

A race or an 'ultra-run'

An overview of the practices of Finnish organizations with respect to inclusion, diversity and equity

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Table of contents





	4
sis	7
	11
	13
	21

Opening words

Historically, Finland has been considered a pioneer in terms of equality. But how do we position ourselves more broadly on issues of inclusion, diversity and equity? The importance of these issues is recognized in organizations, as are the benefits of investing in them. There is a lot of knowledge and acceptance, but what has actually been done at the operational and practical level?

In particular, recent movements such as Black Lives Matter and #metoo, and pressure from staff, investors and other stakeholders, have led to a rapid shift from strategic planning to actually embedding diversity practices. Regulatory frameworks and the various evolving frameworks for sustainability reporting have also placed new demands on organizations' diversity work.

The biggest change globally is that inclusion, diversity and equity are now more often thought of as value drivers and competitive advantages for companies. However, extracting the benefits also requires actual changes in company values, culture, structures and practices.

The benefits of diversity, such as improved performance, innovation and staff engagement, will not be achieved unless the organizational culture is more inclusive. In fact, diversity in itself, without significant cultural change, may even complicate internal operations. It is therefore important that inclusion is taken into account in diverse work communities throughout the organization, and that this responsibility does not lie with just one person.

We wanted to identify, highlight and learn from good practices in promoting inclusion, diversity and equity.

We wanted not only to examine how successful organizations in Finland are currently taking inclusion, diversity and equity into account in their operations, but also to raise public awareness of the phenomena of equity in corporate governance culture. However, the effectiveness of the measures has not been assessed in this study. Between March and April 2022, we interviewed 22 people - mostly HR managers in large Finnish organizations - who are responsible for the themes under review.

We have analyzed the maturity of organizations, in terms of inclusion, diversity and equity, by using the KPMG Inclusion IQ framework below (see Figure 1). The five pillars of the framework (diversity, inclusion, anti-racism, equity, cohesion) are seen as the key elements for promoting inclusion, diversity and equity in organizations.

We grouped the interview questions derived from the framework into three categories: 1) strategy and values, 2) practices and participation, and 3) objectives and indicators. We also used this structure to report on good practices. (See the section on "Making good practices visible".)

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Individuals differ in what they can access and how

- It is key to remove barriers to improve accessibility for all
- belonging for all

Figure 1. KPMG Inclusion IQ framework pillars

IDE is an acronym for the thematic cluster of Inclusion, Diversity and Equity. In some of the interviewed organizations, the acronym is better known as DEI.

Inclusion means that individuals feel welcome, valued, respected and visible in the community, regardless of the categories that define their identity.

Diversity means the presence of difference. In the workplace, diversity is understood in terms of different identities such as gender, education, ethnicity, nationality, religion or sexual orientation.

Equity ensures that everyone has equal access to the same opportunities, such as community resources, social networks and empowerment. Equity recognizes people's different starting points and the existing biases in terms of advantages and barriers, and commits to addressing these issues.

Equality most commonly refers to gender equality. It is regulated by the Finnish Act on Equality between Women and Men (609/1986).

The interviewed organizations: DNA Oyj, Elisa Oyj, Fiskars Oyj Abp, Futurice Oy, Helen Oy, Helsingin kaupunki, Helsingin yliopisto, Oy Karl Fazer Ab, Kone Oyj, KPMG Oy Ab, Metropolia Ammattikorkeakoulu, Metso Outotec Oyj, Neste Oyj, Nokia Oyj, Orion Oyj, Sanoma Media Finland Oy, Työterveyslaitos, UPM-Kymmene Oyj, Vaisala Oyj, Valmet Automotive Oy, Verkkokauppa.com Oyj, YIT Oyj.

Equity

Fair treatment, access and opportunity for all people

Belonging

A feeling of security, support and acceptance

Accessibility

- Building equitable access and opportunity for everyone is key to fostering a sense of



Organizational Maturity Analysis

The maturity scale

We have developed a scale that facilitates an assessment of each participating organization's level of maturity, in terms of inclusion, diversity and equity. More specifically, it shows each organization's current capacity to promote inclusion, diversity and equity in all their activities.

