ACTION LEARNING SCENARIO # 3

The Diversity Business Case

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Issue: In January 2005, the U.S. Government Accountability Office (GAO) issued a report titled _DIVERSITY MANAGEMENT Expert –Identified Leading Practices and Agency Examples_ [i] which states:

> A high performance organization relies on a dynamic workforce with the requisite talents, multidisciplinary knowledge, and up-to-date skills to ensure that it is equipped to accomplish its mission and achieve its goals. Such organizations typically foster a work environment in which people are enabled and motivated to contribute to continuous learning and improvement as well as mission accomplishment. Such organizations also provide both accountability and fairness for all employees.
> In addition, the approach that a high-performance organization takes towards its workforce is inclusive and draws on the strengths of employees at all levels and of all backgrounds. This approach is consistent with that of diversity management.

The November 14, 2005, edition of the Wall Street Journal devoted the entire Journal Report section of the paper to diversity. Many of the articles contained in the Report discuss the changing and broadening role and value of diversity. Specifically, in Carol Hymowitz's article titled The New Diversity [ii] she describes the impact of diversity as follows:

> As companies do more and more business around the world, diversity isn't simply a matter of doing what is fair or good public relations. It's a business imperative…" If companies are going to sell products and services…they will need a rich mix of employees with varied perspectives and experiences."

Diversity allows a company or agency to maintain a competitive edge and better serve its customers. In the case of the USGS, diversity can help expand our scientific reach by bringing greater diversity of ideas and approaches. The USGS Science Strategy explores the need for the Survey to "_foster a culture and resource base that encourage innovation, thereby advancing scientific discovery through the development and application of state-of-the-art technologies._"

Yet, with all of this attention and focus on the importance of diversity management, results from both the 2002 USGS Organizational Assessment Survey (OAS) and the Best Places to Work in the Federal Government 2005 results show that more work needs to be done in the area of diversity. The 2002 OAS results revealed that "…while overall bureau responses to questions dealing with diversity were positive (64%), the responses of Minority employees were significantly less favorable. In addition, Minority employees reported that they are less likely than white employees to spend the remainder of their career with the USGS[iii]." In the Best Places to Work in the Federal Government 2005, the USGS ranked 154 (out of 250) in the area of "Support for Diversity[iv].

Background: There is an extensive amount of research that shows the importance of effective diversity management. A 1994 Society for Human Resource Management (SHRM) White Paper states[v]:

> To maximize productivity, companies must improve their ability to manage their diverse staffs. Statistics show that females and minorities will comprise the largest proportion of new entrants into the job market during the rest of this decade; therefore, businesses must continue to successfully recruit and productively utilize them. Companies that move into the future with a well-managed and diverse workforce will be able to better serve customers in both the domestic and international markets. To improve productivity and morale and to open up new avenues of creativity among employees, members of the multicultural workforce must learn to communicate more effectively with one another and to understand and appreciate one another's cultural differences.

The USGS has for the past several years worked to improve its workforce diversity and integrate diversity principles into our day to day practices. For example, the USGS guiding principles include language that is very much akin to diversity management.

Challenge: The USGS needs to develop a diversity strategy that resonates with leaders, line managers and most importantly our scientists. In addition, the USGS needs a workforce reflective of the taxpayers, stakeholders and cooperators we serve. Our diversity recruitment challenges are great. Consider the following table derived from a 2005 report issued by the National Action Council for Minorities in Engineering, Inc. (NACME)[vi].

Degrees Awarded in 2003 in Biological and Physical Sciences by Sex, Race/Ethnicity and Citizenship

Degree	Men	Women	Underrepresented Minorities	Foreign Nationals
Bachelor's in Biological Sciences	22,815	37,602	9,762	1,512
Bachelor's in Physical Sciences	10,204	7,287	2,086	580
Master's in Biological Sciences	2,395	3,347	585	964
Master's in Physical Sciences	2,310	1,488	324	1,395
PhD's in Biological Sciences	2,134	1,911	294	1,401
PhD's in Physical Sciences	1,399	567	131	1,224

Retaining diverse hires is also a challenge. Our exit survey reveals the following statistically significant results:

