FROM CULTURAL DIVERSITY TO INCLUSION

EXPERT REPORT ETHNIC, CULTURAL AND RELIGIOUS BACKGROUND

MAY 15TH, 2019

DIVERSITY AT WORK

Diversity at Work is an initiative of the **Dutch Labour Foundation.** Founded in 1945, the Labour Foundation (Stichting van de Arbeid) is a private national consultative body incorporating Dutch employers' federations and trade union confederations. Today its members are the Confederation of Netherlands Industry and Employers (Vereniging VNO-NCW), the Royal Dutch Association of Small and Medium-Sized Enterprises (Koninklijke Vereniging MKB-Nederland), the Dutch Federation of Agricultural and Horticultural Organisations (Federatie Land- en Tuinbouworganisatie Nederland), the Netherlands Trade Union Confederation (Federatie Nederlandse Vakbeweging), the Confederation of Christian Trade Unions in the Netherlands (Christelijk Nationaal Vakverbond), and the Trade Union Federation for Professionals (Vakcentrale voor Professionals). *Diversity at Work* is financed by the Ministry of Social Affairs and Employment and the Dutch Labour Foundation.

STICHTING VAN DE ARBEID

Diversity at Work **transcends** different dimensions of diversity, **connects** networks of companies and social organisations, **supports** companies in strengthening diversity and inclusion, and **assesses** the results of diversity policy.

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INTRODUCTION

A work environment where every employee feels comfortable and valued, whatever their ethnic background, culture or religion, is positive for any organisation. The creation of an inclusive business culture can not be established without deliberate policy and management.

In this expert report we tackle the question: how do we get from cultural diversity on the work floor to an inclusive business environment? A basic assumption in this regard is that a certain ethnic and cultural diversity already exists on the work floor. We have therefore disregarded the recruitment and selection phases of diverse staff. Information on this can be found in the expert report *Divers werven en selecteren* (*Diverse recruitment and selection*).[1]

There is still relatively little literature on the success factors for inclusion on the work floor. What is known about it is supplemented in this expert report with practical examples of Diversity Charter signatories who invest effectively in more inclusion. We compiled this expert report on the basis of these sources.

In the annexes, you will find brief information on (the effect of) prejudices and stereotyping (Annex 1), and a questionnaire for assessing employees' experiences of cultural diversity in an organisation (Annex 2).

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[1] Kennisdocument Etnische, culturele en religieuze diversiteit *(Expert Document Ethnic, cultural and religious diversity)*, *Diversiteit in Bedrijf*, maart 2018.

1. BUSINESS CASE FOR DIVERSITY AND INCLUSION

The business interest is key to the business case approach of cultural diversity and inclusion. It stresses the added value of an ethnically and culturally diverse workforce and an inclusive business culture. What are these benefits?

Added value

At company level, the added value of an ethnically and culturally diverse workforce and an inclusive business culture are:

▶ Attracting and retaining top and other talented individuals.
▶ Responding better to needs and expectations of a diverse customer group.
▶ Access to new markets.
▶ Greater capacity to adapt to changes.
▶ More positive image.
▶ More innovative and more creative teamwork.
▶ Better collaboration between colleagues.
▶ Better decision-making based on different cultural perspectives.
▶ Higher worker satisfaction.
▶ More involved and loyal employees.

All these benefits of diversity and inclusion increase the chance that a company will stand out in the market and have an edge over its competitors. Conversely, a company that ignores this is missing these opportunities.

RESEARCH

There are relatively few scientific studies that provide hard evidence for the statement that ethnic and cultural diversity on the work floor does actually produce economic and social added value. Nonetheless, there are (international) research results that point in that direction.[2] [3]

A recent study by McKinsey & Company showed that among more than a thousand companies in 12 countries that there is a positive correlation between ethnic and culturally diverse leadership and financial performance. Companies with the highest ethnic and cultural diversity in management teams had a 33 percent greater chance of achieving a better financial result than the national average in their sector.[4] A study from 2017 among Canadian companies gives an identical picture. A statistical analysis of a data set with more than 7,900 companies in 14 sectors showed the existence of a significant positive relationship between ethnic and cultural diversity and an increase in productivity and turnover.[5]

A number of small-scale studies have also been carried out in the Netherlands to explore the relationship between ethnic and cultural diversity and added value for the organisation. In a study of 12 companies in the small and medium-sized sector, from a commercial perspective, the participating companies point mainly to growth in staff and therefore growth in profit and a larger market.

Companies see opportunities to attract sufficient people with the right qualifications. An ethnically mixed workforce can be an advantage in customer contacts.

[2] Diversity and Inclusion at the Workplace: a review of research and perspectives, Nair N., and Vohra, N., Indian Institute of Management, W.P. No. 2015-03-34, Ahmedabad, India, 2015.
[3] Literatuurverkenning culturele diversiteit (Cultural diversity literature survey), VanDoorneHuiskes en partners, Zeist, mei 2015.

[4] Delivery through Diversity, Hunt, Vivian, et al, McKinsey&Company, January 2018.
Diversity Matters, Hunt, V., Layton, D. and Prince, S., McKinsey & Company, February 2015.
[5] Diversity Dividend. Canada's Global Advantage, Momani, Bessma & Stirk, Jillian, Centre for International Governance Innovation/Pierre Elliott Trudeau Foundation, 2017.

There are also intrinsic benefits. Making diversity and inclusion possible within the own company provides a form of fulfilment. It also provides a better company image.

The companies also report savings, such as lower recruitment costs, less sickness absence, and greater returns in terms of training because people remain for longer periods of time.