The scale contains five steps, representing five levels of maturity. An organization that meets its legal obligations, but is in the early stages of promoting these issues, is placed on the first step of the maturity scale. An organization that takes the framework perspectives into account in its broad strategies and practices is placed on the top two steps of the maturity scale.



Figure 2. The IDE maturity scale used in the study

On the first step of the maturity scale, organizations are at the level of awareness - meaning that the issues are raised in discussions. But there are no concrete plans to take things forward, beyond the legal requirements.



Moving up to the next level, organizations now recognize the importance of inclusion, diversity and equity as competitive assets and prerequisites for success, and they initiate work to take things forward. The implementation of this work is also monitored.

The third level moves from initiation to understanding, allowing the 'lessons learned' to be better and more widely applied in the organization. At this stage, at the latest, management not only recognize the benefits of diversity, but are able to demonstrate how their respective organizations are implementing their inclusion, diversity and equity plans and are reinforcing practices aimed at creating an inclusive working environment.

At the fourth level, called the integration level, inclusion, diversity and equity are part of the day-to-day activities of the organization. Management is strongly committed to creating an environment that supports these issues and encourages the desired behavior - e.g. by setting an example themselves. The initiatives taken genuinely reflect local needs and support the success of the organization.

At the highest level, the core behavior has become sustainable. The themes can no longer be isolated into single entities, but are embedded in the structures, processes and culture of the organization. The impact of diversity on organizational performance is now clear and positive.



The maturity assessments of the participating organizations were developed from three perspectives:

- The strategy and values approach assessed how far the five pillars of the framework (diversity, inclusion, anti-racism, equity, cohesion) were reflected in the organization's values, strategy, leadership and behavior. In high maturity organizations, the themes were assumed to be an integral part of the organization's culture.
- In assessing the maturity of practices and participation, attention was paid to the extent of measures taken to promote the themes under consideration and the empowerment of staff to promote inclusion, diversity and equity in their respective workplaces.
- In terms of objectives and measurement the maturity assessment focused on the detail and dynamism of the measurement of the themes under consideration. In high maturity organizations, measurement was expected to be multifaceted, and the results of monitoring were expected to have a cross-cutting impact on organizational practices and culture.

The assessments are used to describe the maturity of each organization's inclusion, diversity and equity as a percentage in terms of the above-mentioned perspectives (1. strategy and values, 2. practices and participation, 3. objectives and measurement) and the overall maturity. This report only provides an estimate of the overall maturity. The detailed results of the considered perspectives will be disclosed separately to the participating organizations.

The threshold values in the scale are considered to be:



The conditions for promoting inclusion, diversity and equity are currently weak and in some areas the organization faces challenges to reach the level of awareness.

The organization has made conscious efforts to promote inclusion, diversity and equity, but the practices are not widely embedded in the everyday life of the organization.

The organization is actively, diversely and strategically implementing a range of measures to promote inclusion, diversity and equity. The will to build a diverse, inclusive and equal organizational culture is reflected in everyday practices and policies.

Inclusion, diversity and equity practices are widely promoted in the organization, and the issues addressed are part of strategic planning. Employees have real influence in contributing to the desired organizational culture. Diversity is seen as an asset in the workplace. Progress on the themes is monitored by using a wide range of indicators, and the results of this monitoring influence target setting.

The themes are an integral part of the organization's leadership and culture. The diversity-related values defined in the organization are reflected in the everyday practices of the organization in comprehensive and diverse ways. Progress on inclusion, diversity and equity is monitored and the results of this monitoring have a direct impact on, for example, remuneration, recruitment planning and the development of working conditions.

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Maturity of the organizations

In the majority of the 22 participating organizations, the journey towards an inclusive, diverse and equal workplace has already begun, and these themes are expected to be an important part of future practice. However, organizational maturity varies widely, with some organizations only at an early stage of promoting the themes:

- The median of the overall maturity estimates was 60% and the average was 56%.
- In the overall maturity assessment, two organizations were at the level of awareness on the maturity scale (20%).
- The three most advanced organizations had an overall maturity score of 80%.

