Chapter 6

Substance or Smokescreen: A Critical Evaluation of the Equality, Diversity and Inclusion Agenda in Organisations

Hilary O'Leary, PhD Candidate Organisational Psychology

Yseult Freeney, Professor of Organisational Psychology

Dublin City University Business School, Ireland

Abstract

Nurturing diverse, inclusive talent in organisations is imperative to maintaining a competitive advantage. Yet, despite burgeoning equality, diversity, and inclusion (EDI) research, we still have a poor understanding of how to implement EDI programmes effectively. In this chapter, we provide a critical analysis of EDI as a concept, initiative and as a practice. We first present the various definitions of each element and trace the origins of EDI as an ideology and movement. We analyse why EDI initiatives fail, and present three distinct but overlapping critical perspectives that challenge firms to take a more authentic approach, where programmes have real substance and a shared responsibility for EDI across all members of the organisation. Drawing on our analysis, we present three key principles for effective EDI practice, while also pointing to an ongoing need for partnership between scholarship and practice to co-create meaningfully inclusive organisations. Our chapter gives pause for thought to practitioners, who rather than diving into the latest trends, are directed on developing a value-based strategy that is more likely to meet the core aspirations of the EDI agenda.

Introduction

Nurturing diverse, inclusive talent in organisations is imperative to maintaining a competitive advantage (Collings & Mellahi, 2009; Kaliannan et al., 2023). As a result, the field of equality, diversity and inclusion (EDI) has burgeoned over the past two decades, both in academia and practice, spanning multiple disciplines (Farndale et al., 2015; Randel, 2023). Yet, despite

copious numbers of authors claiming it to be valuable to firm performance, whether through diversity of board membership or through crafting clear EDI policies (e.g. Brahma et al., 2021; Carter et al., 2003; Hossain et al., 2020), we still have a poor understanding of how to implement EDI programmes effectively, not least because EDI suffers from underdeveloped conceptualisation. What we know for certain is that EDI represents somewhat of a paradox for firms (Guillaume et al., 2017), comprising both challenges and opportunities for their workforces (Shore et al., 2018). Challenges arise where an ever-increasing expansion of social and demographic categories (e.g. gender, race, LGBTQ+, age, religion, disability, migrant populations amongst others) must all be accommodated within effective EDI policies, demanding a complex range of approaches. This expansion in remit may represent a double-edged sword, where broadening the scope of the diversity concept can be associated with a decreased representation of racial minority employees as found in US firms, for example (Akinola et al., 2024). In contrast, EDI promises great things – when organisations get it right, it supports innovation through diversity of thought (Yang and Konrad, 2011) and relational coordination, ultimately enhancing firm performance (Lee & Kim, 2020).

Despite its popularity as a concept and it being heralded as supporting firm profitability, EDI initiatives often fail (Dobbin & Kalev, 2016). A key reason for this is an overemphasis on the 'D' – diversity – and not enough on the 'I'. Thus, effective EDI programmes must broaden their perspective beyond diversity of representation to create authentically inclusive organisations (Mor Barak et al., 2016), where employees experience a sense of psychological safety and belongingness. This requires Human Resource managers to develop clear and agile employee experience strategies that are continually evolving to meet the needs of an increasingly diverse workforce (Shore et al., 2018). However, poor efficacy of such initiatives is not the

only problem associated with the EDI industry. EDI can form a focal aspect of employer branding strategies, where promotion of EDI values is used to attract talent, to the point it has become 'mainstreamed' (Jonsen et al., 2021). Scrutinising this branding further surfaces a deeper scepticism related to virtue-signalling or 'window-dressing', where inclusive practices fall far short of what many firms preach. While EDI initiatives are certainly well-intended by some employers, often one-dimensional efforts, such as focusing on unconscious bias training, are unsurprisingly ineffective (Atewologunet al., 2018). For EDI to fulfil its purpose in building meaningful inclusive cultures, it demands wider, radical, systemic change (Dobbin & Kalev, 2016).

