

Good for business

Level: Upper intermediate +

Time: 90–120 minutes

Summary: This lesson is about diversity at work. In this lesson, students:

1. find out what diversity means;
2. read examples of what can happen when there is a lack of diversity;
3. define and use key business phrases;
4. analyze and evaluate a company or governing body for diversity;
5. present their findings and suggestions for improvements.

Materials: One copy of the worksheet per student

Group size: Two or more

7. Customers
8. Employees
9. Diversity management
10. From diversity to inclusion

Key words

Students read the key words, match them with the best definitions, then find them in the article to see how they are used in context. Ask them to tell you which of the words are new to them, which they have heard of but are not really sure how to use and which they are already confident using.

Key:

- | | |
|-----------------|-------------------|
| 1. lucrative | 6. bidder |
| 2. monocultures | 7. revenues |
| 3. potential | 8. demographic |
| 4. procurement | 9. implementation |
| 5. policy | 10. composition |

Understanding the article

Students use information and examples from the article to answer the questions.

Key:

1. If a farmer depends too heavily on one type of crop and the crop fails, his business may suffer or fail. The same principle applies in business. If you employ only one type of person, focus on one type of customer, use one type of supplier or only offer a limited range of services or products, your company may not survive in the long run.
2. Even if the company has a large number of women in management positions, the company may be lacking representatives of other groups, for example people from different areas, ethnic backgrounds and socioeconomic groups.
3. They may introduce laws about diversity and discrimination that businesses have to follow. A business might have to prove that it has implemented a diversity policy in order to get a government contract, for example.
4. There needs to be an inclusive environment and opportunities for professional development within the company, otherwise these employees will look for work elsewhere.
5. This reminds businesses that it is not only necessary to see the need for diversity but to create an environment that is inclusive of all its diverse employees.

Note: This lesson plan is for both pre-experience and in-work business students based on an original article first published in *Business Spotlight* issue 5/2019.

Warmer

Write the following on the board: *Diversity is/means ...*
Elicit ways to complete the sentence. Ask students not to look in dictionaries or on the internet at this point. Write their suggestions on the board. Then ask them to read the introduction and section 2 of the article to see whether what they have read reflects their suggestions.

Section headings

Students read the section headings and decide by scanning the article which sections of the article they apply to. They then write the headings above the correct sections. This task can be done in pairs to encourage discussion.

Key:

1. Monocultures and bananas
2. What is diversity and why promote it?
3. Beyond gender
4. Legal requirements
5. Financial performance
6. Innovation

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Business English phrases

Students work in A–B pairs. They find and underline the phrases in the article and read them in context. Then student A chooses one of the six phrases and, in their own words, explains to student B what it means. Student B should guess which phrase is being described. If the students are not sure exactly what the phrases mean, then they can look them up before or after they have explained them. They should continue doing this in turns until all the phrases have been explained. Then, with their partners, the students write one sentence for each of the phrases (six sentences in total) to make sure they really do know how to use them.

Key:

1. measurable values that show how effectively a company is achieving key business objectives
2. reductions in the cost of making and selling products that are made possible because a business is very successful
3. money that is invested in a new project where there is a substantial element of risk, typically with a new or expanding business or start-up
4. a company that an investor or venture capitalist invests in all of the companies that a private equity firm invests in are said to be part of that firm's portfolio
5. businesses that have fewer than 250 employees
6. organizations that are owned and operated by the government and exist to provide services for its citizens

Group task

Students work in pairs or small groups. They must choose one of the groups listed in the task. Using the list of internal and external dimensions an individual may have from section 3 and the five-step approach and the questions outlined in section 9 of the article, they should evaluate their chosen group and decide on the extent of the diversity already present in the group and how the group could be made more diverse. They should also look at a similar-sized comparable group from another department, company, town or country and decide how well or poorly the group they are evaluating is doing on matters of diversity in comparison to this other group. Finally, they should present their ideas on how to increase the diversity of their group to the rest of the class.

Further reading and information

In this task, which can be set as home study or as a breakout task for small groups, students find out more about three things that are mentioned in sections 5, 6 and 7 of the article.

Here students can watch a news report about the harmful advertising campaign mentioned in the article:

www.youtube.com/watch?v=594Q9CJQbD4

Frans Johansson can be seen explaining his theory in this video: www.youtube.com/watch?v=ms3ZIS2jX_4

The infographic '39 Reasons Why Diversity Matters' can be accessed here:

www.catalyst.org/research/infographic-diversity-matters/

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1 Warmer

- a. Think of ways to complete the sentence below.
Diversity is/means ...
- b. Share your ideas by collecting them on board.
- c. Read the introduction and section 2 of the article. Compare what you read there to your ideas about what diversity is.

