

# DIVERSITY, INCLUSION & ACCESS

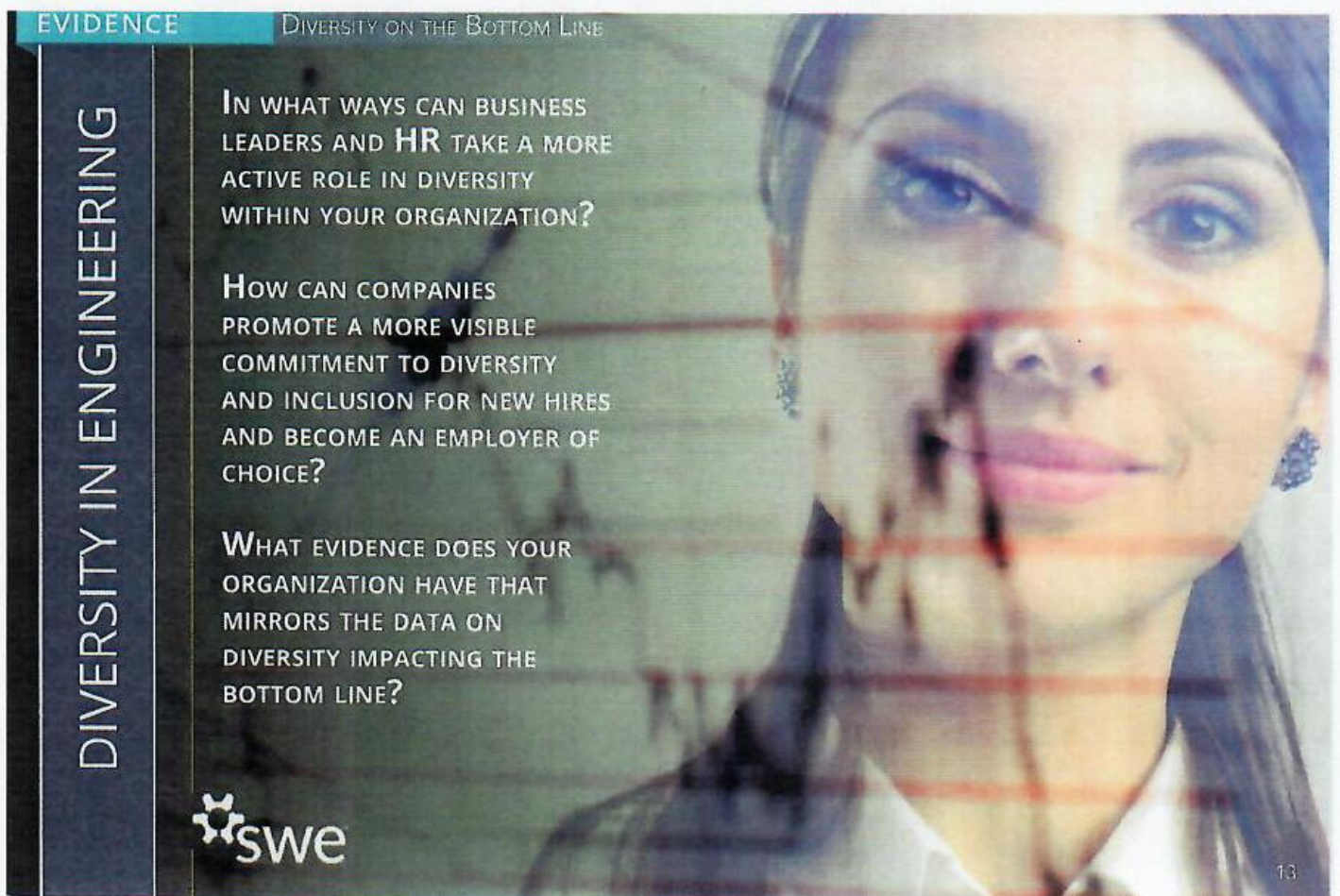
[mines.edu/diversity](https://mines.edu/diversity)

## Inclusion Icebreaker: Performance & Evaluation

### Productivity

How to use this Inclusion Solution card in a group setting:

- Review the questions on the front of the card to help anchor the topic
- Extend a few minutes of personal reflection
- Ask individuals to relate the topic to the current work environment and/or campus climate and what a future state might look like
- Create a dialogue on how the topic might create innovative thoughts, new direction for programs/classroom instruction/services, or ways to address challenges in the work environment and the campus climate




**EVIDENCE** DIVERSITY ON THE BOTTOM LINE

**DIVERSITY IN ENGINEERING**

**IN WHAT WAYS CAN BUSINESS LEADERS AND HR TAKE A MORE ACTIVE ROLE IN DIVERSITY WITHIN YOUR ORGANIZATION?**

**HOW CAN COMPANIES PROMOTE A MORE VISIBLE COMMITMENT TO DIVERSITY AND INCLUSION FOR NEW HIRES AND BECOME AN EMPLOYER OF CHOICE?**

**WHAT EVIDENCE DOES YOUR ORGANIZATION HAVE THAT MIRRORS THE DATA ON DIVERSITY IMPACTING THE BOTTOM LINE?**

 swe

13

# DIVERSITY & INCLUSION

## EVIDENCE

### Diversity on the Bottom Line

*"More diverse companies, we believe, are better able to win top talent and improve their customer orientation, employee satisfaction, and decision making, and all that leads to a virtuous cycle of increasing returns." (McKinsey, 2015).*

Professors Dezsó and Ross of University of Maryland and Columbia designed a study to answer the question - "Does diversity equal more revenue and a happier place?" as well as, "What impact does it have on performance?" The study collected financial data from some of the top firms in the Standard & Poor's (S&P) 1500. After cross-referencing the company size and gender composition of the top management teams within those S&P companies, with the firm's financial performance from 1992 to 2006, the data revealed that, for firms that focused strategic efforts on innovation, on average, "female representation in top management leads to an increase of \$42 million in firm value."

Top consulting firms that shared that strategic focus of innovation began further examining the impact of diversity on the bottom line:

**McKinsey:** In their report, "Diversity Matters," consultants examined data for 366 public companies across a range of industries. Their research found that companies in the top one-fourth for racial and ethnic diversity were 35 percent more likely to exceed the industry median in financial returns. Whereas companies in the bottom quartile with less representation of racial or ethnic diversity were statistically less likely to achieve above-average returns. The correlation does indicate that companies are more successful when they commit themselves to diverse leadership.

**Center for Talent Innovation:** Researchers found that companies with diverse teams often out-innovate and out-perform others. For example, employees at the companies with two-dimensional diversity (Inherent Diversity and Acquired Diversity™) surveyed are 75 percent more likely to have a marketable idea implemented. Researchers also noted that 78 percent of United States employees work for companies without two-dimensional diversity.

Regardless of industry, lines of service or products, more and more data have been captured on the value of diversity, its financial impact, and its tie to innovation. We know intuitively that diversity matters, but now we also have the numbers to prove that diversity—whether it's gender, religion, age, ethnicity, or sexual orientation—also makes great business sense.

### HOW DIVERSITY CAN DRIVE INNOVATION

Source: <http://diversitywoman.com/wp-content/uploads/2014/07/innovation-and-Marketgrowth.pdf>

#### INHERENT DIVERSITY

- Nationality
- Religious background
- Gender
- Age
- Sexual orientation
- Race/Ethnicity
- Socio-economic background
- Disability

#### ACQUIRED DIVERSITY™

- Cultural fluency
- Generational savvy
- Gender smarts
- Technological literacy
- Cross-functional knowledge
- Global experience
- Military experience
- Language skills

SOURCE: Cristian L. Dezsó and David Gaddis Ross, "Does Female Representation in Top Management Improve Firm Performance? A Panel Data Investigation," *Strategic Management Journal*, Volume 33, No 9, September 2012; Vivian Hunt, Dennis Layton, and Sara Prince, "Why Diversity Matters," McKinsey & Company, January 2015; Center for Talent Innovation, "Innovation, Diversity and Market Growth."

Reference:

"Inclusion Solutions: Discussing a Diverse Culture is in the Cards," *Lessons Learned Consulting, Inc.*, 2016.