

Toward Diversity, Equity and Inclusion

How companies can increase organizational excellence through diversity, equity and inclusion

A strong culture of diversity, equity and inclusion (DE&I) is quickly becoming central to a company's competitive advantage and growth potential. But many companies struggle with knowing where to start, especially when facing such a

broad range of complex and sensitive topics. The good news is that addressing DE&I can reap organizational benefits, and small and medium-sized enterprises (SMEs) have an especially important role to play in improving workplace DE&I.

The rise of DE&I

Diversity, equity and inclusion is one of the most important issues on corporate agendas, with board diversity and inclusion identified in the [2020 Canadian Responsible Investment Trends Report](#) as the most commonly cited governance issue in 2019. As the world has grown increasingly complex, so have our business challenges, ranging from global pandemic disruptions, to climate change events, to data privacy concerns. In 2021, the role that companies are expected to play in addressing DE&I, particularly equity, has only increased.



The disproportionate impacts of COVID-19 has shone a light on extreme social inequity, the Black Lives Matter movement has gained renewed attention, and the continued uncovering of unmarked graves of the Indian residential "school" system has sparked additional calls to address and dismantle institutional racism.

The difference between equity and equality



Equity acknowledges that everyone has different needs, experiences and opportunities. It recognizes that people from historically marginalized groups often face increased barriers when accessing resources and opportunities.



Equality is based on the equal treatment of all and assumes that everyone benefits from the same support mechanisms.

It can be hard to know where to start with these big and complex issues, but with **SMEs employing 90.5% of the private labour force in 2015**, businesses have a vital role and opportunity to improve workplace DE&I. Let's explore the steps your business can take to begin or accelerate your DE&I journey.

The steps to build robust organizational DE&I:

Step 1

Present the business case

Step 2

Build an inclusive workplace culture

Step 3

Embed DE&I into your business strategy

Breaking down the business case for DE&I

Typically, the business case for DE&I is focused on financials, such as increased gender and ethnic diversity on executive teams improving financial performance. But the real benefit of DE&I is that it can increase your company's organizational excellence. Research from the Harvard Business Review indicates that under certain conditions, increased diversity leads to:



1. Higher quality work



2. Improved team satisfaction



3. More rewarding client relationships



4. Improved perceptions of equality

How can busy executives create the right conditions for diversity to thrive? Inclusion is the foundation of a successful corporate DE&I strategy. By building an inclusive workplace culture where individual differences are accepted, respected and valued, the above benefits can be realized, which can then lead to better risk management, increased levels of innovation and higher financial returns.



Understanding diversity and inclusion



Diversity is about the individual and the variety of unique dimensions, qualities and characteristics that we all possess. It includes both the visible and invisible aspects of diversity.



Inclusion is about collective well-being and fostering a culture that respects, accepts and values differences.



Diversity and inclusion create an environment that values and respects individuals for their talents, skills and abilities to the benefit and well-being of the collective.

“Human diversity is just as critical to society as biodiversity is to an ecosystem; without it there can be no healthy functioning. The loss of diversity within mainstream systems and structures has left a fracture in our societies that must now be healed, through the purposeful and systematic inclusion of diverse voices, including the voices of the natural world, within the social dialogue.”

— Sherri Mitchell Weh'na Ha'mu Kwasset, Penawahpskek Nation

Building an inclusive workplace culture

The key to building an inclusive workplace culture is to approach DE&I with curiosity. Rather than focusing on the fear of the unknown, take the perspective that a deeper understanding of DE&I will empower your employees and your business to build better solutions. More specifically, **companies should aim to:**



Embrace honest and vulnerable conversations: Cultivate safe spaces where people feel comfortable expressing themselves.



Commit to learning how and why injustices persist in our society: Institutions and structures set up in the past have repercussions that persist today. Understanding them is key to finding new paths forward.



Value a wide range of personalities, voices and styles: Ensure that promotion pathways are task-oriented to avoid acting on unconscious biases or stereotypes.



Encourage curiosity: Cultural differences are an opportunity to expand you and your employees' understanding of the world.



Case Study

Atlantic Central and its subsidiary **League Savings and Mortgage (ACLSM)**, provide central banking, investment banking and support services to Atlantic Canada's 45 member credit unions.

Following the murder of George Floyd in summer of 2020, ACLSM set out to find out what they could do to enact change for the better.

Led by their CEO, Mike Leonard, ACLSM drafted their Social Justice strategy in June 2020. It was underscored by a fundamental principle: to engage and listen to those most impacted in order to truly understand their needs first. Starting with a focus inside their businesses to improve diversity and inclusion, the ACLSM team committed to a process of assessing policy and system change, creating opportunities, and communicating and sharing their learning.

After nine months of effort, which included an engagement with Quentrel Provo from the African Nova Scotian Community, ACLSM is now working to broaden their engagement and then translate their findings into a program of action for their business. Although this is only the beginning of a long and impactful journey for ACLSM, their thoughtful approach is a model for other businesses in Atlantic Canada and beyond to emulate.

"It is obvious to us now that this work will never be finished" says Leonard. "The process of learning from our history and evolving our business to improve access and opportunities for everyone in our communities needs to be part of what we do, and how we operate."

Embedding DE&I into your business strategy

DE&I is no longer just a mandate for your human resources (HR) department or specialist. To fully realize its benefits, aim to embed and fully integrate DE&I into your business strategy. This will also help to empower employees and help them understand that they will have support and resources to invest in this work.

Here are just a few considerations:



How much time are you willing to dedicate to DE&I learning? DE&I is constantly evolving in step with society and requires a consistent time commitment.



Is DE&I enshrined in your code of conduct and HR policies? Accountability systems are needed in order to realize the full benefits of your DE&I efforts.



Are there high risk areas in your business model? For example, you may want to prioritize cultural competency training for your customer-facing staff.



Are you keeping track of diversity metrics and outcomes? Keep in mind that education and engagement is a prerequisite for these efforts, otherwise employees may question the intentions behind requesting sensitive personal information.



Are you writing competency-based job descriptions? The most inclusive job postings are based on competency and recognize that a person's broader behaviours and knowledge translates to role success.



Is DE&I part of your onboarding process? One of the best ways to begin to embed DE&I into your organization is to weave it into your orientation for new employees.

Finally, remember that the goal is not perfection but progress. Mistakes will happen, but you can choose to see them as a learning opportunity rather than a source of discouragement. Persevering through your DE&I journey, amidst the highs and lows, will enable you to become aware of unconscious biases, achieve cultural competence, and transform your workplace for the betterment of everyone involved.

Additional Resources



Build Your DE&I Business Case:
[Canadian Centre for Diversity and Inclusion—Toolkit for Developing the Ironclad Business Case for D&I](#)



Embed DE&I Into Your Business Strategy:
[Diversity Best Practices—Critical Partnerships to Drive DE&I Success](#)



Foster an Inclusive Workplace Culture:
[Global Compact Blueprint for Gender Equality—6 Steps for Building an Inclusive Workplace Culture](#)



Commit to Indigenous Reconciliation:
[Animakki—Your Role in Reconciliation: B Corps and Business Leaders in Canada \[video\]](#)



Work with Upswing Solutions

Upswing Solutions is a Halifax-based consultancy delivering commercial strategies that build resilient, sustainable and inclusive businesses. We offer strategic guidance on integrating DE&I into your business, identifying the DE&I issues that are most material for your business and can work alongside you to measure, analyse and report on DE&I benchmarking and performance. Get in touch with us today to learn more!

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