Teaming High Performance with Inclusion:

A Case in Progress

To improve productivity, quality and performance, a growing number of organizations have organized their workforces into self-managed teams. Many have simultaneously "addressed" the diversity issue by establishing the teams with diverse populations. The results have not always been as expected, as the following example illustrates.

When Transcontinental Camshafts[1] analyzed why its productivity levels were falling behind industry norms, the analysis showed that the company's workforce was far less diverse than the competition. To keep up, it began aggressively recruiting more white women, women of color and men of color. But the company was disappointed when its more diverse workforce seemed no more productive than its original monocultural one. In fact, it seemed less productive because there were more conflicts and more complaints of unfair treatment. As a result, the company implemented a new initiative specifically to address performance.

The company's productivity program involved grouping the workforce into diverse self-managed teams. The company spent a great deal of time and resources in the preparations, which included training in teamwork. Productivity increased dramatically at first, then leveled off. Management would have been satisfied with the gains, if not for some unexpected feedback from the teams.

Over time, the teams were evolving along racial and gender lines. Initially, they simply made decisions along these lines, with majority viewpoints holding sway. But through turnover and replacement, the teams were actually becoming more monocultural. Turnover was greatest among those who weren't part of the majority cultural groups. Openings were filled by people who looked and acted like each team's majority cultural group.

Managers were concerned, yet reluctant to interfere. They didn't want to appear to be "taking back" the decision-making power they had entrusted to the teams. And productivity didn't seem to be suffering. Maybe, after all, the highest performing solution would prove to be monocultural teams representing different ethnic, racial and gender groups.

But Transcontinental Camshaft's management saw the fundamental deficiencies that would limit the productivity of monocultural teams. They chose to work toward achieving the potentially greater benefits of fostering diversity within the teams. They decided to approach diversity as a means to thrive, not as something to endure.

To achieve a higher level of performance and productivity, company leaders committed themselves to support a total organizational culture change. They began a long-term initiative to create an inclusive culture—one that does more than tolerate and seek conformance from people of different gender, race, age, nationality, and other identity groups. Instead, they wanted to embrace and encourage people's individual and group differences as a source of added value.

The initiative was designed to maximize the self-managed team structure: by providing team members with the skills to, work effectively with differences; by making a clear commitment to a diverse, inclusive work culture; and by rooting out the bias in the company's structures, management practices, benefits and incentive programs.

And what about the results? Are the benefits of inclusion for real?

The hard data shows that productivity is up and turnover, particularly among people of color, is down. But that's not all that matters. There are also some other encouraging indicators. People are engaging with each other more. All people are feeling more included. And management feels more comfortable with a unified approach to performance and diversity.

Just as important as the commitment to inclusion, perhaps, is the organization's acceptance of the need for change and its recognition that change will be constant. Together, these factors are positioning the company to make the constant adaptations necessary to achieve long-term success in a constantly changing world.

CASE STUDY FOLLOW-UP: TWO YEARS LATER

As a result of working on high performance and inclusion, the people and teams of Transcontinental Camshafts have not only enjoyed greater productivity and success but undergone much change as well. Though outsiders might see this as a result of successfully focusing on "diversity," the people of the organization are more likely to speak about:

"Focused leadership."

"Motivated work force."

"Smart strategic management."

"Sound business execution."

A prime characteristic of a successful "diversity" effort—it looks like just plain good business!

In fact, an effective strategic culture change intervention must address all of the above. Unfortunately, too many efforts stop at addressing work force motivation, or leadership skills, or awareness, before

arriving at the organization's real needs—the structural and functional changes it needs to maximize its resources and achieve sustainable success.

The key word here is sustainable. If an organization fails to survive, whatever environment—humanistic or oppressive—it creates for its people will be gone as well. That is why combining High Performance and Inclusion is crucial.

In a world where continuous improvement is the only means to remain competitive, a flat performance record like that of Transcontinental Camshafts' teams will eventually be unsatisfactory—and therefore not sustainable. But it took more than the addition of inclusive norms and values to put T.C.'s teams on the path to continuous improvement. It also took new skills and attitudes like:

- Accepting constant change as the only constant.

- Seeing people for who they are, and viewing their differences as assets, not deficits.

- Making the organization's commitment to diversity their own.

- Creating the safety needed to communicate honestly, discuss intelligently, face conflicts, take risks and learn.

- Not avoiding differences, assimilating them, or "agreeing to disagree," but actively exploring them for better solutions to problems and getting closer to 360° vision.

Transcontinental Camshafts knows that this is an ongoing challenge and is moving forward with its diversity and inclusion efforts:

- 300 champions of diversity and inclusion have participated in multi-day educational events.

- Leadership forums have brought together the top 100 senior executives with 100 champions to develop strategies for seeing people as an asset.

- With 300-plus champions of diversity and inclusion throughout the organization, and with senior executives modeling inclusive behaviors and values, the rest of the organization is regularly learning about diversity and the barriers to inclusion in staff meetings and day-to-day work interactions.

- These thousands of employees understand the organization's commitment to leveraging diversity as well as learn and practice inclusive norms and behaviors at work.

- T.C. has reviewed and strengthened its "people policies"—a.k.a. HR policies—to reflect inclusive values and practices.

- T.C. is working toward creating an economically literate work force, i.e., training all the people of the organization to read and understand the balance sheet and finances of the organization, and to appreciate the part each person plays in its overall financial success.

- Programs actively supported by the organization work to carry inclusive, people-as-assets practices outside its walls. Since many members of the organization are leaders in the community, they are leveraging their influence to create a better environment for their families and neighbors as well as for the organization. Some results are:
  - New partnerships with suppliers and customers.
  - Community housing, health and recreation programs.

- – Ongoing training of public safety and police departments.
- – Redesign of the school system and ongoing teacher training.

WHEN DIVERSITY IS AN ASSET, ACTION IS REQUIRED TO SUSTAIN IT

A basic culture change is needed for most teams and organizations to see difference as an asset. The old view has been that differences cause conflict, and conflict is bad; that differences take more energy and time because people need to assimilate and learn to conform and "fit in;" that differences are a deficit.

What T.C. discovered was that differences bring fresh eyes to look at situations in new ways; that different sets of skills, styles and perspectives help find new solutions; that honest disagreement, in a safe and respectful environment, leads to greater engagement and closeness among team members as well as more balanced problem solving.

They are finding that, in an inclusive environment, diversity actually costs less energy than conformity. People need only learn that it's okay to be themselves. They don't have to lie low and figure out which talents to hide and which are safe to expose; they can bring 100% of themselves to the job.

Even teams that are diverse in terms of race, gender and ethnicity tend to develop a unified point of view when they are together long enough. They can become too agreeable and fail to constantly question what is, limiting their vision of what can be. Like the oyster, they need an internal irritant to produce a pearl. To stay on the path of continuous improvement, these teams must proactively recruit new members who bring fresh perspectives, talents and disagreements to the team.

Affirmative Action with a traditional focus on men and women of color and white women, has been the traditional means to address this need, but it does not do enough. To create 360° vision and continuous improvement, inclusion will have to go beyond race and gender, bringing aboard gays and lesbians; people with disabilities; people of different generations, educational backgrounds, family situations, nationalities and language groups; and other dimensions of difference. It cannot be a "one shot" deal.

Sustained action is required for organizations to accomplish their mission over the long haul. Taking steps to create the team and overall organizational population that will best accomplish the organization's work isn't one of those dreaded "social programs." It's just good leadership, and good business.

ENDNOTE:

[1] The organization's name has been changed.