Individually talented, collectively powerful

EMEIA Diversity & Inclusiveness review 2010
Individually talented, collectively powerful

I am delighted to welcome you to our second annual EMEIA D&I review. Thanks to the efforts of our Sub-Areas (SAs), we have seen an increase in both awareness and activity across the Area, and have enjoyed the impact of success both internally with our people and externally in the market.

If we are to successfully meet the many challenges of our global economy, we need to continue to improve the way we interact with our people, our clients and our communities. This is particularly important for EMEIA, with its diverse collection of cultures, history and business challenges.

This review aims to document and celebrate some of our progress in this direction, to share best practices across our Area and to recognize the invaluable contribution that so many of our people have made to this agenda. Most importantly, it is to thank you all – you have a lot to be proud of.

Please do feel free to distribute this review to your colleagues across Ernst & Young.

Valerio Morganti
EMEIA D&I partner sponsor

What is Diversity and Inclusiveness?

**Diversity** is the demographic mix in a given environment which includes both seen and unseen differences. The mix varies across our Area and within SAs.

**Inclusiveness** is how we make the mix work by creating an environment where all people feel valued and are able to achieve their potential.
Contents

Diversity & Inclusiveness – an opportunity
    Our business case 4
    Why D&I is important across our Area 5

Celebrating success
    Examples of activity from across our Area 6

Diversity & Inclusiveness in action
    Leveraging D&I in the market 10
    Unconscious bias 14
    Retaining and developing women 16
    Cross-cultural working 20

Key attributes of an inclusive leader 22

Summary 23
Diversity & Inclusiveness

“To thrive and innovate in the global economy, we require flexibility, creativity and imagination – qualities that can be nurtured only by a diversity of viewpoints”

The new global mindset – Driving innovation through diverse perspectives, Ernst & Young, January 2010

Our goal is to become a leading organization in the way that we think and act about diversity and inclusiveness. This is one of our global priorities and we aim to achieve it by shaping a distinctive, sustainable, inclusive culture at EY. This culture will better enable us to deliver high quality service to our clients and help us to create competitive advantage.

Our business case

If we are successful in D&I, it will:

- **Drive revenue**
  - By helping us connect with new clients and deepen our existing client relationships

- **Increase profitability**
  - By helping us retain and engage the right talent and increase client satisfaction

- **Reduce cost**
  - By building high performance and effective global teams which will help us increase efficiency
Six key reasons why D&I is important across our Area

1. **External pressure and/or expectations** — for example from clients, government and the media. Both during a pursuit and an engagement our clients expect us to understand their needs and styles. Clients like Novartis, Tata and Vodafone tell us that they expect us to reflect their organizational mix. Women dominate middle management in many major consumer companies – they could run the corporations of tomorrow. In more and more countries there are regulatory requirements to prove equality standards and demonstrate our commitment to achieving an inclusive environment.

2. **Cost of turnover** — it is difficult to put a figure on the loss of a valued employee, but every time they leave, we are losing our investment in their development and their intellectual capital. We know that clients value continuity — the cost of rebuilding a client relationship could be high. The individual also needs to be replaced and research shows that in companies where their employer brand is stronger, they don’t need to pay as much of a premium to entice people to join. Our 2009 people survey told us that an inclusive working environment, which values diversity, is important to their choice of a place to work.

3. **Lack of diversity in leadership** — “group think” doesn’t always lend itself to creativity. Lack of role models doesn’t inspire potential leaders. Lack of innovation leaves a deficit of new approaches, fresh thinking and new service opportunities.

4. **Cross-cultural working among our people and our clients** — this is particularly important in a mobile and virtual world, where teams and clients are often located across the globe. To leverage opportunities and deepen relationships we need to develop a global, inclusive and flexible mindset.

5. **Unconscious bias impacting our decisions on people** — our brains are hard-wired to make quick decisions based on past experience and current perceptions. However, when we are under pressure, for example working on a task or to a deadline, we are most susceptible to the influence of unconscious bias. This could result in making an unfair judgement about a person which could significantly impact their work assignment, their pay and their access to developmental opportunities. By better understanding our own and others frame of reference, we will enhance our ability to flex our style and perspectives to optimize the way we engage both internally and externally.

