

DIVERSITY: THE POTENTIAL PRINCIPLE

Activate Resources – Facilitate Change

Leading International Expertise & Experience

■ Profile

- Specialised in Diversity since 1997
- Inclusive – international – innovative

■ Practice

- Proprietary research & publications
- Knowledge management & networks

■ Portfolio www.diversity-consulting.eu

- Research: Data & Analysis
- Communication: Concepts & Tools
- Interaction: Learning & Experiencing

■ Partial client list

- Air Products, BP, Credit Suisse, Deutsche Bank, Deutsche Post, Deutsche Telekom, E.ON, Ford, Hewlett-Packard, Johnson Controls, Kraft Foods, Motorola, UBS, Volkswagen AutoUni, Volkswagen Financial & Not-for-profit clients

Michael Stuber

- Researcher
- Author
- Consultant
- Lecturer



Background

- Industrial engineering & management degree
- 20 yrs international experience
- Leadership & management development
- Change strategies & process management
- Marketing & communication
- Gender, age, culture, work/life and other issues

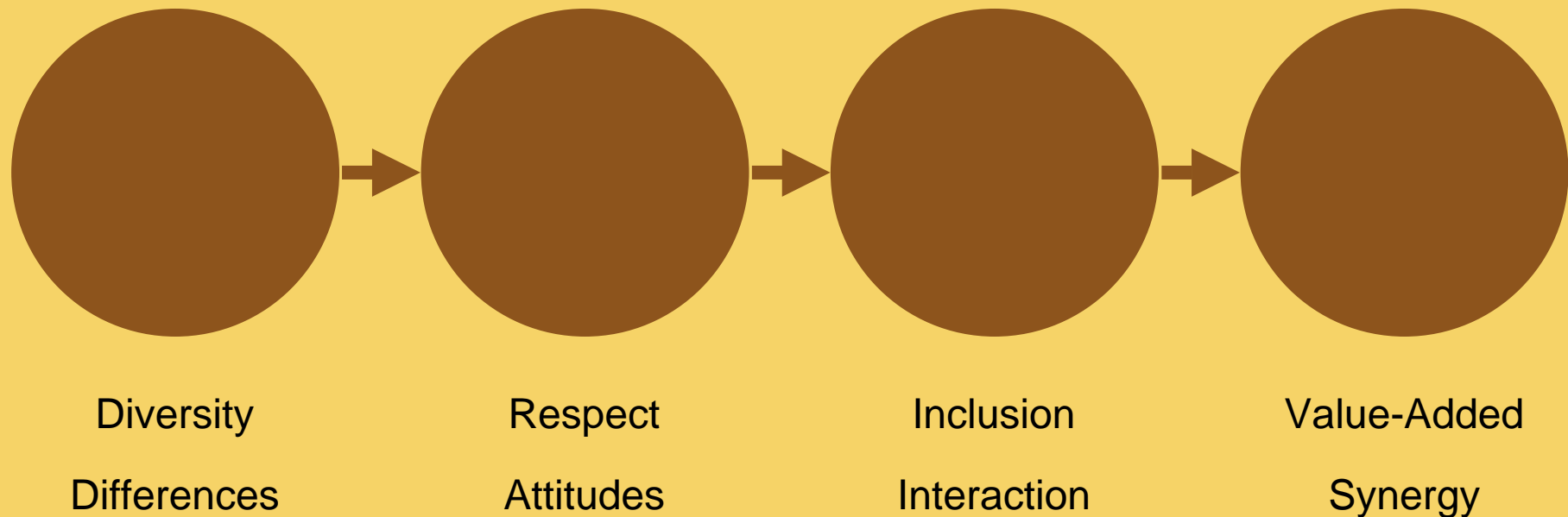
www.michael-stuber.biz

Agenda

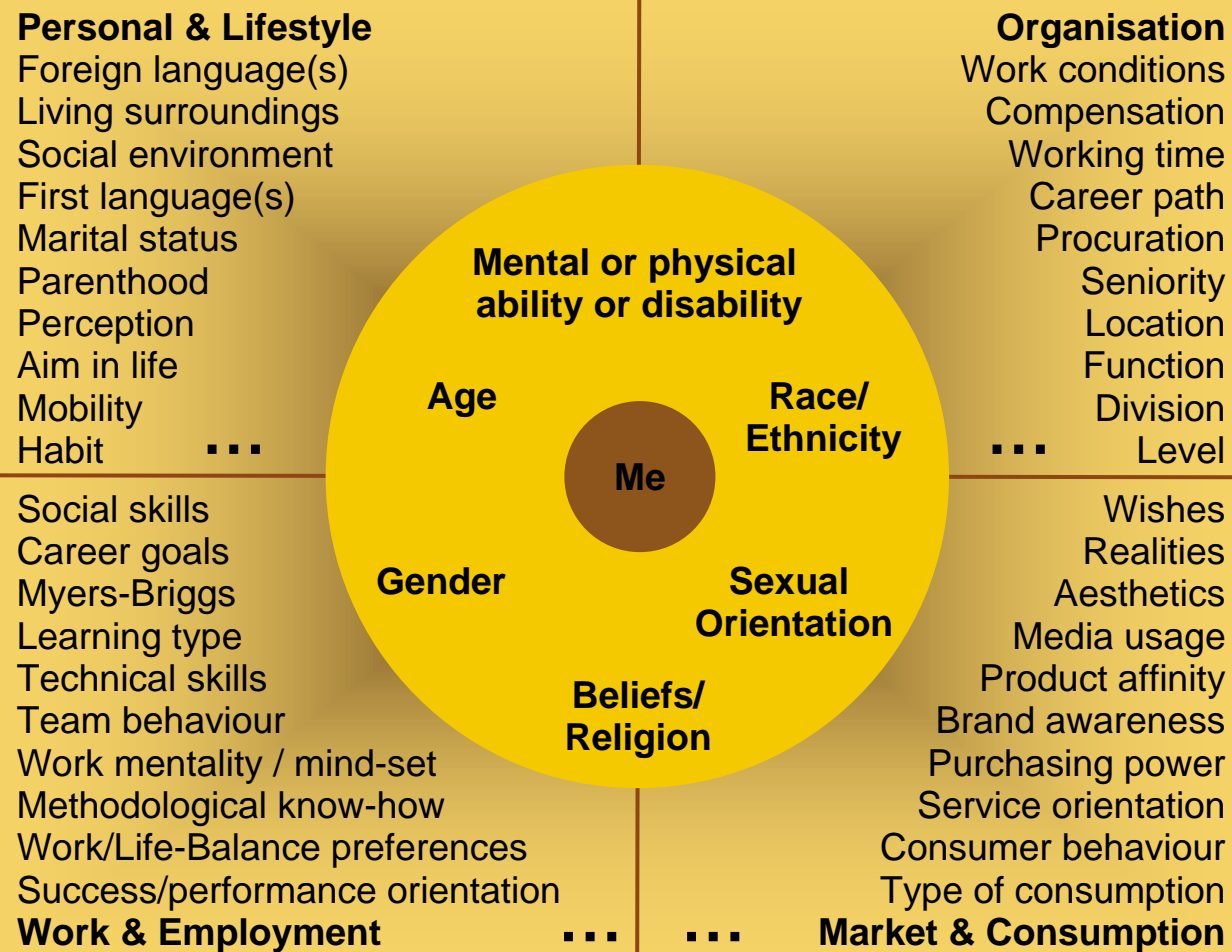
- **What is the Potential Principle of Diversity?**
- **What is the importance of Diversity?**
- **Why is Diversity a necessity?**
- **Why should companies be aware of Diversity?**
- **How is Diversity successfully implemented?**
- **Which concrete approaches make Diversity a driver for success?**
- **What are the Advantages and Disadvantages of Diversity?**

What is the Diversity Potential Principle?

