Diverse teams drive leadership development
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New research from ISS Denmark shows that leading diverse teams strengthens leaders’ competencies within communication, relationship building and talent development and ensures inclusion. This has a reinforcing effect as the better the leadership, the better the heterogeneous team will function.
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Besides the positive impact diversity has on the bottom line, as earlier research from ISS has proven, new research from ISS Denmark and CSB on ‘Leading Diverse Teams in ISS’ shows that diversity also has a positive impact on leadership development.

By interviewing and observing the daily management practices of 30 middle managers in ISS, the researcher got insights into how leaders of diverse teams have an exceptional learning platform. Leaders of diverse teams cannot depend on only one type of leadership, but must continuously adapt to the team’s composition, to team members’ competence profiles, to the social and professional dynamics of the team, and to the team’s tasks at hand. Additionally considering the cultural, linguistic, educational, generational, gender and other differences within the team makes even clearer the kind of situational complexity that leaders of diverse teams must navigate daily. Leaders, who can tackle and adapt to this complexity, have the potential to develop a relationship-oriented, empathic management style, utilising all the competencies in the team and hence ensuring inclusion.

Drawing on practical examples from observations of and interviews with team managers in ISS, this research shows how day-to-day management of diverse teams holds large promise for developing reflexive practitioner who can enact a multi-faceted leadership style adjusted to the demands of the situation. Based on the results of the research, we found three vital management skills that are actively developed through leading diverse teams: the leader as a communicator, the leader as builder and the leader as a talent developer.
Theoretical background

Diversity in the workforce has become a prime concern for organisations. Increasing globalisation, demographic changes in the labour market, and fast-paced, ongoing transformations all raise a pressing concern about how to build organisational capacity to respond to and adequately tackle this situation (Holck, 2016a, 2016b, 2017; Holck and Muhr, 2017). With this endeavour in mind, leadership has become viewed as essential to developing organisational culture and response on par with these challenges. Today, many resources are spent on upgrading management and managerial capacity for leadership.

Over the last 15 to 20 years, there has been a great interest in generating leaders, who are flexible, responsive and relational-oriented (Blackmore, 2011; Rafnnsøe and Staunæs, 2014). This research in ISS demonstrates how exposing leaders to management of heterogeneous teams is a highly potent way to the relevant leadership skills necessary to navigate future organisational needs – of course, duly supplemented by conventional management educational programmes – marking a shift from the education of managers to the development of managers as leaders. Apart from benefitting leadership development, this also makes a positive feedback loop generation a more inclusive team environment.

This paper explores how leadership is being developed through leading diverse teams: this is different from most research on diversity and inclusion that is concerned with either the outcome of team diversity or what kind of values and practices that leader should exhibit to ensure team inclusion (Zanoni and Janssens, 2015). Concerning the outcome of team diversity, a plethora of research explores the link between diversity and organisational creativity and performance with varied and even contradictory results; academic literature has argued for positive effects of diversity on performance and enumerates competitive advantages that can be derived from variance of knowledge and perspectives accruing from diversity such as more creative and innovative solutions (Stahl et al., 2010; Holck et al., 2016).

However, other research also suggests that diversity can come with trade-offs such as reduced and restrained communication and coordination (van Knippenberg and Schippers, 2007). Related to the kinds of values and practices that diversity-oriented and inclusive leadership should exhibit, a positivist normative approach has been applied drawing up the ‘right’ way to ensure ‘successful’ leadership (see Booyse, 2014; Ferdman, 2014; Shore et al., 2011). Few researchers deal with what leading diverse teams actually does to leadership development, which is the main concern in the study.
ISS Denmark is one of the Danish organisations that whole-heartedly embrace diversity. Out of ISS Denmark’s 7,107 employees, 3,413 are immigrants. Diversity in ISS has historically increased by default – not due to conscious recruitment strategy but rather due to lack of alternatives; lack of male labour force during World War II made ISS a champion getting women out in the labour market, and lack of labour force made the number of employees with migrant background increase significantly during the last decade. Consequently, ISS has strategically worked to value the different skills, work experiences and abilities that the many diverse employees bring into the work teams inspired by business case rationales of innovation, effectiveness and leaning.

