DIVERSITY AND INCLUSION AS ASSETS

21st Century Lessons for Companies and Governments

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Club de Madrid Panel Discussion on Diversity
VII Inter-American Conference on Corporate Social Responsibility
Punta del Estes, Uruguay

Companies have been pioneers in recognizing diversity as an economic asset that gives them access to new markets and attract new talent and ideas. Some questions to be answered by the panel are: What leads corporations to include in its ethos of diversity? What policies and practices have proven successful in promoting inclusion in companies? What has been the role of business leaders in promoting diversity? What companies require governments to support their inclusion policies? What government practices act as a barrier to companies wishing to be more diverse?
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VII Inter-American Conference on Corporate Social Responsibility
Punta del Este, Uruguay. December 1-3, 2009

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The 21st Century is upon us and with it a new and growing set of challenges are in front of government leaders, private industry CEOs and NGOs. These challenges range from sustaining and optimizing the profitability of the enterprise, creating safe and productive societies for all to participate, and collaborating with other government leaders to address growing pressures on the earth brought forth due to global warming, war and societal conflict, and the general disregard and respect for one another.

If we are to coexist and create lasting societies in the 21st century, leaders must consider the diversity of the human species across the planet. Understanding, appreciating and building societies that are respectful, inclusive, and collaborative will require that we deepen our understanding of each other going forward. It also means that we must insure that all are at the table in decision-making.

Diversity as a concept means the richness we all bring to the table. This richness considers our racial, ethnic, gender, style, national origin, sexual orientation and identity, and language, cultural backgrounds among other attributes in helping solve pressing organizational and societal issues.

At its core is the concept of inclusion which focuses on how we make this diversity work for the greater good of society and the communities within which we live. It also means that for organizations to be effective and to optimize their outputs, the engagement, involvement and integration of these diverse points of view is critical.

Diversity as an integral part of corporate strategy has evolved over the past forty years. Much of its early emphasis was compliance oriented and grounded in U.S laws outlawing discrimination in employment.¹ The principle was of providing every one with an equal opportunity to be hired and to be promoted in the work place.²

¹ [http://en.wikipedia.org/wiki/Affirmative_action_in_the_United_States](http://en.wikipedia.org/wiki/Affirmative_action_in_the_United_States)
The principle of equal opportunity was later augmented by the concept of affirmative action, designed to focus attention on proactive strategies to seek diverse candidates in areas where they were significantly underrepresented in the workforce. Statistical analyses of the workforce were conducted to indicate areas of underutilization. The government imposed fines and penalties, particularly among companies with federal contracts, when patterns of widespread discrimination were found in the organization.

During this period the primary focus was compliance oriented and focused on meeting government regulations and laws. The federal government (OFCCP) audited company practices and when widespread patterns of discrimination were found, penalties and fines were imposed. Therefore, corporate leaders placed primary attention on improving workforce representation so that it reflected the composition of the communities and the customers served to avoid litigation.

During the first decade of the 21st century, corporations have expanded their efforts and have incorporated the concepts of diversity and inclusion into the strategies formerly based solely on compliance. Leaders of companies have begun to realize that their communities and customers are changing in their demographic makeup. Members from these emerging communities and markets have begun to question companies on their workforce composition, and their results in building more diverse and inclusive workforces. Studies are demonstrating that companies that are more diverse tend to demonstrate better financial results, employee satisfaction, and lower turnover of high talent employees. They are also experiencing positive interaction within the diverse communities they operate in contributing to a more positive employment brand.

Key Societal and Business Drivers

- Growing disintegration of the supply chain.
- Growing expectation regarding Corporate Social Responsibility (CSR)
- Increasing regulatory and compliance environment
- Civil society more diverse, technologically connected, and concerned about depletion of global assets
- Long-service tenured careers becoming a thing of the past causing a shift in the employer value proposition
- Products and services being manufactured and performed by a multi-national, integrated and distributed workforce
- Civilizations and societies will clash if cultural differences and values aren’t fully understood or accepted.
- Sustainability of the planet emerging as a critical challenge for all societies

3 [http://en.wikipedia.org/wiki/Inclusion_(value_and_practice)]
Emerging Best Practices

A set of best practices began to emerge which confirmed what make progressive leaders thought. “Diversity and Inclusion are good for business.” The following sections will highlight my thoughts on some of the actions and best practices that have emerged.

