How do diversity initiatives impact succession planning?

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Learning Outcomes

1. Discuss the definition of diversity and explain how it has evolved over the years.
2. Describe the business case for integrating diversity into the organizational culture.
3. Explain the definition and process of succession planning using the 9-box matrix model.
4. Discuss how the strategic plan is used to drive the diversity initiatives.
5. Explain how diversity initiatives impact succession planning.
6. Identify the model proposed for diverse succession planning practices and competencies that is driven by the strategic business plan.
7. Describe best practices from industry leaders.
• According to Merriam Webster Dictionary, diversity is defined as:
  – the condition of having or being composed of differing elements: variety; especially: the inclusion of different types of people (as people of different races or cultures) in a group or organization <programs intended to promote diversity in schools>

http://www.merriam-webster.com/dictionary/diversity
Diversity Timeline


60s–70s
- Equal employment opportunity
  - Establishing a workplace free of discrimination

80s
- Affirmative action
  - Initiating proactive behaviors and actions in making EEO a reality for everyone

90s
- Work force diversity
  - Creating an inclusive work environment that values all employees

21st century
- Global diversity
  - Putting differences to work in the marketplace, workplace and community
## Affirmative Action versus Diversity

<table>
<thead>
<tr>
<th><strong>Affirmative Action</strong></th>
<th><strong>Diversity</strong></th>
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<tbody>
<tr>
<td>Driven by legal mandates</td>
<td>Voluntary effort to incorporate diversity into strategic and operational plans</td>
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<td>Compliance model</td>
<td>Organization specific</td>
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- Affirmative Action is driven by legal mandates and focuses on compliance, goal-specific targets. It may achieve statistical goals without addressing attitudinal barriers and is focused on short-term results.

- Diversity is a voluntary effort to incorporate diversity into strategic and operational plans. It is organization-specific and focused on sustained culture change and long-term success.
The entrance of the term diversity into the equity/affirmative action discussion is traced to the 1978 Supreme Court Case Regents of University of California v. Bakke, when Supreme Court Justice Lewis Powell wrote that:

[...]

the attainment of a diverse student body was a compelling state interest because a diverse student body would promote the “vigorous exchange of ideas” and therefore, “using race as a basis for university admission is a special concern of the First Amendment and important to the state (Peterson, 1999, p. 19).
The Business Case

- 1987 Hudson Institute Report, *Workforce 2000*, transformed the political and legal interests of diversity that started with the 1964 Civil Rights Act into an economic interest.
  - Women, Blacks, Hispanics and Immigrants would make up more than 85% of new job seekers by 2000.
Distribution of U.S. Population by Race/Ethnicity, 2000 and 2050

- **2000**
  - Total = 282.1 million
  - 69.4% White
  - 12.6% Hispanic
  - 3.8% African American
  - 12.7% Asian
  - 2.5% Other

- **2050**
  - Total = 419.9 million
  - 50.1% White
  - 24.4% Hispanic
  - 14.6% African American
  - 8.0% Asian
  - 5.3% Other

**NOTES:** Data do not include residents of Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Marina Islands. “Other” category includes American Indian/Alaska Native, Native Hawaiian or Other Pacific Islander, and individuals reporting “Two or more races.” African-American, Asian, and Other categories jointly double-count 1% (2000) and 2% (2050) of the population that is of these races and Hispanic; thus, totals may not add to 100%.

U.S. Demographics

http://home.comcast.net/~markthoma/Graphics/agedist.9.19.05.jpg
U.S. Demographics

http://cnx.org/content/m42935/latest/Figure_20_01_03.jpg
Generations in the Workplace

- **Mature** *(before 1946; age 66+)*
  - Loyal, disciplined, respect for authority and hierarchy.

- **Baby Boomers** *(1946-1960; age 52-65)*
  - Currently in corporate position of authority, workaholics, yuppies.

- **Generation X** *(1961-1979; age 33-51)*
  - Best education, international exposure, prefers informal environment with less structure.

- **Generation Y** *(after 1980; less than 33)*
  - Comfortable and prosperous, individualistic, emphasize personal activities over professional activities.
Generation Population

- Total U.S. total population (August 2011) – 312 million
- Median Age 37.2
- Generations:
  - Mature: 40 million (15%)
  - Baby Boomers: 81 million (26.4%)
  - Generation X: 61 million (19.8%)
  - Generation Y: 85 million (27.7%)
Five Questions About Diversity in the Workplace (Anderson, A. & Demand Media. (n.d.)).

1. What is diversity in the workplace?
2. How will diversity help my company compete?
3. How does diversity affect employee hiring?
4. How do I create workplace diversity?
5. How can I gauge the success of my workplace diversity program?
Succession Planning Definition

- *Succession Planning* is described as the process of preparing to hand over control. Specifically, business succession planning is the process of preparing to hand over control of the business to others in a way that is the least disruptive to the business’s operations and value.

- This last clause of this succession planning definition is the reason why having a formal, written succession plan is so important.

http://sbinfocanada.about.com/od/businessplanning/g/successionplanning.htm
• Is it true that all *high performing* employees are also *high-potential* employees?
• Are these two terms interchangeable?
9-Box Planning Matrix

Relationship to Strategic Plan

http://3.bp.blogspot.com/_9wummDKttWU/TKOIAGBRpkl/AAAAAAAAABI/h10U2K6PbY4/s1600/HR+Planning+and+Succession+Management.gif
Diverse Succession Planning Practices and Competencies

Greer & Virick, p. 356

Strategic implications of effective diverse succession planning and strategic integration
Institutionalize Diversity into the Culture

Best Practice

Set the context for change
Provide ongoing communication
Ensure committed, knowledgeable leadership
Reward effective diversity management
Measure results
Provide ongoing awareness and skills-based training
Provide flexible benefits / schedule to ensure
Partnerships with employees to achieve the organization’s goals and demonstrate employees are valued and respected.

(Executive Diversity Services, Inc. (nd). http://www.executivediversity.com/best-practices)
• In economic downturn,
  – Companies that view diversity programs as a moral responsibility, cut their programs;
  – Companies that view diversity programs as an important component of financial success, maintain their programs.

• Hiring demand declines for diversity positions:
  – August 2012 is about the same as a year ago (August 2011);
  – Peak demand was October 2008; 46% higher volume of ads posted online that August 2012.

• Interns listed as 2 of top 5 titles; does this reflect commitment?
  1. Director Diversity Inclusion
  2. Diversity Manager
  3. Diversity Leadership Intern
  4. Intern Administrative Diversity
  5. Manager Supplier Diversity
  6. Manager Diversity Inclusion
  7. Director Diversity
  8. Diversity Recruiter
  9. Diversity Coordinator
  10. Chief Diversity Officer


References

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