Chartered Governance Institute

Values of Belonging, Dignity and Justice

July 2022

About The Chartered Governance Institute

The Chartered Governance Institute is the premier global qualifying organisation for professionals aspiring to become a Chartered Secretary and/or a Chartered Governance Professional. With over 130 years of history, we assist company secretaries, governance advisers, non-executive directors and others in the development of their skills, knowledge and experience. The Institute is an international organisation with nine national institutes in its network and 29,000 members living and working in over 80 countries. Most importantly, it brings its influence to bear on international trade bodies, governments, regulators, non government organisations and companies to represent the views and current thinking of those involved in governance.

The Institute's mission is to be the best explainer, the best advocate, the best educator and the most active organisation in the promotion of good governance internationally. Our members hold positions of responsibility in the field of governance across a wide range of entities. All of our members share a common interest in the promotion of excellence in governance.

Values of Belonging, Dignity and Justice

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President's Foreword

Over recent years, The Chartered Governance Institute has published a number of papers intended to encourage and assist governance practitioners to look more widely and deeply at emerging issues, trends and developments which affect the way we work and the way we think about our work.

At first glance, this paper might seem a little beyond the Institute's usual horizons. In fact, it falls squarely within that framework. In the interactions with all stakeholders, we believe the work of governance practitioners, and the performance of the organisations they serve, must be characterised by values of belonging, dignity and justice. By doing so, we allow everyone to give the best of themselves. We can build sustainable businesses and organisations and we can as a result contribute to the advancement of the societies of which we form a part.

Giving people a sense of belonging, treating them with dignity and providing justice is a question of fundamental values. It is a matter of recognising that we are part of a common humanity and that whoever we are, wherever we come from, and whatever has happened in the past, we deserve to be treated properly and fairly.

The Institute is determined that it should go beyond representing a western-based model. Whilst recognising that what we have currently is well-established in many parts of the world and continues to offer a framework this paper seeks to recognise the differing views and perspectives which the Institute welcomes so we may interact as a truly multinational organisation with our colleagues from right across the globe. In that respect, the Institute is particularly fortunate to have the experience and insight of the principal author of this paper, our Policy Advisor, Gertrude Takawira. Gertrude's background is, at the same time, national (Zimbabwean, by nationality), pan-African (through her career) and international (through her professional education and training and as a former Ambassador).

This paper is about values. There is no single 'right' approach to this subject. The values we describe are universal, but the ways of thinking about, expressing and implementing them are not. Some readers may disagree with some of what is written but disagreement is healthy if it moves us forward. The Institute's goal, in promoting the practice of good governance, is for this paper to provoke further debate about our values as governance professionals and how we deliver on those values.

The Institute looks forward to continuing such open and productive engagement with our colleagues on this important subject.

That, in itself would be a substantial, valuable and enduring outcome but we also hope for much more.

Peter Turnbull AM FCG
International President
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Introduction

This paper describes a new framework for addressing issues of fairness and the righting of wrongs. An awareness of the values of belonging, dignity and justice (BDJ) is not an alternative to the themes of diversity, equity and inclusion (DEI). On the contrary, it is an approach which is complementary to those themes by examining, building and reinforcing the values on which the sustained implementation of DEI processes must rest.

One reason to think more deeply about these values is to guard against any tendency to identify or categorise people by their differences, such as ethnicity, gender, age, race or sexuality. That approach may emphasise those differences, many of which as individuals we can do nothing about (for example, we cannot change our age or our race). Instead, we should emphasise our 'oneness' in the sense of what joins and unites us. Achieving such unity and 'oneness' is a question of values – something that is very much in our hands.

If the focus on diversity is separated from the underlying values on which it rests, then there is a risk of dealing with individuals based on what they are, rather than who they are. One outcome, even if inadvertent, can be that governance approaches in this area may become mechanistic or driven more by compliance than values. Diversity, equity and inclusion may then be regarded or presented as having been 'addressed' by quotas, percentages and 'ticking the box'. It should, however, be noted that there has been some benefit in this approach. Experience across the world, such as that examined in the Institute's own paper last year on board gender diversity[1], has shown that quotas have played a positive role in increasing the appointment to governance and other important positions in society of those who were previously unfairly under-represented. We look to such initiatives being further pursued.

Nevertheless, it is right to recognise that certain aspects of difference, such as gender or race, may have been the subject of particular focus, whereas others, such as sexuality, disability, educational, social and economic disadvantage and intergenerational fairness have to date received less attention, possibly because they may be harder to identify and address.

In this paper, we look ahead to a society in which underlying values have changed such that, for example, quotas become less important. With a fundamental change of values, it should make no difference whether an individual is a woman, from an ethnic minority or somehow different from a perceived 'norm', because everybody, regardless of their gender, colour, age, background etc, receives the same opportunity, is accorded the same degree of respect and feels the same sense of belonging.

