LEADING FOR IMPACT: THE MEASURABLE EFFECT OF DIVERSE AND INCLUSIVE HUMANITARIAN LEADERSHIP TEAMS

OCTOBER 2021

This paper is part of Humanitarian Advisory Group's *Diverse Leadership* research project.

BANGLADESH RED CRESCENT SOCIETY BDRCS

care

CDP CENTER FOR DISASTER PREPAREDNESS

CFSI Rebuilding Lives

F5DE

Malteser International
Order of Malta Worldwide Relief

OCHA

UNFPA

YEU actalliance

Institute of Innovations for Gender & Humanitarian Transformations inSights

HUMANITARIAN ADVISORY GROUP

ACKNOWLEDGEMENTS

About inSights

inSights (the Institute of Innovation for Gender and Humanitarian Transformation) is a Bangladesh-based social enterprise providing insights that challenge the current ways of working in humanitarian aid and gender affairs. inSights aims to transform ideas within the humanitarian, social and businesses sectors, and turns them into innovations, knowledge and strategies. inSights works to equip humanitarian responders – people and organisations – with knowledge, skills and competencies that works, so that people affected by crises get the right help when they need it most.

About Humanitarian Advisory Group

Humanitarian Advisory Group (HAG) was founded in 2012 to elevate the profile of humanitarian action in Asia and the Pacific. Set up as a social enterprise, HAG provides a unique space for thinking, research, technical advice and training that contributes to excellence in humanitarian practice.

Humanitarian Horizons

This study was funded under HAG's flagship research program, Humanitarian Horizons – a three-year research initiative supported by the Australian Department of Foreign Affairs and Trade. The program adds unique value to humanitarian action in Asian and Pacific contexts by generating evidence-based research and creating conversations for change.

Diverse and Inclusive Humanitarian Leadership

As part of the Humanitarian Horizons research program, Humanitarian Advisory Group is undertaking research to understand how diverse and inclusive leadership can enrich the humanitarian system's capacity to tackle key challenges. It aims to contribute new knowledge about how to strengthen the humanitarian sector and ensure it is fit for purpose. Previous studies in this series are <u>available via the HAG website</u>.

ABBREVIATIONS

AAP	accountability to affected people
ALNAP	The Active Learning Network for Accountability and Performance in Humanitarian Action
CHS	Core Humanitarian Standards
HAG	Humanitarian Advisory Group
HCT	Humanitarian Country Team
NGO	non-governmental organisation
PSEAH	prevention of sexual exploitation, abuse and harassment
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees

EXECUTIVE SUMMARY

Despite increasing momentum, efforts to improve equality, diversity and inclusion in the humanitarian sector lack an evidence base to draw on. The breadth of these efforts – encompassing strategy, policy, institutional culture and programming – and the difficulties of holding open conversations about related issues have also hindered progress. Nonetheless, there is growing recognition that greater equality, diversity and inclusion will help the sector to fulfil its own values and deliver effective humanitarian action, and that diverse and inclusive leadership teams are essential.

This study explores the links between diverse and inclusive leadership and humanitarian practice. Diverse and inclusive teams comprise people from a broad range of backgrounds and perspectives and give space and time to value and respect their contributions. In partnership with 13 humanitarian organisations, we used statistical analysis to look at whether organisations with more diverse and inclusive leadership teams performed more strongly, focusing on innovation culture and prevention of sexual exploitation, abuse and harassment (PSEAH).

For innovation culture, the answer was yes – inclusive leadership correlated positively with innovation. When organisations had more representative and inclusive leadership teams, they also showed more innovative thinking and approaches. For PSEAH, the statistics did not provide a conclusive answer, and our report explores why this might be the case. We are proud to bring this level of transparency to our research, and hope that this study will be used by others to continue driving research and practice on diversity and inclusion in the humanitarian sector.

The study is part of our Diverse and Inclusive Humanitarian Leadership research program (see Figure 1), which is funded through the Humanitarian Horizons research program. The project started with an examination of the benefits of diversity and inclusion for private sector leadership to develop a research agenda for humanitarian leadership. Through stakeholder consultations, it then examined the current state of play. Another project considered whether diversity influenced humanitarian decision-making, through a case study of leadership during the COVID-19 response. Again, we found that it does; who gets a seat at the table matters. As we show in this report, who gets to be heard matters too.

Figure 1: Overview of the Diverse and Inclusive Humanitarian research program
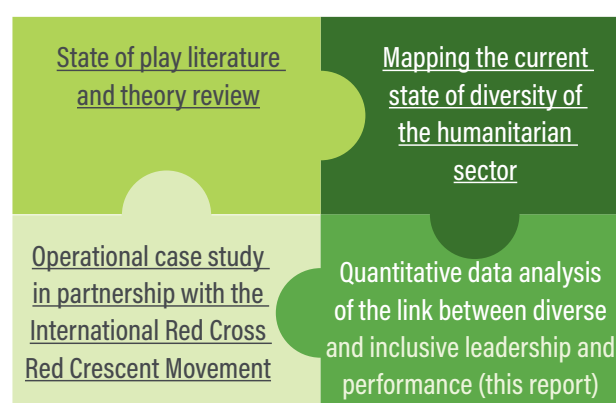
While each phase of the project has built on what came before it, this final study is not a summary. Instead, it is another piece of the puzzle; the first attempt to look across a part of our sector to see whether diverse and inclusive leadership makes a measureable difference to practice. It was inspired by other research in the humanitarian and private sectors. We drew on this research, as well as standards and best practice guidelines, to choose the focus areas of this study and design the measurement tools. We have also shared insights from this study in a guidance note for humanitarian leaders seeking to promote inclusion in their workplaces.

In its style and structure, the study is more formal than most of HAG's reports. We chose this format because we wanted to give proper space to the detailed process of the research and the complex nature of these issues – while recognising that efforts to measure diversity and inclusion will not capture the rich and personal nature of individual experiences. We hope that studies like this can help achieve a more diverse, inclusive and equitable humanitarian sector, better equipped to support the communities with which it works.

INTRODUCTION

For a sector seeking to improve its ways of working, this is a time of possibility. As the promotion of equality, diversity and inclusion in the humanitarian sector accelerates, expanding the range of evidence on which the sector can draw has the potential to bring new insights, improve strategies and increase momentum. In other words, research in this space can be an agent of change; by articulating current dynamics and shedding light on persistent challenges, research can help to increase the incentives for action and some of the forms it might take.

This study contributes to understandings of how more diverse and inclusive leadership can enhance the humanitarian sector's capacity to more effectively and efficiently respond to crises. It examines the relationship between diversity, inclusion, innovation and risk management through research in partnership with 13 humanitarian organisations. It thereby seeks to contribute to a multifaceted, sector-specific evidence base to help to drive change. This study and the larger project in which it sits aim to influence decision-makers and leaders who create and shape leadership teams, as well as provide an advocacy tool to continue pushing the humanitarian sector to prioritise meaningful practice to promote diversity and inclusion in workplaces. The study builds directly on previous research on diversity and inclusion in the humanitarian sector and other sectors, as summarised below. *As the first attempt to measure the impact of diversity and inclusion on key areas of performance in the humanitarian sector, this study opens a pathway for future research to refine the methods and to test and extend its insights.*

THE STATE OF THE FIELD

The benefits of diverse and inclusive leadership teams

The evidence base for the benefits of diversity and inclusion in the workforce, and how they support better performance, has grown over the last decade. A significant concentration of research to date has been grounded in the private sector and emphasises the importance of inclusion; a culture that does not respect and value different perspectives and backgrounds diminishes the value of diversity.[1] When realised through inclusive practices, 'diversity dividends' include improved decision-making, talent retention, global image and trust, and better governance and risk management, as well as strengthened community ties.[2] Leadership has been highlighted as a crucial factor in a suite of studies sponsored by Deloitte, as well as a Forbes study, arguing that responsibility for fostering diversity, inclusion and equity in the workplace needs to sit with senior management to ensure accountability and progress.[3] Building on these studies, researchers are exploring the prevalences and practices of diverse and inclusive leadership teams and the benefits they can have for organisational performance.

