

# Diversity in the Workplace





# Why Diversity Matters

Everyone's heard the data about our nation's rapidly changing demographics.

People of color make up about 30 percent of the population. By 2050, non-whites will make up slightly more than 50 percent of the nation's population.

It's not just the nation's racial and ethnic composition that's changing. The number of people who practice faiths including Islam, Hinduism and Sikhism is rising steadily, as well.

If you are an employer or a business owner, here are a few more reasons why you should pay more attention to these trends.

## IT'S THE RIGHT THING TO DO

By being inclusive in your hiring practices, you are creating equal opportunities for all. Despite the signs of progress in recent years, the statistics make it abundantly clear that there's still a long way to go.

Consider gender equality. Although women account for 60 percent of college graduates, they are grossly underrepresented in leadership positions in both the public and private sectors. Two-thirds of the world's illiterate population are female.

## IT'S GOOD FOR BUSINESS

Companies that embrace diversity gain higher market share and a competitive edge in accessing new markets either domestically or abroad. In fact, 85 percent of CEOs of companies

with a formal diversity and inclusiveness strategy said having such a plan in place improved their bottom line.

## DON'T GET LEFT BEHIND

Workplace equality is increasingly foremost on the minds of most employers, including businesses, public agencies, educational institutions and other non-profits.

Many understand that a diverse talent pool is critical to driving their future success. Employers who overlook issues of diversity and inclusion do so at their own peril. One study showed that 86 percent of female and 74 percent of male millennials consider employers' policies on diversity, equality and inclusion when deciding which company to work for.

## BENEFITS FOR BUSINESS, SOCIETY

Today, one of the biggest concerns for CEOs worldwide is not having the right people to run and grow their businesses. So they're starting to look to diversity as a way to address this issue. Workplace diversity doesn't benefit just the businesses, but the economies in which they operate. One study showed that increasing the level of female employment could boost the GDP by 5 percent in the US and 27 percent in India.





# Recruiting a Diverse Workforce

Over the last 25 years, there has been a huge increase in women, people of color and immigrants in the workforce. A diverse workforce is critical to stay competitive and innovative.

A diverse workforce, therefore, is not just a good thing; it's a business imperative. While it's one thing to attract a diverse workforce, it's another thing to retain the workers. Here are some pointers to do both effectively.

## CREATE A DIVERSE POOL OF CANDIDATES

You can start by diversifying your traditional sources of job candidates. Consider researching and developing a list of colleges that traditionally have large numbers of women, people with disabilities, and people from different cultural, ethnic and racial backgrounds. Develop relationships with these schools.

## DEVELOP RELATIONSHIPS WITH DIVERSE COMMUNITY ORGANIZATIONS

Consider participating in or sponsoring events such as Juneteenth, Cinco de Mayo, Chinese New Year and Disability Awareness Month. Sodexo, a food and facilities management services company, teamed up with the US Pan Asian American Chamber of Commerce and the Sodexo Pan Asian Network Group to set up scholarship for Asian American college juniors who also are involved in community service.

## CREATE AN ENVIRONMENT OF INCLUSION

In an inclusive environment, people feel valued. They feel integrated into the organization's mission, vision and business strategy at all levels. When employees' skills and knowledge are recognized, appreciated and utilized, they are more engaged in contributing to the organization's success. These employees are more willing to go the "extra mile" and share ideas and innovation. The visible and invisible dimensions of diversity that they bring are used as resources for success and growth.

Consider creating a process to inform all of your employees about open positions, and make it easy to apply. Be open to giving opportunities for excellence to people who are different than you. Become conscious of any biases you may have about other cultures, communication styles and decision-making processes. Identify stereotypes of people who work in your industry and develop strategies for changing perceptions. Use more inclusive language and visuals in rulebooks, orientation, and recruiting materials. For example, when discussing positions that have traditionally been filled by a particular gender, use pronouns that are non-gender-specific.





# Hiring Veterans

**M**ilitary veterans are among the nation's most beloved citizens, lauded by the general public and leaders alike for their sacrifices and commitment to their country.

As the wars abroad have begun to wind down, there has been an influx of military veterans looking to re-enter the workforce. For a variety of reasons, unemployment tends to be higher among veterans. Unemployment is particularly acute among younger veterans.

Here are some barriers veterans face and some tips for working with veterans to overcome them.

