

Evidence-Based Solutions for Inclusion in the Workplace: Actions for Middle Managers

May 2020

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While disruptive times often breed uncertainty and a scaling back of investment in workforce talent, research has found that companies that renew their commitment to employee development in a downturn recover more quickly.¹ To help companies create more effective talent management solutions in these unprecedented times, experts at Wharton People Analytics (WPA) and DiversityInc Media, LLC are collaborating to investigate the relationships among diversity and inclusion (D&I) practices and employees' experiences at work, with a focus on the factors driving feelings of inclusion and belonging in companies today. In addition to sharing our insights on which diversity and inclusion practices “work” and for which desired workplace outcomes, we are also interested in helping companies, particularly employees leading efforts around diversity and inclusion, people management, and analytics, to apply this research to daily workplace settings by providing evidence-based solutions for middle managers.

We focus on middle managers for three reasons. First, our preliminary findings suggest that middle managers are central to employees' experiences around inclusion and belonging at work. Second, insights from corporate diversity experts suggest that companies continue to find it difficult to implement diversity, inclusion, and talent strategies – and that the onus of this work falls on middle managers, who are often uncertain about their role or see diversity and inclusion work as not being part of their core job functions.² Third, while the unprecedented environment of COVID-19 makes recruiting new talent improbable, it is important for leaders including middle managers to switch their mindset from recruitment to retention.

Creating an environment that promotes retention is not easy when employees are working apart/physically disconnected. But that's why times like these make the middle manager role even more important, especially in helping team members to communicate effectively across multiple technologies.

This paper focuses on two of the key findings in this study -- belonging and turnover intent, which are particularly critical in these uncertain times. Phase I began with interviews and focus groups that included diversity and people analytics experts from a variety of industries. This process allowed us to move into Phase 2 where we created and validated a survey – which we

¹ Kim, Ployhart, 2014. *The Effects of Staffing and Training on Firm Productivity and Profit Growth Before, During, and After the Great Recession*. Journal of Applied Psychology, Vol. 99, No. 3. 361-389.

² Berry, n.d. *Middle Management: Motivating Them to Care and Own Diversity and Inclusion*. https://www.diversitybestpractices.com/sites/diversitybestpractices.com/files/import/embedded/anchors/files/10_gdp_middle_managers.pdf

have named the Inclusion and Belonging Assessment - using online samples of more than 1000 working adults across a variety of industries and job functions. The results in this paper are based on results from the Phase 2 survey. We also include a summary of challenges that companies face in motivating middle managers to incorporate D&I work into their interactions with employees, and practices to encourage middle managers to make D&I efforts a priority.

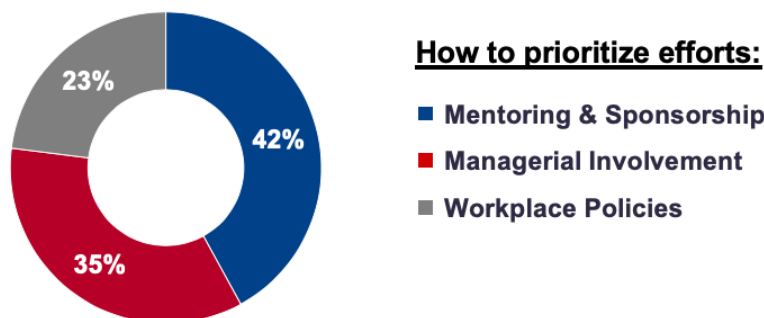
BELONGING

The extent to which employees feel they belong, are accepted, and are comfortable in their workplace.

Prior research has linked belonging to a variety of workplace outcomes including engagement, performance, promotion, and retention.³ Specifically, employees with a high sense of belonging take 75% fewer sick days than employees who feel excluded. Employees exhibit a 56% increase in job performance when they feel like they belong. Individuals who felt highly connected at work received twice as many raises and were 18 times more likely to be promoted in a six-month period than people who felt excluded. Employees who feel like they belong have a 50% lower rate of turnover than employees who feel excluded. Thus, middle managers should care about increasing their direct reports' sense of belonging because they want to create an environment where all employees feel like they can contribute to the teams' goals in particular and thrive, which in turn contributes to the cohesiveness of the team and overall productivity. This is particularly important when employees are working remotely/in distributed environments and may not have the typical touchpoints that would occur in an office setting. In addition, in times of crisis and uncertainty, it becomes increasingly important for employees to know what the team's priorities are, to see where they fit in and to feel that managers care about their well-being.

