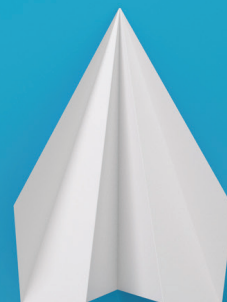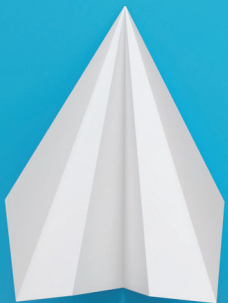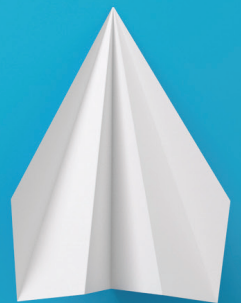# Creating Accountability for Inclusive, Responsive **Leadership**

To make inclusion a cultural reality, organizations must examine how diversity and leadership can and should work together.

By Todd Corley, The TAPO Institute

Stakeholders today expect more from their leaders. They require them to be more connected and responsive to the issues of diversity and inclusion—not in terms of lip service or feigned action, but with true dedication and sustained commitment. However, as globalization expands, many acclaimed leaders have failed to cultivate inclusive work environments that inspire and empower talent and foster a sense of engagement and belonging among their employees.

Not all leaders are aware of their shortcomings, however, as there is a risk for them of operating under an illusion of "self-perceived effectiveness," in which they overestimate the degree to which they are having a positive impact on the workforce and workplace. They believe that their support of diversity and inclusion—through words and financial investment—is sufficient proof of their commitment. As a result, they may expect stakeholders and those who benefit from their support to perceive them in a favorable light and consider their work on inclusion effective. But inclusivity requires greater accountability. This article examines accountability frameworks and behavioral patterns in organizations where inclusion has become a matter of pride.

The data and observations in this article come from direct experience as a global chief diversity officer reporting to the CEO in a crisis-response setting, as well as experiences within other organizations that were seeking to be more intentional about fostering inclusiveness within their ecosystems. In either scenario, the overarching success factor has been consistent: don't merely focus on hiring more outwardly diverse people. Don't chase the surveys that put you on a list. Rather, address diversity and inclusion as a change management initiative, one that needs to be operationalized across the business to change the company's internal approach on multiple levels. Each environment that I have lived through or studied has revealed and reinforced the challenges created by gaps in leaders' self-perceptions compared to what stakeholders need from them. These gaps must be bridged if inclusion is to become a cultural reality, deliver positive business impact, and stand the test of time.

To identify and address this potential blind spot, organizations must examine closely how diversity and leadership can and should work together.

Defining Diversity and Leadership

Diversity in all its forms and descriptions—inclusion, belonging, valuing, equality, etc.—suffers from a crisis of identity. For decades, it sat juxtaposed between moral obligation and punitive scourge; from "the right thing to do" to "do what is right, or else (no bonus, raise, promotion, etc.)." In these contexts, it has been sanitized, gentrified and weaponized, and in the process has become a target of resentment for some, a profit generator for others and a symbol of pride for a few.

Leadership, like diversity, is also fluid in its definition, role and execution. Together, their shifting identities present a "wicked problem" in that they are complex yet enduring issues of indeterminate scope and scale. They are difficult to explain, inherently impossible to solve, and create a struggle for diversity stewards and managers to accurately assess and measure.

That said, great leadership in diversity is necessary, along with the systems and solutions to help leaders move from saying the right things to behaving differently. Leadership accountability, especially as it relates to diversity and inclusion, must be 360-degree and multi-dimensional if it is to truly be effective. Top-down or lateral accountability mechanisms tend to omit the voices and feedback of a diverse constituency. Traditional leadership governance often reinforces historic, systemic, and institutionalized beliefs and behaviors that work counter to truly inclusive environments and ecosystems.

Connecting Leadership with Diversity

Before designing inclusive accountability frameworks, organizations must first acknowledge some hard truths.