The Diversity Potential Principle uses Diversity systematically through conscious positive awareness and active inclusion for the advantage of all parties



The diversity of Diversity



What is the importance of Diversity?



“Diversity” and the key themes of Business

■ 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!

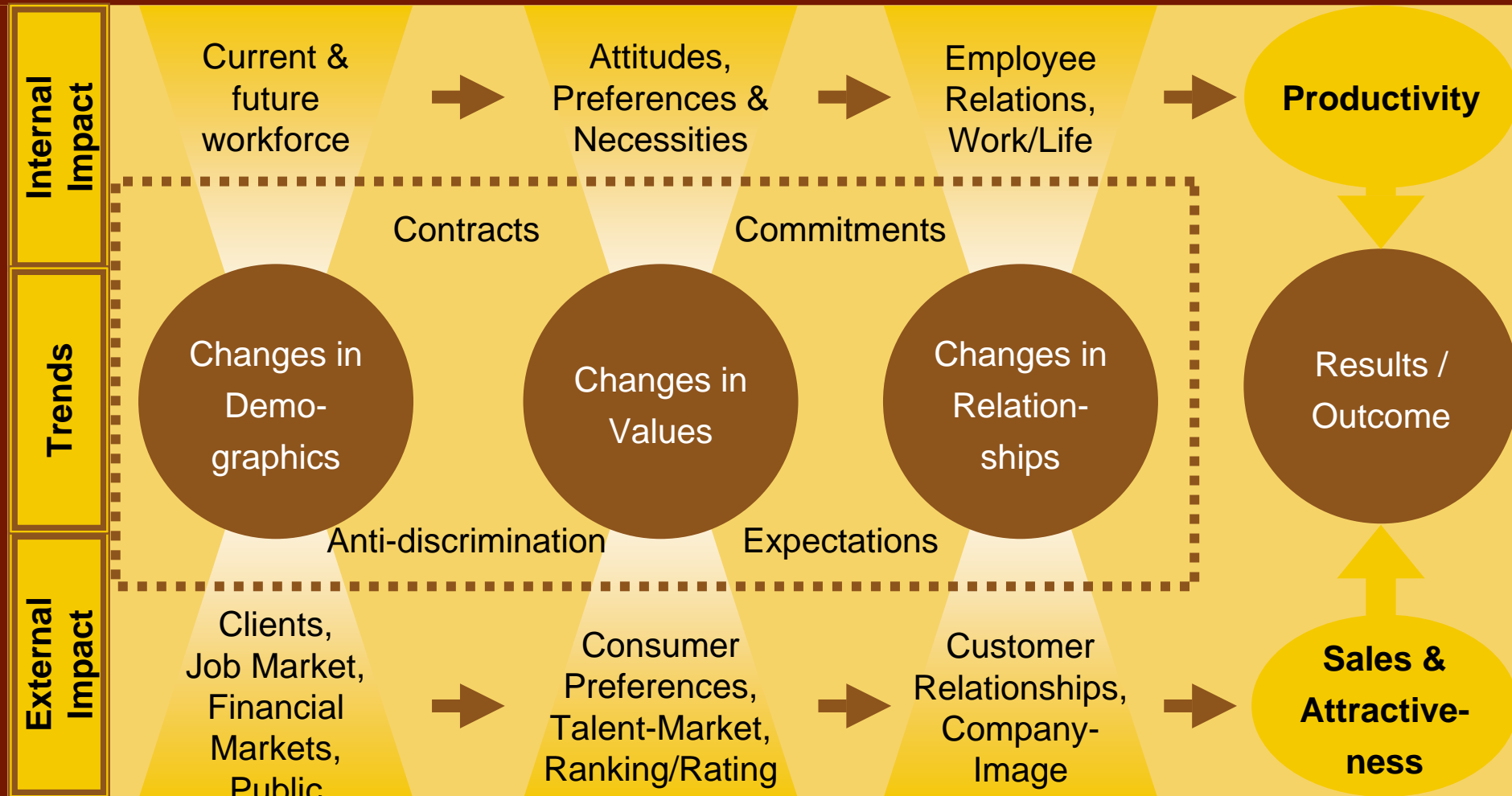
“Diversity” and the key themes of Small to Mid-sized Businesses

■ 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 units
- Skilled labour und Manager Bottlenecks
- Succession (Familial, 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 related directly to all these trends!

