Diversity Drives Innovation

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What is community resilience and why does it matter?
Do you know what clouds are made up of?

Sure... music files.
“True innovation comes when groups with interests which look to the future, connect – or even collide – across boundaries of geography, institution, race, class, entrenched perspectives and social grouping…

Source: Institute for Sustainable Communities 2015
…Innovation comes when we are collectively challenged to connect with one another and think creatively about our shared problems.”

Source: Institute for Sustainable Communities 2015
Diverse teams make better decisions
Innovation Increases as the Proportion of Female Managers Rises

**Source:** 2016 survey of 171 German, Swiss, and Austrian companies by BCG and Technical University of Munich.

**Note:** Innovation revenue = the percentage of revenue from new products or services in the most recent three-year period.
• Companies with above-average total diversity had 19% points higher innovation revenues on average

• Gender is one dimension of diversity with the largest effect on innovation, both individually and collectively

• Innovation revenues could increase by 1% by enriching the diversity of the management team and 2.5% with respect to gender

Source: Harvard Business Review 2018
Gender diversity drives innovation—when the leadership team is more than 20% female.
An organisation with up to 30% female leaders can add up to 6 percentage points to its net margin.
According to McKinsey Global Institute.....

Around the world, gender diverse companies are *15% likelier* to earn more than their competitors

Just by adding more women to the workforce the *global GDP* could go up by *26%*

In India alone, women could grow the economy by up to *60%*

In the past 20 years, *the revenue of women-owned US companies has increased 103%*
What are the barriers to increasing gender diversity in leadership?
Common biases that impact decision making

**Affinity bias** is a tendency to favour people who are like us, resulting in homogenous teams and group think.

**Confirmation bias** happens when we seek to confirm our beliefs, preferences or judgements, ignoring contradictory evidence.

**Halo effect** occurs when we like someone and therefore are biased to think everything about that person is good.

**Social and group think bias** is the propensity to agree with the majority or someone more senior to us to maintain harmony.
Liverpool cotton traders around the bull ring in the 1950s

Delegates of the ICA’s Liverpool 2019 trade event
Summary

• Gender diverse teams are more innovative

• Innovation brings social and economic benefits

• Businesses that innovate are more sustainable

• More engaged employees

• Strengthens and secures our future
Share your support and actions you have taken with:

#Change4cotton

#WomeninCotton
Thank you

Any questions?