

Diversity In Service Delivery

- Importance of diversity in public service delivery
- Fostering diversity in government
- Obstacles for diversity
- Achieving a successful diversity policy
- Diversity and performance



JOINT COUNCILS' EXECUTIVE MONTHLY REPORT

Developed by the Research Committee

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1. Importance of diversity in public service delivery

In the past two decades, there has been a growing awareness of the significance of incorporating cultural and ethnic diversity into the design and implementation of public service program delivery and all aspects of its processes. From this standpoint, diversity can be understood as “not only a mixture of skills, competences, perspectives, experiences, and backgrounds, but valuing and using that diversity to improve government’s efficiency and effectiveness and meet public servants’ professional expectations.”

The increasing cultural diversity of countries throughout the world, as well as the significance of culture in identity development in a global society, presents national, provincial, and municipal governments with a significant challenge in preserving social cohesion and inclusion.

Furthermore, as Western countries and Canada in particular become increasingly culturally diverse, their governments are placing a larger emphasis on cultural diversity management. Many political theorists suggest that the optimal method for fostering cultural diversity at the local level while retaining cohesion and fairness is still up for discussion.

However, there is little doubt that the majority of attempts to create and execute policies that foster cultural diversity have had favourable social consequences. However, poor implementation and design of these programmes have contributed to the exclusion of certain social groups.

Many jurisdictions, including cities and municipalities, have taken a variety of measures to make and implement policies that recognize cultural diversity that spans multiple sectors and requires multiple programmes. The program delivery design process that respects diversity involves balancing individual human rights with collective cultural rights.

It is important to understand how collective and individual aspirations interact when institutions or practices from a specific culture are integrated into service delivery; and how different systems that express a society’s cultural diversity will work together.

Why Is This Report Important?

A diversity-minded administration is more efficient, meritocratic, and conducive to achieving equity. It develops and implements policies that are more inclusive and promotes a wide range of models. Leaders with a diverse range of experiences frequently produce more creative insights, propose alternative and thorough solutions, and make better decisions for the people as a result.

Numerous studies have shown that inclusive workplaces significantly outperform well-managed, homogeneous workplaces over time. Individuals are more committed, innovative, loyal, but most importantly, are more comfortable sharing their ideas and perspectives. Diversity is a strength and when these differences are embraced, can encourage better results.

The public will support and abide by these policies when they see people like them making the decisions. They will feel represented and trust that the government is considering and implementing the necessary steps to fulfill the people’s best interest. No one knows the needs of a community better than the people in it. The inclusion of underrepresented perspectives brings emphasis on addressing issues impacting vulnerable communities which often benefits all of society, socially and economically.

What is Covered in this Executive Report?

This report includes the following:

- Importance of diversity in public service delivery
- Fostering diversity in government
- Obstacles to diversity
- Achieving a successful diversity policy
- Diversity and performance

2. Fostering diversity in government

Diversity in the public sector has become a pillar of public sector reforms, with agencies pursuing a workforce and adopting program delivery mechanisms that more accurately reflect the diversity of the populations they serve.

In 2009, when the Organization for Economic Co-operation and Development (OECD) acknowledged significance of diversity for attaining political and social government goals, the efforts to promote diversity dramatically increased across many leading economies.

Research suggests a number of reasons for countries to embrace diversity policies in the public sector, including the following major benefits:

1. Diversity may enhance core public service values.

There seems to be growing consensus among jurisdictions that pursuing diversity may enhance core public service values such as fairness, transparency, and impartiality.

For instance, policies to improve the representation of women; remove the barriers for minorities and disabled people to access public employment; and avoid discrimination due to disability, age, religious belief, sexual orientation, political views or national or ethnic origin have been implemented in a number of OECD member and non-member countries.

2. Diversity may help to improve representativeness and equal opportunities.

Guaranteeing equity in gender representation at all levels of the hierarchy and pay is still a major concern for many countries.

The representation of women differs widely across jurisdictions. For instance, the OECD 2016 survey on Strategic Human Resource Management found out that at national level of government there was a strong determination to increase the representation of women, ethnic minority representatives, and persons with disabilities, within a large number of jurisdictions.

3. Diversity may contribute to improve public service quality.

One might think that the final aim of diversity policies is to foster the representation in government of the different groups that integrate society, but they also have an economic motivation. The improvement of government services is a common objective of equality and diversity programmes in many countries.

Diversity can contribute to raising the quality of public services by improving the understanding of the needs of the community and ameliorating social dialogue and communication with the wider population.