Governance and Leadership

First, effective governance from senior leaders was evident. Boards and CEOs drove improvement and results. The senior leadership of the organization understood the business case for diversity and routinely communicated their commitment. They also set clear expectations and regularly monitored results. This commitment, at the Board of Directors, CEO, and senior leadership levels, became a way of life.

Several key principles have emerged:

- Leader behaviours must reinforce commitment. *Clear expectations must be set to guide performance.*
- Specific measurable targets must be established and monitored.
- A *business case articulating the rationale developed and communicated.*
- Diversity goals integrated into and aligned with overall business strategies.

A Defined Change Agenda

Secondly, Leaders recognized that gaining understanding, commitment and achieving results must be based on a change agenda for diversity and inclusion actions. Efforts and results do not happen overnight but require a thoughtful, long term systemic approach with specific actions focused on a few key priorities. Moreover, diversity activities and programs must not be considered standalone efforts, but integrated into

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4 [http://www.instituteforinclusion.org](http://www.instituteforinclusion.org)
overall business strategies. Much can be done through small acts of inclusion.  

**Business Case.** The change agenda started with a clear business case. It described why diversity and inclusion is important and links it directly to the business case. Such drivers as ROI, innovation, better decision making, increased shareholder value, becoming an employer of choice, have been key parts of the case. Usually the business case is transformed into a “value proposition” statement which sets the tone for the change required in the organization. It describes the value created and the benefits to be derived from the change agenda.

The business case looks at the services and products offered by the organization and examine impact through the lens of diversity. Are the markets served becoming more diverse? What are specifics of the demographics? Do these changes imply a shifting value set, new expectations, and different product specifics? What does this mean for how services are currently being provided or the way new innovation in product design is created?

**Prepare the Champions.** Once understood this business imperative helps to prepare the champions. The champions are the “critical mass” of leaders and employees who will help drive the change. Champions start with the CEO and his/her direct reports. They become ambassadors for the new environment and help to communicate the value proposition and change agenda. They also help in redesigning organizational systems and processes to help advance the systemic change required (selection, development, recruitment, outreach, employee satisfaction, compensation, performance management, etc.). Institutional systems can unintentionally sustain legacy practices which interfere or impede progress.

The champions must also include the organizational leaders at the business and unit levels. These organizational leaders must display appropriate behaviours in order to build organizational trust and belief that the change agenda is serious. Demonstrating the following behaviours is critical: inclusive, trustworthy, respectful, and collaborative. Leaders must constantly ask the question: “Who’s not at the table?” and proactively reach out to include them (hiring, promotion, development, etc.).

**Adaptive Leadership.** These champions must be “adaptive leaders.” Adaptive leaders are transparent, ethical and honest, nimble and able to quickly change directions if needed. They understand the cost / benefit relationship, are customer facing and forward looking. These leaders reaffirm and validate the importance of the change agenda even when the business is not doing well financially.

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10 [www.uky.edu/~drlane/orgcomm/325ch04.ppt](http://www.uky.edu/~drlane/orgcomm/325ch04.ppt)
Work Systems Change. These leaders redesign institutional systems to be more inclusive. Assessment processes, recruiting methods, compensation systems, performance management and career development tools can unintentionally block efforts to build a more inviting and inclusive culture.

Left unchanged, these policies, practices, and processes can have a reverse or chilling effect on the change agenda.

Diversity, Inclusion and Business Outcomes. Properly managed and monitored by business leaders, diversity is good for bottom line results.

According to a 2009 study by Linkage and Novations\(^\text{11}\), they cited a number of positive business outcomes from diversity initiatives by major corporations.

