



Prof. Christopher F. Achua – University of Virginia's College at Wise, USA

Key Concepts:
Leadership Theory and Practice 1

Why Today's Leaders Must Fully Embrace Diversity or Else

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Diversity 2

Diversity is the inclusion of all groups at all levels in an organization

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Multiculturalism 3

Legislative & Cultural Trends

Legislative acts

- Civil Rights Act
- Americans with Disabilities Act (ADA)

Cultural Trends

- Increased Immigration
- Changing demographics

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Multiculturalism
Legislative & Cultural Trends

The Civil Rights Act of 1964

Outlawed most types of employment discrimination

Minority groups

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Multiculturalism
Legislative & Cultural Trends

Americans with Disabilities Act of 1990 (ADA)

Outlawed discrimination against people with disabilities

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Multiculturalism
Legislative & Cultural Trends

Increased Immigration

American philosophy - Embracing diversity and engaging in constructive immigration

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More **RACIALLY** and **ETHNICALLY** mixed population

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Multiculturalism
Legislative & Cultural Trends

Changing demographics

Race/Ethnicity	Gender	Age
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Changing Population & Workforce Mix⁴

Increasing number of Hispanics, African-Americans and Asians

Rate of growth amongst these groups is faster than the overall population

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Changing Population & Workforce Mix

Increasing number of Hispanics, African-Americans and Asians

Demographers project that the nation will become "minority Caucasian" by 2050

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Changing Population & Workforce Mix

Increasing number of Hispanics, African-Americans and Asians

Demographers project that the nation will become "minority Caucasian" by 2050



Combined minority population greater than white Caucasian population

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Changing Population & Workforce Mix

Increasing number of Hispanics, African-Americans and Asians

Gender and age mix



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Changing Population & Workforce Mix

Increasing number of Hispanics, African-Americans and Asians

Gender and age mix

Generational and age diversity in the workplace

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Changing Population & Workforce Mix

- Increasing number of Hispanics, African-Americans and Asians
- Gender and age mix
- Traditionalists
- Baby Boomers
- Generation X
- Millennials
- Generation Z

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Changing Population & Workforce Mix

- Increasing number of Hispanics, African-Americans and Asians
- Gender and age mix
- More workers sharing work duties and space with disabled co-workers

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The Reality

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What is the reality of these changes?

Leaders

Followers

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The Reality

What is the reality of these changes?

Leaders

Followers demographically different than the leader

Ethnicity Gender Age

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The Reality

What is the reality of these changes?

Leader demographically different than the follower

Followers

Ethnicity Age Gender

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The Reality

Implications

Leaders

Contingency/Situational leadership principles couldn't be more critical at this time

Diversity and inclusion competency as a part of leadership development program and employee orientation programs

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The Case for Diversity and Inclusion 6

Humanistic Perspective Perspective from a human point of view

Legal Perspective Ethical and moral imperative to pursue policies of inclusion

Economic Perspective **This is fair!**

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The Case for Diversity and Inclusion

Humanistic Perspective There are laws governing discrimination

Legal Perspective Organizations have to act in compliance with **local, state, and federal laws**

Economic Perspective

- Lawsuit
- PR damage
- Boycott

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The Case for Diversity and Inclusion

Humanistic Perspective Embracing diversity and inclusion is good for business

Legal Perspective It increases:

Economic Perspective

- Revenues
- Profits
- Stock price

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Diversity, Inclusion & the Bottom Line 7
(Business Performance)

Bottom Line

How does it affect business performance?

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Diversity, Inclusion & the Bottom Line
(Business Performance)

- Marketing Advantage
- Larger Recruitment Pool
- Cost implications
- Creativity and Innovation

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Diversity, Inclusion & the Bottom Line
(Business Performance)

Marketing Advantage

Having a diverse workforce offers a **greater understanding and knowledge of the diverse customer base**

Easier to receive good customer service

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Diversity, Inclusion & the Bottom Line (Business Performance)

Human Resources **Larger Recruitment Pool**

A good reputation on diversity and inclusion, from a company's point of view, **attracts candidates among women and culturally diverse groups**

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Diversity, Inclusion & the Bottom Line (Business Performance)

Cost Implications

Embracing diversity and having an organizational culture of inclusion **increases the company's productivity and job satisfaction**

Reduces turnover and absenteeism (minority groups)

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Diversity, Inclusion & the Bottom Line (Business Performance)

Cost implications

Productivity improvements
Job satisfaction increases
Reduces turnover and absenteeism


Cost indicators

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**Diversity, Inclusion & the Bottom Line
(Business Performance)**

 **Creativity and Innovation**

Diverse teams are more creative **problem-solvers and decision-makers**

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Conclusion 8

Why Intel's CEO Attends Monthly Committee Diversity Meetings?



By Stephanie Mehta
Fast Company Innovation Festival, 10/06/20

Stephanie Mehta, *Fast Company Innovation Festival*, 10.06.2020

Conclusion

*“For me it’s very simple: In an effort to dramatically improve our performance, **I try to engage on things that matter the most**, and if I engage on them, others will engage on them because it is going to make us a stronger and better company.”*

Bob Swan (CEO of Intel)

Stephanie Mehta, *Fast Company Innovation Festival*, 10.06.2020



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Conclusion

Asked if shareholders had pushed back on the idea of the CEO devoting much of his time to human resources issues, Swan pointed to research suggesting that companies that invest in diversity and inclusion see their **stock prices jump**

Stephanie Mehta, Fast Company Innovation Festival, 10.06.2020

Conclusion

"Our investors are asking, 'Are you building the right teams, the right environment, the right culture, so that you can bring your purpose to life?'"

Bob Swan (CEO of Intel)

Bob Swan and Intel's approach to this topic represents the **"or else"** part in the title of this lecture

Stephanie Mehta, Fast Company Innovation Festival, 10.06.2020

Conclusion

Business and other organizational stakeholders are demanding action, not lip service

There is a price to pay for ignoring it

Stephanie Mehta, Fast Company Innovation Festival, 10.06.2020



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