3. Obstacles for diversity

Implementing diversity policies can face a number of challenges, many of which relate to unclear or complex regulatory frameworks, lack of sufficient financial resources, rigid human resource management frameworks, and cultural barriers. These limitations need to be addressed from a whole-of-government perspective to be overcome.

1) Different political and managerial timing.

Balancing managerial and political time is an issue for evaluators and promoters. Politicians require quick results to communicate to people and managers need longer times to achieve results. This is an issue experienced in most reform initiatives, but the case of diversity is particularly tricky as it is certainly a long-term project. Failing to provide quick positive results may jeopardise support for the policy, and trust in government may be compromised.

2) Budgetary constraints.

Many of the diversity policies and programmes have little or no reference at all to neither the financial resources needed nor the way to obtain them to meet their objectives. Diversity policies are expected to contribute to improve the public services quality but they may also incur high costs. The organisation of special recruitment processes for ethnic minorities or people with disabilities, the payments for traineeships, the improvements to the infrastructure to accommodate disabled members of staff, the training courses for members of staff, the acquisition of special software for disabled people, etc., may generate additional costs to the ministry or agency.

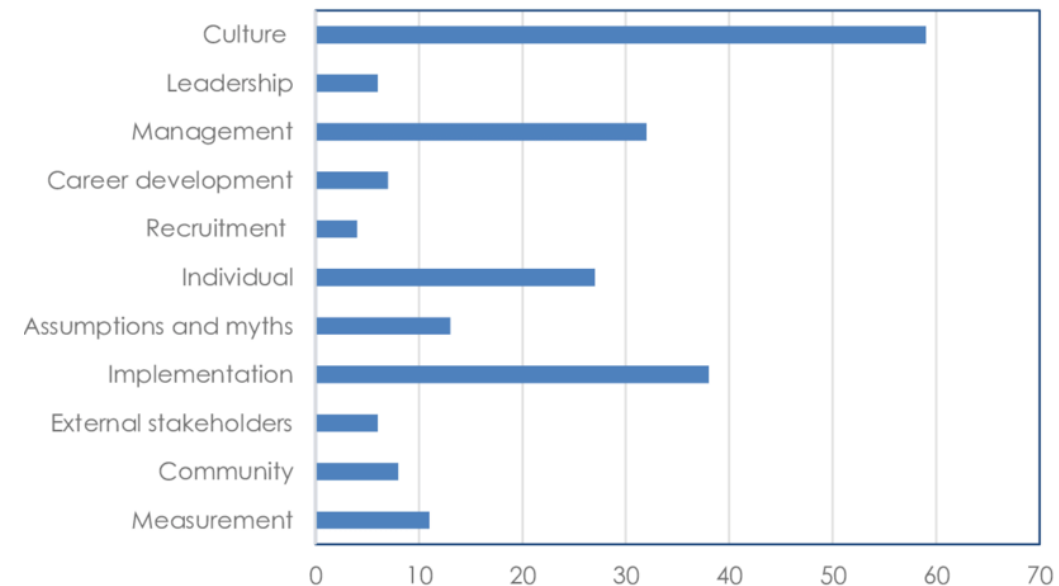
3) Rigid human resources management frameworks.

The success of diversity policies largely depends on its integration into all stages of human resource management process from recruitment and training, to career development and retention. Human resources management (HRM) practices must be able to avoid or limit discrimination against any type of people securing equal opportunities and still based recruitment and promotion on merit. Several limitations may be encountered regarding the HRM system while implementing diversity policies.

4) The lack of strategic workforce planning may prevent determining the diverse skills, competences, experiences and perspectives needed to drive broader governmental strategies. Building a representative workforce should be part of any workforce planning and management arrangement. Workforce planning can help to identify current staffing levels and competencies available and how future staffing and competencies requirements will be met.

In addition, it must clarify the contribution of diversity policies to wider aims of the government. The fact that achieving diversity in the public service is a long-term process may, in turn, put at risk its sustainability.

In addition to the four predominant factors that represent the most prominent barriers to diversity, the chart below illustrates additional cultural, organizational, and societal obstacles that also play a role in creating impediments to inclusion.



4. Achieving a successful diversity policy

Achieving diversity policy is a long-term, trust-building endeavour. However, diversity cannot be achieved without addressing discrimination and promoting equality in public employment, where merit should take precedence. From this perspective, governments are encouraged to consider several considerations when pursuing diversity policy objectives.

Diversity from a whole-of-government approach. Government improvement is a continuous process of fostering diversity. This is a long-term project that requires periodic revisions, but it also necessitates modifications to other facets of public management, such as human resources, budgeting, honesty, and transparency.

Consequently, diversity principles should be incorporated into any reform of public management, as diversity initiatives cannot succeed as standalone strategies.