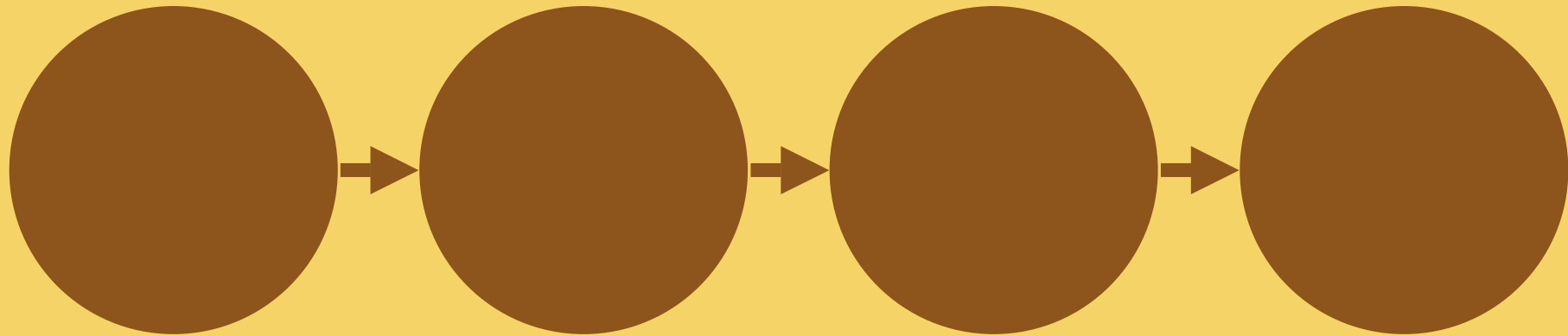
Why is Diversity a necessity?



Business Case for Diversity

- Our services:
A downloadable Business Case Presentation
- www.european-diversity.com
Service/ Business Case Europe
- Direct download weblink:
<http://www.european-diversity.com/downloads/Diversity-Business-Case-EN.pdf>