In this chapter, we provide a critical analysis of EDI as a concept, initiative and as a practice. Our goal is to surface the complexities in EDI thinking and implementation and to caution against the assumption that doing something is better than nothing. To commence, we first present the various definitions of each element and trace the origins of EDI as an ideology and movement. We illustrate tensions inherent within EDI where the 'business case' has supplanted social justice as a motive because, while this may incentivise firms to take note, this shift may ultimately dilute EDI efforts. This brings us to our analysis of why EDI initiatives fail, and we present three distinct but overlapping critical perspectives that challenge firms to take a more authentic approach, where programmes have real substance and where responsibility for EDI is shared across all members of the organisation. Despite a prolific level of scholarship in the area of EDI, the evidence base to inform practice remains frustratingly weak, and yet, our chapter gives pause for thought to practitioners, who rather than diving into the latest trends, are directed on developing a value-based strategy that is more likely to meet the core aspirations of the EDI agenda. Drawing on our analysis, we present three key

principles for effective EDI practice, while also pointing to an ongoing need for partnership between scholarship and practice to co-create meaningfully inclusive organisations.

Background

The origins of Equality, Diversity and Inclusion can be traced to social movements including the abolitionist movement (anti-slavery, c. 19th century); the women's suffrage movement (early 20th century) and the civil rights movement in the United States (mid-20th century), which all had equal opportunities for minority groups at their core (see Hellerstedt et al., 2023). Equal employment opportunities were ultimately incorporated through Title VII of the Civil Rights Act of 1964 in the USA (Kelly & Dobbin 1998) and legislation such as Article 13 Amsterdam Treaty 1997 in Europe, aimed at preventing discrimination and supporting equality in the workplace (Armstrong et al., 2010). Increasingly affirmative actions, e.g. gender quotas to increase diverse representation in workplaces and gender representation in positions of decision-making, have been introduced in many countries (European Institute of Gender Equality, 2011). The use of quotas remains a thorny issue that is much debated but some activists make the case that coercion through quotas for recruiting minorities is fundamental to progressing representation (Köllen et al., 2018). The practices that fall within EDI management, however, have extended far beyond the use of quotas to encompass a wider array of initiatives in organizational settings.

EDI is often treated as one stream of work in organisations, however, while related, the E, D, and 'I' are distinct concepts. The E in EDI can be used to refer to either Equality or Equity, which, although representing similar concepts, are not interchangeable. Equality can be conceptualised as "sameness of treatment by asserting the fundamental equality of all

persons" and Equity as "fairness where an individual or group's circumstances are taken into consideration" (Lanfranconi Stamm & Basaran, 2023; Espinoza, 2007). Equity, as fairness or social justice, can also be defined as "the absence of systematic disparities between groups with different levels of underlying social advantage/ disadvantage … wealth, power or prestige" (Braveman & Guskin, 2003, p. 254). Equity, therefore, is at the systematic and structural level of the organisation. Diversity, which resides at the level of the individual, describes differences and dissimilarities among people (Yadav & Lenka, 2020), where employees can vary along social characteristics such as demographics (i.e. gender age ethnicity), values, beliefs, or cultural backgrounds (Weber et al., 2018). Expanding on this, Mor Barak (2014: p.136) describes diversity in the workplace "as the division of the workforce into distinction categories that a) have a perceived commonality within a given cultural or national context and b) impact potentially harmful or beneficial employment outcomes such as job opportunities, treatment in the workplace and promotion prospects - irrespective of job-related skills and qualifications".

Equality and diversity may seem similar, allowing for equal employment access and representation of differences amongst individuals, with some researchers suggesting diversity management and employment opportunities are opposite ends of the same continuum (McDougall, 1998). While diversity focuses on differences between individuals, inclusion focuses on how people work together (Jonsen et al., 2021). Inclusion can be defined as when "individuals of all backgrounds – not just members of historically powerful identity groups – are fairly treated, valued for who they are and included in core decision making" (Nishii, 2013, p. 1754). Being included in organisational processes is a central component of inclusion "to the degree to which individuals feel a part of critical organisational processes

such as access to information and resources, involvement in work groups, and ability to influence the decision process" (Mor Barak & Cherin, 1998 p.48)

