

Excerpts from ORC'S Diversity Strategy Guide

The following material is excerpted from ORC's Diversity Strategy Guide, an aid to planning a comprehensive diversity initiative that will be fully integrated into the systems, processes, and culture of the organization. In addition to the information posted here, the complete guide includes advice on

- *Orchestrating management support*
- *Evaluating existing resources and conditions and formulating general strategies*
- *Transferring responsibility to the line*
- *Making employee development a major component of diversity management*
- *Establishing appropriate training programs*

For a free copy of the complete guide, E-mail Michal Fineman at michal.fineman@orcinc.com with your name, title, company or organization name, address, and phone number.

Be Clear on the Concept

First, it is essential that the organization make a distinction between diversity and affirmative action and that this distinction be well understood by managers and reflected in corporate policies and statements. Diversity management grows out of, but is different from and *in addition to* (not a replacement for), affirmative action. Many companies have been able to promote diversity by underscoring the idea of “valuing differences,” which attaches a positive connotation to what may have previously been seen primarily as a problem. “Diversity” should be broadly defined to include differences in culture, organizational function, discipline, approach to problem solving, religion, and so forth, as well as race, gender, and ethnicity.

Establish a Meaningful Rationale for Your Particular Environment

The specific rationale for a diversity orientation will differ from organization to organization, but the following elements will usually apply:

- The workforce from which the organization draws its applicants is becoming increasingly diverse, with more women, minorities, and immigrants. In addition, society as a whole is moving toward greater identification with special-interest groups of all kinds.



- Because of globalization and changing demographics within the United States, customers are more diverse. A diverse workforce positions a company to better understand and serve new markets.
- The melting pot model is no longer appropriate for global businesses with employees living and working in many different cultures.
- Competition, quality concerns, restructuring, and shortages of critical skills all necessitate access to the broadest possible talent pool, full utilization of talent, and excellent teamwork.
- An organization's ability to react quickly to an ever-changing environment is essential for competitiveness. Well-managed team diversity facilitates such adaptation.
- Affirmative action compliance efforts alone will not create a diverse workforce or unleash its power. Leadership, planning, and follow-through in all aspects of people management are required.
- Creativity blossoms when people with many different perspectives and styles of thought contribute to the innovation process.
- Organizational learning requires easy and free exchange of information among people with very different habits of communication.
- Unresolved conflicts due to misunderstanding of differences or inability to recognize common interests are costly to the organization.

Choose Your Tactics and Set Your Goals

The following are some good general guidelines for choosing tactics and setting goals (see next section for greater detail):

- Timing is critical. Trying to do too much too fast is very risky; failure to deliver impairs credibility.
- Be flexible; adopt an incremental approach.
- Do the doable first and build on that success.
- Look for potential champions and use them.
- Avoid identification of the program with HR—pass the baton to the line organization.
- Monitor your progress, closely. Along with statistical measures, track qualitative progress. Senior managers should be among those responsible for tracking.
- Recognize that, in terms of underrepresented groups, quality is more important than quantity, particularly at senior- and upper-middle-management



levels. (This is not to suggest that representation goals should not be ambitious, but it is important to amass success stories by helping people overcome the barriers to success.)

- Make internal goals more demanding and specific than compliance requirements.

Design and Implement Specific Activities and Initiatives

Obtain Baseline Data

Early on, obtain baseline data to support the diversity concept, if necessary, as well as for monitoring purposes. Office of Federal Contract Compliance Programs (OFCCP) representation data are too gross for these purposes. If you don't already track representation in terms of levels and functions that are particularly meaningful within your organization, set up a system to do so. Attitude-survey data can also be very useful. A climate or needs assessment is extremely helpful in targeting all other efforts, especially those related to such areas as training. Finally, individuals can be measured on their performance of diversity-friendly behaviors (e.g., with ORC's Diversity 360™ or other multirater instruments) and the aggregate results used as baseline data to be compared against scores in later years.

Create a Diversity Council

Establish a cross-functional and cross-business advisory group; include a corporate officer, several general managers, women and minorities, and someone who is a creative communicator. The council will be the primary means of amplifying the CEO's commitment.