The goal of the Diversity Potential Principle



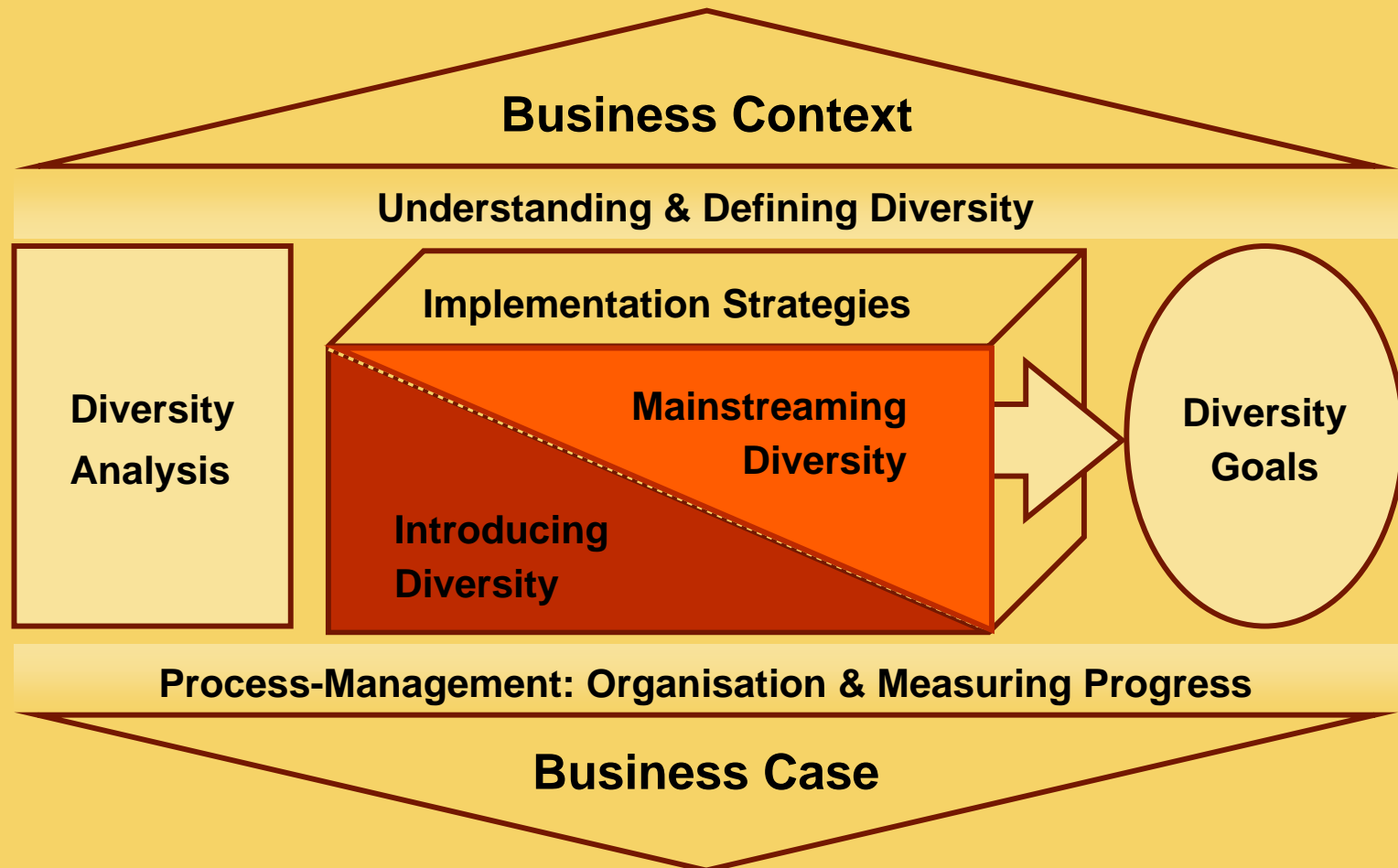
Diversity of the stakeholder as a reflection of the business environment

Open-mindedness through respect and value

A productive work environment that is characterized by Inclusion

Value-added through clear positioning to external stakeholders

How is Diversity successfully implemented?



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

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)

