



## Expert Comment

Ruins of the ancient cultural melting pot of Ephesus in modern-day Turkey. (Credit: Kisa\_Markiza/Bigstockphoto.com)

# Making cultural diversity work

Peter Mousaferiadis (2019)

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## **The power of culture**

By way of introduction before we explore the Diversity Atlas, I'll share some background on myself and on Cultural Infusion. I'll move on then to talk about the business case for diversity and explain more about Diversity Atlas.

I'm going to begin with the story with my grandparents, who were exiled from the Ottoman Empire in 1923. The Ottoman Empire had gone through a phase of nationalisation and there was the Asia Minor Catastrophe, during which the city of Smyrna, which had previously been home to more Greeks than Athens, was almost wiped from the face of the earth. My grandparents never spoke a word of Greek; even when I met them in the 1970s, they didn't speak Greek. They were considered Greek because of their customs, their worldview, and their adopted religion.

The root of my grandfather's name is a Hebrew word meaning boxwood, 'Moussa', after Moses, who was found in a wooden box in the Nile river. That wasn't my grandfather's real name – in 1905 when he was just a small child, my grandfather was required to change his name to avoid persecution. Aaron Artin became Anastasios Anastasio, a direct translation from his Armenian name into Greek. And then, in 1923, after the exchange of populations he was given the name Anastasios Mousaferiadis; he used to love visiting and travelling so people would refer to him and say "here he comes, the Mousafer". What's interesting is that in Urdu, Tajik, Hindi, and over 400 other languages everyone knows what Mousafer means: the traveller, the visitor.

My grandparents stayed in Greece for the rest of their lives but my parents migrated to Australia in 1954 and 1956, and then I came about in 1968. I pursued a career as a

conductor and I actually studied in Czechoslovakia for eight months in 1990 and visited Berlin at the beginning that year, just after the wall had fallen. I spent another eight months in Italy and also spent time in the US before returning to Australia and as I worked as a conductor, I gradually moved into the area of producing huge intercultural events with casts of up to 1,000-1,200 people.

People would call upon me because I knew a little bit about so many different cultures. At the age of eleven, I had been a geography champion in my home state of Victoria. I had always had a fascination with cultures and this resulted in me bringing culture to the public in a big way. I had a contract to produce major events for nine years and the events always told stories of what we have in common. They showed that we have more in common than we have to divide us.

Whether it was the story of Pangaea, of when all the continents were joined together as a supercontinent, or whether there were bagpipes or we told stories about bovine creatures – for example, we told stories of how cows and bulls are considered sacred animals in South Asia, whereas in other parts of the world they're considered mere walking hamburgers – there was always a strong theme of storytelling in our events, reminding us that we're all connected.

### **What is culture and why does cultural diversity matter?**

I worked with so many different groups at this time and I began to realise the power of culture. I saw that culture was a great enabler and driver of sustainable development, an eradicator of poverty, a key to quality education, a key to social cohesion and inclusion, and last but not least, a driver of innovation. Now I'm not the first saying this: UNESCO has adopted each of those first four principles when it describes culture.

Culture is what defines us. In 2002, I decided to establish the organisation Cultural Infusion and initially, the idea was based around how a formal organisation could respond

to the impact that globalisation was having on intangible culture. I wanted to form an organisation that would place culture at the centre of everything we do and help us recognise that a lot of the challenges we face around the world are not so much social, but cultural.

According to UNESCO, 75% percent of all the conflict in the world have a cultural dimension. According to the Global Peace Index, the cost of conflict equates to around 14% of global GDP. That is almost \$14 trillion and more than \$10 trillion of that has a cultural dimension. These are huge numbers. So my aim was that we would build intercultural understanding, not only as a core value but as a key competency of global citizenship.

When I'm asked to define culture, I always say 'what isn't culture?' Culture is overarching, its underpinning, it's ubiquitous. Culture is everywhere. Culture is who we are and it is what shapes our identity. It is everything that makes up the worldview of a group of people; behaviours, beliefs, and values.

And why does cultural diversity matter? There are around 7,000 languages in the world that are quickly disappearing. How would you feel if you were one of the last speakers of a language? How would you feel if you were one of the last 50 speakers of a language? It was things like this that really spurred me to create Cultural Infusion. My parents came to Australia with traditions that took thousands of years to evolve. Those traditions became containers of values and knowledge, passed down from one generation to the next, and there is a risk of all that disappearing at a cataclysmic rate.

Cultural diversity is humanity's greatest brand and we don't do enough to promote it. But cultural diversity is potentially disruptive as well; it can lead to exclusion, people being overlooked, and communication breakdowns. People think diversity is a fantastic thing, and yes it is – if you know how to manage it. If you don't, it can turn against you; I know that from my own organisation.

