

EUROPEAN **DIVERSITY**
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DIVERSITY & INCLUSION

THE PROPELLING POTENTIAL PRINCIPLE

Activating Resources – Facilitating Change

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Profile & Portfolio: European Diversity Research & Consulting

<ul style="list-style-type: none"> ■ Profile European Diversity Consulting <ul style="list-style-type: none"> □ Specialisation on Diversity since 1997 □ Innovative – international - integrated ■ Strengths <ul style="list-style-type: none"> □ In-house research & knowledge management □ Pioneer status & international network ■ Portfolio www.diversity-consulting.eu <ul style="list-style-type: none"> □ Research: data & analysis □ Communication: concepts & tools □ Interaction: experiencing & learning 	<ul style="list-style-type: none"> ■ Profile Michael Stuber (Owner) <ul style="list-style-type: none"> □ Researcher, author □ Consultant, speaker □ Industrial Engineer ■ Expertise www.michael-stuber.biz <ul style="list-style-type: none"> □ 20 years of international experience □ Change & organisation development □ Leadership & management development □ Marketing & communication □ Age, gender, culture, work/life integration,...
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<p>International Clients Air Products, AXA Winterthur, BP, Brown-Forman, Credit Suisse, Ford, Hewlett-Packard, Johnson Controls, Johnson & Johnson, Kraft Foods, Motorola, Sandoz Group Germany, Swiss Post, Stryker, Symantec, UBS, Vodafone</p>	<p>Not-for-Profit Clients European Commission, Federal Ministry for Family, Seniors, Women and Youth, Federal Employment Agency, Evangelisches Diakoniewerk Gallneukirchen, IOM, Heinrich Böll Foundation</p>	<p>German Clients Allianz, Bayer, Bosch Engineering, Commerzbank, Deutsche Bank, Deutsche Post World Net, Deutsche Telekom, Elite MediaNet, E.ON, GEA Group, Henkel, Infineon, Merck, RWE, T-Systems, Volkswagen AutoUni, Volkswagen Bank</p>
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Overview

- What is the Propelling Potential Principle?
- What is the importance of Diversity & Inclusion?
- Why is D&I a necessity?
- Why should companies be aware of Diversity?
- How is Diversity successfully implemented?
- Which concrete approaches make Diversity a driver for success?
- What are the advantages and disadvantages of Diversity?

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What is the Propelling Potential Principle?

The Propelling Potential Principle uses diversity systematically through consciously valuing and pro-actively including differences and similarities of people for the advantage of all parties

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graph LR; A((Diversity Differences)) --> B((Respect Attitudes)); B --> C((Inclusion Interaction)); C --> D((Value-Added Synergy))
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Diversity Differences Respect Attitudes Inclusion Interaction Value-Added Synergy

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The diversity of Diversity

<p>Personal & Lifestyle</p> <ul style="list-style-type: none"> Foreign language(s) Living surroundings Social environment First language(s) Marital status Parenthood Perception Aim in life Mobility Habit 	<p>Organisation</p> <ul style="list-style-type: none"> Work conditions Compensation Working time Career path Procuration Seniority Location Function Division Level
<p>Work & Employment</p> <ul style="list-style-type: none"> Social skills Career goals Myers-Briggs Learning type Technical skills Team behaviour Work mentality / mind-set Methodological know-how Work/Life-Balance preferences Success/performance orientation 	<p>Market & Consumption</p> <ul style="list-style-type: none"> Wishes Realities Aesthetics Media usage Product affinity Brand awareness Purchasing power Service orientation Consumer behaviour Type of consumption

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What is the importance of Diversity?

Strategic competitive advantage: Diversity as a common thread of key trends + **Avoiding opportunity costs: Diversity to anticipate external changes** = **Return on Investment: Business benefits of Diversity**

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D&I and the key strategic themes of corporations

- **Corporate Challenges – now and in the future**
 - European Integration & Enlargement
 - Globalisation
 - Organisational change and complexity
 - Complex organisation structures
 - M&A, strategic alliances
 - Shorter innovation cycles
 - Shareholder Value (pressure on costs and productivity)
 - Brutal competition
 - Differentiation - in search of profiles
- **Diversity relates directly to all those trends!**

