GETTING REAL ABOUT INCLUSIVE LEADERSHIP

WHY CHANGE STARTS WITH YOU

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Managers Have the Power and Responsibility to Lead With Inclusion

- You feel stuck leading your team—unsure of the best approach to help people take more ownership of their work.
- Everyone you work with is geographically dispersed, and you are getting feedback that people are not trusted to make their own decisions.
- Your team members fear making mistakes—and while you don’t want to admit it, so do you.
- Since you’re on the hook to show measurable progress for your company’s inclusion and diversity goals, you feel mounting pressure to “get it right” or to “fix it.”

As a people manager, you’ve probably faced one or more of these dilemmas. And while you may be confident in your ability to deliver on business goals, creating a cohesive team where everyone is excited to contribute and innovate can be more challenging.

Building an inclusive team culture is key. We surveyed over 2,100 employees at large corporations—most of whom worked in one of 8 countries—to look deeply at predictors of inclusion. Our findings show that a manager’s behavior has a direct link to an employee’s experience of inclusion—in fact, almost half of an employee’s experience of inclusion can be explained by managerial inclusive leadership behaviors.¹

And what are the manager behaviors that predict inclusion? We tested that, too—and we uncovered a model of inclusive leadership that balances both leading outward and leading inward. Leading outward is what you do to ensure team members are treated fairly, empowered, and able to flourish. Leading inward requires a hard look at who you are and your inner ability to act courageously, learn, and self-reflect.
We found that managers who practice both leading outward and leading inward can boost employee experiences of being valued, authentic, trusted, and psychologically safe at work—the hallmarks of an inclusive workplace. Crucially, these experiences benefit employees and companies in tangible ways—increasing team problem-solving, employee engagement, retention, and employee innovation.

So let’s get real. You as a manager have the power and responsibility to lead with inclusion and reap the benefits for both your business and your team members. Start by understanding the six core leadership behaviors and how they are connected to employee inclusion.

![Diagram showing leadership behaviors and their connection to employee inclusion.](image-url)
Key Findings

- Catalyst’s inclusive leadership model powerfully predicts inclusion among employees in a diverse cross-section of countries and populations.
  - 45% of employee experiences of inclusion are explained by their managers’ inclusive leadership behaviors.

- Our model features two complementary dimensions and six core behaviors.
  - Leading outward → accountability, ownership, allyship.
  - Leading inward → curiosity, humility, courage.

- Many respondents report “often” or “always” having a positive experience of inclusion at work, but a large percentage do not—highlighting an opportunity for managers to improve their own inclusive leadership skills.

- Positive experiences of inclusion benefit both employees and employers.
  - These experiences of inclusion explain:
    - 49% of team problem-solving.
    - 35% of work engagement.
    - 20% of intent to stay.
    - 18% of employee innovation.
ABOUT THIS STUDY

This study draws from quantitative data collected through the Catalyst Inclusion Accelerator—a diagnostic tool that evaluates and monitors how employees and teams experience inclusion. It includes survey results from 2,164 employees from 15 global companies in 23 total countries.

GENDER

- 50% Women
- 47% Men
- 3% Prefer not to say

SEXUAL ORIENTATION

- 90% Do not identify as lesbian, gay, bisexual, queer, or asexual
- 3% Identify as lesbian, gay, bisexual, queer, or asexual
- 7% Prefer not to say

ETHNICITY

- 72% identify as white
- 28% identify as a member of an underrepresented racial or ethnic group

AGE

- 18
- 43 AVG
- 73

JOB LEVEL

- 63% Non-management or individual contributor
- 22% First-level management (manager of employees)
- 11% Second-level management (manager of managers)
- 3% Executive-level management
- <1% C-level executive

COUNTRY CURRENTLY WORKING IN

- Canada 34%
- United States 34%
- United Kingdom 13%
- India 6%
- Argentina 5%
- Brazil 2%
- Ireland 2%
- Australia 1%
- Other 3%
Leading Outward, Leading Inward

“To become a truly transformational leader requires an investment in both inner and outer work. There is self—the capacities, knowledge, and insights you cultivate as a leader. And there is the other—the world around you that you affect. These two sides are inextricably linked, with each realm informed by and depending on the other.” —Gretchen Ki Steidle

Companies can’t add diversity to the mix of a team and expect that people will automatically collaborate, connect, resolve conflicts, or innovate as a cohesive unit. Aiming to improve your company’s demographic diversity (e.g., gender, ethnicity, ability) without also aiming to improve employee experiences of inclusion is not good for employers or employees. To generate exceptional outcomes, people need to work in an inclusive atmosphere where they can belong, contribute, and thrive.