Regarding the maturity assessments carried out in terms of the three perspectives, we noted that there was minimal organizational variation between the assessment results for the different perspectives. As a rule, each organization's assessment score was either the same across the different perspectives, or the difference was at maximum one notch on the scale. Only in two organizations did the maturity scores by perspective differ by more than this. The findings on maturity assessments by perspective are summarized below:

1 Strategy and values

The emphasis on inclusion, diversity and equity in organizations' strategies and values

varied widely across the participating organizations. In some organizations, creating an inclusive, diverse and equal workplace was a key part of the HR strategy, while in others the focus was mainly on meeting legal requirements. In some organizations, the values debate had been widely discussed and the organization had developed its own vocabulary to promote inclusion, diversity and equity.

2 Practices and participation

The participating organizations had taken various measures to empower staff to promote inclusion, diversity and equity. Diverse work communities were seen as enriching the organizational culture. In many organizations, promotion of the themes was practical in nature, although the links between strategy and the monitoring of measures taken had not yet been fully utilized.

3 Objectives and measurement

In general, organizations monitor development of the gender balance and the number of nationalities in their workforces. In the most advanced organizations, detailed indicators of employee perceptions had been developed and implemented in order to monitor diversity and other related issues. It was generally acknowledged in organizations that monitoring of the themes is still under development, but that the targets have already been comprehensively identified.

The above maturity scale served as a general framework for the organizations that participated in the study and was used to assess their respective positions in promoting inclusion, diversity and equity. The maturity mapping was based only on interviews with the participating organizations, and the aim was to identify the level of maturity at an indicative level. It should be noted that the maturity level is basically an indicator of an organization's readiness to promote inclusion, diversity and equity issues in its own activities. The mapping exercise based on the interviews helps us to understand how the organization perceives its own development in relation to the identified objectives, and, as such, does not indicate its capacity to implement inclusion, diversity and equity practices. Nor can we assess the effectiveness of organizational interventions, based only on the interviews. Therefore, it is inappropriate to compare organizations on the basis of the maturity levels presented.



Profit and well-being

The participating organizations have recognized that employee wellbeing and diversity have a direct impact on competitive advantage. The highlighting of diversity issues has been seen as strengthening employer image, and – especially with respect to the future – a diverse workplace has been seen as providing a competitive advantage in attracting and retaining the best talent.

In some sectors – for example, with respect to technical, blue-collar positions – the availability of personnel has relied partly on labor migration. In these sectors, diverse workplaces have occurred quite naturally. Diversity has been seen not only as a natural characteristic of organizations, but also as a structure that enriches organizational culture and increases understanding between people.

Many organizations have found that consciously fostering employee inclusion, diversity and equity contributes to their profitability. Many others have found that their customer base is increasingly diverse, and

> When we embrace diversity, we are better at innovation, customer service and operations. And, through that, our performance improves. Our strategic vision is to differentiate ourselves from our competitors through inclusiveness and diversity.

Structural inequality is a major risk for companies. It reduces efficiency and can constrain consumption and growth, destabilize supply chains, cause instability and jeopardize the social acceptance of business. *Social inequality as a business risk, KPMG International 2022*

therefore meeting customer needs requires greater diversity in the workforce. Moreover, diversity has been recognized as introducing new perspectives, networks, and cultural empathy to the workplace, enhancing the organization's ability to meet the needs of an increasingly diverse and broader customer base. This view was particularly emphasized in those organizations whose target markets extend beyond the borders of Finland.

In a few interviews, the creation of a legal equality and non-discrimination plan was acknowledged as having contributed to the identification and formulation of the organization's values. In addition, the objectives and practical measures related to inclusion, diversity and equity had been linked to the organization's responsibility activities, and in particular to its role in society, its ethical behavior and its implementation of social responsibility. A responsible organizational culture was perceived as including opportunities for employees to contribute to the daily life of the organization and to experience being part of the community as themselves.

Making good practice visible

We have gathered the good practices of the participating organizations in promoting inclusion, diversity and equity, and have grouped them according to the three perspectives outlined earlier:

01

Strategy and values

Language and communication

Leadership

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02

Practices and participation

- RecruitmentRewarding
- Participation and influencing

Strategy and values

Leadership

A common feature of pioneering organizations is their management's commitment to promoting inclusion, diversity and equity. Many of the interviews identified a clear management commitment to, and interest in, the themes under consideration, and found them to be an integral part of the organization's strategy. Indeed, the link between diversity, values, strategy, culture and leadership provides a sustainable base for continuous improvement.