Positive outcomes included the following:

- Demonstrating savings from reduced turnover by analyzing the cost of turnover linked to diversity and inclusion.
- Demonstrating that departments with high inclusion survey scores came up with more innovative cost-cutting ideas.
- Showing that a robust diversity scorecard was a key factor in retaining a valued client who was committed to diversity and inclusion.
- Documenting increased sales when women’s and African American employee resource groups do “blitzes” with sales teams focusing on women and African American accounts.
- Demonstrating a correlation between loyalty ratings from survey results and productivity.
- Tracking increases in the number of products sold following targeted campaigns to Hispanic markets.
- Showing that improved retention rates (linked to diversity and inclusion efforts) in turn positively affect hiring.

Examination of External Environment

Current Economic Realities. Successful organizational leaders carefully examined the external market as they began to set their strategic agenda for change. They identified key issues in the external environment that could impact the work to be done.

In a recent discussion with Dr. Izzy Justice, founder and CEO of EQMentor\(^\text{12}\) he shared several trends that impact the way business will be conducted in the future and how leaders should think about change, innovation and inclusion going forward.

First, he believes that the current (2008 – 2009) recession will be deep and broad.

\(^{11}\) [http://info.novations.com/diversitystudy](http://info.novations.com/diversitystudy)

Companies will not rebound quickly as consumers develop new mindsets about affordability of products and services. He believes that this shift in thinking will be global and will impact people around the world. The resulting mindset will be that “smaller and simpler” is more economical and better.

Additionally, businesses and organizations will need to operate with reasonable cost / investment models supported by forward looking and customer facing approaches to their business strategies. This emerging mindset will require an adaptive leadership style.

Increased transparency, ethical and honest behaviour, nimbleness and quickness to change, as well as a global-mindset and cross-cultural sensitivity will be key competencies.

Mansour Javidan, Ph.D., Dean of Research and Garvin Distinguished Professor defines a global mindset as a set of individual attributes that helps global managers succeed in their global environments (refer to chart – Global Mindset).

**Business Life Cycle.** Inclusion strategies must carefully consider the organization’s current location in the business life cycle and the economic realities of the time. Effectiveness of diversity and inclusion strategies can be impacted by the current state of the business.

Growth, lack of profitability, expansion, acquisition, maturity all impact the way strategies will play out. The change agenda is impacted by ROI, earnings and shareholder expectations and the energy the leaders possess at the time. That is why a carefully developed business case is a must.

**Balanced Long and Short Term Perspective.** The change agenda must consider a reasonable balance between long-term strategies and short term tactics. Progress is best obtained by the relentless pursuit of the goals at the lowest organizational levels led by local leaders who understand the business imperative for diversity.

However, local leaders need actionable, tactical plans to sink their teeth into which should be aligned with more strategic direction cascading down from senior leaders.

**Impact of Globalization**

_The changing global dynamics will underscore the need for greater collaboration, respect, and dialogue across businesses, governments and NGOs. Globalization is shifting relationships, changing the way products and services are being delivered,_

[13](http://www.thunderbird.edu/knowledge_network/ctrs_excellence/global_mindset_leadership_institute/global_mindset_inventory_corporations.htm)
being impacted by rapidly changing demographics and growing global middle class, and by changing values among the younger generation, which is being fueled by social media and technology.

**Virtual networking and Relationships.** Globalization is upon us in a big way. It means that you will be working with people you may never meet face to face. The workplace is becoming virtual with relationships changing, and cultural differences becoming less of a factor in market opportunities. However understanding cultural nuance, language, and religious differences will be key to becoming global minded. Such skills will enhance one’s ability to work with others across the continent.

Understanding the growing impact of globalization on markets and product and service opportunities is not just a nice to have, it is a business imperative. These opportunities cannot be fully explored without understanding cultural nuance, diversity and inclusion. Markets are global in reach and increasingly interconnected (customers, products, innovation) in all dimensions of the supply chain.

