PRIMA 2020 WEBINAR

Managing Diversity & Inclusion Risk

By:

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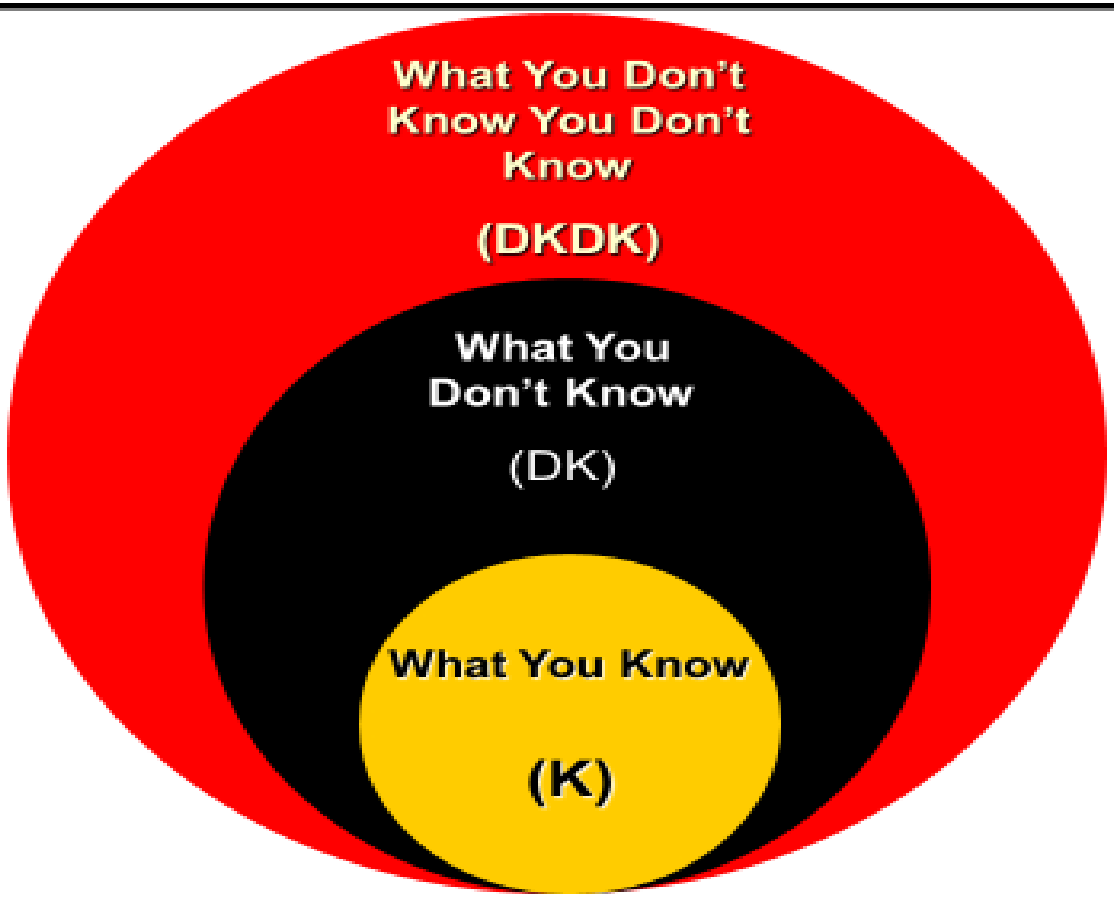
About Mauricio

- **BA (University of VA), MBA (George Wash U)**
- **Diversity and Inclusion Trainer, Consultant, Executive Coach, Expert Witness, Harassment Prevention, Toxic Employee/Workplace Trainer & Coach (Civility)**
- **DTG presenting to PRIMA UT, VA, TN, AZ, FL**
- **Worked in town, city, county, state and federal governments all over the United States**
- **DTG is in our 24th year of operation**
- **Trained in every state but ND, life and work taken Mauricio to over 70 countries**

Mauricio's Mission

- **Provoke Thought**
- **Facilitate Discussion & Learning**
- **Surprise You**
- **Entertain You**
- **Add Value**
- **Provide Subject Matter Expertise**

Opening Remark



So what are all of the differences in the workplace?

