

The Challenge of Corporate Diversity Communication: Achieving Sustainability in Difficult Times

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**“The majority
see the obstacles;
the few see
the objectives;
history records
the successes of
the latter, while
oblivion is the
reward of the
former.”**

Alfred Armand Montapert



Executive Summary:

In today's increasingly competitive marketplace, the importance of creating a diverse work environment has never been more important. Yet, economic conditions are placing added pressures on many organizations, putting Diversity programs in the budgetary cross-hairs. In light of these challenging conditions and the resulting belt-tightening measures across nearly every corporate department, the time is ripe to reassess corporate Diversity Communications. What has become readily apparent is that the sustainability of Diversity efforts is essential. Much like ecological sustainability, Diversity programs must be protected and nurtured, or else we risk their very extinction.

For many organizations, the prospect of losing all of the progress made to-date is simply untenable. The next generation of diversity advocacy will be built on the learnings made over the past three decades of growth and understanding since the advent of

the Equal Employment Opportunity Commission act of 1972. This new generation will inevitably learn from the best practices of the current leadership that are on the cusp of retirement.

While businesses must first and foremost focus on their own survival, it is important to remember that the considerable Diversity advancements forged by many organizations represent an invaluable equity for these companies and their employees. For this reason, current best practices must be recorded and historical data accumulated for the purpose of enabling future training and development efforts of the next generation of business leaders. Otherwise, as the great American philosopher George Santayana famously proffered – those who fail to learn from history are doomed to repeat it.

This opinion paper has been developed to provide executives with a timely

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view of the issues and best practices that frame the corporate Diversity communications platform and the importance of sustainability. When considering existing Diversity programs, business decision makers must ask this critical question – does Diversity die with the upcoming group of retirees? If not, then what must be done to sustain it?

We will enumerate and evaluate the competencies of various practice areas within the typical organization with the purpose of helping to better define best practices in corporate Diversity. The areas examined include:

- **Executive Vision & Action**
Senior management’s support and commitment to Diversity must be clearly articulated, especially in light of current economic challenges. Sustainability starts at the top.
- **Diversity Councils**
Diversity Council must seek to achieve thorough integration of Diversity efforts across all operating groups within an organization. The creation and coordination of internal affinity groups to promote a greater commitment to Diversity by all employees companywide is recommended. Councils should also take a lead role in chronicling a company’s Diversity accomplishments.
- **Communications Initiatives**
Diversity communications should encompass all aspects of an organization’s efforts -- from charitable foundations, suppliers, to employment recruitment training and development.
- **Multicultural Marketing**
Organizations need to broaden Diversity messaging and reach out to top-tiered consumer media to enhance their reputation with multicultural consumers.
- **Community and Philanthropy Ties**
The establishment of an officer tasked with coordinating the Community Relations and charitable Diversity efforts of the organization.
- **Metrics of Diversity Competency**
In an effort to stimulate better planning and create greater incentive to meet an organization’s Diversity performance goals, it is recommended that bonuses be tied to achievement of predetermined Diversity-oriented metrics.
- **Recruitment & Training**
Organizations must work hard to demonstrate their employment, recruitment and advancement records in Diversity, particularly during times of staff reduction and downsizing.
- **Minority Supplier Procurement**
Procurement programs often provide fertile ground for mentorship and the development of Diversity success stories.

How We Got Here:

A Brief History of Diversity Communications

The notion of corporate Diversity communications can be traced back to governmental oversight into corporate Diversity dating back to the EEOC Act of 1972. At that time, the EEOC established laws of conduct and federal oversight for corporate compliance of certain employment/supplier practices where it was unlawful to discriminate against a person based on race, sex or religious choice. To further signal the fact that federal law now sought to administrate full hiring practices, legal precedent was established through the investigation, trial and conviction of corporations that were accused of certain violations.