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1   The Chartered Governance Institute, 2021, 'Women in the boardroom: International governance stocktake', www.cgiglobal.org/insights/international/women–in–the–boardroom–international–governance–stocktake.

DEI framework

Past governance models, influenced by political economies from, for example, slavery, colonialism, industrial revolution and globalisation, created platforms for the injustices, inequity and exclusion, which the DEI policies have been trying to remedy. These models were punctuated by linear and hierarchical thinking, which include or exclude people in social and economic activities based on race, ethnicity, gender, age, family and other classifications. Contemporary reports on global wealth inequalities, vaccine inequities, protests such as #BlackLivesMatter and, in Australia, the Women's March 4 Justice, have demonstrated that exclusion is still deeply ingrained within our social and economic environments. The need for inclusive culture is well documented, but the corrective approaches, such as DEI, are still being developed. This means that their efficacies are yet to be established or tested.

One area of potential difficulty with DEI may be an in-built emphasis on differences, such as ethnicity, gender, age and race, which provide the basis for corrective quota processes. For example, in many DEI goals[2] and reports, the number of women or non-white people to be employed is stated and in doing so, DEI naturally becomes exclusive. By continuing to classify by race or gender etc, the status quo of exclusion is maintained and the core substance of human value is put aside. Further to this, many organisations are not clear, for instance, on where to position diversity and inclusion strategies, such as whether it is an HR function or a general business strategy. What should be the goal and what are the expected outcomes? Does inclusion come first, then diversity and equity, or vice versa? Organisations have been losing in the

inclusion agenda, through entanglements with definitions, language, hiring metrics, promotion metrics and fair pay.

However, there are strong merits in DEI, which should be mentioned, alongside potential exclusivity and implementation gaps. One such distinction is that DEI initiatives have heralded global awareness of the social and economic imbalances of diversity, inequities, biases and injustices, as well as ushering inclusion into mainstream corporate language and activities. This has resulted in more organisations engaging in DEI initiatives and committing to the transformation of their workplace cultures. In March 2022, the Global Parity Alliance,[3] a cross-industry group of companies taking action to accelerate DEI in the workplace and beyond, was launched. This alliance seeks to drive better and faster DEI outcomes by sharing proven DEI best practices and practical insights from leading organisations, such as Cisco Systems, McKinsey & Company, Merck, EY, H&M Group, HCL Technologies, Tata Steel and Walmart, among others. Divisions of the Institute itself are playing an active role in promoting stronger and more effective DEI outcomes, such as through gender diversity,[4] the divisional awards and various e-community discussions.

Further, initiatives such as The Inclusive Awards[5] and the Institute's own awards in the United Kingdom, as well as Diversity and Inclusion Champions by the Australian HR Institute,[6] which celebrate individuals and organisations who have contributed to organisational cultures, where people are heard, valued, respected, appreciated and feel included, demonstrate global receptivity

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2   For example, Deloitte DEI Goals states: 'Increase the number of Black and Hispanic/Latinx professionals in our US workforce by 50% by 2025; this is an input to our goal of increasing the overall racial and ethnic diversity* of our US workforce to 48% by 2025. Increase US workforce female representation to 45% by 2025'. See https://www2.deloitte.com/us/en/pages/about-deloitte/articles/moving-forward-together.html?icid=dei2021_button_our_way_forward.
3   World Economic Forum, 2022, 'World Economic Forum launches Global Parity Alliance to accelerate diversity, equity and inclusion outcomes', www.weforum.org/press/2022/03/world-economic-forum-launches-global-parity-alliance-to-accelerate-diversity-equity-and-inclusion-outcomes.
4   The Chartered Governance Institute, 2021, Women in the boardroom: International Governance Stocktake 2021, https://www.cgiglobal.org/media/avvj3gjh/women-in-the-boardroom-08-03-21-final.pdf
5   Inclusive Companies, 'Inclusive Awards 2022', www.inclusivecompanies.co.uk/awards.
6   Australian HR Institute, 2022, AHRI Awards, www.ahri.com.au/events-and-networking/ahri-awards/award-categories.

and corporate interest in inclusive culture. Among the many merits of DEI is the raised awareness that inclusive organisations achieve better financial goals than exclusive entities, as well as improved business outcomes. Building a culture where everyone has equal opportunities to advance their careers based on merit is now recognised as standard culture by many organisations.[7]

Recent research[8] on the Great Resignation wave (discussed further below) indicates that a lack of diversity and inclusion contributes to a toxic work culture, which is ranked as the highest predictor of employee resignations. Toxic workplace cultures also tolerate harassment, bullying and discrimination, but it is important to note that a UK study by Culture Shift[9] found that 71% of investors will not invest in companies with a toxic workplace culture. Environmental, social and governance (ESG) investors, in particular, reported that team dysfunction and employee dissatisfaction are among the leading predictors of start-up failures. Thus, ESG investors endeavour to safeguard the right processes and governance structures for effective management of workplace cultures in all their portfolio companies. As organisations move towards closing DEI implementation gaps, unlocking business value of human capital and creating sustainable organisational culture, there is a need to ensure inclusion in the fundamental values of all people, rather than relying on quotas and mere compliance.