The issue of sustainability. Leadership at all levels and the commitment of all stakeholders are essential for any policy success, including diversity policy. It largely depends on how well governments or organisations are at collecting and analysing data on their progress and communicating the potential or actual benefits diversity may have for government performance.

Therefore, periodic evaluations, the development of data collection and analysis methodologies, and a communication strategy can increase both employer and public confidence in diversity initiatives.

Tackling discrimination and ensuring equal opportunities. Many countries stated in their reform programmes that without addressing discrimination and intolerance, diversity will be more difficult to achieve, and that any reform in this direction will have minimal effect.

Although OECD countries have made some progress in combating discrimination and ensuring equal opportunities, there are still issues to be addressed, such as the gender pay gap and women's, people with disabilities', and minority members' access to managerial positions. A number of jurisdictions, including Canada, are still in the process of addressing discrimination based on age, gender, sexual identity, disability, ethnicity, or socioeconomic background. For this objective, cultural or attitude shifts are essential.

How to Increase Diversity in the Workplace

1. Assess your practices to see where you stand
2. Recruit for diversity with accessible job postings
3. Build a diverse interview and managerial team
4. Create an inclusive onboarding process
5. Establish workplace policies that honor diversity
6. Create an open-door policy for employees
7. Highlight your company's commitment to diversity

5. Diversity and performance

A vast body of research documents the relationship between diversity and improved financial performance. Below are some of most often-quoted examples of it:

1. Diversity offers greater profitability. McKinsey & Company’s global study of more than 1,000 companies in 15 countries found that organizations in the top quartile of gender diversity were more likely to outperform on profitability—25% more likely for gender diverse executive teams and 28% more likely for gender-diverse boards. Organizations in the top quartile for ethnic/cultural diversity among executives were 36% more likely to achieve above-average profitability. At the other end of the spectrum, companies in the bottom quartile for both gender and ethnic/cultural diversity were 27% *less* likely to experience profitability above the industry average.

2. Diverse teams achieve greater results. Researchers from the Peterson Institute for International Economics conducted a global survey of financial and governance data from 21,980 publicly traded firms across 91 countries. The study revealed a positive correlation between the presence of women in senior leadership and profitability (defined as gross margin and net margin). This correlation proved stronger for women in executive leadership positions than for women on boards.

3. Direct diversity benefits can be measured. Finding a causal relationship between diversity and financial performance is challenging, particularly for large companies with complex structures and decisions. Researchers from Harvard Business School focused on the venture capital (VC) industry, in which business decisions and results are clearer to understand. An examination of demographics and investment decisions among VC firm teams from 1990-2018 found that diversity improved profitable investments at the individual portfolio-company level and overall fund returns. Teams that shared the same ethnicity experienced a lower success rate for investments: 26.4%, compared to 32.2% for diverse teams.

Sources: [Catalyst](#), [PurdueGlobal](#), [WEF](#), [McKinsey](#)

4. Research has also found that morale, culture, and employee engagement all thrive in diverse and inclusive workplaces.

- In a [Deloitte survey](#), 83% of millennials reported higher levels of engagement when they believed their company fosters an inclusive culture.
- 70% of respondents in a [2019 Yello survey](#) said they would consider looking for a new job if their employer didn’t demonstrate a commitment to diversity.
- A 2017 report from [The Kapor Center and Harris Poll](#) found that workplace culture drives turnover, significantly affecting the retention of underrepresented groups, and costing the tech industry more than \$16 billion each year.

Impact of diversity on team performance

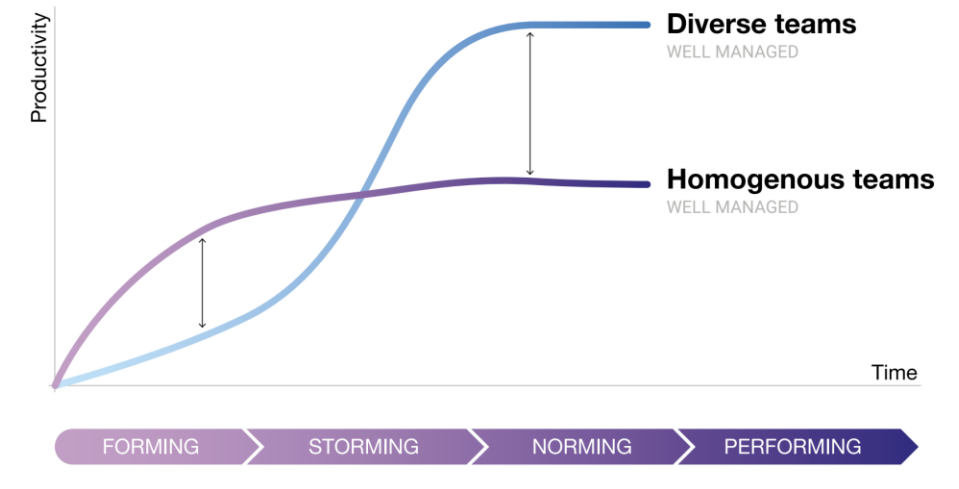


Figure 1: Impact of diversity on team performance
Source: Korn Ferry Institute, 2019



