Book World Class Diversity Management

A Strategic Approach

R. Roosevelt Thomas, Jr.
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Recommendation

Managing diversity is more complex than increasing the number of your minority and female employees and encouraging them to advance. Diversity consultant R. Roosevelt Thomas Jr. advises that diversity means appreciating the ways your workers differ and engaging those differences to contribute to your bottom line. Despite Thomas's unfortunate preference for jargon, *BooksInShort* recommends his practical insights to business leaders and human resources professionals. Why confine your firm's definition of diversity to race and gender when you can tap into every employee's potential?

Take-Aways

- Globalization and innovations in communication make managing diversity in business more important than ever.
- "World-Class Diversity Management" uses proven strategies to deal with diversity.
- To practice world-class diversity management, apply four strategies, or "quadrants."
- First, manage your "workforce representation" by adding and retaining minority staff.
- Second, manage your "workforce relationships" to build harmony.
- Third, manage your "diverse talent" to retain a representative workforce.
- Fourth, manage all your "strategic diversity mixtures" to help you make the most of every employee's talents.
- The "Strategic Diversity Management Process" (SDMP) helps you align your strategies and implement the four quadrants.
- SDMP requires "talking the talk," "thinking the talk" and "walking the talk."
- To manage diversity effectively, you must be able to handle complexity.

Summary

Getting a Grip on Diversity

If you think diversity comes down to counting heads in your workplace, think again. Companies that focus solely on how many employees of color they have or their percentage of female versus male executives see only a fraction of the diversity picture. Managing diversity involves much more than your workers' skin color, gender, ethnicity, sexual orientation or age; it encompasses being able to recognize, deploy, deal with and lead "any type of diversity mixture anywhere." To add capacity to your firm's strengths, implement "World-Class Diversity Management."

"The pursuit of World-Class Diversity Management [takes] advantage of a growing implicit and explicit awareness of diversity beyond race, gender and

ethnicity in the workforce."

Most firms' diversity management doesn't come near the world-class level. Many executives either don't understand diversity or they view it as an isolated task that they can complete and then forget about. World-class diversity management, a continual, challenging process, uses a set of "core diversity management strategies" divided into "four quadrants":

Quadrant 1: "Managing Workforce Representation"

This strategy arose during and after the American civil rights movement, when firms made a concerted effort to hire African-Americans and "mainstream" them into their corporate cultures. New antidiscrimination laws impelled many companies to act. Others responded to the fundamental urge to "make amends for past wrongs." Companies commonly implemented affirmative action, favoring minorities in hiring. While controversial, such initiatives in this quadrant successfully raised public consciousness in the United States, teaching people that their organizations, businesses and governmental bodies should reflect the variety of the larger society.

> "CEOs and other senior executives initiated the Managing Workforce Representation strategy... in the 1960s to address the 'diversity problem' of mainstreaming African-Americans into their organizations."

The problem with managing workforce representation is that recruiting new minority and female workers is no guarantee that your firm can retain them. These staffers frequently encounter "glass ceilings" – undetectable obstacles to minorities' advancement – and experience "premature plateauing" – an organizationally influenced inability to achieve their full potential. Such obstacles can drive minority workers to seek jobs elsewhere. Achieving basic workforce diversity – hiring women and people of color, for example – is only one step; your firm must stretch beyond that.

2. "Managing Workforce Relationships"

Once companies hire a more diverse employee population, they must encourage civility at work – not just because of the variety in employees' race, gender and ethnicity, but also because of the differences in "sexual orientation, age, geographic origin, physical ability, religion and national origin, class, education, and others." Firms should strive to create harmony, establish an environment of equality and keep workplace disturbances to a minimum.

> "Historically, the greatest attention has been placed on special efforts to make amends by creating a representative workforce."

While these motives may be admirable, the results can be less than satisfying. For example, African-Americans often think their employers ask them to sublimate their identities to maintain an amicable atmosphere. Employees of all races can feel as if they're "walking on eggshells" with their co-workers. They may feel exhausted by the constant need to be sensitive.