6. **The changing demographics** — in many SAs, the dynamics that shape our workforce and our client base are ever changing – for example a new mix of cultures from migration, intergenerational working, a steady decline of the working age population (e.g., Greece, Spain, France, the Netherlands, UK, Finland) and an increase in the participation of women.

Our vision is to embed a sustainable, inclusive culture in the way we operate, to create a level playing field. This will enable all of our people to achieve their full potential.
Celebrating success

Examples of activity from across our Area

D&I calendar – BeNe
BeNe published a D&I calendar made up of photos taken by their people. To encourage people to submit their photos they ran a competition:
“Diversity and Inclusiveness (D&I) is high on EY’s agenda. But what does D&I mean to you personally? Let us know by sending us an original photograph and enter it into our Diversity photo competition. Prizes include a wonderful weekend break and a bottle of champagne!”

Celebrating International Women’s Day – MENA
Our Middle East offices celebrated International Women’s Day in March 2010 with a special edition of their Connection newsletter, which featured a series of interviews with prominent female employees.

Celebrating International Women’s Day in our Bahrain (left) and Ramallah offices (right), March 2010
Gay, Lesbian & Bisexual Network charity networking event – UK&I
In July, UK&I’s Gay, Lesbian & Bisexual Network (EYGLES) hosted a successful networking event in London. More than 200 guests, including EY people and many external guests from clients and other organizations, enjoyed a cruise along the river Thames to celebrate EY coming third out of over 450 organizations in Stonewall’s 2010 Workplace Equality Index, and to also celebrate EYGLES being recognized as Stonewall’s Network Group of the Year.

Ten point gender strategy agreed – FraLux
In November 2009, Jean-Pierre Letartre, the SA Managing Partner for FraLux, announced their ten point gender strategy with targets. Already they have achieved half of their targets which includes increasing the number of women on their Executive Committee.

Disabled young people get new employment opportunities – CIS
In March, CIS – as a member of the Business Advisory Board on Disability – took part in the panel event “Route to Careers” as a jury judging ten graduates with disabilities who successfully passed the competition. The finalists took part in the business game developed by CIS where they had to present their ideas for the launch of a new TV channel. As a result of the contest, three people got immediate job offers and all of participants got invitations to internships and/or training courses. CIS also offered an internship and a job shadowing program. The event was broadly represented in the media and had a strong positive resonance in the business world.

“For EY diversity is – and will continue to be – a critical aspect of our strategic advantage. Drawing on individual differences, underpinned by our shared values, has a huge impact on the insight and knowledge we can provide for clients, as well as the opportunities we can bring to our people.”

Silvia Hernandez, Tax partner, GSA
Founding partner of the DLD women conference, Munich – GSA

The DLD women 2010 conference focused on economic change and changing gender roles. Georg Walderssee, GSA Managing Partner, was one of the participants who represented EY on a number of panels, and we hosted a workshop for businesses aiming to develop D&I initiatives. The conference attracted delegates from the media, academia, the community, culture and design, putting EY in a different context and opening up new avenues to engage with our clients.

Focus Groups rolled-out – Med

Sponsored by the D&I Partner Sponsor Stefania Boschetti, 60 men and women attended the sessions held in Rome and Milan to discuss the challenges that they saw for women moving through their career to Partner. Key themes included life balance and networking.

DLD women: The female decade, conference held in June 2010 and attended by our Area’s:
Georg Graf Walderssee – GSA SAMP (left);
Ana-Cristina Grohnert – FSO TAS Partner and GSA D&I Partner Sponsor (bottom left); and (right) Maria Furtwaengler-Burda – Conference Chair, doctor, actress and philanthropist.

