

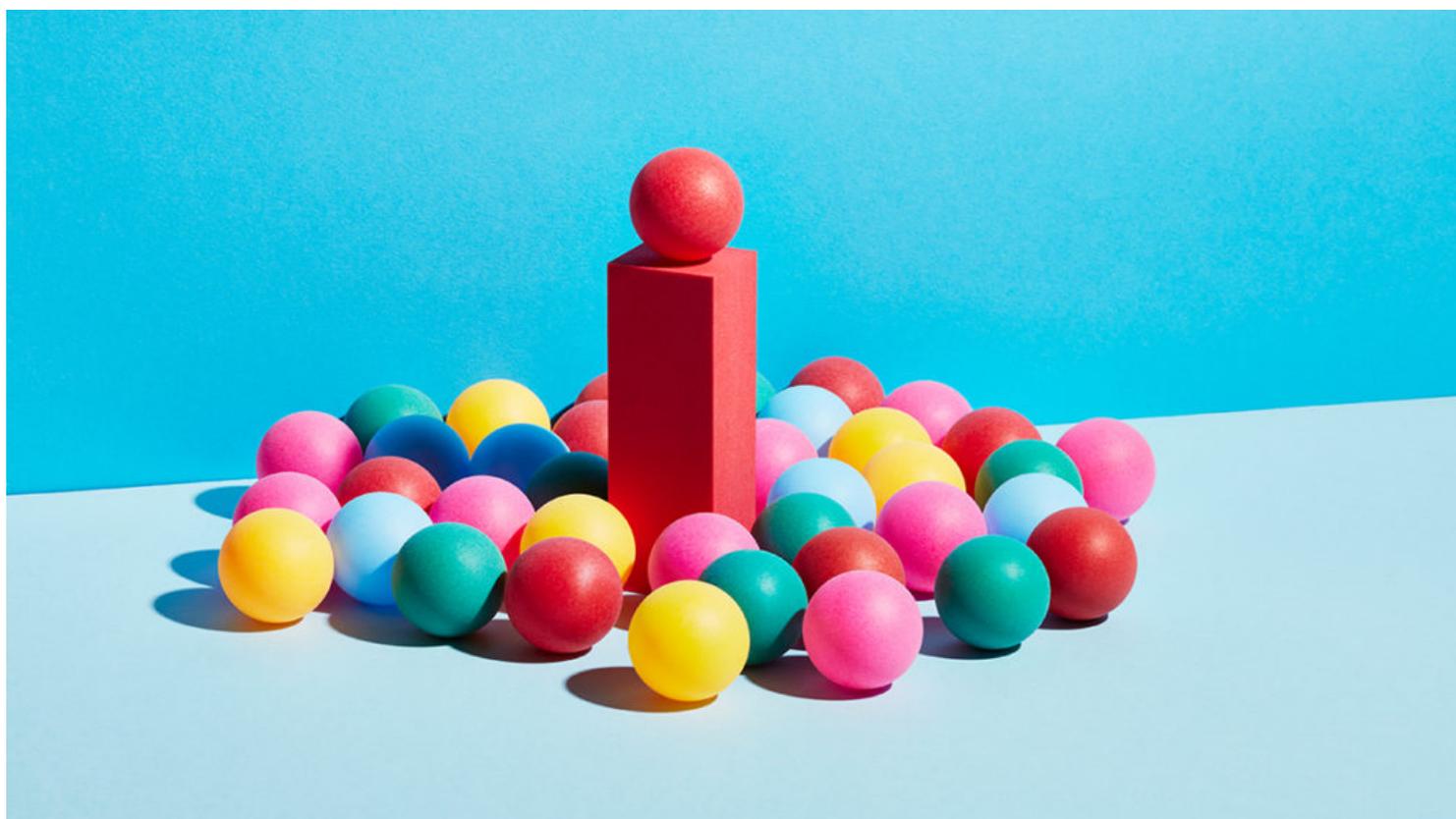
# Why Inclusive Leaders Are Good for Organizations, and How to Become One

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Companies increasingly rely on diverse, multidisciplinary teams that combine the collective capabilities of women and men, people of different cultural heritage, and younger and older workers. But simply throwing a mix of people together doesn't guarantee high performance; it requires *inclusive leadership* – leadership that assures that all team members feel they are treated respectfully and fairly, are valued and sense that they belong, and are confident and inspired.

Inclusiveness isn't just nice to have on teams. Our research shows that it directly enhances performance. Teams with inclusive leaders are 17% more likely to report that they are high performing, 20% more likely to say they make high-quality decisions, and 29% more likely to report behaving collaboratively. What's more, we found that a 10% improvement in perceptions of inclusion increases work attendance by almost 1 day a year per employee, reducing the cost of absenteeism.

What specific actions can leaders take to be more inclusive? To answer this question, we surveyed more than 4,100 employees about inclusion, interviewed those identified by followers as highly inclusive, and reviewed the academic literature on leadership. From this research, we identified 17 discrete sets of behaviors, which we grouped into six categories (or "traits"), all of which are equally important and mutually reinforcing. We then built a 360-degree assessment tool for use by followers to rate the presence of these traits among leaders. The tool has now been used by over 3,500 raters to evaluate over 450 leaders. The results are illuminating.