2 Section headings

Scan the article. Write the following headings on the lines above the appropriate sections.

Beyond gender	From diversity to inclusion
Customers	Innovation
Diversity management	Legal requirements
Employees	Monocultures and bananas
Financial performance	What is diversity and why promote it?

3 Key words

Match the key words with the definitions. Then find them in the article to read them in context.

bidder	composition	demographic	implementation	lucrative
monocultures	policy	potential	procurement	revenues

1. bringing a lot of money _____
2. the practice of growing only one crop in an area, and therefore not diversifying

3. (reach) the standard that you are capable of _____
4. the process of buying parts, supplies or equipment for a business _____
5. a set of plans or actions agreed on by a government, political party, business or other group

6. a business that competes with others to get the opportunity to do work or provide a service for someone else by offering to do it for a particular amount of money _____
7. income from business activities _____
8. relating to populations _____
9. the process of putting something into action _____
10. the way that something is formed from separate parts or people _____

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by Robert Gibson



Until recently, diversity in many companies was limited to a gender balance. But that is changing. ROBERT GIBSON explains what diversity is today and what an enriching effect it has.

Introduction

What do you think of when you hear the word “diversity”? Gender equality? Quotas? Political correctness? Yet another trendy buzzword from the US? The United Colors of Benetton?

Promoting diversity is increasingly being seen by business people not just as something you should do but as something you must do if you want to survive. It is being taken more seriously than ever before by more and more companies. Diversity departments are being established, and they are appointing chief diversity officers (CDOs), with influence beyond HR, to play a strategic role in business development. Ambitious diversity targets are being set, key performance indicators (KPIs) implemented and initiatives launched.

What lies behind all this activity? Is there a real business case for diversity?

1

As a farmer, you may be tempted to grow just one crop. This can be highly lucrative, as you can benefit from economies of scale. If the crop fails, however, it can be disastrous, as you will lose everything. A current example is the banana. We are heavily dependent on one type of banana, the seedless Cavendish, which is under threat from the Fusarium wilt fungus. If it spreads, bananas will be in extremely short supply or even become extinct.

The danger of monocultures is also evident in the world of finance. As an investor, you may be tempted to invest everything in an exciting start-up company that seems to have great potential in the market. The trouble is: if it fails, you lose everything.

The same principle applies to business. If you employ only one type of person, focus on one type of customer and rely on one type of supplier with a limited range of services or products, you may be successful in the short term. But your company will probably not survive in the long run in a fast-changing business environment.

2

According to the *Cambridge Dictionary*, “diversity” is “the fact of many different types of things or people being included in something; a range of different things or people”.

Promoting and supporting diversity in the workplace is about valuing everyone in the organization so that everyone feels able to participate fully and achieve their potential. This is not only a moral obligation; it also makes business sense.

3

In many companies in Western Europe and the US, the focus of diversity initiatives is on gender. Getting a balance of male and female employees at all levels of an organization is obviously important but so are other diversity dimensions. Which dimensions are particularly relevant will vary widely across the globe. For instance, in China, you may find a relatively high proportion of women in management positions, but the lack of representatives of particular regional groups is more likely to be a key issue.

At the core, there are internal dimensions to an individual that are hard or impossible to change. These include gender, sexual orientation, world view, physical and mental ability, ethnic origin, nationality and age.

External dimensions are easier or possible to determine or change. These include family status, parenthood, physical appearance, educational background and socio-economic status. Organizational dimensions are easiest to influence and include function (such as sales, procurement, HR, finance), job grade, field of work, length of service, place of work and membership of organizations (for example, trade unions).

These dimensions can be visualized as a diversity wheel, which can be used as a basis for the diversity policy in your organization.

4

In many countries, there are laws about diversity and discrimination that businesses have to follow. In some cases, a business will have to prove that it has implemented a diversity policy in order to be considered as a bidder for a government contract.

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A famous case was the London Olympics. The London Organizing Committee of the Olympic Games and Paralympic Games (LOCOG) had a clear policy of using a diverse pool of suppliers. This seems to have been successful, with the heads of 18 per cent of UK companies involved coming from ethnic minority groups, while 20 per cent were run by women, two per cent by LGBT people and 1.7 per cent by people with a disability.

As a result of demographic trends, there is a serious shortage worldwide of skilled workers, particularly those with a background in STEM (science, technology, engineering and mathematics) subjects. Employers cannot afford to exclude potential candidates on the basis of their gender, physical ability, sexual orientation, ethnic background or any other diversity dimension.

