A 360º Approach to Diversity and the Development of Skills-based Training

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Introduction

Recent legislation has made explicit the obligations that public and private sector organisations have in relation to equality and diversity (e.g., Disability Discrimination Act, 1995; Race Relations (Amendment) Act, 2000, Sex Discrimination Act 1975). Furthermore, there is an increasing body of evidence supporting the bottom-line business case for having a diverse workforce, in both the public and private sector (Alban-Metcalfe, 2004a, b). However, there continues to be substantial evidence of the ways in which individuals and organisations are continuing to discriminate against women, individuals with a disability, older workers, and individuals from minority ethnic backgrounds (Alban-Metcalfe, 2003; 2004a & b). This paper describes the development of the Embracing Diversity Inventory™ (EDI™), which is an organisational audit instrument designed to assess the extent to which whole organisations and departments and services within them are effective in promoting the valuing of equality and diversity and are effective in managing a diverse workforce, and the Embracing Diversity Questionnaire™ (EDQ™), a diagnostic 360-degree feedback instrument.

In so doing, it draws a distinction between the way in which managers and others act competently and the way in which they act in a ‘transactional’ or a ‘transactional’ way. This follows the suggestion by Hunt (1996) that a useful distinction can be drawn between organisational climate, popular in the 1960s and ’70s, and organisational culture, more dominant in the ’80s and ’90s. For reasons we shall discuss, competent managerial or leadership behaviour determines the climate of an organisation, while the extent to which s/he acts transformationally determines the culture.

Organisational culture

Schein (1985) referred to the inextricable link between leadership and organisational culture, describing them as “two sides of the same coin”. This has been found to be particularly true for the relationship between the leadership approach of the CEO and the culture of his/her organisation. This is a view is supported by Bass and Avolio who see an inextricable link between leadership and organisational culture, stating “The organisation’s culture develops in large part from its leadership while the culture of an organisation can also affect the development of its leadership” (Bass & Avolio, 1993, p.113). They maintain that the process by which leaders
influence culture is by the creation and reinforcement of organisational norms and behaviour. Furthermore, in human resource terms, Bass maintains that recruitment, selection and placement decisions are all influenced by the prevalent values and norms (Bass, 1998).

The culture of an organisation may be thought of as the shared values and assumptions, which include what is right, what is good and what is important (Bass, 1985), and which form the basis for consensus and integration. Such shared values and assumptions encourage motivation and commitment to meaningful membership (Hunt, 1996), and provide organisations with purpose, meaning and direction (Denison & Mishra, 1989). The development of an organisational culture leads to the emergence of ‘heroes’, ‘stories’, and ‘rituals’, which are expressions of the ways in which the individual members bond together (e.g., Bass, 1998).

Building on Schein’s three-level typology of organisations, it is possible, moving from outside in, to distinguish:

- artefacts (technology, art) and patterns of behaviour (procedures, norms);
- values and beliefs;
- basic assumptions (about reality, human nature and human relationships).

Hunt (1996) argues that properly designed questionnaires can legitimately be used to assess both patterns of behaviour and values and beliefs. In reviewing the literature, he identified three underlying general dimensions, which were:

- task-related aspects, such as quality and risk taking;
- interpersonal aspects, such as communication and support;
- underlying aspects emphasising personal enhancement of staff, such as freedom and self-expression.

**Transformational and transactional cultures**

Burns (1978) identified what he saw as two alternative styles of leadership among politicians, which he described as ‘transformational’ and ‘transactional’. The former kinds of politicians are those that act in such a way to cause “[themselves] and followers [to] raise one another to higher levels of morality and motivation”. In contrast, transactional politicians are the type of politician who trades promises for votes, that is, they influence followers by transactions of exchange: "Pay, status, and similar kinds of rewards are exchanged for work effort and the values emphasised are those related to the exchange process" (Hunt, 1996, p. 187) – essentially a carrot and stick approach.

Consistently with such distinctions, the following definitions are proposed:
A transformational culture is one that is based on integrity, openness and transparency, and genuine valuing of others. Such a culture shows itself in concern for the development and well-being of others, in the ability to unite different groups of stakeholders in articulating a joint vision, and in delegation of a kind that empowers and develops potential, coupled with the encouragement of questioning and of thinking which is critical as well as strategic. A transformational culture is essentially open-ended in nature, enabling organisations not only to cope with change, but also to be proactive in shaping their future. At all times transformational behaviour is guided by ethical principles, while,

A transactional culture is one that is based on vested interests, with scant regard for the well-being of others. Such a culture engenders a feeling of doubt among staff about the integrity of their boss and other colleagues. Staff may not be informed about what the vision of the organisation or service is, and may feel that they have no part in shaping the future. They feel more or less discouraged from making any suggestions for improvements or change, and that what they do is wholly determined by others. This leads to a sense of alienation.