CSR

A second perspective on cultural diversity and inclusion is that of corporate social responsibility (CSR): everyone has a right to equal opportunities and treatment, whatever their ethnic and cultural background or other personal characteristics. Many companies in the Netherlands opt for this perspective. They try to make their workforce reflective of the make-up of the working population. The reason for this effort by companies is often the backlog of ethnic minorities on the labour market in comparison with ethnically Dutch employees.[6] In practice, the business case and the CSR perspective often occur concurrently, but can also occur in combination with each other. This is also visible in the reasons the current Diversity Charter signatories give for pursuing diversity policy.[7]

Not connected: not effective

Alliander has drawn up its own 'Manifest Diversiteit en inclusie' (*Diversity and Inclusion Manifesto*), with the motto 'Ruimte voor jouw energie' (*Room for your energy*). In the Manifesto the company sets out its vision, objectives and expectations, because "You're a better colleague if you are allowed to be yourself" and "Not connected is not effective: that causes failures." This resulted into different activities, such as master classes and a code of conduct. The Manifesto has been developed in conjunction with HR, engaged colleagues, and colleagues from the 'target group'.

L'Oréal and cultural inclusion

L'Oréal represents the vanguard of international companies that are committed to diversity. The company has signed the Diversity Charter in eight European countries. For L'Oréal customers, diversity is an important business case: having good knowledge of the beauty styles and wishes of a diverse group of customers. L'Oréal therefore works with multicultural teams. One of the lessons of the company is that it is difficult for a culturally homogeneous team to incorporate newcomers from a different cultural background. They advocate the bridging function that multicultural employees can fulfil to promote the inclusion of new employees from a different cultural background. "They can perform this function because they are adept at moving from one mode of interaction to another."

[6] 'Jaarrapportage Integratie 2018' (*Integration Annual Report 2018*), CBS, november 2018.
[7] Diversiteit in Bedrijf: overzichtsstudie (*Diversity at Work: overview study*), Regioplan, oktober 2016.

2. DIVERSITY AND INCLUSION: NOT SYNONYMS

Many companies discover rather quickly that simply more ethnic and cultural diversity in the workforce does not automatically lead to an inclusive business. In other words, a climate in which everyone feels valued and respected and has access to the same opportunities. Diversity and inclusion are not, therefore, synonymous with each other.[8]

Cultural diversity refers to the extent to which different ethnic and cultural groups are represented in the workforce. In this sense, diversity is visible. Cultural inclusion refers to the ability of an organisation to create a culture in which every employee feels at home and valued. This is a far less visible characteristic.

Ethnic and cultural diversity on the work floor can also have negative effects if there is a lack of good management regarding cultural differences between employees and the inclusive business culture. Negative effects include miscommunication, friction and conflicts in relationships between workers and a lack of cohesion.

According to Riordan[9], working on an inclusive business culture is often impeded by strong social norms (the 'unwritten' rules) and by a lack of support from the dominant group or group members. She identifies four elements here:

▶ People are inclined to choose people who look like them.
▶ Subtle prejudices are persistent and lead to exclusion.
▶ Outgroup workers (the outsiders) sometimes try to conform.
▶ Ingroup workers (the long-established workers) raise objections.

Apart from individual prejudices, there may be barriers in the (one-sided) composition of management teams and in the structure of the organisation. This can lead to reduced access for particular groups of workers to informal networks, where the strategic and operational business decisions are often prepared (the 'empires'), and to education and training programmes.

This lack of inclusion can ultimately lead to workers from ethnic minorities leaving the company. A survey of the Dutch central government, for example, showed that ethnic minority workers more often leave because of dissatisfaction than native Dutch workers.[10] They give the following reasons for their departure:

▶ Dissatisfaction over contact with colleagues and superiors, where conflicts are partly to do with the ethnic and cultural background.
▶ Fewer opportunities for advancement.
▶ Too much attention to being different, in both positive and negative senses.
▶ Colleagues are not sufficiently open to diversity, so there is too little room to be yourself.
▶ Lack of support from the superior, too little mutual understanding.

To assess the degree of cultural inclusion in an organisation, employees can be presented with a questionnaire (see Annex 2: Questionnaire 'Experienced benefits and drawbacks of diversity on the work floor').

Prejudices and discrimination

Exclusion of ethnic minorities on the work floor is mostly the consequence of prejudices and stereotyping (see

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[8] Diversity Is Useless Without Inclusivity, Riordan, C.M., Harvard Business Review, June 2014.
[9] Ditto.

[10] 'Uitstroom van allochtonen bij de Rijksoverheid' (*Outflow of ethnic minority workers from central government*), Hofhuis J., van Oudenhoven-van der Zee, K., en Otten, S., Rijksuniversiteit Groningen, maart 2008.

also Annex 1). Prejudices, conscious and unconscious, about ethnic minorities are widespread. And also within the group of ethnic minorities, all kinds of prejudices and stereotypes about each other exist.

Experience shows that working together on a culturally diverse work floor is not self-evident and requires time and space. Everyone needs this space, both the majority and the minority. Before individuals can occupy this space, identification with 'the other person' is needed. Only after identification and the noting of similarities, is it possible to treat each other as individuals.

In a company with an inclusive organisational culture there is scope for the relevant differences and ideas. Where difference in policy and practice is permitted, we can learn what its added value is. In companies that take uniform policy and routines as their starting point and do not take the time to learn, inclusivity will have little chance. [11]

The SCP study 'Ervaren discriminatie in Nederland' *(Discrimination experienced in the Netherlands)* (2014) shows that a considerable portion of ethnic minorities have experience of discrimination on the work floor.[12] This is the case for between a quarter and a third of those ethnic minorities with a job. Moroccan Dutch nationals report this experience most often. More than a third of working Muslims experienced discrimination on the work floor in 2013. Muslims say that in the majority of the cases the discrimination they experience has to do with faith (often in combination with ethnic background). Many of these discrimination experiences take place in contact with people from outside, such as clients, customers or patients. Discrimination is also experienced in contact with colleagues, in particular in the form of jokes by colleagues, superiors or managers which are experienced as offensive and discriminatory. These colleagues, superiors and managers are not always aware of this.

The consequences of discrimination experienced on the work floor can mainly be felt in work experience and in motivation: going to work being less enjoyable or feeling a constant need to prove yourself more. Other possible consequences are: working below his/her level, less involvement, earning less money, looking for another job and stopping working.