A core diversity programmes is to ensure a diverse composition in teams at every level in the organisation (ISS, 2011) by means of applying a 70% principle in relation to gender, generation and ethnicity/national background. However, ISS operates in a highly competitive market characterised by low-skilled, low-paid jobs with low entry barriers, tight time frames, and a strict focus on cost efficiency makes team work more prone to exploitation rather than empowerment aspects of team organisation. This paper explores, first, how middle managers in ISS navigate the membership complexity of their teams and the values of team diversity and inclusion, and, second, how they navigate this complexity to develop leadership.

Taking a qualitative approach, the article relies on an ethnographic study of 30 leaders and their more or less heterogeneous teams during an 11-month period. Table 1 is an overview in a timeline indicating the different time periods for different methods in the field. Data collection includes on-record material gathered through semi-structured interviews with ISS employees, as well as off-record material. Off-record material includes both informal conversations before or after formal interview sessions and informal talk with employees during participant observations made on ISS premises. All respondents and teams are kept anonymous.

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<th>Elements</th>
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<td>Purpose</td>
<td>Ethnographic participant observations of 2-3 days with 30 managers in cleaning and catering departments. Two intense case studies of teams on one location for 15 days. Semi-structured interviews with 15 managers and other employees. Daily fieldwork daily/notes. All interviews are transcribed and coded, and data are analysed.</td>
<td>April 2016 to June 2017</td>
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A very tangible advantage of managing diverse teams is increased communication skills. The manager’s ability to read and interpret the requirements of different team members – including their particular challenges and strengths that need to be attended to in the daily collaboration in team – is enhanced by experiences of communication with and training of employees with varied language skills, generational and cultural backgrounds work and educational experiences etc. As a kitchen manager explained. ‘I believe that training [of employees with international profiles] gives me a lot in regards to developing personal and leadership skills. You must be able to communicate despite language barriers. You learn to be very patient and very careful of how you communicate. I have definitely become a lot more resilient as well as pliable in my leadership through training and leading a diverse group of employees.’

Many of the managers that the researcher observed employed creative, accommodating and calm communicative means to ensure daily collaboration in diverse teams. Especially training situations made explicit the patient and recipient focused communicative style that diversity-sensitive managers apply: using gestures and easy-to-read mimic, demonstrative drawings and pictures, creatively applying Google translate and local makeshift, interim paleurs, and utilising encouraging language and repetitive questioning while demanding proofs of understanding, etc. Not only does creative and patient communication make sure that even employees with only a few Danish skills are efficiently trained; training sessions also functioned as socialisation processes for the manager to communicate, demonstrate and hence internalise prevalent rules and values guiding collaboration processes in ISS. ‘Shoulder by shoulder’ training is the most visible and direct form of leadership that passes on the company and team-specific culture. Training also gives employees the opportunity to acquire knowledge, skills and abilities that they can use as allocative resources when interacting in daily collaboration. Also, in a longer perspective, training and development increase the range of employees’ resources and open career options.

Diversity-sensitive leaders often use several communication platforms to create team spirit and sense of belonging among all the team members: Some have created Facebook groups communicating both professional and personal issues such as holiday pictures, social events, etc. Others coordinate Viber groups to connect geographically dispersed teams and ensure fast communication. In addition, most managers are in frequent SMS and telephone contact with employees if they are not physically present at the workplace: this is not only to communicate work-related issues but also to signal commitment, care and interest regarding work and personal well-being. This also goes for face-to-face communication, as most of the team managers have practitioner backgrounds and favour being on ‘the floor’ among the employees. As such they serve as role models in terms of communicative and collaborative style: most of the managers that the researcher followed around would be dressed in a practical ISS uniform identical to those of the employees and would help cleaning together with the teams as a prevalent form of leadership ‘by demonstrating’ or by ‘doing’.

