

# The Diversity Journey

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## How to Begin & How to Measure Progress



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## What Are You Doing?



- 
- Implementing a long term and on-going change effort (an **initiative** not a program)
  - Linking to business rationale
  - Changing corporate culture
  - Inviting empowerment, participation, contribution
  - Communicating
  - Focusing on results

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# HR's Role

## Is to be a

- Catalyst
- Researcher
- Advocate
- Problem Solver
- Facilitator
- Influencer
- Supporter
- Strategic Thinker

## Is NOT to be

- The owner
- Solely responsible
- The primary focus of the diversity strategy
- A problem creator

# The Diversity Journey



## Top Management Commitment



- Openly acknowledge areas needing change and/or improvement
- Talk about the long term nature of the change effort
- Make sure commitment equals money (budget)
- Tie to the organization's goals and strategy
- Make it visible and ongoing

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## Vision or Mission Statement



- Provides central theme
  - Tied to the organizations mission statement and strategic plan
  - Reflects the core principles and values of the organization
- Answers:
  - Where is organization now?
  - Where does organization hope to go?
  - Why does organization hope to go there?
  - How will the organization get there?
- Will Help the Organization
  - Wrestle with tough questions
  - Keep on target
  - Provide focus
  - Build a foundation

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# Visioning Process



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## Should

- Involve as many people and functions in the organization as possible
- Include opportunities to discuss a range of perspectives both personal visions and organizational visions
- Conclude with a document that is communicated internally and externally

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# Sample Vision Statements



- "To create an environment that emphasizes our commitment to treating each other with dignity, trust and respect by recognizing each others' beliefs, values and differences."
- "To create an environment where differences are valued and all employees are a productive part of a high performance team delivering services to our customers."

# Sample Budget



## Compliance & Human Capital

- Recruitment
- Employee-resource groups
- Mentoring programs
- Consultant fees
- Compliance training
  - Online and in-person compliance education
- Conferences

## Corporate Communications

## Supplier Diversity

## Measurement/ROI

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# The Business Drivers



## Consider the impact/desired outcomes

- Improving service/productivity
- Improving people management skills
- Position in industry
  - Capturing a larger share of the market

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## The Business Drivers

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### Research

- Demographics – external
- Workforce
  - recruiting
  - retention
- Competition
- Changing markets
  - What does your client/customer base look like?

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## The Business Drivers

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### Research

- Changing technologies
- Globalization
  - Its affect on your industry/organization
- Laws and Society
  - Changing political forces
- Economic changes

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# The Business Drivers

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- Identify the issues within your organization
  - Policies and procedures
  - Organization's culture
  - Turnover
  - Rate of growth
  - Position in industry
    - Capturing a larger share of the market
- Expectations
  - How do we view effective working relationships?
    - Among team members
    - With our customers and clients

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# The Business Drivers

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- Preparation/Internal Research
  - Culture survey/Questionnaire
  - Focus groups
  - One-on-one interviews

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## Staff the Initiative



- Diversity Manager
  - oversees the initiative
- Task Force (Planning/Strategic)
  - sets program, build commitment
- Employee Council (Tactical/Implements)
  - provides diverse input
- Affinity Groups
  - work with like people

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## Diversity Manager



- Credibility with managers and employees
- A track record of doing what they say they'll do
- Political savvy & an understanding of the organization
- Ability to influence others
- Understanding of group dynamics
- Passion and commitment for diversity

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## Criteria for Selection



### Task Force & Employee Council Members

- Races, gender, ages, sexual orientation, physical abilities, political orientation, religions, etc.
- Levels within the organization
- Departments
- Levels of experience and knowledge of diversity

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## Affinity Groups



- Company-sanctioned group of employees with similar backgrounds or interests
  - e.g. race, ethnicity, gender, orientation or disability
  - can be open to anyone interested in participating
- Bottom-Up approach
  - individuals who want to connect with their peers as well as management.
- Strong support from top management
  - at the core of their success

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# Communications



- **Market the initiative**
  - Management
  - Customers
  - Employees
  - Suppliers
  - Community
- **Explain what and why**
- **Explain the benefits**

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# Communication & Marketing



## Internal

- Intranet
- Memos, newsletters
- Handbooks, policies and procedures
- Program literature
- Performance appraisal process

## External

- Web site
- Press releases
- Marketing material
- Annual report
- Investor relations
- Senior Management presentations and speeches

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# Implement

## A Diversity Strategic Plan

- Provides a compass or roadmap
- Defines the outcomes
  - Outcomes or results should be measurable
- Answers: How will we get there?

# Strategic Planning

## Three-step process:

- **Step 1.** Establish why the organization exists—its mission.
- **Step 2.** Define what you want the organization's near future to be.
- **Step 3.** Establish what needs to be done—and what needs to be done differently—to reach the stated objectives.