International Women’s Day celebrations in Johannesburg, 2010
“Inviting a delegation from Ernst & Young to participate in the conference and having both Ana-Cristina and myself take part in two key panels shows that our client values EY’s input and insights. They consider us a ‘sparring partner’ on strategic topics like D&I that go beyond our core subject matter expertise. These are invaluable opportunities where we – as business leaders – can connect on a different level. It adds another – I believe very important – dimension to our client relationships.”

Matthias Wehling, People Partner, GSA
Diversity & Inclusiveness in action

With over 60,000 people spread across 88 countries, EMEIA is already incredibly diverse. This means that the business case for D&I varies across SAs and this drives a variety of activity. Some consistent themes that have developed include our desire to develop our cultural agility skills, the focus on unconscious bias, the interest in leveraging D&I in the market and the need to improve our retention and development of women. Some of the work in these areas is summarized here.

Leveraging D&I in the market

Enhancing client relationships

Many of our clients are leading the D&I agenda globally and others are interested to hear what we are doing and why. It is clear that in many of our SAs, our commitment to D&I helps us not only to strengthen our relationships with existing clients but also to attract and win new business. In fact, particularly when working with governments, in some SAs we have to be able to talk about the impact of our work in order to be able to enter their procurement process.

Being able to put together teams that reflect our clients’ own diversified workforces is producing exciting results. It was an important factor for the United Nations when they asked us to demonstrate our commitment to the D&I agenda and has had a positive impact on key accounts such as Siemens, Daimler (who have set a clear target of 20% women in senior leadership positions by 2020) and Evraz in Germany. Only recently a new UK&I client also confirmed to us that the diversity of our pitch team had given us an edge over a competitor’s all white male team.

The experience of Jeanne Boilet, Client Service Partner in FraLux, underlines the real business impact of our D&I commitment:

“When Danone went through a formal tendering process in 2009, we had already been working with them for several years on various advisory and compliance engagements across 20 countries. During that time we got to know them very well and had spoken to senior people throughout their organization about diversity, and recognized that we had many common aims, such as making progress on the issue of women in leadership. “EY’s strong relationship with Danone, based on these shared values, and the fact that we were able to include in the proposal specific examples of what we are doing on D&I, were both key to securing the business.”

Network success

In UK&I, the activities of the internal networks continue to interest and involve clients and the wider market. Our black and ethnic minority networks in UK&I have run a number of events engaging both our people and our clients, from celebrating religious and cultural festivals such as Chinese New Year to business forums on investing in Africa. The women’s network also hosted an event on women’s economic empowerment. In many cases, these more innovative ways of engaging with our clients have led to opportunities to deepen relationships and in some cases to win more work.
“Over the course of my career, I have realized more and more the importance when working in the global market of developing the best teams with diverse backgrounds. As a member of the CSE D&I Steering Committee, I have the opportunity to contribute my experience and help EY to become the best employer for our current and future employees.”

Guntars Krols, Tax partner, CSE
Daimler Diversity Conference, April 2010
Silvia Hernandez, Tax Partner – Human Capital, asks a question (below).
Ana-Cristina Gohnert, panelist at one of the conference breakout sessions (bottom).

Sharing Knowledge and Experience

The success of this activity has led UK&I to develop a more structured approach to connecting with their key clients through D&I. Research was carried out to identify who of these top clients were active and interested in D&I. The client service partner then approached the client and offered to share the work that they were doing, which led to a number of productive meetings.

Similarly, in GSA our growing reputation in D&I prompted Daimler to invite nine EY colleagues to share their insights at its prestigious annual conference, Diversity as an Economic Factor. Julia Tzanakakis, Assistant Director, D&I, said, “These events are the first step in commercialization, and puts EY front of mind on issues of leadership and diversity. One partner said she welcomed the chance to speak to one of her clients on a much broader level than the usual tax issues, and to present EY as a rounded business adviser.”