Dealing with differences

The management of ethnic and cultural diversity on the work floor requires:

▶ Knowledge of possible social and cultural differences and diverging conventions.
▶ Skills for dealing with differences (intercultural competences).
▶ Awareness of prejudices and stereotyping.

This requires an open attitude, time and sensitivity from everyone. Even when people say they see diversity as self-evident, differences are not always taken into account in organisations. For example, the focus on equal opportunities and treatment can in practice mean that everyone has to adapt to the dominant culture.

Points of reference for decision-making

The **City of Amsterdam** organised a Deep Democracy workshop for its workers as part of its inclusion policy. This is a decision making and conflict resolution tool for groups of varying diversity. The methodology provides points of reference for decision making with attention and appreciation for different views and the voice of the minority. Contrasts and conflicting opinions are explored respectfully with each other in dialogue and discussion.

[11] 'De kracht van verschil. Van een rondetafelgesprek over methodieken naar een diversiteitsagenda' (*The power of difference. From a round table discussion about methodologies to a diversity agenda*). Meerman M., Van den Broek, L. en Çelik, G., M&O, Tijdschrift voor Management en Organisatie, 2016-2.
[12] 'Ervaren discriminatie in Nederland' (*Discrimination experienced in the Netherlands*), Andriessen I., Fernee H. en Wittebrood K., SCP, januari 2014.

3. TOWARDS AN INCLUSIVE BUSINESS CULTURE

The more openly and more honestly a company deals with workers and customers of different cultural backgrounds, the more satisfied the workers of the company are.[13] And the more an employee feels involved, the greater the chance that he or she will use their talents and perform to optimum effect. Inclusion is the most important factor when it comes to diversity.[14] The good management of diversity ensures greater satisfaction and welfare among workers and ultimately greater loyalty to the organisation. It prevents high outflow and sickness absence among staff.[15] In an inclusive organisational culture diversity interventions have greater impact on the retention of workers.[16] [17] [18]

Mentors and mentees

The Dutch **Openbaar ministerie** (Public Prosecution Service) is launching a mentoring programme in which its workers come into contact with recently graduated bicultural talent in a coaching capacity. Mentors and mentees learn from each other. The mentors help students informally with their orientation on the labour market and the mentees contribute to increasing the cultural sensitivity of the mentors.

Inclusion is about shutting in and out, including and excluding. It is the group that decides whether an individual is included or excluded. The primary source of inclusion is the group and not the individual. A standard definition of the term inclusion distinguishes two of its components.

▶ The feeling of belonging.
▶ The feeling of being able to be oneself (authenticity).

This leads to the following definition of inclusion: 'the degree to which an individual perceives that the group is giving him or her a feeling of belonging and room for authenticity.'[19]

How can inclusion be achieved? In other words, how can companies ensure that both minority and majority members experience inclusion?

In the literature different aspects appear to be crucial for the promotion of inclusion: vision (3.1), leadership (3.2), support (3.3), raising awareness (3.4), facilities (3.5) talent development (3.6), communication (3.7) and monitoring and evaluation (3.8).

3.1. Vision

An important organisational factor is the ideological vision of diversity. From a cultural inclusion perspective, three can be distinguished: colour blindness, multiculturalism and inclusivity.

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[13] Why Diversity Matters, Catalyst, 2013.
[14] Waiter, is that inclusion in my soup? A new recipe to improve business performance, Deloitte, May 2013.
[15] Inclusion and diversity in Workgroups, Shore et al., 2011.
[16] 'De invloed van diversiteitsmanagement op de binding van werknemers in de publieke sector' (*The impact of diversity management on the loyalty of employees in the public sector*), Celik, Ashikali & Groeneveld, Tijdschrift voor HRM, 4-2011/2013.
[17] For tips for inclusion of 'women of colour', see: Toolkit: Women of colour in the workplace, ENAR, 2018.
[18] 'Diversiteit, de gewoonste zaak van de wereld?' (*Diversity, the most normal thing in the world?*) Çelik, S. Lectorale rede, Hogeschool Leiden, juni 2018.

[19] 'Werkt diversiteit? Arbeidsintegratie en sociaal vertrouwen in een kleurrijke samenleving' (*Employment integration and social trust in a colourful society).* Otten, S., Jansen, W. en de Vroome T., Rijksuniversiteit Groningen, 2013.

Colour blindness

A feature of the colour-blind perspective on diversity and inclusion is a focus on equal treatment and as far as possible ignoring the cultural background of employees. First of all employees must be seen as individuals.

This approach can contribute to the feeling of appreciation for individual authenticity, but at the same time reduce the feeling of fitting in. This applies in particular to cultural minorities who do not meet the normative expectations of the dominant culture.

Bottom-up approach

The Dutch **Ministry of Economic Affairs** deliberately opts for a bottom-up approach to create a diverse workforce and an inclusive work environment. Workers' initiatives are supported and facilitated by HR. An example of this is the 'Cultural Diversity' project group. The project group consists of workers with a bicultural background who work in different parts of the Department. This project group wrote its own action plan, with concrete proposals for recruitment, selection, advancement and retention of workers with a bicultural background.

Multiculturalism

Characteristic of the multicultural perspective on diversity and inclusion is that cultural differences between employees are recognised and valued. According to this perspective, cultural diversity forms a source of innovation and learning capacity. This approach can have a positive impact on the feeling of cultural minorities of fitting in, but also have a negative effect on that same feeling among members of the majority group in an organisation.

Research shows that these perspectives have different consequences for the cultural majority and the minorities in companies. For example, the degree to which an organisation employs a colour-blind perspective appears to have a positive connection with feelings of inclusion among majority members, but not among minority members. In organisations with a multiculturalism perspective on diversity the relationship is the reverse: here, minority members experience more, while majority members experience fewer, feelings of inclusion. For both groups, inclusion proved to be an important predictor of work satisfaction and the degree to which they saw their organisations as innovative. The results of the research suggest that organisations that employ a purely colour-blind or multicultural perspective on diversity run the risk that at least one of the cultural subgroups within the organisation will feel shut out.