Develop a Vision

Ask the diversity council to derive a diversity vision from the organization's overall vision of itself, considering the following relevant characteristics:

- Teamwork
- Total quality
- Valuing/developing people
- Innovation and creativity
- Performance
- Productivity

Choose a Theme

From the rationale for the program and the diversity vision develop an overall theme—something succinct. Themes will vary among organizations, but they should reflect the notion that valuing diversity makes sense because giving each employee the greatest opportunity to contribute will make the organization more effective and productive.

Identify the “Point Person”

Make one manager the focal point for the diversity effort. Although EEO experience is obviously relevant, in most instances it will probably be wise not simply to add diversity to the senior EEO manager’s responsibilities. Doing so could blur the distinction you want to make between diversity and affirmative action.

This position needs to be placed so that it can make things happen. The role could be (1) assigned to an individual with obvious high potential, (2) assigned to a line person with a great deal of influence who has become available via reorganization, perhaps someone who wants to work for a couple of years before retiring, or (3) coupled with another role (e.g., HR planning), etc. A key task for the point person should be to develop a diversity network that will focus attention on the initiative and make sure that the steps taken are appropriate for the organization’s culture and values.

Additional Options

Some or all of these activities may be useful at the corporate and/or business-unit level:

- Perform *internal* glass ceiling audits.
- Examine benefits and scheduling practices for flexibility and value to employees. Benefits are only useful to recruitment and retention if they provide employees with the kind of help they want. As populations grow more diverse, benefits need to be more flexible to satisfy employees’ needs.
- Review opportunities and practices for recruiting nontraditional employees.
- Capitalize on the strong influence orientation programs can have on new employees’ behavior and attitudes towards the company. Consider longer-term orientation periods (e.g., six months) during which formal mechanisms (such as meetings with executives, buddy systems, training programs, et al.) reinforce company values, policies, and practices.
- Schedule exit interviews by diversity council members for all minorities, women, and employees with a disability above a certain level who leave the company.
- Consider interest-group caucuses if appropriate to your employee relations environment. Although support for caucuses of specific employee groupings is



consistent with the basic idea of valuing diversity, and the companies that have done it have found it helpful and have not experienced serious negative side effects, it is so contrary to the mores of some companies that it should be proposed only after careful consideration, and probably not at the outset of a program.

- Examine how conflicts within your organization are managed and whether the culture encourages or discourages the differences of opinion, working methods, and styles of thinking.
- Tap your intra- and Internet for communicating the company's commitment to diversity to employees, customers, shareholders, and potential applicants.

Measure Your Progress on an Ongoing Basis

Measurements are vital. How do you determine the degree of your organization's diversity and how well it is leveraging that diversity? What behaviors are demonstrated by managers who support pluralism and advance diversity?

A variety of types of data can be collected and monitored to measure various aspects of the diversity program. The important thing is to choose measurements that are valid, for which data are available and reliable, can be replicated over time, and most of all, will encourage the desired behaviors and attitudes. The baseline data mentioned above (representation numbers, attitude-survey results, and communication patterns) are useful and easy to obtain. Performance appraisal factors can be designed to include more specific descriptions of what "managing diversity" looks like in action or separate diversity performance appraisals can be conducted, and managers can be rated on their performance in this area^{*}

Finally, all units should be required to define their diversity needs and to track progress toward those needs.

A Final Word of Advice

^{*}Here we add a caveat. Although it can be a good strategy to link performance to rewards, if you say you're going to and don't, you will undermine the credibility of the total effort. Moreover, linking pay to diversity performance is easier to proclaim than to implement, since the diversity elements—like all others—of most performance appraisal systems can be manipulated to produce the results the manager desires. As we said above, multirater input ensures a more objective overall picture of an employee's performance, but the jury is still out on how well this sort of feedback works when raters know that money rides on their commentary. An alternative to rewarding diversity performance with pay is to publish within the organization information on diversity achievement (e.g., a list of managers who have/have not made their targets for increasing the diversity of their units). Nobody likes to be last, and the possibility of embarrassment, coupled with the competitive impulse in some managers, is often a potent motivator.

No single approach to diversity management is right for all organizations. It is more important to come up with a strategy that will work in your particular environment than to adopt the “best practice” of other companies. For this reason, we recommend that you stay away from off-the-shelf diversity packages. Carefully tailoring your initiative to your company’s values, business strategy, and culture will help you build credibility for the entire concept of diversity and greatly increase the possibility that your efforts will have a real impact on the bottom line and on the lives of employees.