



## TenStep Supplemental Paper

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### The Minority Woes

*Addressing the little chunk on the corporate pie chart...*

#### Key Learnings

- The business case for diversity - the different way
- Examples of corporate giants and their diversity breakthroughs
- Strategies to leverage diversity innovatively

Leveraging the competitive advantage that minority executives offer continues to elude HR specialists. Propagating inclusive cultures through diversity initiatives only partially addresses the issue. A greater need remains to be met. Hiring minority executives and retaining them through effective retention strategies has certain limitations. These techniques are easily duplicated and hence fail to provide a sustainable competitive edge. Besides, these "feel-good" strategies also have a shade of grey since they belittle the competence of these executives. Experts are thus looking at strategies to help them engage minority executives without compromising on the bottom line or their self-esteem.

Women comprise a major chunk of minority executives, followed by other not-so-prevalent diversity groups, like homosexuals and physically disabled. This suggests that providing incentives to women alone can help capitalize on the advantages minority executives offer to a large extent. These can be supplemented with initiatives that cater to the needs of other minority groups.

#### Treading the Path

Nurturing the talent that minority executives bring to the workplace is a challenging task for companies. Traditionally, corporations have been using reservations, flexible work routines, telecommuting and workplace comforts as initiatives to retain minority executives. However, these initiatives are commonplace today; the edge they once provided stands eroded.

Corporations are thus beginning to look at alternative arrangements to lure minority executives into giving their best. Three such strategies have caught the eye of corporate psychologists. These, they believe, can prove to be extremely effective in pampering the minority lot, prompting better performance. An interesting point about these strategies is that they have an external locus of control, i.e. they focus on factors outside workplace.

#### Acknowledge Interest Areas Outside the Workplace

Most organizations have programs that cater to an executive's workplace needs: flexible schedules, crèches, gymnasiums and so on. These facilities help maintain a healthy work-life balance. However, there are some who constantly work outside the workplace. A number of women have been known to work for charitable organizations, community development and environmental protection.



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A majority of them however seem rather sour that their employers pay little heed to their external activities. Women executives involved in social welfare feel that their efforts for community development are invisible to employers. Many even claim that employers ignore their initiatives for fear of being pulled into the “social responsibility” trap.

There are however a few companies like Pitney Bowes that place a high premium on employee interests. The company, for instance, supports Delta Sigma Theta, an African-American organization working for social causes. Pitney Bowes provides financial and emotional support to Delta since many of its female employees are associated with it. Pitney Bowes provides enough opportunities to employees for developing leadership skills both within and outside the workplace. In addition, it regularly purchases advertising space in journals published for fund raising.

Like Pitney Bowes, corporations that wish to develop their minority executives and keep them longer can try specific strategies. These include training in innovative fundraising activities, time out of work schedule for social activism and sponsoring drives against social menace.

### **Lend a Hand**

A survey of the diversity fabric in America revealed that a majority of minority female employees were single mothers. This may not hold true in the context of Asian countries but the commitment of female employees in Asian countries like India to their family was equally a matter of concern. Thus, irrespective of demographics, women by and large are doubly loaded in terms of work and family responsibilities. It is a fact that needs urgent attention by corporations employing women.

Flexible work arrangements and telecommuting are the two most commonly practiced initiatives. In addition to these, corporations like Time Warner group have some other innovative and creative means to tend to female employees. One of the striking features of the diversity initiatives at Time Warner is its definition of “dependents”. Typically family or dependents include children and in some cases parents. However, Time Warner extended the purview of employee dependents to aunts and uncles who were financially deprived. The extended family initiative of the entertainment giant is a huge success.

### **Practice What You Preach**

The issue of building inclusive cultures should not be mistaken for an employee retention gimmick. With an increase in number of minority executives, the need to build an effective and innovative diversity framework is urgent. Diversity thus has become an infrastructural tool for inculcating a tolerant culture. Diversity, in its true spirit, should therefore drive the HR strategy as a critical pre-requisite for hiring managers and filling in positions. Many corporations are beginning to rate diversity hiring as an important parameter for appraisal. Further employee referrals should also support the overall corporate initiatives.

Time Warner scores a big one here. The company has a policy that recruitments in the top management level should be completely diversity-driven. As a result the top brass at Time Warner is a heterogeneous mix of women, men, and minority races. Like Time



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Warner, Unilever too initiated a "*Getting into the Skin Program*." The program aims to dispel existing biases within the workforce and inculcate an inclusive and tolerant culture.

### **Leadership Development Through Parallel Work**

Goldman Sachs, the investment banker, has done some excellent work in leadership development among minority executives. The bank provides unconditional support and encouragement to minority executives in a way that helps them hone their leadership skills. The employees are projected as potential leaders in forums for environment protection, forest conservation, animal protection and other social causes. These employees are put in positions of leadership in places of their interest. With exposure to such roles, employees get better equipped to handle leadership roles within the organization.

Apart from active participation in such forums, companies also use networks of mentors for bringing the cultural capital of minority executives into their fold. Mentors for minority executives include established women entrepreneurs and businessmen of minority races. There are also networks of physically-disabled employees who have managed to excel professionally. These employees too provide adequate insights to their journey up the ladder.

Workplace diversity is a double-edged sword. It can prove to be the ultimate form of defense, but be fatal if mishandled. The choice is completely personal!