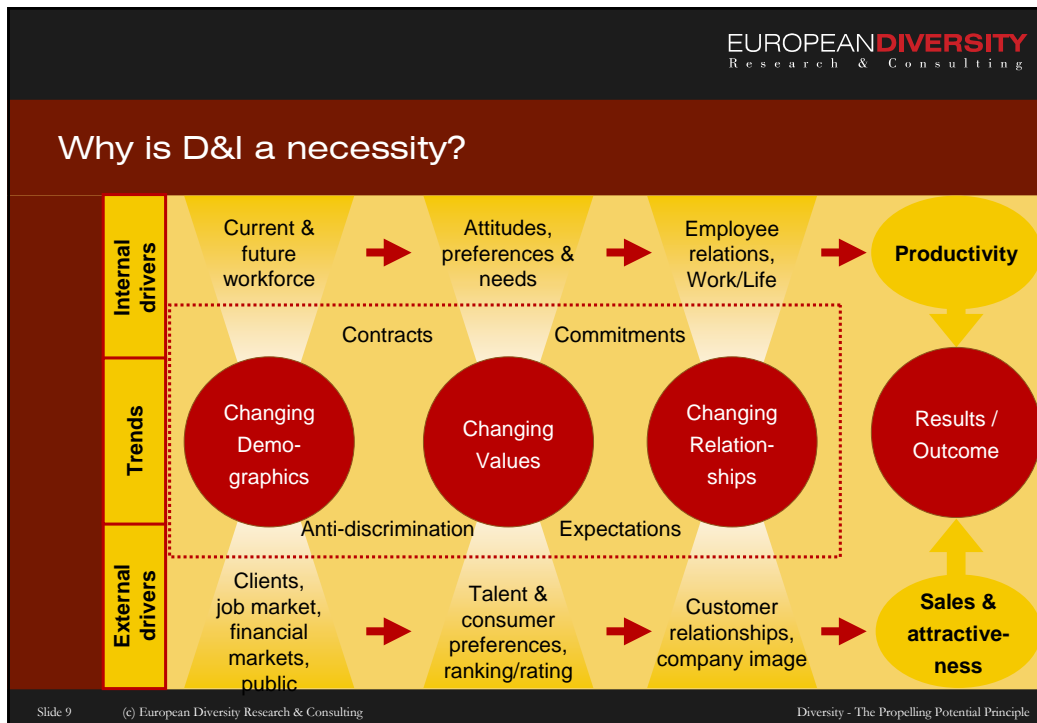
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D&I and the key strategic themes of SMEs

- **Corporate Challenges – now and in the future**
 - Internationalisation
 - Ensuring and increasing success through investment in employees and markets
 - Focus on employees as individuals rather than business resource only
 - Skilled labour und managers
 - Succession (family owned, external, through company sale)
 - Corporate and shop floor management (flexible und personal contact)
 - Corporate culture as a competitive edge
 - Salary policies (performance-based)
- **Diversity, Individuality and Inclusiveness relate directly to all these trends!**

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- ## Business Case for Diversity & Inclusion
- Our services:
 - A downloadable Business Case Presentation
 - www.european-diversity.com/resources
 - <http://www.european-diversity.com/downloads/Diversity-Business-Case-EN.pdf>
 - Our study:
 - International Business Case Report (IBCR)
 - 90 robust, empirical studies – each summarized on on single page
 - 135 pages – pdf format – 370 Euro (plus VAT if applicable)
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The goal and objectives of the Propelling Potential Principle

Diversity of the stakeholder as a reflection of the business environment

Open-mindedness through respect and value

A productive work environment that is characterized by Inclusion

Value-added through clear positioning to external stakeholders

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How is Diversity successfully implemented?

Business Context

Understanding & Defining Diversity

Diversity Analysis

Implementation Strategies

Diversity Goals

Introducing Diversity

Mainstreaming Diversity

Process-Management: Organisation & Measuring Progress

Business Case

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Basics of Implementation (1/2)

- **Business-Context: Connection between Diversity and the core business**
 - Vision and mission statement (values), corporate goals and strategies, challenges and key issues
- **Understanding Diversity: Definitions and Paradigms**
- **Diversity Goals: Description of the Goal system**
 - Goals and Objectives
- **Diversity Analysis: Review of the situation**
 - Demographic analysis of diversity at the company, analysis of the culture in the company and the workplace, external Diversity analysis of markets, customers, image and position

