

DIVERSITY & INCLUSION

THE PROPELLING POTENTIAL PRINCIPLE

Activating Resources – Facilitating Change

Profile & Portfolio: European Diversity Research & Consulting

□ Profile European Diversity Consulting

- Specialisation on Diversity since 1997
- Innovative – international - integrated

□ Strengths

- In-house research & knowledge management
- Pioneer status & international network

□ Portfolio www.diversity-consulting.eu

- Research: data & analysis
- Communication: concepts & tools
- Interaction: experiencing & learning

□ Profile Michael Stuber (Owner)

- Researcher, author
- Consultant, speaker
- Industrial Engineer



□ Expertise www.michael-stuber.biz

- 20 years of international experience
- Change & organisation development
- Leadership & management development
- Marketing & communication
- Age, gender, culture, work/life integration,...

International Clients Airbus / EADS, Air Products, AXA Winterthur, BP, Brown-Forman, Credit Suisse, Ford, Hewlett-Packard, HSBC, Johnson Controls, Johnson & Johnson, Kraft Foods, KPMG Luxembourg, Motorola, Panasonic, Sandoz Group Germany, Swiss Post, Stryker, Symantec, UBS, Vodafone

Not-for-Profit Clients European Commission, Federal Ministry for Family, Seniors, Women and Youth, Federal Employment Agency, Evangelisches Diakoniewerk Gallneukirchen, IOM, Heinrich Böll Foundation

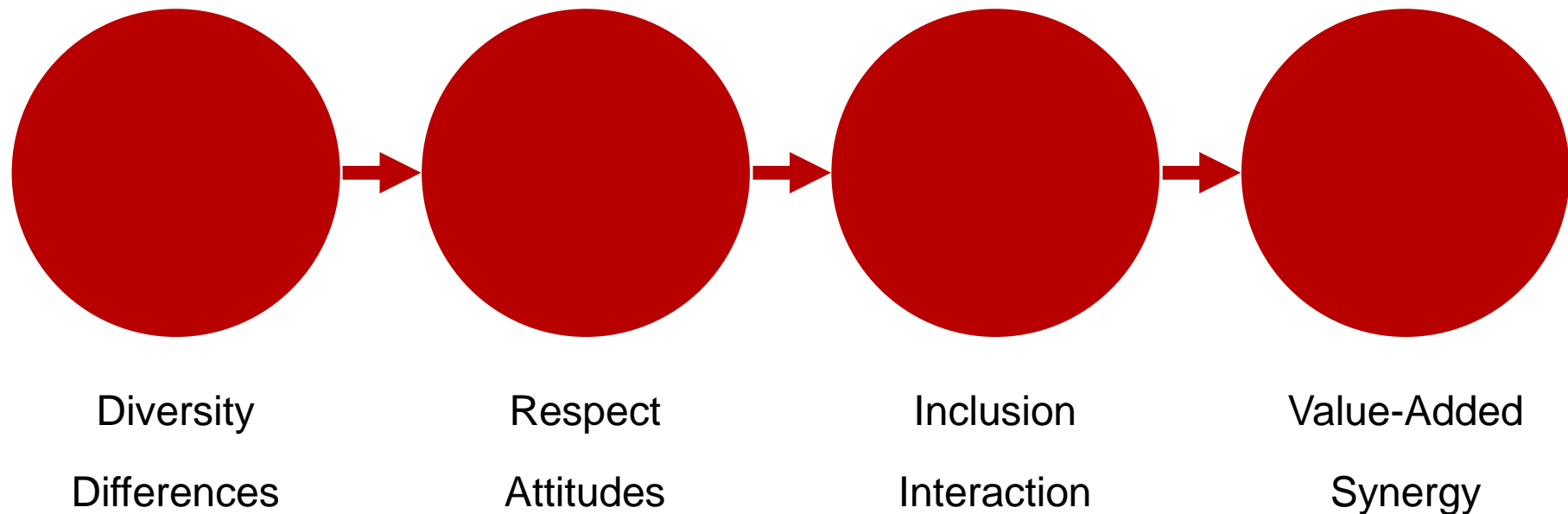
German Clients Allianz, Bayer, Bosch, Commerzbank, Deutsche Bank, Deutsche Post, Deutsche Telekom, Elite MediaNet, E.ON, GEA Group, IKEA Germany, Infineon, KfW, Merck, Metro, RWE, T-Systems, VW Bank, Volkswagen AutoUni, Volkswagen Bank