**Organisational climate**

Organisational climate can be seen as more objective in nature, though overlapping organisational culture, which can be thought of as more subjective. Thus, Schneider and Rentsch (1988) interpret climate as the messages that organisational members received from,

- organisational routine (policies, practices, procedures), and
- the reward system (support, expectations, types of reward).

Schneider and Rentsch define culture as the values and norms underlying such routines and rewards. Thus, organisational climate may be defined as follows:

Organisational climate is characterised by the extent to which it is goal directed, and geared to developing processes and systems. A climate in which activities are well-defined enables staff at all levels to plan effectively and efficiently, in order to achieve agreed goals. This can lead to a degree of consistency, and thereby enable staff to make day-to-day decisions and short-term predictions, with a measure of confidence, and to measure performance and quality against relevant criteria. The climate of an organisation can be seen to be largely closed-ended in nature, but necessary in order that staff can undertake both day-to-day and strategic planning, and in this way help to turn the vision of an organisation, department or team into a reality.
Hunt sees organisational climate and organisational culture as complementary.

**Managing competently and leading transformationally**

It is, in some ways, unfortunate that the term ‘transformational leadership’ has been coined. This is because transformational leadership is neither an exclusive form of leadership, nor a ‘torch to be carried’. Rather, it is a style of leadership – a way of behaving. And, as such, it cannot exist independently of substantive actions, in the present context, valuing and managing diversity.

For this reason, it is more correct (and instructive) to use the adverbial form, and to talk in terms of behaving transformationally, rather than reifying it. Understanding the concept in this way – with emphasis on the way in which the manager (or junior member of staff dealing with the public) performs his/her actions, in ‘nearby’ contexts – gets to the root of what acting transformationally is all about. What is at stake is partly to do with whether an individual acts competently – that is a given – but also whether they perform these competencies transformationally (showing concern, inspiring, supporting, enabling, showing respect for the dignity of others) or transactionally (being directive, disempowering, lacking respect).

The reason for behaving transformationally is based on consistent empirical evidence from managers and professionals in local government, NHS, universities and school, senior civil servants and senior staff in a major central government agency. It has been shown that levels of job-related stress and significantly reduced and job satisfaction significantly increased by behaviours that include showing genuine concern for individuals, inspiring others, facilitating change sensitively, and supporting a developmental culture (Alimo-Metcalfe, et al. 2005).

**Issues of assessment**

- **Assessing organisational culture and climate**

Current approaches to assessing individuals and organisations places considerable emphasis on the importance of direct reports' perceptions of effectiveness, and the impact of these on different groups of internal and external stakeholders. This means that a method of undertaking an organisational audit include ratings by each of these. Furthermore, within each of these constituencies, there is the need to be able to assess the perceptions of, for example: - male vs. female staff; staff at different departments or at different levels; those who do or do not have caring responsibilities; customers vs. suppliers; those with responsible for governance.

Each of these various groups is likely to have a unique perspective, and there is always the danger that those in senior management positions may
have quite a different – perhaps a far rosier – view of their organisation than those at the delivery end, or external stakeholders.

The ratings of the culture and climate made by various groups of stakeholders can

- be analysed in terms of similarities and differences
- be compared with normative data from other organisations
- be used to inform a dialogue within an organisation about the nature of, and reasons for, different perceptions.

**Assessing individual performance**

Current approaches to the assessment of individual behaviour place considerable emphasis on the importance of direct reports' perceptions of leader effectiveness, and the impact of the leader’s behaviour on direct reports’ levels of job satisfaction, motivation, commitment, and performance. This means that a method of “Tapping In” to these perceptions is needed. One such, powerful, method is 360-degree multi-rater feedback.

This is consistent with evidence from Hogan, Curphy and Hogan (2001) who pointed out, in an article concerned with the assessment of leadership, that

> “self-ratings of leadership, are unrelated to team performance and are essentially useless. . [the] business literature (e.g., McCall 1998) often defines leadership in terms of the people . . [whose promotion] is based on political skill and luck, frequently without ever demonstrating any talent for leadership. . researchers use superiors’ ratings . . [which] primarily reflect a manager’s technical competency rather than the performance of his/her team. . [and] peer ratings which, we suspect, are contaminated by politics.” (p. 40).

The same authors went on to note that,

> “The least preferred method is subordinates’ ratings; nonetheless, Shipper and Wilson (1991) show that subordinates’ ratings of a manager’s performance are reliably correlated with team effectiveness. We believe subordinates’ ratings are the best single way to evaluate a manager’s performance.”