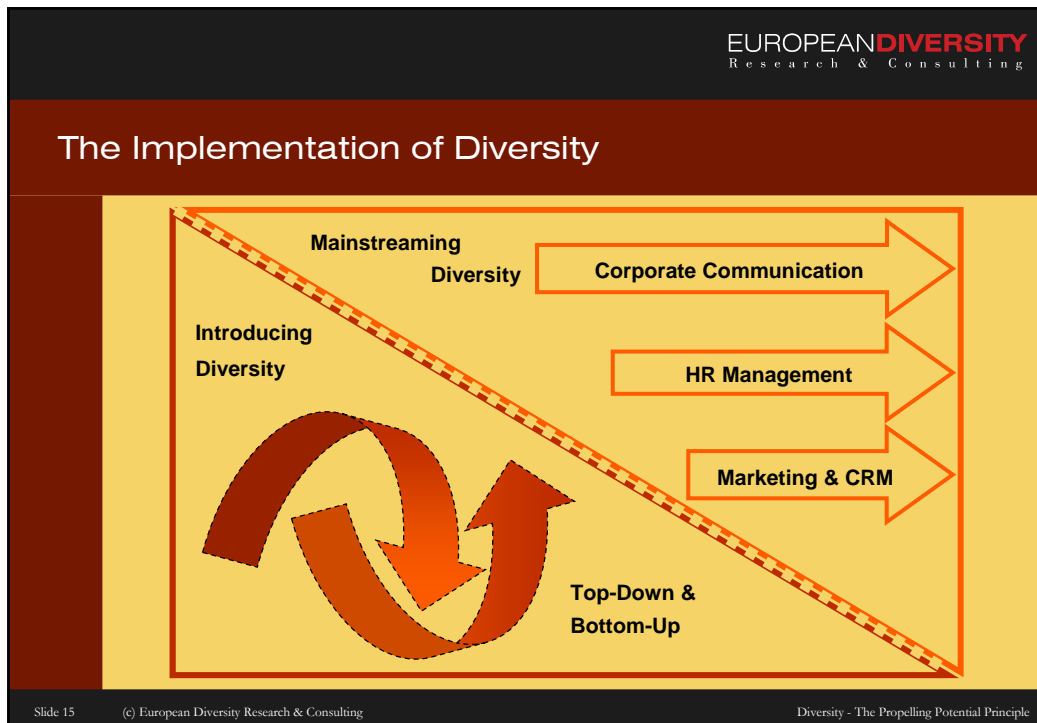
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Basics of Implementation (2/2)

- **Business Case: Benefits of Diversity**
 - The strategic added value of Diversity (cf. Business-Context)
 - The costs of ignoring Diversity (Push-Factors, cf. slide 8)
 - The achievable Business Benefits and costs (Pull-Factors, cp. slide 23)
- **Strategy design: Identification of effective approach**
 - Models and approaches: tactical analysis, model of phases, approach of promoters or identification of key activities
- **Process-Management: Organisation & Measuring Progress**
 - Responsibilities and interfaces, milestones and achievement of the goals

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- ## Introducing Diversity (1/2)
- **Top-Down**
 - Extended vision statement
 - Policies
 - Accountability for action (score cards)
 - Pilot projects with involvement of the Top-Management (Sponsor, Champion)
 - Statements of management and other forms of communication
 - Awards
 - Training of management
- Slide 16 (c) European Diversity Research & Consulting Diversity - The Propelling Potential Principle

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Introducing Diversity (2/2)

- **Bottom-Up**
 - Communication with employees
(wide communication with feedback possibilities)
 - Posters, brochures, flyers, employee journal
 - Corporate TV, Intranet
 - Discussion groups, hotline
 - Employee networks
 - Trainings (Awareness Training and Skill-Building Training)
 - Mentoring

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Mainstreaming Diversity (1/3)

- **Corporate Communication**
 - Internal (employee) Communication
 - Topics, corporate imaging
 - Rules of internal language
 - Public Relations
 - Product and corporate PR
 - Sustainability (Sponsoring or promotion in connection with Corporate Social Responsibility)

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Mainstreaming Diversity (2/3)

- **HR Management**
 - Staff recruitment
 - Job descriptions, job posting, employer image marketing
 - Selection criteria and process
 - Staff development
 - Career management
 - Training, further education
 - Employment
 - Workplace, work time, employee development
 - Compensation & benefits
 - Staff reduction

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Mainstreaming Diversity (3/3)

- **Marketing & Customer Relationship Management Methods**
 - "Diversity"
 - Approaching the entire market, excluding predominantly existing stereotypes
 - "P.C."
 - Approaching the entire market in which diversity is explicitly used
 - "Open & Comprehensive"
 - Approaching the entire market open-mindedly in order to implicitly address diverse customers

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Diversity Implementation Strategies