> "The recognition of the cost of poor relationships across racial and ethnic lines...likely and hopefully will prompt progress."

The Golden Rule – do unto others as you would have them do unto you – is the main tool in this quadrant. Employers hope that implementing the Golden Rule's core idea, that is, treating "everyone as equals," will help foster pleasant, productive friendships on the job. However, the Golden Rule does not account for a lack of genuine respect across groups and the friction that can result. The Golden Rule approach tends to emphasize people's differences rather than to recognize their similarities. Achieving world-class diversity management requires both. Your company should strive for the highest degrees of integration and differentiation.

3. "Managing Diverse Talent"

This third quadrant proved necessary because the first two quadrants alone "did not resolve a seemingly intractable problem, [the] ongoing challenge of retaining nontraditional workers." Many diversity-conscious organizations operate – often without knowing it – only within those first two quadrants, which address race, ethnicity and gender imbalances. However, they do not address other kinds of diversity. Leaders also have to realize that hiring isn't the only event that can create diversity challenges. For instance, partnerships, mergers and acquisitions can join disparate people from different corporate cultures in one workforce. An organization's diversity strategy should be able to cope with such situations.

> "We desire a mainstream populated by diverse people defined not by their diversity but by their commitment, acculturation and assimilation."

When managers and leaders find it difficult to retain minority employees, "complexity of diversity" may be the issue. Initiatives set up to mainstream minorities, especially African-Americans, may not engage them. "Doer managers" – traditional types who see subordinates "as extensions of themselves" and frequently appropriate their work – are unsuited to inspiring and tapping the potential of new, diverse employees. These managers tend to focus on what makes people different from one another when they should analyze and respond to people's similarities.

> "The effectiveness with which an organization engages a diverse workforce ultimately will determine its success in managing diversity relationships and, indeed, maintaining its representation gains."

"Full workforce utilization" means helping all of your staffers achieve their potential. You can accomplish this by hiring a diverse workforce, encouraging productive relationships among employees and enabling them to make their own decisions. This means that every supervisor must take responsibility for diversity management. Full workforce utilization might also require a companywide culture shift. Your "systems, policies and practices" must accommodate diversity management and create an atmosphere where managers empower their workers. The major benefit will be reducing costly turnover because fewer minority employees will want to leave.

> "Diversity comes with associated costs. It can complicate the decision-making and problem-solving process by presenting tasks that would not exist in the absence of diversity."

This strategy views diversity as the sum of employees' similarities plus their differences. When your firm enacts this approach properly, your entire workforce will feel more included. Then the diversity of your employee population will focus on "more than race and gender." This strategy means committing to all of the people in your

firm, whatever their "demographic and behavioral" differences. This new definition encompasses developing all staffers' talents equally, so that diversity outreach and management include even fostering the abilities of white males.

4. "Managing All Strategic Diversity Mixtures"

Once you think of diversity as involving all your employees, extend your thinking to "nonworkforce differences." This includes diversity issues that arise outside your current body of employees, say, during a merger or acquisition or in relation to expansion in another country. You may have to bridge cultural gaps in nonpersonnel areas, such as developing new products.

> "Cultural change, though essential, is not enough. Cultural manifestations – systems, policies and practices – must be altered to reflect the change."

This quadrant views diversity as "the differences and similarities and related tensions and complexities that can exist among the elements of any mixture." In essence, your leaders must make sound choices while sorting out every possible type and combination of diversity. They should avoid "diversity gridlock" – situations where co-workers can't accomplish tasks or complete projects because diversity issues and the human entanglements resulting from them impede progress.

> "To understand the four core diversity management strategies without full awareness and comprehension of the actualizing vehicle (SDMP) would be like buying a new car without an engine."

In this fourth quadrant, you achieve world-class diversity management by becoming expert at dealing with any sort of diversity complexity that arises in any sphere of your business. But how do you do that? You take the next step in implementation.