In BeNe, EY is a co-founder of LEAP (Leadership, Energy, Ambition and Power) – a community of senior-level business women from several of our key clients. A recent LEAP networking event was hosted at our Rotterdam offices which generated discussions on an accounting project for one of our partners. Partner Bea Haring explains: “As well as looking at elements of success, like managing mental and physical well-being, delegates had the opportunity to make valuable business connections.”
Taking the lead in emerging markets

There are great opportunities in the emerging markets for EY to demonstrate leadership in D&I.

One of our most high-profile D&I initiatives in India involved working with the World Bank Group Private Sector Leaders Forum, which supports the Bank's gender plan to promote women's economic empowerment and gender equality. When the Forum visited India, EY hosted a dinner and we will be helping the Bank to monitor and evaluate the success of the project which runs from 2008-12.

Parul Soni, Executive Director, Development Advisory Services, explains: "Women are a growing entrepreneurial force here and are taking on more of a leadership role. Their fresh thinking adds value to the consultancy process, so we are developing an adaptable governance model ready to take advantage of these changes. Research also shows that Indian women often invest more of their earnings in their families and communities than men do, so there is a real business case for their economic empowerment."

In South Asia, EY also participates in the WE Connect (Women in Enterprise connecting to contracts) International certification program, which supports the growth of women-owned business enterprises by giving them the credibility to apply for government funding and tax breaks. These women are then of course our future clients and contenders for our EOY awards.
Unconscious bias

What is unconscious bias?

Everyone looks at the world from their own frame of reference – how we view things. This frame of reference operates at a subconscious level and has developed over the years with our personal history and life experiences. It can affect our judgment and decision making (both positively and negatively) and can be incredibly hard to spot.

The idea that we can make more considered decisions by bringing unconscious bias into our conscious thinking is a simple one. Putting this idea into practice is far harder, but research shows that being aware of our bias means that we can compensate for it, which is particularly important when making decisions about our people.

Frames of reference

What do you see when you look at this picture?

At first glance it may appear that this is a picture of a duck looking towards the left, however the image is also a rabbit looking towards the right. The beak of the duck and the ears of the rabbit are represented by the same part of the image. This example shows us that we can all be looking at the same thing and seeing something different. What we see will be driven by our frame of reference and will be influenced by our unconscious bias. Being aware of our bias means that we can compensate for it, which is particularly important when making decisions about our people.

Where does unconscious bias occur in the workplace?

Mike Cullen, EMEIA Accounts and Business Development Leader, spearheaded much of the early D&I work in the UK and identifies strongly with the concept of unconscious bias:

“When we first analyzed the performance rankings for our women versus our men in the UK, we were shocked by the low ratio of women that were rated 4/5 versus their male counterparts. This then had a direct impact on their participation on our leadership programs and arguably on the allocation of client assignments and promotion prospects. It was a similar situation with our black and ethnic minority people versus our white population. Today the ratio has improved due, amongst other interventions, to the unconscious bias awareness and training rolled-out across the UK&I Sub-Area.”
UK&I Advisory Partner and D&I Steering Group member, Andrea Longhi, comments: “There’s evidence that diverse teams produce better results on medium to long-term projects. Yet, when you’re putting a team together it’s much easier to choose people who are like you or who you’ve worked with before. Although it’s only human nature, it can tend to exclude minorities from the most interesting work.”

Raising awareness of unconscious bias and understanding how to counteract it is a necessity for building an inclusive culture. Bea Haring, Partner and People Leader for BeNe, sponsored a workshop called Mind Bugs that was delivered to the Sub-Area Leadership team (SALT).

Having experienced the effects of unconscious bias early in her EY career, Bea is an enthusiastic champion of Mind Bugs. She explains: “I was one of the first female Partners in the Netherlands, which was very male orientated when I started. At business meetings, clients and prospects would automatically assume that my male colleague was the boss. It’s annoying to admit it, but I’ve made similar assumptions in reverse.”

Bea is now incorporating elements of the Mind Bugs presentation into the D&I program as it is rolled-out.

UK&I initially rolled-out unconscious bias awareness training via Sametime to 500 of their counselors. The impact was so promising that it was turned into a web-based learning tool for anyone making people decisions – 3,200 people have completed it to date. Other SAs have piloted the presentation including the Med, GSA and CIS, and most recently MENA customized it and rolled it out to 40% of their counselors.