Diversity management can be described as "an approach to workplace equality [that] draws its distinctiveness largely from its focus on differences rather than 'sameness'" (Gagnon & Cornelius, 2002, p. 36). However, the phrase 'diversity management' indicates managing diversity for organisational purposes in that managing diversity involves "understanding that there are differences among employees and that these differences, if properly managed, are an asset to work being done more efficiently and effectively" (Bartz et al., 1990, p. 321). While diversity management aims to recognise the value of heterogeneity in organisations with a view to improve performance, it has been argued that it has evolved to focus on performance and the business case, shedding somewhat its original moral, emotive and legal motives (Özbilgin and Tatli, 2011; Urwin et al., 2013). Yet, it seems obvious to state that, first and foremost, there is a moral case for diversity and inclusion management within organisations. Work has a central role in people's lives and individuals have the right to be treated equally, fairly and with dignity and respect in all aspects of life (Hocking, 2017).

While diversity describes differences and dissimilarities amongst people, through the lens of intersectionality, it can be argued that we are all uniquely different, in that we can hold multiple social identities concurrently e.g. a black woman who is a manager, a disabled man who is a father. Intersectionality defined "as the intertwined and multiplicative effects of multiple identity groups, considers how various combinations of individuals' social identities (e.g., gender, race/ethnicity, age) and their embedded meanings impact their lives, their employment, and the organizations where they work" (Sherry et al., 2023, p. 1). Through the lens of intersectionality, there is a compelling moral case for EDI management and practices.

Nevertheless, the financial outcomes of EDI initiatives are important in order for organisations to invest resources into EDI management (CIPD, 2018). Evidence suggests that a diverse workforce contributes to a firm's competitive advantage (Richard, 2000) and that gender-diverse executive teams have greater likelihood of financial outperformance (McKinsey, 2023). However, the claims around the value of EDI to firms warrants further scrutiny.

Reputed value of EDI to Firms and Employees

As noted above, EDI is increasingly regarded as an essential element of any organisation's strategic agenda (Theodorakopolous and Budhwar, 2015) and scholars have evidenced the value of EDI through a number of academic studies (Hunt et al., 2018). There is quite a range of evidence on the purported value of EDI. Companies that embrace EDI better cater to the needs of more diverse customers (Steinfield et al., 2019) and better compete in the global marketplace (Jayne and Dipboye, 2004). The ability to embrace different viewpoints, talents and experiences can also boost a company's collective intellectual potential, leading to better business outcomes (Halvorson and Rock, 2016). Research reveals how a diverse workforce can improve a company's capacity to foster innovation, creativity and empathy in ways that environments lacking diversity often struggle (Eswaran, 2019). EDI can also inspire new ways of thinking and different perspectives, which can encourage employees to question their assumptions and work to keep their biases in check (Halvorson and Rock, 2016). This, in turn, has been shown to improve decision making and problem solving, resulting in better team performance (Pollitt, 2005). Further, inclusive work environments can improve safety and drive employee engagement, commitment and pride, positively impacting customer satisfaction. These benefits allow companies the opportunity to realise additional strategic people capabilities that promote further financial performance (Pollitt, 2005).

Some scholars have demonstrated that organisations that adopt inclusive high performance work systems (a combination of traditional high performance work systems and diversity and equality management systems) demonstrate higher levels of labour productivity, increased workforce innovation and decreased voluntary turnover contributing to measurable monetary benefits at firm level (Armstrong et al., 2010). Thus, in some quarters at least, there is little doubt as to the potential positive impact of investing in EDI.

In contrast to these value claims, however, other scholars argue that research shows only weak evidence supporting the claim that greater diversity contributes to bottom line performance (CIPD, 2018, 2019; Urwin et al., 2013). This may be due to the challenge in linking diversity variables or indeed other variables such as employee well-being to organisational performance (CIPD, 2019). Furthermore, while research has demonstrated the many benefits of diversity and inclusive management practices to innovation and problem solving, it is clear that measuring the benefits of diversity management is highly context specific, e.g. both economically and organisationally (Urwin et al., 2013).