Preliminary findings from the Inclusion in the Workplace research study:

Employee Belonging: Research Findings



³ BetterUp, 2020, *The Value of Belonging at Work: The Business Case for Investing in Workplace Inclusion*. <https://www.betterup.com/en-us/resources/reports/the-value-of-belonging-at-work-the-business-case-for-investing-in-workplace-inclusion>

How these practices increase employees’ sense of belonging and being accepted at work:

- **Mentoring & Sponsorship** helps employees feel like they are learning and growing.
- **Managerial Involvement** suggests that their manager cares about their success and is interested in helping them to do their jobs better.
- **Workplace Policies** make a statement that the company values and is committed to inclusion.

Specific actions that managers can take within each practice to increase direct reports’ sense of belonging:

Mentoring & Sponsorship

Summary

Mentoring and sponsorship help employees gain skills and build their networks, which can help them feel that they belong and are being accepted at work. Yet, securing or maintaining effective relationships with mentors and sponsors may be difficult in uncertain economic times when mentors and sponsors may be singularly focused on meeting business metrics. But middle managers can still help direct reports access these experiences. Managers can identify mentors for employees if they don’t already have one, and find ways to enhance existing mentor-mentee relationships. If formal mentoring programs have been put on hold, as may be the case in the current environment, managers can find ways to facilitate informal mentoring opportunities for employees. Managers can also create peer mentoring opportunities/a buddy system on their teams, which can also help increase their direct reports’ sense of belonging. Specifically, managers can:

- **Check-in:** Managers can ask direct reports if they have a mentor and connect them to mentoring opportunities if they do not have one, which ensures that no employee falls through the cracks and misses out on opportunities to enhance their career growth.
- **Create or share a tips document:** A tips document can provide strategies for making mentoring and sponsorship relationships more effective. Middle managers can create a document or share one created by the D&I team. The document can be used to coach their direct reports in how to best leverage their mentoring relationships. However, managers should be aware that making mentor-mentee relationships flourish among workers of differing demographic backgrounds may require special effort.⁴
- **Create a buddy system:** While mentors are typically higher on the org chart than mentees, there are also valuable learning and growth opportunities that can be gained from helping employees build strong relationships with their peers. Managers can create a buddy system that pairs direct reports on their team and enables employees to get help from peers whose work is similarly occurring “on the ground.” In the current

⁴ Phillips, Dumas, Rothbard, 2018, *Diversity and Authenticity*, Harvard Business Review. <https://hbr.org/2018/03/diversity-and-authenticity.html>

environment, managers can create a temporary buddy system to address the unique challenges created by the transition to a virtual work environment, giving employees the chance to check in with one another and share ideas.

Managerial Involvement

Summary

When middle managers are involved in diversity and inclusion-related activities, they show direct reports that they care about them and are interested in helping them grow in their careers -- even during times of economic uncertainty. Helping employees to do their jobs better also conveys to employees that they belong and are accepted at work. Specifically, managers can:

- **Share personal stories:** When managers share their own personal stories, including stories about their career paths, that encourages direct reports to share their own personal experiences as well, provided that direct reports do not feel forced to share. Being able to share more of oneself at work can help some employees feel that they belong and are accepted at work.⁵
- **Schedule check-ins:** When managers regularly check in with direct reports via formal meetings and informal conversations, it shows that they care about employees and their success. Feeling that someone cares can help employees feel that they belong and are accepted at work.⁶This is particularly important in the current environment, where many employees are simultaneously balancing work with family needs, or are adjusting to working remotely.