## LOST IN TRANSLATION

Younger veterans find it difficult to compete with their peers because they lack a resume that displays conventional work experience. Without job experience or a college degree, competing with other applicants for jobs in the private sector can be tough.

Many injured veterans who spend a good deal of time in rehab face challenges finding

work, as well.

Many employers don't think that military skills cross over to the private sector. The military has certain words or tasks that may not translate to the same job in the private sector. Companies looking to recruit veterans should get an education on military lingo to market themselves as viable workplace for these workers.

## POST-TRAUMATIC STRESS DISORDER AND EMPLOYMENT

Many veterans find themselves at a disadvantage because of disabilities sustained during combat. While most companies are aware of how to handle people with physical disabilities, many still struggle with how to make sense of mental disabilities, such as PTSD.

While some cases of PTSD can be severe enough to

necessitate constant therapy and even medication, others may only require small changes in work patterns and environment.

## BRIDGING THE GAP

Employers can show a com-

mitment to hiring veterans by actively seeking them out.

Veteran job boards can be a great step. VetJobs.com, HireVeterans.com and offices at local military bases can all be great outreach opportunities for employers looking to

expand their workforce to include veterans.

Employers also could work with veterans groups such as Veterans of Foreign Wars and the American Legion to find qualified and talented employees.



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# Women in the Workplace

**D**espite the progress in recent decades, women remain underrepresented in top management ranks.

What makes a company a great fit for a woman? Companies that are welcoming to women and inclusive of them have a variety of similar characteristics. These are critical for recruiting and retaining female talent.

Here are some consistent patterns among companies considered to be more welcoming to women.

## **DIVERSITY IN MANAGEMENT**

Many progressive companies have a strong representation of women in middle and senior management, as well as on the board of directors. Many of these companies work hard to recruit and retain women for leadership positions. They look internally to identify and develop those with high potential.

## **MENTORING**

In addition, they also have strong mentoring programs that are tracked for impact on engagement, retention and promotions. Many of these mentoring relationships are preceded by cross-cultural training sessions for the mentor and mentee. Some companies have sponsors among senior managers, mentors who commit to long-term relationships with women who aspire to ascend the corporate ladder. Many of these companies also enlist men as full partners in these mentoring and sponsorship programs.

## **WORKPLACE FLEXIBILITY**

Generous maternity and adoption leave policies are great incentives for attracting female talent, but they are just a beginning. Some companies instruct their managers to work with employees to understand what best meets their needs and to explore the possibility of flexible work arrangements, including telecommuting. Others offer workplace accommodations for women, such as lactation rooms. Some have a buddy system or support groups for moms either through a mentoring program or an employee resource group.

## **TOP-DOWN COMMUNICATION**

Many companies are aggressive about ensuring that the message of being workplace friendly to women filters down to mid-level managers. This is important because while the CEO and senior executives may be supportive of flexible work arrangements, there will likely be managers who are old fashioned, are not comfortable with flexible work arrangements and insist on having team members at the office. Stronger messaging at every level about the importance of flexibility as a retention and engagement tool could help alleviate some of these issues. Senior executives who use flexible schedules should be cited as role models to help bring the message home.



# Employees with Disabilities

**W**hat comes to mind when you think of a disability? Blindness? Hearing impairment? Being wheelchair bound? These disabilities may come to mind, but the definition of a disability is actually much broader.

Nearly 20 percent of people in the United States — or about 60 million people — have a disability, according to the U.S. Census Bureau. Understanding the wide range of disabilities could be helpful to you in reaching prospective employees with disabilities and keeping and developing the ones you have.

Here are some factors to consider:

Does your organization have a business strategy for recruiting, hiring and retaining people with disabilities? Has your organization asked people with disabilities to test your online application forms and videos? Some experts suggest bringing in 10 people with 10 different disabilities and capturing their experience on video as they talk through any challenges they experience.

Having a disability employee resource group that is aligned with your organization's business goals and objectives could be a great asset. Group members could assist with bringing onboard new hires with disabilities, identifying marketing opportunities for products and services tailored to people with disabilities, and reviewing policies and business processes that affect people with disabilities. In addition, your organization should review its crisis management plan and ensure that it has a method for assisting people with disabilities during an emergency or evacuation drill.

Employers can find qualified candidates who have disabilities by looking beyond the campus career center and reaching out to schools' disability ser-



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vice directors, who work with students with disabilities and can find candidates who meet an employer's skills and education criteria. Prospective employers also could team up with groups such as the Easter Seals and a city or state's Vocational Rehabilitation Services or Bureau of Rehabilitation Services to

access the talent pipeline. These groups also can provide tips on how to appropriately interact with people with disabilities.

