

# **IMPLEMENTING A STRATEGIC DIVERSITY INITIATIVE**

An article by

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# ***Implementing a Strategic Diversity Initiative: The Possibilities and the Pitfalls***

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## **Introduction**

Implementing a strategic Diversity initiative is the organizational equivalent of successfully initiating a round trip space mission. It is a “lift off” fueled by strategic thinking and planning about Diversity. It involves a constellation of linkages, including an understanding of the business case for so doing, astonishingly good communications to the entire organization, a sense of the potential pitfalls that exist and may lie ahead, “ownership” of the initiative, training programs, line accountability and frequent tracking to monitor progress and success.

Over one year ago I had an opportunity to work with a large corporation to assist them in learning the rigors of creating and implementing a Strategic Diversity Initiative (SDI). Invited in by their Diversity Council, I assembled a team of Diversity thought leaders to conduct a two-day workshop to help the Council understand the issues and processes, and to prepare them for advising their senior leadership on how to go about implementing a strategic initiative.

Thus began a journey that continues to this day.

## **In The Beginning There is Data Collection**

We began by interviewing the members of the Council, to find out their perception of the Diversity issues at their organization.

The data told us that the “ole boys club” was alive and well, and that anyone who wasn’t a member – read minorities, women, people of color, those who hadn’t graduated from the “right schools”, those who didn’t live in the “right” towns, those who didn’t look a certain way —didn’t feel included in the prevailing culture and more importantly, didn’t see chances for professional advancement in the organization. Although not a hostile environment, it was not supportive and conducive to the fulfillment and success workers look for in their jobs. The environment was not helping to create engaged employees.

Employers want employees who are fully engaged, because research shows that engaged employees are more productive. Engaged employees are:

- accountable for the welfare and success of the whole business
- responsible for their personal commitment, morale and motivation
- committed to the success of others

In short, engaged, highly productive employees help companies “win” in the marketplace.

What we had here were whole segments of the employee population that were not operating with the high octane that would fuel the competitive edge for this company, because these segments felt excluded from the mainstream culture.

We also learned about the racial divide between the professionals on one side of the “street” and the union workers, where there were many more people of color on the other side of the “street”. Furthermore, the union had its own divide, with generations of white men holding leadership positions and keeping minorities out of those positions.

Armed with the data about Council members’ perceptions of “what works and doesn’t work around here”, we designed a two-day workshop to help members prescribe the recommendations to their senior leadership for an SDI at their organization.

## **Dealing with the Elephant in the Room**

From the fact-finding we knew that the environment of this organization was compliance-oriented. Early on in the workshop we demonstrated the difference between EEO, AA and Diversity. The first two strategies are centered on compliance; the latter is based on commitment. EEO and AA issues are often the “elephant in the room” about which no one speaks but everyone is aware. We dealt with them by showing a video of members from some *other* organization talking about these issues. Once these issues were aired, we asked if any of this was going on at their company now. Thus began the necessary conversation. It eventually led to discussion of the different challenges that Diversity presents, over and above legal compliance.

The issue of inclusion and exclusion was discussed at length; it is of great import to many employees. Who has the power and who doesn’t? Who gets the perks, makes the decisions, gets the leadership roles, is on top? It is so critical that another way to think about Diversity management might well be Inclusion management.

## **Fueling the strategy**

It is a rare company that will invest in an SDI without clearly seeing a business case for this investment. And we have found that the sure-fire way to make this business case is to look at the changing demographics of the workforce and marketplace. Hard numbers make a hard case to ignore. Compliance develops into commitment to Diversity as savvy leaders grapple with responding to the changing workforce and customer market.

## **What Do You Mean by Diversity?**

Diversity must be defined by each organization. All of the *elements* that are relevant in your organization should be included in an expanded definition of Diversity that often goes well beyond race, gender, ethnicity and sexual orientation. These might include status in the organization, education, schools attended, style of dress, intellectual differences, class differences, job function, physical handicaps etc. The Council decided which elements of Diversity were relevant for their organization at this point in their work.

