A case study of good practices at diversity and inclusion management

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The scope of this research concerns the theme of diversity and inclusion and values and behaviors, and its purpose is to define and validate a theoretical model which allows the relationship of Diversity and Inclusion (D&I) with Values and Behaviors (V&B) and its repercussion in Organizational Performance.

This case study is supported by variables from different European affiliates of Novartis Pharmaceuticals, which continues to maintain an impressive record of D&I accomplishment as foreseen in its US affiliate, which continues to be on the Top 50 list of DiversityInc, being known for its proven commitment to promoting women into management positions.

Novartis is a global healthcare company based in Basel, Switzerland, with roots dating back more than 150 years. Novartis provides healthcare solutions that address the evolving needs of patients and societies worldwide. Novartis products are available in more than 180 countries and they reached nearly 1 billion people globally in 2015. About 123 000 people of 144 nationalities work at Novartis around the world (Novartis, 2015).

At Novartis, D&I strategy places an emphasis on influencing the diversity of patients, customers and suppliers, as well as recruitment, on boarding and talent development. The company is also continuing to enhance the level of D&I competencies for human
resources professionals and leaders through learning focused on unconscious bias, inclusive leadership, disabilities/ accommodations and compensation/pay equity.

The methodology to be used in this work will be a mixed approach, qualitative and quantitative, to support the case study as research method, combining documental information, interviews and questionnaires.

The theoretical model is based on D&I dimensions (2) diversity and inclusion; Novartis values and behaviors (6) courage, collaboration, performance, innovation, quality and integrity; and its relations with Novartis organizational performance KPIs (5) as innovation, people, quality, performance and productivity.

Comparisons are done between country affiliates, measuring how these differences affect the performance country by country, and can unleash the potential of the organization. Finally, a segmentation of the countries can be developed based on the D&I impact and the cultural dimensions developed by Hofstede (2001; 2011) as power distance, masculinity vs femininity, individualism vs collectivism, and uncertainty avoidance.

To achieve this, three constructs or latent variables are made operational: D&I, V&B and organizational performance. The model materializes the main research question translating it into three central hypothesis, and considers organizational demographic factors as susceptible of influencing the adoption of D&I and V&B, translating them into two secondary hypothesis which, altogether, allow to evaluate if V&B and D&I have a positive relationship between them and both of them with organizational performance, giving an answer to the main purpose of the research.

The latent variables and the model are validated through an inquiry done globally by Novartis (GES – Global Employee Survey), from which 4 countries were chosen due to its differences according with Hofstede dimensions of national culture. In these countries 689 associates answered these questionnaires, which represents a rate of responses of 78%.

The obtained results reveal that the proposed theoretical model, constructs and sub-constructs present quality and reliability to give an answer to the problem, questions and purposes of the research, confirming the relevance of this model and the verification of the of the purposes of the research. The statistical analysis of the results allow for the conclusion that (i) D&I has a positive influence over V&B, which is to say that a culture of diversity and inclusion can create conditions which can promote and drive Novartis values and behaviors; (ii) diversity and inclusion have a positive influence over
organizational performance, directly and indirectly, measured through values and behaviors, and iii) values and behaviors has positive influence over organizational performance. Both D&I and V&B positively contribute to organizational performance.

References


Key-Words: Diversity & Inclusion, Values and Behaviors, Organizational Culture, Organizational Performance.