That we must anticipate, understand, and manage the risk associated with these differences in the workplace – as Risk Managers..

Let's brainstorm

What are all of the differences in the workplace, the workforce, the tax payers, and the constituents we serve?

Besides race, gender…..

Did you include?

Race, Gender, Age

Ethnicity, Culture

Religion, Faith, Spirituality

National Origin

Sexual Identity, Origin, Preference

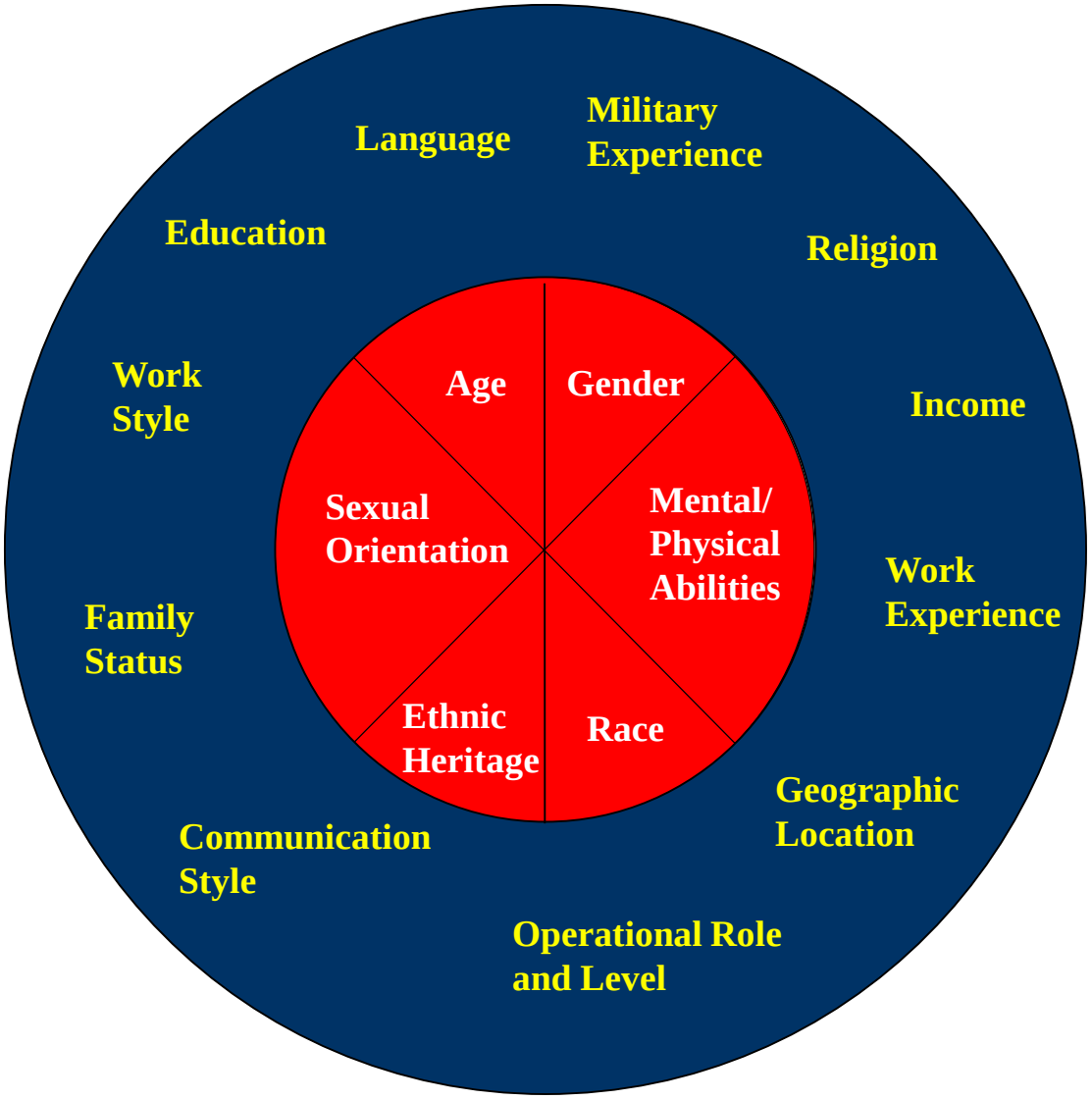
Language, Accent

Right hand, Left hand

Introvert, Extrovert

So we need a framework to look at all of these issues

Dimensions of Diversity



Now another approach – another “lens”…

…Through which to look at your emerging Diversity and Inclusion Issues (potential risk)

You are looking at, reviewing, scrutinizing “long standing” – policies, practices, processes – next two slides

You have a diversity issue when..

..when an issue (i.e., policy or business practice - formal, informal, internal or external) has a **different impact** on a particular group (for example, impact on men vs. women, black vs. white, American vs. foreigner, urban vs. rural background, military vs. civilian, – mentoring, training, assignments, upward mobility, etc.)

..when it **happens more frequently** to a particular group (for example, different groups have dramatically different "numbers" – turnover, terminations, promotions, few or no role models)

..when it is **more difficult for one group to overcome** (upward mobility for a particular group within an organization) (for example, "glass ceilings")

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Ignoring Diversity Issues comes with risk

A diversity issue exists where the policy or business practice (formal or informal) has an **impact exclusive of difference** (not inclusive of difference). Is there a trend or pattern (intentional or unintentional)?

Having a diversity issue is not necessarily a bad thing. Doing nothing about it given you have knowledge of the issue is where organizations go wrong (negligence). Being in denial about these issues does not make them go away. Ignorance is not bliss.

The question is why do we have this issue and how can we take action to correct it or improve the situation. A D & I Strategy is put together to "address these issues" or "solve the problem" or "focus on the lost opportunity."

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Create a Common Language

Diversity - all the ways we are different and unique.