In the humanitarian sector, research to understand the profile of leadership teams has documented the overrepresentation of certain characteristics at some levels of leadership. A 2014 study by ALNAP mapped individuals within country-level leadership teams of humanitarian organisations, exploring composition by gender and nationality. The research found progression towards gender balance, with approximately 60% of leaders identifying as men and 40% as women.[4] This percentage did not shift when focusing on the gender compositions of the

1   Juliet Bourke and Bernadette Dillon, *The diversity and inclusion revolution: eight powerful truths*, Deloitte Review, 2018, pp. 85-86.
2   Ibid. See also Catalyst, *Why diversity and inclusion matter*, 2020; Rocfo Lorenzo, Nicole Voigt, Miki Tsusaka, Matt Kentz and Abouzahr, *How diverse leadership teams boost innovation*, Boston Consulting Group, January 23, 2018
3   Juliet Bourke and Bernadette Dillon, *The diversity and inclusion revolution: eight powerful truths*, Deloitte Review, 2018, pp. 85-86; Forbes Insights, *Fostering innovation through a diverse workforce*, 2011, p. 3.
4   Paul Knox Clarke, Between chaos and control: rethinking operational leadership, ALNAP/ODI, 2014, p. 12. https://www.alnap.org/help-library/between-chaos-and-control-rethinking-operational-leadership The study did not consider non-binary gender identities.

senior country-level leadership (that is, country directors or representatives). The same research also found that whilst the leadership teams were overwhelmingly white, representation of nationally recruited staff or citizenship outside of Europe was strong. The pipeline then closed with country director positions showing a stronger European bias.[5] The picture is therefore mixed. Strikingly, a recent Bond report, which outlines experiences of people of colour in development work, noted that 89% of survey respondents felt their organisations weren't truly committed to diversity, equality and inclusion.[6] Regarding humanitarian governance boards, a 2021 study found that on average boards have little representation from groups or countries served by non-governmental organisations (NGOs), have lower representation of people of colour than of white people, and are dominated by individuals with fundraising and administrative backgrounds.[7] The Benchmarking Race, Inclusion, and Diversity in Global Engagement (BRIDGE) survey seeks to establish a baseline for United States-based humanitarian and development organisations, providing a uniquely comprehensive window into the sector.[8] For example, the survey found that white people are strongly overrepresented among organisational leaders, but a balance of men and women exists. Only 4% of organisational leaders in the sector identified as black, Indigenous, or people of colour.[9]

As these mapping initiatives continue, there is a growing interest in how more diverse and inclusive leadership teams affect performance in humanitarian operations. Foundational research by ALNAP highlighted how diverse members of leadership teams bring different perspectives, approaches and values to humanitarian work.[10] Recently, research through HAG's Diverse and Inclusive Humanitarian Leadership project has strived to understand how diversity improves leadership, and how in turn this might improve the delivery of humanitarian assistance and accountability to affected people (AAP).[11] One study from the project (of which this report is part) examined perceptions of leadership teams in humanitarian NGOs, finding that most humanitarian staff do not perceive leadership teams as diverse or inclusive, principally due to what they perceive as an underrepresentation of staff members from the countries where organisations work (known as national staff), women and people with disabilities.[12] A follow-up study in partnership with the Red Cross and Red Crescent Movement explored the influence of diversity and inclusion in the Movement's response to COVID-19 globally, and revealed interesting differences in the way diverse leaders contributed to operational priorities

5   Ibid.
6   Bond, *Racism, power and truth: experiences of people of colour in development*, 2021.
7   Rose Worden and Patrick Saez, *Shifting power in humanitarian nonprofits: a review of 15 governing boards*, Center for Global Development, June 2021.
8   Social Impact, *Benchmarking race, inclusion, and diversity in global engagement*, June 2021.
9   Ibid., p. 7.
10   Margie Buchanan-Smith and Kim Scriven, *Leadership in action: leading effectively in humanitarian operations*, ALNAP, 2011.
11   Kate Sutton, Seeta Giri and Fanny Berg, *Drawing on our diversity: humanitarian leadership*, Humanitarian Advisory Group, 2018, p. 3.
12   Hannah Blackney, Seeta Giri, Pip Henty and Kate Sutton, *Data on diversity: humanitarian leadership under the spotlight*, HAG, 2019.

and decision-making.[13] These studies showed the importance of diverse and inclusive leadership to organisational approaches, but did not test how this might affect humanitarian response. As discussed below, the areas of innovation and risk management in relation to SEAH presented opportunities to open up this field of study.

Insights for innovation and prevention of sexual exploitation, abuse and harassment

Many efforts to understand the impacts of diversity and inclusion – including of leadership teams – on performance have included a focus on innovation. In the private sector, studies have highlighted how diverse and inclusive leadership teams benefit a culture that encourages innovation, including co-creation and collaboration, feelings of trust and acceptance, taking risks, sharing ideas, creativity, and more diverse knowledge.[14] Evidence also shows the positive impacts of a diverse and inclusive workplace on innovation.[15] In the humanitarian sector, similar research is still developing. A major reflective contribution from the Office of the United Nations High Commissioner for Refugees (UNHCR) explored the importance of supporting and sustaining innovation through an organisational culture that focuses on diversity and inclusion.[16] For example, a report on UNHCR's Jetson Experience notes that the composition of the project team (which the paper states is geographically diverse) enabled positive impacts derived from the diversity of perspectives and experiences. It also found the inclusive environment was just as important, leveraging diversity to challenge approaches, assumptions and dialogue, which in turn improved outcomes and increased creativity.[17] A similar argument was made by Caroline Harper Jantuah (of UNHCR), Daphne Moench and Sarah Bond, based on experiences promoting equality, diversity and inclusion in the United Nations (UN) system.[18] The HAG study mentioned above was one of the first to examine these questions through quantitative research, finding that leadership teams that were perceived to be more diverse and inclusive were also perceived to be 4.2 times more likely to promote innovation.[19]

13   HAG, ICRC, IFRC and GLOW Red, *How diverse leadership shaped the response to COVID 19*, June 2021.

14   Paris Will, *The cyclical relationship between innovation and inclusion in the workplace*, LSE Business Review; see also Juliet Bourke and Bernadette Dillon, *The diversity and inclusion revolution: eight powerful truths*, Deloitte Review, 2018; McKinsey & Company, Diversity wins: how inclusion matters, May 2020; Catalyst, *Why diversity and inclusion matter*, 2020.; Juliet Bourke, *Which two heads are better than one? How diverse teams create breakthrough ideas and make smarter decisions.* 2016.