Responsibility for promoting inclusion, diversity and equity is perceived to lie with the organization's senior management, including line managers. On the other hand, many respondents consider that responsibility for these themes and their implementation lies



with the whole organization – although in some organizations there is hardly any reflection on this responsibility, while in others the aim is to make all employees responsible for building an inclusive, diverse, and equal workplace. A few of the respondents have appointed an accountability manager or a separate D&I manager (diversity & inclusion) to take responsibility for the implementation of these issues. Individual measures to promote diversity are often assigned to the HR department.

> Today, the business units must take ownership of their inclusion, diversity and equity strategies. Interviewee's comment



The majority of interviewees highlighted their own Code of Conduct as an example of a values-based guideline. In addition to the Code of Conduct, other policies related to ethics and the use of language or words, for example, are considered to be key factors in ensuring respect for the diversity of people and the equal treatment of employees. In international and diverse organizations, an understanding of cultural differences for example in gender roles, communication and leadership is essential.

Good management practices are closely linked to the values that are important to organizations and to the ways in which these values are embedded in everyday activities. Leadership promises, feedback on leadership behavior and management self-assessments are examples of the ways by which the implementation of values can be assessed.

The creation of a feeling of psychological safety in the workplace is an essential part of an inclusive, diverse, and equal culture. Discussions around these themes are a natural part of everyday life in organizations, especially in those workplaces where diversity and equality have been clearly linked to organizational performance objectives. On the other hand, a purely performance-based approach to inclusion, diversity and equity remains narrow.

Creating a psychologically safe environment is the most important thing for every employee, regardless of identity, background or cognition.

Interviewee's comment

Examples of the practices carried out in the participating organizations to promote an equal and diverse organizational culture include:

- implementing an inclusive leadership mentoring program
- staff pledges
- taking leadership and collaboration skills into account in the performance appraisal of managers
- enabling a speak-up culture, i.e. giving employees a tangible tool and channel to highlight potential achievements and shortcomings
- the activities of the Sustainability Steering Group and discussions on diversity and related issues in forums for collective action
- equal sharing of parental leave between parents, irrespective of their biological relationship.

The idea is that people will find a way to put these phenomena into words and thus be more aware and able to notice, address and articulate grievances.

Interviewee's comment

More than half of the CEOs were facing challenges in meeting the rapidly growing expectations of society, investors and governments around diversity, inclusion and equity. KPMG 2021 CEO Outlook

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Language and communication

Inclusion, diversity and equity are embedded in a company's culture through a coherent leadership discourse and a message that reinforces the internalization of values among employees. In the simplest terms, the most successful organizations speak of a sense of belonging and respect for others as integral to a shared way of doing things. The language and communication choices used in organizations are seen as key to achieving equity.

The objectives and results of inclusion, diversity and equity are mainly communicated internally within companies. The aim is to give visibility to the organization's sustainability actions and the actions taken to promote inclusiveness in the workplace, for example. As a rule, these themes are communicated as part of well-being and employee surveys, and the communication channels used are the organizations' own internal forums, such as intranets, team meetings and various discussion forums.

By communicating internally in language that promotes equity and diversity, organizations can raise employee awareness of the underlying issues. An example of this is the promotion of gender-neutral language. In addition to the terminology used, organizations have had to consider the equal accessibility of their communications. Thus, in those workplaces with a notably multinational workforce, the use of English as a working language has been deliberately increased. Many organizations have sought to become a multilingual workplace where Finnish and English are the regular languages of communication. Organizations that use Finnish and English equally as working languages have also treated multilingualism as an asset in recruitment. In addition, the choice of communication channel should also be taken into account in cases where not all employees have direct access to the intranet, for example.

Externally, diversity is often communicated as part of a campaign, an annual report or a sustainability report, for example, or as part of an organization's values statement. Some organizations believe that the themes will be more prominent in external communications in the future. The pressure to report on social responsibility is increasing every year. Customers, investors, staff and other stakeholders all expect companies to provide information on issues such as diversity and human rights.