Overview

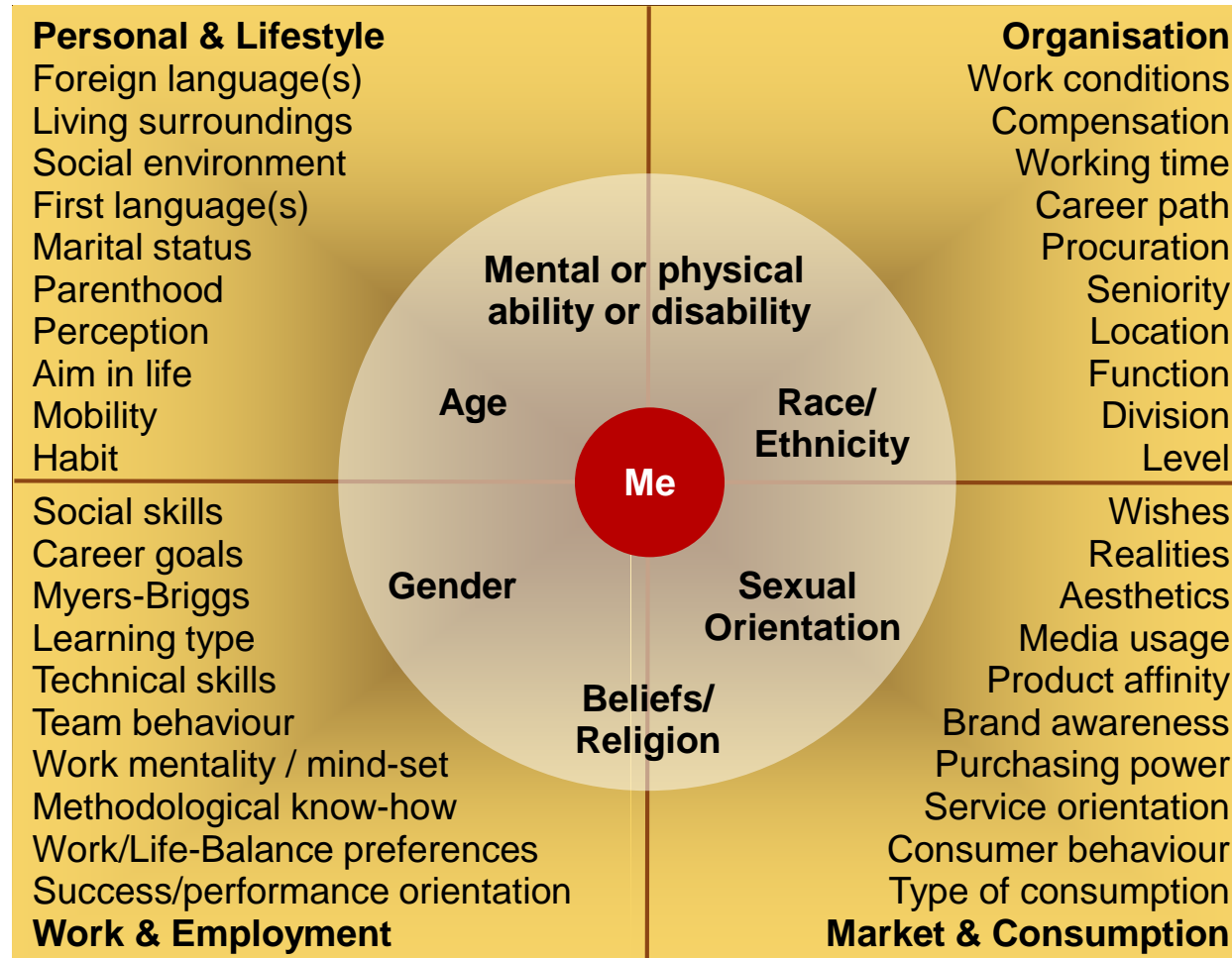
- What is the Propelling Potential Principle?**
- What is the importance of Diversity & Inclusion?**
- Why is D&I a necessity?**
- Why should companies be aware of D&I?
- How is D&I successfully implemented?**
- Which concrete approaches make D&I a driver for success?**
- What are the advantages and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

What is the Propelling Potential Principle?