## **Managing A Complex Process**

It is important to examine “what we know so far” of best practices in Diversity, and to discuss metrics and measures of success. One best practice is to have Diversity management be a clear and independently accountable position. Someone/team has to take ownership for its implementation and success.

The Council began a debate at this point on the important issue of accountability. Understanding that strategic Diversity management should be woven into a strategic plan for the company’s future, the idea of having a Diversity Manager at their location started to be discussed. Each Council member had complete job responsibilities elsewhere; they doubted that the senior team would devote the time (required) to this important task.

When the Council assessed their firm’s practices against the best practices they had just learned about, the discussion grew intense. They discussed the gap between “how we do things around here” and best practices in Diversity. They grew somewhat overwhelmed by the scope of the task. They decided that this initiative could not be conducted by a volunteer council, but rather needed a powerful and (hopefully) full time force behind it. Ultimately, this became one of their recommendations to senior leadership.

We then set to work to build the business case for the specifics of their firm, to present to their senior leadership. Council members worked hard to build the case for increased worker productivity. Although they could not make a direct

link to profitability, they knew of the correlation between productivity and profitability. They also acknowledged that they did not have the know-how to evaluate precise effects on profits, but thought there were others who did. They set out to prove the case for increased productivity, which in their industry, was a critical company success factor.

## **Boosters and Barriers**

To address the Inclusion issues, we discussed a concept of boosters and barriers to success. For example, the “ole boys network” was a booster to anyone who was an “ole boy”. It’s a barrier to those who are not. We brainstormed other boosters and barriers to Inclusion, and laid them out on the table. Once they are made public, it is easier to discuss ideas for handling these situations. If the situations are undiscussable they will never be resolved. This re-emphasizes the need for Diversity management to be part of a strategic growth plan for the company because having these kinds of discussions is critical.

The Council broke off into small groups and brainstormed ways of ameliorating barriers and increasing boosters for each booster and barrier. Using case studies, role-plays and other interactive methods, much productive time was spent in assessing the speed bumps in the organization and problem solving for each one.

## **Finale**

The last task was to build a strategic plan for Diversity, a plan that could be presented to senior leadership. This plan answered important “who”, “what” “how”, and “where” questions. Small groups tackled each of 10 questions which when answered, provided the plan.

The group struggled with credible measures of Diversity effects. They came up with measures of customer satisfaction, both internal and external, pre and post employee satisfaction data, productivity metrics pre/post initiative, promotion rates and work team inclusion metrics. Their crowning idea was to make specified Diversity goals a part of the bonuses of the senior leadership team!

All participants agreed that these two days and one evening of intense work was a big step in understanding the scope of strategic Diversity and how it could be implemented. The Council left well armed to make their recommendations to senior leadership.

## **Epilogue**

After a few months, the Council presented their recommendations to the leadership of their location. Their request for a Diversity Manager was turned down. Their other recommendations were passed on to a new Advisory Panel, comprised of senior leaders who would advise the chief executive at their location. A number of members got demoralized and left the Council, sensing too bureaucratic a response. The Council still exists in a reconstituted form with new members but some momentum has been lost. Former council members report few visible changes in Diversity management at their company, other than a regular article in the Company newsletter.

## **Barriers**

The intervening time has given us a major slowdown in the economy, the events of September 11, and some particular market problems for this company. One can only wonder if those market problems might have been averted if the thinking of those excluded from the mainstream decision-making were included in the this company's thinking.

## **Boosters**

A new VP for Global Diversity was appointed in headquarters. Some locations are having much more success with Diversity management than this one. As the economy picks up the focus on Diversity might return to this location.

## **Lessons Learned**

The challenges of changing an environment that has worked for years requires patience, perseverance and a champion outside of HR willing to take on these challenges.