15   Rocfo Lorenzo, Nicole Voigt, Miki Tsusaka, Matt Kentz and Abouzahr, How diverse leadership teams boost innovation, Boston Consulting Group, January 23, 2018; see also Sylvia Ann Hewlett, Melinda Marshall and Laura Sherbin, How diversity can drive innovation, *Harvard Business Review*, December 2013; Katie Spearitt, Making the link between innovation and diversity – a practical case study, Diversity Partners, October 26, 2019; Sheree Atcheso, The overwhelming importance of belonging in the workplace, *Peakon Post*, November 13, 2020.

16   UNHCR, *Explorations in inclusion, diversity, gender equality and innovation in UNHCR*, 2019.

17   Ibid., p. 11

18   Caroline Harper Jantuah, Daphne Moench and Sarah Bond, *Using diversity and inclusion as source for humanitarian innovation*, Stanford Social Innovation Review, September 21, 2019.

19   Hannah Blackney, Seeta Giri, Pip Henty, and Kate Sutton, *Data on diversity: humanitarian leadership under the spotlight*, Humanitarian Advisory Group, 2019.

Questions about how diversity and inclusion in leadership teams may affect approaches to PSEAH have arisen from controversies in the humanitarian sector.[20] While research in the finance and mining sectors had drawn attention to the relationship between diversity, inclusion and better governance and risk management[21], commentary following high-profile incidents of SEAH posited that one of the underlying causes of such incidents is the power imbalance that exists within the sector.[22] Crucially, it was argued that a lack of diversity at senior leadership levels affects the culture of reporting and investigating incidents of SEAH. Conversations pointed to the dominance of white men in senior leadership, suggesting that 'the power hierarchies of the industry make it difficult to call out this abuse and easy to cover it up' and that 'the perception of being an old boys' club can make women, minorities and staff employed in countries like Haiti wary of reporting abuse for fear of being ignored or penalised.'[23] This implication that trust is a key factor in PSEAH is supported by other analysis in the humanitarian sector. Guidance based on the Core Humanitarian Standards (CHS) indicates it is difficult for people to report incidents of PSEAH if they do not know to whom to report, or if they don't trust the relevant individuals or structures.[24] ALNAP research notes that transparency and trust are critical to feedback mechanisms being deemed credible and making them more likely to be used.[25] These propositions have yet to be empirically tested, although HAG research has found a correlation between perceptions of stronger diversity and inclusion in leadership teams and positive assessments of management of risk.[26]

In summary, despite the emerging literature on the need for diverse and inclusive humanitarian leadership teams, there remains a gap when it comes to measuring and understanding the impact of diverse and inclusive leadership on humanitarian responses. The current evidence base for the benefits of diverse and inclusive leadership in the sector is drawn from studies that focus on reflection, descriptive accounts, and perception. This is important, because whilst many in the sector will support the ethical basis for increased diversity and inclusion, others will be motivated by impact demonstrated in a range of ways. As seen in the private sector over the past decade, once it was clear that diversity and inclusion improved the bottom line there began to be changes at boardroom tables and in decision-making processes.[27] In our sector the equivalent is more complex, but essentially, we may not see real change in leadership team compositions until we can show it changes the quality of humanitarian action. While there may be multiple ways to assess the effect of more diverse and inclusive leadership on humanitarian action, this study aims to take a first step to fill this evidence gap, to provide an additional advocacy tools and a fresh way of discussing the opportunities that come with improved diversity and inclusion.

20   Deborah Doane, Oxfam's 'hypocrisy' is not unique: the aid system is built on a power imbalance, *The Guardian*, 12 June 2019, https://www.theguardian.com/global-development/2019/jun/12/oxfam-hypocrisy-not-unique-aid-system-built-on-power-imbalance; Afua Hirsch, Oxfam abuse scandal is built on the aid industry's white saviour mentality, *The Guardian*, 21 February 2018, https://www.theguardian.com/commentisfree/2018/feb/20/oxfam-abuse-scandal-haiti-colonialism; Ben Phillips, Posh white blokes: holding back the struggle for a fairer world? *The Guardian*, 4 October 2013, https://www.theguardian.com/global-development-professionals-network/2013/oct/04/white-men-global-development

21   International Women in Mining and PwC, Mining for talent: A study of women in boards in mining industry, 2013, p. 18. See also Sheen Levine, Evan Apfelbaum, Mark Bernard, Valerie Barteit, Edward Zajac and David Stark, Ethnic diversity deflates prices bubbles, *Proceedings of the National Academy of Sciences of the United States of America*, 111(52): 18524-18529.

22   Doane, Oxfam's 'hypocrisy' is not unique; Hirsch, Oxfam abuse scandal is built on the aid industry's white saviour mentality; Phillips, Posh white blokes: holding back the struggle for a fairer world?

23   Charlotte Lydia Riley, Powerful men, failing upwards: the aid industry and the 'Me Too' movement, *Journal of Humanitarian Affairs* 2020, vol. 23, no. 2, p. 49; https://www.theguardian.com/world/2018/feb/10/aid-agency-haiti-exploitation-sex-parties-culture-secrecy-oxfam

24   Core Humanitarian Standards Alliance, *PSEAH implementation quick reference handbook*, 2020.

25   ALNAP, What makes feedback mechanisms work? Literature review to support an ALNAP-CDA action research into humanitarian feedback mechanisms, 2014.

26   Hannah Blackney, Seeta Giri, Pip Henty, and Kate Sutton, *Data on diversity: humanitarian leadership under the spotlight*, Humanitarian Advisory Group, 2019.

27   McKinsey and Company, *Diversity wins: how inclusion matters*, May 2020.

ABOUT THIS STUDY

This study is one of a series of investigations into the state of diversity and inclusion in humanitarian leadership, the impacts of more diverse and inclusive leadership teams on humanitarian response, and practices that can help to promote diversity and inclusion. Other resources in this project have sought to capture the experiences and voices of people working in the sector, including leaders and staff members, and to provide practical guidance to shape change. This research report addresses a different evidentiary and methodological gap. It summarises the results of a statistical analysis of the impact of diverse and inclusive leadership on two key areas of humanitarian practice and explores the factors shaping these results. The research tested the following two hypotheses.

HYPOTHESIS 1: Organisations with more diverse and inclusive humanitarian leadership teams create a better culture of innovation promotion

Innovation promotion in the humanitarian sector refers principally to the need to support, resource and advocate for four key areas of innovation: product/services, process, position, and paradigm.[28] It includes recognising, searching, adapting, inventing, piloting and scaling innovations, and an organisation's approach to strategy, culture, financial resources, team management, risk management, evidence, partnership and collaboration and the end users and gatekeepers of these innovations.[29] While this is a persistent challenge, the current context makes innovation especially important. Humanitarian responses are consistently underfunded, and the worsening effects of climate change mean needs will rise dramatically, placing additional burdens on an already overstretched system. At the same time, the sector is seeking to confront and change entrenched power dynamics, transforming its systems to reflect the paramount importance of local leadership and affected communities' views. Overcoming these multifaceted and interacting challenges will require innovative thinking and ambitious solutions.

Hypothesis 2: Organisations with more diverse and inclusive humanitarian leadership teams better manage the prevention of sexual exploitation, abuse and harassment (PSEAH).