**Disaggregation of Supply Chain.** Products and services are flowing across national boundaries. This is resulting in disaggregation of the supply chain (production, distribution, service delivery). As a result we are seeing much more sophisticated and culturally diverse customers with different expectations and desires. Organizational representatives must become students of intercultural dynamics and understand how language, tone, and tenor and personal interactions will be critical to obtaining the desired outcomes. We are living in “shared societies” where an appreciation of and respect for difference is growing.

**Demographic Shifts and Growing Global Middle Class.** We are experiencing unprecedented demographic shifts including five generations in the workforce, shifting expectations – particularly among Millennials. Companies will face a growing exodus of baby boomers from the workforce and growing demands for work life integration. Increasingly, work is interconnected and being done in a variety of places around the world.

These societies where work is being done have different value sets, cultural traditions and religions. These attributes have to be factored into progressive change agendas. To not fully recognize these differences is to sub optimize results and potentially shutter business activity.

The globally diverse middle class will drive expectations in the future. Despite declining wealth, a billion new people are expected to enter the middle class by the year 2020. The World Bank and other organizations have even higher projections. The world will become $20 trillion dollars richer – larger than the current combined GDPs of North America, Turkey and India.

By 2020, India is expected to have more millionaires than Australia and Canada combined have people. China’s middle-class market will be more populous than all
of North America. New middle class consumers in emerging economies will strive for the same things out of life as their counterparts in the developed world. The opportunities this poses – and the corresponding stress it place on our natural resources – will present of one of the greatest paradoxes of our times (Muhtar Kent\textsuperscript{14}).

In a multi-polar world, where power and influence now radiate from several nations and regions around the world, the road ahead is going to require shifts in our thinking... shifts in behavior... indeed, shifts in our own view of the world.

How well future leaders understand these new realities... accept them... and prepare for them... will determine their success and the success of our world in the coming years.” (Muhtar Kent\textsuperscript{15}).

**Generational Differences.** The youth populations around the world are emerging with their own set of values regarding work and family life. Some of the common themes focus attention on the key differences between the “Generation Ys or Millennials” and the “Baby Boomers”: work ethic, expectations regarding work flexibility, communication style, and the use of technology. According to Dr. Robert Reason, Penn State, several national trends are emerging in the U.S. among Millennials:

- Increased commitment to social and civic responsibility
- Greater participation in community service
- Increasingly polarized in political orientation
- Decreased interaction across racial / ethnic groups

The differences emerging in the work place have made collaboration and teamwork difficult, with older employees feeling undervalued and younger employees feeling micromanaged. Another generation-related challenge feared is a “brain drain” as many older employees retire.

However, many leaders are expressing fear that, because of the economic downturn, people will retire later, thus limiting advancement opportunities for younger employees. (Novations Study – 2009)

**Technology.** And finally, technology is changing the way people work and live their lives. We are already experiencing a growth in global relationships. Social media tools are driving these global relationships and the transparent way we see each other.

Additionally information flow has changed dramatically in the past ten years. Public Relations and Communications executives are no longer able to control how

\textsuperscript{14} http://www.thecoca-colacompany.com/presscenter/viewpoints_kent_atc.html
\textsuperscript{15} http://www.thecoca-colacompany.com/presscenter/viewpoints_kent_atc.html
employees, customers, consumers, and members of civil society get information about the organization. Corporate brands can be impacted quickly by social media and the internet.

Transparency, visibility of litigation and lawsuits, perceptions of the organization as a place to work are fuelled by the internet and social media. Social networking sites such as LinkedIn, Facebook, Twitter, YouTube and others are trend setters. The impact of disrespectful behaviour can be felt quickly and circulated widely by these sites.

Organizations and companies must become students of these venues and develop appropriate ways to counteract their growing impact as a medium of exchange (instant messaging, chat rooms, blogs, etc.). Increasingly, employees, retirees and their families are becoming the stewards of the “brand.” And, social media is the vehicle for expression.