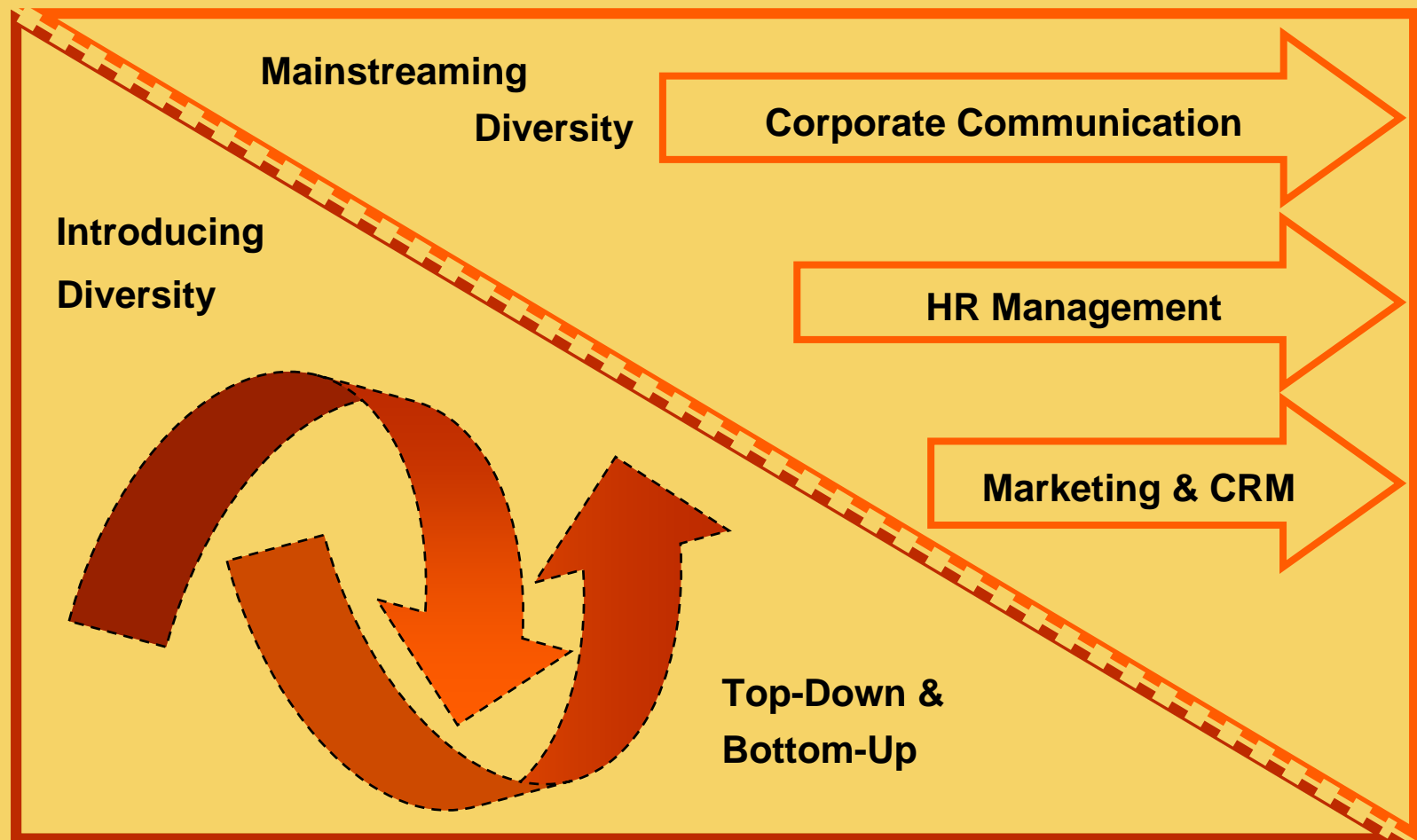
- **Strategy design: Identification of effective approach**

- 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

The Implementation of Diversity



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

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

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)

Mainstreaming Diversity (2/3)

