I have neurodivergent characteristics, which I am aware of, and I will mask or observe others’ behaviours so I fit in. I feel if I did not do this I might be viewed as being difficult or purposefully annoying.’  
Employee, Medical/Healthcare

Employees need managers and leaders to actively demonstrate their intolerance for discrimination, racism and harassment and their commitment to protecting their employees’ welfare. There needs to be consequences in place for behaviour that harms, hurts or offends employees.

“ I’ve seen my fair share of racial abuse towards staff from patients and I would love to see greater support from management for staff members who have to put up with such vile behaviour.’  
Employee, Medical/Healthcare

## Leadership behaviours: advocacy and allyship

Leaders need clarity on what works to improve diversity, equity and inclusion, all at once. According to McKinsey, they need approaches that are quantifiable, scalable and sustainable. For leaders to adopt new approaches, they need to let go of traditional leadership models in favour of authentic leadership models. By this we mean, shift away from utilising a top-down, directive, hierarchical approach, and instead adopt a style that includes challenging their own assumptions about what it is to be a leader. This is not about ‘knowing it all’ but empowering others to discover new solutions to problems.

Leaders must see the promotion of inclusion and a sense of ‘allyship’ with their employees as a force for good, rather than a threat to their power. Allyship is a ‘lifelong process of building and nurturing supportive relationships with underrepresented, marginalised or discriminated individuals or groups with the aim of advancing inclusion’ (Luthra, 2022). The sense of threat to a leader is misplaced – their leadership role is more crucial than ever through playing an active and visible role in driving new mindsets and behaviours. And further down the organisation, it’s also important to recognise the valuable leadership role of line managers in showing what the right behaviours look and feel like.



“

People fall into three groups: the disbelievers – “we don’t have an issue”. Mitigations – fairly strong conversations need to happen with them about the culture you’re trying to create. The semi-allies – they believe in it, but they’re passive; they’re not sharing with others. Mitigations – you need to activate them so they can help the active allies. And then there’s the very small group driving the content and making things happen.’

**Nick Sedgwick,  
experienced UK Consumer  
Health and Beauty Executive**

Our research interviews among employers strongly suggest that creating the right conditions for an inclusive culture stem from the example set by leaders. When leaders take an active role in inclusion, it helps to build and sustain momentum and sends a signal to all employees that it is safe for them to bring their authentic selves to work.

However, some of the challenges faced by leaders is struggling to know how or where to start...

Leaders don’t always have to act immediately – they need to listen, align themselves and their teams more closely together, and agree the behaviours that will promote inclusion in their organisation. Collectively they need to agree what good looks like and the opportunities for them to ‘role model’ good behaviours to the rest of the organisation.

“

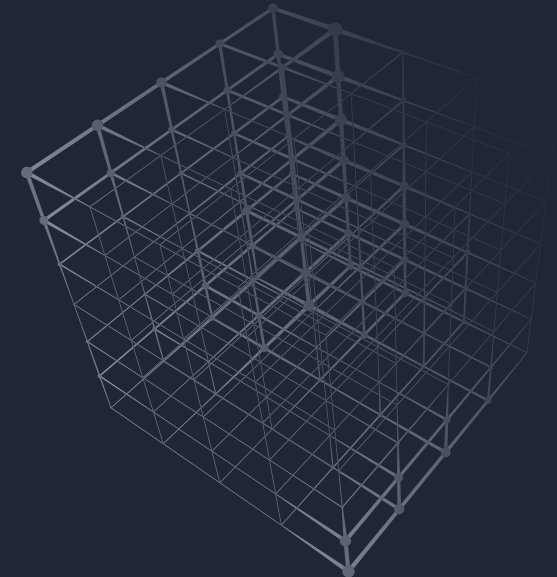
What leaders need to do is to recognise that you’re not going to be the expert on this topic [diversity and inclusion], but you have to take responsibility for your people and your team.’

**Ian McLernon, CEO EMEA, Rémy Cointreau**

“

I think we’ve also shied away from topics that feel fluffy or like they don’t have a place in the workplace. We need to learn to be vulnerable in the workplace, and that is super new for some leaders in the organisations...’