- Organizational culture begins and ends with leadership.
- Leaders generally speak favorably of a positive workplace culture but often are perceived as inauthentic and disingenuous when their actions contradict their words.
- Perceived inauthenticity leads to prolonged mistrust and distrust, leaving stakeholders feeling psychologically unsafe and emotionally taxed.
- Psychological unsafety leads to fear; emotional taxation leads to withdrawal. Both lead to exclusion.
- Exclusion over time and en masse leads to litigation in worst-case scenarios, thereby putting the organization and all of its stakeholders at risk and possibly crisis.
- In best-case scenarios, exclusion over time causes the employee to distrust and create distance between themselves and the organization, triggering basic talent supply challenges that make it difficult for an organization to deliver on its strategy.

With intentional effort, accountability systems and solutions can be tailored for the company to establish an environment of psychological safety, integrate trust into the fabric of the organization, and foster a sense of diversity more uniformly throughout the organization.

The 2019 Edelman Trust Barometer revealed that:

"Employees are ready and willing to trust their employers, but the trust must be earned through more than business as usual."

Stakeholders want and expect their leaders to not only speak up or out, but to proactively take action and lead change. Therefore, accountability frameworks must be built to be inclusive (to incorporate the voice of the stakeholder) and be responsive and introspective to meet the needs and expectations of constituents as well. Unfortunately, however, leaders sometimes lose sight of what it means to lead. Simply stated, studies—like Dacher Keltner's work—show the accumulation of power can drive people to become self-absorbed and blind to inequality.

Expectations of a Leader's Stakeholders

Corporate leaders have six core constituencies to which they are accountable: employees, customers, communities, investors, regulators, and themselves. Individually, those constituencies have specific value needs and wants from leadership. Collectively, these can be used (as identified in the following table) to create a template for each organization, or each leader, to structure accountability for meeting their specific

LEADER & STAKEHOLDER	EXPECTATIONS FROM LEADERS	ACCOUNTABILITY REQUIREMENTS OF LEADERS
How does the leader show up?	What expectations do stakeholders have of leaders addressing diversity, equity and inclusion?	In what ways do stakeholders demand leaders measurably deliver on their diversity commitments?
As an Individual	Speak, act and operate in an authentic, respectful, trusting, ethical and influential manner complementary to moral expectations and policy/regulatory/legal requirements	• Introspection and self-reflection of thoughts, emotions, behaviors and actions • Adaptability, agility and flexibility to embrace change Acceptance of others' differences and uniqueness • Willingness to design, build and execute strategies, systems, and sustainable policies, processes, and practices that cultivate diversity, inclusion, equality, full and fair opportunity for all stakeholders • Preparedness to mitigate and/or eliminate opportunities for daily bias, exclusion, discrimination, harassment and disenfranchisement from stakeholder experiences
With Employees	Commitment to building and sustaining an inclusive and accepting work culture that supports a diverse workforce at all levels of the organization	• Design, build and execute strategies, systems, and sustainable policies, processes, and practices that cultivate diversity, inclusion, equality, full and fair opportunity for all employees • Engage in brand activism, providing consistent vocal and participatory support for and stances on social justice issues related and unrelated to standard business • Mitigate and/or eliminate opportunities for daily bias, exclusion, discrimination, harassment and disenfranchisement from work experience • Recognize, acknowledge, and respect of the voice, perspectives, and ideas a diverse workforce contributes • Speak, act and operate in an authentic, respectful, trusting, and ethical manner complementary to policy/regulatory/legal requirements and moral expectations • Serve others with respect, compassion and humanity
With Customers	Mindful, inclusive, ethical leadership and strategies that are values-aligned, respectful of human rights, and supportive of the greater social good	• Act and operate in a manner that is authentic, transparent, equitable, inclusive and fair • Create and shape an authentic, inclusive organizational brand identity around citizenship and social responsibility • Recognize, acknowledge, and respect of the capital and collective purchasing power diverse customer bases possess • Engage in brand activism, providing consistent vocal and participatory support for and stances on social justice issues related and unrelated to standard business • Deliver apolitical, value-aligned, conflict-free services and products
In the Community/Society-At-Large	Robust, socially responsive strategies, actions, and programs that engage society-at-large and targeted communities equally	• Prioritize social impact and community engagement throughout all organizational touchpoints • Execute purpose-driven and sustainable strategies, policies, and practices • Implement higher supply chain accountability standards for transparency, transactions, and performance • Increase financial, human capital, and moral investment in communities/societies served • Broaden existing citizenship initiatives to include previously excluded populations
With Investors	Clear inclusive strategy that maximizes human capital, drives high operational performance, and delivers strong financial performance	• Embed diversity and inclusion within the cultural fabric of the organization; translate into processes, structures, Policies, and systems • Design, build and execute sustainable practices that commit to diversity and inclusion within the workforce, board, supply chain, and society-at-large • Strengthen policies, procedures, and practices to mitigate and/or eliminate discrimination and harassment • Execute organizational strategy that capitalizes on diversity and inclusion and increases profitability simultaneously
In Governance & Regulatory Settings	High ethical standards, regulatory and legal compliance, and inclusive equitable governance	• Operate in a manner complementary to regulatory and legal requirements • Design, build and execute systems that foster and support diversity, inclusion, and equality • Mitigate and/or eliminate opportunities for exclusion, discrimination, harassment and disenfranchisement