Job applicants and employees with disabilities may be hesitant to self-identify. Companies can get around that by including on their website a definition of disabilities that

lists issues such as chemical sensitivity. Disclosing is not the same as requesting an accommodation.

Companies also could list essential job functions for all positions at the company. This allows a job candidate to read the list of duties for a given job and then determine whether he or she is able to perform those functions.



More and more companies have top executives who managing entire divisions responsible for diversity initiatives.

According to one recent study, 63 percent of senior corporate executives around the world believe diversity programs and initiatives help them become more competitive by providing access to top talent. Gender, nationality, ethnicity and age are the most important aspects of diversity to most employers.

Here are some of the key advantages of workplace diversity:

#### **IT BUILDS YOUR EMPLOYER BRAND**

Having a diverse workforce exposes your company to new ideas. Employees gain new perspectives from people who are different from them. A diversified workforce makes it easier to attract people of different backgrounds who wouldn't normally apply for positions at your company. A diverse workforce also is good for reputation building. It fosters the perception that the company has fair employment practices.

#### **IT INCREASES CREATIVITY**

Bringing together people from a variety of backgrounds increases the likelihood of getting sound solutions to business problems. If you don't have a diverse workplace, you might not be able to tackle a problem in the best way. This is particularly true when you're trying to break into foreign markets or markets that are new to you.

#### **IT ENCOURAGES PERSONAL GROWTH**

Employees strive to use their corporate experience to learn and grow their careers. This is a major advantage to workplace diversity, because it can help employees learn new ideas and perspectives and connect intellectually and personally to different people. This broadens employees' perspectives and helps them have a better sense of the working world.

#### **IT HELPS EMPLOYEES THINK MORE INDEPENDENTLY**

If you have only similar employees, it will be harder to solve complex problems. One study showed that simply adding an employee from a different background could get people out of their comfort zones and thinking differently about a situation.



# Why Diversity?

**W**orkplace diversity is becoming a major concern for employers.



# Recent Legal Matters

**E**mployers have an obligation to provide employees with a safe work environment free from discrimination, harassment and intimidation.

Without proper training and management, a diverse workplace can become an environment rife with behavior that rises to the level of unlawful and unfair employment practices. Employers have an obligation to keep up with laws and mandates concerning diversity in the workplace.

Most employers publish a statement on their websites, employment applications and employee handbooks that indicates a commitment to equal opportunity employment. Employers that fulfill their obligations as equal opportunity employers ensure that the company is recognized as one that values diversity through its commitment to fair employment practices.

But an employer's policy regarding workplace diversity doesn't end with a simple equal opportunity statement. Employers also have a responsibility for training employees and managers on topics related to diversity. They also must keep abreast of current laws and mandates.

Here are a few:

## **EXECUTIVE ORDER 11246**

Although many employers voluntarily embrace workplace diversity and the social responsibilities that accompany it, other employers' responsibilities are mandated by federal law, as required by provisions within Executive Order 11246, which governs affirmative action requirements for certain government con-

tractors. A widespread misconception about affirmative action and workplace diversity is the issue of quotas. Quotas are not required by affirmative action regulations.

Government contractor employers are, however, encouraged to expand their recruitment practices through outreach methods that produce a wider pool of qualified applicants. Employers that have reporting requirements under Executive Order 11246 have a legal responsibility to identify how they achieve diversity in the workplace.

## **DODD-FRANK ACT**

The Dodd-Frank Act was passed in 2010. Section 342 of the act regulates diversity and inclusion in the financial industry. The section called on the nine agencies that enforce Dodd-Frank Act provisions to create an Office of Minority and Women Inclusion, staff it with a director, and develop standards for assessing the diversity policies and practices of the entities they regulate. Those entities don't just include investment banks but any publicly traded company, mortgage companies and others that do business with some of

those entities.

## **LILLIE LEDBETTER ACT**

This Act reinstates prior law and makes clear that pay discrimination claims on the basis of sex, race, national origin, age, religion and disability "accrue" whenever an employee receives a discriminatory paycheck, as well as when a discriminatory pay decision or practice is adopted, when a person becomes subject to the decision or practice, or when a person is otherwise affected by the decision or practice.

