



Workforce Diversity Fundamentals

“...we need to move from creating a diverse workforce to asking the question: How do we create an environment that allows us to access the talent of a diverse workforce? The distinction is an important one as most organizations have environments that were put in place when the workforce was relatively homogeneous.”

Harvard Business Review, 1996

More than ever, world-class companies are addressing the issue of workforce diversity as a major component of their business strategy. Epsen Fuller & Associates is committed to a policy of equal opportunity and affirmative action within its own ranks, and extends this policy to our practice of executive recruiting.

Epsen Fuller & Associates stands by the belief that providing employment opportunity is not only the law, it is a socially and economically desirable business practice. We do not discriminate between prospective candidates on the basis of race, creed, color, sex, age, national origin, disability or other status and we seek to be inclusive in all of these areas in our search efforts. Our outreach methods are often tailored to meet our client's specific needs and we are happy to work with your diversity officers in coordinating our efforts and addressing any specific compliance issues.

Augmenting your organization's diversity needs through comprehensive executive search makes sense given the current competitive global marketplace. Our Partners are committed to taking specific steps to ensure we present a diverse slate of candidates on every assignment for our clients:

- Before taking on any assignment, we discuss the realistic pool of diverse candidates within a specific discipline or industry.
- In our search efforts, we advise individuals with whom we come into contact that we are seeking a diverse slate of potentials.
- We take an active role in participating with and supporting professional associations and organizations that help us expand our knowledge of an access to diverse candidate pools.

On the following pages is a suggested set of steps you may want to review to ensure a diverse workforce and remain competitive in today's global economy.

DIVERSITY: An Imperative for Business Success in America's new multicultural century requires that successful companies begin to include a strategic multicultural perspective into their overall business planning process, and develop a strategy.

ESTABLISH a Corporate Diversity Policy signed by the Chief Executive Officer that endorses work-force diversity as a fundamental core value related to business objectives of the company.

ESTABLISH strong and regular contact with HBCU's, colleges and universities where there is a high percentage of minority students to ensure access to high potential minority graduates; establish relationships with minority professional organizations.

FORMULATE a Diversity Recruitment Strategy that uses a specialist in minority recruiting as a supplement to traditional recruiting sources: institute a separate corporate human resources budget to fund diversity recruitment on a company-wide basis.

APPOINT a Director or Vice President of Corporate Diversity reporting to the CEO/Senior management who has a demonstrated success record. Delegate "line" authority and a budget for diversity initiatives. Put a company "Star" in the post.

MANDATE that all external recruitment sources include female and minority candidates with requisite management-level searches; distribute the corporate policy to all recruiters and require adherence to the policy by all vendors.

ENDORSE internal and external mentoring programs. Assign majority and minority employees in functioning successfully with members of the traditional workforce.

DEVELOP a meaningful company-wide "feed-back" program so management can gauge accurately the success or failure of all diversity programs and be prepared to take corrective action if required.

ESTABLISH a Diversity Retention Program to enhance the company's ability to retain high potential minority professional; institute realistic diversity exit interviews that are focused on determining the actual reasons for resignations by minority professionals.

IMBUE a pride in company executives for their success in achieving performance driven diversity objectives. Keep diversity objectives separate from affirmative action numbers-oriented goals; maintain focus on achievement by "individual employees" not "groups of employees."

All of these initiatives will begin to address such pressing questions as:

DIVERSITY ISSUES: BECOMING "EMPLOYER OF CHOICE"

How well have we done in recruiting the best and brightest diverse candidates? Are diverse employees represented at all levels of our company? How well do we retain our diverse employees?

MARKETING ISSUES: BEING A "PREFERRED BRAND"

Are multicultural Americans more or less likely to purchase in our product categories? How do they perceive our brands? Does our advertising and overall marketing communications reflect these consumers in culturally appropriate ways? How are our competitors addressing these consumers? What is our business opportunity with the multicultural marketplace? What are the underlying economics? Specifically who are our multicultural target customers and why? How unique is the opportunity? How can we leverage our existing infrastructure? What is the optimal go-to-market approach? What is the ideal operating model/organizational design (people, process, systems)? What is my expected ROI?

DID YOU KNOW THAT MULTICULTURAL AMERICANS ARE THE FASTEST GROWING MARKET?

Hispanic, African-American, Asian Pacific American populations are growing at seven times the rate of the general market. They are almost 30% of the population today and by 2040 will comprise over 50% of all Americans. In 10 years, about half of the U.S. population under 21 will be non-white.

BURGEONING BUYING POWER:

Buying power has increased 50% to about \$1 trillion in the past 10 years. According to the New American Marketbasket Index, multicultural consumers are outspending white families on groceries, personal care products, clothing, entertainment and education. Family purchases are growing faster than whites in 10 of 13 "market basket" categories including new cars and healthcare.

GAINING THE MEANS TO PROSPERITY:

According to the Multicultural American Dream Index, ethnic Americans are accessing the means to prosperity-increasing household income, obtaining mortgages, owning small businesses, earning college degrees at a rate that is increasing more than three times faster than whites.

EASY TO REACH, RESPONSIVE, LOYAL CUSTOMERS:

Culturally relevant creative running in ethnic media has been shown to be twice as effective in selling to ethnic Americans. These customers have greater brand loyalty and are willing to pay more for the best.