

## Avoid Piecemeal Pitfalls: Use a Whole System Approach to Achieve Diversity Results

By: Joe Santana Posted on HR.com May 22, 2006

About a decade ago, I had an epiphany about whole systems thinking when my project team and I were asked to figure out why an effort to digitize the company's backup data systems was failing. After reading about the business trends of companies converting tapes to CD-Rom, an executive at my company thought that he could save the company millions by digitizing data onto CD ROMs instead of storing larger tapes at a third party storage facility. After six months of running on the new CD ROM based platform, however, the company's savings were negligible and nowhere near what was expected. When the troubleshooting team compared our process to that of companies who had successfully lowered their back-up storage costs, they quickly discovered the problem. While moving to the CD ROM approach was a good move, it was only one of the significant changes that they instituted across their whole back-up storage system. We had only looked at one piece in the data storage supply chain.

Since then, I have repeatedly observed how companies – in many different situations and in many different environments – fail to understand the entire context of a problem. This is especially the case with many diversity efforts. According to diversity consulting leaders such as Linda Stokes, CEO of Orlando, Florida- based PRISM International, piecemeal efforts with narrow scopes are very common in the world of corporate diversity usually resulting in frustration and failure.

## Entering the cycle of frustration and failure

"We see this all the time, most often with companies that are attempting to increase the number of women and minorities percentages in their EEO reports solely through recruiting efforts," states Stokes. "They essentially mount a huge diversity recruiting campaign and get a few women and minorities to join the company. Shortly thereafter, the still new hires leave because they don't feel fully included and/or engaged in the company's business strategy. A year later, when the HR managers see that the EEO statistics are unchanged despite their recruiting efforts, they either abandon the effort or they continue to invest more dollars in their piecemeal approach to so-called diversity recruiting. And the cycle – and the frustration – continues."

According to Stokes, the most common outcomes of this fruitless approach are:

- Senior management's loss of confidence in the people who promoted and led the diversity recruiting effort. They wonder why their employee demographic numbers haven't changed.
- Employees' loss of confidence in management's commitment to diversity.
- Increase in SG&A as a result of inefficient recruiting and high turnover and disengagement
- Burn out. The enthusiastic employees who wanted to make a difference aren't supported and so the company pays the opportunity costs of missing out on potentially lucrative ideas and business savvy talent.
- The ever-wasteful and demoralizing blame game. When new recruits leave after realizing the wide chasm between the recruiter's promises of inclusion vs. reality, managers often resort to criticisms of the candidate or, worse, the diversity initiative.

The good news is that you can break the cycle.

What causes these piecemeal diversity effort failures?

- 1. Too narrow a scope. It's like a car manufacturer who focuses only on improving their brake pads in a quest for improving their cars' ability to stop quickly. They don't evaluate tire effectiveness relative to road conditions, or the positioning of the brake pedal relative to the type of driver. While the car may end up with great brake pads, it will still skid on a slippery wet road because the driver may have trouble getting their foot from the accelerator to the brake on time and the tires provide insufficient traction.
- 2. A reluctance to address the organization's culture, policies, practices and procedures that may be hampering diversity. For example, instead of recommending direct changes to the company's existing workplace recognition and reward practices that do not include women and minority recognition programs, diversity managers, employee resource groups or diversity council members sometimes set up "shadow" or what Stokes refers to as "bolt-on" *separate* reward and recognition practices. While this may seem noble, it is not the best approach. "It's important that councils not circumvent the lack of effectiveness of the company's official practices and processes by creating 'separate but equal' ones," states Stokes. "These bolt-on solutions in my experience rarely work and when they rarely do, the benefits never last," she adds.

## So, what can you do to avoid piecemeal approach failures and build stronger whole systems diversity solutions?

The answer: Take a whole-systems approach that *integrates* diversity into your company's formal workforce, workplace and marketplace practices and processes. Here are seven simple steps for you to follow:

- 1. Design better mission formulating questions. If your goal is to increase the percentage of women or minorities in your company, don't ask the limiting and shortsighted question "How can we recruit more women and minorities?" Instead ask "How can we increase the percentage of women and minorities in this company?" While the difference may seem minor, the impact on the quality of your entire solution is huge. The first question is similar to someone who wants to increase their net worth asking, 'how can I make or how can I save more money?' as opposed to 'how do I increase my net worth?'
- 2. Identify all the specific components and systems you need to include in your project scope. Once you have formulated a clear mission question that sets the right scope, consider which company systems and components must be included in your search for a solution. If for example you were continuing with the representation example we discussed earlier, in addition to how and where you recruit, you might want to consider workplace policies, practices, norms, traditions, management practices, promotion and development practices, etc.
- **3.** Ask more questions about each identified component. Staying with our example you might ask, "Do our current work policies, structure, philosophies make us a workplace that would attract, engage and leverage women and minorities?"
- **4. Decide which specific components need to be addressed**. Based on your answers to the questions developed in Step 3, determine which components of the "system" need to be changed and how.
- **5.** Prepare formal change proposals and recommendations for your senior management. Be specific and assign accountability. For example if you need to change the way managers are trained, don't propose getting the diversity council to create a separate diversity management training program. Propose that the person who owns management training *integrate* diversity perspectives into the *existing* program. (The council can support the effort by reviewing approaches and providing the help of external consultants).
- **6. Monitor and manage the execution of the approved proposals.** In this phase, your diversity council should be supporting and monitoring the execution of the approved tactics. Again, the job of the council at this stage is to support the process owner, measure progress and offer status reports to senior management.

**7. Continuously evaluate if your tactics are working towards your ultimate diversity goals.** It's important to closely observe your programs and recommend modifications to the process owners until you start to see the results you want.

## Conclusion

The road to diversity success, like many other corporate endeavors, is littered with the failures of piecemeal approaches that make futile attempts to tip toe around making real corporate practice and culture changes. By following these seven steps, your diversity initiatives will stand a much stronger chance of achieving *sustainable* success.

**Joe Santana** is Sr. Director, Diversity for Siemens in the US. He is co-author of Manage IT and a contributing author in The Professional Services Firm Bible as well as numerous published articles on key management topics. Joe's office is at Siemens Corp in Iselin, NJ.