Understandings of risk and how to manage it have significant influence in humanitarian practice, given the sector's focus on situations of conflict, disaster and instability and their human impacts. Among the various kinds of risk identified, including security and financial risks, one of the most severe is the risk that the presence and actions of humanitarian organisations may expose affected communities to new harms. This has been recognised at a principled level through the framework of 'Do No Harm' and more recently through increased attention to PSEAH. PSEAH was chosen as the focus for the risk management hypothesis, because it was identified as a key area to explore based on consultations for this project, with stakeholders emphasising the significance and timeliness of this area as highlighted by the literature.

The report is structured in three main sections. The first section summarises the research design and methodology, including the three stages of data collection and analysis. The next section indicates the key findings against the two hypotheses. The final, longer section discusses these findings, exploring potential explanations of why the findings were established, using key data and examples from our research, as well others' work, to inform the discussion. More information on the frameworks of analysis and early-stage findings are included in Annexes 1 and 2.

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28   ELRHA, *Humanitarian Innovation Guide: Innovation basics*, https://higuide.elrha.org/toolkits/get-started/understand-innovation/
29   ELRHA, *Humanitarian Innovation Guide: Enabling factors*, https://higuide.elrha.org/enabling-factors/

METHODOLOGY

To test the two hypotheses, the research required information on the profiles of leadership teams as well as on performance in the two areas. This information was gathered and analysed in the three stages outlined below. HAG developed this methodology in consultation with diversity and inclusion, PSEAH and innovation experts from the humanitarian and private sectors.

STAGE 1. ESTABLISHING PARTNERSHIPS AND FRAMEWORKS

The research was conducted in partnership with 13 organisations, including international and national NGOs, National Societies of the Red Cross and Red Crescent, and UN agencies (including a Humanitarian Country Team, HCT). The research was conducted in the Philippines, Bangladesh and Indonesia. Organisations varied in size and structure, ranging from 20 employees (and in some instances volunteers) to over 5000. If organisations had a large number of employees within a single country, we sampled across selected teams or geographic locations. In cases where regional or global offices existed, we ensured space was provided to discuss their role for the purposes of individual organisational reports, but this did not explicitly feed into the measurement indicators.

The research required the development of four measurement frameworks tailored to the humanitarian sector (see Annex 1) to assess the leadership and performance profiles in the focus areas:

Framework 1 – to measure diversity: the profile or make-up of the leadership team, through a process of self-identification;

Framework 2 – to measure inclusion: the inclusiveness of the leadership team, through a survey of staff perceptions as well as interviews;

Framework 3 – to measure innovation: practices and approach to innovation culture, through surveying and interviewing staff;

Framework 4 – to measure PSEAH: practices and approach to PSEAH, through a survey of staff, interviews and document review.

The frameworks and other research tools draw on previous HAG research, studies of diversity and performance in the business sector, research and tools derived from the CHS and CHS Alliance, and academic research on innovation metrics.[30] Although the questions and indicators remained consistent, frameworks were contextualised for each country context, including translation and acknowledgement of ethnic and cultural groups and languages.

Each partner defined its own leadership teams in order to allow for different organisational sizes and structures. All leadership teams were in the country of operations, but in some instances this included all levels of leadership (from country executive level to program implementation leadership) and in others specific teams. When completing the survey, individuals were asked to reflect on the leadership team as defined by each organisation. In interviews, individuals tended to reflect on the leadership team or leaders that most directly affected them.

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30 Notably, the PSEAH indicators are drawn from the Core Humanitarian Standards *PSEAH implementation quick reference handbook* – https://d1h79zlghft2zs.cloudfront.net/uploads/2020/10/CHS_Alliance-PSEAH_Handbook_2021.pdf. The framework aims to measure how leadership teams managed PSEAH against the standards; the closer the alignment with standards, the 'better' PSEAH management was scored. Whilst compliance factors were examined (e.g. training, reporting and feedback process), perceptions of comfort and confidence levels and contextualisation of policies were also reviewed.

STAGE 2. DETERMINING ORGANISATIONAL SCORES FOR EACH AREA

This required a mixed methods approach with the following elements (see Figure 2).

Self-identification survey: This survey was for leaders and gathered demographic information for diversity metrics.[31] This data was used in framework 1.

Perception survey: This survey was for staff members other than leaders, and gathered indications of inclusion and of performance on PSEAH and innovative environment measures. This data was used in frameworks 2, 3 and 4.

Key informant interviews: Interviews were conducted with a sample of both leaders and staff members from each organisation to investigate and contextualise survey findings. Qualitative data was analysed thematically and scored based on the impact indicators outlined in the frameworks. This data was used in frameworks 2, 3 and 4.

Document review: A full document review of organisational documents about PSEAH to inform a documentation-based score for the organisation (this is in addition to wider reading for the study as a whole). This data was used in framework 4.

The research was initially designed to include the perspectives of communities when scoring organisations' approaches to innovation and PSEAH. However, due to COVID-19 travel restrictions, both globally and within the research countries, it was not feasible to gather this data with the consistency required for aggregation and statistical analysis. The implications of this are indicated in the discussion. See Annex 4 for a full list of limitations.

Each partner organisation received a confidential organisational report that described the process and results of the research for the evaluation areas, all treated separately. Each scorecard included a target statement and reports on its indicators, with overall results expressed in terms of alignment with the target statement and ratings provided for level of evidence. These reports considered the different cultural contexts in which organisations worked, for example, regional conflict in Mindanao in the Philippines, or sensitivities and safety when discussing people of diverse sexual and gender identities. The analysis was supported by a scoring matrix.

Figure 2: Overview of Methodology

141 key informant interviews

4 frameworks

711 survey respondents

3 national consultants

136 documents reviewed

13 organisational or network partnerships

Methodology
UNDERPINNED BY ETHICAL RESEARCH PRINCIPLES

31   As per the definitions in Annex 3

STAGE 3. ANALYSING THE CORRELATION BETWEEN DIVERSITY AND INCLUSIVENESS OF LEADERSHIP TEAMS AND TEAM PERFORMANCE

For the final stage – the results of which are presented in this paper – data from all the organisational reports was anonymised and aggregated, and correlation analysis applied to understand the relationship between pairs of independent variables and dependent variables (presented in Table 1 below).[32] A p-value of less than 0.05 was taken to indicate the statistical significance of a correlation (i.e. that the relationship was so strong that it was unlikely to have occurred by chance). Bivariate regression was used to understand whether diversity and inclusion have any predictive value, that is, whether the diversity and inclusion score of an organisation could predict the innovativeness of its culture.

The coding of qualitative data in stage 2 informed the quantitative analysis undertaken in stage 3. It also enabled the exploration of – and in some cases explanations for – the quantitative findings, as well as contributing specific insights and themes (see the discussion section).

Table 1: Correlation between diversity and inclusiveness of leadership teams and team performance

Independent variables	Correlations with:	Dependent variables
Diversity of leadership (framework 1)		**Innovation culture (framework 3)**
An overarching score that included: gender, race and culture, diversity of thought and economic background		An overarching score that included: · Internal learning · External learning · Leadership promotion · Resource allocation · New ideas heard · Balancing risk
Inclusion of leadership (framework 2)		**PSEAH (framework 4)**
An overarching score that included: extent to which leadership listens to and acts on different perspectives, extent to which staff are comfortable to raise ideas, perception of leaders' inclusive practices, perception that leadership is diverse and representative		An overarching score that included: · Evidence of programs identifying and acting on PSEAH concerns · PSEAH policies and strategies · Information provided to communities

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32 A correlation is a statistical measurement that denotes the association between two quantitative variables. Correlation results can range from +1.00 to -1.00, whereby a correlation of +1.00 represents a perfect positive correlation between two variables. It is important to note correlation is not the same as causation.