> The topic has started to become one where people are careful what they say. We are trying to create a 'learning atmosphere' where we are not afraid of failure, but encourage all desires to learn, to do the right thing. Interviewee's comment



Practices and participation

Recruitment

A diverse workplace is achieved through non-discriminatory recruitment, where access to interviews is not based on age, gender, name or nationality. The desired recruitment process should therefore promote equity and equal treatment of candidates. During the recruitment process, it is also advisable to emphasize the pre-defined criteria, so that the recruiter's own attitudes or preferences do not influence the evaluation of a candidate's suitability for the position. If the recruitment process is outsourced to a recruitment specialist, for example, the organization should be able to describe the background and objectives of the recruitment process to the recruiter as precisely as possible – ranging from the required skills to other relevant selection criteria for performing the job.

Most of the participating organizations have identified equity challenges in the recruitment process. However, no significant steps have yet been taken to address these inequalities.

Good recruitment practices in organizations include the following:

- anonymous recruitment
- involving more people in the recruitment process
- purposefully interviewing different types of candidates
- ensuring that recruitment advertisements are more inclusive of diversity
- explaining the principles of inclusion, diversity and equity in recruitment advertisements.

Rewarding

Rewarding is an effective way to guide and reinforce desired behavior and is another key process in need of development.

The good practices identified in rewarding include:

- identifying and reducing unexplained pay gaps
- monitoring and analyzing reward and HR data
- pay equity, e.g. the median pay by gender
- linking diversity objectives to organizational rewards. For example, including diversity and related issues in the criteria for rewarding senior management.

Many of the participating organizations had analyzed their unexplained pay gaps and taken steps to reduce them. In addition to increasing pay equity, the most mature organizations have set management reward criteria related to inclusion, diversity and equity. In some of the interviewed organizations, management remuneration was linked to broader accountability criteria or, alternatively, to an ESG index, but took no account of inclusion, diversity and equity as a whole. If these objectives are not linked to an organization's reward criteria, this sends a mixed message about their importance. The lack of more specific reward criteria may be linked to perceived challenges in setting objectives.



Participation and empowerment

In many organizations, diversity and related issues are embedded in the strategy, and the responsibility for promoting them lies with the organization's management. The implementation of practical measures is often the responsibility of the HR function, or a person hired to promote the specific issues under consideration, or a similar body such as an equality and equal opportunities working group with direct links to the organization's senior management. The management's interest in empowering staff in the day-to-day decision-making process at the workplace was found to contribute significantly to the formation of an inclusive and diverse organizational culture. Thus, in some organizations, this has been taken into account in the development of local management.

In the participating organizations, personnel surveys and regular discussions with frontline staff were mentioned as ways of giving employees an opportunity to "have a say". However, although these measures can be seen as positive, they do not alone ensure the existence of an inclusive organizational culture. More effective methods of promoting inclusion, diversity and equity include:



- involving staff in diversity and equality working groups. Several of these were formed around different themes in the pioneer organizations, for example.
- involving employees in the creation of the organization's values and guidelines.
- setting up networks of people interested in sustainability and, in particular, in promoting inclusion, diversity and equity.

Some organizations provide opportunities for staff to discuss inclusion, diversity and equity issues. However, from the perspective of the needs of the whole workforce, voluntary and narrowly focused discussion forums are a challenge: typically, only those people who are already interested in these issues participate and are active in the forums. The development of an organizational culture should therefore also involve people who are not yet aware of, or interested in, diversity and related issues. As is typically the case, internalization and empowerment of personnel will require active dialogue between management and all employees.

Targets and measurement

Organizations' practices in setting and measuring inclusion, diversity, and equity objectives vary greatly: while some have ambitious forward-looking objectives and regularly measure their achievements, others have no defined objectives and no monitoring of progress. In organizations where target setting and measurement practices are more common, progress on diversity and related issues is monitored through employee surveys, for example. In other organizations, questions measuring inclusion, diversity and perceptions of equity have been added to the annual employee survey. But regardless of the current state of target setting and measurement, participating organizations recognize these themes as part of future target setting.