set of stakeholder expectations.

Soliciting and studying feedback from each stakeholder can help leaders identify the blind spots—in terms of attitudes, behaviors and actions—that have rendered them unsuccessful at fostering inclusive ecosystems. Such assessments can also inform diversity and human resources practitioners' efforts in (re)structuring leadership accountability in a way that delivers more on the values that stakeholders expect. However, merely culling this information will not drive leadership behavioral change.

Applying Accountability Frameworks to Drive Business Results

Here are two real-world examples that demonstrate the stakeholder model in action.

Retail. In the first instance, a global specialty retailer began to audit its in-store experience by leveraging the racial diversity of its mystery shoppers to better predict whether non-white consumers would have the same positive experience as white consumers. The results revealed that in stores where non-white mystery shoppers—testers—were treated in similar ways to those who were white, including being greeted in the first 15 seconds of entering the store, those stores had favorable business results. People of diverse backgrounds were shopping longer and more inclined to make a purchase as opposed to walking out and leaving an item on the shelf.

Examined through the lens of the accountability framework, perhaps the most important shift in leadership to drive a positive in-store experience was that the leader behaved like a "diversity champion." Nonjudgmental, consistently auditing his or her own behavior and approaching each day with an inclusive mindset. Through an annual diversity champion program, the organization identified diversity champions across the globe. The data showed that they created a foundation of respect for others; discouraged associates from taking short-cuts; and promoted kindness, civility, deference and courtesy.

Healthcare. In the second instance, a Midwestern-based healthcare system with a presence in a mix of rural and urban counties began a process to formalize how it would record the sexual orientation and gender identity (SOGI) of its patients to improve patient care for the LGBTQ community. This was not in response to a public relations or other crisis, but a desire to build goodwill across its consumer base. The challenges to implement this policy were many, including the conservative nature of some counties, its faith-based tradition as a healthcare provider, and a lack of consistency among senior leadership in displaying courage and conviction in the face of internal and external pushback for the change.

In the end, as patient registration clerks, physicians, and other relevant staff became more comfortable with the scripted language to collect SOGI data, the encounter became more normalized and less intimidating. Perhaps more importantly, an audit of the process showed that there were fewer than 20 complaints across 46,000 new patient registrations documented by the customer experience team. That absence of noise was an important data point for a metric-driven organization.