As a manager, you need to develop competencies to lead your team inclusively so it can attain the extraordinary results you and your company require. Your efforts will be well worth it—45% of employee experiences of workplace inclusion can be explained by our leadership model of leading outward and leading inward.

**INCLUSIVE WORKPLACE**
An atmosphere where people can belong, contribute, and thrive.

Percentage of Experiences of an Inclusive Workplace Explained by Managerial Inclusive Leadership

45%
Six Core Behaviors

We found six core behaviors associated with leading outward and leading inward. Some of them may come naturally to you—and some may not. You may have discussed some of them with a mentor, in business school, or in a leadership-development course. Others may surprise you or make you uncomfortable. But our data show that they’re all important to generating a team that is successful because its members support, trust, and respect one another.

Leading Outward and Your Role in Creating an Empowering Work Environment

Keep in mind that part of your role as an inclusive leader is to lead outward—ensuring team members are empowered, treated fairly, and can flourish at work. However, you must take a bold step and reconsider what it means for people to be empowered.

Empowerment is something that is owned by an individual or community. Although people commonly say, “I empower my team,” “I empower you,” or “Leaders empower their people,” these statements misconstrue empowerment. In fact, a manager—or any person—can’t empower another person; a person or community must empower themselves. Saying “I empower you” implies that power can be given and taken away, which actually can be disempowering, and reinforces existing inequities typically found in company hierarchies. Instead say, “I focus on creating opportunities for the team to feel empowered.” Or “I am dedicated to making sure our team has what they need to succeed.”

Still, a manager can help create an environment in which people can feel or be empowered. Catalyst research points to three behaviors essential to leading outward to ensure your employees are empowered: accountability, ownership, and allyship.
LEADING OUTWARD, LEADING INWARD: SIX CORE BEHAVIORS (1 of 2)

Leading Outward

Your ability to bolster team members’ capacity to be empowered, treated fairly, and flourish at work.

ACCOUNTABILITY

You hold team members responsible for their behavior, development, and work processes.

- Guide team members to set their own clear and measurable goals.
- Check in regularly and reevaluate goals as situations change.
- Set expectations for ongoing constructive two-way feedback. Focus on both strengths and areas of improvement.

OWNERSHIP

You guide team members to solve their own problems and make their own decisions.

- Share the broader purpose and context of the work, creating a clear line of sight. Allow people to identify and solve their own problems.
- Encourage team members to develop “big picture” thinking.
- Have candid discussions about “non-negotiables” to help team members make decisions and do their work.
- Ensure team members have resources to perform well in their roles.

ALLYSHIP

You actively support people from underrepresented groups.

- Amplify the voices of underrepresented or marginalized groups.
- Engage in dialogue with employees about the realities of biases, discrimination, and barriers.
- Interrupt biased behaviors—and encourage others to do the same.
- Reflect on who is considered an ally or not. Then disrupt the idea that allyship is reserved for people who are white and/or male.
LEADING OUTWARD, LEADING INWARD: SIX CORE BEHAVIORS (2 of 2)

Leading Inward
Your ability to act courageously, learn, and self-reflect.

CURIOSITY
You proactively seek to understand different points of view.

- Learn from those around you, particularly those with differing views and experiences.²⁴
- When listening to a team member describe an issue or problem, don’t immediately try to fix it. Instead, ask a meaningful follow-up question.

HUMILITY
You take ownership for mistakes and learn from missteps.

- Don’t assume that others share your viewpoints or approaches. Check your assumptions.
- Seek feedback. Encourage team members to tell you the truth.
- Talk to your team members about your failures. Role model by sharing stories and learnings.

COURAGE
You act in accordance with your principles, even when it involves personal risk-taking or is uncomfortable.

- Stand up for your convictions and principles, even if it’s uncomfortable.²⁵
- Create a one-day leadership challenge for you and team members. Pinpoint one thing you each can do differently. Track and discuss missteps and progress.
Five Hallmarks of Inclusion

When you practice the six core behaviors associated with leading outward and leading inward, you can help drive experiences of inclusion. But you may wonder what exactly these experiences are. Our data identified specific experiences that people report when they are included—five aspects of the holistic experience of inclusion—that you may or may not have felt at work yourself. Understanding these five hallmarks of inclusion will help you calibrate your own behavior as you cultivate an inclusive team.