Best class organizations are assessing the impact of technology and social media on the way business is being conducted and are building effective strategies to integrate into their business models.

**Challenges and Opportunities for Governments**

**Political Governance in a Global Economy.** The historical evolution of nations has shaped their society’s views of diversity, inclusion and human rights (culture, religious expression, tribal differences, degree of colonization, etc.). Progressive leaders must understand the global change agenda in the context of history and religion. The current debate over globalization casts its political effects as both revolutionary and contradictory. Breaking patterns of exclusion and discrimination are not quick fixes.

Globalization, it is claimed, drains political authority from nation-states, long the dominant form of political organization in world politics. The state’s monopoly of familiar governance functions erodes as authority migrates down to newly empowered regions, provinces, and municipalities; up to supranational organizations; and laterally to such private firms and transnational nongovernmental organizations (NGOs) that acquire previously “public” responsibilities.

Historical events have shaped educational systems, scientific knowledge, the growth of urbanization and the role and organization of the state. Some of the structural obstacles to globalization and increased cross cultural and religious inclusion have been impacted by traditional ideological systems (religion, legal, etc.) and the country’s capacity for change.

The attempt to globalize the cultures of the world is not new. This phenomenon has its roots in the history of humankind. Nations around the globe attempted to “market” their civilizations and cultures through violent means, such as wars or
peaceful means, such as education and trade. However, the history of humankind tells us that those attempts have never been successful; cultures tended to interact but never replaced one another. Therefore, in the current great debate over globalization, this phenomenon should be regarded as a means of allowing more interaction among nations and more dialogue among civilizations and cultures\textsuperscript{16}.

This view of globalization is dictated by the common environmental, health and economic risks that have begun to face the world since the beginning of the twentieth century. Today, nations of the world realize that they are facing common risks and dangers that urgently require shared solutions. Such solutions can be reached and shared through establishing networks of serious dialogue among nations and cultures around the world.

**Talent Management and Immigration.** The current global economic crisis has impacted the way governments think about immigration. Pledging to curb immigration to the UK, Prime Minister Gordon Brown recently announced that doors will be shut to highly skilled non-EU doctors and engineers, and said his government will consider denying visa to students seeking entry to short-term programs\textsuperscript{17}.

Presently, Indian and multinational technology firms primarily rely on H1B and L1 visas for sending Indian passport-holding employees to work in the US. However, this practice has recently come under the scanner as the American government attempts at protecting the employment opportunities for its domestic workforce, which is reeling under the impact of the slowdown.

Though the Barack Obama-led administration is interested in undertaking certain modifications to the existing visa regime, changes to immigration policy will require an amendment to the existing legislation, according to US Assistant Secretary of State for Consular Affairs Janice L Jacobs.\textsuperscript{18}

Since 1976, when the United Nations adopted the current set of recommendations on statistics of international migration (United Nations, 1980a), the worldwide importance of International migration flows has increased markedly, with the result that international migration issues have gained prominence in both the international agenda and the national agendas of many countries.\textsuperscript{19}

Implicit in the dynamics of immigration is diversity and inclusion as we see significantly more of the world’s engineering and scientific talent emanating from India, China and other Asian nations.

**Human Rights.** Human rights are "basic rights and freedoms to which all humans are entitled." Examples of rights and freedoms which have come to be commonly

\textsuperscript{16} http://unesdoc.unesco.org/images/0013/001393/139318e.pdf  
\textsuperscript{17} http://news.outlookindia.com/item.aspx?669367  
\textsuperscript{19} http://unstats.un.org/unsd/publication/SeriesM/SeriesM_58rev1E.pdf
thought of as human rights include civil and political rights, such as the right to life and liberty, freedom of expression, and equality before the law; and economic, social and cultural rights, including the right to participate in culture, the right to food, the right to work, and the right to education.\textsuperscript{20}

Governments, businesses and civil society play a role in insuring that all people live, learn, and work in environments that are inclusive. The Universal Declaration on Human Rights\textsuperscript{21} continues to be an effective covenant for addressing the key issues impacting genocide, inappropriate treatment of citizens, safety, slave trade and related areas.

