The Power of Inclusion

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Diversity defined...

A broad spectrum of characteristics including race, color ethnicity, national origin, gender, age, religion, language, disability, sexual orientation, gender identity, socioeconomic status, family structure, geographic differences, diversity of thought, life experiences and much more.
Diversity is ALL the things that make us who we are
So what?
Examples of other types of diversity
Examples of other types of diversity
According to research, diverse teams outperform homogeneous teams 2 to 1.
Diverse perspectives generate new ideas and solutions.
Diversity of thought drives innovation.
Diversity can help you see your **blind spots**.
Companies that drive innovation by leveraging employee ideas and knowledge meet product revenue targets 46 percent more often than industry peers.

*(Aberdeen Group, 2009)*

Among 500+ U.S. companies, every unit increase in racial diversity was correlated to a 9 percent increase in revenues - even while controlling for establishment size.

*(Herring, 2009)*

Net income growth for companies with women on their boards is higher than those with no female director (14 percent vs. 10 percent).

*(Credit Suisse)*

Diverse groups outperform homogenous ones, even if members of the latter group are more capable.

*(University of Michigan)*
What is inclusion?

Cultivating an environment that connects each employee to the organization; encouraging collaboration, flexibility and fairness so that all individuals are empowered to participate and contribute to their full potential.
Inclusion is a way to ensure we get the full benefits of diversity.
Inclusion drives engagement
Inclusion leads to collaboration
If you don't intentionally, deliberately, and proactively include, you will unintentionally exclude.
Diversity and Inclusion

Organizations high on both diversity and inclusiveness achieve:

- 12 percent higher discretionary effort
- 19 percent higher intent to stay
- 57 percent more team collaboration
- 42 percent higher team commitment

than those low on diversity and inclusiveness.

Corporate Leadership Council
Diversity and Inclusion

Together, diversity and inclusion are strategic business imperatives that should be a part of who you are as an organization and how you do business, allowing your credit union to leverage the diversity of your employees, managers, members and board volunteers to achieve your vision.
Boardroom Diversity

“I do quite a bit of work on matters of board composition, selection and succession, and what I can tell you is this; board diversity is simply smart business. You’ll never hear me recommend diversity solely for the sake of checking a box, but when diversity in the boardroom offers so many benefits to the CEO (and to the entire organization) it’s nothing short of irresponsible for chief executives not to place their board composition under the microscope.”

Mike Myatt, Forbes, November 2013
Boardroom Diversity

**Top 10 Reasons Why Diversity Is Good For The Boardroom**
(According to Mike Myatt, Advisor to Fortune 500 CEOs and Boards)

1. It reflects the real world – something every company should be sensitive to.
2. Healthy debate can lead to better decisions.
3. Divergent backgrounds mean tackling the same idea in differing ways.
4. Great ideas come from disruption of the status quo.
5. Your clients and customers are diverse.
6. This can make your company knowledgeable and sensitive to a wider variety of groups.
7. Counsel from a variety of authorities is sensible.
8. Setting an example at the top will hopefully have a trickle-down effect within the organization.
9. Improved reputation and brand.
10. A variety of backgrounds can make the company more adaptable to its ever changing environment.
Diversity & Inclusion : Advantage
Group Activity

On your own, make a list of animal names that start with the letter ___. Write down as many as you can.

Now in one large group, consolidate your group lists without duplication.

How many more did the larger group come up with than you came up with individually?

How does this relate to diversity and inclusion?
Diverse teams feel less comfortable

Which is why they perform better!

• Homogenous teams feel easier, but easy performance is bad performance
• Working on diverse teams produces better outcomes precisely because it’s harder
• The brain prefers information that is processed more easily
• Capitalizing on diversity means highlighting not hiding from differences
• Recognize that the unfamiliarity that comes with diversity is a catalyst for creativity and deep thinking

Unconscious bias

Our brains are wired to make quick decisions.
Be aware of your bias.
What does inclusion look like?

• Celebrate differences
• Listen to employees
• Ask someone’s opinion who has not contributed during a meeting
• Ask virtual participants for contributions before those in person at a meeting
• As a manager, put your opinion out last, after seeking input from others
• Put out meeting agendas in advance to give participants time to process information
• Seek out different perspectives
• Surround yourself with people who think differently than you
1 - INDIFFERENCE
Inclusion is not on the radar

2 - INTIMIDATION
Inclusion as forced compliance

3 - IMAGE
Inclusion as public relations

4 - INITIATION
Inclusion as a business imperative

5 - INCUBATION
Inclusion nurtured as a core competency

6 - INTEGRATION
Inclusion as a catalyst for growth

7 - INCLUSION
Inclusion is fully embraced as the cultural norm

2017 ANNUAL CONFERENCE
NCUA CU Diversity Self-Assessment...

- has no impact on exams or CAMEL ratings
- is easy and takes no more than an hour to complete
- assesses current diversity policies and practices
- Will help your CU make progress with diversity & inclusion
- will be conducted and reported on annually
- results will be anonymous and aggregated
Five Focus Areas of Assessment

Joint standards established by FIRREA agencies

1. Organization commitment to diversity and inclusion
2. Employment policies and practices
3. Supplier diversity
4. Transparency of diversity and inclusion practices
5. Monitoring and assessment of diversity policies and practices

For more information on credit union diversity, go to the NCUA’s public website for credit union diversity or contact Malia Peel at 703.518.1168.