In the more mature organizations, inclusion, diversity and equity are already integrated into their everyday life, and this is reflected in clear and conscious objectives to improve equity and increase diversity. In the discussions, organizations identified the following as objectives for the near future:

- raising awareness of diversity and related issues
- increasing training to identify unconscious biases and attitudes, for example
- improving the results of employee surveys (in terms of goals achieved)
- increasing the use of English

- increasing the representation of women in staff and management roles
- improving gender equality.

Good practices for setting and measuring objectives in the interviewed organizations include:

- ambitious equality and equity plans
- identification of obstacles preventing equal career progression
- asking inclusion-, diversity- and equity-related questions in the employee survey and monitoring the results on a yearly basis
- providing training and coaching (some mandatory, some voluntary) and general awareness-raising
- reliable assessment of the desired progress
- measuring employees' perceptions of the degree of inclusion ("belonging score").

In addition to practices and principles, the measurement of success and benefits will be increasingly important in the future. The most advanced organizations among the interviewed companies are clearly at the forefront of measurement: data monitoring and analysis, reporting practices, and the use of metrics and indices have become an established part of operations.

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Many organizations monitor and measure the implementation of values, diversity and related themes. Around half of participating organizations actively monitor the gender balance of their workforce and recruitment. Gender balance in staff is seen as important, but quotas are not seen as an effective way to increase gender equality. Some organizations monitor not only gender but also age and nationality.

Around ³⁄₄ of the interviewed organizations commission annual employee surveys to assess the general perceptions of staff on implementation of the examined themes. The most mature organizations also separately survey the perceptions of minority groups. A clear minority of the participating organizations carry out pay surveys or systematically monitor the implementation of equal pay. Only a few organizations use their own or external indicators or indices to monitor and measure diversity and related issues.



In two thirds of the participating organizations, inclusion, diversity, and equity are identified as success factors, and concrete steps are taken to achieve them. The reasons for the increased monitoring of these themes include an understanding of the positive business impact of taking them into account, external pressure to increase diversity and equity, and organizations' conscious efforts to promote corporate social responsibility. Around a third of organizations are aware of the impact of inclusion, diversity and equity on their core business and employee well-being, but so far there are no concrete plans to take these issues forward.

Promoting diversity, inclusion and equity requires close monitoring of the societal discourse and the context in which the organization operates. Interviewee's comment



Long-term development

Motives for change

A workforce that combines different cultural backgrounds and nationalities enriches an organization's ability to adapt to changing environments. Diverse people bring a diverse network of contacts, new perspectives, ideas and skills to the organization. In particular, diversity has proven to be a source of innovation, especially in expert and design industries. Products and services should be inclusive and accessible to their consumers. The identification of cultural and origin-related behaviors and ways of thinking is made easier when employees have first-hand experience of the needs of their customers, or when there is a wide range of ideas that can be blended in the workplace. An ability to identify with customers is seen as facilitating service work in particular. For example, companies that operate internationally see opportunities to increase sales when they can work in the customer's language and understand the customer's way of thinking.

The benefits of diversity are not limited to innovation and customer orientation. In more mature organizations, investing in inclusion, diversity and equity is a key component of improving employee experience and ensuring well-being at work. In many organizations, investing in well-being is not seen purely as a responsibility, but also as a strategic choice that generates economic benefits. When people are feeling well, work productivity and organizational performance also improve.

Progress in promoting diversity and related issues also makes organizations more competitive in recruiting new talent. They are seen as attractive places to work, which increases their chances of recruiting the best talent in the sector, including from foreign labor markets. Internationalization also puts pressure on organizations to create a multicultural and inclusive workforce. In fact, diversity can almost be seen as a prerequisite for internationalization. And the more diverse a team is already, the easier it is to recruit diverse staff. Themes, narratives and values are important aspects of employer image and attract the interest of job seekers who want to know how these values will be lived in their future workplace.



Barriers to progress

Organizations have actively raised diversity and related issues in public debate but embedding these values in their everyday life has remained a challenge. Although multilingualism has become more common in workplaces, this trend has not necessarily been actively taken into account in organizational change processes. The level of understanding and awareness of employees varies, and the organizations that have instigated collective discussions on the importance of diversifying the workplace are still "few and far between".