Organisation and HR leadership professor, Dave Ulrich,[10] has said:

> DEI efforts need to move beyond affirmative action scorecards that track numbers; DEI activities, policies, and programs that are isolated events; and even the

strategic relevance of DEI efforts. To be sustainable, DEI efforts have to address fundamental and often unexplored assumptions that need to evolve and then embed new behaviours.

Abraham Maslow's Hierarchy of Needs[11] in 1943 shows that social belonging is a fundamental human need, which enhances human identity and acceptance. Adding fundamental values, such as belonging, to the DEI agenda can help support the inclusion agenda beyond the superficial and compliance-based 'tick the box' exercise, to being transformational for a sustainable and peaceful society. As Martin Luther King said (circa 1954–55) and which is engraved on his memorial, 'True peace is not merely the absence of tension; it is the presence of justice' – and that justice must give people dignity. And as the poet, Khalil Gibran, wrote, 'love is justice[12] with its full intensity and dignity ... if love did not support my love for you regardless of your tribe and community, I would be a deceiver'. Sustainable transformation of organisational culture is where DEI practices address the fundamentals of people, beyond statistics.

Some DEI practices can attract language misinterpretations, for example, the case of the Coca-Cola diversity training, which backfired in 2021,[13] when the company was accused of promoting reverse racism emanating from a leaked training slide with the caption, 'try to be less white'. While Coca-Cola and the purported originator of the DEI training material, Professor Robin DiAngelo, denied association with this material, it goes to show the dangers that can be associated with some DEI approaches. It is therefore not surprising that some organisations

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7   Keller, 'Diversity, equity and inclusion', www.keller.com/how-we-work/diversity-equity-and-inclusion.

8   Sull D, Sull C and Zweig B, 2022, 'Toxic culture is driving the great resignation', *MIT Sloan Management Review*, https://sloanreview. mit.edu/article/toxic-culture-is-driving-the-great-resignation.

9   Culture Shift, 2022, 'Paying the price for problematic behaviour', https://fs.hubspotusercontent00.net/ hubfs/2138509/Paying%20the%20price%20for%20problematic%20behaviour.pdf?utm_campaign=Refresh%20PR%20 Campaign%202&utm_medium=email&_hsmi=200434670&_hsenc=p2ANqtz--VCfiMYEwZn2oLur-ijB1IABMv6Z0q_ eXdFK4TJqLAl8EQBmcHJFy0F2Mgi0sWQLan9L6IuJfjmg92iK6G0Z0r_8pXQ&utm_content=200434670&utm_source=hs_automation.

10   Ulrich D, 2021, 'Now is the time: changing assumptions to build sustainable DEI', *HRD Connect*, www.hrdconnect.com/2021/01/11/ now-is-the-time-changing-assumptions-to-build-sustainable-dei.

11   Maslow, A, 1943, 'A theory of human motivation', *Psychological Review*, Vol 50 No 4, pp 370–396, https://psycnet.apa.org/ doiLanding?doi=10.1037%2Fh0054346.

12   Gibran K, 'A Poet's Voice (Part Four)' in *A Tear and a Smile*, http://4umi.com/gibran/smile/15.

13   Bremner J, 2021, 'Coca-Cola faces backlash over seminar asking staff to "be less white"', *The Independent*, www.independent.co.uk/ life-style/coca-cola-racism-robin-diangelo-coke-b1806122.html.

have been struggling to create equitable and inclusive work cultures, despite a significant uptake in DEI programs. According to a 2017 study by Deloitte,[14] 71% of organisations aspire to have an inclusive culture, but only 12% have achieved this goal. Impediments cited by organisations include the following:

- lack of diversity of thought and innovation
- lack of prioritisation of DEI, especially by top-level leadership
- weak and immature DEI initiatives
- budgetary constraints and lack of funding
- limited understanding of the benefits of DEI
- achieving most progress through diversity, but very little on equity and inclusion
- mainly applying DEI at the recruitment stage, rather than throughout employment.

Disparities between compliance-based DEI and BDJ values-based approaches can be further understood by contrasting organisational change with transformation:

- **Organisational change** is usually brought about by responding to external factors, is attributable to an originator of those factors and can be measured through metrics. In this instance, these are the DEI policies, regulations and metrics. The results of change can be small or large but are generally about replacement or substitution of processes or systems, for example, replacing an all-male board with a 25% female representation or replacing a discriminatory management system with a youth inclusive one.