Once convictions and million dollar fines against corporations were realized, American businesses began to change their practices. Where once issues of equal employment and procurement were ignored, now corporations were establishing self-oversight and advocacy personnel inside their ranks to prevent claims of injustice. The EEOC officer of the 70's and 80's led to the development of employment positions known as Diversity and Inclusion executives who were tasked with monitoring and defending claims of discrimination. Even today the EEOC occasionally brings corporations up on charges of discrimination and continues to convict unlawful acts.

Corporate Diversity Communications was created during this era of sensitivity to help in large part to “inoculate” corporations from appearing to be biased in any way. Media outlets have capitalized on this sense of protection by providing environments that make corporations “feel good” about their efforts, whether real or imagined. It also should be noted that since 2000, Diversity media also includes awards and recognition for organizations perceived as being the best in Diversity practices or for hiring or procuring services from people of color.

While the media industry for corporate Diversity messages is small in comparison to business or consumer media, there are enough corporations seeking to position themselves in compliance with EEOC governance to ensure these business professionals will survive even in difficult times. The use of minority-owned media is still a metric used by Diversity advocates to inform public opinion about the efficacy of corporate Diversity efforts.

Such marketing actions, while not necessarily serving as the defining moment for an organization's achievement in the principles of Diversity, do offer corporations the protection of reputation, association and credibility in the specific acts or behaviors that have come to define corporate Diversity in today's marketplace. The EEOC reports that nearly 83,000 individual discrimination claims against corporations were filed in 2007. Resolutions to individuals totaled \$290 million over the same period. At its heart, Diversity communications is about protection from the threat of legal action that may result from the marketplace of opinion.

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Best Practices in Diversity Communications

In pursuit of a tangible and qualified look into the Diversity efforts of American corporations, an in-depth survey of online materials, including corporate presentations, best practices, advertising materials, organizational documents and evaluative surveys was conducted. These documents and surveys were prepared by the U.S. government and other sanctioning bodies, such as the Department of Commerce, Diversity Best Practices, The National Conference in Equal Employment Opportunity Law, Dr. Herbert Wong, and Federal Employment Discrimination records.

In the business of Diversity communications a finite list of positionings help define ways to communicate to a diverse audience (i.e. business owners, influencers, consumers, students, educators, politicians). Many of these positioning or communications platforms will be discussed in this section:

COMMUNICATION PLATFORMS

Vision

This is a way of communicating, through examples, a proposed corporate vision of the future with regard to diversity. The emphasis is usually on the ideals of equality, integration and the value of embracing the very idea of diversity of people. Always expressed as a corporate statement.

Aetna Insurance

“We want you to know Aetna’s Culture of Diversity. Our workplace is created in the image of the people we serve.”

Minority Suppliers

Companies often times build their entire corporate diversity positioning on the pride and proof of a commitment to diversity that comes from building business with minority business professionals.

Office Depot

“Office Depot fully supports Vendor Diversity and proudly encourages business partnerships with minority, women, disabled and veteran-owned enterprises. As your company grows, we welcome the opportunity to contribute to your success.”

Commitment to Commitment

Similar to a vision statement, but more vague and philosophical, the use of this platform is an attempt to speak to a common purpose that the corporation sees as a value.

Wal-Mart

“As cashiers and pharmacists, store managers and merchandisers, mechanics and vice presidents, Latinas are unleashing their potential, earning a good living, and sharing the future success of Wal-Mart.”

Teams

The example of diverse employees makes the company better.

Proctor & Gamble

“P&G’s Diverse Workforce helps us connect with customers in a way that builds the bottom line.”

The Quality of the Workplace

Though not the most common approach to presenting a positive image of a corporate diversity effort, some companies have expressed pride and attained recognition from their corporate culture and how that culture promotes or encourages minority participation. As of late, associations, including Black Enterprise Magazine, have publicly recognized corporations that have cultures that are “right” for African Americans.

Sempra Energy

“We have successfully created a work environment where five generations work side-by-side, irrespective of gender, race, age, sexual orientation, national origin, physical ability, religious beliefs, personal preferences or life experiences to provide award-winning customer services.”