More important than a lack of complaints, however, was the shift this implementation required of mid-level managers and how that impacted more senior leaders as well as rank-and-file employees. As the accountability framework reveals, employees, customers and community members wanted leaders to not only show courage privately but also publicly. In the face of such expectations, waiting until "the coast is clear" is not a strategy but rather a sign of posturing and insincerity. In this case, what ultimately won the day during implementation was a grassroots effort by leaders at the mid-manager level, who embraced boldness and confidence until enough senior leaders had their own "a-ha" moments, joined them on the front lines, and publicly raised their hands. Only this time, the actions of senior leaders suggested that they meant what they were saying.

Hazards of Implementation

The CDO & CHRO Relationship. The cautionary tale worth exploring, however, is "What is the right practical and optical alignment for the Chief Diversity Officer (CDO) in relationship to either the CEO, COO or CHRO?" If one takes a quick scan of LinkedIn or job postings, one might believe that the default answer is to have the CDO report to the CHRO. In my best judgment, based on years of first-hand accounts across multiple industries, one-on-one conversations with CDOs, as well as insights from new research, that reporting structure is not always ideal.

Here's why: to be successful, a CDO needs to have the authority to drive change and mobilize senior leadership around a shared change agenda, leading to tangible business results and favorable financial outcomes. The best way to achieve that is to directly report to the CEO or COO in most organizations. This shines a spotlight on the business imperative of the role versus it being viewed as a nice-to-have. This structure also increases the odds that you will have buy-in across the business ecosystem, better access to resources, and that D&I will not be disconnected from business strategy.

Confusing Awareness with Effectiveness. I realize this is sensitive and potentially controversial. But all too often, CDOs find themselves competing for, or asking permission to share, the same oxygen as the CHRO on people management (e.g., talent calibration or succession planning) that may historically have missed the mark on being inclusive.

Inherent bias or weakness in some of these systems—which may have not been created by the current HR group or leadership but are often theirs to administer—may cause friction among senior executives, exposing the organization's reluctance to disrupt the status quo. The CDO should be focused on connecting the dots, focusing on how responsibilities that cut across issues of organizational development, brand and reputation management, legal matters, societal issues, business results, investor sentiment, and emerging concerns such as the possibility of algorithmic bias.

Once strategic areas of improvement that straddle diversity and human resources are highlighted and identified, diversity and human resources practitioners—as peers and collaborators—can then inform, train, and coach leaders on specific interpersonal and intrapersonal development. These leaders, in turn, will likely accept and willingly invest in an inclusive,

responsive accountability framework that helps align words, actions, and behaviors with stakeholder perception.

Working alongside the CEO, the CDO and CHRO can ideally model and message the importance of leadership behavior, ultimately validating for leaders up and down the organization that this is something being done "for" them rather than "to" them.

> The more diverse the world becomes, the greater the responsibility to—and expectation of—the people and systems connected to it.

Applying Inclusive Responsive Accountability
Raising awareness does not automatically lead to improvement. Accountability should be positioned as a tool of empowerment and effectiveness. It should inspire ownership of personal and professional growth and development.

The suggestion here is to incorporate the whole of the individual leader—thoughts, emotions, behaviors, and actions—into the accountability equation. Marrying this formula to developmental, remedial and preventive practices codifies the requirements of diversity and inclusion into the shared culture of the leader, leader stakeholders and the organization. Moreover, it rebalances performance scorecards to appropriately respond to the ever-changing demands of the workforce, workplace and marketplace.

A Clarion Call
Regardless of political rhetoric, changing laws or civil debate, diversity and inclusion are societal mainstays. According to Pew Research Center, within 25 years, America's population will be its most heterogeneous in history. By mid-century, there will be two billion elderly and two billion young people in the world, living and/or working on the same planet—representing one of five races, seven generations, 63 genders, 4,200 religions, over 5,000 cultural ethnicities, and nearly 6,000 languages. As such, in today's and tomorrow's highly intersectional workplace and marketplace, inclusive leadership is a non-negotiable.