FINDINGS

Overall, the analysis found a positive and statistically significant correlation in relation to hypothesis 1, indicating that organisations with more inclusive leadership teams also had a stronger culture of innovation. However, there were no correlations in relation to hypothesis 2; the results did not confirm or reject the idea that organisations with more diverse and inclusive leadership would also have stronger risk management of PSEAH. The statistical findings are summarised below.

Positive correlations between inclusion of leadership and innovation

Results show a positive correlation between inclusive leadersip teams and innovation culture, but not a correlation with diversity. As inclusion increases so too does innovation. See Table 2 below.

Table 2: Correlation findings

Independent variables	Correlations with:	Dependent variables
Diversity of leadership score	$\neq$	**Innovation culture score**
An overarching score that included diversity in gender, race, culture, thought and economic background		No correlation (R=.031, p = .925)
Inclusion of leadership score	+	**Innovation culture score**
An overarching score that included the extent to which leadership listens to and acts on different perspectives, the extent to which staff are comfortable to raise ideas, the perception of leaders' inclusive practices, and the perception that leadership is diverse and representative		Strong positive correlation (R=.820 and p = .001)

Inclusion has high predictive value for innovation

The regression analysis found that inclusive leadership is a positive predictor of innovation culture. Where there is strong inclusive leadership, we can predict that staff will report 25% more innovation promotion than in organisations with less inclusive leadership. Figure 3 below shows the trend line, with the x axis showing the scores for inclusion and the y axis showing the innovation score. The trend line shows that as scores on the x axis increase so too do the scores on the y axis. See annex 5 for bivariate regression analysis.

Figure 3: Correlation between inclusion of leadership and innovation
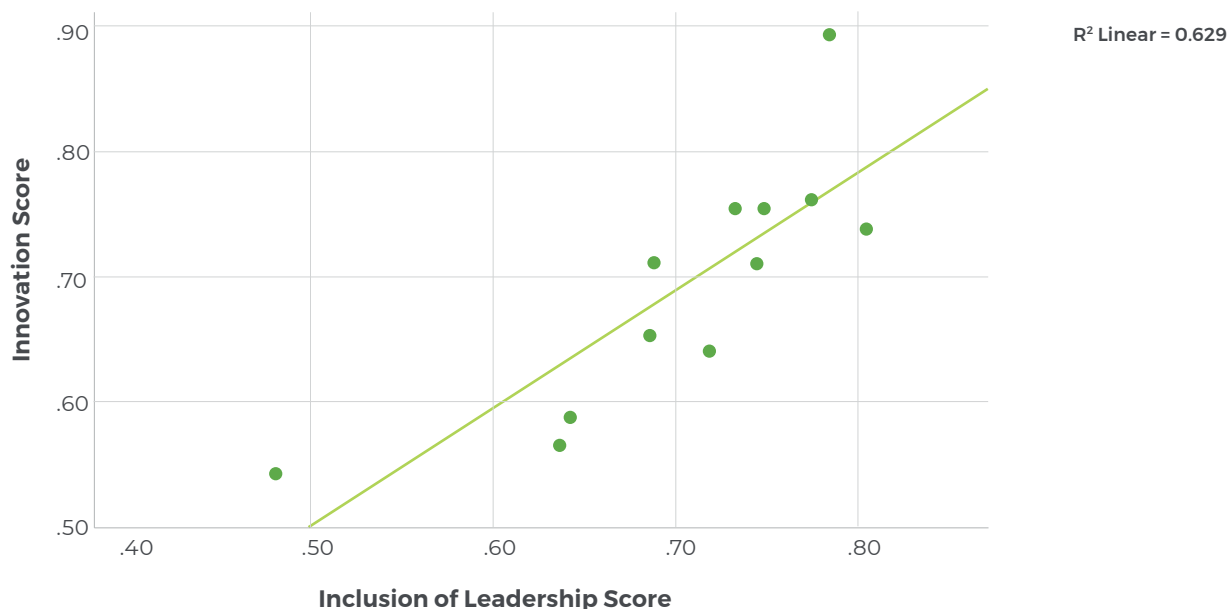
Further unpacking the indicators of framework 3 reveals that the impact of diversity and inclusion is most evident in relation to two areas. The first relates to whether new ideas are encouraged and heard. This encompasses the extent to which staff believe that different ways of thinking are welcomed and whether they are free to challenge the ideas of colleagues. There is a significant positive correlation between an inclusive leadership team and the extent to which staff believe their ideas are encouraged and heard.[33] The second area is whether innovation is promoted by leadership. This idea encompasses whether staff think they are supported to try new ideas, including whether they are supported to manage barriers and take on appropriate risks. There is a significant positive correlation between an inclusive leadership team and the extent to which staff believe they are supported to innovate.[34]

No correlation between diversity, inclusion and risk management of PSEAH

The statistical analysis found that there was no significant positive or negative correlation between the diversity and inclusiveness of a leadership team and its approach to PSEAH. This means that the profile and approach of leadership teams did not appear to affect organisational performance on PSEAH based on the areas assessed. It is important to note that, whilst the diversity and inclusiveness of a leadership team was not found to correlate positively with its approach to PSEAH, the lack of a negative correlation means that leadership team diversity and inclusivity did not correlate with teams performing poorly on PSEAH either.

The qualitative data also suggests that other factors beyond diverse and inclusive leadership teams had more impact on PSEAH. Potential explanations for this finding are discussed in the section below.

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33   Positive correlation between inclusive practices of leadership team and new ideas being heard (r=.666, p=0.18)
34   Positive correlation between inclusive practices of leadership team and staff being supported to innovate (r=.775, p=0.003)

DISCUSSION

The aim of this study was to advance understanding of how diversity and inclusion can help create the conditions for more effective humanitarian responses. It sought to do this by testing the hypotheses that diverse and inclusive humanitarian leadership teams: 1) promote innovation better and 2) manage the risk of SEAH better. This section discusses these two areas in turn, highlighting factors potentially shaping the quantitative findings and exploring insights that emerged through the qualitative data, specifically key informant interviews.

💡 INNOVATION

In finding that there were significant positive correlations between inclusive leadership and innovation culture, this study expands the evidence base for how inclusion benefits specific areas of performance in the humanitarian sector. Previous contributions to knowledge have drawn primarily on reflection and analysis of organisational change efforts – highlighting that, as stated in the UNHCR paper, 'the qualities and values that we associate with innovation are definitionally diverse and inclusive.'[35] By applying statistical analysis, this study demonstrates the importance of inclusive leadership in allowing more perspectives and voices to address a challenge.

