

2009 Talent Management Processes for a Diverse Leadership Team

A Study Conducted by ORC Worldwide
Global Equality, Diversity and Inclusion Practice
for Industrial Relations Counselors, Inc.

November 2009

 **ORC** WORLDWIDE®



IRC | Industrial Relations
Counselors, Inc.

Contents

<i>Section</i>	<i>Page</i>
I. Introduction	1
Definitions of Terms Used in the Survey	1
Methodology	2
Profile of Participating Organisations	3
II. Demographics	4
Overview of Representation by Level	4
Impact of a Diverse Executive Committee on Representation Among Senior Leaders	6
III. Barriers to Advancement	8
Barriers to Women	8
Barriers to Racial/Ethnic Minorities	10
Barriers to Non-HQ Nationals	12
IV. Diversifying the Pipeline	13
Process	13
Selection Criteria for High Potentials	13
Strategies for Diversifying the High Potential Pool	16
Early Identification of High Potential Talent	19
V. Developing Senior Leaders	21
Developing Women	21
Developing Racial/Ethnic Minorities	22
Developing Non-HQ Nationals	23
VI. The Role of Organisational Culture	24
VII. Accountability for Diversity in Talent Management Processes	27
Centralised Tracking of Talent Management Processes	27
Succession Planning Targets	28
Measuring Employee Perceptions	30
VIII. General Policy and Practice	31
Expatriate Selection	31
Reserving Management Positions for Local Nationals	33
IX. Observations	34
Appendix A: Participating Employers	37
Appendix B: Survey Questions	39
About Industrial Relations Counselors, Inc.	53
About ORC Worldwide	55

I. Introduction

The goal of Industrial Relations Counselors, Inc.'s study *Talent Management Processes for a Diverse Leadership Team*, which was recently completed by ORC Worldwide, was to understand which talent management practices work best for uncovering high potential talent from non-traditional populations and making sure that talent is able to penetrate the senior leadership levels in substantial numbers. Recent research indicates that organisations are still searching for the right levers to pull to achieve, and sustain, progress on diversity in the leadership ranks.

Forty-seven organisations (see Appendix A for list of participants) participated in an on-line survey regarding:

- Identifying high potential talent globally
- Constructing career paths that accommodate diversity
- Managing developmental experiences so that a diverse high potential pool has the opportunity to grow, be tested, see and be seen by the top of the house
- Building accountability into the system
- Assessing organisational culture as related to its potential impact on the success of the groups studied
- Evaluating current demographics in the leadership ranks of women, racial/ethnic minorities, and nationals of countries other than the headquarters country (herein after referred to as non-HQ nationals or NHQNs)

The survey questions are included in Appendix B.

We also conducted interviews with four employers who are among the most successful in terms of advancing non-traditional leadership talent to learn more about how they implement various practices, and the ways in which these practices have impacted their organisation cultures and contributed to the achievement of higher rates of representation. Examples from these organisations (Xerox, Deutsche Bank, the BBC, and McDonald's) are incorporated in the report under the heading "Case in Point".

Definitions of Terms Used in the Survey

Board of Directors (the Board): The organisation's non-executive Board of Directors

Executive Committee: The Chief Executive Officer (or equivalent), Chief Operating Officer (or equivalent), and their direct reports, such as business sector presidents and heads of key functional areas (eg, Chief Financial Officer, Chief Legal Counsel). This group comprises the business's ultimate decision makers and defines the organisation's strategy.

Senior Leaders: The group of leaders who report directly to members of the Executive Committee. Typical titles include country manager, regional manager, vice president (EVP, SVP, etc.), business unit or function heads not in the Level I executive team.

High Potentials: Employees with outstanding talent and the potential to rise to corporate level senior leadership level or the executive committee. This talent pool is usually selected from among managers who are 2-4 promotions away from the senior leadership team. High potentials are considered "corporate assets"; their development is tracked and planned in talent reviews with senior corporate leaders.

Emerging Talent: Employees at lower professional or managerial levels who are expected to be the high potentials of the future and are selected to receive special career planning and developmental opportunities.

Non-HQ National (NHQN): Someone who holds a passport from or was born and raised in a country other than the one in which the company has its headquarters.

Enterprise: The entire world-wide corporation or organisation.

Methodology

The survey asked about talent management and diversity practices used by participating employers, organisational culture, and the respondents' views of the barriers blocking greater diversity in the upper levels. Participants were also asked to report the percentage of executive committee members, senior leaders, and high potentials in their organisations who were women, minorities, or non-HQ nationals.

Our goal was to see whether there were certain practices that distinguished organisations with greater diversity among top executives, senior leaders, and high potentials from other participants. We first isolated, for each of the populations studied, the top tier of organisations in terms of actual results with regards to representation. We then compared the processes, practices and cultural attributes of the top tier to the rest of the survey sample to uncover potential connections between their actions and outcomes.