Equity - the existence of conditions where all people can reach their full potential.

Inclusion - being valued, respected, and seen, especially across differences like race, gender, and ethnicity. You feel welcome, you feel included.

Sample DEI Vision - We are committed to valuing, respecting, and incorporating diversity, equity, and inclusion into everything we do and all those we hire and retain. We seek to help everyone attain their fullest potential in pursuing the our mission. (Be sure you start in the right place!)

"Get everyone on the same page"

– ensures no backlash

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Weaving DEI into Orgzn to minimize risk

1. First, you must have a Mission, Vision and Core Values for your organization and that you anchor or connect to
2. Second, ensure your Core Values (Guiding Principles, Code of Conduct, Rules of Engagement) include DEI – respect for all different, valuing, leveraging differences
3. You must ensure Policy and Practice are aligned – Organizational Culture (what employees do, how they treat each other when HR is not present) is respectful of all differences, ensures equity in opportunity and is inclusive
4. Greatest obstacle – "Organizational Fit" – has room for, takes DEI into consideration or is it "Person does not look like or act like me" (What I call "Friends and Family Plan" or "Ken and Barbi Show")

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“Fit” - Dominant vs Non-dominant

Dominant or In Group – an exclusive, typically small, group of people with shared interest or identity – inner circle, in-crowd, popular crowd (mentoring, grooming, high potential)

How do you know when you are in the dominant group? *“Person is capable, qualified…”*

Non-dominant, Out-Group or Subordinate Group – those that do not belong to in-group (not mentored)

How do you know when you are in the out-group? *“Has this person done the job before?”*

Key dynamic - under certain conditions people will prefer and have affinity for one’s in-group over the “other” out-group

Dynamics of Inclusion

Important to Understand…

- ✓ **Relationships** – how we relate, connect – do you connect with all, or only people like yourself?
- ✓ **Power** – who has it, who does not, does "rank matter" – email example
- ✓ **Privilege** – who is getting it – unearned, who is not (who is mentored)
- ✓ **In Group (Dominant) – Out Group (Subordinate)**
- ✓ **Implicit/Explicit Bias**
- ✓ **Empathy** – can you put yourself in other people's shoes – especially those different from you?

