May 2001

Best Practices in Diversity Management

Neil E. Reichenberg

*International Personnel Management Association*

Follow this and additional works at: [https://digitalcommons.ilr.cornell.edu/gladnetcollect](https://digitalcommons.ilr.cornell.edu/gladnetcollect)

Thank you for downloading an article from DigitalCommons@ILR.

Support this valuable resource today!
Best Practices in Diversity Management

Abstract
[Excerpt] The International Personnel Management Association (IPMA) has undertaken a human resource benchmarking project with the National Association of State Personnel Executives (NASPE). IPMA is an organization representing over 1,700 organizations and 2,500 individuals involved in public sector human resource management. The Association’s mission is to optimize organizational and individual performance in the public service by providing human resource leadership, professional development, information and services. IPMA has established an International Human Resource Advisory Board to facilitate the exchange of information on international human resource developments. The International Human Resource Advisory Board has 37 members from 35 countries and international organizations. Additional information about IPMA can be obtained at http://www.ipma-hr.org.

Keywords
diversity, diversity management, best practice, organizations

Comments
http://digitalcommons.ilr.cornell.edu/gladnetcollect/309
Best Practices in Diversity Management

Neil E. Reichenberg
Executive Director
International Personnel Management Association
Introduction

The International Personnel Management Association (IPMA) has undertaken a human resource benchmarking project with the National Association of State Personnel Executives (NASPE). IPMA is an organization representing over 1,700 organizations and 2,500 individuals involved in public sector human resource management. The Association’s mission is to optimize organizational and individual performance in the public service by providing human resource leadership, professional development, information and services. IPMA has established an International Human Resource Advisory Board to facilitate the exchange of information on international human resource developments. The International Human Resource Advisory Board has 37 members from 35 countries and international organizations. Additional information about IPMA can be obtained at http://www.ipma-hr.org.

The IPMA/NASPE Benchmarking Committee consisting of public sector human resource practitioners who are members of IPMA and NASPE directs the benchmarking project. Benchmarking surveys were conducted in 1998 and in 2000 of both IPMA and NASPE members. The primary areas surveyed in 1998 were recruitment and selection, recruitment and retention of information technology staff, and training. In 2000, total compensation, recruitment and selection, and training were surveyed. About 350 organizations completed the 1998 survey and approximately 200 organizations completed the 2000 survey. An analysis of the results has been published. A key component of the project has been the identification of best practice organizations. The goal of selecting best practice organizations is to highlight successful models that can be reviewed and adapted in whole or in part by public sector organizations. The Benchmarking Committee used the following criteria to determine which agencies have potential best practices:

1. Successful over a period of time;
2. Produced quantitative and/or qualitative results;
3. Developed recognized or recognizable positive outcomes including customer satisfaction or some type of definitive positive impact;
4. Innovative;
5. Replicable, portable and/or transferable to other organizations with modifications. The best practice should also add value by improving service, quality and/or productivity; and
6. Meaningful to users of the benchmarking project data.

From the data contained in the 1998 survey, nineteen best practice organizations were selected in the following areas: diversity/affirmative action; timely hiring; information technology recruitment and selection; training evaluation; and linking competencies to training. The Benchmarking Committee is currently selecting best practice organizations from the 2000 survey. Additional information on the benchmarking project is available at http://www.ipma-hr.org/benchmark_index.html.
Importance of Diversity

Diversity was selected as a best practice area since changing demographics make it more important to select, retain and manage a diverse workforce. According to the IPMA/NASPE Benchmarking Committee, “diversity efforts in the workplace facilitate the exchange of new perspectives, improve problem solving by inviting different ideas, and create a respectful, accepting work environment, all of which make good business sense.” In the book Beyond Race and Gender, R. Roosevelt Thomas defined managing diversity as “a comprehensive managerial process for developing an environment that works for all employees.” The key for employers is to make diversity an asset within the organization. Diversity is different from affirmative action since affirmative action is the framework for a diversity management program. Diversity management has been described as looking at: 1) the mind set of an organization; 2) the climate of an organization; and 3) the different perspectives people bring to an organization due to race, workplace styles, disabilities, and other differences.