Some organisations had high representation of one or two groups – women or minorities or NHQNs – but not of all three, and some organisations had high representation at one or two levels – executive committee, senior leaders, or high potentials – but not at all three. Therefore, we defined a top tier for each population at each level, ending up with nine categories (executive women, executive minorities, executive NHQNs; senior women, senior minorities, and so forth).

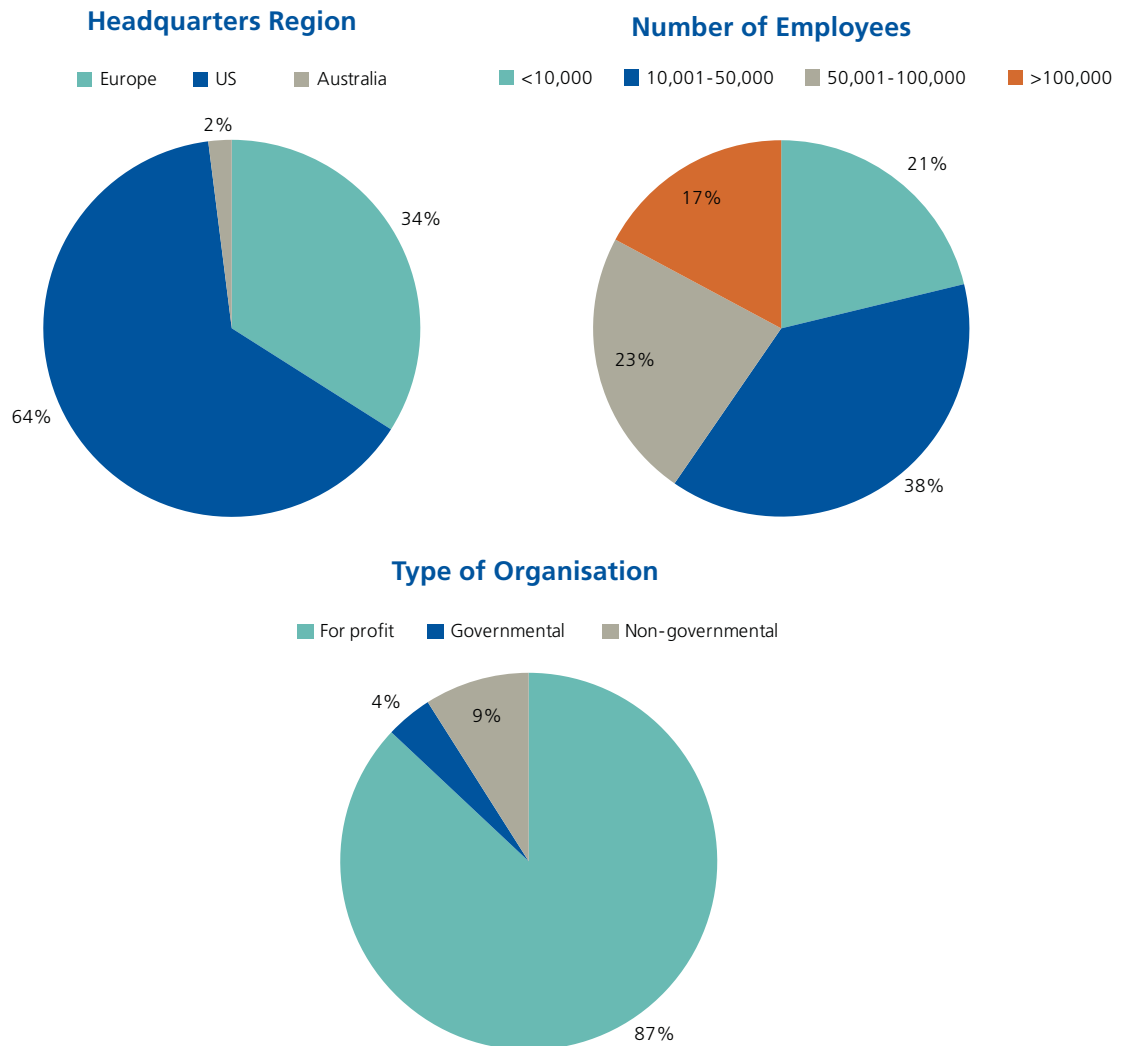
The top tier was defined as the top quartile or, if dividing by quartile would have yielded a top tier of fewer than eight organisations, the top tercile or, if necessary, all organisations with representation above the median. (In most cases, the top tier has 10 or 11 organisations.) This was necessary because the number of organisations reporting representation varied by level and group. For example, while almost all participating organisations were able to enter the per cent of women on the executive committee, only 19 reported NHQNs among high potentials. The following table lists 'N', the number of participants reporting, and defines "top tier" for each population/level category:

Population/Level	N reporting demographics	Top Tier	# Employers in the Top Tier
Executive committee – women	40	Top quartile	11
Executive committee – racial/ethnic minorities	37	Top quartile	10
Executive committee – non-HQ nationals	33	Top tercile	11
Senior leadership – women	40	Top quartile	10
Senior leadership – racial/ethnic minorities	34	Top tercile	10
Senior leadership – non-HQ nationals	28	Top tercile	9
High potentials – women	28	Top tercile	10
High potentials – racial/ethnic minorities	21	Above median	10
High potentials – non-HQ nationals	19	Above median	8

In this report we have noted where there is a substantial difference in practices used by top tier employers compared to other participants. In general, we consider a substantial difference to be one of 15 or more percentage points. When top tier organisations do use a practice considerably more frequently than other organisations, we have also looked to see whether median actual representation of women, minorities, or non-HQ nationals is higher in all organisations using the practice (whether in the top tier or not) compared to organisations not using the practice. However, we only report this information when N is large enough to be credible (above seven companies).

An important caution: Care should be taken in drawing inferences from this data. Rarely would we expect a single practice to be solely responsible for an employer’s diversity results. Nor is it always clear whether a practice caused higher representation or was caused by the fact that there is higher representation – or was perhaps linked in some other way. As a rule we have focused on those practices that appear linked with greater diversity across a number of levels and/or population groups and which might, therefore, be more likely to have had a direct impact on achieving those results.