Inclusivity

An alternative to both the colour-blind and the multicultural perspective on diversity is the all-inclusive approach. In this perspective both the added value of cultural diversity is stressed as well as when it relates to majority and minority members. It is a matter of finding a balance between inclusion of both minority and majority groups in an organisation.

3.2. Leadership

The commitment of senior management is indispensable for a successful diversity and inclusion policy. The management must openly, clearly and consistently spread the word that diversity and inclusion are important. Without the commitment of senior management this will not be taken seriously, and it may even have a negative impact.

To pluck the fruits of diversity and to make the shift to inclusion, managers must themselves set a good example: 'practise what you preach'. Good managers have characteristics such as cultural empathy, open-mindedness, social initiative, flexibility and emotional stability. They make it possible to talk about differ-

ences. They are themselves able to identify differences, deal with them and teach their team to deal with them. Managers invest in a climate in which everyone is welcome. They adjust their policy, processes and rules where necessary. They focus on a safe work environment in which people feel invited to treat each other respectfully and are prepared to understand different perspectives. When managers put questions to workers with diverse backgrounds and involve them in the organisation, that contributes to a working environment in which they feel safe. If managers pretend that their organisation is gender, culturally or ethnically neutral, this has a negative effect on the work environment.[20]

Research shows that an inspiring and open leadership style is effective in improving the organisational culture and loyalty of workers.[21] Managers with this style of leadership take individual differences into consideration. This increases the motivation, the trust and the satisfaction of workers.[22]

Middle and operational management are important for shaping diversity and inclusion on the work floor. In practice it is often difficult to win over middle management in the change process. The process is delayed and sometimes even thwarted or reversed. Middle management sees diversity policy as an obligation and puts it at the bottom of the to-do list. This can happen when senior management fails to sufficiently involve operational management in the creation of the diversity policy.

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[20] Diversity and Inclusion at the Workplace: a review of research and perspectives, Nair N., and Vohra, N., Indian Institute of Management, W.P. No. 2015-03-34, Ahmedabad, India, 2015.
[21] Diversity interventions and employee commitment in the public sector: the role of an inclusive organizational culture, Celik, Ashikali and Groeneveld, 2013, in: Gedrag & Organisatie, 26 (3), 329-352.
[22] 'Vier Verschillen! De Vele Gezichten van Diversiteit' (*Enjoy our Differences! The Many Faces of Diversity*), Homan, A.C., Oratie, Universiteit van Amsterdam, 2017.

Top of the bank gets informed

The board of directors and management of the **Rabobank** periodically seek information from the employee resource groups that are active within the bank. Organising network lunches is one of the ways they do this.

The bank's Diversity Board has also set up an internal Diversity Award. The Board wants to use it to encourage diversity initiatives by the employees, put them in the spotlight and reward them.[23]

Tips

► Place the responsibility for diversity and inclusion at the top of the company.
► Ensure that managers become aware of inclusive leadership and make it part of the Management Development programme.
► Put cultural diversity and inclusion on the agenda and let it be a recurring theme. Give the organisation the space to tackle the subject by freeing up sufficient time, budget and capacity.
► Spread the importance of cultural diversity and inclusion policy to all parts of the organisation and also during events outside the organisation.
► As top of the company maintain active contact with workers and employee resource groups that are engaged on cultural diversity and ask them periodically for information on the state of inclusion.
► Give direction to the diversity policy and monitor whether the diversity objectives are achieved.
► Make inclusive leadership and intercultural expertise core competences on which the managers are also assessed.

3.3. Support

Without broad support in an organisation the chance of successful diversity policy and a shift to an inclusive business culture is not great. Worse still, a lack of support can lead to lack of understanding and resistance. Developing support starts at the top: superiors set an example and must ensure that they themselves comply

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[23] See: https://www.rabobank.com/nl/about-rabobank/in-society/diversity/cases/rabobank-diversity-award-for-best-internal-diversity-initiative.html

with the policy and are held accountable. The same applies to middle and operational management. Ask such questions as:

► How do you involve all workers and create a positive attitude to diversity and inclusion?
► How do you deal with resistance to diversity policy and cultural change?
► How do you deal with bullying and discrimination on the work floor?
► How do you prevent group formation along ethnic and cultural lines?

Increasing support also gains from involvement of all a company's departments. It is advisable to make a group of people from different levels and departments responsible for giving diversity goals a more concrete form, devising methods and monitoring progress. Diversity programmes in which it is clear precisely who is responsible for what are the most successful.

Finally, it is important that the group responsible for diversity itself reflects the diversity within the organisation.

Exploiting opportunities

Cleaning company **Asito** (ADG Dienstengroep) has been organising the National Integration dinner annually in October since 2011. People from different cultures cook for each other in different places. The motto is: 'Connecting people + celebrating differences = exploiting opportunities.' In 2017 in total more than 3,000 internal workers and 20,000 people from outside pulled up a chair. A dedicated website contains tips, ideas and a toolbox for smooth running preparations and a lovely, valuable dinner.
www.nationaalintegratiediner.nl

Tips
► Assemble a project team of diversity professionals, for example from the HR department, that can embed diversity in the organisation at strategic, tactical and operational level. It is also important that they have affinity with cultural diversity and

inclusion and are intrinsically motivated to go through the organisation as an ambassador.
► Let a member of the management and/or board of directors include diversity in his/her portfolio, embrace the issue and stand up for it.
► Make a member of the management team responsible for the subject of cultural diversity and inclusion and the different objectives that come under it. Ensure there is a clear mandate for this from the management and the board.
► Make all the directors responsible for diversity objectives that come under their part of the organisation.
► Ensure that operational managers are aware that interventions are needed to bring about support for cultural diversity on the work floor and provide interventions and tools for this.
► Bring managers who continue to hesitate into contact with those managers who are enthusiastic about the commitment to cultural diversity.
► Support and invest in ethnic and cultural employee resource groups within the organisation and take part in their activities.