**WHEN YOU EXPERIENCE AN INCLUSIVE WORKPLACE, YOU ARE:**

<table>
<thead>
<tr>
<th>VALUED</th>
<th>TRUSTED</th>
<th>AUTHENTIC</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="diamond.png" alt="Diamond" /> You are appreciated and respected for your unique perspectives and talents.</td>
<td><img src="handshake.png" alt="Handshake" /> You make meaningful contributions and are influential in decision-making.</td>
<td><img src="checkmark.png" alt="Checkmark" /> You can bring your full self to work and express aspects of yourself that may be different from your peers.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>PSYCHOLOGICALLY SAFE: LATITUDE</th>
<th>PSYCHOLOGICALLY SAFE: RISK-TAKING</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="lightning.png" alt="Lightning bolt" /> You feel free to hold differing views and make mistakes without being penalized.</td>
<td><img src="lock.png" alt="Lock" /> You feel secure enough to address tough issues or take risks.</td>
</tr>
</tbody>
</table>
A DEEPER DIVE INTO TWO ASPECTS OF PSYCHOLOGICAL SAFETY

Workplaces that promote psychological safety are often thought of as environments where employees can make mistakes and take risks without being penalized. Our findings reveal that these two aspects of psychological safety are distinct and unique. For example, it’s possible for employees to feel as though they can express differences and make mistakes without being penalized, but that same sense of safety may not exist when it actually comes down to taking those risks and addressing tough issues. Recognizing this more nuanced view of psychological safety allows managers to understand employee experiences more fully, pinpointing actions to foster a psychologically safe workplace.

<table>
<thead>
<tr>
<th>PSYCHOLOGICAL SAFETY: LATITUDE</th>
<th>WHAT IT IS</th>
<th>WHAT MAKES IT DISTINCT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>You feel free to hold different views and make mistakes without being penalized, rejected, or viewed as a troublemaker.</td>
<td>Highlights the expectation and perception that people can step outside of the status quo in thoughts or actions, and that mistakes will not lead to undue consequences.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>PSYCHOLOGICAL SAFETY: RISK-TAKING</th>
<th>WHAT IT IS</th>
<th>WHAT MAKES IT DISTINCT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>You experience a sense of security when addressing tough issues at work, asking for help, and taking risks.</td>
<td>Emphasizes a work atmosphere where people feel secure and confident enough to engage in constructive risk-taking behaviors, rather than feeling undermined or shamed.</td>
</tr>
</tbody>
</table>
Mediocrity Doesn’t Cut It When It Comes to Employee Inclusion

Our findings showed that a large number of respondents “often” or “always” have a positive experience of inclusion at work.

At first glance, you may think these scores are relatively positive, but let’s think about it a bit differently. Take a mid-ranked score as an example: 6 of 10 people (60%) report feeling secure enough to take risks or address tough issues at work. That’s more than half—but on the flip side, it means that 4 in 10 people do not share that same experience. Perhaps those team members are limited in taking constructive risks and tackling challenging issues within the team. What are the costs to your team? To their ability to suggest new ideas and solve complex problems? To employee engagement?

To reap the benefits of inclusion, you must recognize that mediocrity is not enough to drive meaningful impact. As a leader, you must take proactive and intentional action. Remember—inclusion is a journey filled with successes and setbacks; it’s not a destination.29

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PERCENTAGE REPORTING “OFTEN” OR “ALWAYS” HAVING POSITIVE EXPERIENCES OF INCLUSION

<table>
<thead>
<tr>
<th>Psychological Safety: Latitude</th>
<th>Trustworthiness</th>
<th>Authenticity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>VALUED</strong></td>
<td><strong>TRUSTED</strong></td>
<td><strong>AUTHENTIC</strong></td>
</tr>
<tr>
<td>56%</td>
<td>68%</td>
<td>53%</td>
</tr>
<tr>
<td><strong>PSYCHOLOGICAL SAFETY:</strong></td>
<td><strong>RISK-TAKING</strong></td>
<td></td>
</tr>
<tr>
<td>45%</td>
<td>60%</td>
<td></td>
</tr>
</tbody>
</table>