Profile of Participating Organisations



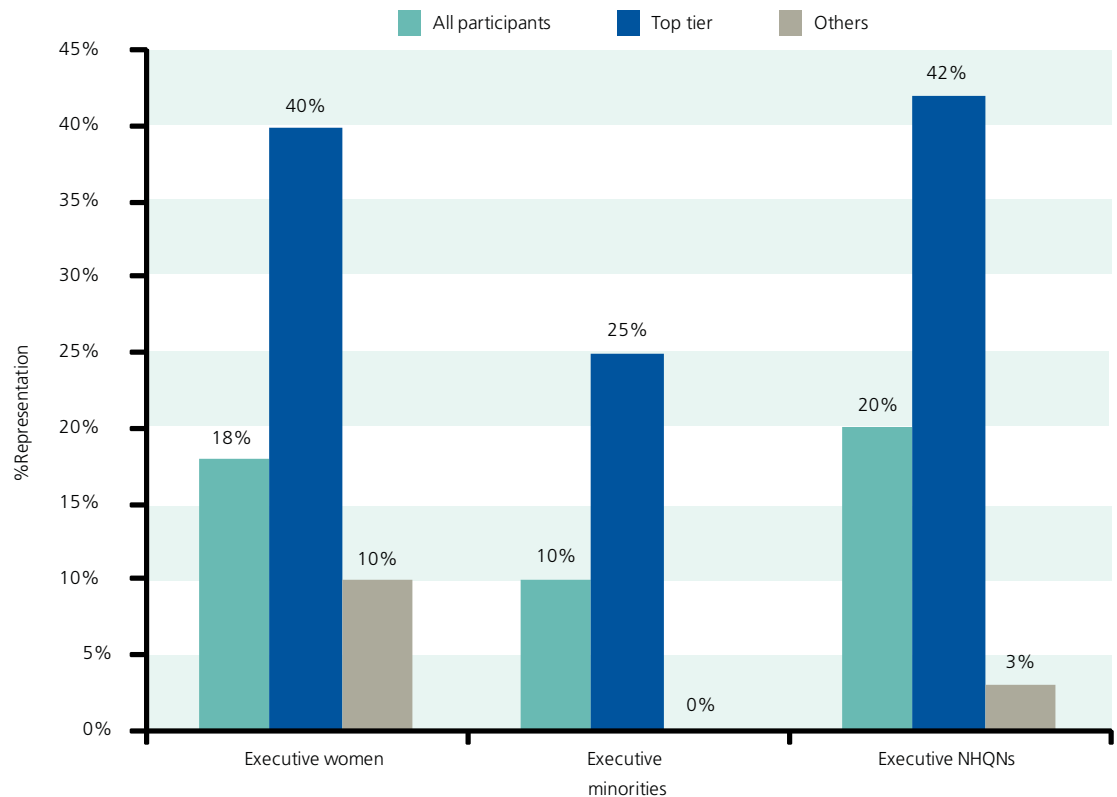
II. Demographics

Overview of Representation by Level

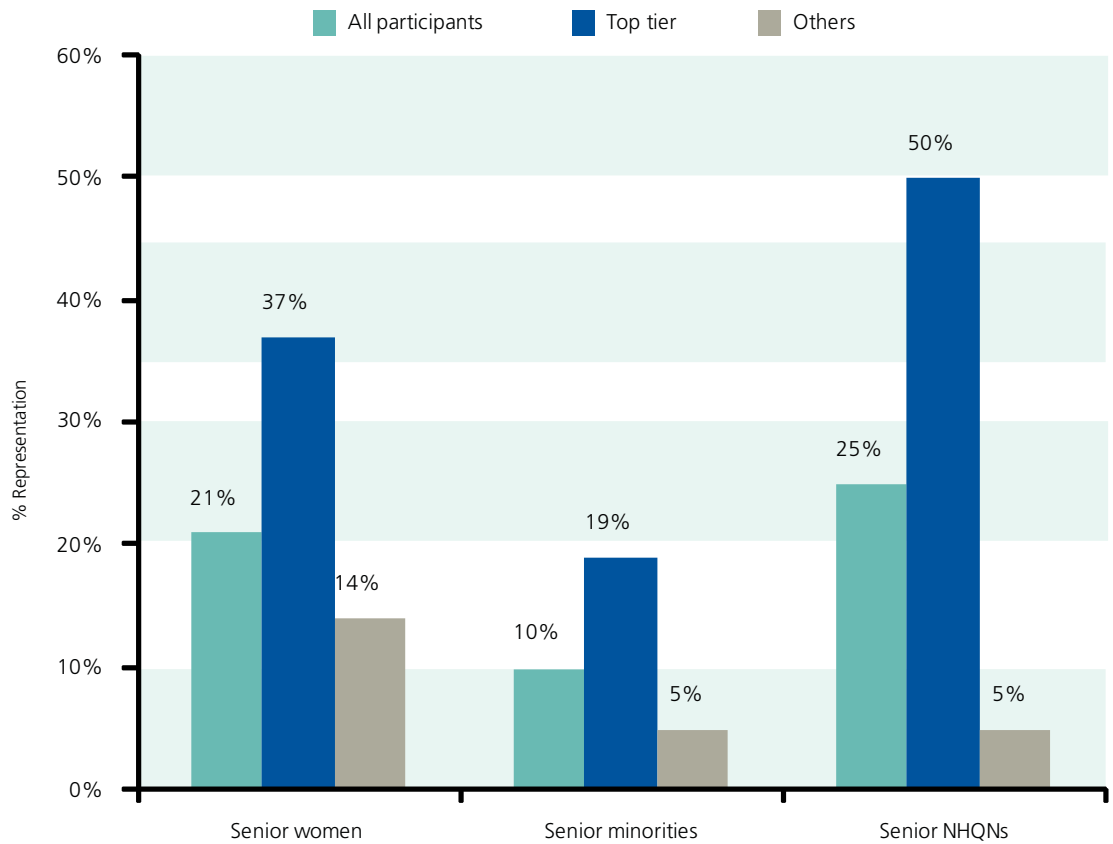
Participating organisations were asked to report representation of women, racial/ethnic minorities, and non-HQ nationals at three levels in the organisation: the executive committee, senior leadership, and high potentials (see Introduction for definitions). The charts below for each level show median representation for all survey participants, median for those organisations in the top tier for each group, and median for all other organisations – those not in the top tier. The difference in representation of women, racial/ethnic minorities, or non-HQ nationals at each level between top tier organisations and the rest of the sample is considerable.

Executive Committee

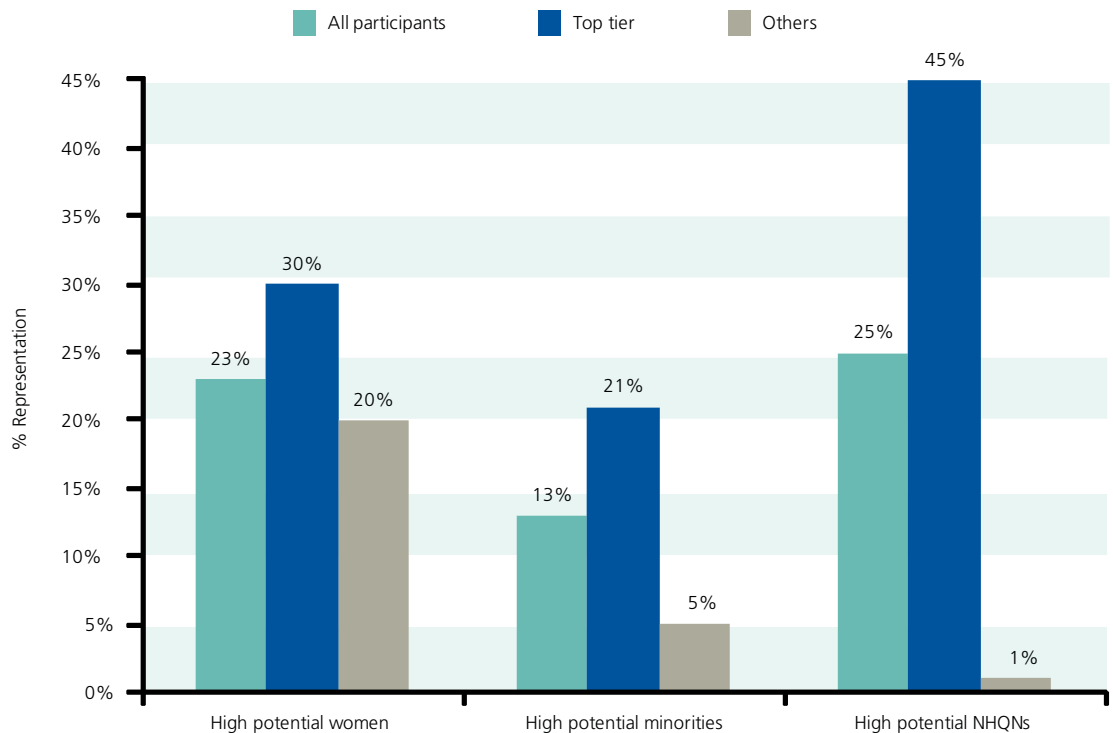
Median representation of women, racial/ethnic minorities, and non-HQ nationals