**Cultural Infusion: United we stand, divided we fall, and diversified, we grow**

Cultural Infusion runs an education programme that we deliver to more than 300,000 students every year. We have an events arm and a consultancy arm; we produce major events; and we deliver a lot of consultancy based around unconscious bias training. Over the last few years, we've been moving towards a more knowledge-based area.

I noticed that my children always had their heads buried in their devices and I thought that with globalisation, we have things like exclusion and racism and disharmony, but we also have things like iPad addiction. We can deal with the first few of those issues through education but I thought 'wow, if my kids going to be addicted to these devices, how can I use them to open their minds?'. So we embarked upon the arduous task of creating a whole series of apps, including Diversity Atlas, which we've been working on for the last three years.

At the World Forum on Intercultural Dialogue in 2013, I presented the slogan, 'United we stand, divided we fall, diversified we grow', and the thinking behind that statement provides a foundation for Cultural Infusion. We say that every person, and indeed every culture, is a sum of human experience and we believe history has shown that progress is possible through interaction and cooperation. We must acknowledge the value of each culture by engaging, exciting, and enticing the next generation.

When I developed that slogan, I wasn't so much thinking about the creation of peaceful communities. I was thinking of what happens when we bring diverse ideas and diverse perspectives together, about how we create knowledge, because knowledge is based on the diversification of ideas. The Hindu-Arabic numeral system, for example, came about as a result of the convergence of Arabic, Hellenic, and Hindu thought. We can also think of the bionic eye: so many different disciplines from all over the world have converged to give something to humanity that would have seemed impossible 30 years ago. You can now have an eye that sees things in black and white, I'm told; it's a little fuzzy but in the next

15 years there will be an eye that sees with full colour – I might be able to throw my glasses away forever!

One of the choirs I used to conduct used to have the song in which the chorus went something like this: '*el pueblo, unido, jamás será vencido*' – 'the people, united, shall never be defeated!' Now, everyone in that choir was really left-leaning and I thought, 'it's not enough to be left leaning'. What we need to do is come together regardless of our political convictions and work towards the challenges that face us.

### **Culture and business**

There are actually hundreds of studies on the business case for diversity. These include findings from PwC, McKinsey, and Gallup which show that companies with the most diverse management perform at least 12.6% better than those with the least diversity in their management teams. A Gallup study from 2014, surveying over 800 business units within two large service enterprises, revealed that diverse units earned 19% more than non-diverse units. These are very conservative numbers. But I want to call your attention to the fact that none of these benefits are automatic; diversity has to be managed.

One of the great theorists of cultural organisation, Fons Trompenaars – up there alongside Geert Hofstede – says there is a law in thermodynamics called 'the law of requisite variety'. The law says that any system will die when its internal variety is not at least as varied as its environment. Simply put in organisational terms, you need diversity to survive when your environment is diverse and our environment's diversity has increased dramatically.

What we're seeing is a lot of organisations disappearing but some organisations are thriving. The BMW Group, which has been supporting a lot of our work, is a classic example of a company that has embraced diversity and been able to lead the pack in the automobile

industry. Other organisations out there which haven't valued diversity have almost disappeared.

### **Diversity data**

We believe Diversity Atlas provides organisations with the most comprehensive overview of the extent and type of not only cultural but demographic diversity. It generates insights into the nuances of an organisation and provides instant analytics. So what data do we capture? We take three initial measures as a proxy for cultural diversity: country of birth; worldview; and language.

In capturing country of birth, we go back three generations by recording parents' and grandparents' country of birth as well. We use the United Nations database as this is a very sensitive area for us because some people have come to us and said 'well, my country is not there', so we use the UN database as our standard and if we can't capture countries people identify with through that, we hope to pick them up through language or one of the self-identification categories.

When we speak of 'worldview', we prefer to use inclusive rather than divisive language. What we mean is how people make sense of all the living things around them. So whether you are an atheist or a humanist, or even if you describe yourself as a Wiccan, or if you adhere to one of the major spiritual traditions like Christianity or Islam, you'll be included and recognised by the database. We then look at the branches of each of those worldviews and record additional levels of detail. We're still building the worldview database and have 650 currently listed, which is quite extensive. We can't have every single Christian denomination in the database; there are something like 55,000 in total and every week there are three or four new churches in America.

We allow for three worldviews and you'd be right to ask why. In Australia, I know of a lot of people who define themselves as atheist Jews or atheist Muslims. There are children

born to parents of interfaith marriages and they don't subscribe philosophically to the religions but we know that those religions still dictate how people express themselves. I define myself, for example, as a Greek Orthodox Christian as I was born into that faith; I subscribe to a lot of Buddhist philosophy; and I also subscribe to pluralism.

For languages, we have a database of between 7,000-8,000 languages in the backend of the database. Under the language category, you can add up to 12 languages, although some people do speak even more than 12 languages.