TO REAP THE BENEFITS OF INCLUSION, YOU MUST RECOGNIZE THAT MEDIOCRITY IS NOT ENOUGH TO DRIVE MEANINGFUL IMPACT.
BREAKOUTS OF EMPLOYEE EXPERIENCES

Our study findings point to both unique and shared experiences of inclusion across genders. We recognize that we have smaller sample sizes among some groups, yet meaningful patterns exist. If you also have a small sample size or your findings seem ambiguous, dig a bit deeper. Employees’ work lives are often affected by their experiences as people with intersectional identities such as gender, race, ethnicity, religion, age, LGBTQ+ identity, etc. More granular views of employee experiences of inclusion are needed to truly make an impact.

- Women reported statistically significantly lower scores than men on two of the five dimensions of an inclusive workplace:
  > Trusted.30
  > Psychological safety: Risk-taking.31

- People who preferred not to indicate their gender reported feeling less included across all aspects of an inclusive workplace compared to people reporting their gender as woman or man. This pattern is striking, even as we acknowledge that there is more insight needed. More and more employees want to reflect aspects of their identity in a dynamic way, rather than only “checking a box.”32 Although this may be a challenge for understanding inclusion metrics, it is an opportunity for managers to address real issues faced by their employees.
### PERCENTAGE REPORTING “OFTEN” OR “ALWAYS” EXPERIENCING AN INCLUSIVE WORKPLACE

<table>
<thead>
<tr>
<th>GENDER¹</th>
<th>ALL WOMEN</th>
<th>ALL MEN</th>
<th>PREFER NOT TO SAY²</th>
</tr>
</thead>
<tbody>
<tr>
<td>VALUED</td>
<td>55%</td>
<td>58%</td>
<td>51%</td>
</tr>
<tr>
<td>TRUSTED</td>
<td>64%</td>
<td>73%</td>
<td>49%</td>
</tr>
<tr>
<td>AUTHENTIC</td>
<td>54%</td>
<td>54%</td>
<td>37%</td>
</tr>
<tr>
<td>PSYCHOLOGICAL SAFETY: LATITUDE</td>
<td>47%</td>
<td>45%</td>
<td>24%</td>
</tr>
<tr>
<td>PSYCHOLOGICAL SAFETY: RISK-TAKING</td>
<td>58%</td>
<td>65%</td>
<td>39%</td>
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<table>
<thead>
<tr>
<th>RACE/ETHNICITY³</th>
<th>WOMEN OF COLOR</th>
<th>MEN OF COLOR</th>
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</thead>
<tbody>
<tr>
<td>VALUED</td>
<td>53%</td>
<td>56%</td>
</tr>
<tr>
<td>TRUSTED</td>
<td>65%</td>
<td>69%</td>
</tr>
<tr>
<td>AUTHENTIC</td>
<td>51%</td>
<td>53%</td>
</tr>
<tr>
<td>PSYCHOLOGICAL SAFETY: LATITUDE</td>
<td>46%</td>
<td>41%</td>
</tr>
<tr>
<td>PSYCHOLOGICAL SAFETY: RISK-TAKING</td>
<td>55%</td>
<td>61%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IDENTIFY AS LESBIAN, GAY, BISEXUAL, QUEER, OR ASEXUAL⁴</th>
<th>YES</th>
<th>NO</th>
<th>PREFER NOT TO SAY</th>
</tr>
</thead>
<tbody>
<tr>
<td>VALUED</td>
<td>63%</td>
<td>56%</td>
<td>53%</td>
</tr>
<tr>
<td>TRUSTED</td>
<td>63%</td>
<td>69%</td>
<td>50%</td>
</tr>
<tr>
<td>AUTHENTIC</td>
<td>49%</td>
<td>55%</td>
<td>37%</td>
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<tr>
<td>PSYCHOLOGICAL SAFETY: LATITUDE</td>
<td>46%</td>
<td>46%</td>
<td>32%</td>
</tr>
<tr>
<td>PSYCHOLOGICAL SAFETY: RISK-TAKING</td>
<td>61%</td>
<td>61%</td>
<td>50%</td>
</tr>
</tbody>
</table>