Workplace Policies

Summary

While a company may state its values and commitment to inclusion, employees need to see that manifested in their daily experiences at work, particularly in times of economic upheaval. Middle managers can not only explain the policies, they can also encourage employees to use them when needed. Specifically, managers can:

- **Take ownership for communicating D&I initiatives:** Middle managers can take responsibility for communicating the company's values for inclusion, linking these values to business outcomes that the team desires, and actions that the team can take to support these values.⁷
- **Encourage team members to use programs related to workplace policies:** Middle managers can encourage team members to participate in programs that support their

⁵ Caza, Ramarajan, Reid, Creary, *How to Make Room in Your Work Life for the Rest of Your Self*, Harvard Business Review. <https://hbr.org/2018/05/how-to-make-room-in-your-work-life-for-the-rest-of-your-self>

⁶ Knight, 2016. *How to Make Your One-on-Ones with Employees More Productive*, Harvard Business Review. <https://hbr.org/2016/08/how-to-make-your-one-on-ones-with-employees-more-productive>

⁷ Berry, n.d. *Middle Management: Motivating Them to Care and Own Diversity and Inclusion*. https://www.diversitybestpractices.com/sites/diversitybestpractices.com/files/import/embedded/anchors/files/10_gdp_middle_managers.pdf

inclusion, such as flexible work arrangements.⁸ In the current environment, middle managers can find ways to help team members balance work and family, and to publicly embrace the need for the team to be open and flexible about their needs and the challenges they are facing in these unprecedented times.

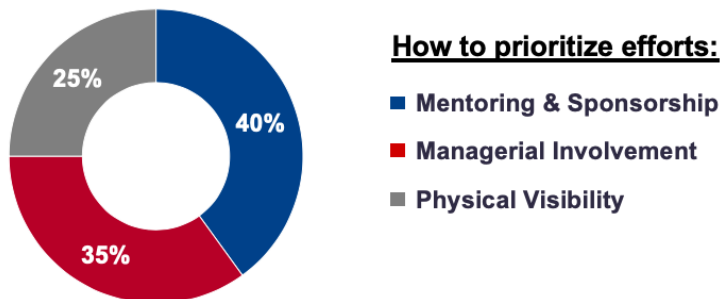
TURNOVER INTENT

How likely employees are to feel that they want to leave their jobs; how likely it is that they are looking for a new job.

Prior research has linked turnover intent to a variety of workplace outcomes including operating costs, productivity, and engagement, performance, promotion, and retention. Employee turnover is expensive; it can cost up to 200% of an employee's annual salary to hire a new person into a position, depending on the role.⁹ Highly disengaged employees' discretionary effort is at least 50% lower as compared to employees with average levels of engagement.¹⁰ When employee turnover is low, all employees are more likely to put their full energy into their work.¹¹ Thus, middle managers should care about turnover intent because losing talent hurts their teams; losing employees means a loss of institutional knowledge. It takes time to on-board and ramp up new employees. While hiring and turnover may slow during economic downturns, during those times managers can shift their focus to retention, which helps reduce turnover once the job market improves. We suggest that middle managers be given the power to create more enjoyable experiences for their team members and reduce their turnover intent.

Preliminary findings from the Inclusion in the Workplace research study:

Turnover Intent: Research Findings



⁸ The Conference Board, 2007, *Middle Managers: Engaging and Enrolling the Biggest Roadblock to Diversity and Inclusion*, Executive Action No. 234

⁹ Gilsdorf, Hanleybrown, Laryea, 2017. How to Improve the Engagement and Retention of Young Hourly Workers, Harvard Business Review. <https://hbr.org/2017/12/how-to-improve-the-engagement-and-retention-of-young-hourly-workers>

¹⁰ Martin, Schmidt, 2010. How to Keep your Top Talent, Harvard Business Review. <https://hbr.org/2010/05/how-to-keep-your-top-talent>

¹¹ Friedman, 2019. Gain Valuable Insight Into Your People's Needs To Reduce Employee Turnover, Forbes. <https://www.forbes.com/sites/forbeshumanresourcescouncil/2019/08/15/gain-valuable-insight-into-your-peoples-needs-to-reduce-employee-turnover/#57955ca51429>

Why do each of the following practices help to increase employee sense of belonging?