In diverse workplaces, the transition to commit to, and gain coherent understanding of, the values promoted by senior management is happening slowly, and there are differences in awareness and acceptance of diversity – between people of different generations, for example. Thus, internal communications on inclusion, diversity, and equity measures should be further increased to raise employee awareness of the issues and to ensure that everyone feels heard and valued.

In many organizations, the gender balance of the staff is markedly unequal. Although organizations are making efforts to improve the gender balance of their workforce, the means to achieve this have proved to be inadequate in some places, particularly in "highly gendered" sectors. Similar challenges have been partly experienced by those organizations that are trying to increase the representation of foreigners in their workforce. On the one hand, the availability of a diverse workforce has been perceived as a problem while, on the other hand, a highly homogeneous workforce has been perceived as making it difficult to increase diversity in recruitment situations. For example, the requirement for Finnish language skills has been a barrier to recruitment. In some organizations, the promotion of diversity and related issues has also caused resistance, mostly due to misunderstandings and lack of adequate information.

People don't intentionally want to behave badly. It's usually a matter of ignorance – not having access to enough information. Instead of confrontations, we should work and learn together.

Interviewee's comment

The capacity of organizations to monitor and verify progress on diversity and related issues is still mostly underdeveloped. The lack of metrics and thematic data makes it difficult to embed strategic choices in everyday life. In international organizations, measurement methods and measures depend on locally or regionally agreed priorities. Operating in different markets requires the adaptation of objectives to the local environment, but international organizations consider it important that the overall objective is to improve the status quo. The lack of consistent indicators and data makes it difficult to build up a comprehensive picture of organizational structures and the development of organizational culture.

In general, the current state of thematic monitoring has been characterized as a "shotgun approach". Without reliable information on the current state of inclusion, diversity, and equity, the targeting of measures is at least partly left to chance. This risks the effectiveness of those actions that have been recognized as beneficial. The consistency of inclusion, diversity and equity indicators and data in international organizations has also been perceived as a challenge due, for example, to political, social and cultural differences.

Leadership matters

The role and importance of leadership in building an inclusive, diverse and equal culture in organizations is crucial. Leadership enables the implementation of an organization's vision, sets the direction and provides the necessary resources to implement change. Effective leadership requires management to be committed to the set objectives and to demonstrate this through their behavior.

Although organizations have so far devoted few resources to the promotion of inclusion, diversity and equity, their aim, in principle, is to follow this path. Thus, practical examples of good and generic processes are scarce, but awareness of the issues involved has been growing rapidly. In the future, this awareness will continue to grow, and diversity in organizations will increase, too, as a result of immigration and internationalization.

A more diverse world will compel organizations to keep pace with change, and to recognize the role of diverse workplaces in achieving performance objectives. It seems clear that, in the future, more and more organizations will take diversity into account in their strategies and will also devote more time, money and effort to promoting diversity.

Normally, the path towards a more inclusive organizational culture starts as a result of increased awareness. In order to reform recruitment practices and attract and retain a skilled workforce, the perspectives discussed above must be taken into account. Embedding the themes discussed in this paper into an organization's values is a longterm cultural change that will require persistence and patience. In order to see the benefits of these efforts and to achieve even more ambitious targets, organizations will need to further strengthen the measurement and monitoring of inclusion, diversity and equity.

Pressure from the senior management of organizations to deliver change is challenging operational management to find new ways to promote inclusion, diversity and equity in the workplace. Their commitment to change is a prerequisite for building diverse and equal workplaces, but understanding the values that employees hold dear is the key to a cultural change. Articulating the themes in such a way that staff feel they can identify with the actions taken by the organization will quickly provide a good basis for an inclusive organizational culture.

The organizations participating in this study are aware of the importance of inclusion, diversity and equity in their everyday work. However, none of them had reached the end point of their transformation journey. They considered continuous improvement and review of the themes to be important, and realized that it is not a race - even though the internalization of inclusion, diversity, and equity was acknowledged as having an impact on employer image and competitiveness. The more important and immediate objective, however, is to proudly take responsibility for building an equal and inclusive working culture. The journey towards a more inclusive society has begun - one organization at a time.



This is neither a sprint nor a marathon, but rather an 'ultra-run'. It's a long-term cultural change. Perseverance and patience are needed

Interviewee's comment



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