3.4. Creating awareness

Individual workers have (unconscious) prejudices about colleagues from a different background. This can lead to exclusion mechanisms. Misunderstandings may arise through cultural differences. Knowledge of backgrounds and different communication patterns can help them to understand each other better. Intercultural competences and cultural sensitivity are valuable, and in respect of customers too. Insight into the existing business culture is also important: what values, norms and (communication) practices are dominant and what barriers may stand in the way of the pursuit of inclusion?

Zero tolerance in respect towards discrimination is also essential. Discrimination on the work floor happens far more often than employers and employees themselves think. It is important to be alert to this as an employer and as an employee. Discrimination on the work floor can lead to (long-term) absence and comes under psychosocial work stress. Employers are obliged to counter the risk of discrimination as far as possible.

To gain a view of the prevention of discrimination on the work floor and the possible approach to it, ethnic and cultural employee resource groups can be an important source of information.

Tips

▶ Organise workshops and training courses[24] to promote an inclusive working atmosphere.
▶ Promote the dialogue between workers from different ethnic and cultural backgrounds by organising low-threshold activities, such as intercultural cooking and eating.
▶ Apply zero tolerance for discrimination and provide for a complaints procedure.
▶ Include aspects of diversity in the code of conduct, the integrity policy and the complaints procedure.
▶ Provide confidential advisers in the organisation who have an eye for inclusion and exclusion mechanisms and to whom all workers can turn.
▶ As a Works Council put the discrimination approach high up the agenda and encourage the promotion of expertise.
▶ Support and invest in ethnic and cultural employee resource groups within the organisation and take part in their activities.

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[24] For information about terms and conditions for effectiveness of diversity training, see: 'Vier de verchille De vele gezichten van diversiteit.'(*Celebrate the differences The many faces of diversity*), Homan, A.C., Universiteit van Amsterdam, 2017.

3.5. Facilities

In the pursuit of an inclusive organisation it is important to take account of specific needs of workers from different cultural backgrounds. For example, by allowing for specific diets and drinking habits in catering and by providing an opportunity to be flexible with taking days off at times of religious festivals or during Ramadan. Religious leave for non-Christian festivals often comes about in consultation with the employer. Employers are not legally required to grant this.

Tips

▶ Learn about different religious and cultural backgrounds. Assess whether there are specific needs and wishes among the culturally diverse workforce.
▶ Provide the opportunity to celebrate culturally specific festivals in the employment conditions.
▶ Try to take account of food and drink regulations, such as vegetarian, halal or kosher food, both in the company canteen and on works outings.
▶ Provide for culturally sensitive protocols, for example mourning protocol.

3.6. Talent Development

Attention for advancement of workers from ethnic minorities is essential. Cultural diversity in senior positions and the top of an organisation helps to determine the success of an organisation. Role models are also an important source of inspiration for others.

Unfortunately, workers from ethnic minorities who have been recruited with difficulty often leave again

quickly, the so-called revolving door effect. They also more often work in lower job grades. At the same time participation in education and training and advance-ment to more senior positions are fairly often below expectations. By collecting and analysing figures on advancement and departure in relation to cultural diversity, we can find out what sticking points there are and where. We can discover the underlying causes on the basis of the analysis. Ways of researching this in-clude focus groups, (culturally sensitive) satisfaction surveys and full exit interviews.

Tips

▶ Encourage talent development with measures aimed at making workers from ethnic minorities feel at home and valued in the organisation.
▶ Have an eye for cultural diversity in team building, coaching and training programmes.
▶ Organise mentoring programmes, buddy projects and peer supervision to support culturally diverse talent.
▶ During exit interviews ask about reasons for depar-ture that might be linked to cultural aspects.

3.7. Communication

Internal communication of vision, policy and actions for diversity and inclusion is important for the promotion of support among all workers and for a positive work-

ing environment. External communication about this makes this visible for (potential) workers, customers, fellow employers and others. This contributes to the positive image and the attractiveness of a company.

Tips

▶ Give attention to cultural diversity and inclusion on the internet, intranet, social media, in newsletters, company magazines and in speeches and presenta-tion by (senior) management.
▶ Make visual statements—folders, flyers, bro-chures, presentations, website—visibly culturally diverse.
▶ Organise events about cultural diversity and inclu-sion for internal and external stakeholders.
▶ Sponsor successful diversity initiatives.

3.8. Monitoring and evaluation

To make actual progress requires insight into the ef-fects of the diversity and inclusion policy employed. Are the intended goals actually achieved? What does and does not work? Finding out where we stand. It is a condition that measurable objectives are formulated (target figures). Companies can use different methods

for this, such as records, staff turnover figure research and worker satisfaction survey. Full exit interviews are also a good method.[25]

This policy must become a self-evident part of the planning & control cycle. It is advisable to link key performance indicators to the policy, generally a combination of quantitative and qualitative data. In this way supervisors, HRM and Works Council gain insight into their own organisational culture and possible exclusion mechanisms. Organisations can use the results to adjust and improve their policy goals.

Tips

- ▶ Include a number of questions about diversity and inclusion in the organisation in the regular worker satisfaction survey.
- ▶ Ensure you can differentiate by different groups of respondents in satisfaction surveys by asking questions about age, gender and also origin. This can be done neutrally by asking about the country of birth and that of the parents. This makes it possible to observe differences between particular groups of workers.
- ▶ Worker satisfaction surveys can be large-scale through an internal survey, but also through interviews in teams or at individual level in performance reviews or exit interviews.
- ▶ Ensure that in performance reviews or exit interviews there is also an eye for diversity factors (such as exclusion mechanisms, majority-minority factors, cultural differences) that may be associated with dissatisfaction or early departure. Ask about this and show that you are open to feedback in this area. Many workers do not readily express criticisms of this kind. Especially if they doubt whether their contact is open to it.
- ▶ Use the insights from worker satisfaction surveys and insight into reasons for departure to adjust the internal policy.