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



The diversity of Diversity



What is the importance of Diversity & Inclusion?



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

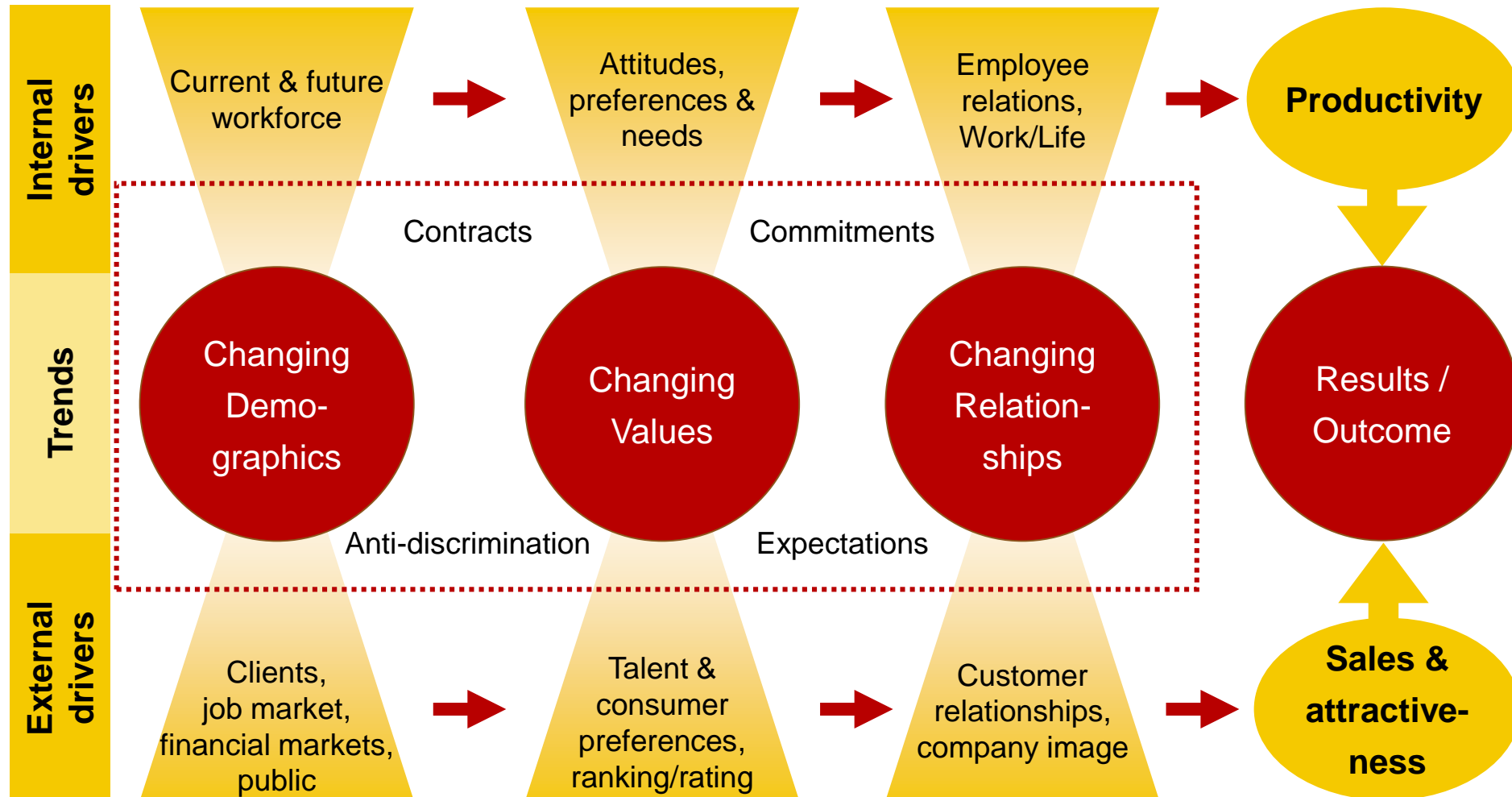
- **Diversity relates directly to all those trends!**