Such views are consistent with evidence from McEvoy and Beatty (1989) that the of ratings by direct reports had greater predictive validity than data from an assessment centre, at least over a four-year period.
Method

The research basis of both the *EDI™* and *EDQ™* is a combination of (1) one-to-one semi-structured interviews, using Repertory Grid and critical incidents techniques; (2) focus group discussions; (3) an extensive review of relevant diversity literature, including reference to established competency frameworks and measures of transformational behaviour.

- **Sample**

In order to ensure the involvement from a wide and representative range of individuals, the following participated in the Repertory Grid and critical incidents process:

- 7 members of staff at Chief Executive & Board Level in a Midlands local authority, which serves a population with a high proportion of individuals from Black and Minority Ethnic (BME) backgrounds, and which has a strong commitment to developing policies and practices for meeting their needs and aspirations;
- 7 staff in middle management positions, from a range of backgrounds, working for the same local authority;
- 21 junior, middle and senior managers from a variety of central government, local government, and voluntary organisations who represent the following sources of individual difference:
  - gender & sexual orientation
  - age & level in the organisation
  - ethnic origin & religious affiliation
  - disability.

Importantly, in the light of suggestions of the invalidity of ratings by self, and by bosses and peers, and the validity and relevance of direct reports’ perceptions (e.g., Alimo-Metcalfe, 1998), the participants were asked to reflect on their current or a previous boss.

In addition a total of 20 public sector managers and professionals, who were participating in an MA programme, participated in a focus group.

The development of the competency items was informed by an extensive review of the diversity literature (Alban-Metcalfe, 2004a & b).

- **Repertory Grid and critical incidents; focus groups, literature search**

  **Eliciting constructs**
  
  The following individuals and groups participated in the one-to-one interviews, using Repertory Grid technique (e.g., Alimo-Metcalfe & Alban-
Metcalfe, 2001) and critical incidents techniques (e.g., Cook, 1988). In total, over 1,000 constructs were elicited.

Analysis of the constructs

The total data set was then content analysed, by two psychologists working independently of each other, and grouped in terms of underlying dimensions or themes relevant to leadership. Inspection of the groupings formed by the researchers revealed a very high level of agreement, and areas of difference were agreed by discussion. Typically, the differences lay in the degree of generality - ‘higher’ order vs. ‘lower’ order - of the groupings.

Devising questionnaire items

Again working independently of each other, the two psychologists devised a series of statements that reflected the constituent constructs in each group. Here again, the two judges discussed their analyses, with particular attention to differences in the number and the degree of generality versus specificity of the statements that each had proposed. In most instances, discussion focused on re-wording of the statements.

Developing the Pilot Questionnaire

In order to turn the statements into draft instruments, such that each of the items was unambiguous, and that the respondent was invited to respond to each item in exactly the same way, Facet Theory was applied (Donald, 1995). Thus, each of the statements was redrafted in a standard format, so that the following criteria were met: (i) the item reflected only a single dimension; (ii) the item comprised an active verb; (iii) the verb referred to an observable (or readily inferable) behaviour; (iv) each of the forty-eight groups of constructs or ‘leadership dimensions’ was represented; (v) the item was phrased positively. Furthermore, conscious of the strictures of Hunt (1996, p. 198), items that did not exclusively describe an individual’s behaviour (i.e., were independent variables), were either excluded or rephrased.

A total of 149 items emerged, and these were provisionally categorised into whether they reflected the valuing of diversity or the managing of diversity,
and whether they reflected a ‘competency’ or a ‘transformational
behaviour’.

The draft instruments were then analysed by two independent individuals,
who have vast experience in the field of equality and diversity, and the
EDITM was subjected to a field trial in a large public sector organisation.
The total number of items was subsequently reduced to ninety-nine.

Structure of the EDITM and EDQTM

- Internal stakeholder version

The scales that comprise both the EDITM and EDQTM are shown in Table 1,
along with 8 dependent variables (impact measures), which are used to
determine the effect of the organisational culture and climate, or the
individual manager’s behaviour, on staff.

(Table 1 about here)

- External stakeholder version of the EDITM

The same scales are represented in the external stakeholder version of the
EDITM as twenty-one single items.

Applications of the EDITM

Two applications of the EDITM serve to illustrate ways in which it can be
used. In the first, it was administered to two groups of employees of a large
County Council: Group A has undergone some form of diversity awareness
training, Group B had not. Questions may be asked about the effectiveness
of the training, which had been offered by a range of different agencies,
since no significant differences were detected. In the second, statistically
significant differences were detected between different groups of
employees, e.g., female vs. male; black and minority ethnic vs. white, those
with caring responsibilities vs. without. In addition, significant
relationships were detected between certain of the items and scales, and the
impact measures. These are instructive in helping point to ways in which
targeted action can be focused.

