



**South
Carolina
Bar**



**CHAMBER
EDUCATION &
WORKFORCE
FOUNDATION**

S.C. LEADERS FORUM

A DISCUSSION OF DIVERSITY & INCLUSION IN LAW & BUSINESS



THE VALUE PROPOSITION OF DIVERSITY & INCLUSION

Sam Wellborn, ROBINSON GRAY



S.C. LEADERS FORUM: A DISCUSSION OF DIVERSITY & INCLUSION IN LAW & BUSINESS

AGENDA

- Foundation
- D&I and Groupthink
- Data

FOUNDATION

- What is diversity and inclusion?
- Why add “inclusion”?

Diversity is being invited to the party. Inclusion is being asked to dance.

Verna Myers

RAY DALIO'S PRINCIPLES

- Radical transparency
- Novel perspectives
- Rejection of groupthink
- “Embracing radical truth and radical transparency will bring more meaningful work and more meaningful relationships.”

He wanted to find a way for people to “get past their own ego barriers,” . . . “to put your honest thoughts on the table, to be able to have thoughtful disagreements” and, he added, “even when disagreements remain, to know how to get past them so that you’re not angry with each other.”

D&I AND GROUPTHINK

“Groupthink refers to a deterioration of mental efficiency, reality testing and moral judgment that results from in-group pressures.”

– Yale psychologist Irving Janis

- The dangers of groupthink
 - Conviction that solution is correct
 - Overlooking or dismissing risk
 - Momentum towards a suboptimal outcome
- The antidote to groupthink
 - Consideration of diverse views can resolve groupthink
 - Diversity is not enough; diverse perspectives must be proposed and considered



2009 – American Sociological Association: Companies reporting the highest levels of racial diversity brought in nearly 15 times more sales revenue on average than those with the lowest levels of racial diversity.

2012 – Credit Suisse Research Institute: Companies with at least one woman on the board have outperformed their peer group with no women on the-board by 26% over the last six years (in terms of share price).

2013 – Deloitte: When employees believe the company is committed to diversity and feel included: innovation increases 83%, responsiveness to customer needs increases 31%, and team collaboration increases 42%.

2013 – Center for Talent Innovation: Publicly traded companies with inherent and acquired diversity are 70% more likely to capture a new market and 75% more likely to see ideas come to market.

2015 – McKinsey & Company: Companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns above their respective national industry medians. Companies in the top quartile for gender diversity are 21% more likely to have above-average profitability.

2018 – Boston Consulting Group: There is a strong and statistically significant correlation between the diversity of management teams and overall innovation. Companies with diverse management teams reported innovation revenue that was 19 percentage points higher than that of companies with below-average leadership diversity—45% of total revenue versus just 26%.

TAKEAWAYS

- Racially diverse companies bring in more revenue.
- Gender diverse boards outperform all-male boards in terms of stock value.
- Employees who believe their company is committed to diversity and feel included perform better.
- Diverse publicly traded companies are more likely to capture new markets.
- Racially and ethnically diverse companies enjoy higher returns, and gender diverse companies enjoy greater profitability.
- Companies with diverse management teams enjoy higher innovation revenue.

TAKEAWAYS

There is value in improving your organization's diversity and inclusion both to the bottom line and to your organizational culture and employee effectiveness.

PANEL DISCUSSION

To submit a question or comment:

1. Go to [slido.com](https://www.slido.com)
2. Enter code `#SCLeader`

SERVE & CONNECT

S.C. LEADERS FORUM: A DISCUSSION OF DIVERSITY & INCLUSION IN LAW & BUSINESS

WRAP-UP

S.C. LEADERS FORUM: A DISCUSSION OF DIVERSITY & INCLUSION IN LAW & BUSINESS

TEN IDEAS FOR IMPROVEMENT

1. Prioritize diversity in employee pipeline development.
2. Be intentional about investing in, marketing to, and recruiting diverse new hires.
3. Assess hiring practices and consider tweaks that could improve diversity.
4. Partner with minority institutions and organizations; strategic partnerships can yield unexpected value.

TEN IDEAS FOR IMPROVEMENT

5. Invest in and develop diverse members of your organization.
6. Recognize and accept the tension between valuing D&I and obtaining the best results from an organizational goals perspective.
7. Foster collaboration AND dissent.

TEN IDEAS FOR IMPROVEMENT

8. Rely on more than a top-down mandate. Inform staff what the goal is and give them the tools to experiment.
9. Acknowledge that organizational improvement can be complex and unpredictable. Mistakes are a natural part of the evolutionary process.
(Principles)
10. Look for ways to foster an open-minded organizational culture.

RESOURCES

- Harvard Business Review – www.hbr.org/topic/diversity
- Deloitte – <https://www2.deloitte.com/insights/us/en/topics/value-of-diversity-and-inclusion.html>
- Boston Consulting Group – <https://www.bcg.com/capabilities/diversity-inclusion/insights.aspx>
- S.C. Bar's D&I speakers bureau



**South
Carolina
Bar**



**CHAMBER
EDUCATION &
WORKFORCE
FOUNDATION**

S.C. LEADERS FORUM

A DISCUSSION OF DIVERSITY & INCLUSION IN LAW & BUSINESS