Senior Leadership
Median representation of women, racial/ethnic minorities, and non-HQ nationals



High Potential Pool
Median representation of women, racial/ethnic minorities, and non-HQ nationals

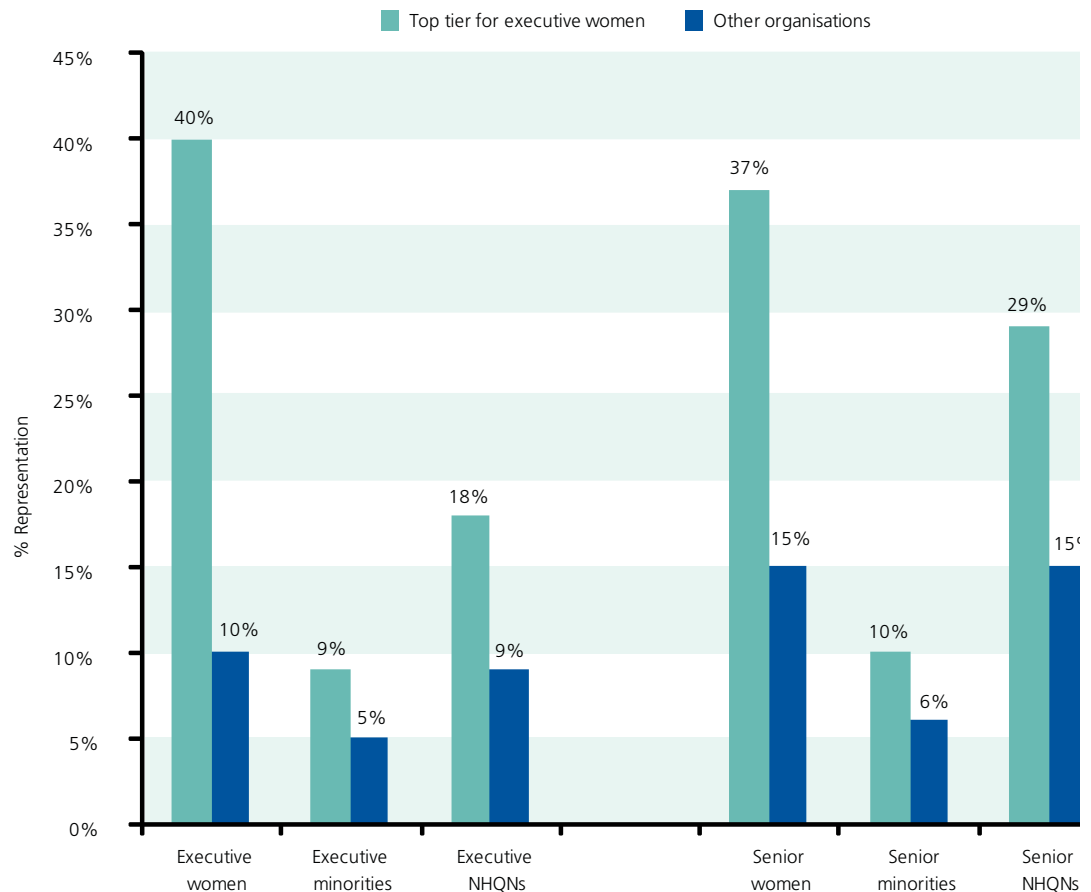


Impact of a Diverse Executive Committee on Representation Among Senior Leaders

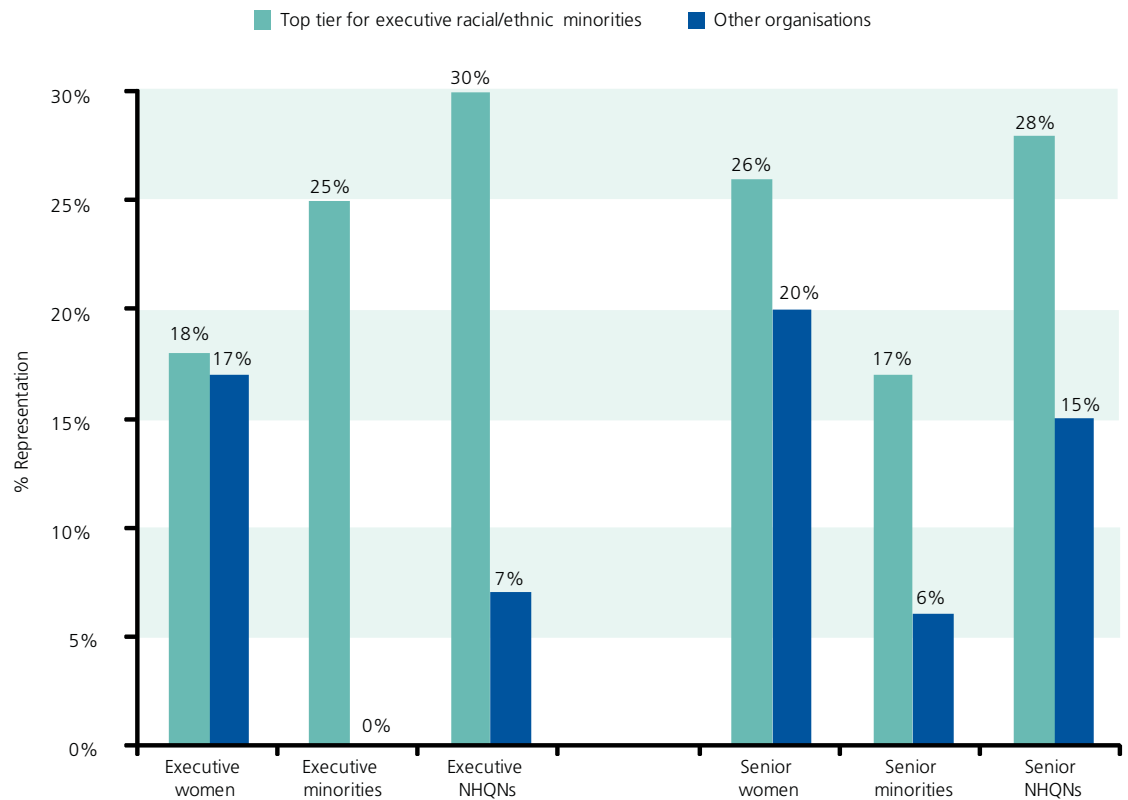
Organisations with more diversity in the executive committee (the CEO and his/her direct reports) are likely to have more diversity in the senior leadership ranks just below them. High representation of a group at the executive level