Diversity index makes differences visible

PostNL has developed a set of questions for assessing acceptance, diversity and inclusion. They have been added as a separate part of the regular workers satisfaction survey. Workers are asked to complete this set of questions as well. A broad majority do so. PostNL processes the results in a Diversity Index. In this way differences are visible between different departments of PostNL. The company is using it as a basis for developing targeted action plans for tackling problem areas found and for increasing the support for diversity and inclusion.

Experience of the work environment

Shell expresses five statements about the experience of the work environment, aimed at inclusivity. The company has acquired experience of this subject over some time.

The five statements are:
- Where I work we are treated with respect.
- I can express my opinion openly without fear of negative consequences.
- My organisation has a work environment in which different ideas and perspectives are valued.
- My organisation has a work environment that is free from intimidation and discrimination.
- The decisions that superiors take in my organisation with regard to workers are fair.

[25] For further information: 'Meten is weten. Zicht op effecten van diversiteitsbeleid' (*Expert report Finding out where we stand. View of effects of diversity policy*), Diversiteit in Bedrijf, januari 2018.

4. ROLE OF CO-DETERMINATION AND ERG'S

4.1. Co-determination

It is important that the co-determination body actively engages with diversity and inclusion. There are different options for this. The website of the 'Sociaal-Economische Raad' (*Social and Economic Council of the Netherlands*) has a schematic overview of the various roles and powers of co-determination in (the prevention of) discrimination and the promotion of diversity and inclusion.

In the absence of a Works Council, as in the case of smaller companies, workers' representation is sometimes actively charged with the same tasks as the Works Council, which does not derive its authority from statutory provisions.

The Works Council has a number of statutory powers under the 'Wet op de Ondernemingsraden' (*Dutch Works Councils Act*), such as the right of consent, a stimulating task, the right of legislative initiative and the right to be informed. For example, the Works Council has a task to combat discrimination and to promote equal treatment. The Works Council has the right to monitor the application of the Wet Gelijke Behandeling (*Dutch Equal Treatment Act*) and can put items on the agenda for the consultative meeting. Under its right to be informed the Works Council can also ask the chief executive (annually) for a status report on the diversity and inclusion policy.

Under its statutory powers the Works Council can play an important role in the promotion of diversity and inclusion. It can play a stimulating role by, for example:
- Giving the discrimination approach explicit attention.
- Creating a reporting facility (anonymous if necessary).
- Attention at the Works Council consultation hour with a referring role for the Works Council if necessary.
- Making anti-discrimination and diversity part of Works Council training.
- Finding out about the focus areas regarding the position of specific groups.

- Finding out about the status of diversity in the organisation.
- Taking initiatives to promote diversity and inclusion (further) within the organisation as a whole and within the co-determination body itself.
- Encouraging networks.
- Giving information and workshops, together with employer, HR and/or outside organisations.
- Promoting more explicit attention for combating discrimination and promoting diversity and inclusion in collective employment agreements and health and safety catalogues.
- Concluding partnerships with employee resource groups. They can provide the Works Council with information about the position and experiences of employees that are not so obvious to the Works Council. The Works Council can also formally involve an employee resource group in its work.

The people who are portrayed in the film 'Employee Resource Groups in focus' See: https://www.youtube.com/watch?v=OTv-cbv3EC4

4.2. Employee Resource Groups

Employee Resource Groups (ERG's) are a perfect way of promoting diversity and inclusion. More often ERG's play a significant role in the implementation of diversity policy. They appear to be an important driver for the participation of workers and therefore contribute to an inclusive work culture.

First and foremost a worker network is a platform for members who share common experiences. They have emerged from a shared unique background of a minority of employees within an organisation. The networks bring together workers with a specific characteristic, including ethnic or cultural background, sexual orientation, gender identity, age, and disabilities. The aim is to provide support to a particular group of employees and to create an inclusive business culture.

The employee resource groups (ERG's) have often been set up on a voluntary basis by employees in a company. The special thing about these networks is that staff, irrespective of their department or level, meet each other and share experiences. These networks have added value, both for the members, the other members of staff, and for the company as a whole.

Added value of ERG's

ERG's can have a positive impact on the performance and productivity of the company:

▶ They promote the togetherness and the involvement at the company, which can lead to greater job satisfaction and less sickness absence. ERG's are committed to improving the core business of the company. This may translate into an increase in the number of customers, better team performance and an improvement in the quality of the service. The employer can use the networks strategically by calling upon their specific knowledge and ability. For example, some employers ask them to conduct targeted research into customers or clients that the company wants to reach.

▶ ERG's give their members a voice. By seeking attention for their specific experiences and position they make other workers in the company aware of the differences and similarities between workers.

▶ ERG's often promote the personal and professional development of members of staff, for example by means of support and workshops.

▶ With a view to the pursuit of an effective HR policy a network can give the HR department and company management targeted advice.

FILM

At the first National Employee Resource Groups Working Conference (November 10th 2016) Diversity at Work presented the film 'Employee Resource Groups in focus'. Representatives of employee resource groups discuss usefulness, significance and added value of their work. See: https://www.youtube.com/watch?v=OTv-cbv3EC4

ANNEX 1
PREJUDICES AND STEREOTYPING

We are exposed to many impressions every day. To process them a mechanism takes effect in our thinking that forms categories. This categorisation always involves a certain degree of generalisation. We ignore the individual characteristics and see the specific common ones (for example among: Belgians, German, young people, the elderly, ethnic minorities). Stereotypes are thoughts about characteristics of members of groups that are often not based on sufficient facts.

If stereotypes are accompanied by negative feelings about (individuals from) specific groupings, we talk of prejudices. Acting on the basis of prejudices can lead to discrimination.[26]

Stereotypes
There are both explicit and implicit stereotypes. Explicit stereotypes are about characterisations of groups that people consciously have, such as: 'ethnic minorities are unreliable and cause nuisance.'

Implicit stereotypes are characteristics that people unconsciously associate with particular groups. Both kinds of stereotypes can lead to treating a person differently (unequally) because of the fact that they belong to a particular group. They can lead to discrimination.

