Sign In | Register | Newsletters | RSS | Mobile Version | About us | FAQ's | Contact Us | Sitemap

BusinessSpectator

COMMENTARY

DIANNE JACOBS

7:23 AM, 2 Feb 2010

A blueprint for diversity

Diversity in the boardroom and in the executive ranks is well and truly on corporate agendas. Backed by the Australian Institute of Company Directors and other leading bodies, the Australian Securities Exchange proposal requiring listed companies to set gender targets and report back to shareholders on their success, is a positive step forward. This 'if not, why not' approach – or as some refer to as 'naming and shaming' – has the objective to accelerate action through persuasive rather than punitive measures.

The risk is that some companies, in order to demonstrate compliance, may take actions that are merely window-dressing. To be effective, there will need to be a move away from the 'fix the women' or 'fix the men' interventions towards a focus on what works, where the benefit exists, and what value is to be gained.

For those chairs and CEOs with a genuine commitment to make diversity a core competency, the challenges will not end with increased representation at senior levels. There are a set of issues at both the micro level and within the group dynamic.

Strong organisational cultures and political networks can be positive. It creates an immunity that protects identity, community and purpose. But it is a balancing act. If this immune response is too strong it rejects what it regards as unfamiliar. In the effort to foster acceptance, assimilation can lead to group think.

Executive decision-making relies on power, instinct, conflict management and trust. Those in the majority normalise their position to the point they no longer see their advantage and privilege. They are often unaware of the barriers to change this mindset creates.

Members who bring difference to the executive group are labelled and it becomes harder for them to be heard and accepted for their divergent viewpoint. Rather than self-editing their comments or giving in, they need to be highly resilient in challenging existing thinking, while aiming to be received as part of the group. This is easier when they are openly supported.

Effective boards and executive committees are not afraid of conflict. They know and recognise how intellectual and interpersonal conflict differs. Conflict is constructive when it enhances deeper thinking and stimulates ingenuity. In high-trust cultures people debate rigorously, but they also cooperate easily, suspending opinions or reframing assumptions when needed, viewing others as equal partners who readily commit to the best overall outcome.

Difference needs to be experienced and acknowledged for it to be understood. It is human nature to make distinctions. Everyone is unconsciously biased. As we know, women are not homogeneous as a group and neither are men. There are layers of diversity. Men and women who neatly fit a pure stereotype are actually quite rare. Having mentors from diverse backgrounds or deliberately seeking situations of being in the

minority can be insightful.

Diversity becomes a test of leadership. Companies that can manage diversity well, mange their companies well. Accountability, from the chair and CEO, does make a difference. When they signal that diversity is a strategic goal it makes a strong impression. But more is needed. Can they extract the added value that diversity will bring? The solution may require leading from a different place. They will need to bring to the fore their facilitation skills to encourage a new style of thinking and a different set of dialogues.

Dianne Jacobs *is founding principal of* ***The Talent Advisors*** *a boutique consulting firm specialising in talent capital, executive coaching and career mentoring. She is a former equity partner at Goldman Sachs JBWere.*

http://www.businessspectator.com.au/bs.nsf/Article/ASX-boardroom-diversity-women-in-leadership-pd20100201-296F8?OpenDocument&src=sph