Diversity: Best of the Best Practices

It seems that almost every organization in the United States today has jumped on the diversity bandwagon: there are widespread pronouncements about the financial and social virtues of fostering a diverse workforce, and of the marketplace imperatives which make diversity an economic necessity both in terms of attracting and retaining talented employees, and of making the organization's products more attractive to a broader group of potential customers. The push for diversity is certainly present in the communications industry. However, as the very existence of the FCC's Advisory Committee on Diversity for Communications in the Digital Age ("Diversity Advisory Committee") makes clear, progress to date has been uneven. The Subcommittee on Career Advancement ("Subcommittee") therefore has attempted to develop a list of "best of the best" practices which we hope will provide useful guidance, on a practical level, for increasing diversity of ownership and fostering career advances by minorities and women in the communications industry. This list was distilled from a survey sponsored by the Subcommittee of eighteen (18) respondent companies' hiring, retention, promotion and procurement practices; a review of scholarly and business research studies; and the collective managerial experience of Subcommittee members.[1] The "best of the best" practices identified by the Subcommittee include:

1. Direct support from the CEO and top executives;
2. Direct communication for diversity efforts throughout the organization;
3. Adopt specific goals and objectives, and set measurable evaluation criteria;
4. Incorporate diversity goals and objectives in the performance appraisal and compensation processes; and
5. Provide training and guidance to management and staff.

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[1] A list of Subcommittee members and subject matter experts is included as Appendix 1.

Each of these is discussed briefly below.

1. **Direct Support from the CEO and Top Executives.**

Diversity efforts, particularly in established organizations for which cultural transformation is an issue, must be led by and actively supported by the CEO and others at the highest level of management. Diversity efforts are rarely successful unless there is a sincere commitment by top executives. Change can be very difficult, especially in established organizations that do not already have a culture of diversity and inclusion, and will be resisted unless there is firm guidance from the top. Verbal support from the CEO is critical, but verbal support alone is insufficient. Top management also must be willing to demonstrate its commitment to diversity efforts by putting its money where its mouth is; this means devoting the resources needed to actually effect desired changes,

For example, the CEO of a major telecommunications company recently created a new post, VP/Chief Diversity Officer, to head a new department, the Office of Diversity and Inclusion. The Chief Diversity Officer reports directly to the CEO (who not coincidentally also chairs his company's Diversity Council), has regular contact with the CEO, and was given the human (staff of 6 professionals) and financial (multi-million dollar budget) resources to develop and implement diversity initiatives. The new Office of Diversity and Inclusion is separate and apart from the Human Resources or Legal departments, highlighting the CEO's commitment to and emphasis on diversity efforts.

2. **Direct Communication for Diversity Efforts Throughout the Organization.**

The value of and commitment to diversity initiatives must be made clear to the entire organization. It is important to communicate diversity efforts throughout the organization – to define diversity; to explain why diversity makes sound business sense;

and to demonstrate management's commitment to diversity efforts. Diversity efforts will

certainly stall if employees perceive diversity to be a zero-sum game (you benefit at my

expense); therefore, managers must demonstrate why the entire organization benefits

from diversity and inclusion. An effective way to demonstrate that diversity results in a

net gain to all parties is to make a *business* case for inclusion -- quantify those benefits to

the extent possible, and show, using hard data whenever possible, why diversity efforts

are critical to the organization's ability to succeed in the marketplace.[2]

A business case can comprise many elements: do our competitors or other

companies in our labor markets offer certain diversity-related benefits or training

programs? Are there government contracting regulations which require vendors to meet

minority/female hiring standards? What is the estimated impact on sales, profits, and

employment if we are able to develop a new product which increases our penetration rate

in a specific ethnic market? Who are our current and potential customers/clients?

There are numerous vehicles for educating employees about the benefits of

diversity and inclusion. Employee newsletters, intranet web site announcements, formal

adoption of a diversity value statement,[3] publicizing the appointment of senior executives

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[2] Because of the potential for offense and misunderstanding, it is probably best to avoid
justifying diversity efforts on religious grounds. Justifying diversity efforts on moral
principles, such as those underlying the civil rights movement, is appropriate to
supplement, but not substitute, for making the business case for diversity.

[3] Most of the survey companies, and several of the organizations represented on the
Subcommittee, have a formal policy or mission statement embracing diversity. For
example:

- the creation "of an environment of fairness and equality that appeals to [our]
  employees…and that will make us a more competitive, successful company";

- we "embrace[] a culture of inclusion that brings to bear the best of every
  employee. [Company A] values and leverages diversity, our different points of

to lead/participate in diversity initiatives, face-to-face meetings, and holding focus group

sessions, are all tools for inculcating an organization with the message of inclusion.

3. **Adopt Specific Goals and Objectives, and Set Measurable Evaluation Criteria.**

An organization not only needs to adopt a general diversity mission statement; it

also needs to adopt specific desired outcomes and establish a framework for determining

whether those outcomes have been met. Thus, the organization must set quantifiable

goals and objectives (*e.g.,* we want X% of the board of directors/executive

management/middle management/total workforce to be female and/or minority within

certain time period; reduce employee turnover in this workforce segment to X%; have X

number of female/minority candidates complete the management trainee program).[4] In

order to measure success, the organization must develop baseline data and compare that

data to results achieved within a certain time period. Hard data will be critical to any

assessment of how an organization stacks up against its competitors, or against

organizations in other industries. For example, one company conducts a quarterly review

of all diversity and turnover data to identify patterns or issues that may need immediate

attention. Other companies have created a "diversity scorecard" for assessing potential

problem areas as well as progress made to date.