For Further Reading

- Rice, Mitchell F. "Cultural competency, public administration, and public service delivery in an era of diversity." In *Diversity and Public Administration*, pp. 197-217. Routledge, 2015.
- Ohemeng, Frank LK, and Jocelyn McGrandle. "The prospects for managing diversity in the public sector: The case of the Ontario public service." *Public Organization Review* 15, no. 4 (2015): 487-507.
- Ramoau, Ednah Dii. "Ethnic Diversity and Public Service Delivery." (2014).
- Guy, Mary E., and Kristin L. Schumacher. "A retrospective analysis of scholarship on gender and diversity in public administration." In *APSA 2009 Toronto Meeting Paper*. 2009.
- Rivera, Mario A., and James D. Ward. "Social Equity, diversity, and identity: Challenges for public affairs education and the public service." *Journal of Public Affairs Education* 14, no. 1 (2008): ii-viii.
- Rice, Mitchell F., and Laura C. Hand. "Review of Diversity and Public Administration: Theory, Issues, and Perspectives." *Journal of Public Affairs Education* 16, no. 4 (2010): 659-664.

Other noteworthy articles:

- Boston, Jonathan, and Paul Callister. "Diversity and public policy." *Policy Quarterly* 1, no. 4 (2005).
- Nolan-Flecha, Natalia. "Next generation diversity and inclusion policies in the public service: Ensuring public services reflect the societies they serve." (2019).

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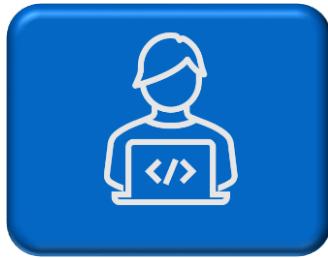
Trends in the Daily Newsletter



Canada's [severe labor shortages](#) will continue to be a problem in the long term, according to a report, citing declining labor force participation rates, an aging population and declining fertility rates.

"Despite a robust recovery from the lockdowns of the COVID-19 pandemic, Canadian economic growth will continue slowing down due to persistent inflation and an historically tight labor market," says Tu Nguyen, economist and ESG director at RSM Canada.

"But the real long-term challenge will be the labor shortage, with declining worker participation hitting the health care, hospitality and food services industries particularly hard."

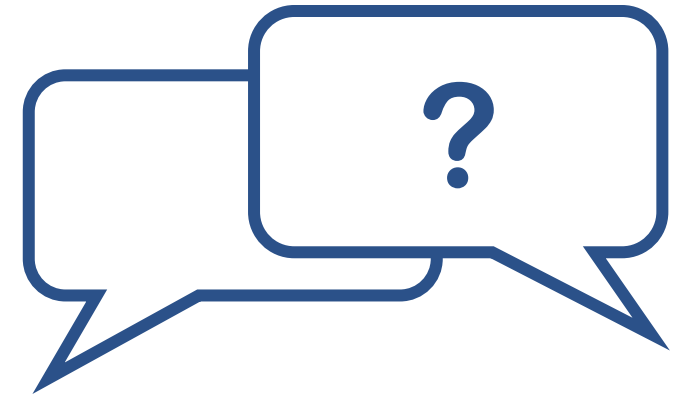


A shortage of skills and the need for new talent in emerging public sector technology means candidates have more choices than ever. And with the rise of flexible, remote roles, the leading talent can take their pick of projects in global businesses. Technology has the potential to [transform public services](#) for the better, and digital, data and technology products and services are critical for public services. Yet misconceptions about working in the public sector can make recruitment extremely tough, with organisations struggling to convince technology professionals that it's not all red tape, bureaucracy and onerous processes.



The Information and Privacy Commissioner of Ontario [has joined](#) federal, provincial, and territorial privacy commissioners' mounting call to modernize and strengthen the privacy and security of digital communications in the healthcare sector.

During their meeting last month, Privacy Commissioner of Canada Philippe Dufresne and his provincial and territorial counterparts endorsed a resolution to ensure that a secured digital health infrastructure is available to all Canadians, including those living in remote areas, among marginalized communities, and within vulnerable populations.



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