Diversity of Thought

The word itself reflects the nature of variety. Understanding how to match social diversity with pragmatic diversity starts with identifying the value of both. Although a select few companies use this platform, its simplicity bears mentioning.

Time Warner

“It takes a colorful palette to create brilliant results. Bland and entertainment simply don’t mix. To create powerful, enduring entertainment that captures the imagination of millions, you need the rich mosaic of viewpoints, backgrounds and disciplines that can only come from a diverse and talented workforce.”



People

A tried and true platform of expressing pride and recognition for selected minorities that either works for the company or is involved in related activities usually involving community organizations.

Southern Company

“Marsha Tucker is building more than her resume. She is building a career. A little over a year ago she started her first job with Southern Company. Because of people like Marsha and you, the future looks brighter for us all.”

Service

When companies attempt to position themselves as the agency for the protection or service of their customers, they often times depict their company as a solid example of a firm that serves a diverse customer base. Therefore it is only appropriate to recognize the importance of diversity in their labor force.

Pepco

“At Pepco, diversity plays a major role in our success. As a leading energy company in the mid-Atlantic region, we serve a highly diverse customer base. We recognize that diversity is our greatest energy source.”



The Journey of Good Intentions

Some efforts virtually wax poetic when it comes to the great journey of diversity. In such cases, the prospect for fulfillment is set in the future and espouse how well-intentioned organizations can get there through patience and deliberate action. Sometimes that includes support of charitable organizations or educational institutions such as Historically Black Colleges and Universities.

The current trend by diversity advocates to quantify the efforts of corporations may have lead many companies to abandon this direction. Staying silent in the diversity marketplace of communication may prove to be a safer place for such a journey.

Citigroup

“The character of our company is no accident. At Citigroup, we have worked hard to create a workplace with an emphasis on inclusion, innovation, and merit rooted in our shared values and respect for our

colleagues and the millions of people we serve. Yes, despite our leadership, we have more work to do. We aspire to be a company where the best people want to work, a company dedicated to empowering individuals and families around the world, and a company that provides opportunity for all.”

The Individual

For the corporation that seeks to stimulate the notion of shared values in their organization above the blatant recruitment of minorities to their ranks, the “individual” platform helps strike a balance of organizational intention. Empowering individualism certainly suggests a form of performance and employment equality. However to the diversity traditionalist, individualism isn’t diversity. The notion of the individualist blurs some concepts of diversity, but certainly suggests that the subject of the performance of empowered individuals is an appropriate diversity communications platform for the right corporation.

Georgia Power

“At Georgia Power, our power comes from embracing the ‘I’ in diversity. At Georgia Power, the ‘I’ in diversity symbolizes our employees on-going commitment to personally make a difference in the lives of the power we serve. The ‘I’ acknowledges that each individual is different and that a stronger, diverse and more powerful company can only be built one individual at a time. Through the ‘I’ in diversity, we stay focused on our uniqueness, yet embrace the values and strength of inclusiveness, fairness and respect for all.”

Investment in People

More than a few corporations know that by emphasizing people and their commitment to the success of their diverse body of professionals, the corporate brand can be enhanced.

Pfizer

“At Pfizer our passion for what we do makes us the world’s leading pharmaceutical company. It’s also why we believe in recruiting and working with exceptional people with diverse backgrounds and experiences.”

“Insight, I believe,
refers to the depth
of understanding
that comes by
setting experiences,
yours and mine,
familiar and exotic,
new and old, side
by side, learning by
letting them speak
to one another.”

Mary Catherine Bateson

Patriotism

With the inception in 1974 of the Equal Employment Opportunity Act and subsequent commission on corporate behavior, American corporations have been faced with the investment of billions of dollars to subscribe to a plethora of principals that speak to diversity. This course of corporate regulation has impacted the employment and training departments of every corporation in America. In addition, it has impacted the very way corporations secure procurement throughout the United States. It is therefore a bit of an anomaly that no corporation to our knowledge has positioned their diversity campaign in conjunction with the principals of American government or the values of patriotism or democracy.

