Diversity & Inclusion at Rexam

The leading global companies of the 21st century will be those that create a constant stream of innovative goods and services, earning customer loyalty through exceptional performance.

In today’s highly complex and global market place, no single person, or single group of people, has the complete range of skills or talents needed to deliver this long-term success. This is why for many of the world’s leading companies, employee diversity is rapidly becoming a key competitive driver.

Here, we interview Dirk Vermeire (pictured), VP Human Resources for Rexam’s Beverage Can Europe and Asia (BCEA) Sector about diversity and its growing importance within the Rexam Group.

Firstly Dirk, how would you describe Diversity?
Diversity is all about the ways in which we are different. It includes things we can see such as age, gender, ethnicity, physical appearance, and things that we can’t see such as thought styles, religion, nationality, and education. I like to quote P.H.Rasmussen, who I feel gives a really complete picture of what diversity is. He describes diversity as, “The mosaic of people who bring a variety of cultural, social and historical backgrounds, styles, perspectives, values and beliefs as assets to the groups and organisations with which they interact”.

Why is Diversity so important?
One of the most obvious advantages is that a company with a more diverse workforce is more likely to reflect the marketplace it supplies to. Rexam is a great example as we are operating in an increasingly diverse marketplace. Our packaging is bought by consumers from a variety of different nationalities, cultures, religions, backgrounds and lifestyles. If we are to be successful in the longer term, it is critical that we mirror this diversity internally so that we have a more in-depth understanding of the needs and tastes of these different consumer groups. This will allow us to be one step ahead when it comes to product, service and market innovation.

In my view, diversity also helps to deliver a more creative and innovative organisation. If we bring together a wide variety of people with different views, ideas and perspectives, we will have the potential to deliver far greater creativity than if we simply brought together a group of very like minded people. Indeed, I truly believe that a diverse organisation will outthink, out-innovate and out-perform a non-diverse organisation every time.

Diverse organisations also tend to attract the best people. The fact is, the average age of workers is rising. The number of women entering the workforce continues to grow. Employees are becoming more mobile with changing needs and expectations. Continued success depends on our ability to attract and fully utilise this diverse pool of talent. If we limit our recruitment to only one ‘type’ of person, we will certainly be missing out on many highly talented people who would bring fresh ideas into the business.

What do we mean by inclusion?
Inclusion means creating a workplace in which diversity is valued. It is not enough simply to recruit and employ a diverse workforce, we also need to make sure that everyone in the business feels included in the organisation, that their differences are respected and encouraged, and of course that they are treated fairly.

What can be done to support diversity and what steps has Rexam made?
Firstly, there needs to be a greater understanding of the benefits of diversity at all levels of the company. Secondly, I believe as individuals we need to be more open to working with people who are different than ourselves. And finally there need to be clear actions in place to ensure that we stick to our goal of becoming a more diverse and inclusive workplace. At Rexam, we are still at the early stages of developing these action plans. We are currently undertaking an audit to check how we are performing with regards to diversity and inclusion. From this, we will be able to more easily understand what needs to be done to improve.
There was a time when IBM focused on making everyone and everything fit in. The goal was to hire people who conformed to and reinforced its culture, people who would perpetuate that culture. It was a successful company that controlled about 80% of its market, so “more of the same” was an understandable and logical approach. They had a well-integrated organisation and a great business model. Life was good and, in the words of one senior VP, they were “playing great chess”, evoking the image of a methodical, committed and focused organisation that was in control. What’s more, IBM could train people to become better chess players.
But, almost overnight, a man named Bill Gates appeared on the scene and changed the game to poker, dealing cards faster than anyone at IBM ever believed possible.

And what did IBM do? Logically, one would have thought: “learn to play poker”. But the first thing they did was to play “better chess”, and they stuck with the game plan for quite a while. They did so because the company knew no other way. It had become increasingly better at things that people no longer really cared about. The organisation was too insular and too focused on the way that it had always done things and on business models that had always worked. Quite simply, it was not diverse enough.

This early IBM story really captures why diversity matters, and IBM is now very dedicated to increasing diversity and inclusion. If you do not have enough diversity within, you run the risk of someone from the outside unseating you in some way. Without that diversity, you do not have the flexibility to shift, innovate or adapt either when you want to or need to.

**What diversity is**
What do we really mean by diversity in terms of the broader diversity and inclusion umbrella? The two most obvious associations are cultural diversity and demographic diversity. These are critical aspects of diversity. But diversity goes beyond the concept of people who look different to us; it is equally important to think about it in terms of experience bases and backgrounds, and diversity of thought – the idea of bringing people into your business who will question and challenge what you are doing.

The first two are a test in themselves but they are not enough. Diversity has to be a deeply felt understanding about the need to broaden the base in terms of experience as well as thought.

**How you include**
Inclusion is wanting to include people who are in some way different. But how do you include? One obvious way is through selection – taking on people who are different. Cisco Systems says that it likes to hire ‘wild ducks’, a process which they build into their selection process, so that they hire people who challenge the way that they think. It has been critical to its success.