- **Transformation** on the other hand is about an overhaul of internal core beliefs, and embedding new values and behaviours, resulting in long-term and far-reaching alteration of the organisation. Embedding BDJ values starts from within, altering the core beliefs and behaviour of the whole organisation and resulting in a renewed organisation, rather than isolated and piecemeal changes of processes or systems. Transformation through values redefines what the organisation regards as normal or as success, and this is a long-term process. Figure 1 below shows that inclusive culture, therefore, is less about adding quotas to the status quo or ticking the box to comply with DEI external regulations, which is what organisational change does. It is more about long-term transformation and embedding core values and behaviours throughout the organisation, resulting in the creation of a new entity.

Figure 1: Contrast of compliance-based DEI Framework and the BDJ value-based transformation

DEI add-on to a status quo

BDJ embed values in the organisation

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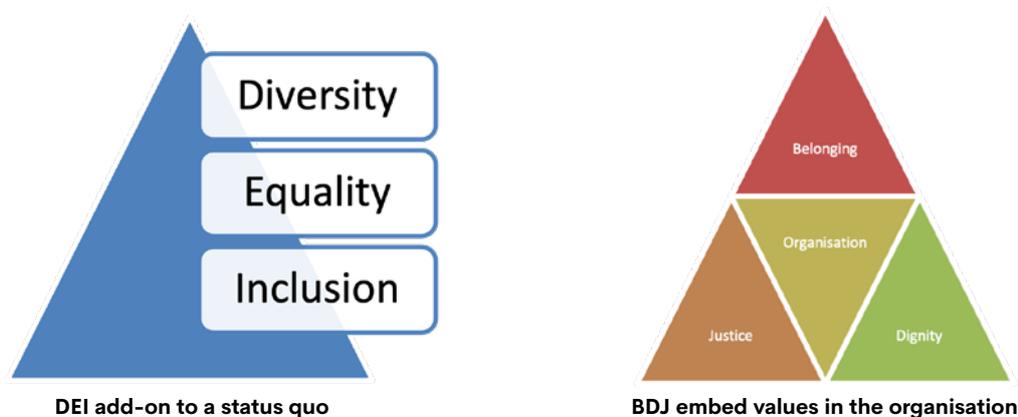
14   Bourke J, Garr, S and Wang Dawei, 2017, Diversity and inclusion: The reality gap', *Deloitte Insights*, https://www2.deloitte.com/us/en/insights/focus/human-capital-trends/2017/diversity-and-inclusion-at-the-workplace.html.

BDJ worldview

The values of BDJ have been articulated and communicated by, among others, Aida Davis, an American of Ethiopian descent who specialises in tackling difficult conversations aimed at decolonising[15] social constructs that have kept people marginalised. In 2020, The Women's Health Research Cluster[16] (WHRC) at the University of British Columbia in Canada established a Belonging, Dignity and Justice Advisory Committee[17] to review cluster processes and activities and make recommendations about how to strengthen DEI practices. The University of California San Francisco and Portland State University[18] are examples of institutions researching and applying BDJ values.

Although Davis developed the Belonging Dignity Justice and Joy (BDJJ) Framework as a policy framework model, in this paper we focus on belonging, dignity and justice as individual values only, not as a compact policy framework. This means we consider each value individually, and then consider how each value could:

- contribute to cultural transformation in organisations
- unlock human capital value in laying cultural standards for organisations, either as part of existing DEI initiatives for better outcomes or in creating new organisational value sets
- show how governance professionals could utilise BDJ values.

Reconstruction of organisational culture after decades, if not centuries, of structural discrimination or lack of diversity requires systemic and transformational approaches. This may be better understood through the intergenerational lenses of equity or justice. The concept of intergenerational equity or justice states that every generation holds the Earth in common with members of the past, present and future generations. By acknowledging the fact that past decisions impact both present and future generations, organisations can create room for long-term thinking, creativity and innovative solutions to redress the past, to establish the present on equal and just foundations, and to bequeath to future generations organisations with inclusive cultures. Governance professionals are expected to care for the tone in their organisational cultures and how this impacts continuity of better investor, community and governmental relations. Through understanding transformational BDJ values, professionals are better placed to provide advice on ESG and DEI to leadership, including the board.