The leader as communicator
Some leaders even demonstrate communicative skills by being able to speak to and navigate a plethora of cultures. A good example is Nader, who leads a team of 120 employees with 30 different nationalities. He emphasises how diversity is about respect: ‘You need to be respectful towards many cultures and the way they behave in order to make collaboration run smoothly.’ The way that Nader pays respect is to demonstrate great curiosity about being exposed to his employees’ diverse cultures. And then he knows several languages fluently – being bilingual himself – and is aware of at least a few essential phrases in most of his employees’ native tongue, which he applies when greeting them. He is very responsive and gentle but firm in his communicative style: he communicates constantly and in a variety of ways as it is a very noisy workplace and often verbal communication rejected in favour of bodily expressions, signs and gestures, nods and silent exclamation. He is constantly on the phone sending pictures and manages by ‘walking around’ the very same route over and over again during his working hours – to check if everything is running smoothly and to demonstrate that he is available for the employees: ‘My work is to be present on the floor’ is the way he expresses his leadership philosophy.

Constant and multifaceted communication methods all serve to strengthen personal relations among managers and team members, and the use of several and differentiated communicative platforms ensures that needs and preferences of different employees are considered. This helps not only those employees with migrant backgrounds and limited Danish language skills, but also those with dyslexia and/or illiteracy. Diversity drives the necessity to develop frequent, creative, appreciative, effective and patient communication methods favouring all employees. It is an essential element in the retention of employees as it creates feelings of safety, recognition and care. This again brings about stability and resilience in the teams as it builds on strong and committed leader–employee relations.
While homogeneous teams might immediately feel a sense of community and membership, managers of diverse teams must have additional focus on and provide help to facilitate social and professional bonds. This highlights relational leadership skills as social skills that are pivotal to strengthen social ties and to create durable relationships among team members.

One of the ways that ISS team managers build strong relationships among team members is through creating alternative occasions and venues for community building that break down hierarchy and allow members to meet on an equal footing. For example, a cleaning team has breaks with gymnastics several times a week. The manager explains the benefit of gymnastics like this: ‘Here we are on par. We laugh together and take a break from everyday humdrum. When we are doing gymnastics, we are all on an equal footing and we all think it is fun. Mentally, it moves us. Doing things together in another way just does something to us.’ Breaks with gymnastics brings a focus on the physical work environment. And rotating leadership of gymnastics breaks down hierarchical boundaries in favour of trustworthy and equal relationships between team members, which are transmissible and infectious on collaboration and community feelings in general. The manager explains how different social events such as breaks with gymnastics have made it possible for her to delegate more: the team members are all in charge of their different areas, they have authority to do self-control and control colleagues’ work, they provide feedback to each other, and they are responsible for daily communication with the customers including answering to complaints and requests. This democratic division of work gives the team leader time and resources to prioritise the leaderships task she favours: making sure that everybody thrives and develops in their different positions, and facilitating democratic decision-making processes in the team.

A kitchen manager tells us how he invites all his employees to his home for brie to socialise in an environment away from work. This helps to strengthen relationships and to experience each other in a different situation and in non-work clothes. Another manager tells us about ‘positive’ or ‘happy Fridays’, which are weekly events that put focus on the well-functioning of the team: ‘Here there is no place for complaints. Focus is on affirmation and positive feedback to your colleagues. We eat breakfast together and take a round where everybody must say something positive that happened during the week. On Wednesdays, we have personnel meetings about practical issues of daily challenges. But Friday is about positive things, to tell a funny story. For instance, Michael told a story about how he by coincidence had put on a pair of too big trousers and suddenly they were around his knees while he was cooking, and Linda saw him from behind only in an apron and boxer shorts. Or things ‘like thank you for helping when we were only three in the dish wash. So, it is about recognising what you do to and for each other or all the silly things that might happen in a kitchen. This way we make up a shared story that accumulates into a shared culture of unity. And you leave work for the weekend in a good mood.’
Many of the managers highlight the impact of shared breaks and events: to share information, to coordinate work tasks, to tell about holiday experiences, birthday parties, etc. ‘I use breaks to empower my employees and they can get all the empowerment they long for. I always ask them to take responsibility for colleagues, customers and guests here-and-now, you can solve it! At meetings, we then go through these instances. This is also where we plan menus: they each plan the menu of their area. For instance, my Syrian intern uses Google translate to order groceries in Danish and to make his weekly menu. This is how he has learned all the Danish terms for different vegetables, dairies, etc.’