Competitive Program Evaluation

Our study of corporate Diversity programs in America included all major corporations that have participated in Diversity efforts within the last 10 years. Our survey encompassed companies such as Toyota, General Motors, Chrysler, Accenture, Allstate, Bank of America, Bausch & Lomb, Citigroup, Ernst & Young, Home Depot, HP, IBM, Lockheed Martin, MGM MIRAGE, Motorola, Proctor & Gamble, Shell Oil, Verizon, Wal Mart and Xerox.

From our evaluation we were able to glean a list of competencies that each organization excelled in, helping to better define best practices in Corporate Diversity and highlighting the importance of sustainability efforts. The following is our assessment of those criteria as they relate to the typical corporate practice areas:

Executive Vision & Action

An organization's commitment to corporate Diversity is reflected in what top management says and does about the matters associated with being inclusive. In many cases, the primary Diversity officer brings with her statements and commitments on Diversity, along with a demonstrative commitment from the firm's senior executive. In some cases, like with Rod Gillum at General Motors, the chief

diversity official brings with him a clear understanding of the complex executive ranks due to his former position as corporate secretary. But, perhaps more directly, he enjoys a significant staff with budget authority to drive his accomplishments in Diversity. He also has amassed a formidable network of support throughout each division and amongst its people.

In most companies, commitment is associated with influence and power. And that means budgetary responsibility and profitability oversight. The combination of these factors makes organizations like MGM Mirage, through its former president and CEO, Terrance Lanni, and chief diversity officer, Punam Mathur, a clear example of how executive leadership can translate into credibility. Power, influence and vision is what it takes to walk the talk of Diversity.

Current economic challenges have made it all the more difficult for senior management to pursue Diversity efforts in light of across-the-board cost cutting at many organizations. However, the importance of sustaining these efforts and protecting the progress made to date should be a primary goal for leadership.

Steps an Organization Can Take:

- Have senior management clearly articulate their commitment to Diversity
- Institute a Diversity and Inclusion official empowered with direct budget authority and operational oversight

Diversity Councils

Diversity councils consist of internal employees, and sometimes exterior influencers, working together to achieve greater understanding and the realization of goals. A Diversity council that develops, reviews and measures broad Diversity goals, supported by other Diversity councils embedded throughout the business is considered a clear best practice. The council thus becomes

a champion for Diversity and serves as a framework for top level management. This body uses its position and influence to drive change, continually measuring progress throughout the organization and responding accordingly.

One of the challenges that Diversity Councils face is integrating their efforts throughout all of an organization's operations. Another challenge is creating and coordinating internal employee advisory or affinity groups that might forward the cause of Diversity and bring this organizational commitment to every employee across the company.

Clearly, today's economic conditions have made these challenges even more complicated for Diversity Councils. While forwarding the cause of Diversity at times such as this might be impossible, it is incumbent upon these groups to at the very least create an environment where Diversity efforts can be sustained and historically documented. This will allow organizations to preserve the progress they've made for future corporate leaders to draw upon.

Steps an Organization Can Take:

- Achieve better integration of Diversity efforts across all operating groups within the organization
- Create and coordinate internal affinity groups to promote a greater commitment to Diversity by all employees companywide
- Work with the National Minority Supplier Development Council (NMSDC), one of the country's leading business membership organizations, to increase procurement and business opportunities for minority-owned businesses. Under the able leadership of Harriet R. Michel, president of the NMSDC, regional councils certify and match more than 15,000 minority owned businesses (Asian, Black, Hispanic and Native American) with member corporations wanting to purchase goods and services. Through

its advocacy, training and development programs, the NMSDC has proven to be an effective channel allowing corporations and minority suppliers to do business together

- Thoroughly document Diversity efforts in order to create a clear record of accomplishments that can be leveraged by future generations of council members

Communications Initiatives

Hiring of seasoned professional communicators is a major priority, one that directly impacts the quality of corporate communications. These communication efforts, as outlined in the previous section on best practices, typically include the use of the Internet, media advertising, corporate sponsorship events, community relations, as well as internal communications.