Implementing World-Class Diversity Management

To accomplish world-class diversity management, initiate the "Strategic Diversity Management Process" (SDMP). First, ensure that your company's accepted mission and values – its internal paradigm – align with your strategy. Implementing SDMP will be much easier if your company doesn't need to make any major cultural changes. Your firm will need three "diversity management skills":

1. **The capacity to identify "diversity mixtures"** – What differences and similarities are you facing beyond race and gender?
2. **The capacity to decide if you need to address any certain mixture** – Are you trying to solve diversity-related tensions that don't really exist?
3. **The capacity to choose suitable reactions to the problem at hand** – You can react to a diversity problem in one of 10 ways: "include, exclude, deny, isolate, suppress, acculturate, assimilate, tolerate, build relationships" and "foster mutual adaptation."

> "A commitment to diversity is a commitment to all employees, not an attempt at preferential treatment."

Your managers need to develop "diversity maturity"; that is, the ability to admit they don't yet understand all aspects of diversity. However, they should willingly take on diversity challenges. If they can do that, your firm can implement world-class diversity management in three stages:

1. **"Talking the talk"** – Use an "executive briefing" to educate your team on the goals of diversity management.
2. **"Thinking the talk"** – Engage your team in strategic planning sessions. Study ways that world-class diversity management can help the company move forward.
3. **"Walking the talk"** – Start your implementation, which may involve learning, training and shifting your organization's mission and value paradigm. To facilitate the implementation process, take note of successes that allow your team to celebrate incremental achievements.

Complexity, Strategies and Paradigms

While diversity and complexity often fuel one another, they are not the same thing. Complexities make challenges difficult to understand or to solve. Diversity can heighten complexity by bringing more voices and viewpoints into the mix, static that may tempt supervisors to avoid creating diverse staff or project teams in the interest of speedy decision making. Applying SDMP can harness those complexities.

> "The word 'universal' simply shouts complexity and scares many people."

Because diversity often brings along complexity, business leaders must ensure that their "prevailing paradigms and intended strategies are in sync." The accepted truths in your firm are enduring and difficult for managers to reject. You can accomplish a lot of cultural change through persuasion if your employees do not connect with your company's current accepted truths in a meaningful way. To encourage that change in basic values, invest some time in educating employees. Your learning sessions should clarify that your firm can change and explain how cultural change will benefit the bottom line.

A Fictional Application of SDMP

Jeff Kilt is CEO of Bjax Corporation, a manufacturing firm that unexpectedly became embroiled in race-related workforce issues. A group of employees of color protested that the company was not giving minority workers promotions as fast as other staffers. Kilt, a sensitive and fair-minded leader, wished to respond appropriately. He hired a director of diversity, instituted a diversity council and developed companywide "programs for minorities." His minority workers, however, regarded his efforts as superficial, leaving Kilt wondering what he was doing wrong. He was learning the hard way that having his heart in the right place was insufficient for addressing employees concerns.

> "So much is said today about differences being good that it's easy to forget that a few years back no one wanted to be different."

His solution was to conduct a "full-blown cultural audit" and to attempt to implement the strategic diversity management process. Kilt soon realized that his approach to diversity was limited. He needed to think beyond race and gender and consider diversity in all its aspects and complexities. To accomplish this, he committed to a five-

year timeline; created a "Champions Council" that would oversee values and culture adjustments; established an "Accountability Board" to evaluate each department's "plans and progress"; and started sorting out which culture changes would ensure that minorities received appropriate promotions.

"Obviously, empowerment is an ideal, but to the extent people are engaged, they not only bind with the organization, they also bind with each other."

Kilt and Bjax still have a number of issues to sort out, but in implementing SDMP they came to understand that they had mistakenly viewed diversity as a task to complete and forget, rather than as an ongoing cultural paradigm shift. With their new insights and determination, they are on their way to hard-wiring world-class diversity management into their organization.

"People are tired of strife."

About the Author

Diversity expert **R. Roosevelt Thomas Jr.** created the American Institute for Managing Diversity and heads Roosevelt Thomas Consulting & Training Inc.