

Leveraging diversity: weaving strong fabrics from different threads



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In the new age economy, true leadership means embracing and utilising divergence to create a stronger, cohesive organisation. Leveraging differences – rather than trying to clone employees – is a company’s best way of ensuring a constant source of innovation, creativity and motivated performance.

As recently as 10 years ago, business schools around the world followed a more or less prescribed pattern in compiling their curricula: the core material consisted of essential information such as quantitative analysis methods, strategy, accounting and finance – all the skills considered indispensable in running a successful business. Then there were electives available to students, comprising all the “softer” issues pertaining to corporate culture: systems thinking, human resources, and “leadership”, a quality that had more to do with making a personal impression than anything else.

However, with the global shifts in business perspective since then, the entire business mind-set has

revolutionised. Leadership is now at the core of driving a successful organisation, and it calls for elements that define the difference between an empowered decision-maker and a myopic follower. This shift in attitude is reflected in the revised course content of business schools nowadays, which emphasises the need for entrepreneurship, creativity, critical applied thinking, and the confidence to go out and source relevant information as and when it’s needed. And today’s successful businesses are picking up on the trend: executives are expected to manage diversity as an integral part of their organisations’ functioning. Whether they approach this as part of a knowledge management initiative, or view it through competitive and

business intelligence, the ability to leverage diversity is core to ensuring a sustainable future.

Fundamentally, this means perceiving basic differences in culture, education, value systems, aptitudes and socio-economic background and actually employing those differences in the most profitable, and productive, way within one team framework. South African local businesses stand to gain a great deal by altering their outlook from one of standardisation and conformity to one where diverse characteristics are specifically used to contribute to the strength of the organisation.

Shell International provides an excellent example, and has formulated a policy geared to harnessing the diverse strengths of its employees. In the late 1990s, it appointed a team of external consultants and internal employees with researching the impact of diversity on bottom-line business results. This included measuring brand equity, customer relationships, risk assessment, options, hedging of funds, learning ideas, asset growth, networking capital, employment growth, patents and licences, as well as new technologies, processes, products and services, in relation to diversity. The team's findings laid the groundwork for the organisation's current diversity management stratagem, which is based on the principle that an individual's work performance is directly related to his or her inner experience of him- or herself – in other words, all the unique elements comprising his or her identity are the impetus behind the way he or she comprehends, and functions in, his or her working environment.

What is required is an objective look at what a particular individual's life experiences, mind-set, talents and perspectives can bring to the company by stressing – rather than downplaying – these attributes. To achieve this, Shell now has in place a global diversity team, with members located

on a number of continents around the globe, whose duties include leveraging and measurement of diversity aspects in relation to business unit, and company, results. There is also a diversity board, which sits between the general managers of the organisation's six business units and the overall board of directors. The GMs are kept accountable for diversity in a business sense – for example, a substantial percentage of their salaries and bonuses is attributable to their

headquarters around the globe were encouraged to express their thoughts on the issue. It became apparent that no cultural touch-point could be achieved before historical grievances were worked through: individuals who still harboured resentment and prejudices against others needed to talk about their feelings before they were able to entertain the thought of building relationships with their foreign colleagues. By accommodating this catharsis, RWE enabled the air to

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personal scorecards – of which diversity achievements are a part. This clearly involves far more than merely achieving a 20% ratio of women in executive leadership positions at Shell International in 2008. Instead, it goes to the fuller sense of enabling each diverse human resource to express itself, and achieve its fullest potential in terms of creativity, originality, innovativeness and performance. This is achieved by deploying good financial models, leadership development and implementation strategies, centred around a three-pronged approach: learning about oneself, building relationships with others, and leading these experiences through actual business processes. Another multinational organisation, RWE – incorporating Thames Water, Innogy and American Waterworks, has approached diversity management from a cultural orientation stance, since its operations span different continents. The company prepared for a mind-shift in its attitude to diversity by running a number of interdisciplinary workshops in which senior management from different

be cleared and established a platform on which diversity could be expressed, and utilised, through cross-cultural bonding. As a result, different concepts of structure, appropriate (or inappropriate) behaviour and language are not only tolerated, but amplified as part of a dynamic composite.

Both RWE's cultural orientation approach and Shell's research into individual identity *vis-à-vis* bottom-line business results are important elements in formulating a sound strategy for leveraging diversity. However, each organisation must explore its own options, and decide on the approach most suited to its context, organisational and societal culture, as well as organisational, societal and individual values.

There are no strict guidelines, except the enduring truth that true knowledge-leveraging capability cannot take place if a company is cloning people. Diversity management is, by its very definition, about personal change – and one cannot even begin to talk about leading companies, organisations and societies if one cannot lead oneself. ■