Head **Hand**
Heart

Sustain Inclusion
 Commitment to Change
 Recognise Opportunities
 Accept Issues

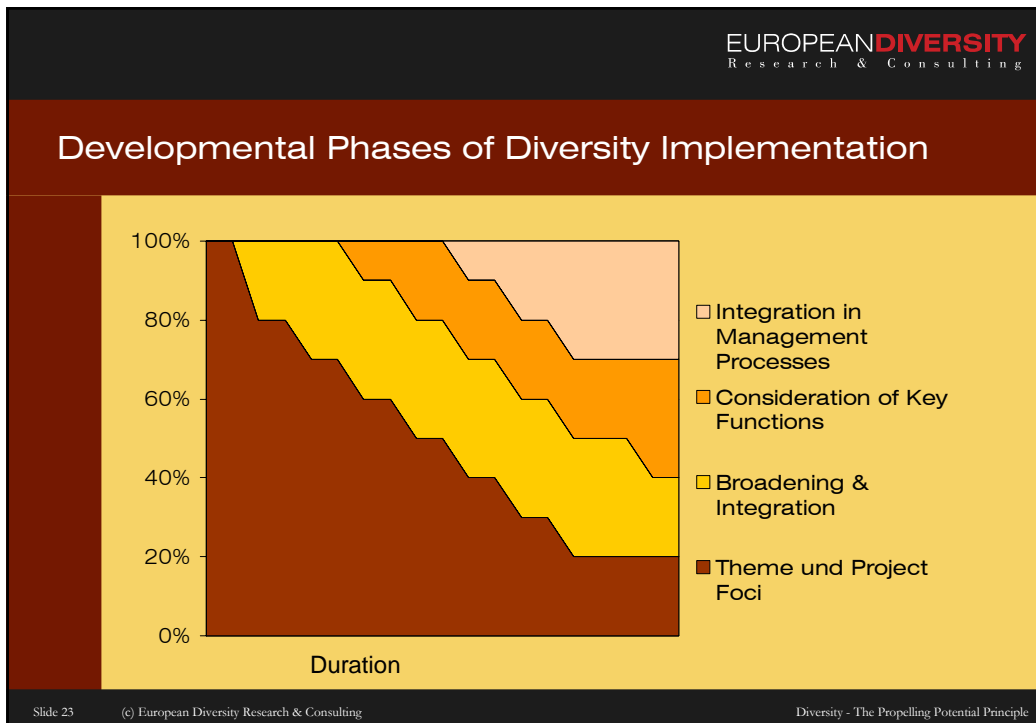
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Changing Phases and Approaches

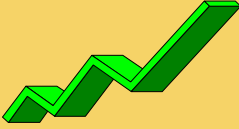

	Head	Heart	Hand
Accept Issues	<ul style="list-style-type: none"> • Connections to established activities, programs • Benchmarking 	<ul style="list-style-type: none"> • Personal examples for discrimination / exclusion • Point out existing diversity 	<ul style="list-style-type: none"> • Business-Context • Diversity on the agenda at management meetings
Recognise Opportunities	<ul style="list-style-type: none"> • Inactive market and productivity potentials 	<ul style="list-style-type: none"> • Training videos • Best Practice Examples 	<ul style="list-style-type: none"> • Consider legal consequences • Reward Diversity successes (awards)
Commitment to Change	<ul style="list-style-type: none"> • Involvement in Diversity marketing • Team Diversity Workshops • Diversity recruiting 	<ul style="list-style-type: none"> • Attendance in networks, mentoring & events 	<ul style="list-style-type: none"> • Mandatory trainings • Cascade accountability for Diversity projects
Sustain Inclusion	<ul style="list-style-type: none"> • Diversity in (Business-) strategy • 360° feedback of Diversity 	<ul style="list-style-type: none"> • Learning labs • Direct complaint reporting • Job rotation 	<ul style="list-style-type: none"> • Accountability • Balanced score card • Diversity as leadership competence

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The Do's and Don'ts of European Diversity

Do's

- Intensive work at all levels
- Differentiated strategy
- Visible engagement of top management
- Intensive communication & inclusion
- Projects that produce fast results along with long-term goals for optimal business benefits

Don'ts

- Focus on few differences
- No full-time position for Diversity implementation
- Use of quotas
- Marginal budgets
- Make Diversity only an HR matter

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Return on Investment (ROI): The Business Benefits of Diversity

	External	Internal
Consumer Markets	<ul style="list-style-type: none"> ■ Increased market share ■ Easier entry to new markets ■ Improved customer intimacy 	Individual <ul style="list-style-type: none"> ■ Increased productivity (quantitative and qualitative) ■ Improved morale, commitment
Shareholder	<ul style="list-style-type: none"> ■ Enhanced rating ■ Improved attractiveness 	Inter-Personal <ul style="list-style-type: none"> ■ Improved team effectiveness and co-operation ■ Easier integration of new staff
Labour Markets	<ul style="list-style-type: none"> ■ Broader access to labour markets ■ Improved employer image 	Organisational <ul style="list-style-type: none"> ■ Increased openness to change (re-structuring, M&A etc.) ■ Enhanced effectiveness of complex organisation
Community	<ul style="list-style-type: none"> ■ Improved public image 	

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