Designing an Equality and Diversity Training Workshop

The principle upon which the workshop was devised is consistent with the
Chinese saying, ‘I listen and I hear, I look and I see, I do and I learn’ (see
also Nagamootoo & Birdi, 2005). Thus, the workshop was designed to go
beyond diversity awareness training, which is seen as a necessary first step
for all staff, towards enabling participants to analyse and interpret data that
have been collected in the own organisation, and to have experience of
dealing with real issues in relation to bullying, discrimination and
harassment.
The structure of the workshop, which extends over two full days, is as shown in Table 2, and comprises the establishment of participants’ expectations and ‘ground rules’, specification of precisely-defined objectives, analysis and interpretation of own data, the formulation of a series of targeted questions about a series of case studies, and a formal evaluation of the event.

(Table 2 about here)

Follow-up

Because the structure of the EDI™ comprises by competency and transformational items, it provides detailed information about both organisational climate and organisational culture. The former information can guide managers in developing processes and systems that are directed towards achieving equality and diversity, thereby enabling staff at all levels to plan effectively and efficiently, and in monitoring progress objectively.

Information about the culture of an organisation identifies those areas in which there is the need to be more proactive in promoting integrity, openness and transparency, and genuine valuing of others, based on concern for the development and well-being of others, and the needs to unite different groups of stakeholders in articulating a joint vision, to delegate in a way that empowers and develops potential, and to celebrate difference.

The way in which completion of the EDI™ and/or participation in the Workshop can be followed up can comprise;

- additional targeted developmental activities for different groups, e.g., whole departments, or teams, in areas identified as particularly relevant
- completion of the EDQ™ by particular individuals, with the provision that the anonymity of raters be assured, and the feedback be confidential to the person to whom it relates, linked to specific coaching or mentoring.

The long term effectiveness of the developmental activities over a period of, say 6-12 months can be determined either

- by re-administration of the whole EDI™, or the EDQ™
- by re-administration of those elements of the EDI™ where training was focused.
References


Disability Discrimination Act (1995)


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**Race Relations (Amendment) Act** (2002).
Table 1: *EDI™* and *EDQ™* scales

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<thead>
<tr>
<th>COMPETENCY ITEMS</th>
<th>TRANSFORMATIONAL ITEMS</th>
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<tr>
<td><strong>Managing diversity</strong></td>
<td><strong>Valuing diversity</strong></td>
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<tr>
<td>• Being well informed</td>
<td>• Using good judgement</td>
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<td>• Working to eradicate discrimination</td>
<td>• Engaging with others</td>
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<td>• Enabling a diverse workforce</td>
<td>• Equality and diversity planning</td>
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<tr>
<td>• Selection and promotion</td>
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<td>• Equality and diversity planning</td>
<td>• Valuing diversity</td>
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<th><strong>Managing diversity</strong></th>
<th><strong>Managing diversity</strong></th>
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<tr>
<td>• Being honest and consistent</td>
<td>• Being value driven</td>
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<td>• Being comfortable &amp; confident with the equality and diversity agenda</td>
<td>• Being approachable</td>
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<td>• Being willing to address existing complexity</td>
<td>• Role-modelling clear standards</td>
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<td>• Consulting team members</td>
<td>• Showing genuine concern for individuals</td>
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- Enables staff and others to believe in and want to embrace the equality and diversity agenda
- Enables staff and others to understand how a diverse workforce can help to achieve organisational and departmental goals (i.e., the business case for diversity)
- Provides practical and active leadership in relation to the equality and diversity agenda, rather than simply adopting a ‘charismatic’ approach
- Makes it easy for staff and others to be honest about difficult issues that they face
- Enables staff and others to gain the support of individuals in authority (e.g., elected members, boards of NHS Trusts, school or college governors), in promoting the equality and diversity agenda
- Increases the self-esteem of staff and others
- Increases the commitment of the staff to the organisation
- Reduces the amount of job-related stress
Table 2: Structure of the Workshop

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<th>Day 1, Session 1</th>
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<td>Establishment of participants'</td>
<td>Establishment of participants' expectations and 'ground rules'</td>
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<td>Examination of existing 'standards' and 'frameworks'</td>
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<td>Analysis and interpretation of</td>
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<td>Theme A, case studies A1 &amp; A2:</td>
<td>Theme A, case studies A1 &amp; A2: Defining the manager’s role</td>
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<tr>
<td>Defining the manager’s role</td>
<td>Specification of precisely-defined objectives</td>
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<td>studies</td>
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<td>Formulation of a series of</td>
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