Diversity best practice organizations

The States of Oklahoma, Washington, Wisconsin and the City of St. Petersburg, Florida were selected as best practice organizations in the area of diversity. Best practice organizations value people and cultivate an environment where cultural awareness, sensitivity, fairness and integrity prosper. All employees believe that they can progress if they are qualified, motivated and work hard. The Benchmarking Committee found that these organizations shared some common practices that made them best practice organizations. These practices included:

- The development of a formal process that is contained in laws, rules or procedures. Both human and financial time and resources are devoted to the program. In best practice organizations, diversity is a process that is an integrated, ongoing and measurable strategy.

- Diversity efforts are primarily decentralized with a central governing body outlining the requirements of the plans with individual agencies and departments developing their own plans that are tailored to their specific needs. This reinforces a sense of ownership and ensures that managing diversity has both top level support and is a reality throughout the organization.

- In best practice organizations diversity training is provided to the workforce. The training is not limited to managers, but is extended throughout the workforce. Successful organizations incorporate diversity into mentoring efforts, leadership training and management-by-results programs.

- Best practice organizations utilize workforce data and demographics to compare statistics reported for the civilian labor force. Occupations with under-utilization are identified and goals are established to reduce the under-utilization. All of the best practice organizations use affirmative action models, but each adds creative innovations that get results and set their programs apart.
• Best practice agencies have found that requiring affirmative action efforts through law, executive order, or other mandates compels agencies to establish serious goals and to make earnest efforts toward meeting those goals.

• Best practice organizations have established a review committee that is responsible for establishing policies, providing technical assistance, reviewing/approving plans, and monitoring progress toward the achievement of goals.

• Effective diversity programs also link recruitment, development and retention strategies to organizational performance. They integrate employee development processes and map career paths to see what critical skills are necessary to advance; then communicate these skills to employees and provide training.

• Accountability for the results of diversity programs is another attribute of best practice organizations. Accountability is determined through the use of metrics, surveys, focus groups, customer surveys, management and employee evaluations, and training and education evaluations. Diversity competencies may be incorporated into management systems. In this way organizations can determine how employees deal with people of different cultures and styles, support workplace diversity, include diverse people in work teams, and understand the impact of diversity on business relationships. While valuing and integrating diversity are lofty goals, to be effective, organizations must use more measurable criteria to evaluate success in managing diversity.

**State of Oklahoma**

The State of Oklahoma was selected as a best practice organization since it has an effective law, a commitment to diversity from top management, and a strong oversight role for the State Office of Personnel Management (OPM). The State has a civil service system with no labor unions. The State has about 37,500 employees.

The State has a law that assigns key roles to the legislative leadership and mandates agency action, thus putting the State’s philosophy regarding diversity and affirmative action at the forefront. The law also provides OPM with strong authority to hold agencies accountable for implementing meaningful affirmative action efforts. The law specifically provides that efforts to eliminate or reduce imbalances in the workforce for women and minorities are not discriminatory practices. An agency that fails to make significant progress toward its goals must take corrective remedies including participating in special recruiting programs; developing training on equal employment, affirmative action and managing work place diversity; or submitting all hiring and promotion decision for mandatory review and approval. The law gives the OPM Administrator the authority to remove the personnel function from those agencies that demonstrate a pattern of non-compliance. Each agency appoints a civil rights administrator who must meet qualification criteria and training requirements, both of which are established by OPM.

State efforts are decentralized with each agency developing its own goals. However, there is central oversight by OPM. Each agency compares its workforce demographic information to
civilian labor force data. Under-utilization is identified and action plans to address this are developed by each agency. Oklahoma has a statutory Affirmative Action Review Council whose role is to evaluate agency plans, recommend approval/disapproval of plans, review agencies’ progress toward achieving goals, and recommend sanctions for non-compliance.