**Engagement and Involvement of the Millennial Generation.**\textsuperscript{22} In the United States, young voters across the nation turned out to the polls Nov. 4, 2008, overwhelmingly in support of now-president Barack Obama. It’s now one year later and young people feel they still have a ways to go to be included in the political process.

Youth organizations and special interest groups are concerned about issues ranging from health care to immigration. They want to bring increased attention to youth political involvement.

Groups including Rock the Vote, Iraq and Afghanistan Veterans of America, 80 Million Strong for Young American Jobs and the United States Student Association are discussing matters of national debate and encouraging college-age students to become more involved in the political process.

These groups are assessing the Obama presidency one year later. They are concerned about different education-related issues including student loans and financial aid.

“Progress on some issues has been pretty clear while on others it has been nonexistent,” said United States Student Association representative Lindsay McCluskey, adding that she believes the Obama administration deserves praise for some of its efforts in terms of expanding access to higher education.

Issues like veterans’ rights and the battle over illegal immigration are also part of the discussions. These youth leaders are using social media to post their input “Twitter style.” They believe issues like health care should not be decided without the input of young people because “We’re disproportionately affected by the broken health care system.”

Effective outcomes of the future cannot be fully realized if the emerging leaders and youth of society are not at the table. Businesses, governments and NGOs must

\begin{itemize}
  \item \textsuperscript{20} http://en.wikipedia.org/wiki/Human_rights
  \item \textsuperscript{21} http://www.un.org/en/documents/udhr/
  \item \textsuperscript{22} http://unlvrebelyell.com/2009/11/05/youth-call-for-political-involvement
\end{itemize}
make this a critical part of the change agenda. Young people have to be integrated, involved and engaged in decision making.

**Intercultural and Religious Collaboration.** Inter-religious, inter-ethnic and inter-cultural partnerships are a tool for the promotion of a positive public and political discourse. A dialogue between different religions, ethnic groups and cultures only makes sense if we know the ideological and religious foundations, fundamental values and basic convictions of our own societies, our own points of view. This is a necessary precondition for a useful and constructive dialogue with representatives of other religions and cultures. (Günter Nooke, 2006).

What is troubling is when basic human rights are violated under the guise of differences between cultures, religions and ethnic customs. We have to be honest with ourselves and in our own policies. More often than not, religious and cultural customs are not behind such human rights violations, but rather concrete political interests. (Günter Nooke, 2006).

**Gender Discrimination.** Women’s rights around the world are an important indicator of understanding global well-being. Many may think that women’s rights are only an issue in countries where religion is law, such as many Muslim countries. Or even worse, some may think this is no longer an issue at all. But if one reads the report about the United Nation’s Women’s Treaty and how an increasing number of countries are lodging reservations will show otherwise.

A report from Human Rights Watch23 also describes how women’s rights have not been observed in some countries as much as expected; in some places claims are made that women’s rights will be respected more, yet policies are sometimes not changed enough—or at all—thus still undermining the rights of women.

Women are a significant part of the inclusive and global mindset. They must be at the at the table when strategies are discussed and solutions offered. However, as long as certain societies continue to exclude women from policy and decision making roles, optimum outcomes cannot be achieved.

**Cross Organizational / Company Collaboration**

Solving the growing societal challenges will require increased collaboration between the private sector, NGOs, governments and Civil Society. I believe that the work being done on a global scale by Club de Madrid is significant and key to building more inclusive societies.24 The Club de Madrid has developed a set of commitments and approaches that are very similar to those espoused by private industry leaders.

I will share my views of similarities of their ten commitments to those of actions and commitments made by companies and organizations in the U.S.

**Locating Responsibility.** In most companies the change agenda is facilitated by the Diversity Office. This office helps to drive the change agenda and monitor progress. It has the support of senior leaders. The CEO, board and senior leaders must lead the change.