While there are opposing claims about the value of diversity for performance in firms (see Roberson et al., 2017), a narrow focus on the business case for EDI alone fails to address adequately deep-seated inequalities in the workplace (Tatli, 2011) and overshadows any genuine desire to see through progressive change (Tatli et al., 2015). Undoubtedly, the prominence of the business case presents somewhat of a tension for scholarship and practice. On the one side, we need to demonstrate value to firms because they often will invest energy in EDI only when they perceive it as a worthwhile endeavour, rather than merely as a means to meet legal requirements (Bhopal, 2018). In line with this, scholars may over-emphasise the need to link EDI practices explicitly to performance and profitability, which then becomes *the*

priority for research (see Farndale et al., 2015; Roberson et al., 2017). However, an unintended consequence of this focus on profit may undermine genuine attempts to achieve inclusivity in organisations, resulting in misguided efforts that ultimately result in smokescreens or window dressing, without achieving authentic and positive change for people within those organisations. It is important, therefore, to critically interrogate the EDI practices as they are typically implemented in organisations, while also evaluating the scholarly evidence base.

Critical Perspectives on EDI

In this section, we synthesize three critical perspectives on EDI. The first focuses on perception versus reality; the second on tunnel vision and lack of ambition; the third on siloisation. We consider each in turn before synthesising the joint negative impact these have on achieving genuine inclusivity and belonging for increasingly diverse workforces.

EDI: Authentic or window-dressing?

A key challenge related to EDI initiatives is their authenticity and the extent to which the values underpinning EDI strategies are enacted as much as they are espoused. In research and broader societal commentary, numerous accusations have been levelled at EDI that merit attention here. First, is the claim that EDI is window-dressing (Marques, 2010; Vassilopoulou, 2017), referring to false pretences of idealism when it comes to inclusivity. Such practices can be used to lure talent into the organisation with the promise of equal opportunities and a positive work environment. Second, EDI can represent a smokescreen (Kalev et al., 2006), which serves to obscure inequalities in the workplace and protect the organisation's reputation (Bhopal, 2023). Such approaches feign ethical principles to relevant stakeholders but the espoused values are not lived out inside the organisation. Third, is the argument that

EDI is purely 'ceremonial' in approach (Dobbin & Kalev, 2017), presenting a multi-faceted problem, where practices purportedly aimed at realising equality are frequently side-stepped to maintain the status quo.

Some critics have gone further to label EDI initiatives as institutional racism, where there is no authentic ambition to be all-inclusive but rather cynically use the terminology as legitimization for not addressing the many forms of bias in employee recruitment and promotion practices (Steinmetz, 2021). To use one illustrative example, Dobbins and Kalev (2017) point to practices where supposed meritocracy is claimed to reward performance regardless of demographic differences but, in reality, research shows that performance ratings clearly favour white men. Recently there is evidence of a decrease in funding in EDI against a backdrop of inflation and cost-cutting, with EDI often first on the chopping board (Telford, 2024; Cave, 2024). Indeed, equality, diversity and inclusion teams along with other support roles (e.g. recruitment) became casualties of the rightsizing and multiple layoffs most notable in technology firms in 2023, sending a potential message that these teams are not critical to business performance and therefore expendable.

EDI: The Implementation Gap

When embarking upon diversity and inclusion initiatives, organisations often begin with marking events e.g. Pride or International Women's Day or Eid, and with education and awareness training, for example, unconscious bias training. While well-intentioned, this overly narrow focus on calendar events and training can have unintended consequences. While events can be accompanied by much fanfare and a signal that minority groups matter, this one-dimensional approach can be seen as tokenistic, culminating in event fatigue. At

worst, such approaches run the risk of being labelled ‘woke’ and ultimately being dismissed by the majority (Waldman and Sparr, 2023), thereby severely undermining the aspired objectives of EDI.

In relation to learning and development, it is no less problematic. Research suggests that placing an emphasis on individuals becoming educated in diversity issues sends a signal that the problem lies with the individuals (Dobbin & Kalev, 2022; 2016). Implementing diversity and inclusion training without following it up by putting the necessary structures or processes in place, runs the risk of little return (Dobbin & Kalev, 2018). The supposed benefits to firms have been questioned, particularly in terms of their validity and sustained long-term effects (Devine & Ash, 2022), with some going so far as to argue they are counterproductive (Dobbin & Kalev, 2021). Indeed, unintended outcomes of diversity training have been identified. For example, individuals who have attended training can feel virtuous having done what is required of them from a diversity and inclusion responsibility perspective and make no further efforts, which is also known as ‘moral licensing’ (Dobbin & Kalev, 2018; Bohnet, 2016). Training content can be easily forgotten (Dobbin & Kalev, 2016; Bezrukova et al., 2016), particularly if the training is not part of a wider diversity management programme of change (Dobbin & Kalev, 2018).