BDJ values attend to the whole community, rather than exclusive segments or sectors of people and culture. This can result in transformed mindsets, which are stronger and embrace human diversity in circular, rather than linear, hierarchical or polarised, patterns. Institutional governance, in turn, benefits from unlocked human capital value, through tapping into inert creative and innovative abilities, which

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15   Decolonisation is not restricted to political, racial or ethnic terminology, but is a general social science research approach (BDJ or DEI both fit this description), which recognises the existence of other knowledge systems, beyond traditional systems (such as, western-based or male-dominated ways of understanding and doing things). Thus, decolonisation can be used in sciences, arts or business fields, including in education where it is being applied in changes to curricula. Please refer to the following for further clarification:
      • Education studies, 'What is decolonising methodology?', University of Warwick, https://warwick.ac.uk/fac/soc/ces/research/current/socialtheory/maps/decolonising
      • Tuhiwai Smith, L, 1999, Decolonizing Methodologies: Research and Indigenous Peoples, Zed Books, London, www.msd.govt.nz/about-msd-and-our-work/publications-resources/journals-and-magazines/social-policy-journal/spj17/decolonizing-methodologies-research-and-indigenous-peoples.html
      • University of York, 'University of York – Statement of approach to decolonising and diversifying the curriculum', www.york.ac.uk/staff/teaching/initiatives-and-funding/inclusive-learning/statementofapproach-decolonisinganddiversifyingthecurriculum
      • Gray M, Coates J, Yellow Bird M and Hetherington T, 2016, *Decolonizing Social Work*, Routledge, www.researchgate.net/publication/294154287_Decolonizing_Social_Work.
16   The WHRC is an international multidisciplinary network of researchers, clinicians, community partners and trainees, who work together to advance the health outcomes of women worldwide.
17   Women's Health Research Cluster, 'Equity, diversity and inclusion', The University of British Columbia, https://womenshealthresearch.ubc.ca/about-us/equity-diversity-and-inclusion.
18   School of Urban Studies and Planning, 'Equity at TSUSP', Portland State University, www.pdx.edu/urban-studies-planning/equity-tsusp.

are embedded in each one of us, regardless. The business case for BDJ values lies in these values being holistic, circular and participatory, thereby enabling more people to authentically engage in social and economic activities from positions of strengths. This type of free participation, in turn, unlocks the free flow of integrity, compassion, connection, trust, loyalty and unity within governance relations and organisations as a whole.

Intergenerational conflict in managing diverse human capital, which may range from the Baby Boomer generation to Generation X and Generation Y (millennials), is a challenge for many organisations. Millennials, who were born and raised to engage and participate inclusively, partly because of their more elevated usage and familiarity with internet and digital technology, compared to previous generations, are likely to be less tolerant of inequality, injustice, indignity or discrimination. For example, in comparison with their predecessors, Generation Y is said to lack the same employer-loyalty as their Generation X parents or Baby Boomer grandparents. However, studies show that the millennial loyalty challenge is driven by differences in how they perceive business purpose and values. A 2016 Deloitte Millennial Survey,[19] carried out in 29 countries, showed that a majority of millennials believed that they would leave their organisations by 2020 for non-financial reasons. In a 2011 PwC study report,[20] a CEO was quoted as saying:

> With Generation Y coming into the business, hierarchies have to disappear. Generation Y expects to work in communities of mutual interest and passion – not structured hierarchies. Consequently, people management strategies will have to change so that they look more like Facebook and less like the pyramid structures we are used to.

The governance professional or company secretary should take care to promote a sustainably inclusive work culture where people feel they belong and are being treated with dignity and respect.

Belonging

As Brené Brown said, 'Belonging is being somewhere where you want to be and are wanted, as opposed to fitting-in, which is being somewhere where you want to be, but no one else cares one way or the other'.[21] Internews,[22] an international non-profit organisation with 30 offices around the globe, has been implementing BDJ values since 2020. The organisation describes belonging as feeling safe as who you are and being accepted for who you are. The state of being, where one is wanted and accepted, naturally involves processes of change, growth and transformation, as one opens up and adjusts to the environment. In situations, for example, where profits come first before people, human capital often simply 'fits in' to perform the bare minimum. Although people often try fitting in for approval, there comes a time when every human being must come back 'home' and be comfortable in their own skin.

Conversations surrounding the Great Resignation (resignations in large numbers which started in 2021 during the COVID-19 pandemic and which are discussed below) are testimonies to this. True belonging happens when individuals are bold enough to be vulnerable, to stand alone, stand up and be authentic, comfortable with their flaws and imperfections. It is from that place of inner oneness and belonging where values such as integrity and authenticity are born. Integrity and authenticity are important for good governance, and it is in the interests of governance professionals to help cultivate cultures where people feel safe enough to be authentic and to develop a sense of belonging. Other literature relating to the relevance of the value of belonging, alongside diversity and inclusion, can be sourced from Archana Ramesh[23] and Josh Bersin (an advisory company to HR organisations),[24] who describe inclusion as a feeling of belonging.