**UK Group DEI Director**





## Managerial behaviours: upskilling and mindset shift

Leaders hold great influence over how managers lead teams and conduct themselves at work. Managers can support leaders in driving the inclusion agenda by providing the right resources and education for their employees to ensure that everyone is aware of the importance of inclusion, and to equip them with the skills and knowledge to promote it.

They can also ensure that there are policies and practices in place that promote inclusion, such as flexible working arrangements, accommodations for disabilities and support for employee resource groups.

### Leaders we interviewed shared some practical advice for leveraging managers' roles to be drivers of inclusion:

“

The role of the manager in this hybrid context – context of social unrest, context of our personal lives and work lives – [is] much more intertwined. There is more of a variety in terms of working patterns... that role of the manager is so critical, arming them with a better understanding of how to be inclusive, how to actually care about people as human beings, and being more human-centric rather than making sure processes are being kind of implemented – to be less process driven.”

UK Group DEI Director

“

The first step is recognition. For example, how many businesses haven't yet recognised they're made up of introverts and extroverts?’

Nick Sedgwick, experienced UK Consumer Health and Beauty Executive



## So how can leaders better equip managers with the right tools and support to drive the inclusion agenda?

1

### **Education:**

Managers should educate themselves on the concepts of diversity, equity, and inclusion, and understand how to recognise and address unconscious bias. This will enable them to lead with intentionality and fairness.

2

### **Lead by example:**

Managers should model inclusive behaviour by treating everyone with respect, being open-minded and curious, and actively seeking out diverse perspectives. Ensure everyone gets the opportunity to speak in a meeting.

3

### **Foster open communication:**

Create an open and safe space for team members to share their thoughts, concerns, and experiences. Encourage everyone to participate in discussions and make sure to actively listen to what is being said. Another way to encourage more inclusive meetings and communication is to encourage 'brainwriting' where people gather their thoughts ahead of the meeting, rather than 'brainstorming' where ideas can be lost, and more dominant characters are likely to be heard.

4

### **Hold yourself and others accountable:**

Hold yourself and others accountable for creating and sustaining an inclusive culture. Set clear expectations and enforce them consistently. Take action if behaviour is not aligned with the values of inclusion and respect. Another practical tip is to give someone the role of calling out any biases when they see or hear them.

**Managers might also be the best equipped to identify change champions in their teams to build engagement and momentum with inclusion initiatives.**

5

### **Empower team members and actively encourage change champions:**

Encourage team members to take on champion roles, build support networks and host events, and provide them with opportunities to develop their influencing and impact skills. Recognise their contributions and celebrate their successes along the way. This will encourage others to get involved.





“

The other thing that we do really well here is we have awards around DEI and it's completely nominated by employees, voted [for] by employees. It can be anything from small acts to big acts. The idea is we celebrate DEI in different ways.'

Head of DEI, UK





## Practical ideas to help you build your Behaviours pillar...

**Consider your intent, your impact and your influence.** Inclusive leaders are those who create an environment where everyone feels comfortable sharing their ideas and opinions, and where there is a sense of psychological safety. This can set a great example from the outset in modelling inclusive behaviour, but there are challenges here, too, if there are no role models for the future leaders of tomorrow.



The challenge is that every leader is different with their own sets of values and beliefs. In my organisation, currently there is no unified zero tolerance approach to ensure everyone can genuinely be themselves at work.”

Employee, Retail



I think it would make a big difference if everyone was allowed to say what they wanted without fear of it coming back on them.”

Employee, Tourism

**Set the tone.** Leaders can demonstrate their commitment to ensuring that every employee feels valued and respected. Leadership has a critical role to play in setting the tone and expectations for a culture of inclusion. Setting the right tone sends a clear message to their employees that they are not only valued and appreciated, but top of the priority list. It will become clear to people if leaders don't care about inclusion. They must demonstrate a genuine interest, and this requires being empathetic, understanding and responsive to the needs and concerns of employees.

### In practice, this means that leaders could:

Role model the right behaviours, such as showing vulnerability.

Admit when they are wrong.

Be candid about when they have also felt excluded in the past.