Leadership teams' vital role in developing staff confidence to contribute different perspectives is a potential factor for the correlations found with innovation culture. Harper Jantuah, Moench and Bond suggest that inclusion is important to innovation because 'vulnerability can be the birthplace of new ideas, and organizations that support an environment where people believe they can take risks, and bring their thoughts,

beliefs, and feedback to the table, will foster more imagination, innovation, and productivity.'[36] This was supported by this study's organisational reviews, during which both staff and leaders suggested that when staff felt that they belong, that they are seen, heard and valued through the inclusive practices of leaders and have the support of leadership, they are more likely to be comfortable stepping outside of business as usual and embracing new ideas.[37] This dovetails with research by the London School of Economics, Deloitte, and McKinsey & Company on the vital role that leaders play in promoting private sector innovation.[38]

Another factor potentially shaping these correlations is the importance of humanitarian leadership teams listening to operational perspectives – suggesting a link between inclusive leadership and innovation at a programmatic level. Interviews indicated that inclusive approaches by leaders, such as consulting with communities and staff, particularly field staff, were pivotal to innovating at the program level.[39] Interviewees perceived that the inclusiveness of leadership teams during the planning, designing and implementing of programs was key to encouraging teams to bring forward their ideas to change how their services are delivered.[40] They shared examples of leaders who actively encouraged and sought the feedback of field staff during program design processes, discovering that their existing project models in conflict areas fell short of meeting the needs of communities, such as the provision of culturally sensitive infrastructures that support water, sanitation, and hygiene.[41] This approach may be considered a 'cyclical relationship,' a positive cycle for innovation and inclusion identified in private sector research; giving field staff opportunities to influence program design and other innovation

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35   UNHCR, *Explorations in inclusion, diversity, gender equality and innovation in UNHCR*, 2019, p. 10.
36   Caroline Harper Jantuah, Daphne Moench and Sarah Bond, Using diversity and inclusion as source for humanitarian innovation, *Stanford Social Innovation Review*, September 21, 2019.
37   Organisational reviews 1–13.
38   Paris Will, The cyclical relationship between innovation and inclusion in the workplace, *LSE Business Review*, 14 October 2020; Juliet Bourke and Bernadette Dillon, The diversity and inclusion revolution: eight powerful truths, *Deloitte Review*, 2018; McKinsey & Company, *Diversity wins: how inclusion matters*, May 2020.
39   Interviews 4, 5, 8, 12, 21, 29, 34, 39, 50, 54, 55, 57, 70, 71, 72, 73, 77, 78, 111, 113, 114
40   Interviews 1, 2, 4, 5, 8, 12, 22, 26, 39, 50, 54, 62, 70, 71, 77, 78, 86, 88, 109, 111, 116, 119, 124, 125, 134, 133, 139, 141.
41   Interviews 4, 5, 8, 12, 21, 29, 34, 39, 50, 54, 55, 57, 70, 71, 72, 73, 77, 78, 111, 113, 114, 136, 137, 141

promotion may in turn reinforce inclusivity.[42] Organisations that worked in this way appeared better able to empower field staff to share their knowledge and expertise, in contrast with organisations whose decisions mostly come from technical advisors and management teams, depriving field staff of chances to influence program design.

It is important, however, to note the methodological constraints of this research. To build its picture, the study considered staff perceptions and experience of whether leadership teams listened to affected communities and the extent to which they were representative of demographics in the countries in which they worked. However, further research is needed that directly incorporates the views and experiences of affected people, to understand whether and how their feedback is being communicated to leadership teams and thereby contributing to innovation culture and ultimately the quality and relevance of humanitarian response. Experiences in UNHCR, for instance, showed that community-led projects that 'move beyond a tokenistic inclusion towards a comprehensive inclusion benefit from a diversity of experiences, perspectives, and expertise that often results in sustainable, adaptable, and inspired solutions.'[43] Research among affected communities may have resulted in different evaluations, affecting the statistical findings.

The key informant interviews also suggested another significant factor: leadership teams' active promotion of an inclusive culture to allow new ideas and perspectives to gather momentum and traction. In interviews, staff members from every one of the participating organisations noted that an environment that was conducive to sharing, listening to and challenging new initiatives and ways of working was critical to the success of innovation.[44] Leaders can help to create this inclusive culture through the institutionalisation of platforms for dialogue, for example, or by creating mechanisms that challenge internal silos and hierarchies.[45] Studies of innovation in the private sector have previously made the same link between inclusive culture and innovation, finding that organisations with inclusive cultures are six times more likely to be innovative and agile.[46]

Across different sectors, there is a growing evidence base showing that representation of different experiences, backgrounds and ages leads not only to robust discussions, but to the thoughtful solutions that are needed when implementing new program models or working in new areas. It is interesting, therefore, that the quantitative findings do not at face value support a correlation between diversity of leadership and innovation. Potential explanations for this lack of correlation may relate to the design of the measurement framework. This study combined self-reported demographic

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42 Paris Will, The cyclical relationship between innovation and inclusion in the workplace, *LSE Business Review*, 14 October 2020.
43 UNHCR, *Explorations in inclusion, diversity, gender equality and innovation in UNHCR*, 2019. Page 10.
44 Organisational reviews 1–13.
45 Caroline Harper Jantuah, Daphne Moench and Sarah Bond, Using diversity and inclusion as source for humanitarian innovation, *Stanford Social Innovation Review*, September 21, 2019; Humanitarian Advisory Group, *Guidance note: creating and sustaining diverse and inclusive teams*, 2021.
46 Sheree Atcheso, The overwhelming importance of belonging in the workplace, *Peakon Post*, November 13, 2020.

data across gender, sexuality, disability, race and ethnicity, age, religion, work experience and socio-economic background, to develop a single diversity score for each leadership group. In contrast, some of the private sector studies with very clear findings used more limited methods, for instance, by isolating one or two particular identity traits such as gender or age.[47] Whilst our approach to measuring diversity aligns with the latest theories on diversity and attempts to capture greater real-life complexity, it also increases the complication and gradation in the picture of each organisation's diversity, with consequent implications for the ability to detect statistically significant correlations.

Furthermore, it is important to note that there was a small degree of overlap in the frameworks for measuring diversity (framework 1) and inclusion (framework 2). Specifically, framework 2 included an indicator for perceptions of whether leadership was 'diverse and representative'. This sought to capture staff views of leadership teams, as distinct from the teams' profile or make-up, and reflects the importance of representation of diversity (and notably representation of affected communities) to meaningful inclusion in the humanitarian sector.[48] Whether there is benefit in addressing this potential ambiguity could be considered by future research. Nonetheless, the qualitative findings, alongside the strong correlations between innovation culture and inclusive leadership – findings influenced by perceptions of diversity and representation – support a position that greater diversity creates the conditions for meaningful inclusion and contributes to the promotion of innovation. This contention requires further research and potentially refinement of the frameworks used for this study.

PREVENTION OF SEXUAL EXPLOITATION, ABUSE AND HARASSMENT

The quantitative analysis of this study did not confirm the hypothesis that diverse and inclusive leadership teams manage PSEAH better than their less diverse and inclusive counterparts. This finding is at odds with private sector research on risk management and recent analysis and commentary in the humanitarian sector that have emphasised connections between unequal dynamics and SEAH risk (summarised in the Introduction). It also contradicts some of the qualitative data generated as part of this and previous studies. For example, HAG research conducted in partnership with the Red Cross and Red Crescent Movement during the COVID-19 response found a significant correlation between diverse leadership and the implementation of confidential feedback mechanisms.[49] In the present

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47 Credit Suisse, *Gender diversity and corporate performance*, Credit Suisse Research Institute, 2021; McKinsey & Company, *Women matter 2010: women at the top of corporations: making it happen*, 2011.

