



Diver\$ity: Connecting Business Objectives With Inclusion Efforts

Diversity efforts fall short when they are undertaken in response to, or to avoid, litigation alleging discrimination. A company that invests in diversity training (the thinking goes) can defend a claim of race discrimination by pointing to its diversity training efforts as evidence that the company does not discriminate. However, a study led by Dr. Alexandra Kalev concluded that diversity training undertaken to avoid discrimination liability is essentially useless. Diversity training undertaken to advance business goals, on the other hand, tends to be more successful. In a separate study, Dr. Kalev and two colleagues found that diversity efforts focused on personnel management mechanisms, including hiring and promotion routines, and diversity performance evaluations based on objective indicators tied to significant incentives would work. Few companies could follow such a model, though, because – until now – it has not existed.

The ***Diver\$ity: Connecting Business Objectives With Inclusion Efforts*** approach provides a comprehensive framework that:

- directly connects diversity strategies with business goals;
- helps companies develop internal policies and practices to identify talented employees;
- helps companies develop internal practices and policies that maximize the contributions of all employees;
- ensures that these internal practices and policies are consistent with compliance obligations;
- helps companies structure external efforts in a way that maximizes business mission and charitable impact; and
- ensures that all of the company’s efforts related to diversity further bottom-line goals.

The ***Diver\$ity: Connecting Business Objectives With Inclusion Efforts*** model comprises four phases:

- 1) assessment,
- 2) strategy development,
- 3) implementation, and
- 4) follow-up.

In the **Assessment phase**, every manner the company uses to manage employees is examined:

Talent Acquisition

Analysis of Applicant Sourcing Methods
Examination of Candidate Screening Practices
Audit of Informal Hiring Mechanisms
Review of Interview Practices

On-Boarding

Review of Orientation Practices
Analysis of Employment Policies
Examination of Job Training Protocols

Performance Management

Review of Performance Evaluation Guidelines
Analysis of Compensation Practices
Examination of Promotion Protocols
Review of Discipline Guidelines

Employee Concerns

Audit of Workplace Environment
Examination of Employee Complaints
Review of Employee Complaint Investigation Protocols
Analysis of Dispute Resolution Resources
Review of Collective Bargaining Agreement Grievances
Analysis of Employment-related Lawsuits

Institutional/Structural Analysis

Audit of Organizational Structure
Review of Succession Plans
Analysis of Affirmative Action Efforts
Examination of Community Relations/Outreach
Examination of Supplier Diversity Efforts

In the **Strategy Development phase**, knowledge gained in the assessment phase will be used to formulate a plan of action to further the company's diversity-related goals:

- Development of Diversity Mission Statement
- Development of Assessment Metrics
- Design of Training to Institute Required Changes to Employment Practices and Policies
- Consultation with Labor Relations to Ensure Changes can be Implemented Consistently with Collective Bargaining Agreement Obligations
- Design of Mentoring Program
- Design of Employee Resource (Affinity) Group Programs
- Identification of Diverse Professional Organizations (e.g., National Association of African Americans in Human Resources) as Resources/Strategic Partners
- Identification of Third-Party Organizations with whom Company can Partner to Achieve Diversity Goals (e.g., American Society of Indian Engineers)

In the **Implementation phase**, the tasks from the strategy development phase will be actualized:

- Release of materials to communicate the diversity mission statement
- Revision of all impacted personnel policies (including applicant interview practices, employee orientation efforts, employee handbook, performance management framework, employee discipline mechanisms, pay/compensation practices, promotions framework, employee complaint processes, and employee complaint investigation practices)
- Conduct training for first-level employees, front-line supervisors, middle managers, and senior executives to implement revisions

In the **Follow-Up phase**, actions taken in furtherance of the company's diversity strategy will be examined at defined intervals:

- Review of metrics developed to assess progress
- Follow-up audits to assess retention, recruiting successes; employee claims; workplace climate
- Implementation and management of long-term components of the diversity strategy (e.g., succession planning)

All phases will be conducted with optimal use of the attorney-client privilege.

The ***Diver\$ity: Connecting Business Objectives with Inclusion Efforts*** model is grounded in the precept that **diversity efforts should be directly connected to bottom-line objectives**. Companies that employ this model will ensure that their internal policies and practices identify its most talented employees as well as maximize the contributions of **all** employees. Following this model will allow company practices to fulfill compliance obligations without being constrained by them. This model is the only option for a company pursuing diversity **because it makes good business sense**.

Please contact **Fred Dawkins** at 770.818.1409
or fdawkins@fmglaw.com for further information regarding
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