19   Deloitte, 2016, 'The 2016 Deloitte millennial survey: Winning over the next generation of leaders', www2.deloitte.com/content/dam/Deloitte/global/Documents/About-Deloitte/gx-millenial-survey-2016-exec-summary.pdf.
20   PwC, 2011, 'Millennials at work: Reshaping the workplace', www.pwc.com/co/es/publicaciones/assets/millennials-at-work.pdf.
21   Brown B, 2017, *Braving the wilderness: The quest for true belonging and the courage to stand alone*, Random House UK.
22   Internews, 'Belonging, dignity and justice', https://internews.org/about/belonging-dignity-and-justice.
23   Ramesh A, 2020, 'Belonging has never been more important', Glint Inc, www.glintinc.com/blog/belonging-has-never-been-more-important.
24   Josh Bersin, 'Elevating equity: The real story of diversity and inclusion', https://ss-usa.s3.amazonaws.com/c/308463326/media/27436024f0b84dfd274918375735238/202102%20-%20DEI%20Report.pdf.

Dignity

Internews[25] describes dignity as respecting and honouring the inherent voice of an individual. According to Christine Winter, the idea of dignity[26] has in the past been used to establish hierarchy and protect privileges, but in today's language, dignity is about raising humans to an equal status. As individuals realise their own sense of worth, esteem, love and respect, they can then see others in the same light. 'I respect you, because I respect myself', 'I honour you, because I honour myself' and 'I love you, as I love myself' are examples of values of dignity. These phrases show that dignity and belonging are inherently action-orientated towards creating win-win relations, which are the building blocks for an inclusive culture and balanced governance. For example, do the leadership team and employees in an organisation place similar importance on the same set of values? Governance professionals and others in top leadership roles should be able to visualise and engender a workplace environment where all people enjoy the same values. In this way, dignity will remain fundamental to the organisation. While there is no one size fits all, leadership must endeavour to ensure all their employees feel worthy of respect and honour and the Institute calls for this important initiative through collective action.

Justice

Justice[27] is to make right or repair harm. According to the Merriam-Webster dictionary, justice is defined in three categories:

1. the maintenance or administration of what is just especially by the impartial adjustment of conflicting claims ...

2. the quality of being just, impartial, or fair

3. conformity to truth, fact or reason.

In this paper we discuss justice in BDJ as a construct of all three categories and also focus on restorative justice. Redressing the past through repair and restoration can be done by simply acknowledging historic hurt or disenfranchisement

through leadership or other practices, so that the formerly disenfranchised or excluded are swiftly raised to where they socially and economically belong, and where they should have been, had the marginalisation or discrimination not transpired. From this just position, everyone can freely participate in social and economic activities as intended. It is in this way that justice can bring about equity through the expression of truth, acknowledgement and reconciliation. Such honesty in turn creates trust, which is pivotal to creating unity, inclusion and oneness.

This justice work is done so that both the formerly advantaged and disadvantaged, or perpetrator and victim, are reconciled, healthy relations restored, trust renewed, and good governance improved. The inherent transformational aspect of justice is therefore in the repair and restoration of relationships for the creation of oneness – whether in organisations, communities or society as a whole. When justice is restored and people are in a position where they feel that they belong, with the accompanying respect and dignity, business then benefits from the free participation of more people in production and consumption, without a complex of guilt or shame. Again, this enhances values of compassion, authenticity and integrity, which in turn strengthen ESG, through balanced employee retention, better community and governmental relations, and improved business outcomes. Organisations will then be well placed to tackle environmental and other important issues from a united and stronger position. Although the principle of intergenerational equity or justice, as stated earlier, can be expressed in relation to the environment, this principle also offers a good example of how fixation on rules, regulations and compliance in governance (which can flow from a DEI framework) can gloss over past wrongs and replace outcomes by process, thus failing to advance ESG and other sustainable development aims.

25   Internews, 'Belonging, dignity and justice', https://internews.org/about/belonging-dignity-and-justice.
26   Winter C, 2018, *Decolonising Dignity*, White Horse Press, https://whitehorsepress.blog/2018/12/11/decolonising-dignity.
27   Internews, 'Belonging, dignity and justice', https://internews.org/about/belonging-dignity-and-justice.

Rising opportunities

The Great Resignation

The Great Resignation, also referred to as The Great Quit or The Great Reshuffle, is a description of workplace resignations by employees in large numbers, which started during the COVID-19 pandemic in 2021 and is ongoing. Although this movement started in the United States, it has become a global phenomenon and governance concern, attracting different interpretations. While this great wave of resignations may have reached a peak during the pandemic, its source is traceable through to other global social and economic developments.