**Creating Opportunities for Minorities and Marginalized Groups.** In industry, establishing employee network groups (affinity groups) to provide feedback on the climate for diversity and inclusion as well as to participate in targeted outreach to underserved communities are key actions.

**Devising Effective Governance Structures and Policy Frameworks.** Examining policies, processes, and procedures help to root out systemic patterns of discrimination preventing disadvantaged minorities and women from fully participating in the workforce. Institutional systems such as recruitment, development, succession planning, performance management, and compensation are important systems that need to be assessed as mentioned earlier. A growing number of shareholder groups are pressing companies for more information about their workforce composition, especially its senior leadership ranks and the US Department of Labor (Office of Federal Contract Compliance Programs) has launched a major focus on systemic discrimination patterns in industry.

**Providing Equal Access to Opportunities and Laws.** In the United States, the government has enacted a number of laws and regulations requiring equal opportunity and addresses discrimination based on race, gender, sexual orientation and identify, religion, national origin, disability age and other categories. Companies with federal contracts are required by law to have affirmative action programs. Similar laws and practices are in place at the state level.

**Ensuring Physical Environments Create Opportunities.** Employers continue to examine their workplaces to ensure that all employees feel included, involved and integrated into the fabric of corporate work life. Companies are making special efforts to insure that people with disabilities are not disadvantaged in their work environments.

**Ensuring Educational Systems Offer Equal Opportunity.** Private and nonprofit organizations play active roles by coaching and supporting educational systems on ways to improve their processes and effectiveness, particularly to underserved communities.

A number of universities have reached out to corporations and community leaders to help shape their policies and practices. In Tacoma, WA the University of Puget Sound sponsored a national conference on “Race and Pedagogy”[^25] to collaborate and

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[^25]: [http://www.pugetsound.edu/academics/academic-resources/race--pedagogy-initiative](http://www.pugetsound.edu/academics/academic-resources/race--pedagogy-initiative)
explore innovative solutions to emerging issues. University and community leaders are planning a follow up conference in 2010.

**Encourage the Creation of a Shared Vision of Society at Local and National Levels.** A number of organizations are working on diversity and inclusion issues but I will highlight several.

First, the BOLD Initiative\(^{26}\) (Business Opportunities for Leadership Diversity) established by Bea Fitzpatrick in New York has done some ground breaking work with CEOs and national companies. In Seattle, BOLD has organized a group of CEOs who meet regularly over dinner to discuss shared strategies for building more diverse organizations and workforces. Two of their strategies involve building the pipeline of young talent in their respective companies as well as work-life integration strategies.

Also, a Seattle, Washington group of companies have established a learning series focused on diversity and inclusion. A number of local companies are involved in this collaborative process to raise awareness and build skills of their employees and leaders to work and collaborate in a more inclusive workplace (Diversity Learning Series\(^{27}\)).

**Promote Respect, Understanding and Appreciation of Cultural Differences.** At the national level, the Institute for Inclusion\(^{28}\) is a collaborative effort, with goals similar to those of the Club de Madrid, which seeks to build understanding and commitment to diversity and inclusion on a national and international scale. This group is working to finalize a set of “inclusion principles” that can be adopted by major companies, organizations and NGOs as part of the way they do business.

Additionally, in some companies, diversity officers serve as key liaisons with many local community groups and organizations providing support to their efforts through philanthropy, sponsorships, and volunteerism.

**Take Steps to Reduce Tensions and Hostility Between Communities.** In Washington state and other places around the country, a number of events and celebrations are held annually to recognize the contributions of many in the community. Weyerhaeuser will be hosting its 32\(^{nd}\) Annual Celebration honoring the life and legacy of Dr. Martin Luther King and uses the event to reaffirm its commitment to equal opportunity and justice for all. It also serves as a venue to recognize employees and community leaders who are making a difference in the community. Similar events are held in the community by other groups and organizations.