1. The difference between men and women is significant, $p < .01$. Sample size was not large enough to report on experiences of individuals who identify as non-binary or prefer to self-describe.
2. The sample size of those who report preferred not to say for gender was small, so statistically significant differences could not be determined. However, the sample was sizeable enough to present patterns for exploring and further discussion.
3. Race and ethnicity data were drawn from those in Canada, the United States, the United Kingdom, Ireland, and Australia only. No significant differences were found between women and men of color.
4. Sample size restrictions prevented us from examining statistically significant differences for those who identified as LGBQA or preferred not to say. However, we present the pattern of findings for further discussion. Transgender individuals are not considered here because this question pertains only to sexual orientation, not to gender identity.
As you can see, inclusive leadership and employee experiences of inclusion are intertwined. Indeed, the more managers engage in inclusive leadership behaviors, the more employees feel valued, trusted, authentic, and psychologically safe at work. It is a profound connection: our study findings show that for every one-unit change in inclusive leadership, there was a 2/3 positive uptick, or step up, in respondents’ experience of inclusion.

As a manager, you have a responsibility to be a constant role model for inclusive behavior. Because change starts with you, lead inward—demonstrate courageous leadership, be curious, learn from others, let go of your desire to be right, and own your limitations. And lead outward by supporting your team—hold them accountable, give them the support to take ownership of their work and their specific role, and advocate on their behalf.
The Benefits of Inclusion

Employee experiences of inclusion\(^{34}\) are sparks that generate benefits for employees and employers. Previous research has found that different aspects of inclusion are connected to enhanced innovation and team citizenship\(^{35}\), ability to speak up\(^{36}\) and job performance\(^{37}\), as well as reduced job neglect\(^{38}\) and conflict among diverse groups\(^{39}\). Adding to those benefits, our study found that employees' overall experiences of inclusion also explain:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Phenomenon</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>49%</td>
<td>TEAM PROBLEM-SOLVING</td>
<td>An employee's view of how constructively their team works together to find solutions to problems and resolve conflicts.</td>
</tr>
<tr>
<td>35%</td>
<td>WORK ENGAGEMENT</td>
<td>An employee's emotional investment in their work and the company’s mission.</td>
</tr>
<tr>
<td>20%</td>
<td>EMPLOYEE INTENT TO STAY</td>
<td>An employee’s interest in remaining with the organization.</td>
</tr>
<tr>
<td>18%</td>
<td>EMPLOYEE INNOVATION</td>
<td>An employee’s ability to generate new ideas, processes, and approaches to achieving goals.</td>
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</table>

The fact that inclusion explains 18% to 49% of these phenomena is remarkable—especially given how complex each of them is and how many other factors contribute to a person’s perceptions about them. It also gives you, the manager, clear reasons for taking steps to build a more inclusive workplace.
Why Change Starts With You

You are a role model and you set the tone for your team. Your words and actions demonstrate what behavior and results you expect from them. Leading outward and leading inward with all the members of your team is a big first step to helping them feel more included.

Along the way, it will also help you make progress overcoming common challenges such as how to ensure that a globally dispersed team feels cohesive and valued. Or, how to “check your privilege”—and what that even means. Or, how to start a conversation about social issues (e.g., sexual harassment, racism) that you know are affecting team members but are so hard to talk about, especially when you’re afraid of saying the wrong thing.

With a deeper understanding of how inclusion is experienced by team members, its benefits, and the leading outward, leading inward model of leadership, you are well-equipped to ensure all employees can belong, contribute, and thrive. Start now with the following action steps.
GET UNCOMFORTABLE. PRACTICE. REPEAT.
In meeting your inclusion goals, one thing is guaranteed: you will feel uncomfortable. So, as the saying goes, “get comfortable with the uncomfortable.” But don’t let your discomfort overwhelm you. Instead, lead inward. Focus on learning, being humble enough to say, “This is more difficult than I want it to be or expected,” and courageously committing to doing things differently. Stay focused. Keep practicing building inclusive leadership skills—no matter how uncomfortable, disheartened, or overwhelmed you may feel.

LET GO OF YOUR DESIRE TO BE RIGHT.
Consider that the way others may solve a problem or take initiative could be just as, or more, effective than your way of doing things. Inclusive leaders are humble enough to admit that they don’t have all the answers. Engage in curiosity by seeking out others’ perspectives. And inspire team members to do the same by attending to different viewpoints. Focus on helping your employees take ownership of their work. Give them the tools and support to execute on goals and take great pride in their accomplishments and sense of collaboration.