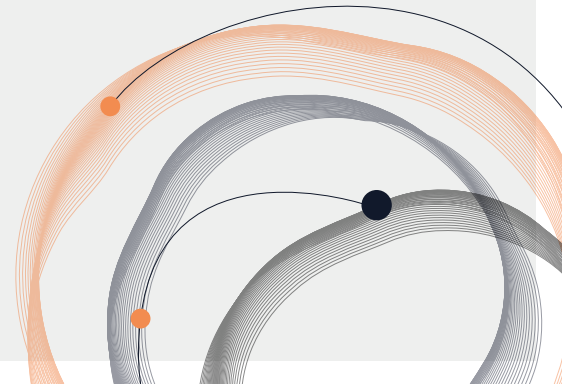
Involve employees in shaping the strategy, rather than others expecting them to have all the answers.



Encourage people to talk about their experiences... encourage reflection and storytelling.’

Amelia Lietke, People & Culture Director, Ann Summers

**Demonstrate that you have been listening.** Leadership advocacy needs to be set in a more progressive light than it is currently. The ‘World of Work Trends Report’ (2023), from the Top Employers Institute, shows that they will need to effectively develop new strategic skills, particularly those of ‘listening to the heartbeat’ of the organisation. They, and the next generation of leaders they nurture, will need to place a more committed listening strategy front and centre of their inclusion agenda. The communication that then ensues must be authentic and genuine. This means being open to feedback, willing to learn from mistakes and continuously improving.





## Practical ideas to help you build your Behaviours pillar... continued

### In practice, this could mean:

setting a monthly block in the calendar for people to come and share their ideas with you.

educating yourself on different cultures to create greater inclusion

Welcoming a dialogue on important issues for inclusion. Our research, for example, shows that **one in three** employees report that they do not feel there is an awareness and open conversation on racial injustice.

“

At the very top, leadership can be out of touch with changing cultural norms... listening to new generations and employee resource groups will help to educate them.’

International Chief HR Officer

“

Each exec team member sponsors a Business Resource Group (BRG), which includes:

- Disability
- Pride (LGBTQ)
- Women in the workforce
- Veterans
- REACH (Racial Equity and Cultural Heritage)
- Parents and carers
- Sustainability – feeds into disability, supports those affected by natural/environmental disasters

For each of the BRGs they have a pillar lead, who looks at:

- Culture/talent review and development
- Diverse entry to organisation
- Customer/product/supplier diversity

UK Retail HR Director

**The power of empathy.** Empathy is not about having all the answers and providing solutions, it’s about being genuinely curious and investing the time to understand others. Leaders get trapped when they try to solve issues on their own. Our interview suggested that some leaders are afraid of saying the wrong thing or that asking questions can offend, though there are an enlightened few...

“

You don’t have to understand absolutely everything about another person and their perspective. What you must have is empathy for other people. That’s actually the key.’

CPO, Retail

Encouraging storytelling helps to build empathy. It allows people to vent and helps people construct identities, generate connections, mobilise change, share knowledge and make sense of the world.

The positive cultural impact on employees can be profound when leaders lead well on inclusion. It enables the former to use their voice more effectively and creates a virtuous circle of more open and honest communication, increased engagement and better decision-making.



“

Personal stories are really powerful, but you can also anonymise them and get other people to read them out in town halls. Stories are emotional but they trigger people – they can bring things home when it's real stories from the organisation. It helps people think about how to be an ally for a particular situation.'

Nick Sedgwick,  
experienced UK Health and Beauty executive



# Reflective questions for our Behaviour pillar



1

How could you invite more open, honest dialogue?

---

2

How could you be a better listener?

---

3

How could you use your privileged position to benefit others in the organisation?

---

4

How could you actively promote inclusion in the business?

5

When it comes to creating an inclusive culture, what specifically can you as a leader do to set the tone?

---

6

How do you ensure you have a regular temperature check on how your colleague base is feeling?

---

7

What is your personal communication style like? Are you visible as a leader? Do you seek the views from the different voices around your organisation, regardless of their work level?



# Towards a blueprint for inclusivity

Drawing on this research and following a comprehensive review across published research in this field, KultraLab has developed a three-step robust inclusion roadmap and framework of key pillars and cultural drivers to help organisations build more inclusive cultures and workplaces. These will help to create the conditions for all employees to be themselves and to unlock their difference.

# 1.

## Measure

### How inclusive is your culture today?

We have developed an Inclusion Culture Index which helps organisations assess how inclusive their culture is today and identifies current strengths, risks and areas of opportunity.