48 There is recognition that diversity and inclusion are in some respects independent of each other: 'You can have diverse teams that are not inclusive, and you can also have homogenous teams where people feel included.' However, when seeking to promote both, as well as equality, the 'what' or 'who' of diversity and the 'how' of inclusion interact and become mutually supporting goals. For example, see Thais Compoint, *How to become an inclusive leader: the winning leadership habits in a diverse world*, 2017.

49 HAG, ICRC, IFRC and GLOW Red, *How diverse leadership shaped the response to COVID-19*, June 2021, page 24

study, examples from organisations highlighted two areas in which diversity of leadership is especially important for PSEAH: contextualisation of policies and investigation of reports. Some interviewees argued that representation of national staff – explicitly at the field level – within leadership can support policies being better contextualised and relevant to the realities on the ground, leading to more effective implementation.[50] Furthermore, having diversity within teams that investigate allegations of SEAH was seen as important to reduce bias and ensure a context-sensitive approach to allegations.[51] The link between trust, comfort and psychological safety of communities and engaging in PSEAH reporting and investigation processes relates to how people are treated by members of staff and leadership, a connection that we would have expected to see reflected, particularly in correlations with inclusion.[52]

There are a few potential, possibly interacting reasons for the inconclusive finding about diverse and inclusive leadership and PSEAH. Constraints on data collection may have had a major influence, in particular the impossibility, due to the COVID-19 pandemic, of consulting affected communities with which the organisations were working. Best practice for PSEAH assessments highlights the importance of feedback from the people and communities affected by crisis, according to the CHS guidance on which the PSEAH indicators for this study are based.[53] Because we were unable to gather these views, the PSEAH practice measured may have been inaccurate, which in turn could have affected the correlation results.

Another possible factor is the level of institutionalisation of PSEAH work, particularly as illustrated by the comparison with innovation. Over time, investment in PSEAH has led to the production of definitions, standards, guidelines, and so on. Donors and some other organisations have strict expectations of policies, training, monitoring and reporting on PSEAH, compliance with which may have implications for contracts. This more institutionalised practice can be contrasted with innovation, where expectations do not take this form and which is much less likely to be monitored – if at all. While institutionalisation can be important to ensure systematic good practice, it is possible that it limits the scope for leadership teams of different profiles and attitudes to produce different ways of facilitating PSEAH, in comparison with the far less codified domain of innovation.

This raises the further question of whether the need for compliance with regulations has affected the extent to which different perspectives are able to inform PSEAH practices. More than 20 years ago, researchers argued that 'a stifling culture of compliance and risk aversion has become the

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50   Organisational reviews 1, 2, 4, 5, 8, 9.
51   Organisational reviews 3, 4, 8.
52   For example, see Core Humanitarian Standards Alliance, *PSEAH implementation quick reference handbook*. 2020; ALNAP, *What makes feedback mechanisms work? Literature review to support an ALNAP-CDA action research into humanitarian feedback mechanisms*, 2014;, Geneva International Centre for Humanitarian Demining, *Guidance on Protection from Sexual Exploitation and Abuse*, Global CWD Repository, 2019.
53   CHS Alliance, *Validated CHS self-assessment: Core Humanitarian Standard on quality and accountability*, 2010.

unfortunate by-product of the well-intentioned drive to improve humanitarian accountability,' with risk management being approached procedurally rather than dynamically and pre-determined plans treated as more important than responsiveness.[54] Recent research exploring AAP in the sector, of which PSEAH is a significant component, found that 'while there are a number of initiatives and approaches that show potential, they have not yet delivered greater accountability or participation,' and that many humanitarians feared 'AAP was becoming a tick-the-box exercise.'[55] During our research, there was consistent reporting of similar concerns that some activities associated with PSEAH, such as induction and training, were viewed as compliance-based, therefore affecting their meaningful implementation.[56]

Descriptive quantitative data in our study appeared to illustrate these patterns. For example, 42% of organisations surveyed had undergone recent PSEAH assessment because it was required by the funding agency to prevent the termination of a project they were implementing. On the other side of the spectrum, 58% of organisations surveyed conduct PSEAH assessments of their local organisation counterparts as part of the due diligence process prior to partnerships proceeding. This highlights that PSEAH priorities could start as an act of compliance to due diligence checks and assessments of donors, but there is the risk that the continuing process of strengthening PSEAH could be overlooked once this process is already fulfilled. Compliance requirements are often top-down and prescriptive, reducing staff participation and arguably also the likelihood of diverse and inclusive leadership teams developing distinctive approaches.

A final possible factor is the level of leadership targeted in the study. As outlined in the methodology, this study focused on leadership teams in the countries of operation (the Philippines, Bangladesh, and Indonesia) as defined by each partner organisation. However, the organisations also had varying configurations of additional organisational structures in more or less direct leadership or management roles towards the country offices, such as regional offices and global headquarters. As PSEAH is viewed as a system-wide responsibility borne by individuals, leaders, and donors,[57] it is likely that – in addition to the leadership teams included in the study – PSEAH practice is influenced by leadership teams at more senior levels or in specialised areas such as human resources. It may also be shaped by 'deep structures' of power and cultures that work against greater transparency and accountability in the humanitarian sector.[58] Further research among senior leadership teams, including global and regional offices, and using a more standardised approach to defining country leadership (including Country Directors, Humanitarian/Resident Coordinators) may help to identify the influence of diversity and inclusiveness on PSEAH performance.

To build upon this work, future research could include investigation of the relationship between levels of leadership and risk, expanding beyond a focus on country-level leadership. Additional studies could also consider broader risk considerations such as financial risk management and areas such as child protection.

CONCLUSION

This research was ambitious in its aim and scope. It sought to provide insights into the complex relationship between the diversity, inclusion and performance of humanitarian leadership teams in the areas of innovation and risk management of PSEAH. It was one of the first attempts in the sector to fill an important evidence gap. Whilst the moral and ethical imperative for diversity and inclusion at all levels of our sector is clear, fewer evidenced arguments – which have gained acceptance and traction within the private sector – have to date been presented for the humanitarian sector. This research makes an important start to the process of closing that gap.

The study focused on the generation of quantitative data to strengthen and complement a growing body of qualitative data and an intuitive understanding of the value associated with diversity and inclusion. In particular, the research provides a strong basis for the proposition that inclusive leadership supports innovation. In the context of global humanitarian need outstripping supply and the continued calls for reforms to the system, innovative thinking and solutions will be of considerable value. The data clearly indicates that diversity and inclusion can help deliver them.

Beyond its primary findings, this study opens up many new pathways to understand the impacts of diversity and inclusion. In developing an original framework and set of tools to measure the profiles and approaches of leadership teams against organisational performance in different areas of humanitarian practice, it has laid the groundwork for future studies to investigate the importance of diverse and inclusive leadership for the sector's core goals. As with any new framework and tools, the research process highlighted areas to adapt and strengthen. The balance between capturing the complexity of diversity and inclusion and the importance of theoretical simplicity is a challenging one; this research suggests that frameworks could be simplified further and areas of convergence re-examined to help generate new and deeper insights.