Joe Murphy, a Partner in the MENA SA, attended the session and said “The Middle East firm comprises what is arguably the most culturally diverse environment in our global practice. It is, therefore, essential that we develop our awareness of unconscious bias and the ways in which it can prevent us from making the right judgments in many aspects of our business both internally and externally. Increasing that awareness and understanding of the power of unconscious bias will allow us to step back and challenge our instinctive decisions to ensure that we optimize the strength of our diversity rather than allowing it to cloud our judgments.”

Ways to counteract unconscious bias

Pause and think
- Research has shown that if you ask people to pause before their decision, bias is noticeably reduced

Know the drivers of your actions and behaviors
- Visit globesmart.com
- Take the Harvard Implicit Association Test, visit: https://implicit.harvard.edu/implicit/demo

Review your decisions and those of other people for objectivity and stereotyping
- Avoid acting impulsively
- Question the impact of style differences
- Think about the business outcome
- Challenge each others’ decisions – ask people to differentiate

“I can see that unconscious bias impacts a lot of what we do, and that has made me think more about my own approach,” says Richard King, Deputy Managing Partner, UK&I. “Too much political correctness risks driving spontaneity out of the business, but I now find myself thinking about who I’m talking to; who’s in the room and what I might say; and how best to pull teams together.”
Retaining and developing women

Creating a level playing field

To thrive in business we need to include, develop and engage the most talented people. That means creating a level playing field so that everyone feels valued, able to bring their whole self to work and able to achieve their full potential. Diverse teams mean we can build deeper relationships with clients. They also foster the flexibility and creativity we need to develop differentiated and innovative solutions.

In the past year a consistent focus across most of EMEIA has been the development and retention of our women with the aim of achieving a more diverse leadership profile. This is being done by raising awareness about blockers such as unconscious bias, and “up-skilling” our leaders to manage inclusively.

A second element is to inspire and empower our women to partner with us to develop their ideal career paths. For this second element, we have seen a variety of activity across the Area, including India expanding their women’s network; mentoring circles launched in South Africa; Career Watch in UK&I, Nordics and BeNe and in some of FSO; a life balance surgery in FraLux and our highly successful EMEIA-wide Women’s Leadership Program.

Career Watch

The role of a Career Watcher is to leverage their personal and organizational authority to hold line management accountable for retaining, guiding and supporting the individual being watched (known as the watchee) to partnership, or a senior leadership position. Their role also includes:

- “Unblocking the road blocks” – intervene and influence on behalf of the watchee to ensure that EY delivers on its promise of realizing their unique potential
- Ask regularly what EY needs to do to retain the watchee
- Listen, coach and challenge the watchee’s perspectives
- Act as an informal, third-party sounding board for important decisions
- Serve as a positive role model
- Provide feedback to the organization on how the wider organizational system needs to shift to create a more diverse leadership group.

Jesper Almstrom, TAS Partner, has been a Career Watcher since the launch of the program in Sweden in autumn 2009. He notes that both internal and external factors affect retention:

“I believe D&I is important because, among other things, it deals with unconscious bias, which may impact our behavior although we may not be aware of it. Making this aspect understood by our people will lead to greater openness.”

Marek Musial, Assurance Executive Director, CSE
“Traditionally there has been a lack of role models. Also the demands of the job can make it difficult for normal family life to function. Even with state-funded nurseries, reliable childcare is also hard to arrange here, which generally means that people rely on help from their partners. Women particularly wonder how they will get through the period when they have young children.

“Having an ongoing dialog with a Career Watcher makes people realize that we want them to stay with EY and hopefully builds mutual trust, so that they can come to discuss things if there’s a big decision to make. Talented people may still leave, of course, but not without knowing the opportunities that are available at EY and what they may be giving up.”