Several inclusion researchers emphasise shared meals, breaks and social events as good for promoting inclusion (Ortlieb & Sieben, 2014). Eating habits play an important role for inclusion, because joint meals are a key opportunity for getting into contact with colleagues, and because of the essentiality of eating. Meals, meetings and social events improve the organic and multifaceted anatomy of social orders – as the fun colleague who can tell a story that makes everybody laugh is in the centre, even though he might have been in the dish wash all day. Hence hierarchies get torn down, negotiated and reconfirmed – during social events. On the other hand, when there is no will or resources for meetings and shared meals, myths about ‘the others’ may occur together with hostilities, gossip and isolation that block inclusion. The experience of belonging is pivotal to achieving team coherence and inclusion – and sense of belonging is especially promoted by social events, shared meals and meetings. Associations create a collective consciousness and a moral commitment to the team based on shared values and norms of mutual assistance, care and empathy for colleagues.
The leader as talent developer

To recognise and make use of the many competences and skills that a diverse team represents, the leader must identify and appreciate the individual members’ contributions and value. Inclusive leadership is about valuing difference and this is done only by recognising the uniqueness of each individual team member: that they provide a singular and exceptional input to the team that makes the team special. Team diversity forces the leader to notice the individuality of all the team members and develop creativity to make progressive use of all the skills and capabilities which enable the team to perform extraordinary and noteworthy tasks.

This demands a capability to acknowledge skills and competences that goes beyond a tradition focused on educational background, former work experience and personal competences. A leader must be able to grasp a diverse and all-embracing concept of competences that also includes cultural and linguistic qualification, the ability to navigate different social and cultural contexts and experience of non-Danish workplaces. One manager tells us how starting to recruit more diversely gave him new capacities within his team and new perspectives on what makes up ‘service’, which has radically changed the way they work with service today.

A challenge is to recognise and make use of the competences of high-skilled international employees working in low-skilled positions. One kitchen manager told us: ‘Immigrants with high educations do not come to Denmark to wash dishes. I know that. They come here to get a salary and a basic income. This you should be conscious of as a leader; you have these employees working under particular circumstances. All my employees must be treated with respect and their background and competences must be recognised. This I do by avoiding to have a hierarchy in this kitchen’.

The hierarchy is modulated through rotation in the team, upqualification or development of all members’ and the ability to give constructive feedback to colleagues. These are all measures that pay tribute to members’ competences and facilitate the sharing of knowledge. The kitchen manager among other things uses his highly-qualified dishwashers with engineering degrees to repair kitchen machines and to help in the kitchen. Others do not have permanent tasks and positions but make all team members constantly rotate and hence take turns doing the ‘lowest ranking work’ like cleaning dishes or vegetables. A kitchen manager clarified: ‘I make constant rotations and reshuffles, so they constantly do new tasks and work together with different colleagues. Then they do not develop relationships like a group of “old couples”, but constantly learn about the different skills and knowledge that their many colleagues possess. This gives new energy and inspiration in the daily work.’

Development of employees is a must for some leaders. A team leader in cleaning expounded: ‘My team is so great because they are truly empowered. Everything I can delegate, I delegate to the team. Don’t keep the tasks to yourself to feel in control, don’t think you know how to do everything the right way as a leader. I trust my employees and I believe they know exactly how to find the best solutions to the challenges they face in their daily work. And they grow and grow and grow and one
day they will outgrow me and one of them will take my chair. That is my ambition. I push them to embrace their own development – not in an ugly way, but with a gentle push: they must set up targets for their growth and development every year. And I make sure that they meet these targets. For some it is quite taboo-breaking but they grow used to it and eventually take great pride in constant progress.’

Focus on the diverse skills and abilities of the team members as well as on constant development has unleashed promising potential in terms of product and process development at team level: new products, more-sale suggestions, optimising daily work procedures, and developing personalised, tailor-made service behaviour adjusted to the needs and wishes of an increasingly globalised group of customers. These are some of the benefits of unleashing the creative and developmental capacities of the diverse teams.

