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# Diversity fatigue

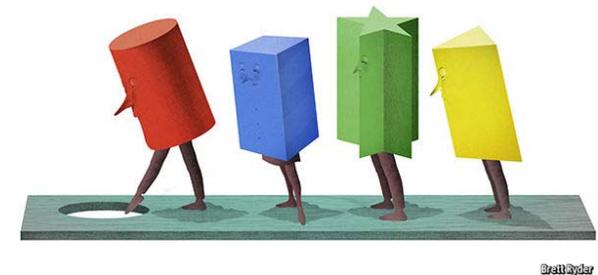
**Making the most of workplace diversity requires hard work as well as good intentions**

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RONALD REAGAN once said that “The nine most terrifying words in the English language are, ‘I’m from the government and I’m here to help’.” Today they are run a close second by 12 words: “I’m from human resources and I’m here to organise a diversity workshop.” Most people pay lip service to diversity in public. But what they think in private can be very different. Some HR consultants have even started to worry about “diversity fatigue”.

The arguments in favour of diversity are powerful. The most obvious is that diversity is simply a fact about the modern world. Women have entered the workforce in huge numbers. Mass immigration has transformed Western societies: even in once-homogeneous countries such as Sweden, foreign-born people make up 14% of the population. Gay men and women increasingly feel no need to stay closeted, in or out of the workplace. Companies that ignore this may starve themselves of talent, as well as be out of touch with their customers. Adding to the evidence for diversity’s benefits, a study published this week by the Peterson Institute for International Economics found that the more female executives firms have, the more profitable they seem to be.

There is also evidence to support the commonsense idea that encountering people with different ideas and different perspectives can boost creativity. Ronald Burt, a sociologist at the University of Chicago, has produced several studies which suggest that people with more diverse sources of information consistently generate better ideas. Sara Ellison of the Massachusetts Institute of Technology has shown that mixed-sex teams can produce more creative solutions than those dominated by either men or women. And internal surveys at Google have found that diverse teams are often the most innovative.



Given all these benefits, why the talk of diversity fatigue? David Livermore provides some interesting thoughts on this question in his new book, “Driven by Difference: How Great Companies Fuel Innovation through Diversity”. As president of the Cultural Intelligence Centre, a consulting firm, Mr Livermore is a card-carrying member of the diversity industry. But over the years he has been struck by how many companies complain that they are not getting much return for their investment in diversity. “Tomorrow I have to go to a diversity-training workshop,” he heard one man say to another in the gym. “Oh God!” came the reply. “That’s right up there with getting a root canal.”

Mr Livermore says that one reason for this is that talk of diversity often comes accompanied with a faint air of menace. Managers are dragooned into sitting through lengthy seminars on equal opportunities. They are fearful of saying anything that departs from the “correct” line on any diversity-related matter. And they feel under pressure to hit their recruitment quotas. The more important reason, however, is that proponents of diversity often fail to acknowledge that there can be a trade-off: to get the benefits, employers must be prepared for, and deal with, some problems. Diversity does not produce better results automatically, through a sort of multicultural magic. It does so only if it is managed well.

The biggest challenge is to do with trust. Employees need to trust each other if they are to produce their best work. This is particularly true if that work involves tackling creative projects that have a high risk of failure and a circuitous path to success. But it is easier to establish trust with those you have a lot in common with. Mr Livermore notes that diverse teams have a higher degree of variance in their performance than homogeneous teams. They are more likely to produce truly innovative ideas, but they are also more likely to fail completely. He suggests that managers of diverse teams need to work hard at establishing bonds of trust. They need to set lots of short-term goals so that teams can see the benefits of working together. They also need to recognise that different groups forge trust in different ways. Westerners tend to think that getting straight down to the task at hand is the best way to do this, whereas South Asians believe in establishing rapport over cups of tea first.

A second challenge is to do with culture. Too many companies fail to rethink their management styles as they open their doors to new groups. They issue ambiguous instructions which presume that everyone comes from the same background. For example, one Western company urged its employees to “act like an owner” without realising that, in some cultures, acting like an owner means playing golf all day. They evaluate people on their willingness to speak up without realising that some people—women especially, in many countries—are brought up to hold their tongues and defer to authority. Mr Livermore argues that managers need to work harder at getting members of silent minorities to speak up and, failing that, give them other ways of contributing to the collective effort.

Beyond box-ticking

Your columnist would add a third challenge: distinguishing between genuine cultural diversity and the box-ticking sort. It is easy for companies to

think that they have embraced diversity if they appoint the right number of people with the right biological characteristics. That can be hollow if they all come from the same backgrounds—if, say, all the black people a firm promotes to management are Harvard-educated sons of diplomats.

The growing diversity of the workforce should be a cause for celebration. Getting rid of discrimination against minorities represents a triumph for natural justice as well as a chance to make society as a whole stronger. But the celebration needs to be mixed with hard work and clear thinking. Companies will find it hard to make a success of diversity if they refuse to recognise that it brings challenges as well as opportunities. And they will find it impossible to confront these challenges if they dismiss any reasonable question that is raised about diversity policies as if it were a plea to go back to the age when white men ruled the roost.

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