In 2015,[28] PwC Australia released a report on the workforce of the future. Based on technological breakthroughs, climate change, resource scarcity and urbanisation among others, the report warned that we must be prepared for a number of possible, even seemingly unlikely, outcomes pertaining to the workforce of the future. The report also predicted that 'the number of US workers in full-time "permanent" employment would drop to an all-time low, 9% of the workforce'. The pandemic accelerated the resignation wave as people were forced out of workplaces and, in the process, they discovered new skills. Toxic work cultures became more noticeable, as workers realised they were no longer experiencing its damaging effects and as they were reminded of the importance of health, including mental health and work–life balance. More people have found the confidence to set up independent businesses, hence the saying that, on the other side of the great resignation wave there is the great entrepreneurship wave.[29]

This unpredictable and ongoing shift in workplace organisation has changed how human capital relates and is accounted for. Organisations have faced governance problems as they try to balance maintaining the oneness of business activities and relations with respecting their staff's purpose, and desire for flexibility and work–life balance. Globally, as noted in the same PwC report, the swings between collectivism and individualism, business fragmentation and integration, and short-term versus long-term continue. All of these will impact the future of human capital development, but present opportunities for governance professionals to engage more widely and help create new inclusive cultures, through the interpretation of values, policies and guidelines aligned to belonging, dignity and justice. Describing the times we live in 'as crisis upon crisis', Kristalina Georgieva[30] of The International Monetary Fund (IMF) has said the actions we take now, together, will determine our future in fundamental ways.

Inclusive wealth

The inherently inclusive nature of BDJ values presents prospects for better and more equitable global wealth distribution. 'Prosperity, like peace, is indivisible'[31] was one of the economic axioms employed by Henry Morgenthau Jnr in his inaugural speech at the Bretton Woods Conference in 1944, yet Credit Suisse's 2019 Global Wealth Report[32] stated that the richest 10% own 82% of the global wealth and that the top 1% alone own 45%. Oxfam has corroborated this report on various platforms: it stated in a press release in 2021[33] that the pandemic has exacerbated global inequalities, with women across the world losing $800 billion in earnings; in a report also released during the pandemic, it noted that nine new billionaires had been created, eight of whom had interests in COVID-19 vaccine pharmaceutical corporations with monopolies on COVID-19 medicines.

28   PwC, 2018, 'Workforce of the future: The competing forces shaping 2030', www.pwc.com/gx/en/services/people-organisation/workforce-of-the-future/workforce-of-the-future-the-competing-forces-shaping-2030-pwc.pdf.

29   Alon, O, 'What the great resignation means for America's independent workforce', www.forbes.com/sites/forbestechcouncil/2021/09/13/what-the-great-resignation-means-for-americas-independent-workforce/?sh=6264df5c21f4.

30   See International Monetary Fund, 2022, 'Kristalina Georgieva: Crisis upon crisis: How the world can respond', www.imf.org/en/News/Podcasts.

31   See CVCE, University of Luxembourg, 2013, 'Inaugural Address by Henry Morgenthau Jr (1 July 1944)', www.cvce.eu/content/publication/2003/12/12/34c4153e-6266-4e84-88d7-f655abf1395f/publishable_en.pdf.

32   Credit Suisse, 2019, *Global Wealth Report 2019*, www.credit-suisse.com/about-us/en/reports-research/global-wealth-report.html.

33   Oxfam, 2021, 'COVID-10 cost women globally over $800 billion in lost income in one year', www.oxfam.org/en/press-releases/covid-19-cost-women-globally-over-800-billion-lost-income-one-year.

The interconnectedness and oneness of humanity is such that sustainable prosperity can only be attained through the undivided and inclusive creation and distribution of wealth, or as Henry Morgenthau Jnr expressed in 1944, 'Prosperity has no fixed limits'. Prosperity will not be diminished by inclusion – indeed, inclusion can create more wealth. The more that wealth is shared with a wider circle of people, the more there is for each one of us to enjoy. Governance professionals can help create strongly rooted organisations, where wealth creation and distribution channels are designed for many.

New skills for the changing governance arena

Organisations are now expected to address social and environmental challenges as evidenced by the rise in social responsibility and ESG in recent years. In response, they are changing their board and other leadership composition and skill sets to address issues of environmental damage, social and racial injustice, gender inequality, digitalisation and the COVID-19 pandemic among many other global disruptions. A 2018 Harvard Law School paper[34] predicted that:

> Diversity of all kinds and at all levels, is one of the most pervasive trends of the new millennium — a child of globalisation and convergence, but also of deep structural change in Western societies.

The scope of corporate governance is broader now. A new breed of directors, including portfolio directors or professional non-executive directors, are keenly interested in diversity. Likewise, governance professionals are increasingly being asked for their advice and input on the values of their organisation, how these are to be embedded and applied, as well as how they should be communicated to internal and external stakeholders. Only a few years ago, a corporate governance professional might seldom be called upon to deal with environmental and social issues related to their organisation's activities. Today,

'Organisations are now expected to address social and environmental challenges as evidenced by the rise in social responsibility and ESG in recent years.'

such a practitioner would be expected to be knowledgeable, articulate and authoritative on ESG issues. The scope of these issues is widening rapidly – from climate change to sustainability and on to questions of diversity, equity and inclusion. As times change, the skills expected of corporate governance professionals will need to empower them to deal with the broader questions encompassed within BDJ. They cannot merely be process-driven. They must also be value-driven and constantly re-evaluating the skill sets, mindsets and networks required to perform their role effectively.