These are the six traits or behaviors that we found distinguish inclusive leaders from others:

**Visible commitment:** They articulate authentic commitment to diversity, challenge the status quo, hold others accountable and make diversity and inclusion a personal priority.

**Humility:** They are modest about capabilities, admit mistakes, and create the space for others to contribute.

**Awareness of bias:** They show awareness of personal blind spots as well as flaws in the system and work hard to ensure meritocracy.

**Curiosity about others:** They demonstrate an open mindset and deep curiosity about others, listen without judgment, and seek with empathy to understand those around them.

**Cultural intelligence:** They are attentive to others' cultures and adapt as required.

**Effective collaboration:** They empower others, pay attention to diversity of thinking and psychological safety, and focus on team cohesion.

These traits may seem like the obvious ones, similar to those that are broadly important for good leadership. But the difference between assessing and developing good leadership generally versus inclusive leadership in particular lies in three specific insights.

First, most leaders in the study were unsure about whether others experienced them as inclusive or not. More particularly, only a third (36%) saw their inclusive leadership capabilities as others did, another third (32%) overrated their capabilities and the final third (33%) underrated their capabilities. Even more importantly, rarely were leaders certain about the specific behaviors that actually have an impact on being rated as more or less inclusive.

Second, being rated as an inclusive leader is not determined by *averaging* all members' scores but rather by the *distribution* of raters' scores. For example, it's not enough that, on average, raters agree that a leader "approaches diversity and inclusiveness wholeheartedly." Using a five-point scale (ranging from "strongly agree" to "strongly disagree"), an average rating could mean that some team members disagree while others agree. To be an inclusive leader, one must ensure that *everyone* agrees or strongly agrees that they are being treated fairly and respectfully, are valued, and have a sense of belonging and are psychologically safe.

Third, inclusive leadership is not about occasional grand gestures, but regular, smaller-scale comments and actions. By comparing the qualitative feedback regarding the most inclusive (top 25%) and the least inclusive (bottom 25%) of leaders in our sample, we discovered that inclusive leadership is tangible and practiced every day.

These verbatim responses from our assessments illustrate some of the tangible behaviors of the most inclusive leaders in the study.

- *Shares personal weaknesses*: "[This leader] will openly ask about information that she is not aware of. She demonstrates a humble unpretentious work manner. This puts others at ease, enabling them to speak out and voice their opinions, which she values."
- *Learns about cultural differences*: "[This leader] has taken the time to learn the ropes (common words, idioms, customs, likes/dislikes) and the cultural pillars."
- *Acknowledges team members as individuals*: "[This leader] leads a team of over 100 people and yet addresses every team member by name, knows the work stream that they support and the work that they do."

The following verbatims illustrate some of the behaviors of the least inclusive leaders:

- *Overpowers others*: “He can be very direct and overpowering which limits the ability of those around him to contribute to meetings or participate in conversations.”
- *Displays favoritism*: “Work is assigned to the same top performers, creating unsustainable workloads. [There is a] need to give newer team members opportunities to prove themselves.”
- *Discounts alternative views*: “[This leader] can have very set ideas on specific topics. Sometimes it is difficult to get an alternative view across. There is a risk that his team may hold back from bringing forward challenging and alternative points of view.”

What leaders say and do has an outsized impact on others, but our research indicates that this effect is even more pronounced when they are leading diverse teams. Subtle words and acts of exclusion by leaders, or overlooking the exclusive behaviors of others, easily reinforces the status quo. It takes energy and deliberate effort to create an inclusive culture, and that starts with leaders paying much more attention to what they say and do on a daily basis and making adjustments as necessary. Here are four ways for leaders to get started:

**Know your inclusive-leadership shadow:** Seek feedback on whether you are perceived as inclusive, especially from people who are different from you. This will help you to see your blind spots, strengths, and development areas. It will also signal that diversity and inclusion are important to you. Scheduling regular check-ins with members of your team to ask how you can make them feel more included also sends the message.

**Be visible and vocal:** Tell a compelling and explicit narrative about why being inclusive is important to you personally and the business more broadly. For example, share your personal stories at public forums and conferences.

**Deliberately seek out difference:** Give people on the periphery of your network the chance to speak up, invite different people to the table, and catch up with a broader network. For example, seek out opportunities to work with cross-functional or multi-disciplinary teams to leverage diverse strengths.

**Check your impact:** Look for signals that you are having a positive impact. Are people copying your role modeling? Is a more diverse group of people sharing ideas with you? Are people working together more collaboratively? Ask a trusted advisor to give you candid feedback on the areas you have been working on.

There's more to be learned about how to become an inclusive leader and harness the power of diverse teams, but one thing is clear: leaders who consciously practice inclusive leadership and actively develop their capability will see the results in the superior performance of their diverse teams.