



**HOMOGENEITY: BEING THE SAME  
GETS YOU THE SAME**

Deidre Sanders, PhD

Chair, AABE/CA Public Policy Committee

October 28, 2020

## THE CASE FOR DIVERSITY

- Larger Hiring Pool
- Different Perspectives
- Improved Productivity
- Increased Creativity
- Better Performance
- Reduced Employee Turnover
- Improved Organizational Image
- Increased Individual Insights

Source: Milton Campbell, Growth Tactics, [Why is Diversity in the Workplace Important? 8 Benefits](#)

## SO WHY DOESN'T EVERYONE DO IT?

- ✓ Failure to align diversity practices with organizational goals;
- ✓ Mismatch between design of diversity policies and policy implementation;
- ✓ Vague about diversity goals/objectives;
- ✓ Blind replication of another organization's DEI plan;
- ✓ Poor implementation;
- ✓ The homogenous employees see it as a disadvantage for them

## WE'RE JUST FINE

The Brooklyn Dodgers were a competitive MLB team. From 1888 to 1941 they went to the World Series 5 times...and lost all 5 times to the NY Yankees.

In 1947 they added Jackie Robinson to the roster and again went to the World Series...and lost again. Robinson won Rookie of the Year.

**They went to the World Series 6 times between 1947 and 1956**, playing the Yankees each time. They won with Robinson only in 1955 with the addition of Don Newcombe and Roy Campanella (Robinson retired in 1956).



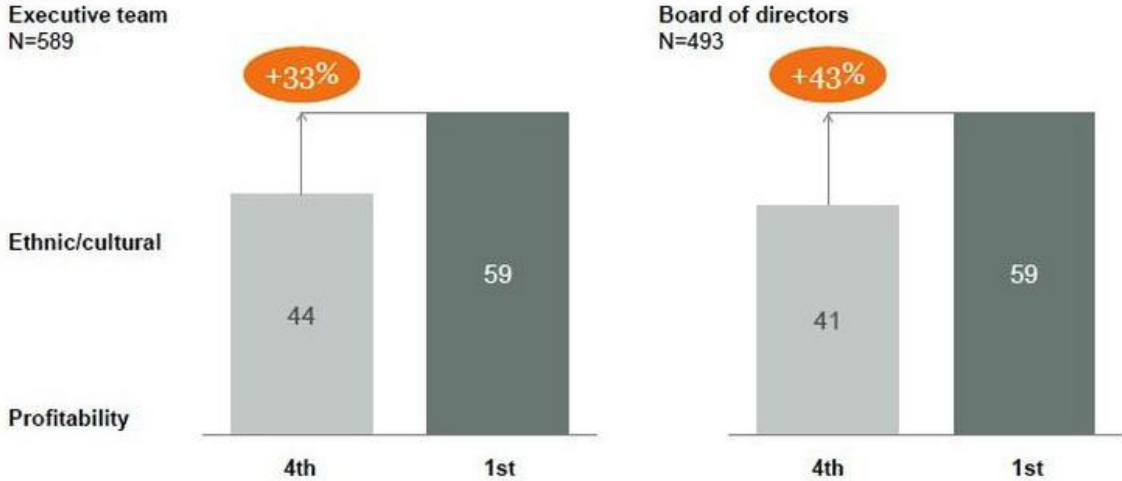
# DIFFERENCE = MORE & BETTER

- **Workplace diversity key performance facts**
- Ethnically and racially diverse companies are 35% more likely to outperform non-ethnically diverse companies.
- Gender-diverse companies are 15% more likely to outperform non-gender-diverse companies.
- Companies that rank lowest in gender and ethnic diversity are less likely to achieve above-average financial returns. This when compared to the average company in the data set.
- There is a significant and positive relation between diversity and earnings. In the United States, this relationship is clear-cut: every 10% increase in diversity leads to 0.8% increase in earnings.
- Meanwhile, UK most benefits from senior-level greater gender diversity. Every 10% increase in gender diversity increases earnings by 3.5%.
- There is no company that has both high gender diversity and ethnic and racial diversity.

# WHAT YOU ARE MISSING

## How ethnic diversity correlates with profitability

Likelihood of financial performance<sup>1</sup> above national industry median by diversity quartile  
Percent



<sup>1</sup> Average economic profit margin 2011–15 and average EBIT margin 2011–15  
NOTE: Results are statistically significant at p-value <0.5  
SOURCE: Company websites; McKinsey Diversity Matters database



## SO NOW WHAT...?

- Start with a self assessment: What's your mission and what is the availability of talent you need?
- Assess your retention of your diverse staff and leadership. If you have high turnover, why?
- Its not just staff, look at your leadership.
- **Do you have relationships with people and organizations that can help you ID talent?**
- Does your culture need to difference in thought? If so, how?
- Ensure your reward culture is not culturally biased
- Implement a welcoming on-boarding process
- Provide mentors/guides for onboarding new employees
- Black millennials more entrepreneurial than previous generations

QUESTIONS...??

