



Diversity & Inclusion Governance



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#### I. Introduction

**Diversity and Inclusion (D&I)** plays a fundamental role in the Malaysian and global corporate landscape. Studies have shown that diversity is a key driver of innovation and crucial in attracting and retaining talent. Therefore increasingly, more companies are beginning to adopt D&I as part of their business strategy.

Building a **Diversity & Inclusion Council** signals a company's commitment to diversity and demonstrates good corporate governance. It engages the **Executive Leadership team** to **champion the cause** and **act as a catalyst for change** while also promoting inclusion.

Championing and leading Diversity & Inclusion covers three (3) key areas :

- D&I Business Case
- Internal & External Measurements
- D&I Integration

The role of Diversity & Inclusion Council will be illustrated in section II and III.

## II. Establishing a Diversity & Inclusion Council

Many leading practices have set up a D&I Council which are typically chaired by the CEO, Chairman or HR Directors to set the tone and direction for the D&I strategy. The council can give leaders an opportunity to create a company-wide diversity action plan with a structured process for implementing and monitoring the programme.



\*Typical Governance Bodies : Diversity Council which comprises senior leaders who are decision-makers regarding D&I

# Their role of the council is to serve as a:

- **Change agent:** drive D&I initiatives and build a culture of inclusion.
- Mentor & advocate: act as a mentor to employees and lead by example for D&I programmes and advocate to employees on the value generated from D&I from an employee and business perspective.
- Champion Diversity Initiatives: sponsor, engage and promote D&I initiatives
- Decision Making: influence and make decisions within the area of D&I for the best interest of the organisation.
- Accountability: council members' performance should be measured against D&I targets to ensure continuous support in D&I initiatives from the members and their teams.



# III. Diversity & Inclusion Council Structure

Most D&I Councils consist of the Senior Management level employees who are able to influence the strategy, decision making and transform policies and procedures.



Depending on the organisation structure, the D&I Champion may be the CEO/Chairman or HR Director. The role is responsible for leading and setting the direction for D&I Strategy as well as championing D&I initiatives overall.

# Chief Diversity Officer

In many leading organisations, the Chief Diversity Officer is the catalyst to drive D&I initiatives and plays a key role in strategy development, decision making, priority setting and action implementation. In a small organisation, this role can be assumed by an existing position, however the role must possess the ability to influence senior leaders to drive D&I initiatives. The responsibilities include:

Strategy & Accountability	<ul> <li>Ensure alignment of D&amp;I metrics to the business strategy</li> <li>Manage and influence the expected key outcomes and targets of all D&amp;I initiatives</li> </ul>
Leadership Influence & Decision Making	<ul> <li>Obtain management buy-in on D&amp;I strategy and plans, facilitate the decision-making process as well as influence the D&amp;I council</li> </ul>
Cultural Alignment	<ul> <li>Lead by example and partner with business leaders to sponsor D&amp;I specific initiatives such as trainings, mentoring programmes, benefits and influence HR practices</li> </ul>