This does not always need to be the case however. It is for example also possible to arrange the organisational culture to reduce the effect of stereotypes. The recognition of implicit stereotypes can help in this regard.

Experiences and images
Stereotypes are formed in a long-term process, by all the experiences and images with which people are confronted in the course of time. As a result, stereotyping is deeply embedded in our cognitive structures. General stereotypes are useful and indispensable to perception, because they help us order information

and quickly make an overall assessment of people. It is also, however characteristic of stereotypes that are mostly negative when 'other' groups are concerned and that are extremely persistent.

Stereotypes are therefore not easy to change. Because of their general and unnuanced character, stereotypes are not a suitable basis for an adequate assessment of a person. Certainly not in the collaboration between colleagues on the work floor, where it is all about a good appraisal of the (actual) competences of a person, with a view to fulfilling a role properly.

Origin and effect
There are different theories that describe the origin and the effect of stereotypes.

According to the social identity theory, in the categorisation process into your own and other groups your own group characteristics are usually assessed more positively than the characteristics of the other group (ingroup favouritism). This is explained by people having the need of needing a positive social identity. This mechanism explains why stereotypes about different groups often have a negative connotation. The division into your own and the other group, which takes the form of 'us versus them' thinking, has far-reaching consequences for the perception of people.

For example, people appear to have the tendency to see their own group as more complex and heterogeneous and the other group as more homogeneous (outgroup homogenisation effect). Observations may also not always be done objectively: signals about a person that differ slightly from the stereotypical image are perceived according to the stereotype (assimilation mechanism).

If a person differs too much from the group stereotype, this does not lead to the adjustment of this stereotype, but people without thinking create a subcategory of 'different' people, for example 'highly educated, adjusted ethnic minority Dutch nationals'. The consequence of this is that the general, negative stereotype of ethnic minorities (poorly qualified, not integrated, not emancipated) remains intact (subtyping mechanism).

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[26] This text is taken from 'De juiste persoon op de juiste plaats. De rol van stereotypering bij de toegang tot de arbeidsmarkt. Literatuuronderzoek' (*The right person in the right place. The role of stereotyping in access to the labour market. Literature research*), College voor de Rechten van de Mens, juli 2013.

Effects

Stereotyping has effects both on workers from majority groups that have to work with colleagues from stereotyped minority groups of people and on the stereotyped groups themselves.

▶ Majority group: Not only the assessment of the performance of a worker from ethnic minorities is affected by stereotyping. Stereotyping also affects the motivation and performance of workers from ethnic minorities. The perception of both 'hard' competences and of character traits and soft skills is different for workers from disadvantaged and favoured groups. Of special interest to HRM workers is that interviews with workers from ethnic minorities develop differently under the influence of stereotyping. For example, the interview does not take as long, different questions are asked, and the non-verbal attitude is different. The physical distance to workers from particular ethnic groups is greater than from others, which appears to lead to unease and nervousness among those workers.

▶ Minority group: The motivation and intellectual performance of ethnic minorities are negatively affected by stereotypical expectations of their group. Members of these groups often do not perform according to their ability when they are confronted in a subtle manner with the fact that they belong to a particular group or with the stereotypes there are about this group.

Through these mechanisms an interaction can develop between stereotypes and actions of colleagues in a diverse team, which confirm and sometimes even reinforce prevailing stereotypes (stereotype threat mechanism, self-fulfilling prophecy).

Creating awareness

Stereotypes are very persistent and therefore difficult to change, especially in the short term. Yet organisations can take measures to reduce the impact of stereotypes on and during the collaboration between colleagues on the work floor. A minimum requirement for initiating such measures is that the top level of the organisation stresses the importance of a discrimination-free organisational culture (as moral and legal norm and as own interest). Without for a moment suggesting that discrimination could not happen in that organisation - this can actually have adverse effects. It

also helps, more specifically, through exercises to make workers at all levels aware of the stereotypes they themselves use unconsciously and unintentionally. This helps them recognise their own stereotypes better and increases the motivation not just to take decisions intuitively. Adjustments in the organisation are also possible by which as little room as possible is given to stereotyping. One example is the use of a fixed format for performance reviews and appraisal interviews. This helps to limit the scope for prejudices. Subsequently analysing the decision-making on the work floor can also provide insight.

Training

For greater insight into the effect of prejudices and stereotyping the 'College voor de Rechten van de Mens' (*Netherlands Institute for Human Rights*) has developed the 'Selection without prejudices' training. The training can be an eye opener: participants gain insight into the selection process and their organisation acquires greater scope for quality and competences. By recruiting without prejudices there is greater scope for individual qualities. And employer and employee both benefit from this.

ANNEX 2
QUESTIONNAIRE 'EXPERIENCED BENEFITS AND DRAWBACKS OF DIVERSITY ON THE WORK FLOOR'

The questionnaire below - drawn from the 'Handboek Succesvolle Diversiteitsinterventies' (*Manual of Successful Diversity Interventions*)[27] – has been developed to assess the experience of cultural diversity. With minor adjustments the questions can also be applied to different forms of diversity.

EXPLANATION
This questionnaire consists of 24 statements about the benefits of diversity and 19 statements about the drawbacks of diversity. You can present these statements to your organisation's employees, with the request to score the items on a scale of one to ten. A score of ten represents "totally agree" and a score of one "totally disagree". Below you will find an explanation per block of the advantages and disadvantages on which the statements are based.

BENEFITS

► Image
Diversity has a positive impact on the image of the department externally. The aim is to project an image that all groups have the same opportunities, which is good for image perception.

Cultural diversity on the work floor...
1. ...is good for our image externally.
2. ...ensures that the outside world looks at the department more positively.
3. ...ensures that all groups in society look at the department positively.
4. ...is good for the image of the department among non-Dutch groups in society.

► Labour market
The recruitment of non-Dutch employees is necessary to fill all the vacancies. At the same time diversity ensures that potential talent from all groups in society can be utilised.