- **Mentoring & Sponsorship:** helps employees feel like they can be successful in this organization, which can make them want to keep working there.
- **Managerial Involvement:** suggests that their manager cares about their success and is interested in helping them to do their jobs better, which can make them want to keep working for their current organization
- **Visibility:** shows that employees are valued and that people who are similar to them can be successful in their organization, which can make them want to keep working for their current organization

Specific actions by middle managers that can reduce employee turnover intent :

Mentoring & Sponsorship

Summary

As mentioned previously, mentoring and sponsorship help employees feel like they are learning and growing. In addition to helping employees feel that they belong and are accepted at work, mentoring and sponsorship can motivate employees to stay working for their current organization. Middle managers can help reduce their direct reports' intention to quit by helping make their mentoring relationships more effective and to help employees secure a mentor if they do not already have one. In the current environment, middle managers can help facilitate informal or temporary mentor-mentee interactions if formal programs have been put on hold. Two, middle manager actions mentioned previously can also help to reduce turnover intent. Specifically, managers can:

- **Check-in:** Managers can check in with employees to ensure they are connected with mentors and sponsors and make those connections for employees who do not have them.
- **Create or share a tips document:** A tips document can provide strategies for making mentoring and sponsorship relationships more effective. Middle managers can develop and disseminate a tips document -- or share one created by the D&I team -- to provide strategies for making mentoring and sponsorships more effective. Fulfilling mentoring and sponsorship relationships help keep employees engaged and provide a sense that they can advance within an organization, which are both key to lowering turnover. If formal mentoring and sponsorship opportunities are not available, managers can help employees locate informal mentoring relationships.

Managerial Involvement

Summary

In addition to increasing employees' sense of belonging, managerial involvement is also important for reducing turnover intent. When a middle manager is involved in diversity and inclusion work in particular, it signals that they care about their direct reports' success and are interested in helping them to do their jobs better. When employees feel that their manager cares

about them, they are more likely to want to stay with their current organization. To reduce turnover intent, managers can:

- **Collect, compile, synthesize, and share feedback on the team’s climate:** Feedback on the team’s climate can allow middle managers and team members to understand what motivates team members to do their jobs well so that managers can continue to support direct reports more effectively. When team members feel supported in their jobs, they are more likely to stay in their current organizations.¹² In the current environment, middle managers can reach out to their teams about the unique challenges created by the transition to all-remote work.

Physical Visibility

Summary

Being physically visible to others at work -- even in a virtual environment -- can help employees feel valued and that people who are similar to them can be successful in their organization. Feeling valued and “seen” can motivate employees to remain with their current organization. Specifically, middle managers can:

- **Highlight team members’ accomplishments:** When managers showcase a representative sample of their direct reports, including those who are under-represented, they give employees credit for their work and send the signal that all are valued. In a virtual environment, managers can share accomplishments through Slack channels or during team meetings on video chat. Employees are more likely to stay in organizations where they feel valued.
- **Visibly feature underrepresented employees:** When managers visibly feature underrepresented employees on websites, the company intranet, in other materials, etc, they send a signal that a diverse group of people can be successful in the organization. Employees are more likely to stay in organizations where they feel like they can be successful.
- **Invite a representative sample of team members to contribute:** When offering team-wide updates or hosting all-hands discussions -- both in person and virtually -- managers can ask a representative sample of their team members to give reports to the larger group, making sure that those who are under-represented also have their voices heard and are given the opportunity to share their expertise. Employees who feel seen and heard for their contributions are more likely to stay in their organizations.¹³

As we proceed with this research, we aim to continue providing you with additional strategies that middle managers can use to help companies create more inclusive workplaces.

¹² Bendaly, 2019. *Want A Healthier Team Climate? Five Things Leaders Must Do*, Forbes.

¹³ Ibid.

Motivating Middle Managers: A Summary of Challenges and Best Practices

For a variety of reasons, managers will not always see diversity and inclusion work as part of or central to their roles. Following is a summary of challenges facing companies who want middle managers to engage in this work, and best practices for overcoming them:

- 1) **Middle managers will not be engaged in D&I in the same way as senior management**
 - Senior managers are focused on long-term issues of strategy and market-share dominance.
 - Middle managers are focused on operationalizing that strategy on a day-to-day basis – i.e. increasing sales and decreasing costs. Positioning D&I as key to “culture change” is too broad for middle managers, and not always described in terms of specific and relevant actions. Instead, inclusion should be positioned as “making the mix work well” within a team, which can have more resonance with middle managers especially globally.