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 and managers
 - Succession (family owned, external, through company sale)
 - Corporate and shop floor management (flexible and personal contact)
 - Corporate culture as a competitive edge
 - Salary policies (performance-based)

- **Diversity, Individuality and Inclusiveness relate directly to all these trends!**

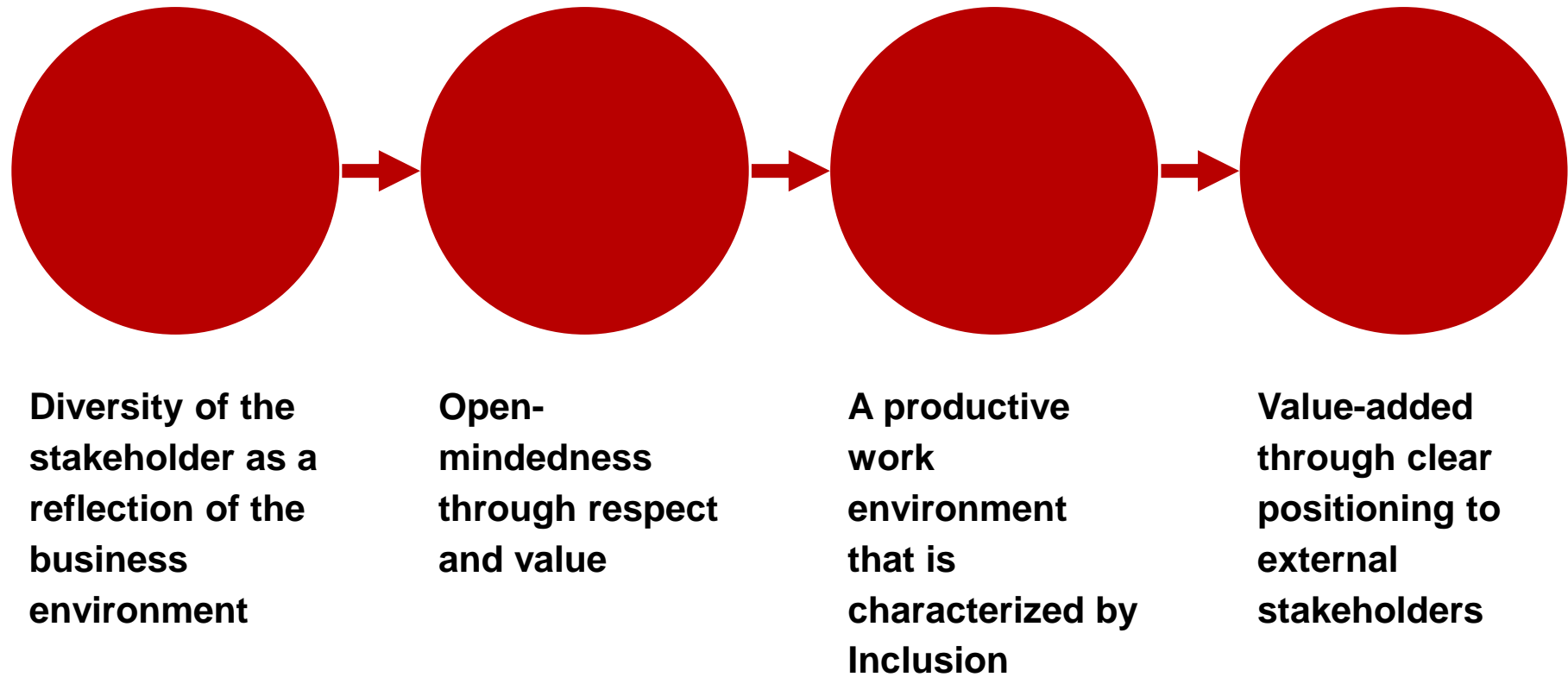
Why is D&I a necessity?