# Diversity Strategic Plan

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## Key elements

- Communication & Marketing
  - Internal & External
- Education & Training
- Programs, Policies & Procedures
- Linkages (for individuals and the organization)
- Norms & Values
- Costs and benefits
- Evaluation Strategies

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# Diversity Training

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- Builds awareness
- Can motivate behavior change
- Chance to communicate business case
- Surfaces issues
- Brings everyone to same level of knowledge

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# Diversity Training



- Understanding workplace diversity
  - Dimensions of diversity and culture
  - Influence of Stereotypes
    - First impressions
    - Predicament of Prejudice
  - Importance of valuing diversity and building respect
  - Gender scripts & roles
- Harassment

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# Diversity Training



## Beyond the First Round

- Conflict resolution
- Change management
- Communication skills
- Diversity-based team building
- Cross-cultural coaching and training

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## Programs – Beyond Training



- Recruitment
- Retention Programs
  - Change management
  - Performance management
  - Diversity-based team building
  - Career mobility
- Performance management
- Career mobility
- Compensation design
- Supplier diversity

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## Recruitment



- Analyze Recruitment Practices
  - Corporate Web Site as a recruitment vehicle
  - Employment Branding efforts
  - Print or other media advertising
  - Participation in job fairs
  - College recruitment
  - Any other recruitment efforts

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# Recruitment



- Define
  - Short Term Goals
    - Immediate, visible results
  - Long Term Goals
    - Integrated, sustained results
    - Leverage other diversity activities

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# Recruitment



- Identify diversity outreach & recruiting sources that align with hiring needs (local & national)
- Identify ways to partner and work with Professional Societies, Trade Organizations, Colleges & Universities
  - Job/career fairs
  - On-line job postings
  - Trade publications
  - Sponsorships
  - Speakers
  - Internship programs

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## Recruitment & Outreach



- Identify effective advertising vehicles that will reach diverse target audiences, for example
  - On-line job postings
  - Trade publications
  - General interest publications that reach diverse audience
  - Air Time

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## Measurement



- What can we measure?
  - How people behave
  - What people do
  - The impact on the bottom-line
- Measurement questions:
  - If we are successful, how will we know it?
  - What will be different?
  - Are we impacting the business?

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# Diversity Measurements



## Impact on the bottom line:

- Increased efficiency
- Cost per hire (decreases)
- Cost Savings
  - increased retention/decreases in turnover
  - decreases in health care costs due to wellness programs instituted
  - decreases in charges filed (external) and internal grievances
- Product improvement/development
- Increased quality scores on customer service

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# Diversity Measurements



- Productivity improvement
- Diversity of customer base
- Market penetration
- Survey results
  - Culture survey
  - Opinion survey
  - Exit interviews
  - Post-termination surveys

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## Calculate Diversity Return on Investment



1. Know what you want to know
2. Prepare and collect data
3. Isolate diversity's contribution
4. Convert the contribution to money
5. Calculate the costs, benefits and DROI
6. Report it to others
7. Track and periodically assess progress

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## Calculate Diversity Return on Investment



- 1. Know what you want to know.** This step will help you:
  - Identify a Business Problem Related to the Organization's Strategy
  - Formulate Research Questions
  - Begin with the End in Mind -- Your Report
  - Create the Diversity Measurement Study Objectives

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# Calculate Diversity Return on Investment



## 2. **Prepare and Collect data.** This step will help you:

- Identify Data Collection Measurement Areas to Check
- Review Historical Data
- Conduct Interviews
- Conduct Focus Groups
- Analyze data
- Create or Purchase Evaluation Instruments
- Survey the Organization

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# Calculate Diversity Return on Investment



## 3. **Isolate diversity's contribution.** This step will help you:

- Select a Method to Measure Diversity's contribution

## 4. **Convert the contribution to money.** This step will help:

- Identify the Hard and Soft Data Contained in the Diversity Contribution
- Select a Method to Convert the Hard Data Contribution to Dollars

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## Calculate Diversity Return on Investment

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### 5. Calculate the costs, benefits and DROI. This step will help you:

- Identify the Major Cost Categories
- Identify the Major Benefits
- Calculate the Benefit-to-Cost Ratio
- Calculate the Diversity Return-on-Investment (DROI %)
- Identify the Intangible Benefits

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## Calculate Diversity Return on Investment

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### 6. Report it to others. This step will help you:

- Identify the Report Timing / Other Needs
- Identify Reporting Vehicle(s)
- Create Report Deliver Report Evaluate Feedback

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# Calculate Diversity Return on Investment



## 7. Track and periodically assess progress.

This step will:

- Provide follow-up data for analysis and benchmarking purposes
- Introduce new automated Diversity Measurement Software Systems for monitoring, tracking, and reporting results
- Introduce a companion survey development software tool and its statistical analysis capabilities.

excerpt from "[How to Calculate Diversity Return on Investment \(DROI\)](#)" by Dr.

Edward E. Hubbard, President & CEO of Hubbard & Hubbard, Inc.

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# Recruitment Measurements



## Measuring success

- Time to recruit applicants
- Selection and acceptance rates
- Cost per applicant hired
- Quantity and quality of applicants
- EEO implications

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# Supplier Diversity Measurements



## Measuring success

- Contribution MBEs and WBEs have made to
  - profitability
  - capturing additional market share
  - cost reduction
  - customer service

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# The Diversity Journey



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# Resources



## Websites

- diversityinc.com,
- diversityworking.com
- hubbardnhubbardinc.com

## Books by Dr. Edward E. Hubbard

- The Diversity Scorecard
- Measuring Diversity Results
- How to Calculate Diversity Return on Investment

## Other Books

- What If? Short Stories to Spark Diversity by Steve L. Robbins
- Managing Diversity: A Complete Desk Reference and Planning Guide, by Lee Gardenswartz and Anita Rowe
- The Managing Diversity Survival Guide: A Complete Collection of Checklists, Activities, and Tips by Lee Gardenswartz and Anita Rowe

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# Thank You



We offer training that supports your efforts towards addressing workplace diversity and inclusive workplaces

- Diversity & Inclusion: Foundations of Respect
- Preventing Workplace Harassment
- Gender Awareness
- Generations @ Work
- Ethics & Integrity

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