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Additionally, a group of volunteers in Tacoma, Washington formed the Tacoma Civil Rights Project to highlight the contributions of many leaders in the local civil rights movement. The group produced a video documentary and exhibit which was hosted by the Washington State History Museum. A key objective of the documentary was as a teaching tool for school age youth so that they understand the evolution of civil rights in the local community.

Many companies have enacted policies aimed at eliminating workplace violence and reinforcing anti-harassment. Weyerhaeuser has adopted “Preventing Workplace Violence” and “Harassment Prevention” policies to assure that the workplace is free from abuse, intimidation and violence.

**In Summary**

My coaching to business and government leaders is simple. Embrace change. Find a balance. Organizations are becoming diverse with different perspectives, backgrounds and experiences. Adapt to it. Establish “the right balance” which incorporates human differences in the mix in a respectful manner. Make sure to align these diversity strategies to business strategies.

Remember there is no “right or wrong” way. Your change agenda will work best when it is directly tied to your organization’s strategic direction when the leadership teams are committed.

Collaboration is extremely important. All points of view and experiences are valued. Carefully consider all points of view to assure greater transparency in the decision-making processes. Final strategies and outcomes are strengthened by healthy dialogue and discussion from diverse perspectives.

Reward innovation. Encourage smart risk taking. Promote a culture that invites fresh and new ideas that are critical to problem-solving, decision-making and talent development. Seek mutually beneficial outcomes.
Discuss the current state. Understand “non-negotiable” long-standing values. Respect the deeply held values and beliefs about the organization (safety, ethics, respect, hard work, etc.).

As leaders, identify and discuss “exclusionary” behaviors, systems and processes. Seek to remove them from the work place.

And finally, expand the narrative from one focused on compliance and representation, to one focused on fostering inclusion.

- Expect the leadership team to model inclusive behaviors and to hold each other accountable
- Set clear expectations that all leaders will have dialogues on inclusive behaviors with each other and their direct reports.
- As the leadership team, address the real issues at hand – face to face and immediately when such situations occur. Discuss team dynamics and hold each other accountable on engagement, collaboration, and decision-making.
- Enhance skills in communication with, managing, and collaborating with those with different perspectives. Agree on a change agenda for the organization.
- Take action when disrespectful behaviors are observed. Expect consequences.
- Build an action plan, supported by senior leadership, and implement
- Identify specific, tangible action items that the team can take on.
- Establish specific measurements for improvement

Success in the new and emerging economy will hinge on inclusive and collaborative relationships that span company, community, government and nations. Overall global sustainability will hinge on whether or not we get it right.

Effenus Henderson,
November 2009
Effenus Henderson is Chief Diversity Officer for Weyerhaeuser Company, Federal Way, Washington where he advises the CEO and senior management team on diversity related matters. He is an internationally recognized diversity thought leader and has been invited by numerous companies and organizations to share his expertise.

He has addressed members of the General Assembly of the United Nations on intercultural and interreligious diversity, and also addressed a high level panel of the Alliance of Civilizations in Madrid, Spain in 2008 and in Istanbul Turkey in 2009. He also participated in high level dialogue sponsored by the High Commissioner on Human Rights In preparation for the 60th Anniversary Celebration of the Universal Declaration of human rights.

He was named as one of the top diversity officers in corporate America by Diversity Best Practices / Working Mother Media and received its first Diversity Officer Leadership Award in 2007. He was among the finalists for the second annual global ORC Peter C. Robertson Award for Equality and Diversity Champions. He was one of 100 Global Diversity Thought Leaders invited by the president of the Society of Human Resource Management to a special forum in April 2008 to provide a perspective on the future of global diversity and inclusion.

He serves on numerous boards including the National Urban League Board where he currently serves as president of the Council of Affiliate Board Chairs. He is also a member of the Institute for Inclusion, a US based group studying diversity and inclusion trends. He is a graduate of North Carolina Central University and the Stanford University Executive Program.

Note: The opinions and expressions in this document reflect the views of the writer and sources of information and do not reflect those of Weyerhaeuser Company.