has the greatest impact on senior leader representation of the same group, but may also be associated with more diversity of other kinds.

Having more women on the executive committee is also associated with more minorities and NHQNs on the executive committee, but the reverse is not necessarily true: organisations with a greater proportion of executive committee members who are minorities or NHQNs do not have more women executives.

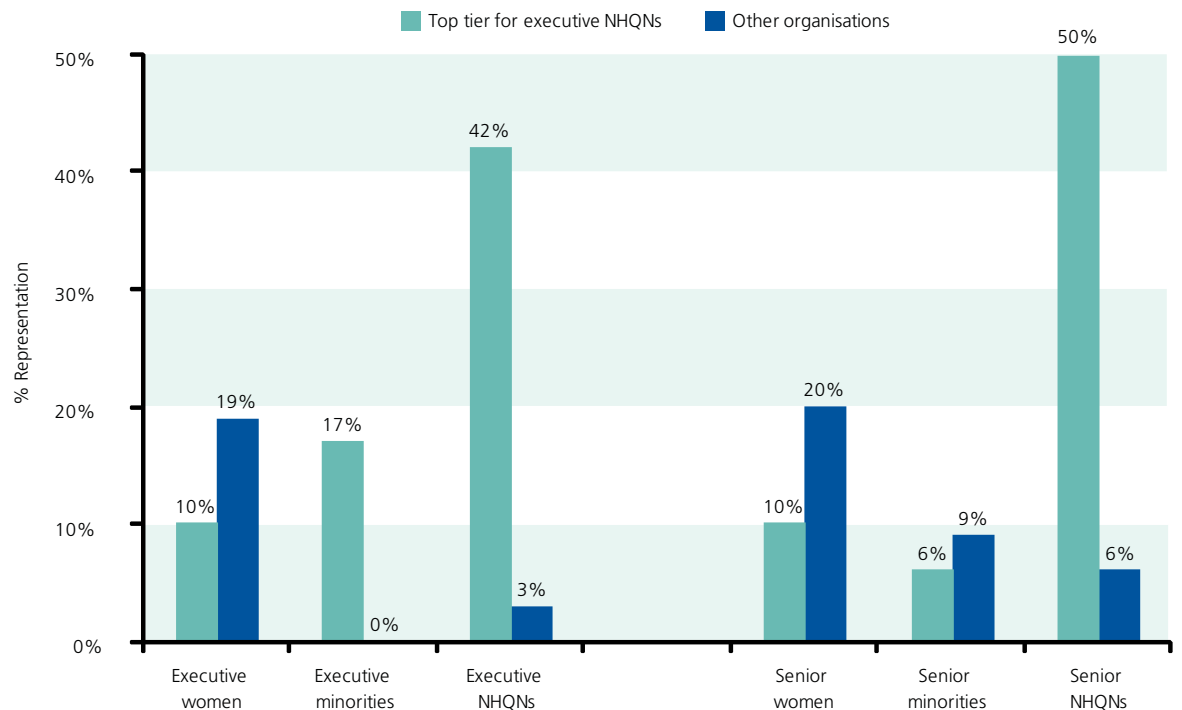
Representation at the senior and executive levels: Top tier organisations for executive women compared to others