Having completed a successful pilot of Career Watch in the UK, the UK&I SA has completed a thorough survey of participants, and using the feedback received has expanded the program by offering participation to manager-grade individuals with the aim of intervening earlier in their career journey. There are now around 400 watchees in UK&I.

“The program has been valuable for women who have gone on to leadership roles, and the organizational learning for us continues to be critical,” says Suzanne Bottrill, interim Head of D&I for UK&I.

“We want Career Watchers to become more expert in their understanding of race and gender issues. In particular, we want them to work with watchees to find out how to remove “road blocks” that might be hindering their progress and creating unnecessary barriers to progression in the organization – for example individuals not being selected for high profile engagements because they have a more introvert style” Suzanne adds.
Life Balance

Life balance is a gender neutral issue and arguably shouldn’t be associated with the female agenda. That said, at this stage of our evolution, there is a greater demand from our women for flexibility, often at critical stages of their careers.

In the Middle East, where women represent 9% of EY managers compared with 33% at graduate level, we are moving forward in several strategic areas. These include introducing new policies on flexible working and maternity leave.

“Flexibility is very important here and there’s anecdotal evidence that it would have a positive impact on retention. However, there are cultural and mind-set issues as well as more subtle yet important practical technical issues to overcome – for example, not everyone has access to the internet to allow them to work from home,” explains Ginnie Carlier, D&I Partner Sponsor for MENA.

Mike Cullen reminds us that “You have to be careful that flexible working arrangements don’t put women at a disadvantage from a development perspective. Partners typically spend 60% of their time on clients, 20% on people and 20% on development projects. If a woman asks to move from a five day week to a three-day week she will be under pressure to focus exclusively on client-facing activities, often with the result that her experience and CV looks less impressive when it comes to considering admitting her to our partnership. Everyone should keep the same split of activities, irrespective of working patterns.”

“EY is also being more proactive in helping people to combine parenthood and their careers,” says May Kassis-Morin, D&I Partner Sponsor for FraLux. “Both before and after maternity leave, women now routinely sit down for an hour with an HR person and a service line partner to discuss training and client-related issues, and also to review their career plans. It’s a good opportunity to step back from the situation and also to minimize misunderstandings about the future.”

May adds “We are also running a weekly clinic for parents-to-be, which we think may be a first in France. They can get specialist advice on issues such as organizing childcare, working from home, and how to manage business travel. The service is confidential and we are using anonymous feedback to improve it.

“In September 2010 our FraLux Sub-Area Managing Partner sent out an email to our people whose children were starting school for the first time, explaining that we understood if they came in later and went home earlier on such an important day. Even small gestures like this impact people’s perception of EY as an organization where they will work hard, but in an equitable environment.”

Earlier this year our Dutch firm were included in the top ten companies to work for by LOF magazine which has a focus on parents in managerial positions.
EMEIA Women’s Leadership Program

Over 115 high potential senior managers and directors, and some new Partners have attended our Women’s Leadership Program, launched in December 2008.

The objectives of the program are to:

- Build participants’ confidence to make a difference, both internally and externally
- Support participants in identifying the key challenges they face in navigating their career at EY, and developing appropriate strategies for success
- Create a space in which participants can explore a diverse range of effective leadership styles and understand the inherent differences in typical male/female strategies
- Equip participants to assess their current position and identify the appropriate focus for their future development
- Facilitate the establishment of a peer network to provide ongoing support and strategic challenge

The experience of two Women’s Leadership Program attendees illustrates how the program impacts on professional and personal development:

“Like many women, I believed that I needed to take on so much in order to prove myself. As well as my normal duties, I was covering for a colleague, I was on the Partner Admission Program, and trying to juggle this with the responsibilities of being a wife and mother. I was so exhausted that my performance both at work and at home was affected.

“The program gave me time to reflect and reassured me it was okay to let go of some things. The very open and honest group discussions and individual coaching were also very relevant and helped me to prioritize my own well-being and regain a sense of perspective.”