# 2.

## Identify

### How proactive is your approach to inclusion?

Our Inclusion Organisational Maturity Index helps organisations to understand and define how holistic and mature their overall approach is to developing inclusion within the workplace. It provides a way to benchmark progress with strategies and interventions to 'move the dial'.

# 3.

## Embed

### Invest in the right solutions and behaviours to drive change

KultraLab has created a digital inclusivity coach to be deployed right across an organisation which outlines the core behaviours to be developed and present to foster and embed feelings of inclusion and drive change.



# 1. Measure – How inclusive is your culture today?

Assess how inclusive your culture is today and identify current strengths, risks and areas of opportunity.

KultraLab's Inclusion Culture Index identifies 11 core constructs to indicate the strength of how inclusive your culture is today.

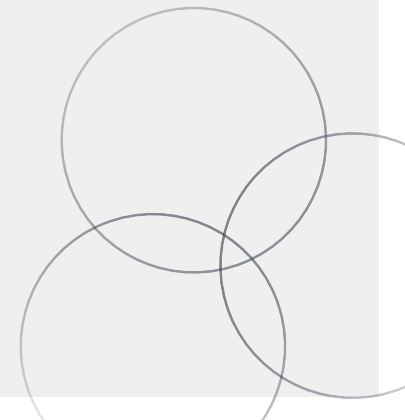
“

Without the data, it's very difficult to create policies on either diversity or inclusion. We are confident because we know our numbers and we see the genders, races and religions reflected in our stores.’

HR Director, Retail



Our inclusion index provides a score between 1 - 100 to help you benchmark your culture today. Insights are provided across 11 core areas to help you understand where things might be working well and where issues might be occurring to help drive focused action.





## 2. Identify – How proactive is your approach to inclusion?

Understand and define the overall maturity, strategies and interventions to **'move the inclusion dial'**.

Our Inclusion Maturity Matrix provides an understanding on how comprehensive, impactful and mature your overall inclusion approach is within the workplace. Inclusion activity driven by the organisation can be thought about in terms of levels of maturity. Organisations who leave inclusion to chance face the risk of toxic, exclusive or even negative attitudes ruminating in pockets or across the business.

We have developed 5 core levels of maturity and 5 core cultural drivers from which to measure how mature inclusion is within your organisation. Being able to identify where you are on your journey and where to invest time or resources will help create a more systematic and sustainable approach to inclusion, moving you from good intentions to tangible impact.

### How proactive is your approach to inclusion?

- 1. Exclusive**  
Little awareness of inclusion, levels of ignorance or lack of education leading to an exclusive culture.
- 2. Passive**  
Good intentions and awareness of inclusion in parts of organisation, action is ad-hoc or reactive.
- 3. Developing**  
Active awareness of inclusion and need to drive activities and action to improve it.
- 4. Proactive**  
Inclusion is an explicit, strategic priority. Measurements in place and actions are holistic, proactive and targeted.
- 5. Mature**  
Organisational wide ownership of inclusion, inclusive leadership and manager behaviour evident.

Looking across the five core cultural drivers, where do you see your biggest organisational strengths, risks and areas of opportunity?





1.

Exclusive

2.

Passive

3.

Developing

4.

Proactive

5.

Mature

Awareness

- Little/no awareness
- Ignorant attitudes

- Some awareness
- Positive intentions

- Action to build awareness & knowledge on inclusion

- Educational resources
- Leadership

- Diverse and continuous education
- Leadership sponsorship

Insight

- No measurement

- Little measurement, engagement surveys may have a question

- Listening groups
- Some measurement in place

- Robust quantitative measurement
- Continuous qualitative feedback

- Reported at board level
- Continuous pulse
- Psychosocial factors
- Diverse data & insights

Strategy

- No strategy

- Ad-hoc plans
- Not strategic

- Strategic commitment
- Inclusion plans in place
- Leadership support, more HR driven

- Strategic plans
- Leadership drive this
- Interventions target known problem areas

- Strategy linked to business
- Leadership owned
- Targeted focus

Commitment

- No real action
- Infrastructure and systems may be biased

- Ad-hoc projects

- Proactive projects to address topics and systems
- Roles in place to support

- Strategic inclusion role
- Systems & infrastructure being addressed actively

- Continuous campaigns
- Fair systems (recruitment, promotion)
- Board/leadership role

Behaviour

- No skills being developed
- Exclusive behaviour evident

- Some skill development
- Ad-hoc focus

- Active skill development for managers and leaders
- HR/Role driving action

- Proactive focus on behaviour to drive cultural change
- Wider networks in place

- Embedded behaviours
- Champions and networks
- Leadership role models



# 3.

## Embed – Invest in the right solutions and behaviours to drive change

Embed the core behaviours critical to driving inclusive culture and ensure interventions are part of the normal way of doing things day to day.