EDI: Siloisation and Passivity

A final critical issue we consider is the siloisation of EDI within organisations, where the principal change agents for EDI are confined to people holding roles such as ‘Chief Diversity Officer’. Parallel to this is a weak evidence base supporting such EDI roles, where there is a considerable dearth of research investigating the impact of such roles in achieving EDI aspirations (Bhopal, 2023). Individuals holding these roles walk a tightrope in responding

convincingly to the business case imperative set by the C-Suite, while at the same time championing the vision of their role to tackle inequalities and a lack of inclusivity meaningfully (Kirton et al., 2007). Nevertheless, some scholars do advocate for a task force or a role with specific EDI responsibilities. While this point may seem contradictory to the previous one, scholars (e.g. Dobbin & Kalev, 2022) suggest that while EDI efforts should be embedded in the organisation's strategy, systems, processes and culture, it should not negate the need for a senior EDI role or task force which encourages social accountability. Social accountability can hold behaviours to account (Dobbin & Kalev, 2022), for instance, sense checking recent hiring and promotion decisions and patterns with managers (Dobbin & Kalev, 2021). Thus, having a diversity manager or EDI taskforce is often well suited to carry out this role of social accountability, to overcome any diffusion of responsibility amongst the wider organisational community.

Shaping the Future of EDI through HRM

The multi-disciplinary literature on EDI paints a complex picture, with many questions remaining unanswered. Devine and Ash (2022) reach a similar conclusion in their ambitious review of EDI where they argue that, given the current knowledge base in the literature, it is very challenging to derive evidence-based recommendations for diversity practice. That said, given the investment in EDI and the moral imperative behind getting it right, we summarise some key principles that should underpin EDI policy and practice in organisations. We start by positioning EDI as a major organisational change initiative with three main principles; we argue for the need to have a value-based strategy to support this change; we highlight employee agency as critical to meeting intended outcomes; and we call for better partnership

between scholars and practitioners to build a stronger evidence base. We discuss each of these principles in turn.

EDI as organisational change

What should be clear at this stage is that having EDI initiatives in place will not automatically improve a firm's business performance. Research indicates that simply complying with the law and creating a more diverse talent pool through window dressing can easily derail diversity initiatives (Pollitt, 2005). It is important that initiatives and supporting HR practices are developed and deployed in an integrated way (Waldman and Sparr, 2023) and underpinned by a clear change strategy. Often initiatives can be reactive, in response to a significant event. In the aftermath of the death of George Floyd in 2020, for example, organisations increased their diversity and inclusion efforts, keen to promote social justice and fairness in their organisations or in response to legislation in the US, notably the Supreme Court ruling against affirmative action in universities (Rios & Stein, 2023). For example, Delta Airlines took more action to advance Black talent in the organisation in 2020. In addition to joining the OneTen corporate coalition, (who aimed to collectively hire and advance 1 million Black employees without college degrees into "family-sustaining jobs" in 10 years), Delta reclassified most roles that had previously required a college degree and began hiring on skill qualifications. They also expanded new apprenticeships and professional development programmes. [For full case study details, see Lambert, 2023).

For workplace diversity to be truly embraced and to have a real positive impact on business performance takes a proactive, strategic and highly coordinated programme of activities to create a collaborative, supportive, and respectful environment that encourages the participation and contribution of all employees. Waldman and Sparr (2023) refer to this

approach as ‘integrative’. The principle behind integrative strategies first acknowledge that differences exist and, drawing on paradox theory (Smith and Lewis, 2011), they build a case for maintaining a meritocracy *while at the same time* valuing diversity. Communications must also be strategically framed, and the sensitivities surrounding EDI must be effectively and actively managed (Jayne and Dipboye, 2004). For example, research on the impact of demography on individual and group behaviour reveals that tension, competitiveness, and distrust is felt amongst team members when their cultural experiences are not recognised as a resource, negatively impacting learning and limiting members' sense of self- and group efficacy (Ely and Thomas, 2001). This points to the importance of understanding the breadth of diversity in an organisation and communicating effectively to those diverse groups to ensure they feel part of the EDI programme.