Executive Director, CSE

“Although I’ve now become a partner, before I went on the program I had been given feedback that I wasn’t progressing. One of the main reasons was that I was approaching things differently as a woman yet I was being assessed and advised based on the expectations of my male colleagues.

“The program came at just the right time. It was an opportunity to focus on myself and to get advice on language and style from people who had been through the leadership development process themselves. We had a good learning group, who I’m still in touch with, and it helped enormously to realize that I wasn’t the only one feeling this way.”

Partner, UK&I

“Our clients today are truly global. Providing the highest quality service means understanding that it takes a rich mix of talents, viewpoints and experiences to deliver high-impact business solutions. The best solutions happen when people from varied backgrounds come together to work on business challenges.”

Vitaly Pyltsov, COO for CIS
Cross-cultural working

“To thrive and innovate in the global economy, we require flexibility, creativity and imagination.”

_The EY Achieving Potential series – The new global mindset_ (Ernst & Young, January 2010).

These qualities can only be achieved by having a diversity of thought and the ability to develop the competence to work cross-culturally.

With the rise in emerging markets and an ever-more mobile and virtual world, developing our global perspective and cultural competence – both as an organization and as individuals – enables us to make the most of business opportunities. In FY10 we had 1,560 people on assignment in and out of the EMEIA Area. Assignments usually range from three months to three years.

These assignments present many different challenges for employees and their families – from understanding which skills and influencing styles work in different cultural situations, to learning a new foreign language. By listening to and learning from employees’ experiences, EY continues to refine cross-cultural working best practice to ensure all concerned derive maximum benefit.

Now in his second year of a three-year assignment in London, Bharat Varadachari from India, has also found the experience invaluable for expanding his relationship network and learning about different business cultures and etiquette. Having become a partner during his time at EY’s Chennai office, and with his children still young enough for schooling not to be a major concern, Bharat was keen to broaden his horizons, and experience working and living in the UK with his wife and young family.

From the outset, Bharat was conscious that he needed to be open to change, learn new things, and not be judgmental. He explains: “In India I was used to working in a fast-paced, entrepreneurial environment and was aware that it could be quite different in the UK, where things tend to get done with more preparation, and in a more structured and disciplined way. It’s important not to impose your views, but to try and understand the culture and blend seamlessly into it.”

He cites the EMEIA Executive Team as a great example of a diverse community of leaders from different cultural and professional backgrounds, but strongly focused on a common set of goals and at ease working together: “There is a clear effort to understand and respect each other’s points of view, and the group takes decisions in a democratic and collaborative manner.”

Dutch partner Hanny Kemna worked in Moscow for over two years as the Advisory Partner for CIS, which involved managing a team of 80 and also finding someone to replace her when she returned to Amsterdam. From a cultural management perspective, Hanny feels she benefited on a professional level and from the internal challenges she faced in Russia: “When people move from an established practice to an emerging one, they tend to think that they’re more experienced or more technically skilled – but all that is useless if you don’t understand how to apply your experience and skills. Some of the risk procedures, for example, were different from the Netherlands. I’m not saying that you should accept everything as it is, but that you need to be aware of the context before you can have a meaningful conversation with a colleague or client.

“You need to be aware that you’re a guest, and that some behaviors, opinions and attitudes could have a background you don’t understand. For example, in the Netherlands, UK or US, many people seem to build a relationship with someone new and trust them until proven otherwise. In Russia, trust comes much more gradually through talking and showing that you’re part of a large organization with the client’s best interests at heart.”

At the end of her successful assignment, Hanny’s colleagues presented her with a specially-made matryoshka or nesting doll, including one in her likeness to show that they considered her to be part of their team.

Some people arrive and thrive in a foreign country without too much formal preparation. Thilo Kausch, who left his native Germany with his wife and daughters to take up a three-year post in Moscow, feels he and his family have got a lot out of the move. He says: “Because we didn’t know many people we have done more as a family than we would have done back at home.”
Both he and his wife, who is working for a charity in Moscow, have learnt Russian, though Thilo admits he is far from being fluent and language can still present problems. However, English is spoken at the office and he has found it easy to settle in. “The office is very well set up to welcome international employees. Working in a big ex-pat community, people are keen to mix. I’ve made a lot of new contacts from different cultures and in different areas of the organization, and this has definitely helped in developing business and understanding how to serve clients better.”