The diversity program in Oklahoma places emphasis on comprehensively reviewing compliance with equal employment opportunity and affirmative action standards. The program continues to have excellent results. During fiscal year 2000, there were 109 affirmative action appointments in all employment categories and all protected classes. In comparison to the civilian labor force, the representation of minorities in the State workforce exceeds all job categories except for Service Maintenance. Overall the State workforce is composed of 19.2% minorities, which exceeds the 16.7% minority representation in the civilian labor force.

State of Washington

The State of Washington was selected as a best practice organization in recognition of its efforts, which have resulted during the past 14 years in the increase of diversity among the State’s workforce by more than 40%. The primary factors contributing to the success are:

- **Executive leadership** – The Governor establishes a personal contract with each member of his cabinet regarding diversity programs and goals.

- **Inclusiveness** – More than 70 percent of the state’s employees belong to at least one of the affected groups that are included in the State’s affirmative action program. The State monitors and assists persons who are vulnerable to employment discrimination, especially racial and ethnic minorities, persons with disabilities, and persons over 40 years of age (the age at which individuals become covered by the Age Discrimination in Employment Act). This broad based approach results in far-reaching support and counters common perceptions that affirmative action is only a program for minorities.

- **Centralized guidance/decentralized execution** – Each state agency and institution of higher education develops its own goals and implementation strategies. Guidelines are established centrally. The State has developed a program that automates the complex, multi-factor analysis process.

- **Promotion of diversity** – Agencies and institutions of higher education have many programs to promote and sustain the valuing of difference. For example, hundreds of state employees participated in a “Day-On Rather than a Day-Off,” a statewide effort in which the employees volunteered their time for public service during the birthday observance of Martin Luther King, Jr.

The State of Washington has a civil service system with more than 50% of the work force being unionized. The State employs about 45,500 people. The diversity program in the State is implemented through a partnership between the Governor’s Affirmative Action Committee, the Department of Personnel and government agencies. The Committee, which was established in 1984 by an Executive Order, provides policy guidance, recommends the approval or disapproval
of affirmative action plans, oversees progress and accomplishments on an agency-by-agency basis, and regularly shares successful practices and resources with all agencies. Each Committee member serves as a personal resource to six or seven agencies.

The Department of Personnel includes a Workforce Diversity Unit that provides a variety of services to agencies including: outreach to organizations serving groups who are underrepresented in state government; orientations that provide information about the State’s recruitment procedures in general and the Workforce Diversity Program in particular; special testing for individuals with language barriers and reasonable accommodation for persons with disabilities; job counseling; assistance to state agencies in the development of affirmative action plans and policy guidance; financial loans to agencies through the Disability Accommodation Revolving Fund to provide accommodation for persons with disabilities; and information regarding local recruiting by certain state agencies. The Personnel Department publishes a monthly newsletter on diversity activities that is distributed to the state’s human resources community.

The efforts of the Committee and the Department of Personnel provide accountability, consistency, consultation, direction, and tools to assist state agencies in their efforts. Agencies are given the flexibility to create innovative programs to meet their own needs.

**State of Wisconsin**

The State of Wisconsin was selected as a best practice organization due to its strong commitment to diversity. The State has committed substantial resources to this effort and has established a Division of Affirmative Action within the central human resources department. The State has created a Council on Affirmative Action. The Council is appointed by the Governor and legislative leaders and advises the Secretary of the Department of Employment Relations on the State’s affirmative action efforts. The Council evaluates the progress of affirmative action programs throughout the civil service system, seeks compliance with regulations and recommends improvements in affirmative action efforts. The Council meets bimonthly and its meetings are open to the public.

In the State of Wisconsin, affirmative action efforts are decentralized, with each agency responsible for developing and implementing a plan within standards established by a central agency. The Division of Affirmative Action supports the State’s efforts by developing policies, recommending new or revised legislation, establishing standards and approving the plans of agencies, and monitoring progress toward meeting plan goals. The Division also analyzes workforce data, identifies under-utilized job groups, and provides technical assistance to agencies in developing innovative personnel programs to increase diversity in State government.

