What Will Be the Future Diversity and Inclusion Trends with Regards to Gender?

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Abstract
Excerpt] This CAHRS company is a leader in the manufacturing industry when it comes to Diversity and Inclusion (D&I). Starting in 2009, they revamped their business strategy around D&I which has led to successful employee resource groups and a goal to reach gender pay parity by 2030. As a leader in this space, they aim to have continuous D&I growth not only domestically but globally. In order to do that, they need to understand the global importance of D&I. In today's political, economic, and global business environment, diversity has become increasingly important.

Keywords
gender, diversity, diversity and inclusion, inclusion, trends, future, change, change management future of work, diversity, HR, human resources, pay parity

Comments
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Executive Summary

Final Question

What will be the diversity and inclusion trends and topics that matter around the world over the next 3 – 5 years with regards to gender? What actions are companies taking to address them?

Background

This CAHRS company is a leader in the manufacturing industry when it comes to Diversity and Inclusion (D&I). Starting in 2009, they revamped their business strategy around D&I which has led to successful employee resource groups and a goal to reach gender pay parity by 2030. As a leader in this space, they aim to have continuous D&I growth not only domestically but globally. In order to do that, they need to understand the global importance of D&I. (Figure 1)

In today's political, economic, and global business environment, diversity has become increasingly important. A series of business and cultural changes have come together to spotlight this issue.¹

1. The global political environment has heightened employee sensitivity to diversity and inclusion.
2. The need for diversity and inclusion is now an important component at work. Many large organizations now define themselves as global entities, making religious, gender, generational, and other types of diversity a business reality.
3. The topic of equality and gender pay equity has received mounting public attention.¹

This CAHRS firm has a keen focus on gender equity in the workplace and wants to remain on the forefront. They can propel themselves forward by becoming knowledgeable about the trends within D&I (from country to country) and how they can utilize them to further their success. Our research has led us to several examples of how D&I plays out on a global scale.

Global Research and Trends

Mexico – Gender Diversity

Mexico has been historically patriarchal, with women at home and men at work. Women in Mexico face challenging odds when it comes to the workplace. Women’s rate of participation in the workforce in Mexico has been rising in recent decades; however, Mexico still lags behind other Latin American countries.² Women are underrepresented in the workforce at all levels. This is not because of lack of ambition but a lack of opportunity (Figure 2). In addition, Mexican companies base their performance model largely on permanent availability; current maternity-leave policies thus discourage organizations from hiring and promoting women.²

In the workplace, women have a different experience than men. Women report receiving less feedback and coaching than men get. Discrimination gives women a weaker sense of belonging than their male colleagues have, as well as lower levels of satisfaction overall. In order to improve gender diversity in Mexico, companies must follow this key framework (Figure 3) of C.L.I.M.B²:

C - Commitment of CEO and executive committee
L – Leadership development programs
I – Infrastructure programs fostering equality
M – Metrics and tracking of key performance indicators
B – Behaviors and inclusive mindsets, attitudes, and processes.

United States and Europe – “The Broken Rung”

While gender diversity has been increasing at the senior leadership level, women’s largest barrier to promotion is at the initial manager level. This obstacle has been coined “The Broken Rung”, as the first
step on the ladder is missing for women resulting in more women staying in entry level positions and few becoming managers, which has a long term impact on the talent pipeline for the promotion of women\(^1\) (Figure 4). There are five steps a company can take to begin fixing their broken rung\(^2\):

1. Set a goal for getting more women into first-level management
2. Require diverse slates for hiring and promotions
3. Put evaluators through unconscious bias training
4. Establish clear evaluation criteria
5. Put more women in line for the step up to manager

**Asia and Asia Pacific – Multiple Barriers for Women**

As various markets are growing rapidly in the Asia Pacific region, like India and China, underrepresentation of women in business-leadership positions is becoming more evident. Cultural expectations that women should remain in the home, lack of childcare, and lack of role models and sponsors further exacerbate the issue. In order to increase women in leadership positions companies need to implement gender diversity into operations throughout the organization with a clear managerial commitment to equality, processes to reinforce the commitment, and programs that explicitly provide mentorship, skills building, and networking for women. Starting to shift attitudes about women’s roles in the workplace will lead to the changes in greater societal gender equality across Asia and Asia Pacific\(^3\).

**Company Benchmarks**

**3M**

3M has committed to an inclusive and safe workplace by focusing on Diversity, Inclusion and Equity. These two initiatives stand out:

1. Double the pipeline of diverse talent management by 2025 in all countries. (Figure 5)
2. CEO created Inclusion Council—a group of diverse 3M leaders from across the globe that focuses on elevating and prioritizing actions to build a more inclusive and competitive workplace\(^5\).

These initiatives show the commitment and follow through to create a diverse and inclusive workplace globally.

**Caterpillar**

Caterpillar utilizes employee resource groups and has branched out into creating non-traditional employee groups that offer employees additional opportunities to connect and work together\(^6\):

- Women in Leadership and Coffee Talks – provides a platform for women at Caterpillar to connect, network, and problem solve across all locations
- Mentorship – connects mentors and mentees, and provides framework for first-time mentors
- Spanish Language Classes – offers Spanish courses to employees
- Dealer Customer Interpreter Program – gives business partners the opportunity to collaborate and engage with non-English speaking customers, dealers, and suppliers

**Conclusion**

Creating a successful diversity and inclusion program is the first step to building a more diverse and inclusive workforce. Implementation and management are the critical steps that leads the program to accomplish its goals. Some key practices for successful implementation include\(^7\):

- Focus on intervention, not just bias reduction
- Invite non-managers to foster communication across the organization
- Keep the focus on workplace issues, not personal ones
- Keep the conversation going to stay accountable
- Be flexible, in both content and delivery

For D&I initiatives to make real organizational change, it depends not just on leaders but also every employee to be involved and accountable. On a global scale, cultural norms may present different barriers, but adapting programs to include cultural differences can make the process more inclusive.


Figure 1. Diversity and inclusion: Percentage of respondents rating this trend “important” or “very important”

[Map showing percentages in selected countries, with higher and lower percentages indicated.]


Figure 2

Women are underrepresented in all levels of the workforce in Mexico.

[Bar chart showing representation of women by corporate role in 2018, % of employees.]
Figure 3
A comprehensive transformation plan for maximizing the potential of women includes five key elements.

Key dimensions for a comprehensive transformation using CLIMB framework

Executive committee focused on diversity
Commitment of CEO and executive committee
Behaviors and inclusive mind-sets, attitudes, and processes
Metrics and tracking of key performance indicators
Baseline and objectives
Dashboard design and monitoring
Training and coaching
Sponsorship and mentorship
Women’s networks

On-the-job training
Evaluation and recruitment debiasing
Flexible work schedules
Extended-leave policies
Back-to-work programs

McKinsey & Company


Figure 4
The biggest obstacle women face is the first step up to management.

Ratio of promotions to first-level manager by gender and race

For every 100 men who were promoted to management...
...only 72 women were promoted
...only 58 black women were promoted
...only 68 Latina women were promoted

If women are promoted and hired to first-level manager at the same rates as men, we will add

1 million more women to management in corporate America over the next five years.

Source: 2019 McKinsey & Company and LeanIn.Org Women in the Workplace study

McKinsey & Company

Figure 5

Retrieved from https://www.3m.com/3M/en_US/careers-us/working-at-3m/diversity-and-inclusion/