As more and more companies scale back diversity efforts in response to larger economic pressures, the challenge will be in maintaining Diversity communications and refreshing internal communications so that all employees and exterior influencers are aware of the efforts made to date. Companies must find ways to maintain their commitment to Diversity in order to sustain the progress they've made. Specific initiatives should be evaluated carefully to determine which efforts should be preserved. Qualitative research can be used to establish metrics to assess communication efficacy and ascertain the communications methodology best suited to advancing predetermined communications objectives.

Steps an Organization Can Take:

- Refresh internal communications to reflect the organization's current commitment to Diversity initiatives
- Broaden communication efforts to include various areas of support for Diversity including African Americans, Asians, Hispanics, the disabled, gay, lesbian and bisexual

Companies like Wells Fargo are using Diversity-oriented metrics in factoring their senior executive compensation packages in an effort to stimulate better planning and incentives toward meeting Diversity performance goals.

Multicultural Marketing

Since in many ways the business case for Diversity begins and ends at the intersection of profitability and increased market share, there are probably few criteria with more significant impact on awareness, influence and reputation than efforts to build stronger ties to the multicultural consumer and new customers. The best practices of the most successful corporations nearly always include employment of minority advertising and marketing agencies to develop plans and efforts against these valuable consumers. In addition, many corporations have expanded their general market media involvement to include media outlets that service emerging ethnic consumers.

For a select few companies, multicultural marketing efforts incorporate the professional development of messages and community sponsorship that are clearly tied to well-respected causes. Eric Conn, assistant vice president National Automotive Brand Advertising for American Honda Motor Company has successfully championed such efforts on behalf of the auto maker.

The challenge for many companies in this current climate is maintaining multicultural marketing efforts, and even expanding them to include top-tiered consumer media in order

to enhance their reputation with multicultural consumers. Given the challenging economic times, reaching this audience is more important than ever.

Steps an Organization Can Take:

- Actively promote Diversity accomplishments
- Forge a new sense of commitment for Diversity practices
- Reach out to top-tiered consumer media to enhance an organization's reputation with multicultural consumers
- Develop historical record of best practices for the company, as well as the entire Diversity Community

Community and Philanthropic Ties

The definition of community encompasses three overarching levels - local, national and global. When it comes to community and philanthropic initiatives, partnerships and sponsorships play a significant role. Best practices suggest there is a synergy between community relations and foundations. To this end, some corporations are establishing an officer at the strategic level who is accountable for making these often disparate and disassociate groups operate in a manner that remains centered and complimentary to the corporate commitment to Diversity. This is particularly critical



for initiatives that are vertically driven (i.e. education, healthcare, economic empowerment). A significant challenge for many organizations is in expanding the managerial accountability of the practice of integrating autonomous departments.

Overall, in a time of drastic budgetary cutbacks, companies must find ways to maintain their community and philanthropic commitment to Diversity in order to sustain the progress they've made.

Steps an Organization Can Take:

- Specific initiatives should be evaluated carefully to determine which efforts are sustainable and should be preserved
- Establish an officer tasked with coordinating Diversity efforts and spending
- Define accomplishments and demonstrate activities and messaging as signature efforts

Recognition/Awards

Whether focused on the individual efforts of employees or collective practices of the corporation, receiving recognition and awards for accomplishments is significant currency in the marketplace of influence and acceptance. A small but effective group of media and social organizations bestow these commendations on virtually any organization that accepts financial involvement in their luncheon or dinner convocations.

Steps an Organization Can Take:

- Use messages to acknowledge an organization's efforts to communicate accomplishments through third party endorsements

Metrics of Diversity Competency

Since 2005, many major corporations have implemented departmental accountability for certain Diversity factors with their senior executives.

Diversity can now be considered a driving force for all future recruitment.