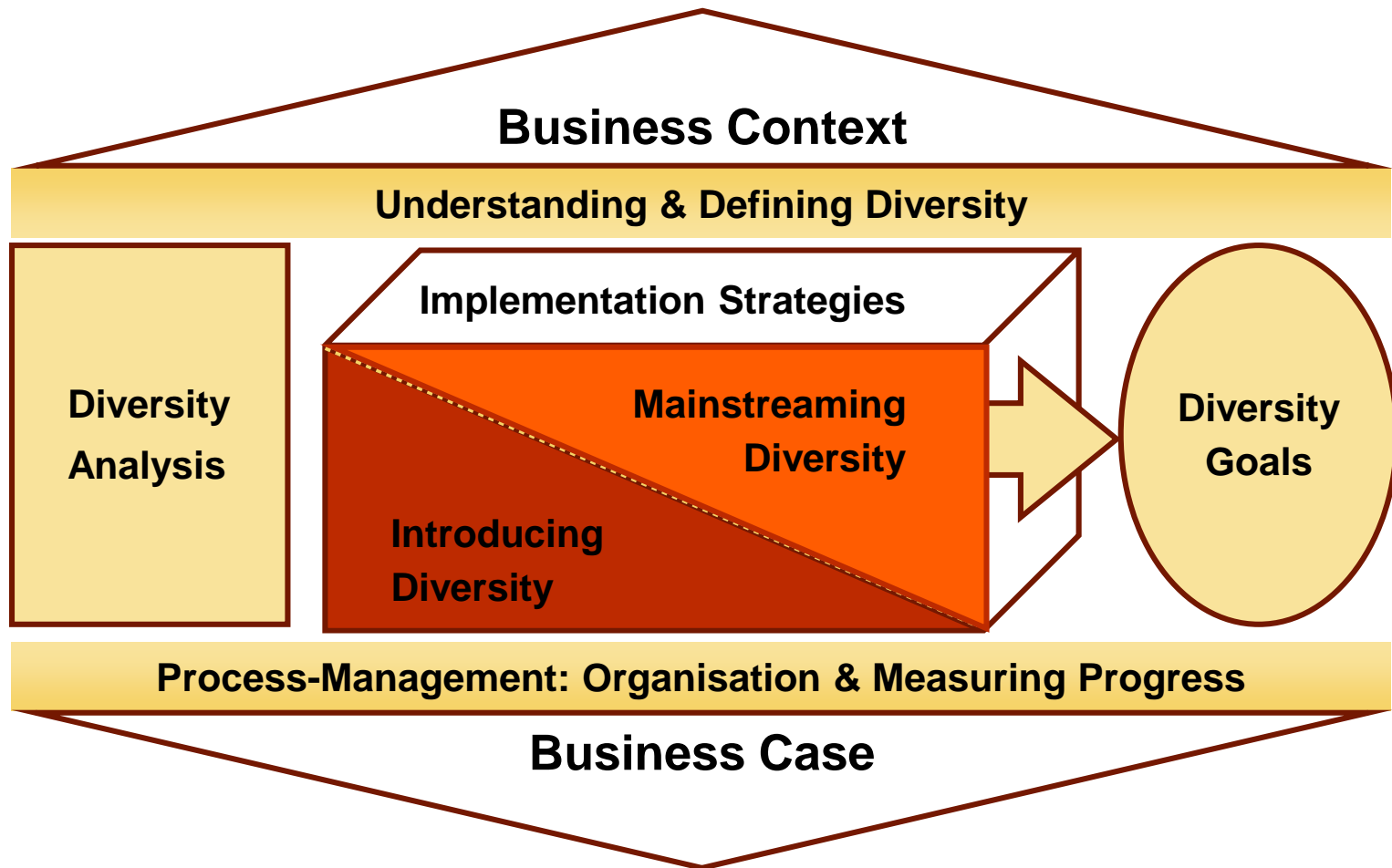
Business Case for Diversity & Inclusion

- 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)

The goal and objectives of the Propelling Potential Principle



How is D&I successfully implemented?