Detroit-based Kevin Johnson agrees that cultural sensitivity is key to getting the most out of an assignment, both from a personal and professional viewpoint. He recently completed a six-month coaching project in India that involved advising colleagues on processing US Tax Returns; recruiting for the processing center; and working with the US engagement team. In preparation he attended a special class on the cultural differences between the two countries, as well as reading widely on the subject. Once there he took every opportunity to meet local people and socialize with colleagues and their families – and on one occasion wore traditional Indian dress, which helped him to gain the respect of his colleagues.

He was aware of different approaches at work, which became even more noticeable on his return home. He says: “I find Americans to be much more direct in their business dealings, yet more reserved when talking about their personal lives. In India people are generally more affectionate and engage you in conversation socially before getting to the point.

“It’s also true that some situations require more patience – setting up a computer, for example, may take longer in India than it would in the US. Now that I understand and appreciate these differences, I feel that in future I’ll be able to work better between the US and India, and make the tax return processing more effective.”

As we continue to mobilize our organization globally, we have an increasing need to work seamlessly across borders. The new language of a successful leader is more than being able to speak French or Dutch. It’s about developing intercultural competency which is the critical skill that will drive the transformational change we want to see.
Key attributes of an inclusive leader

“Speaking the language of leadership involves understanding subtleties, nuances and variations. Our goal should be to develop mindsets and habits for leading inclusively”

The new global mindset – Driving innovation through diverse perspectives, Ernst & Young, January 2010

- Treats everyone with respect
- Understands and navigates varying viewpoints, perspectives and styles
- Identifies and resolves cross-cultural and cross-generational misunderstandings
- Creates conditions that encourage people to challenge and to voice concerns
- Seeks to put diverse teams together
- Successfully creates conditions to allow for flexibility
- Questions assumptions, biases and stereotypes – identifies their own potentially excluding behaviors
- Provides challenging assignments/responsibilities for everyone
- Differentiates between performance issues and cultural or style issues
- Communicates candidly to all regarding career potential
- Provides candid, actionable feedback to all
- Influences and convinces across cultures

“A personal insight for me is that including the D&I-paradigm into a leadership style and mindset can, at times, be a very confronting process. Leaders need a high degree of self-awareness and self-consciousness in order to reflect their paradigms and ways of working against the diversity of alternative approaches. That is not easy for people who are taught to think in binary dimensions of ‘right’ or ‘wrong’.”

Ana-Cristina Grohnert, FSO Partner and D&I Sponsor for GSA
We hope that this review has brought to life for you, some of the many examples of D&I in action across EMEIA. We have numerous stakeholders turning our D&I vision into a reality, but this is early days in a long-term journey of transformational culture change. We believe that we can achieve this change with you. We need each and every one of you to make the difference – by valuing difference.

As individuals we can only accomplish so much – we are limited in our abilities; but collectively, we have unlimited potential. Over the coming year we’ll continue to focus on:

- Engaging our people in our vision, the need for change, the benefits of success and the steps we are going to take to succeed.
- Skilling our people to manage cross-culturally, flexibly and inclusively.
- Embedding inclusive management in to our everyday activities.

To find out more about our work from a Global perspective and an Area perspective, please visit either the Global Gateway or the EMEIA Gateway and click on the D&I links, under “About EY” or in the “Useful Links” box respectively.
About Ernst & Young
Ernst & Young is a global leader in assurance, tax, transaction and advisory services. Worldwide, our 141,000 people are united by our shared values and an unwavering commitment to quality. We make a difference by helping our people, our clients and our wider communities achieve their potential.
Ernst & Young refers to the global organization of member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit www.ey.com.

© 2011 EYGM Limited.
All Rights Reserved.
This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Limited nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

www.ey.com