



Moving Beyond Compliance: The Future of Diversity and Inclusion Management

When *diversity* entered the corporate lexicon in the 1970s and '80s, affirmative action was the driver, and accelerating the inclusion of under-represented groups in the workforce was the challenge the initiative sought to address. However, what began as an attempt to correct an historical imbalance has since grown to encompass much more as organizations of all types have discovered that what's good for society is also good for business—and that failing to build a diverse and inclusive workplace can actually impede economic growth.

THE BUSINESS CASE FOR DIVERSITY

- Businesses that recruit from a diverse workforce find the best and brightest talent.
- The best and brightest talent spurs the most innovative and creative solutions.
- A creative and inclusive workplace makes for happier, more productive employees.
- The more diverse organizations are, the closer they can get to customers—gaining a competitive edge in a global economy.

It's All About the Millennials ...

This truth was borne out recently by International Labour Organization research, which found that barriers to women's participation in the workforces of the Middle East, Sub-Saharan Africa, and even Asia have significantly slowed economic development in those regions. *Not that this should come as a surprise:* In a knowledge-based global economy in which talent is at a premium, organizations can ill afford to overlook any group in their quest to hire and retain skilled workers.

Indeed, to succeed today, organizations must look beyond the inherent differences of race, gender, and age to not just accommodate but capitalize on variations in everything from communications style and work ethic to where, when, and how employees perform their jobs and the values they seek in employers. Just ask the Millennials: Set to comprise 75 percent of the workforce by 2025, the generation born between the early 1980s and the early 2000s is more concerned with values than demographics, and they expect to see those concerns reflected in the organizations they work for.

To win over this segment, organizations need to offer more than just financial rewards. They must promote the volunteerism that Millennials are so keen on. And they must throw their organizational heft behind the societal challenges—such as climate change and dwindling resources—that are top of mind for these workers.

... Or Is It?

While it's true that Millennials will comprise the vast majority of the workforce *one day*, that day has not come *yet*. In fact, at the moment the opposite is true: The current workforce includes *four* generations—the largest age span ever—and that presents its own challenges.

The most immediate of these is creating a culture that allows *every* generation of workers to thrive and that encourages knowledge transfer among them. Only in this way will the leaders of tomorrow be ready when the leaders of today finally exit the workforce. Creating mentorship programs and employee affinity groups, providing feedback (especially for the Millennials), and tailoring training to audience are just a few ways you can ensure that every age group is engaged and primed for success.



THE BOTTOM LINE ON DIVERSITY

Still struggling to make the case for diversity and inclusion?

Consider the following facts and figures from The Center for American Progress.*

- By 2050 there will be no racial or ethnic majority in the United States.
- Between 2000 and 2050, new immigrants and their children will account for 83 percent of the growth in the working-age population.
- Businesses that fail to foster inclusive workplaces see higher turnover rates.
- A McKinsey & Co. study found that the increase in women's overall share of labor in the United States over the last 40 years has accounted for about a quarter of current GDP.
- Of 321 large global enterprises surveyed in a Forbes study in 2011, 85 percent agreed or strongly agreed that diversity is crucial to fostering innovation in the workplace.

* "The Top 10 Economic Facts of Diversity in the Workplace," July 2012; www.americanprogress.org/issues/labor/news/2012/07/12/11900/the-top-10-economic-facts-of-diversity-in-the-workplace/

Tapping the Potential of All: Using Diversity to Drive Long-Term Success

If it's not already clear, then, it should be. Diversity in the first half of the 21st century may be *a lot* about Millennials, but it's not *all* about them—or any other single group, for that matter. Diversity in the years ahead will mean capitalizing on the wide mix of genders, cultural backgrounds, ages, religions, races, and lifestyles that make up your workforce so that you can get to get closer to customers, and respond quickly and creatively to business opportunities.

Here are some ways you can use diversity to drive your business in the days to come:

- **Think globally.** In a global economy, businesses often find themselves staring down a cultural divide when it comes to serving customers in different countries. A diverse workforce can go a long way toward bridging that chasm—but only if organizations remove the barriers to success for employees from other cultures. This means providing training to ensure that managers not only speak the language of the countries in which they operate but that they understand the cultural nuances of those areas as well. It also means understanding that barriers to workplace diversity vary according to region—with issues of class presenting the greatest obstacle in some countries, while gender inequality remains at the fore in others. In all cases, communication *style* matters almost as much as the words being spoken, and organizations must be fluent in both if they are to maximize their potential in a global marketplace.
- **Work flexibly.** By definition, a diverse workplace is also a flexible workplace—ready, even eager, to accommodate a variety of work styles to get the most out of its employees. Shared parental leave, modified daily start and end times, and telecommuting have all proved important tools in increasing women's representation in the executive suite, but the effort shouldn't stop there. With a new generation of workers accustomed to using mobile devices to perform their jobs when and where they please, organizations need to be open to providing flexible work arrangements for *all* employees. Face time still exists; it may just take some technological slight of hand to make it happen with a geographically dispersed workforce.
- **Connect socially.** Building and maintaining a diverse and inclusive workplace means demonstrating to a broad spectrum of workers that you offer a community in which their skills and input will be valued and rewarded. In the 21st century, social media provides an ideal platform for doing just that. Make diversity a part of your brand and then communicate your commitment through your blog and Facebook pages. Train your employees in the use of social media and then encourage them to use it to provide a public face for their resource and affinity groups. Most importantly, stay on top of social media trends so that you choose the right medium for your message and reach the largest audience possible.
- **Lead effectively.** While no one is disputing the bottom-line value of a diverse and inclusive workplace, neither is anyone denying that managing such a workforce presents some significant challenges. The best way to overcome them is by creating a culture that's steeped in diversity from the ground up—using formal mentoring programs to identify a diverse pool of future leaders and then exposing those individuals to a wide range of business situations so that they become sensitized to other values and viewpoints.

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