Reward, recognition and promotion are equally critical. Once you bring people in, you have to give them the opportunities to succeed and to be recognised for the success that they have been able to display.

Then there’s the positive effect of a diverse internal and external network. It’s part of human nature to spend a lot of time with people who are “just like us”. Part of what diversity leads you to, if you are really including people, is to broaden your internal and external network and to build and support the context for inclusion, which is where culture comes into play.

**What are the business advantages?**
First and foremost, competitive advantage. Diversity and inclusion have the potential to create new opportunities and are critical in the context of global operations. The more a company extends across the globe, the more this issue becomes salient and important. From a competitive viewpoint, you can maybe get away with a lack of diversity and inclusion, as long as you are playing in domestic markets, with domestic customers, where you can corral everything nicely. But if you are to drive competitive advantage globally and towards growth, diversity and inclusion logically fall into line.

**Asking better questions**
If a company really wants to foster creativity and innovation, and to avoid the feeling of ‘group think’, they need people to ask better questions. If everyone has the same mindset, you will get the same questions and answers, which is not conducive to innovation.

GE is a good example of a company that is leveraging this concept. GE is highly focused on innovation and has built diversity...
in terms of the hiring and promoting of diverse individuals. It still has a lot of hard-core, manufacturing businesses, yet it has stated publicly, and reinforced this with measures and rewards, that unless the company has a more diverse set of thinkers and experiences, it will be unable to drive the level of innovation that is fundamental to its future success.

**What’s stopping everyone embracing it?**

Usually, superiority, arrogance and intolerance, the feeling of my world is best – it’s the way to do it. Lack of diversity and inclusion promotes a feeling of superiority, which leads to a level of arrogance and a lack of tolerance. Similarly, there’s the hurdle of past success reinforcing current assumptions. Success is good news, but when it comes to diversity and inclusion, it can be less good, since the more successful you are, the more you tend to support the way that you have always done things – exactly the trap that IBM and others fell into. Neither of the above provides the best business environment in terms of new idea generation, seeing advantages in new markets, etc. It is a challenge that you have to address if a company wants to truly embrace diversity and inclusion.

**What are leaders’ responsibilities and actions?**

Everyone needs to push hard at testing assumptions. It requires time, effort and patience, and may require a shift in leadership style. For example, more of listening and less of talking.

To embrace diversity and inclusion, leaders need to be committed cognitively and emotionally, in the sense that they really believe that it matters at a very deep level. There is a need for consistency around what they say and do and the matter of personal connection; people who ‘get’ diversity and inclusion are passionate about it. They are willing to act as a role model for it.

There is also the issue of personal integrity that really forces one to examine one’s own values at a personal level, in terms of what really matters, what organisation you are trying to build, and what legacy you want to leave. When you move on to your next job, what is the story that you want people to tell? You need to think about what you are saying in terms of communication. You need dedicated resources and tools for measuring and rewarding and you need to celebrate small wins, since this does not happen overnight. If you are going to be known as a company that ‘gets’ diversity and inclusion, the process takes time, and you will have setbacks and wins. Therefore, you need to celebrate some of the good things that happen and use them as building blocks to move forward.

You need to learn from experience. People will make mistakes, so one of the real challenges is to not allow the mistakes to overwhelm the effort. If you allow the errors to tell you ‘I told you so’, you will never get anywhere; you need to approach this as an experience, with an intent to move three steps forward and two steps backward.

In conclusion, like any other major undertaking, the starting point is belief – believing that diversity and inclusion can help drive competitive advantage. There needs to be an appropriate balance between flexibility and consistency. You need consistency to pool the common objectives and the sense of ‘we’re all in this together’. However, for your business, you will have to decide where diversity will have the most impact and truly help to drive competitive advantage.

Today it is not enough to simply play better chess.

Peter Moxom, Group Director Human Resources: “To help raise focus and develop a viable diversity and inclusion (D&I) programme, we have created a special task force which includes representatives from each of our business sectors, as well as an external specialist, to create a business strategy for the Group.

To launch the programme we held a number of workshops with our senior management to highlight the business case for D&I and to kick off activity in our sectors. Each of our business sectors are now holding their own workshops and developing appropriate plans down to a country level where needed.

We have also launched an e-survey of all our managers (1,500-2,000 people) to highlight any weaknesses and identify any target areas where we need to focus our attentions. Championed by our Chief Executive, its aim is to effectively ‘draw a line in the sand’ by understanding the opinions of our people, determining where we are today and assessing what we can do in the future.

D&I is not something that can be managed by simply mandating a process; it is about looking at every level of our organisation across all our businesses around the world and setting a common goal of behaviour to encourage our employees to act ethically, fairly and with an open mind to all those they come into contact with. We recognise the need to raise the focus within our Group and motivate our managers to act positively to ensure that our aims are achieved… but they will not be achieved overnight.”