In addition, Diversity officers are now reviewing bonuses with an eye towards measures of success that these executives gain in association with predetermined goals served up by the CEO. Companies like Wells Fargo are using Diversity-oriented metrics in factoring their senior executive compensation packages in an effort to stimulate better planning and incentives toward meeting Diversity performance goals.

Steps an Organization Can Take:

- Implement executive accountability for meeting Diversity goals
- Tie bonuses to the achievement of predetermined Diversity-oriented metrics
- Document employee best practices as a historical record for future audiences, both within the organization and for the Diversity community as a whole

Recruitment & Training

During times when many organizations are under tremendous pressure to downsize their workforce, finding ways to sustain Diversity efforts becomes all the more important. Even in the midst of the current economic downturn, Diversity remains a driving force in future recruitment. With 75 percent of every job in America going to minorities and women, the focus is clear – Diversity must continue to be at the forefront of recruiting for any successful best practices-oriented company. Securing high performing employees is a primary goal that impacts not only how companies go to market, but how they represent their customers in their workforce. Best practices include establishing ambitious metrics with regard to employment, recruitment and advancement, and publicly sharing such records with the Diversity advocate community. These organizations develop partnerships with placement firms specializing in minority executive hiring. They have career publications and elements of Diversity career acknowledgements on their Web sites. These firms also tend to be active participants at highly visible career fairs.

Steps an Organization Can Take:

- Share employment, recruitment and advancement records in Diversity with the advocate community
- Clearly articulate in future corporate communications a sense of the company's values with regard to Diversity

Minority Supplier Procurement

Corporations recognize that purchasing has the responsibility for improving minority procurement, but the Diversity officer has the leadership to get it done. While statistics can be revealing, they do not fully illustrate a true model of involvement and actions necessary to produce stellar results. There is certainly no doubt that more support needs to be given for the advancement of women and minority-owned firms. Best practices suggest that upwards of 57 percent more dollars have been generated through procurement with women and minority-owned companies in the last five years.

Some of this progress is reflected when corporations highlight these suppliers in their advertising, or during procurement fairs, and special sponsored events commemorating minority supplier advancement.

For some organizations, procurement uses community grass roots efforts to find likely suppliers that require nurturing in order to become qualified vendors. In these cases, an organization can develop minority contractors by providing real opportunities for advancement based on qualification. For these minority-owned firms, having an aggressive, effective minority supplier plan is rewarded.

One shining example of successful minority procurement can be found at American Honda Motor Company. Under the watchful eye of Tony Piazza, assistant vice president HR and Administration, Honda has created a procurement program that values and nurtures mentorship and personal development.

Steps an Organization Can Take:

- Mentoring programs, along with internal Web sites designed to attract and retain minority suppliers, can be utilized with success
- Document and publish procurement efforts as best practices for future efforts and the industry at large

Conclusion

Diversity is an ancient concept. The word itself has more to do with understanding the value of a variety of viewpoints than equal employment and procurement opportunity. In essence, Diversity is all about putting a company's best foot forward.

Instead of focusing on message platforms that primarily seek to inoculate rather than educate consumers about a company's intrinsic brand, organizations should endeavor to strengthen their corporate image through the manifestation and demonstration of their core values. Diversity communications should advance a message strategy that is authentic, accurate, comprehensible and truly integrated with those brand values. These messages must elucidate why people work for the company, why consumers buy their products, or why they feel positively about the firm.

Despite the many challenges posed by current economic conditions, efforts to proactively sustain corporate Diversity communications will serve to foster a new generation of Diversity and inclusiveness for America. As organizations tackle difficult market conditions, they must also keep an eye on the future when there will inevitably be a changing of the guard amongst Diversity advocates within their own ranks. The measures taken to maintain and document today's Diversity efforts will lay the ground work for the development of new strategies for Diversity and inclusiveness, and will ultimately open the door to the greatest return on Diversity investments in the future.

**“If we cannot
end now our
differences, at
least we
can help make
the world safe
for diversity.”**

John F. Kennedy