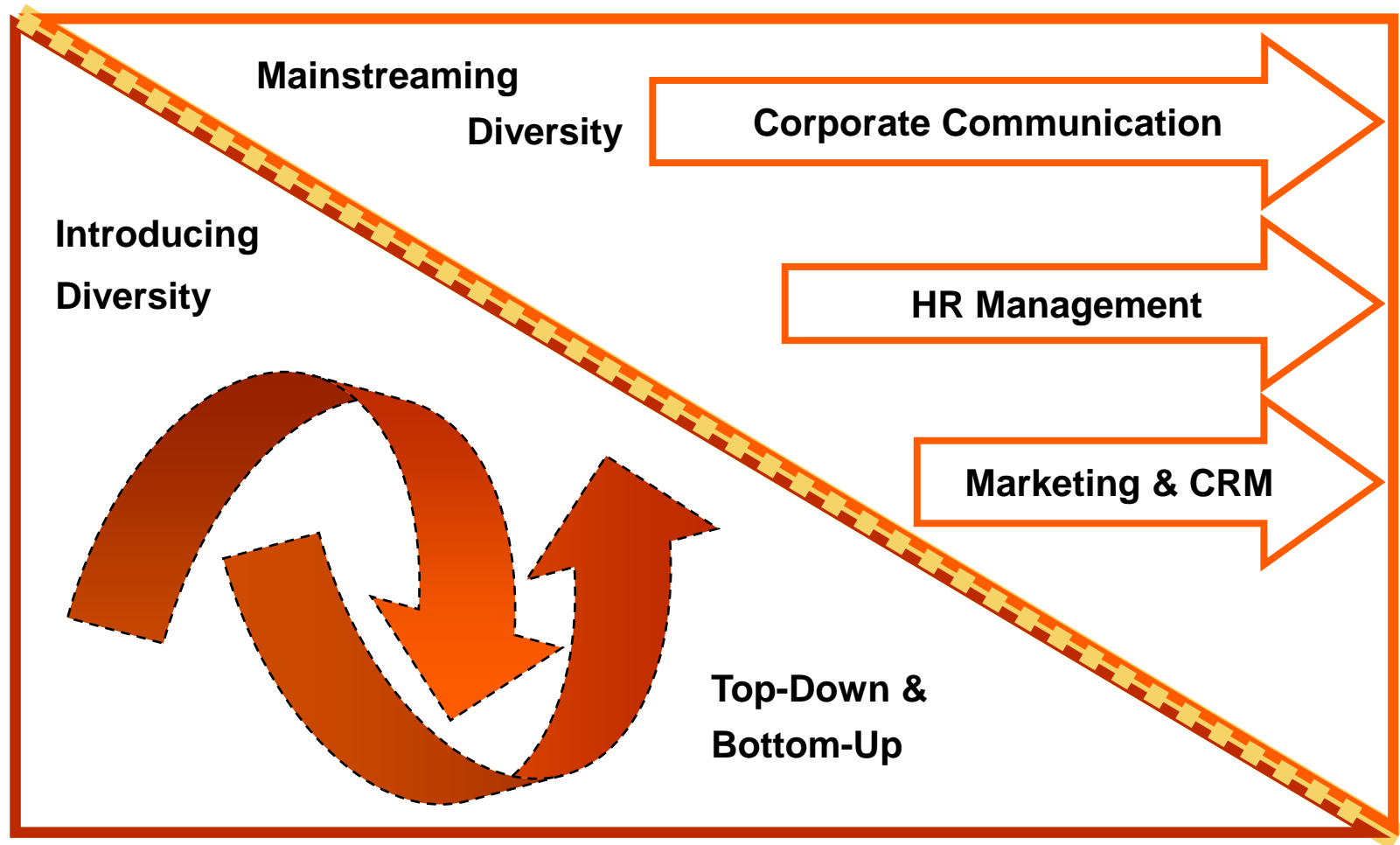
Basics of Implementation (1/2)

- **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 9)
 - The achievable Business Benefits and costs (Pull-Factors, cf. slide 25)
- **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 D&I (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 D&I (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)