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34 Nestor S, 2018, 'Corporate governance 2030: Thoughts on the future of corporate governance', *Harvard Law School Forum on Corporate Governance*, https://corpgov.law.harvard.edu/2018/12/26/corporate-governance-2030-thoughts-on-the-future-of-corporate-governance.

Practical actions for the governance professional

While this paper has described merits of BDJ values, it is important to note that, first and foremost, this paper is about values, rather than process. To that end, practical steps offered here are intended to support governance professionals when considering the transformation of organisational, individual and societal values. The first step is commitment towards an inclusive 'value framework' for which the business stands and expects its people to stand, and which will govern the relationships the organisation has with all stakeholders, internally and externally. Having done so, governance professionals can help ensure that the value framework is effectively communicated, implemented and duly monitored. The following are the five steps to help professionals in transforming mindsets and their organisation's culture for enhanced business outcomes:

Acknowledge and commit

The subject of inclusion can create thoughts of victims, villains or saviours among people and organisations, leaving some feeling guilty and others virtuous. Rather than taking this approach, the intention of this paper is to build capacity to treat each other as equals in, and valued and enhanced by, our diversities. That said, it is necessary as a first step, to acknowledge that the problem of exclusion exists among many entities and that your organisation may not be an exception. Then, with an awareness of the tone of the existing culture, help the organisation to understand and commit to systemic cultural transformation incorporating values of belonging, dignity and justice.

Set up organisation-wide inclusion task force

Create an inclusion task force across the organisation made up of a mixture of board members, human resource practitioners, governance professionals and other relevant stakeholders capable of influencing people and culture. This task force should have the capacity to engage in blue-sky thinking and visioning, and to develop an inclusion strategy, starting with an organisation-wide culture survey. If the organisation has been undertaking, or is even advanced in, DEI exercises, this would provide an opportunity for the evaluation of both successes and areas for improvement, as well as if and where BDJ could help enhance this work.

Develop and disseminate the value framework

Develop a BDJ-based value framework, clarifying what the business stands for, expectations of its people and the intended governance relationships with all stakeholders, internally and externally.

'…practical steps offered here are intended to support governance professionals when considering the transformation of organisational, individual and societal values. '

Concepts such as belonging, dignity, justice or equity must be well explained for stakeholders to be educated about their roles, responsibilities and expectations. Through dissemination, stakeholders will be made aware of the transformation steps: why it is necessary, how it will be done, what it entails, the expected outcomes of an inclusive culture and what the new culture will look like. Make the most of this process by documenting any identified opportunities which may be appropriate and beneficial either to employees or other stakeholders within the organisation's social responsibility or ESG eco-systems, as well as opportunities from the Great Resignation.

Prioritise and pilot

Identify priority areas and piloting exercises as part of the action plan, for example, recruitment. In this case focus may be on the employee life cycle from recruitment orientation to merit-based recognition or who should be celebrated. The organisation could then address questions such as: Is the organisation hiring for belonging, dignity and justice? Will the employee be provided with a welcoming environment or be totally ignored and made to find their own way? Do employees feel they belong, are valued and respected? How is this accounted for? What are the organisation's employee retention rate targets and are these being met? What is the organisation willing to invest financially, in time and in other ways, towards creating an environment that is conducive for healthy employee retention? Piloting will help the organisation explore the efficacy of BDJ values before launching a full-scale transformation exercise, thus minimising risk.

Networking and influence

Network with and influence other professionals by staying connected with the Institute, at both global and divisional levels, other professional bodies and other organisations and forums to continue to discuss values. Remain engaged with wider local and national social, economic and cultural discourse, and legislation influencing/making exercises and practices. Remember culture is dynamic – values will keep evolving requiring adjustments from us.

Conclusion

Organisations are undergoing profound cultural transformation and need broad-based approaches to bring people, profit and the planet together more quickly and holistically. While DEI continues to point us in the direction of inclusion, the framework's inherently exclusive properties can limit the inclusion agenda to quotas, 'tick the box' and compliance governance. Deepening the inclusion agenda by encouraging fundamental values common to all people regardless of who or what they are is how we respond to that challenge. This has been the focus of this paper – to provide governance professionals with a worldview for ensuring DEI is integral to organisational culture, futureproofing human capital, and making business sense of inclusion through the values of belonging, dignity and justice. It is the view of the Institute that organisational culture founded on fundamental values common to all people, such as BDJ, can systemically transform environments, thereby enhancing creativity, innovation and business outcomes for organisations, as well as sustainable good governance. With the changing demands in global governance, it is hoped that the practical steps considered above will equip governance professionals with appropriate skills to provide leadership towards creating 'oneness' in environments that provide people with the same degree of respect and an equal sense of belonging, ensuring dignity and justice.

Further reading

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