The more diverse the world becomes, the greater the responsibility to—and expectation of—the people and systems connected to it. In its 2017 Corporate Social Responsibility Study, Cone Communications reported that nearly 80 percent of Americans believed organizations "had an obligation to take actions to address and improve important social justice issues, regardless of their relevance to everyday business."

Further, of the top 10 concerns that Americans expect organizations to support, racial equality, women's rights, immigration, and LGBTQ rights were ranked 2, 3, 5 and 8, respectively, in greatest significance. Collective sentiment is so strong that 82 percent of Americans consider themselves "willing to reward or punish organizations based on their response to said issues."

Historically, success on inclusion has too often been measured by awards received, events sponsored, conferences attended, speeches given, photos taken, and press mentions. But this type of self-congratulatory assessment weights promises and goodwill equally with behaviors and actions. Such measurement is one dimensional and gives little to no pause for self-reflection or behavioral course correction. Inclusive leadership is best achieved when leaders operate through a filter of mindfulness, with an honest weighting of stakeholder expectations.

The extent to which organizations respond to matters of diversity and inclusion is largely, if not wholly, reliant on leadership. The body follows wherever its head leads. Without thoughtful, emotionally engaged leadership working to align values, build mindful strategy, and take socially responsive actions, organizations fail. Without practices and systems in place to ensure leaders deliver on their commitments to cultivate inclusive ecosystems, society fails.

A clarion call has been issued: "Stand up. Speak out. Be real. Be true." Is your leadership equipped to answer? ⊞

Todd Corley is Chief Strategist at The TAPO Institute; Adjunct Professor, Villanova University-Graduate School of Human Resource Development; and host of the Age Appropriate podcast. He can be reached at todd@tapoinstitute.org.

References
[1] "Concept of perceived effective leadership." *UKEssays.com.* 11 2018. All Answers Ltd., 2019, www.ukessays.com/essays/management/concept-of-perceived-effective-leadership-management-essay.php?vref=1.
[2] Bourke, Juliet, and Bernadette Dillon. "The Diversity and Inclusion Revolution: Eight Powerful Truths." *Deloitte Insights*, 22 Jan. 2018, www2.deloitte.com/insights/us/en/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html.
[3] Krentz, Matt, et al. "Fixing the Flawed Approach to Diversity." *https://www.bcg.com*, Boston Consulting Group, 17 Jan. 2019, www.bcg.com/en-us/publications/2019/fixing-the-flawed-approach-to-diversity.aspx.
[4] Travis, Dnika J., and Jennifer Thorpe-Moscon. "Report: Day-to-Day Experiences of Emotional Tax Among Women and Men of Color in the Workplace." *Catalyst*, 18 Feb. 2018, www.catalyst.org/wp-content/uploads/2019/02/emotionaltax.pdf.
[5] Tredgold, Gordon. "7 Truths About Accountability That You Need To Know." *Inc.com, Inc.,* 14 Sept. 2017, www.inc.com/gordon-tredgold/7-truths-about-accountability-that-you-need-to-kno.html.
[6] Smallwood, Norm, et al. "A Leader's Five Key Stakeholders." *Harvard Business Review,* 23 July 2014, hbr.org/2007/11/a-leaders-five-key-stakeholder.
[7] "2019 Edelman Trust Barometer Global Report." *https://www.edelman.com*, Daniel J. Edelman Holdings, Inc., 2019, www.edelman.com/sites/g/files/aatuss191/files/2019-02/2019_Edelman_Trust_Barometer_Global_Report.pdf.
[8] Camillus, John C. "Strategy as a Wicked Problem." *Harvard Business Review*, 1 Aug. 2014, hbr.org/2008/05/strategy-as-a-wicked-problem.
[9] Shah Paikeday, Tina, et al. "A Leader's Guide: Finding and Keeping Your Next Chief Diversity Officer", *Russell Reynolds Associates*, 1 March 2019
[10] Keltner, Dacher. *The Power Paradox: How we gain and lose influence.* Penguin Press, 2016