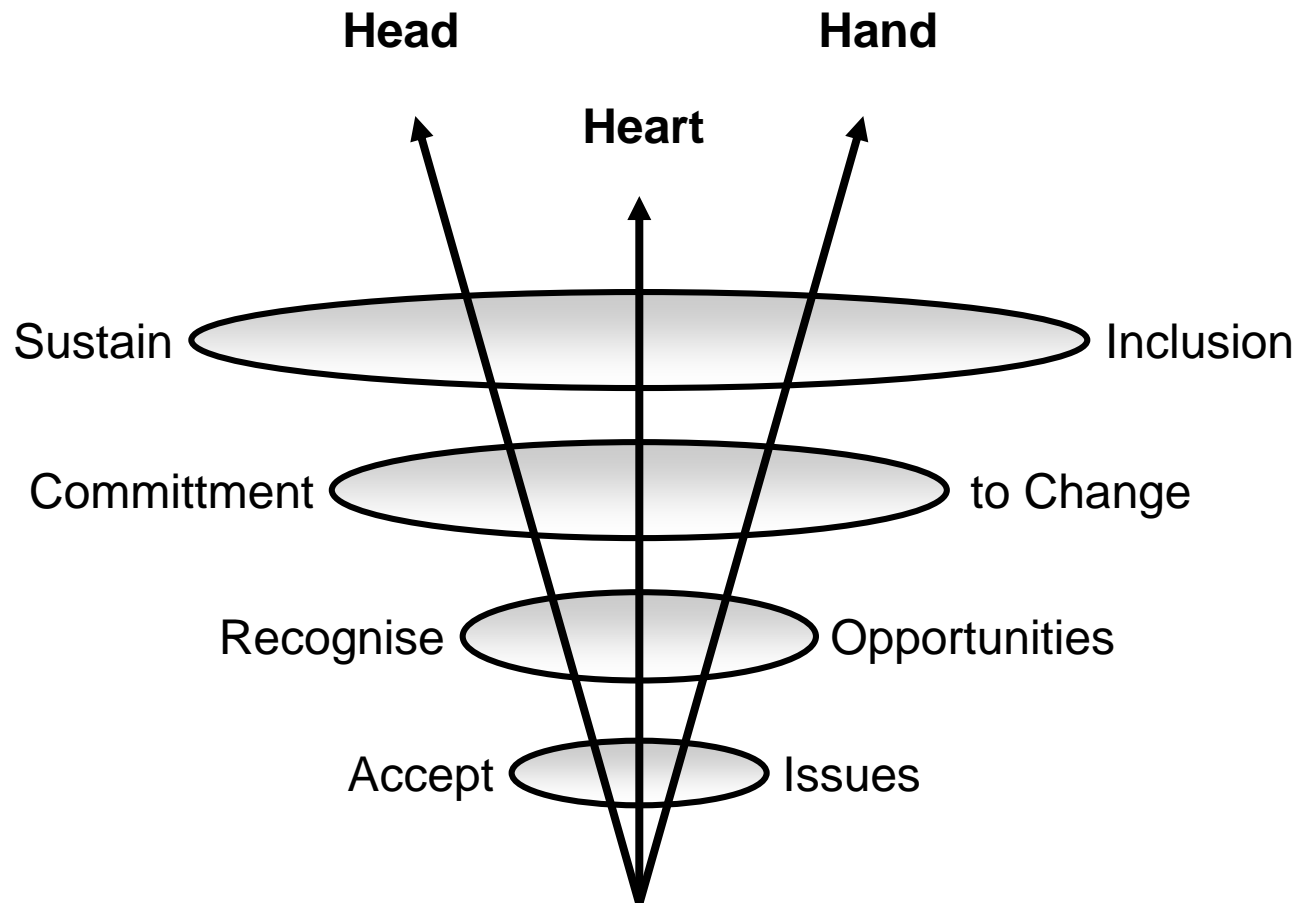
Mainstreaming Diversity (2/3)