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view and collective wisdom. Diversity and inclusion promote creativity and
innovation to sustain a competitive advantage, fuel growth, and achieve superior
market performance."

[4] Establishing quantifiable objectives should not be confused with setting quotas. Thus,
for example, organizations must be careful to clarify that less qualified (or, even worse,
unqualified) candidates will *not* be hired or promoted because of their minority status or
gender.

Alliances with external organizations may also help with diversity efforts. For example, some companies establish relationships with predominantly minority universities (for recruiting and internship purposes), or with some of the many organizations active in the diversity arena -- WICT (Women in Cable and Telecommunications), NAMIC (National Association for Multi-ethnicity in Communications), AWRT (American Women in Radio and Television), CAPE (Coalition of Asian Pacifics in Entertainment), MMTC (Minority Media and Telecommunications Council), NOW, National Urban League, National Council of La Raza, LULAC (League of United Latin American Citizens), MIW (Mentoring and Inspiring Women), DiversityInc., NAACP, or Working Mothers magazine, to name only a few.[5] These external organizations can provide valuable feedback on a company's diversity efforts, as well as information on what other companies are doing in the diversity arena. Public recognition from these organizations (such as being included on their "best companies to work for" list) can boost your company's image among potential customers and employees.

4. **Incorporate Diversity Goals and Objectives in the Performance Appraisal and Compensation Processes.**

Employees have heard the diversity message from top management, and understand the business imperative behind diversity efforts. How to make diversity and inclusion efforts real, at a personal level? Consider incorporating diversity goals in the

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[5] See Appendix 2 for contact information for several of these organizations. In addition, the Subcommittee recommends the development of an on-line "Diversity Resource Directory," which would contain detailed information on the diversity efforts implemented at various organizations, diversity studies performed, etc. Such information could be on the FCC's website, both on the Diversity Advisory Committee page and the FCC EEO page.

performance appraisal and compensation mechanisms. If employees are evaluated and compensated in part on the basis of diversity objectives, they have a vested interest in accepting responsibility (being held accountable) for specific diversity outcomes. At a minimum, incorporating diversity objectives in the performance appraisal and compensation mechanisms forces managers to articulate specific objectives and provides another avenue for emphasizing to their subordinates that diversity is a priority.

Several companies in the survey sponsored by the Subcommittee have linked diversity objectives and performance evaluation/compensation, or adopted incentives (financial or otherwise) to encourage employees and suppliers to participate in the diversity process. Highlighting individual and group accomplishments can be an effective means of encouraging diversity efforts.

5. **Provide Training and Guidance to Management and Staff.**

As discussed above, it is critically important to communicate diversity efforts throughout an organization. Members of the organization need to know not only what the diversity goals are, but also how to accomplish those goals. Senior managers should consider whether their organization needs outside help developing program material and conducting training sessions for both management and staff. Some organizations have found that a "train the trainer" approach is effective.

Many companies have mandatory training for management and staff. For example, last year, a major telecommunications company brought in all director-level and above employees for a 2-day, off-site session, conducted by outside consultants, on managing by inclusion. Participants heard lectures, engaged in role-playing exercises, and had written assignments designed to help them evaluate the extent to which they

manage by inclusion. They received written training material at the session and

additional multi-media material through the company's intranet site, and were expected

to disseminate that knowledge to their subordinates.

Organizations can also provide sustained and continuing guidance through

activities such as workshops, mentoring programs and diversity teams. Other, smaller

scale efforts can also be effective (and more personalized). One major

telecommunications company sponsors multiple employee affinity groups (for African

Americans, for Hispanic Americans, and for minority groups generally). These affinity

groups offer professional development workshops, networking opportunities, and brown

bag speaker events (often during normal business hours, and at company facilities); the

groups also sponsor community service projects and provide scholarships to deserving

minority students.

Another media company has established "diversity committees," staffed by

employees at varying levels in the organization, which solicit, evaluate, and, where

appropriate, act on, employee comments and suggestions relating to diversity issues.

These committees meet regularly, both at company headquarters and in field offices.

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Developing an organizational culture that sincerely embraces diversity and

inclusion requires conscious effort and significant resources. It is the responsibility of

top management to set the stage for diversity initiatives; however, these initiatives will be

successful only if top management can convince employees throughout the organization

of the need for and value of such initiatives, and if the tools for implementing such

initiatives are made available. The Subcommittee on Career Advancement hopes that the

recommendations listed above provide practical guidance to organizations seeking to

increase diversity of ownership and foster career advances by minorities and women in

the communications industry.

Appendix 1
Subcommittee on Career Advancement Members and Subject Matter Experts

MEMBERS:

Jenny Alonzo
Chair, Career Advancement Subcommittee
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Senior Vice President
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J. Jenell Trig
Of Counsel
Leventhal Senter & Lerman PLLC

Luke Visconti
Partner, Co-founder
DiversityInc.

Appendix 2
Contact Information for Diversity Advocacy Organizations

American Women in Radio and Television – www.awrt.org

Coalition of Asian Pacifics in Entertainment – www.capeusa.org

DiversityInc. – www.diversityinc.com

League of United Latin American Citizens – www.lulac.org

Minority Media and Telecommunications Council – www.mmtconline.org

National Association for Multi-ethnicity in Communications – www.namic.com

National Association for the Advancement of Colored People – www.naacp.org

National Council of La Raza – www.nclr.org

National Organization for Women – www.now.org

National Urban League – www.nul.org

Women in Cable and Telecommunications – www.wict.org

Working Mothers magazine – www.workingmother.com