5

More and more research is linking diversity with financial performance. The non-profit organization Catalyst summarizes the research in an infographic titled "39 Reasons Why Diversity Matters". Harvard Business School researchers examining venture capital have concluded that "diversity significantly improves financial performance on measures such as profitable investments at the individual portfolio-company level and overall fund returns".

And it is not just about recruiting. If you are to retain employees from diverse backgrounds in your company, there needs to be an inclusive environment and development opportunities. If employees believe that this is not the case, they will leave and your investment in them will be lost.

6

Although monocultural teams may be able to perform more efficiently than multicultural ones, they are less likely to be innovative. Research carried out by the Technical University of Munich and the Boston Consulting Group into 171 German, Swiss and Austrian companies showed a clear relationship between the diversity of companies' management teams and the revenues they receive from innovative products and services.

To be successful, diversity in a company has to be managed in a systematic way. The German association Charta der Vielfalt recommends a five-step approach to increasing diversity in organizations, whether they are small and medium-sized enterprises (SMEs), large corporations or public-sector bodies:

1. Define objectives
2. Determine current situation
3. Plan implementation
4. Carry out implementation
5. Measure success

9

Frans Johansson, in his bestseller *The Medici Effect*, shows why innovation happens at the "intersection" where ideas and concepts from diverse industries, cultures and disciplines meet.

They suggest asking a number of important questions:

- How and where can diversity management be helpful for your business as regards, for instance, customers and clients, suppliers or business partnerships?
- What is the composition of the workforce, the customers and the supplier companies? What diversity measures already exist without organizations being aware of them?
- How can diversity be introduced or strengthened in the organization?
- What steps lead to the goal? In what time period does one intend to implement specific measures? How are they communicated in the company?
- What effect have the measures had? How can each of them be optimized, stopped or expanded to other areas?

7

If you want to understand how diverse customer groups think and market your products and services successfully, then you need to involve people from the target group. If you don't do this, mistakes can be expensive. Dolce & Gabbana's recent advertising campaign in China, featuring ads showing a Chinese woman struggling to eat Italian food with chopsticks, is an example of how a brand can be seriously damaged overnight. No doubt more involvement of the target group in the marketing team could have saved the day.

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“Diversity is a fact; inclusion is a choice.” “Diversity is being invited to the party; inclusion is being asked to dance.” These are popular sayings that stress the need not only to focus on recognizing diversity but to look beyond that by creating an inclusive environment. As the world becomes more and more interconnected, this is increasingly needed at all levels in teams, organizations and society as a whole.

Companies launching international diversity initiatives are, of course, faced with the challenge of balancing international

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standards and respecting widely differing local attitudes to diversity. To be successful, we need to be ambitious and not just aim for everyone to be invited to the party and asked to dance but also for everyone to have the chance to choose the music.

ROBERT GIBSON has over 25 years' experience of intercultural competence development in education and business. He was responsible for intercultural training at Siemens AG from 2000 to 2018 and is currently adjunct professor of cross-cultural management at Bologna Business School.

4 Understanding the article

Answer the questions using information from the article.

1. What can companies learn about diversity from the example of farming?
2. Why is diversity not only about the number of women in management?
3. In what ways can governments encourage (or even force) companies to be more diverse?
4. Once a company has employed people from diverse backgrounds, how can they make sure they keep them?
5. What does the following saying mean in a business context?

Diversity is being invited to the party; inclusion is being asked to dance.

5 Business English phrases

a. Work with a partner. Find and underline the following phrases in the article.

1. key performance indicators
2. economies of scale
3. venture capital
4. portfolio company
5. small and medium-sized enterprises
6. public-sector bodies

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- b. Choose one of the phrases and define it for your partner, in your own words. Your partner should guess which phrase you are defining.
- c. Now write six sentences using the phrases, one sentence for each phrase.

6 Group task

- a. Use the dimensions of the diversity wheel (section 3 of the article) and evaluate one of the following options to establish how diverse it is:
 - your company or department
 - your workers' council or trade union
 - your local town council
 - your country's government
- b. Decide who you think is underrepresented in this group of people.
- c. Compare the diversity of the group to that of another department, a rival company, another country's government, etc.
- d. Using the five-step approach and the five questions (section 9 of the article), discuss how diversity could be increased.
- e. Present your comparisons and suggestions to the rest of the class.

7 Further reading and information

Find out more about the following.

- Dolce & Gabbana's disastrous advertising campaign in China and the consequences it had for the company
- Frans Johansson's theory about how diversity affects innovation
- Catalyst's infographic '39 Reasons Why Diversity Matters'