At KultraLab we are experts in applying coaching and behavioural science to develop lasting behaviour change. Based on research we have outlined the core behaviours to be developed and present to foster and embed feelings of inclusion and drive change.

### Curiosity

Expand your inclusive thinking by igniting your curiosity.

### Acting with humility

Learn to acknowledge your own biases and prejudices to improve relationships with others.

### Appreciating difference

Explore the value and opportunity in how others are different from you.

### Demonstrating empathy

Learn to be empathetic with others to create deeper and more inclusive relationships.

### Recognising bias

Learn what it means to have unconscious biases and how to identify them so you can be more accepting of others.

### Role modelling

Explore the benefits to becoming a more positive role model for inclusivity to those around you.

### Leading with fairness

Explore what a fair approach is and why it's important in building inclusion.

### Embrace the unfamiliar

Learn more about what you don't know to build trust and inclusion.

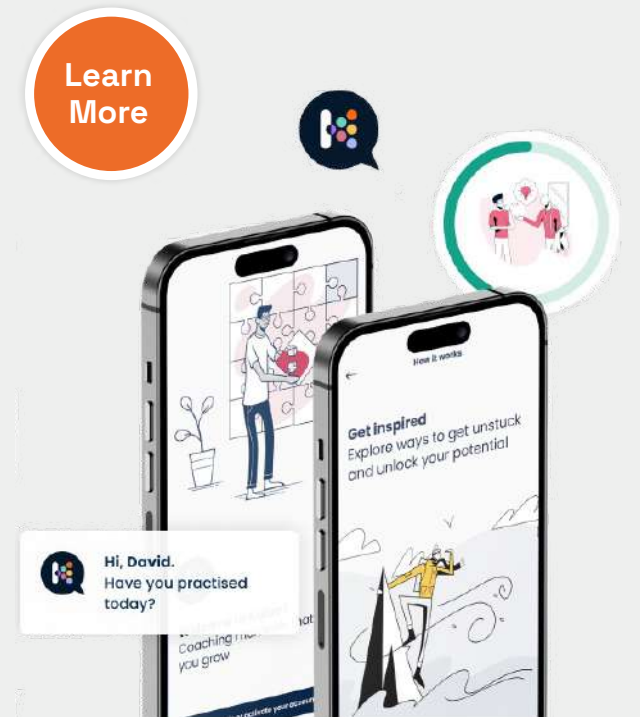
### Sharing your learning

Share what you know and learn about inclusivity with those around you to build a culture of inclusion.

For each behaviour we've created a bite sized coaching module, designed to help individuals develop their awareness around what it means to act and behave in an inclusive way. Delivered through our digital inclusivity coach, we make it easy to deploy these coaching modules across your entire organisation to help everyone to build self-awareness and awareness of the difference in others, making sure everyone feels included and engaged at work.

### Reflective question:

How are inclusive behaviours being developed and reinforced today?





At KultraLab we're on a mission to give everyone an opportunity to unlock their potential. This means ensuring that everyone is included. Our research highlights positive progress but we still have a way to go. Not only will this be positive for human beings, but also for business.