By showing how different kinds of evidence and knowledge can bring fresh insights, this study also reminds us that the way we seek to answer questions can be as important – and even determine – the questions that we ask. HAG's project on Diverse and Inclusive Humanitarian Leadership has developed a research agenda over multiple years, from mapping potential dividends of diversity and inclusion to examining leaders' decision-making to testing their impact on practice. By focusing on statistical analysis, we have sought to create new resources to drive the conversation forward. Other methods will enrich that conversation even more. Storytelling, longitudinal studies, or big data, for example, may bring new insights to better equip the sector to support more effective responses. As an ever-stronger movement generates change, we hope that diverse forms of evidence and knowledge will be able to play an ever-stronger role.

ANNEX 1. ASSESSMENT FRAMEWORKS

The below outlines the high-level frameworks and indicators measured in the four areas measured: diversity, inclusion, PSEAH, and innovation culture.

1. DIVERSITY OF LEADERSHIP

1.1. Women, people with disabilities and gender and sexual minorities representation

1.2. Diverse races and cultural groups representation

1.3. Diversity of thought

1.4. Diversity of economic backgrounds

2. INCLUSION OF LEADERSHIP

2.1. The leadership is seen as inclusive

2.2. The leadership is seen as diverse and representative

3. INNOVATIVE PROMOTION

3.1 Internal learning

3.2 External learning and accountability

3.3 Leadership promotion

3.4 Resource allocation to facilitate innovation

3.5 New ideas being heard

3.6 Balancing of risk

4. PSEAH RISK MANAGEMENT

4.1. Programmes identifying and acting upon potential or actual PSEAH issues

4.2. Policies, strategies and guidance designed to prevent SEAH

4.3. PSEAH information being provided to people affected by crisis

A snapshot of the overall 'score' for the four frameworks or 'scorecards' for 12 organisations, including international and national NGOs and Red Cross national societies in the Philippines, Bangladesh and Indonesia, is shown below. It does not include the 13th organisation – a UN HCT – because the analysis for this group only consisted of one pool of leaders, given that HCTs represent the leadership of multiple organisations. Each target statement and indicator received a score in the form of a percentage, which were aggregated into the overarching score for each scorecard. The scores were then classified as either strong, good, some or weak evidence based on the groupings below. It's important to note that when findings were communicated to each organisation, scores were also provided by indicator (not just aggregated for the four scorecards).

Strong Evidence   >90%
✔ ✔ ✔ ✔

Survey, interview, and/or document evidence is consistently and strongly in support of the statement

Good Evidence   75-89%
✔ ✔ ✔

Data supports the statement, but there is room for improvement, or some inconsistency between data sources

Some Evidence   60-74%
✔ ✔

Some evidence exists to support the statement, but substantial room for improvement or substantial gaps exist

Weak Evidence   <60%
✔

There was weak evidence to support the statement; very substantial room for improvement and substantial gaps exist

Organisations

	1	2	3	4	5	6	7	8	9	10	11	12
Leadership diversity	91%	73%	78%	89%	83%	74%	92%	83%	63%	71%	67%	64%
Leadership Inclusiveness	80%	72%	77%	75%	69%	64%	69%	64%	48%	73%	75%	78%
PSEAH risk management	82%	68%	42%	64%	69%	68%	61%	67%	72%	64%	58%	86%
Innovation Promotion	74%	64%	76%	76%	71%	59%	65%	57%	54%	75%	71%	89%

ANNEX 3. DEFINITIONS

The text below outlines the key working definitions applied in this research.

Diversity is all the ways we differ.[59] Diversity in this research attempted to reflect differences according to race, ethnicity, gender, age, sexuality, disability, religion, language, work history, and socio-economic background.[60]

Inclusion occurs when diverse people feel valued and respected, have equitable access to opportunities and resources, and can contribute their perspectives and talents to improve their organisation.[61] Both diversity and inclusion are needed to generate organisational success.[62]

Humanitarian leadership: leaders of humanitarian organisations who provide a clear vision and objectives for humanitarian action (whether at the program, organisational or system level). We worked with partner organisations to define who was considered a leader for the purpose of this research.

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59   Information Management Victoria. *The emergency management diversity and inclusion framework*, 2017.
60   Other definitions and studies has included other attributes such as marital status, genetic information, learning styles. For example see Bond, *Racism, power and truth: experiences of people of colour in development*. 2021.d
61   Jane O'Leary, Graeme Russel and Jo Tilly, *Building inclusion: an evidence based model of inclusive leadership*, Diversity Council Australia, 2015.
62   Caroline Harper Jantuah, Daphne Moench and Sarah Bond, Using diversity and inclusion as source for humanitarian innovation, *Stanford Social Innovation Review*, September 21, 2019.

ANNEX 4. LIMITATIONS

This research was ambitious in its aim and scope, seeking to provide insights into the complex issue of diversity and inclusion within a multifaceted sector. As the first study of its kind, it sought to create space and learning for more research to come. The limitations of the research are outlined below.

Newness of the tools: The research team developed an original set of tools drawing on best practice and ideas from the private sector. As with any new research framework, these will need to be tested to refine their design and build understanding of their validity.

Complexity of the indicators: Whilst the interpretation of diversity in this work was aligned with leading thinking and theory,[63] it is complex to measure. Similarly, the concept of inclusion can be measured in various ways, a challenge to research design that is reflected in the frameworks and discussed further below.

Research setting: While it is important not to inflate the narrative of 'exceptionalism' that sometimes affects representations of humanitarian aid,[64] the humanitarian sector nonetheless diverges from the private sector in several ways that mean research findings cannot simply be generalised from one to the other, although there are opportunities for joint learning. Some of the private sector studies with very clear findings used more restricted methods, for instance, by assessing company performance based on staff perceptions,[65] by incorporating views only from senior leadership levels,[66] or by focusing on a particular identity trait such as gender or age.[67] These differences in context and methodology may have inhibited the degree to which findings were comparable across studies.

Replicability: The replicability of the results – the extent to which the results would be reproduced under the same conditions – is difficult to gauge because the same conditions are rarely found across humanitarian contexts. Some of the differences between organisational structures are indicated above. For the purposes of this pilot study, we assumed that the variability in results was the product of real differences between organisations and teams, but remain open to the possibility that the subjective nature of some areas of scoring may have affected our findings.

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63 See, for example, Diversity Council Australia, *Leading diversity and inclusion in the workplace*, 2018; Bond, *Racism, power and truth: experiences of people of colour in development*, 2021.
64 Larissa Fast, *Aid in danger: the perils and promise of humanitarianism*, University of Pennsylvania Press, 2014.
65 Deloitte and Victorian Equal Opportunity and Human Rights Commission, *Waiter, is that inclusion in my soup? A new recipe to improve business performance*, 2013.
66 Forbes Insights, *Fostering innovation through a diverse workforce*, 2011.
67 Credit Suisse, *Gender diversity and corporate performance*, Credit Suisse Research Institute, 2021; McKinsey & Company, *Women Matter 2010: women at the top of corporations: making it happen*, 2011.

ANNEX 5. STATISTICS

This table provides the bivariate regression analysis results.

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.038	.159		.237	.817
	Inclusion of leadership	.935	.227	.793	4.115	.002
a. Dependent Variable: Innovation Score						

Interpretation: Inclusion of leadership is a positive predictor of innovation score.

The linear regression equation is Y = bX+c. Applied to the current coefficients:

Estimated Innovation score = Perception of diversity * (.935) + .038.

Strong perception estimate = 87.95% innovation

Good (75%) = 73.925%

Some (60%) = 59.9%

Weak (50%) = 50.55%