**Representation at the senior and executive levels:
Top tier organisations for executive minorities compared to others**



**Representation at the senior and executive levels:
Top tier organisations for executive NHQNs compared to others**

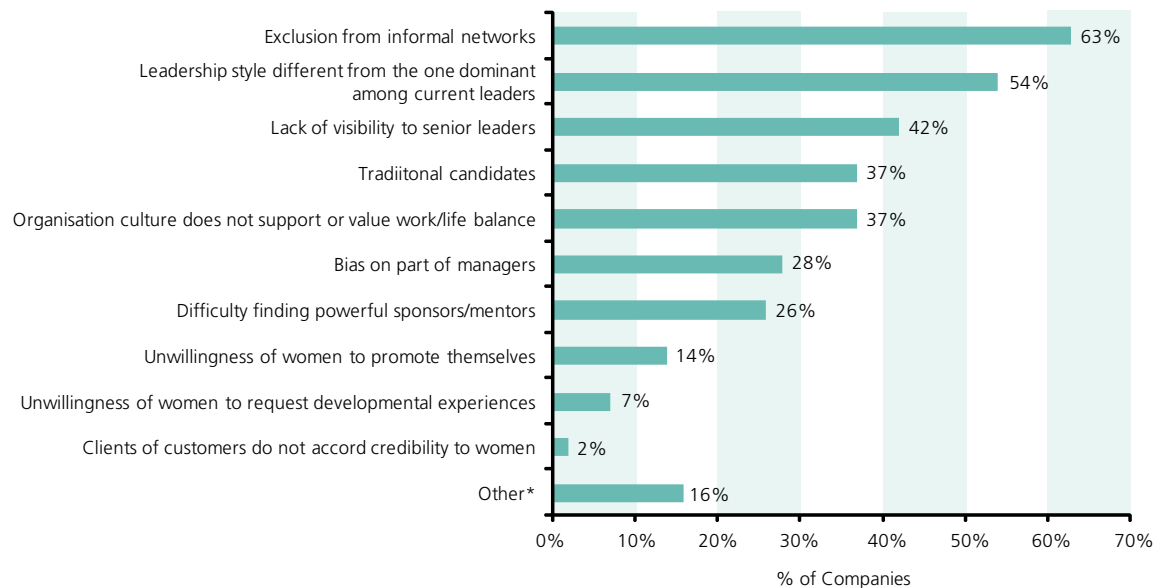


III. Barriers to Advancement

Based on the hypothesis that those organisations that have been more successful at advancing women, racial/ethnic minorities and non-HQ nationals have been able to remove some of the common barriers cited in earlier research, we asked respondents to indicate what they believed to be the top three barriers for each group. A comparison of the barriers noted by the respondents representing high performing organisations and those in the comparator group showed some interesting results.