Another proxy for cultural diversity is self-identification, so if you define yourself as being 'indigenous', that wouldn't be picked up by the first three measures, and then we record other demographic variables as well: gender, age, disability, education. We can also anonymise all the data.

### **The formula**

The Diversity Atlas formula was developed by Rezza Moeni. He's the mathematician and he's actually the one who came up with the idea for Diversity Atlas. He said "Peter, you're always going on about diversity but look, I have a mathematics and engineering background and I can help us put some metrics to it".

The metrics of diversity are variety, balance, and disparity. What do we mean by variety? We could, for example, with Spanish and Italian, have some variety but if we also have Japanese and Arabic, then we would have greater variety.

The 'balance' metric describes the distribution of units throughout an organisation. So for example, how often do you see organisations that appear to be diverse but actually have their variety concentrated in particular subdivisions – perhaps in an area like finance, in Australia for example, the staff are all from South Asia, but then the further north you, go the more mono-cultural the organisation becomes. Are they truly diverse, those organisations?



Then we look at disparity by which we mean the dissimilarity of the units we're measuring. So for example, if we had Spanish, Italian, and French represented in one organisation, but had Spanish, Japanese, and Swahili represented in another, because the distance between those languages is much greater, the distance between people's values would be greater too. There is a fabulous book that explains how cognitive processes are heavily influenced by culture called *The Geography of Thought* by a social psychologist called Richard Nisbett.

The formula uses expertise from different scientific disciplines, so it's a mixture of mathematics, electrical engineering, and mechanical engineering. We use the terminology of 'entropy', which concerns the measurement of disorder and the distribution of data; and we use all other mathematical terms to come up with a normalised formula for measuring diversity. It works in the following way: if we have fifty people in one room, and all of them are Australian, all of them are Catholic, and all of the them are primarily English-speaking, then the diversity level is zero; but if we the fifty people come from 50 different backgrounds, speak 50 different languages, and identify with 50 different belief systems, our diversity level is 100. Whatever it is, it will be measured between 0 and 100.

The diversity index rating is not trying to make a value judgment or statement. We know we need to do a lot more work on the index and our aim is that within three-to-five years we'll be able to give organisations some kind of 'star' rating, but we recognise that we're all different.

Although we've spent a lot of time working on these categories, we're not sure we've got them 100% right and we're working closely with the Australian National University, our official research project partner, and it could be that the categories will change.

## Measurement and analysis

Now we might ask the question, 'why do we need to measure diversity?' Everyone talks about diversity, but what does it look like? Diversity has been poorly defined, it's been analytically neglected, and it's in need of robust understanding. Our organisation undertook the task of trying to measure diversity and we're constantly thinking about the metrics.

But why is measurement important? Equipped with detailed knowledge about the type and extent of your workforce diversity, you can develop effective inclusion strategies based on your specific diversity makeup. You can track changes in diversity levels across a period of time and you can evaluate the impact of your diversity and inclusion strategies, meet compliance obligations, and demonstrate social responsibility.

Once all the data has been inserted, Diversity Atlas produces a number of key facts and we're increasingly developing more. I think we have about 100 different metrics so far. When you analyse your organisation's data within the Diversity Atlas system, you can filter the various metrics according to different categories like gender or country of birth.

For example, 33% of one group could have parents that were both born in the same country; but then only 10% of the group have parents and grandparents who were all born in that same country. We have found with the language that women tend to speak more languages than men, which I find very interesting.

Another aspect of the tool is the ability to compare one department to another. We can see how reflective one department is of another or we could look at the organisation as a whole and compare the overall staff profile with the management profile, which can be extremely useful.

For those looking to make a commitment to diversity, there is a timeline tool that can be way of studying your organisation over a period of time and being able to measure whether your commitment is working. For example, Cultural Infusion is currently working with the Australian government's Department of Human Services, which funds 150 agencies

and in doing so ensures that those funded agencies make an ongoing commitment to cultural diversity. At the moment, it is more of a tick-box approach that is entirely quantitative, but Diversity Atlas will be able to provide qualitative data.

### **Discovering what you never knew you had**

How can the Diversity Atlas add value? You're going to discover what you never knew you had. When we did this with our organisation, we discovered people who spoke languages we'd never heard of! What we've started to do is to use some of the people who speak these languages to add value to some of the services we deliver or to link back to their homelands and get work done for us.

Diversity Atlas can demonstrate leadership, social responsibility, inclusiveness, and workforce mutuality. 'Workforce mutuality' is a term developed by Dr Martin Plowman, who works for Cultural Infusion, and he developed workforce mutuality standards for the hospital sector in Melbourne, Australia. What this tells you is how well your workforce reflects the demographics of the area you deliver services to. This is extremely important and it comes back to what Fons Trompenaars says about an internal reflection of external diversity being an organisational strength.