Evidence suggests it is better to create a culture of inclusion within the organisation and run training programs on inclusiveness and building inclusive systems within organisations (Dobbin and Kalev, 2022). One such system could be how one attracts, retains, and promotes employees. For example, in the UK, Zurich had an objective to do more to retain, develop and attract senior women. Engagement with staff revealed there was not enough flexible or part-time work available despite informal flexible work policies already in place. In response, in 2019, it launched the Flexwork scheme, where they decided to advertise every role, including senior roles as flexible or part-time and has since seen positive results. (For further details, see Muller-Heyndyk, 2019).

Within these inclusive systems, it is important to give managers autonomy to make their own decisions rather than following strict instructions. An inclusive culture also means managers are included in how policy is formed, as well as participating in the decision making for their

teams. An inclusive culture would mean that EDI would be ‘baked in’, built into the values of the organisation, that way it transcends all policy and decision-making processes and infuses challenge implementation effectively. In addition, having senior managers take the lead in the strategic development of EDI would shift the focus from compliance of EDI policies to value based strategies (Hellerstedt et al., 2024). A value-based strategy which includes fairness and ethics, would signal to members that they are valued and respected by the organisation. It would also encourage ethical HR practices including for example a transparent and fair recruitment and promotion process (Weaver & Treviño, 2001).

Research evidence suggests that investment in inclusion is central to the success of an EDI strategy, where it has been demonstrated that when inclusion as an outcome is emphasised, it captures both minority and majority employees' reality, benefitting everyone (Buengeler and Leroy and De Stobbeleir, 2018). Inclusion is also important in ensuring that employees feel accepted as valued members of their organisation, with the capacity to gain access to important networks and decision-making processes (Downey et al., 2014; Mor Barak, 2015). Three factors emerge as particularly significant in predicting the link between EDI and organisational performance (Sabharwal, 2014): i) Senior leadership commitment to fostering inclusion; ii) A belief that employees can influence organisational decisions; and iii) A belief that employees receive fair treatment. Achieving these outcomes requires leadership that is dedicated to creating a working culture that is characterized by a collective commitment to integrating diverse cultural identities as a source of insight and skill (Ely and Thomas, 2001; Holvino et al., 2004).

Managerial Implementation and Employee agency in EDI

At a tactical level, leaders need effective people management capabilities in implementing diversity initiatives. This cannot be achieved by training programmes alone, such as unconscious bias training. A narrow focus can result in employees losing sight of the complex and nuanced nature of diversity issues resulting in a misplaced focus on the change (Steinfield et al., 2019). Leaders also need to support resources as well as authority and encouragement from the business to empower their employees to influence work group decisions (Sabharwal, 2014). The role of the line manager is hence central. Dobbin and Kalev (2022) advocate for all managers to become 'change agents' within their organisations. It is through managers that organisational policies either live or die. Managers are those on the front line who live and breathe the policies from team personnel decision making, to treating individuals with dignity and respect. Involving managers in inclusion initiatives, by ensuring that diversity and inclusion is embedded into the organisation's strategy, goals and objectives is key. Managers are critical to inclusion, through giving employees a voice, enabling their agency in realising change. Managers can also help close the gap between espoused and enacted HR practice, by translating HR practices into specific behavioural outcome expectancies to guide employees (Nishii & Paluch, 2018). Niishi and Paluch (2018) identify four behaviours that leaders/ managers can adopt to close the implementation gap of HR practices; i) verbally articulate intended meanings and expectations; ii) role model desired behaviours; iii) reinforce preferred behaviours and; iv) assess followers' interpretations of the provided meanings so that adjustment can be made in the meaning-making process, if necessary.

