

The background of the entire page is a close-up photograph of purple and blue flowers, likely hydrangeas, with soft lighting and a slightly blurred effect. The colors range from deep purple to bright blue.

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# Measuring Impact — Has anything changed?

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## Introduction

On 26 January 2023 Ranjit Dhindsa facilitated a discussion between large international organisations regarding the topic of measuring impact and whether the initiatives those in attendance had put in place over a number of years had made any significant impact.

As one delegate stated *“We do so much. We have rapid action plans and so much going on and we publish lots of data and we are getting better at transparency. ... and on action plans we have different plans for different protected characteristics ...”*

However *“I think it’s maybe not shifting the dial in the direction it should”*.

The discussion was an honest one, held under Chatham House Rules. The purpose of this article is to summarise some of the key points that may help other organisations.

## The problem with current measurements

It was agreed that organisations had set numerous targets and gathered huge amounts of data to validate the various initiatives that had been put in place.

Attendees noted that their organisations were now used to reporting on progress against targets. However, there was scepticism about whether their businesses had actually changed in any real way, despite the various success stories.

It was agreed that there had not really been any major change in who runs the organisations, who makes the key decisions, and the fact that rainmakers and those perceived to be successful leaders and managers were “untouched” even if they created pockets of toxic culture.

One delegate commented *“Performing well and always having an inclusive engaging culture, particularly in the current climate, is not being given any priority. Serving the status quo and doing what we always have at a difficult financial time is overriding everything else”*.

It was also agreed that targets were an easy way to “validate” the progress an organisation was making. However there was no real transparency or narrative

behind the various statistics which were made public. Many agreed that once organisations had complied with their various, self-imposed, targets, nothing further was being done to make real change in the rest of the organisation.

For example, “if 40% of the board were women then there was no need to look at the position of women in the rest of the organisation”. Related comments included:

- *“We have so much data we don’t know what to do with it”;*
- *“We’ve done so much work, but where is the organisation going”;*
- *“We focus on really minute, precise figures and do not look at the bigger picture”.*

Finally, it was agreed that the focus needed to shift to looking at behaviours and culture rather than data and statistical outcomes. This was summarised as “the need to measure input and behaviours, not output”.

## Have EDI initiatives become separated from the organisation’s culture?

It was confirmed that, in the last 5-10 years, large international organisations have set up EDI (equality, diversity and inclusion) teams and put resources in to creating related initiatives. These teams sit separately to the HR, Risk, Compliance and Legal functions and any pro bono and CSR initiatives.

It was agreed that there was a danger that the EDI departments were under-resourced and not able to make any major impacts.

This led on to discussions that inclusion and diversity initiatives were at risk of being separated from the main purpose of the organisation. Financial hygiene, psychological safety, health and safety, and EDI initiatives needed to each be seen as a critical part of an organisation’s culture and not distinct from one another.

It was agreed that where CEOs outsourced EDI responsibility, there would likely be little change. However CEOs who took ownership of EDI and ensured it

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was part of the organisation's vision, values and purpose, had the potential to create the most impact.

## Should organisations focus on particular initiatives?

It was agreed that if the EDI initiatives purpose was to remove toxic culture and enable all individuals to work as productively as possible in a safe environment, then there was no need to focus on particular unrepresented groups.

On the other hand it was agreed that it can be useful to focus on particular groups.

However the issues of particular groups can be different, especially when considered in an international context. As one delegate stated *“Gender equity is massively different throughout the organisation. For example, in one country it is making sure women are not harassed when they arrive and leave work. Whereas in the UK it might be trying to get women on the board.”*

## Communication and support is key, particularly for managers

It was agreed that the board is concerned with financial performance and protecting the organisation's brand. Those that work “on the shop floor” may not have the same concerns. In between are a whole host of managers, supervisors and leaders who operate in amongst those differing perspectives.

This dilemma means that managers are often struggling to encourage and motivate those that report to them, and to meet the expectations of the board and company leaders.

It was agreed that an organisation's culture could not really change unless managers were being given the right support, and potentially the training they have been given so far had been focusing on the wrong areas. It was agreed that very few organisations were actually helping managers and employees understand practically what they could do if they witnessed inappropriate behaviour. How could they overcome any fear of making the situation worse by intervening in a sensible way? It was agreed that this was a fundamental way of practically helping an organisation improve culture.

It was also agreed that managers have to manage individuals who have very different needs. It was about supporting issues as they arose. One delegate stated *“On a basic level, helping a manager if someone is neurodiverse is the biggest job on the planet. Every manager needs support and different types of support”*. Another

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delegate stated *“Managing people differently is so important. I’ve always told managers to treat everyone the same, but that is not fair. For example, someone with a child might need to leave early. Just ask people what they want. If people need adjustments, they know what they want”*.

## Do organisations really take action to eliminate toxic culture?

There was a discussion about how many managers and leaders were disciplined or removed from their positions because of their poor behaviour. It was agreed that it was easier to focus on junior employees and treat issues as individual matters rather than an issue of the team or organisation.

It was also noted that those leaders and managers who are considered to be “financial stars” or “rainmakers”, were generally still left in post. This created a lack of trust.

One delegate stated *“We need to promote the do-ers. Move the measurement to what is being done rather than what their outcome is. Our UKGC, once a week he has an hour session where all of UK legal dial in and we talk about anything, not just legal, and it is fascinating. He sets the tone from the top. You can see he genuinely believes in it. He talks about it, not in a tick box way, but a way you then want to emulate. He doesn’t tell us what we need to do, but he operates in a way that inspires you. For example, I now talk about things in a very inclusive way”*.

## Is there a fear amongst organisations not to admit that various initiatives are not working?

It was agreed that if organisations were starting out on an EDI journey today, they would probably do things very differently.

One delegate stated that a lot of the initiatives they had put in place were uncoordinated. Another stated that leading from the top was more important than grass roots initiatives. Another commented that the environment had changed even in the last five years. Investors, shareholders, employees, regulators: all were making more demands on organisations than they have done before. This was leading to a need to re-evaluate their initiatives.

It was agreed that inappropriate behaviour and toxic culture did still exist. It was also agreed that there was not enough change in the boardroom. However it was very difficult for organisations to accept that they needed to stop doing what they have been doing and start again.

**If you would like further information about the issues discussed in this article please contact Ranjit Dhindsa.**



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