This tool can meet regulatory compliance requirements, strengthen social and economic outcomes through procurement by purchasing services from organisations that demonstrate diversity, and consider and act on affirmative recruitment drives.

If we focus on the area of recruitment for a bit, there was a survey done by the Australian National University that discovered that if you had an indigenous background, you had to make 35% more applications to get the same number of call-backs as applicants of Anglo heritage. It was 68% if you were Chinese, 12% more if you were Italian, and 64% more if you had a Middle Eastern background.

Unconscious bias, racism, call it whatever you want to call it. The Australian Human Rights Commission released a report in April 2018 called *Leading for Change: A Blueprint for Cultural Diversity and Inclusive Leadership Revisited*, which found that 97% of top executives and 95% of other senior management were of European background only. Only eleven of the 372 executives surveyed in the report were of non-European background, and this is Australia!

### **Unleashing corporate potential**

Diversity Atlas can optimise performance by helping shape diversity and inclusion strategies, policies, and recruitment initiatives. Once you have the data, you can do anything you want with it: identify underutilised employee capabilities; skills relating to culture; assets such as language, networks, and understandings of commercial and cultural environments.

You can also encourage the celebration of cultural diversity throughout your organisation in a way that improves team dynamics and ensures optimal matches between team membership and management. Imagine you've got a large workforce of up to 50,000 people, wouldn't you want to know the affinity your people had with different cultures or if they had special religious days approaching? In Greek culture, for example, we don't celebrate birthdays – that's a recent phenomenon. We celebrate name days. Name days are more important and I know that even in my organisation, my Greek employees either don't come to work on those days or they work at half pace. What we can do is develop programmes that make people feel a sense of belonging, make them feel included, so at Cultural Infusion we say, 'you know what, we know you've got all these important days coming up; you could have them off as floating days'.

Data can help organisations unleash their diversity and inclusion potential with greater precision and confidence. It can also help you manage organisational risk by developing intervention strategies. You can have a diverse workforce but if you don't know

how to manage it, it could turn against you. I'll give you an example. During the Iraq war, the Australian government recruited a whole lot of soldiers from the Australian public who were of Muslim background. There was some sensible thinking behind the idea that these particular soldiers would be useful as part of a peacekeeping mission. But then they sent Sunni soldiers into a Shia area and it caused a huge diplomatic incident and was quite costly. A tool like Diversity Atlas is really able to hone in on that kind of detail.

Other organisational risks Diversity Atlas could help with are identifying potential sources of dissatisfaction and staff attrition and drawing attention to poor communication and social exclusion within teams. A lot of people in organisations don't feel valued; they leave thinking, 'this firm isn't connecting with who I am'. We need to remember that 'who I am' is really defined by culture in a huge way. At Cultural Infusion, I've noticed some people from South Asia in particular are also less vocal than other employees. They sit and listen and when it comes to making decisions, they do want to make decisions with everyone else, but it's not about 'me, me, me', so I want to find ways to draw the best out of those individuals by making them feel valued and creating space for them to contribute in a meaningful way.

### **Research questions**

PricewaterhouseCoopers met with us recently and they're planning to work with us because there is all this data and they want to know whether there is a correlation between diversity and performance. There are several possible research questions to explore here: What are the relationships between various types of diversity and an organisation's bottom line? What kinds of diversity are we most interested in? Is there such a thing as a relationship between diversity and innovation?

Numerous studies conclude that if you want to innovate, you need to put a diverse team together. On the other hand, other studies say that if you don't want to spend time managing diversity, and you're on a management team, make it mono-cultural.

Given that diversity is known to be inherently unstable and potentially harmful to social processes and communication within an organisation, can the costs associated with inaction on the effects of cultural diversity be measured? If you realise your team is really diverse, do you want to risk not doing anything to manage that diversity? The cost could be far greater than you imagine. One key research question is whether it can be shown that there are positive outcomes from matching the cultural composition of an organisation to the cultural composition of the society it works with.

Another important hypothesis at the moment is whether there is a meaningful correlation between cultural diversity and gender balance. Although it's still early to pronounce a sure conclusion, it does seem that if you want to aim for gender diversity, you should also aim for a more culturally diverse team. In Australia at the moment, the debate has been all about gender diversity. I sit on committees that have three men, 15 women, and all the women represent one culture, and I sometimes feel the gender diversity debate has somewhat put cultural diversity on the back foot, so concluding these kinds of research questions could have numerous benefits.

Diversity Atlas has come about as a combination of 31 years of work that I've been doing in this space. We have a team of subject-matter experts and mathematicians and a huge team of coders, so we are now at a point where we have this minimum viable product and we are really looking forward to seeing how far it will go.

**Peter Mousaferiadis**

*Founder and CEO, Cultural Infusion*