While the involvement of managers in diversity and inclusion is vital, we discussed above the importance of building social accountability for diversity and inclusion into the organisation through a specific EDI manager or EDI taskforce (Dobbin & Kalev, 2022). While it is important for managers to have some autonomy, it is vital for the organisation to hold behaviours to

account e.g. in promotion or recruitment to ensure a diverse and inclusive organisation. In short, if a company wishes to alter effectively the context within which diverse individuals interact (Nishii, 2013), EDI must be viewed as a strategic company-wide ongoing investment. It also needs to be tailored to the unique needs and context of the company if it is to be successfully mobilized as a competitive tool (Jayne and Dipboye, 2004). This will ensure that areas deemed most relevant and meaningful for its employees are considered and that the company is best poised to realise tangible business results as well as benefits for employees themselves.

Evidence-Based Practice: Enabling EDI through Data Analytics

In creating an effective EDI strategy, the starting place (as with any strategy) is diagnosis, that is to understand the current situation and analysing the gap between the current situation and the goal objective. To assess a situation, evidence is required and to gauge the effectiveness of a course of action or strategy, data in all of its forms are required. Data-orientated approaches are recognised to expand opportunities to enhance knowledge and to inform HRM-driven solutions (Minbaeva, 2021). A lack of data can thwart EDI change management implementation, for example, when it comes to identifying a diverse leadership pipeline (e.g. Elliott et al., 2023). Hence, an evidence-based approach to implementing EDI policies and practices is key. Barends et al. (2014) describe evidence-based practice as about "making decisions through the conscientious, explicit and judicious use of the best available evidence from multiple sources" (p.205). The sources of evidence or information Barends et al. (2014, p. 7) suggest are: 1. Scientific evidence (research outcomes from academic journals); 2. Organisational evidence (data, facts and figures gathered from the organisation); 3. Experiential evidence (the professional experience and judgement of practitioners) and 4. Stakeholder evidence (the values and concerns of people who may be affected by the

decision). HR or people analytics that analyses people data and draws on technological tools, e.g. visual dashboards, to provide insights for HR (Fu et al., 2022) should be considered in the effective management of EDI.

There can be an assumption that people analytics relies on quantitative data alone. 'Hard' data systems of measuring and tracking diversity and equality equip organisations with important information for decision-making and, while valuable for driving EDI-related change, in isolation, such systems do little to explain experiences of inequality, exclusion or tokenism (Gagnon et al., 2022). Thus, systems for EDI that embrace data in both quantitative and qualitative forms – that are attuned to the direction of implementation and impact, and which make space for the employee voice – are essential for driving meaningful change that results in genuinely inclusive employee experiences. In short, organisations must have data to inform and evaluate their EDI initiatives, and yet deep understanding of the role of data analytics to assess the merits or unintended negative consequences of HR practices, including those aimed at strengthening EDI, remains limited (Marler & Boudreau, 2017). Few organisations exploit the power of data to inform practice (Minbaeva, 2018). This is problematic because EDI is still emerging and the impact of initiatives must be monitored. It is not enough simply to introduce initiatives – when stubborn or when moving in the wrong direction, EDI strategy must be revisited to inform sustainable, positive change.

Conclusion

In conclusion, our analysis has highlighted an EDI landscape that is intricate and dynamic. While there is some recognition of the value to firms of nurturing diverse talent, the journey towards genuine inclusivity is fraught with challenges and paradoxes. While the 'business

case' for EDI has gained traction, it risks overshadowing the fundamental principles of social justice, potentially diluting the authenticity of EDI efforts. Despite the proliferation of initiatives and burgeoning research activity in the EDI space, the gap between scholarship and practice persists. Our critical analysis underscores the imperative for organizations to move beyond tokenistic gestures and commit to systemic change. Human Resource managers can play a central role in adopting agile, value-based strategies to meet the evolving needs of diverse workforces and commit to an ongoing transparent evaluation and regulation of EDI initiatives. In moving forward, we propose three guiding principles for effective EDI practice: EDI as strategic organisational change; managerial implementation that supports employee agency; and evidence-based, data-informed practice. By adhering to these principles, organisations can navigate the complexities of EDI, fostering inclusive cultures that nurture employee wellbeing and firm innovation. It is only through collaborative efforts that the promise of EDI can be realised, leading to more equitable workplaces, where all employees can thrive.

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