1. Reasons for Leaving by Grade:
   - The lower an employee's grade level, the more likely he or she is to cite the following as additional reasons for leaving
     - Pay and Benefits
     - Career Advancement
   - The higher an employee's grade level, the more likely he or she is to cite the following as additional reasons for leaving
     - Stress
     - Illness and disability
     - Lack of vision/direction
2. Reasons for Leaving by Gender:
   - Men are more likely to cite the following as additional reasons for leaving
     - Employee development and training
     - Lack of vision/direction
     - Inconsistent policies
     - Awards and recognition
   - Women are more likely to cite the following as additional reasons for leaving
     - Continue formal education
     - Child care problems
3. Reason for Leaving by Race and Ethnicity:
   - American Indian and Alaska Natives are more likely to cite the following as additional reasons for leaving
     - Workplace conditions
     - Safety concerns
     - Workload distribution
     - Promotional practices
     - Discrimination
   - Asians are more likely to cite the following as additional reasons for leaving
     - Continue formal education
     - Employee development/training
     - Safety concerns
   - Black or African Americans are more likely to cite the following as additional reasons for leaving
     - Career advancement
     - Reduce commuting time
   - Hispanics are more likely to cite the following as additional reasons for leaving
     - Career advancement
     - Child care problems
     - Safety concerns
     - Promotional practices
4. Reason for Leaving by Disability Status
   - Persons with disabilities are more likely to cite the following as additional reasons for leaving
     - Illness/disability
     - Workplace conditions
     - Promotional practices
     - Discrimination

Drawing on the background information and research materials provided, your own experience, and your understanding of the knowledge, skills and abilities needed to help the USGS achieve its goal of science excellence, make recommendations on how leadership in the USGS can more effectively leverage the benefits of diversity management and recruitment.

As part of your recommendations, please consider the following questions:

1. What are our managing diversity strengths and weaknesses?
2. How can the USGS recruit and retain more minorities and women?
3. Which USGS diversity efforts are working well? Why are they successful?
4. How should we measure the benefits of diversity?
5. How can the USGS build a more inclusive culture (all dimensions of diversity)?
6. How can our recruitment/outreach efforts be enhanced to result in greater diversity?
7. How can we better communicate the business case for diversity in the USGS?
8. What kind of examples would help managers understand the advantages of having a diverse workforce?
9. How can we sell the imperative of managing diversity in a way that makes managers sit up, take notice, and actually put some energy behind it?

Your findings and recommendations in response to these questions will provide valuable insight and ideas that can help the USGS Director, Deputy Director, the ELT and other managers improve our ability to implement a diversity strategy that is results focused and measurable.

Attachments:
1. U.S. Department of the Interior, Strategic Plan for Achieving and Maintaining a Highly Skilled and Diverse Workforce FY 2005 – 2009.
2. U.S. Government Accountability Office, Report (GAO-05-90) Diversity Management Expert-Identified Leading Practices and Agency Examples.
3. Partnership for Public Service, Back to School – Rethinking Federal Recruiting on College Campuses.
4. NACME Symposium 2005 Data Book
5. U.S. Office of Personnel Management, Building and Maintaining a Diverse, High-Quality Workforce
6. Examples of USGS Student Recruitment/Outreach Programs

Additional Background Material Provided:
o DOI Office of Human Resources, Toolbox for Managers and Supervisors
o USGS Diversity Council Strategic Plan and Charter
o ECO Diversity Resources
o FY 2006 USGS Workforce Data
o USGS Exit Survey Results 2000 - 2006
o Articles from the Society for Human Resource Management (SHRM)
    o *The Strategic Business Case for Diversity*
    o *What is the Business Case for Diversity?*
    o *Diversity*
    o *Best Companies' Offer Diversity-Related Lessons*

[i] January of 2005, U.S. Government Accountability Office (GAO) report (GAO-05-90) titled <u>Diversity Management – Expert Identified Leading Practices and Agency Examples</u>

[ii] Hymowitz, Carol. "The New Diversity" <u>Wall Street Journal – The Journal Report</u> 14 November 2005 R1

[iii] U.S. Geological Survey 2002 Organizational Assessment Survey Preliminary Report – Executive Summary

[iv] Best Places to Work in the Federal Government 2005 – results based on data from the Federal Human Capital Survey of 2004. http://www.bestplacestowork.org

[v] Gruer, William E., PhD., SPHR, and Diana M. Osinski, SPHR. "Diversity" SHRM White Paper, February 1994, Reviewed November 2002. http://www.shrm.org/hrresources/whitepapers_published/CMS_000234.asp

[vi] The data were developed by the Commission on Professionals in Science and Technology (CPST) using data derived from the National Center for Education Statistics (NCES).