SPEAK UP—SILENCE IS NOT SUPPORT.
Allyship is about intentional action to demonstrate support for individuals or groups who are marginalized or underrepresented. Lead outward as an ally by speaking up when you see biased behavior. Lead inward by researching the systemic, structural, and historic features of our workplaces and society that create different challenges and opportunities for people based on their different identities. Advocate for fair treatment of people who are overlooked, undervalued, or dismissed because of an aspect of their identity. People of all genders, ethnicities, and cultural backgrounds can be allies, but you cannot be an ally in silence.
GET PRECISE.
What do you do when your diversity numbers meet requirements, but you still hear complaints from underrepresented groups (e.g., people of color)? To address this common challenge, remember that diversity without inclusion does not work.

- Start by examining your gender metrics through an intersectional lens. Remind yourself that “Gender does not exist in a vacuum. It overlaps with other categories such as race, ethnicity, class, nationality, and religion to shape our identities.”
- Don’t dismiss data because it may be hard to interpret, complex, or never talked about, or because your sample size is not large enough. At the same time, if you have a small sample, don’t assume these specific experiences can be attributed to all.
- Hold focus groups and set up one-on-one conversations to fully understand the unique experiences faced by your employees across all intersections of identity.
- Talk to employee resource groups (ERGs) about how employees may be navigating different aspects of their identities. Ask: “What are the unspoken issues in this organization that stifle your feelings of inclusion?”
- Don’t try to fix what you hear immediately. Rather, affirm those experiences and follow up for further discussion and action.

WE THANK OUR LEAD FOR EQUITY AND INCLUSION DONORS FOR THEIR GENEROUS SUPPORT OF OUR WORK IN THIS AREA.

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McDonald’s Corporation
Nationwide

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KeyBank
UPS
Inclusive Leadership was assessed as a latent composite with three “Leading Inward” (humility, curiosity, and courage) and three “Leading Outward” (autonomy, accountability, and allyship) latent indicators, RMSEA = .05, CFI = .97, NFI = .95, SRMR = .03, indicating good fit.

Inclusion was assessed as a latent composite with five latent indicators—Authentic, Trusted, Psychological Safety: Latitude, Psychological Safety: Risk-taking, and Valued, RMSEA = .06, CFI = .95, NFI = .95, SRMR = .04, indicating good fit.

Structural equation modeling was used to assess the impact of experiences of inclusion on team problem-solving. Good model fit was found, RMSEA = .06, CFI = .95, NFI = .94, SRMR = .04. Experiences of inclusion significantly predicted work engagement, $\beta = .59$, SE = .03, p < .001, such that as experiences of inclusion increases by 1 standard deviation, work engagement increases by 59% of a standard deviation. Additionally, experiences of inclusion explains 35% of the variance in work engagement.

Structural equation modeling was used to assess the impact of experiences of inclusion on retention. Good model fit was found, RMSEA = .06, CFI = .95, NFI = .94, SRMR = .04. Experiences of inclusion significantly predicted retention, $\beta = .45$, SE = .04, p < .001, such that as experiences of inclusion increases by 1 standard deviation, retention increases by nearly one-half of a standard deviation. Experiences of inclusion explains 20% of the variance in retention.

Structural equation modeling was used to assess the impact of experiences of inclusion on employee innovation. Good model fit was found, RMSEA = .06, CFI = .95, NFI = .94, SRMR = .04. Experiences of inclusion significantly predicted employee innovation, $\beta = .42$, SE = .03, p < .001, such that as experiences of inclusion increases by 1 standard deviation, employee innovation increases by approximately two-fifths of a standard deviation. Experiences of inclusion explains 18% of the variance in employee innovation.

Jennifer Thorpe-Moscon, Inclusion Is Key to Keeping Canadian High Potentials (Catalyst, 2015); Jeanine Prime and Elizabeth R. Salib, Inclusive Leadership: The View From Six Countries (Catalyst, 2014).

Endnotes

1. We conducted a structural equation model examining the impact of inclusive leadership on inclusion. Assessment of the model indicated good fit, RMSEA = .04, CFI = .96, NFI = .95, SRMR = .04. Inclusive leadership significantly predicted inclusion, $\beta = .67$, SE = .02, p < .001, such that as inclusive leadership increases by 1 standard deviation, employees' experience of inclusion increases by two-thirds of a standard deviation. Additionally, 45% of the variance in inclusion was explained by inclusive leadership.