Cultural diversity on the work floor...
1. ...is necessary to fill all the vacancies in the department.
2. ...is necessary to recruit sufficient new staff.
3. ...ensures that we have greater choice in the recruitment and selection of new staff.
4. ...is necessary to be able to respond to a changing labour market.

► Social environment
Diversity has a positive effect on the way in which people deal with each other, the atmosphere in the department.

Cultural diversity on the work floor...
1. ...makes a positive contribution to the atmosphere.
2. ...provides for a pleasant work environment.
3. ...is fun.
4. ...makes this an interesting place to work.

► Matching to different target groups
A diverse department can respond better to a diverse society: diversity creates a better view of existing developments in society and also provides for a broader outlet for our own policy.

Cultural diversity on the work floor...
1. ...ensures that we can better match our policy to the different target groups in society.
2. ...ensures that we gain better insight into the needs of different groups in society.
3. ...ensures that we can reach a greater part of society with our policy.
4. ...ensures that we can better understand developments in society.

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[27] Joep Hofhuis, Msc., en Mieke van 't Hoog, MA., 'Handboek Succesvolle Diversiteitsinterventies' *(Manual of Successful Diversity Interventions*), Rijksuniversiteit Groningen, Instituut voor Integratie en Sociale Weerbaarheid, in opdracht van het ministerie van Binnenlandse Zaken, november 2010.

► Creativity/Innovation

Diversity increases the problem-solving capacity of a team and provides for a greater variety of new ideas/insights for doing the work well.

Cultural diversity on the work floor...
1. ...ensures that we are better able to solve complex problems.
2. ...ensures that we devise more ideas.
3. ...ensures that we devise better ideas.
4. ...makes us more innovative.

► Learning ability

In a diverse department, employees can transfer their experience to the other team members, which increases the total knowledge available. It also lets employees view the work in an open way: their view is not the only one. People are more open to different ways, actions, norms, values.

Cultural diversity on the work floor...
1. ...ensures that colleagues can learn from each other's knowledge and experience.
2. ...ensures that colleagues learn to be open to different ways of working.
3. ...can break outdated norms and rules.
4. ...ensures that employees get better in dealing with different cultures.

DRAWBACKS

► Own position

Diversity can be a threat to your own career, power, status.

Cultural diversity on the work floor...
1. ...provides for fewer career opportunities for ethnically Dutch employees.
2. ...is at the expense of the status of ethnically Dutch employees.
3. ...ensures that there is less attention for the needs of ethnically Dutch employees.
4. ...ensures that ethnically Dutch employees feel less valued.
5. ...ensures that the ethnically Dutch employees feel less secure about their own position.

► Work and productivity

Diversity can be at the expense of the performance of the work: a diverse department is difficult to manage, it takes time and energy and the department's productivity drops.

Cultural diversity on the work floor...
1. ...means that the supervisor spends more time on individual support of some employees.
2. ...makes our department more difficult to manage.
3. ...ensures that our work process runs less flexibly.
4. ...makes it difficult to communicate clearly with colleagues.

► Change of norms and values

Threat to own norms/values system. Fear of having to do things 'differently' from what is customary or of being confronted with a world view that does not match your own.

Cultural diversity on the work floor...
1. ...provides for friction between colleagues with different norms and values.
2. ...leads to an unfavourable change in the culture in the department.
3. ...compels employees to behave differently from what they are used to.
4. ...has as a consequence that ethnically Dutch employees are compelled to adapt to a different culture.
5. ...constitutes a threat to existing norms and values in the department.

► Manners with different cultures

The fear and uncertainty that results from direct contact with people from a different background. The other person is unpredictable, you don't know how to approach them or how to interpret their behaviour.

Cultural diversity on the work floor...
1. ...ensures that colleagues find it difficult to assess each other.
2. ...provides for unpleasant situations.
3. ...ensures that employees do not always know what attitude they must adopt.
4. ...ensures that employees feel less at ease in their contact with colleagues.
5. ...creates uncertainty in the contact with colleagues.

FOR FURTHER TIPS AND INFORMATION on diversity and inclusion within different dimensions and in different sectors, see:

- Diversity Guide 'Werken naar vermogen' (*Working according to capacity*), 29 november 2018.
- Expert report 'Diversiteit brengt je verder. Kennisdocument sectoren transport & logistiek en personenvervoer' (*Diversity takes you further; Expert report on transport & logistics and passenger transport sectors*), 28 november 2018.
- Diversity Guide *From cultural diversity to inclusion*. Compact representation of the Expert report concerned. October 2018.
- Expert report 'Werken naar vermogen; Kennisdocument arbeidsbeperking/chronische ziekte en diversiteit (*Working according to capacity; Expert report on occupational impairment/chronic illness and diversity*), 18 september 2018.
- Expert report 'Bouwen aan diversiteit; Kennisdocument diversiteit in de sectoren bouw, infra en techniek' (*Building on diversity; Expert report on diversity in the construction, infrastructure and engineering sectors*). 27 augustus 2018.
- Expert report 'Diversiteit onder gemeentepersoneel; Kennisdocument gemeenten en diversiteit' (*Diversity among municipal staff; Expert report on municipalities and diversity*). 22 mei 2018.
- Expert report 'Divers werven en selecteren' (*Diverse recruitment and selection*). Maart 2018.
- Diversity Guide 'LHBTI op de werkvloer' (*LGBTI on the work floor*). 28 maart 2018.
- Expert report 'Een motor voor verandering; Kennisdocument medewerkersnetwerken' (*A driver for change; expert Report on Employee Resource Groups*). 7 maart 2018.
- Expert report 'Meten is weten. Zicht op effecten van diversiteitsbeleid' (*Finding out where we stand. View of impacts of diversity policy*). 2 januari 2018.
- Expert report and step-by-step plan on age and diversity 'De kracht van 50-plus' (*The power of 50-plus*). Mei 2017.
- Expert report on gender diversity: 'Arbeid en zorg in balans' (*Work and care in balance*). 22 januari 2017.

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