The Division assists agencies in evaluating the effectiveness of their equal employment opportunity/affirmative action efforts by performing both in-office desk compliance reviews and on-site monitoring of their personnel records and programs. In-office monitoring is conducted at least twice each year for every state agency. The monitoring reviews concentrate on three key areas: workforce analysis review, impact ratio analysis, and missed opportunities. The Division’s focus is on improving overall EEO/AA performance by providing recommendations to
strengthen the effectiveness of programs and increase efficiency in utilizing state resources. The State also has a full-time equal employment recruiter who helps to keep diversity in the forefront of staffing concerns and maintains a consistent, focused plan of action.

The State fills about 2,500 classified positions annually. Applicants apply for a position and must pass a civil service examination to be placed on a register. The top five to ten candidates are certified from the register and are interviewed for a vacancy. Under-utilization occurs when the percentage of racial and ethnic minorities or women in a job group is below the availability of those groups in the relevant labor pool. Where there is under-utilization, an agency will receive expanded certification allowing up to three additional names of qualified women or racial/ethnic minorities to be included in the certified list of applicants that is sent to an agency for employment consideration. The State also has a handicapped expanded certification that is used to ensure that qualified persons with disabilities are among the applicants considered for state civil service positions.

State agencies appoint affirmative action officers who have the responsibility to advise and assist the agency in developing and implementing its plan. Most State positions, including upper and senior level vacancies are announced with open competition to maximize the diversity of applicant lists. The Division of Affirmative Action provides EEO/AA training for new supervisors, affirmative action officers, affirmative action committee members, and personnel managers and specialists. The training programs are offered on a regular basis.

The efforts undertaken by the State have resulted in minorities being hired at nearly twice their statewide availability. In 1998, minorities represented 7.4% of the State labor force, but accounted for 14.9% of the State’s hires. The percentage of women employees also exceeds the labor force. In addition, the number of under-utilized job groups has been reduced.

**City of St. Petersburg, Florida**

The City of St. Petersburg, Florida has decentralized its affirmative action efforts, with each agency responsible for developing and implementing a plan within standards established by a central agency. Affirmative action/diversity goals are set city-wide and in individual agencies. Under-utilization analysis is conducted on a quarterly basis, using statistical data reported in the Civilian Labor Force and the city’s workforce. The analysis is done both city-wide and by department. This results in the establishment of goals based on the analysis. The analysis also highlights those areas needing special attention. When under-utilization is documented, and the city is below its goal in a particular job category, the affirmative action plans requires enforcement of the city’s “1-for-1” policy. The policy requires that at least one member of the protected class must be hired or promoted for every hiring or promotion of a non-protected class member.

All of the top managers in the city are required to attend an eight week seminar on diversity. In addition, a diversity training and awareness program is being implemented throughout the city. Diversity training is part of the city’s regular training curriculum, although training is conducted in targeted departments when it is identified as necessary.
In its most recent Affirmative Action Annual Report, it was noted that the overall percentage of minority group members employed by the city has increased from 26.4% in 1990 to 28.6% in 2000. Over this period, the percentage of minority males decreased slightly from 20.8% in 1990 to 20.3% in 2000, while the percentage of minority female employees increased from 5.6% to 8.3% and the percentage of white female employees increased from 18.1% to 19.5%. The city believes that the reduction in the minority male representation rate can be attributed in part to the reduction in the job category of skilled crafts, where minority male representation is high relative to other categories. Minority male representation in this category remains considerably above the goal. Minority male representation has increased in several job categories including officials and administrators, protective services, and service and maintenance workers.

Conclusion

Organizations can be strengthened by leveraging differences that mirror the diversity of its citizens. Surveys have demonstrated a positive impact on high performance where senior management teams include a diversity of ages, ethnicity, and gender. A diverse workforce also can improve organizational productivity and creativity. Managing a diverse workforce can be a challenge. When people from different backgrounds come together in the workplace, there is potential for great accomplishment, but also for great conflict. This paper has attempted to highlight the diversity efforts of those organizations that are leaders in diversity management. IPMA hopes that other organizations will consider adopting some of the practices of those organizations that have been acknowledged as leaders in the diversity management area.