2. This report is theoretically grounded in a literature review that was conducted to identify key components related to inclusive leadership and inclusion in the workplace. We then developed a comprehensive questionnaire to measure constructs identified in our review. These constructs were empirically validated using confirmatory factor analysis, and the relationship between inclusive leadership and inclusion, as well as those between inclusion and the outcomes of inclusion, were confirmed using structural equation modeling.

3. Inclusive leadership was assessed as a latent composite with three “Leading Inward” (humility, curiosity, and courage) and three “Leading Outward” (autonomy, accountability, and allyship) latent indicators, RMSEA = .05, CFI = .97, NFI = .97, SRMR = .03, indicating good fit.

4. Inclusion was assessed as a latent composite with five latent indicators—Authentic, Trusted, Psychological Safety: Latitude, Psychological Safety: Risk-taking, and Valued, RMSEA = .06, CFI = .95, NFI = .95, SRMR = .04, indicating good fit.

5. Structural equation modeling was used to assess the impact of experiences of inclusion on team problem-solving. Good model fit was found, RMSEA = .06, CFI = .95, NFI = .95, SRMR = .04. The second order factor of inclusion significantly predicted team problem-solving, $\beta = .70$, SE = .03, p < .001, such that as experiences of inclusion increases by 1 standard deviation, employees' perception of team problem-solving increases by nearly three-quarters of a standard deviation. Additionally, experiences of inclusion on team problem-solving was explained by experiences of inclusion.

6. Structural equation modeling was used to assess the impact of experiences of inclusion on work engagement. Assessment of the model indicated good model fit, RMSEA = .06, CFI = .95, NFI = .94, SRMR = .04. Experiences of inclusion significantly predicted work engagement, $\beta = .59$, SE = .03, p < .001, such that as experiences of inclusion increases by 1 standard deviation, work engagement increases by 59% of a standard deviation. Additionally, experiences of inclusion explains 35% of the variance in work engagement.

7. Structural equation modeling was used to assess the impact of experiences of inclusion on retention. Good model fit was found, RMSEA = .06, CFI = .95, NFI = .94, SRMR = .04. Experiences of inclusion significantly predicted retention, $\beta = .45$, SE = .04, p < .001, such that as experiences of inclusion increases by 1 standard deviation, retention increases by nearly one-half of a standard deviation. Experiences of inclusion explains 20% of the variance in retention.

8. Structural equation modeling was used to assess the impact of experiences of inclusion on employee innovation. Good model fit was found, RMSEA = .06, CFI = .95, NFI = .94, SRMR = .04. Experiences of inclusion significantly predicted employee innovation, $\beta = .42$, SE = .03, p < .001, such that as experiences of inclusion increases by 1 standard deviation, employee innovation increases by approximately two-fifths of a standard deviation. Experiences of inclusion explains 18% of the variance in employee innovation.


10. Percentages are based on those who responded for each demographic variable and may not be representative of the overall sample. For some variables there is missing data, which limits our ability to draw conclusions based on these demographics. Some variables do not add to 100% due to rounding.

11. The number of respondents reporting their race and/or ethnicity may be different from the overall number of sample respondents. This information is not available for all countries. We acknowledge that the composition of racial and/or ethnic groups in your organization may vary across regions, countries, and/or local areas. However, due to sample size restrictions, race and/or ethnicity findings will only be presented for two groups: people who identified as a member of an underrepresented racial and/or ethnic group and people who only identified as white.


15. Catalyst, Engaging in Conversations About Gender, Race, and Ethnicity in the Workplace (2016).


26. In initial exploratory factor analysis, psychological safety loaded on two distinct factors. Upon analysis of these factors, the components of latitude and risk-taking were identified.

27. Researchers define undermining workplace behaviors as indirect or direct actions that are “intended to hinder, over time, the ability to establish and maintain positive interpersonal relationships, work-related success, and favorable reputation” (p. 332). See Michelle K. Duffy, Daniel C. Ganster, and Milan Pagon, “Social Undermining in the Workplace,” Academy of Management Journal, vol. 45, no. 2 (April 2002): p. 331-351.


29. t(2084) = 4.62, p < .001.

30. t(2084) = 3.38, p < .01.


36. Travis and Mor Barak, 2010.