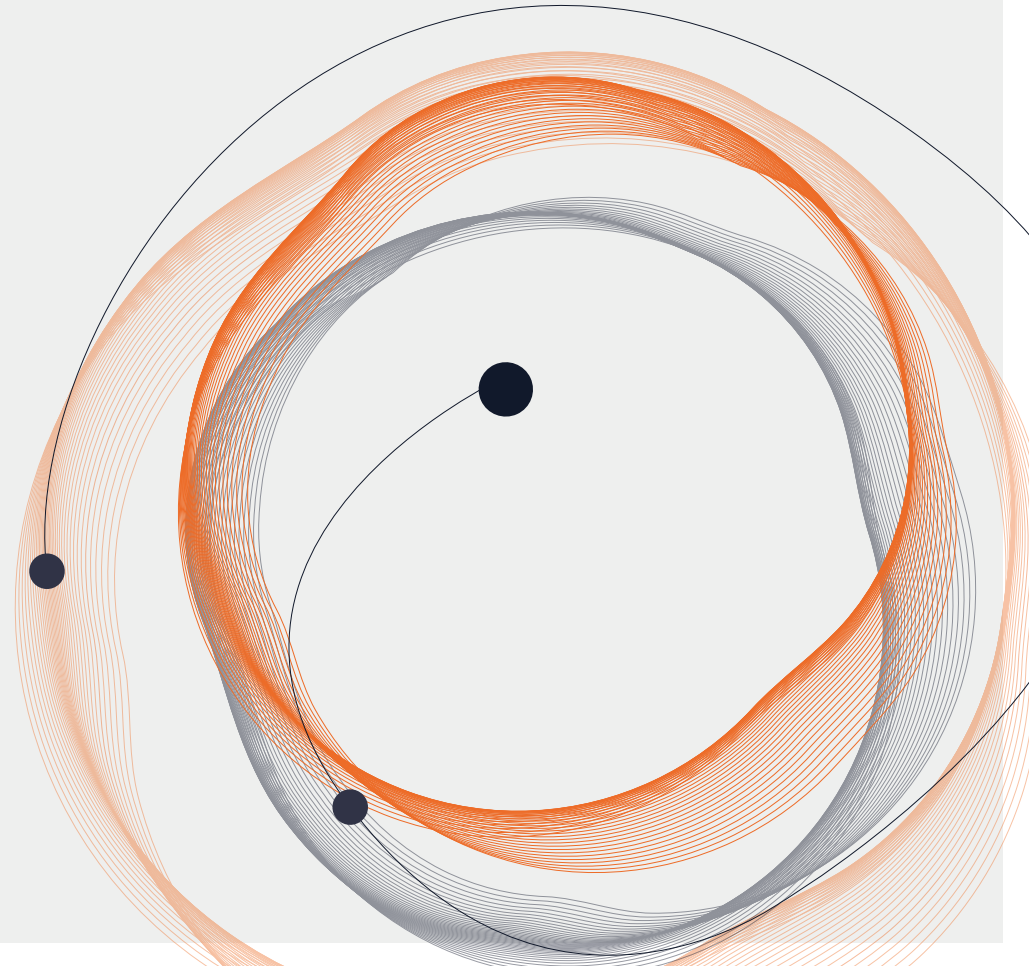
This is a call to action to do better.

**How can you push, challenge  
and create opportunities to  
make a difference to inclusion?**

For more information please contact us:

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Throughout the course of our research, we have conducted in depth interviews with over 40 global retail leaders and over 500 front line employees, from the cornerstones of the British High Street to global consumer businesses, encompassing a wide range of industries such as Victoria’s Secret, Tesco, Wickes, Jigsaw, Nomad Foods, Pendragon, Natura & Co, Holland & Barrett to mention a few.

We express our appreciation to all participants for their candid insights and valuable perspectives, and we have honoured the confidentiality of those who have requested it. Special thanks go to the named individuals who granted us permission to acknowledge their contributions in this report. The wealth of information from the broader workforce has shed light on numerous actionable suggestions for fostering more inclusive organisations. To the leaders perusing this report, rest assured that your workforce holds the keys to a more inclusive future!

## Methodologies

This report is based on research carried out between December 2022 and February 2023 by KultraLab.

The first, qualitative phase was in the form of face-to-face interviews with over 40 leaders in businesses based primarily in the UK, but with some international perspectives.

The second, quantitative phase was in the form of a questionnaire sent out to a broader section of the workforce, which delivered over 500 replies, which were analysed using SPSS analytics.

Participants interviewed gave their time free of charge and were not rewarded in any other way for their participation.

The data resulting from this research is exclusive to KultraLab and has not been published in any other format.

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**Put simply:**  
**‘Accept and embrace people’s differences.’**

**Employee, Construction**



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