- **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

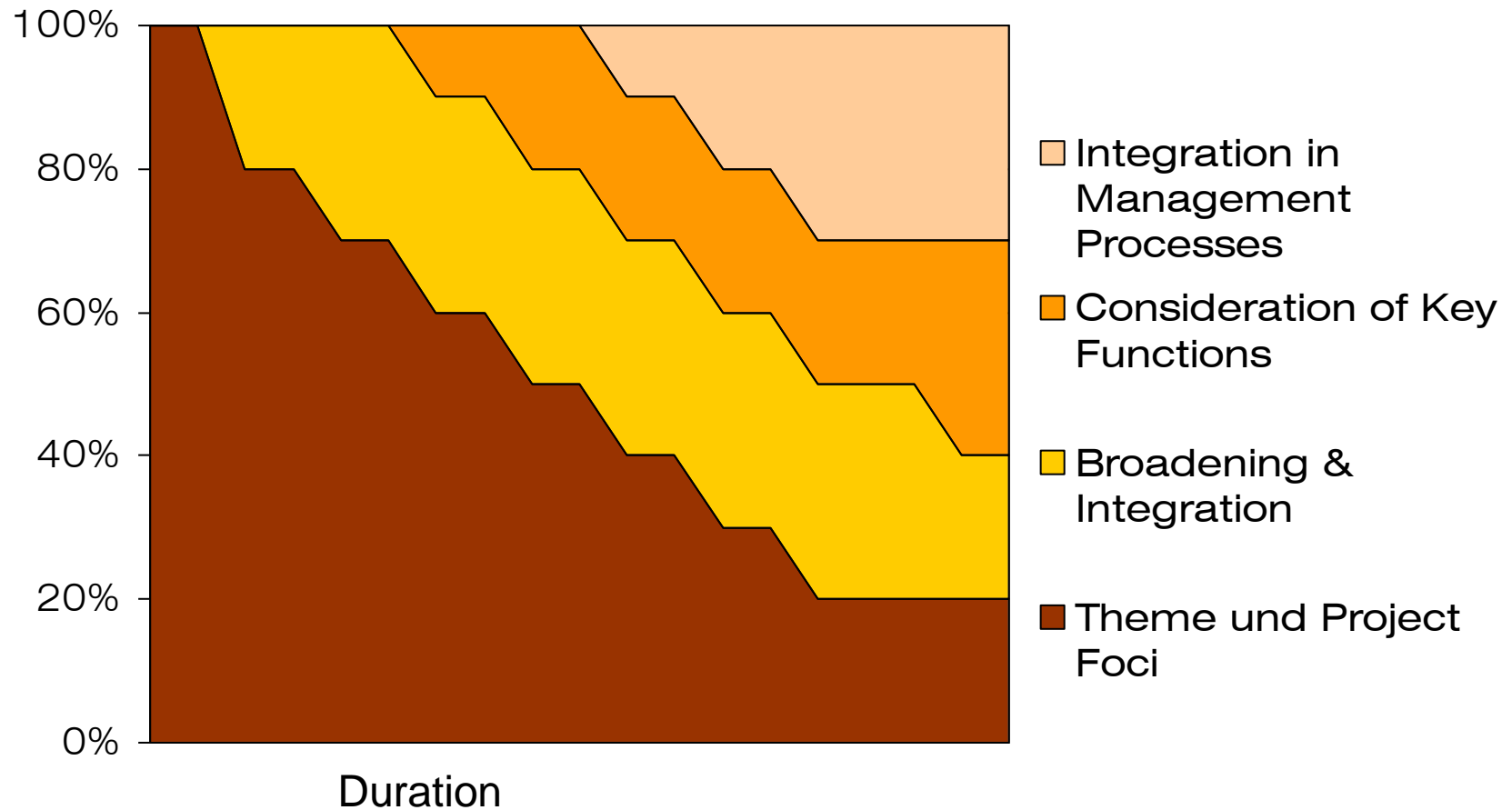
Diversity Implementation Strategies



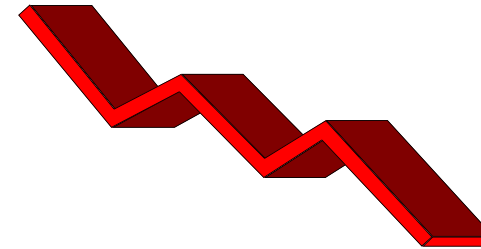
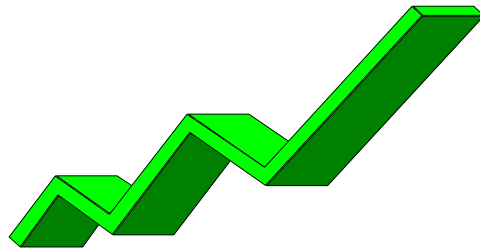
Changing Phases and Approaches

	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

Return on Investment (ROI): The Business Benefits of D&I

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 		