- 2) **Being accountable for D&I is difficult for middle managers to embrace**
 - Middle managers aren’t always clear on the intent, the outcome, and the relevance of D&I policies to their work.
 - D&I strategies must demonstrate global relevance as companies begin to expand their business globally – efforts need to be viewed as a key component of the global businesses’ strategic agenda.

- 3) **Five factors for engaging middle managers**
 - *Business-Relevant Strategies* – Activities should connect clearly to business goals, including bringing in great talent, tapping underutilized talent, etc.
 - *Measurements and Accountability Structures* – Accountability structures that middle managers use to evaluate employees should be clear and unambiguous. Structures include short-term HR metrics such as: hiring, succession planning, and development goals; and short-term business building measures including: distribution of products and availability of services in a region.
 - *Performance Management and Reward Systems* – Companies should (a) include key performance indicators that support diversity and inclusion in performance management systems; (b) outline the expectations of middle managers regarding their role in diversity initiatives; (c) identify the behaviors that demonstrate alignment with diversity initiatives, and (d) reward middle managers for excellent performance – either with tangible rewards like stock options and salary and/or intangible rewards like recognition, praise, awards, and special perks, which send a more public message.
 - *Inclusive Communication Mechanisms* – Line management should take more ownership and accountability for communicating diversity and inclusion efforts and their importance to business outcomes (not just HR).
 - *Senior Management Commitment* – Minimally a statement of values and principles that must be adhered to.

- 4) **D&I strategists partnering with middle managers should ask:**
- What are your business challenges?
 - How can diversity and inclusion efforts help you with these business challenges?
 - What would you recommend doing differently to make diversity efforts more relevant to your business issues?
 - What would be the best way for us to work together to ensure that diversity and inclusion are meeting your needs?
 - What is the best way for you to communicate to stakeholders that diversity and inclusion are key to meeting your business needs?
 - How can I best help you with all of this as a business partner?
- 5) **To convince middle managers to commit to D&I companies must:**
- *Make the stakes clear* — How does their personal success hinge on their ability to support D&I initiatives? Help them understand their stake in D&I and why they should make an investment.
 - *Lead with data* — Show middle managers reports revealing how D&I improves innovation and boosts the bottom line. Find internal analytics that show how D&I or lack thereof has impacted the workplace.
 - *Design around the unwilling* — You may not win their hearts but you can help middle managers to reduce bias in the policies, practices, and procedures they adopt.
- 6) **Why might middle managers be resistant to diversity and inclusion works?** Lack of understanding for the business case for diversity, competing priorities, time pressures, questions about how they will be rewarded for their efforts, measurability, lack of authority to make a difference, sense that they're at the mercy of candidates recruiters provide them.
- 7) **Here's how companies can get middle managers involved:**
- Executives should model the behaviors they want from middle management, such as attending diversity training and mentoring diverse employees.
 - Companies should ask affinity groups to ground efforts in business relevant issues and invite managers to events.
 - Affinity groups should have executive sponsors who are middle managers.
 - Reward champions: Give a highly-respected manager who is ready to be a champion high-profile visibility for his or her diversity commitment. Tie financial rewards to performance and development plans. Embed D&I efforts in performance management systems.
 - Use employee satisfaction surveys to identify areas where diversity resources could be used to help solve their problems.
 - Provide middle managers with online resources to help them deal with diversity-related issues and challenges.
 - Publish balanced scorecards that have measurable behavioral changes such as employee satisfaction surveys, exit interviews, and representation changes such as attrition, succession, etc.
 - Invite middle managers seeking to fill open positions to attend diversity recruitment fairs.

Further Reading

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From The Conference Board Report, 2007, Middle Managers: Engaging and Enrolling the

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Acknowledgements:

The contributors to this report would like to thank the following people and groups for their support:

- The Wharton School Dean's Office for generously funding this research study
- Laura Zarrow, Executive Director, Wharton People Analytics
- The Moh Foundation Applied Insights Lab for sponsoring the MBA student research team members
- Megan O'Malley, Wharton IDEAS Program Manager and Associate Director, McNulty Leadership Program, The Wharton School
- Carolynn Johnson, CEO, DiversityInc, LLC
- Chris Parker, Director of Research and Data Analytics, DiversityInc, LLC
- Rachel Kipp, for copy editing this report