Ultimately do all employees experience your organization in a similar fashion?

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Most Organizations have a Strategic Plan

- Reality is they have not been revisited or updated recently
- Position your DEI efforts around….
  - Sourcing the most diverse – wider net
  - Hiring the best/most diverse – screening for EDI ("who is not here" and NOT HIRING A TOKEN/TROPHY but <u>critical mass</u>
  - Retaining ALL of our talented professionals – cost of turnover is enormous (getting replacement up to speed, relocation, etc.)
    - Who is leaving? - What does exit or post-exit interview data tell us?
    - Who is staying? – Are you conducting "retention interviews" – What would it take for you to make this organization a career? What do we have to do?
- You have heard the phrases – "Winning The War For Talent" and "Being an Employer of Choice" – well, exit, post-exit, and retention interviews are the tactics of this war

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You Need Diversity at Top

- **Some people in your organization "look up to" and respect and "makes sense this person would be the lead/champion/change agent"**
- **Look within – look at your bench, you need a Champion for your DEI efforts – Senior Level person**
- **We also recommend you form a DEI Steering Committee – Team of DEI Change Agents/Champions**
- **HR should support the DEI SC but not run it or lead it because then it is "HR's Committee"**
- **DO NOT PROMOTE highest ranking minority in organization to be the Chief Diversity Officer and give this person no training, no resources (see Worst Practices article)**

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Critical Success Factors (Culture Anchors)

To Ensure an Inclusive Culture (Environment) - one that is entrepreneurial and innovative - each of us needs to be...

LEADERS NEED TO BE…

- **Self-aware – do you really know how you come across? (versus how you think you come across)**
- **Organizationally aware – are you aware of organizational bias (intradepartmental bias – silos, for example)?**
- **Understanding of the journey – the process, it is about all of us, will take all of us – will involve high level of trust – have it?**
- **United - Are we united around a common mission, values, and language?**
- **Committed to Saying Something – Do you act, say something (lean in) – or "call out someone" when a colleagues is not being inclusive, not valuing diversity or excluding you or your department?**

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What should be in/on scorecard?

- Has to be an easy metric to ascertain – not be administratively burdensome
  - Ideally automated – “built in”
- Reported when, how often – weekly/monthly/quarterly
- Who has access to this scorecard? Is it made public? (Google, Facebook, Intel right now)

Now what is in or on this scorecard?

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Scorecard

- Cost of hiring per person – line, supervisor, manager, leader
- Cost of losing a person (relocation) - turnover
- How long it takes to “get up to speed”
- Customer service metrics – homogenous organization serving diverse customers versus diverse organization serving
- Organizational health – diverse means healthy, normal
- Serving our customers metrics– being more successful in more diverse or emerging markets
- Cost of employee relations issues (risk management – my least favorite driver/motivator)

"Demographics Are Our Destiny"

Data and trends **strongly indicate four major shifts:**

- **We will become a country where people of color constitute the majority.**
- **Urbanization: There has been a significant shift in population to urban centers via migration from rural areas and from new arrivals from other countries**
- **Young and Old: Millennials comprise the largest age cohort, while baby boomers are declining.**
- **Economic Inequity: There is a widening gap between wealth and poverty.**

- **Do your leaders look like – resemble or reflect these trends?**

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The Interplay, the Dynamics of Engagement



We Value Diversity



We have an Inclusive Culture



We are More Engaged



We Perform at Higher Level

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So Why are We Here?





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Why – because a DEI workplace has..

- Higher job satisfaction
- Lower turnover
- Higher productivity
- Higher employee morale
- Increased creativity and innovation
- Increased organizational flexibility and ability to learn from people at all levels
- Improved quality of personnel through better recruitment and retention
- Decreased vulnerability to legal challenges
- An employer of choice wins the “war for talent”

For more information…

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