Team managers focusing on team members’ diverse skills and talents increases job satisfaction and creates creative solutions for ISSs customers. Hence leaders of diverse teams become talent developers: ‘When you let people take ownership, they are willing to give it just 10% more. I love to see people evolve and find their good qualities. It’s very exciting and gives deep satisfaction, totally wild – it’s a joy. And you do not get anyone who’s more excited to get to work than those you’ve given a chance. It’s the employees who love their jobs the most, those who feel they are allowed to contribute.’

When asked about the recipe for a well-functioning team, a leader makes clear: ‘First you have to find members that you like. Then you must have the courage to adequately discover what they are really good at. And then you have to let them do that.’
The multi-skilled leader: Development through diversity in teams

As discussed throughout the analysis, leading diverse teams stimulates three essential leadership skills: developing multifaceted and difference-sensitive communication, facilitating social processes that strengthens bonds in teams and facilitateing a predominant sense of belonging among team members, focusing on the ability to recognise, make use of and develop the individual skills and abilities of every team member – stimulating their sense of uniqueness (Shore et al., 2011). These are leadership skills that inclusion researchers highlight as essential to creating inclusion and well-being in diverse teams (BooySEN, 2014): Each and every team member feels belonging and uniqueness, i.e. that their individual contributions are appreciated, recognised, valued and used. Here’s the coincidence of team literature: High-performance teams are based on a high degree of belonging and team spirit, as well as team members getting their knowledge, experience and abilities in play in daily task solutions, for the benefit of knowledge synergy, quality and productivity lift.

Employee diversity means that ISS leaders are more capable of interpreting and navigating different social and cultural contexts. The leaders ‘grow up’ in an organisational culture where diversity is part of the DNA – and they evolve as human beings capable of understanding and meeting the individual employee as he or she is. Through daily exposure to and close collaboration with diverse employees, managers develop an understanding of cultures that extend beyond stereotypical perceptions. Thus, they acquire the ability to recognise and acknowledge diversity without imposing specific demographic or socially defined categories on their diverse employees. And precisely this is the essence of exercising diversity management as employees meet more unprecedentedly and are therefore capable of realising the identity they find relevant in different situations. Hence, they acquire an ‘openness to diversity’, which is a contextual factor that has proven important in terms of whether or not an organization benefits from diversity and hence unfolds the potential of creativity and performance (Olsen and Martins, 2012). This is a positive awareness of differences that reduced negative stereotyping and social categorisations. In addition, the leader’s openness to diversity impacts team members’ positive attention to dissimilarities, which can lead to a number of group-level outcomes in terms of fostering an environment where individuals value and respect the views of demographically dissimilar team members and actively collaborate with them (McKay et al., 2009). Regarding team performance, research demonstrates how culturally heterogeneous groups perform better. Figure 1 illustrates how leading diverse teams might develop multi-skilled leaders where ‘openness to diversity’ and personal traits of ‘reflexivity, responsiveness and adjustability’ act as moderating factors.
As emphasised by leadership researchers like Staunæs and Raffnsøe (Weiss, 2017), the labour market changes: Today it is essential to lead employees who contribute independently, meaning that control and authoritarian management of employees are less important. This research demonstrates how ISS leaders – through high exposure to diversity among their team members – acquire the ability to recognise and put the many talents in play, building the foundation of a diversity-oriented and relational-sensitive leadership style. Here leadership skills like reflexivity, responsiveness and basic human insights are pivotal to unleashing diversity’s potential. The diversity-oriented leader is focused on trust-based and relationship-oriented leadership, where empowerment and delegation are priorities. And these priorities prove fruitful: most of the leaders, who participated in this research and prioritized team development and empowerment led well-functioning and high-performing teams. These inclusive, diversity-sensitive and team-oriented leaders have managerial qualities that are essential to successfully leading the labour force of the future and to managing the day-to-day complexity of task-solving, where customers and markets are increasingly globalised and hence specific in their expectations of service.
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Company profiles

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