

Creating Competitive Advantage with Diversity and Inclusion

By Linda H. Stokes



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Organizations seeking competitive advantage are transforming daily changes and challenges into opportunities and strengths. Such organizations are using a diversity and inclusion (D & I) process as one strategy for winning in their workplace and marketplace. Yet, some executives are still unclear in the ways and extent D & I is impacting their organization. They question how D & I assists in meeting specific organizational, corporate, and business unit objectives. Knowledgeable D & I practitioners can coach executives by pointing to five specific trends that are impacting organizations and then by taking each of their organizational objectives and asking “how can leveraging D & I help achieve this goal?”

At PRISM International, Inc., we label these specific trends the Five Converging Trends:

1. Demographics continue to shift. Changes in the workplace and marketplace include age, language, religion, race and ethnicity, sexual orientation, various abilities and disabilities, various levels of education, skills and experiences....and others.
2. Customer and Employee expectations continue to shift. Based on demographics, expectations of how we work, where we work, what we do, who we do it with and for continue to shift...along with who provides the service, what service is provided, how it is provided.
3. Technology is changing for how employees perform their work and how customers access the organization.
4. Increasing and changing competition from traditional organizations in the space and from those adding on to their product/service portfolio.
5. Organizations are changing to keep pace with trends. They are rightsizing, downsizing, merging, centralizing, decentralizing, and consolidating and sometimes capsizing!

The *Five Converging Trends* occur concurrently and compete for limited resources. The foundation to creating and implementing a sustainable D & I process is dependent on the extent an organization addresses and connects the impact of these trends to an organizational-relevant D & I process that helps to stabilize the workforce; create a workplace where innovation, quality, customer service, safety thrives; attract and retain needed talent and enter emerging markets.

Receiving organizational support is critical for successful alignment of the D & I process to the organization and for communicating the roles and responsibility to the leadership group for the change effort. Often the vision and overall mission statements are written or approved by the leadership team and communicated by the President or Chairman. At this point, expectations begin to rise from employees—some who have waited to see and hear the direction and level of commitment.

Next, it’s time to deliver the strategies that frame the process and tactics of the D & I process. Here are 10 guidelines that can assist an organization in establishing a robust, successful and sustainable effort:

1. *Create the overall strategy to form the framework of the process.* Avoid piecemeal activities that are not tied to business strategy. Insure that the strategy includes

workforce, workplace, and marketplace. The workforce consists of those who provide the organization's core products and services to the marketplace. The workplace consists of the culture, policies, procedures, and practices that can have a positive or negative impact on the workforce's ability to meet the needs of an increasingly diverse marketplace. Consider the four components of a comprehensive D & I process that includes: increasing representation, understanding D & I, managing D & I and leveraging D & I.

2. *Link and align strategies and tactics with other functional areas and specific initiatives.* The D & I process is like any other organizational strategy (marketing, education, community involvement, R&D, accounting, foundation activities) as a vehicle for accomplishing organizational goals. If D & I is seen as "something else to do", most will never get to it and there will be resistance brought on by the vast amount of work already required. Also, tie D & I strategies and tactics to quality, safety, customer satisfaction, productivity goals, and employee satisfaction.
3. *Create impactful short term and long term tactics by conducting a gap analysis to compare the organization's current situation to its vision for the workforce, workplace, and position in the marketplace.* Gaps that appear should drive tactics. This analysis can include a stop/start/continue discussion that explores the effectiveness of current programs and continue to use or replace them.
4. *Measure and track the progress in closing the gaps.* Create success measures for each tactic and then track and measure progress. Report out on the effectiveness of the tactics every six months.
5. *Include a comprehensive communication plan in the overall strategy.* Often D & I is the best-kept secret. Many organizations create a D & I newsletter while others include D & I related articles in existing communication pieces. The D & I focus should be part of the annual report; Board of Director's meeting, "town hall" meetings and in marketing and advertising campaigns.
6. *Insure that a structure is in place to support and implement the tactics.* Depending on the footprint and complexity of your organization, consider a Diversity Manager or Chief Diversity Officer (CDO), an Executive Steering Committee and Diversity Councils with project Action Teams. This structure insures there are enough resources to accomplish the tasks, it keeps people at all levels involved and engaged and insures that all activities are linked and aligned with the strategic framework. A focused and managed Diversity Council can insure that the process is sustained and crosses the enterprise.
7. *Create a comprehensive learning strategy for employees at all levels that are job specific.* While many organizations provide sensitivity or awareness seminars, employees at all levels need new skills and tools for working productively and respectfully in an increasingly complex and diverse workplace. Executives need to know how to support and advocate for building a workforce and workplace that meets their vision. Executives must gain confidence and competence to talk about D & I publicly and with various employee groups. They need to know how to articulate the business case and they need to understand their specific roles and

responsibilities in supporting the process. Managers must learn to lead diverse teams. They need tools for interviewing, motivating, coaching, mentoring, delegating and communicating across all dimensions of diversity to meet their performance objectives. Employees must learn to work together productively and respectfully and to contribute to an inclusive workplace.

8. *Assigning accountability and responsibility for meeting the vision and for specific tactics insures success.* Without this tactic, the Diversity Manager will be seen as the sole person responsible for leading the effort and will be depended upon for the overall success of the initiative. Each person within the organization should have ownership and clearly defined role in meeting the vision.
9. *Insure a broad definition of diversity and an inclusive tactical focus.* All dimensions of diversity should be acknowledged and engaged.
10. *Insure that each strategy and tactic includes the WIIFM – the what’s in it for me? factor.* Often the business case is made at the corporate level, but fails to filter down to the departmental and team level. Employees need to know how diversity and inclusion will make their jobs more fun, less stressful, and that they will learn new ideas and skills. Managers must see the connection between the diversity process and tactics and meeting job performance goals. Executives must know how the diversity process will assist in meeting overall business objectives.

Understand the impact of the *Five Converging Trends* on your organization and then develop and execute a D & I Process tied to the business of your organization. Do this and you will have created a competitive advantage.

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