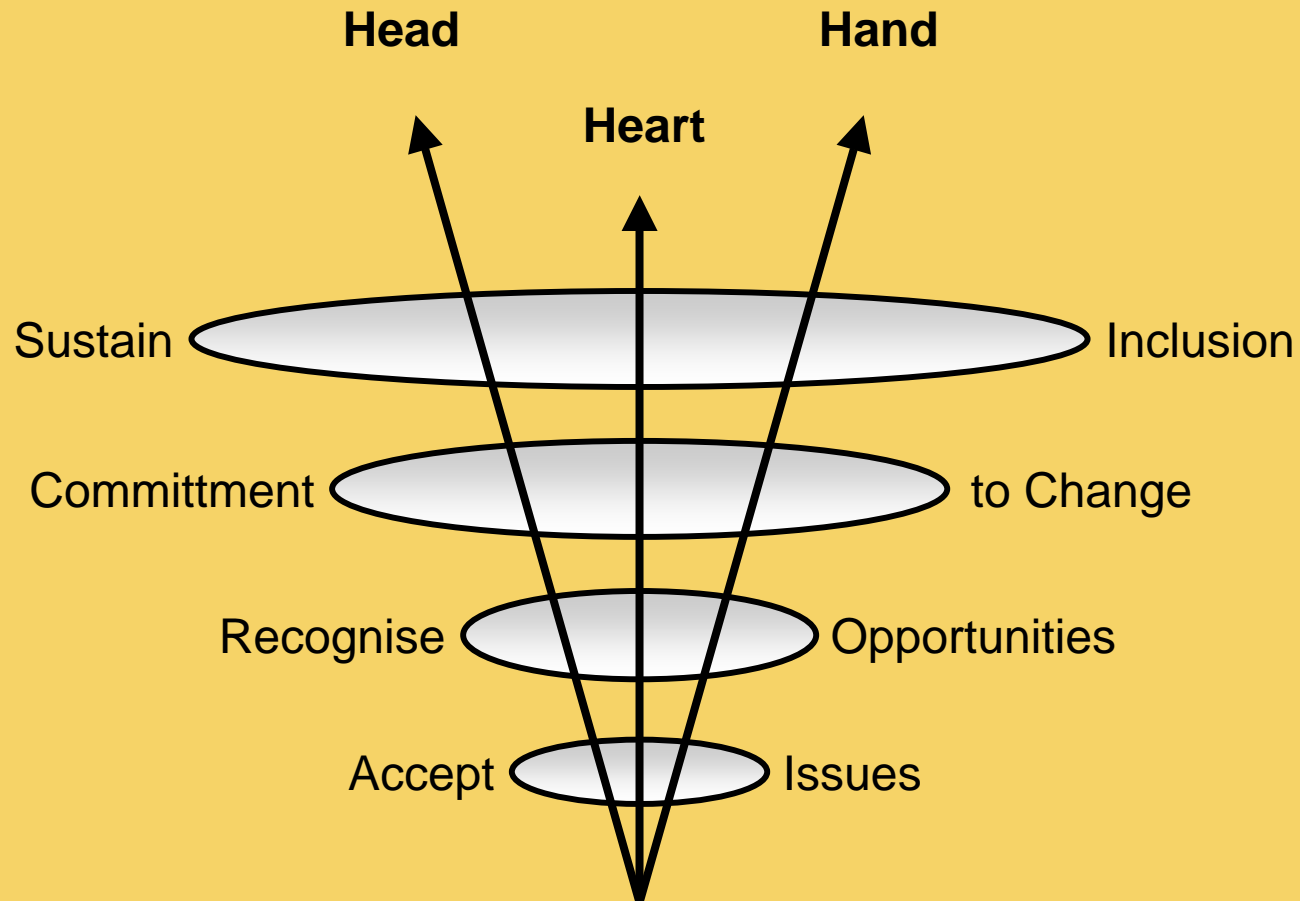
■ HR Management

- 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

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

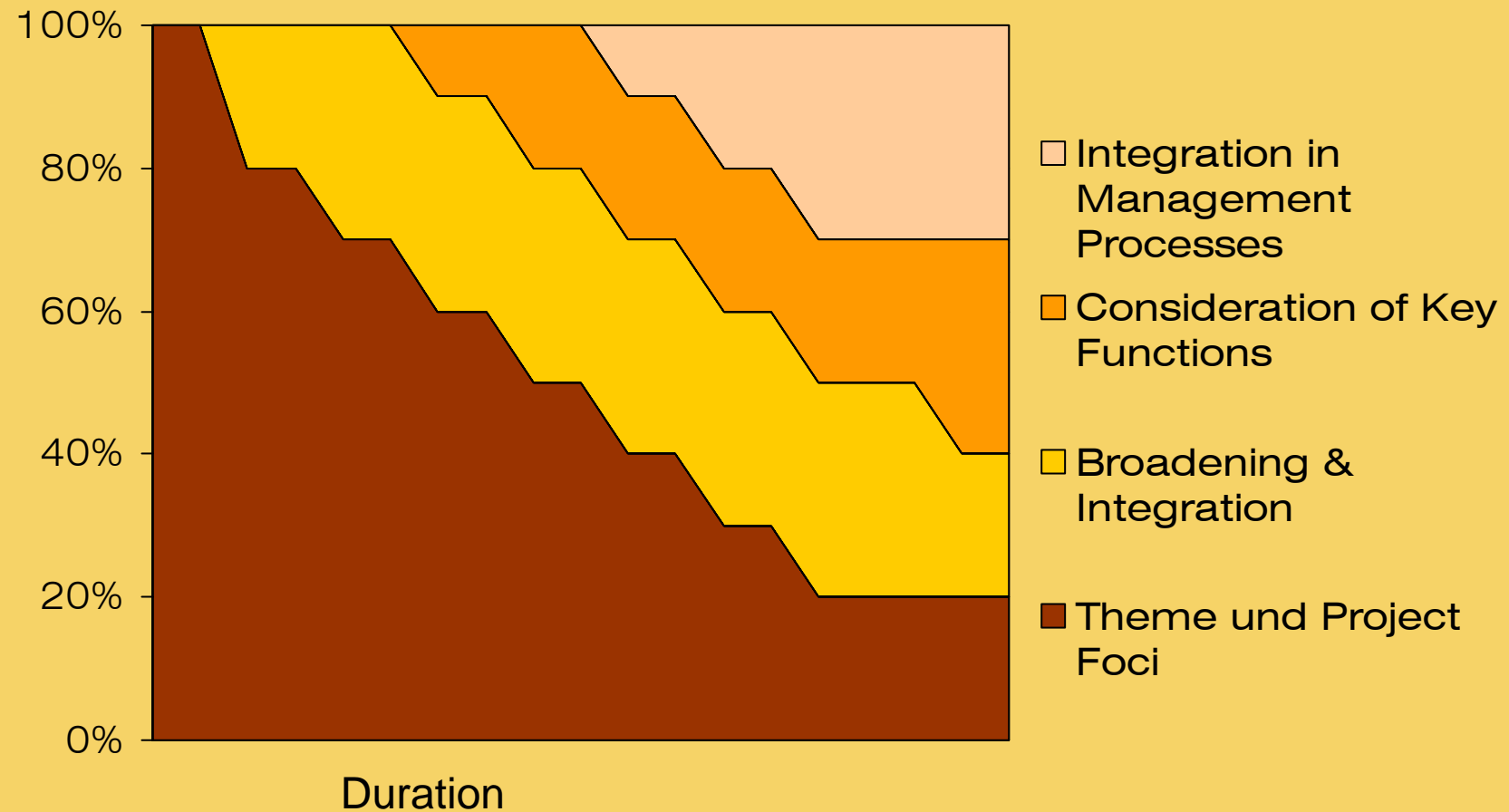
Diversity Implementation Strategies



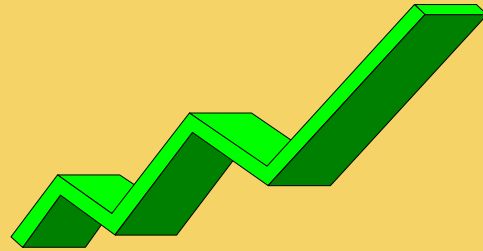
Changing Phases and Approaches

	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

Developmental Phases of Diversity Implementation

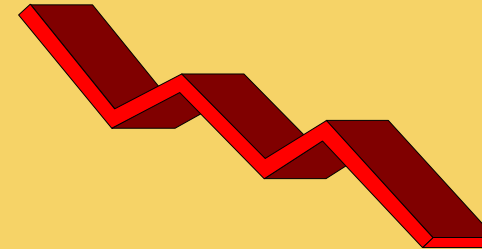


The Do's and Don'ts of European Diversity



■ 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

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 		