Barriers to Women

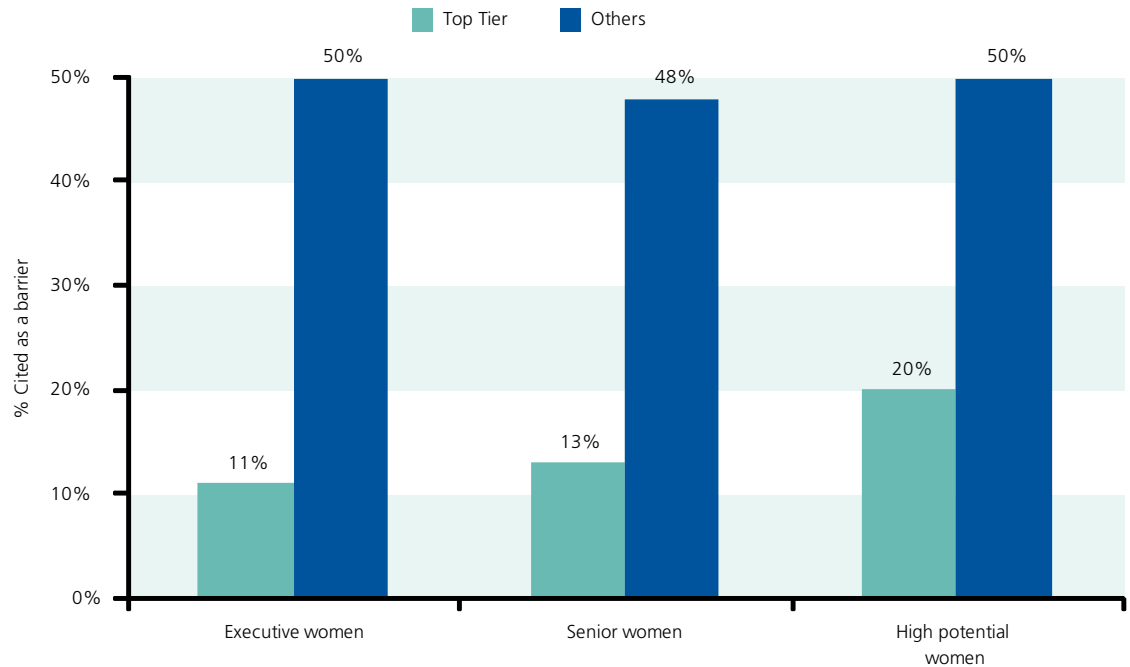
The majority of respondents cited exclusion from informal networks and different leadership styles to be significant barriers to women's penetration of the upper ranks in the organisation. Forty-two per cent said women's lack of visibility to senior leaders is a factor.



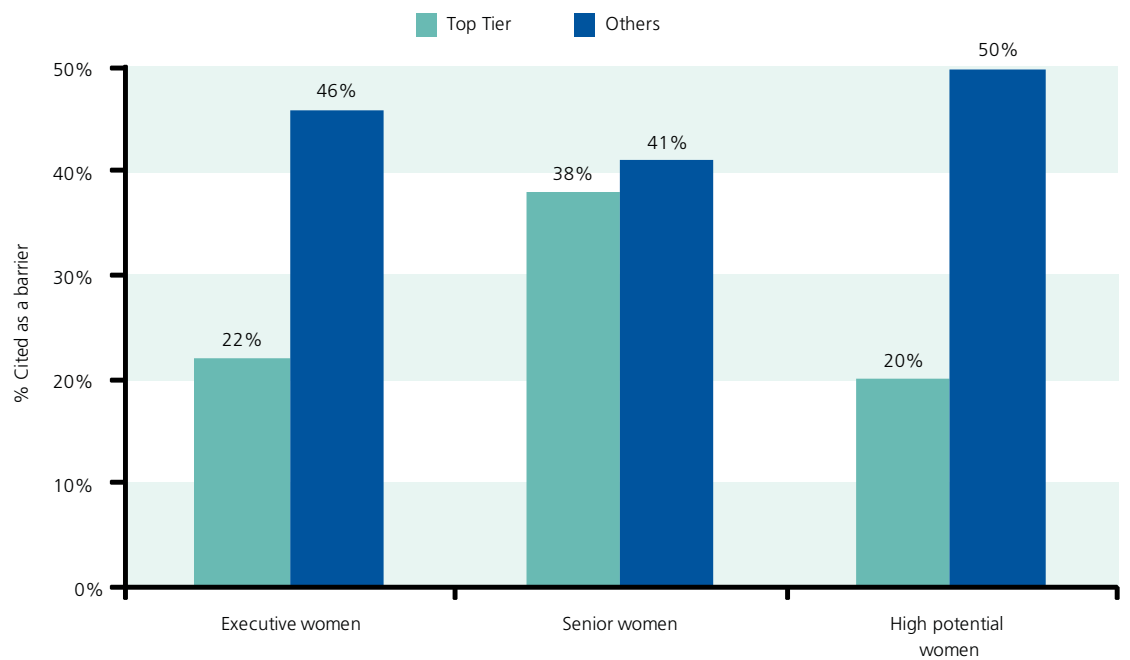
* Other barriers cited included: promotion scheme that favours certain work experience that is dominated by males (heavy labor entry positions); operations experience; unwillingness to relocate; very low turnover and low growth; homosocial reproduction bias (ie, the tendency to choose candidates who reflect oneself); no part-time senior roles; fewer developmental opportunities across the board; downsizing.

It is notable that while only about a third of respondents blamed managers' unwillingness to take risks on non-traditional candidates or the organisation's lack of support for work/life balance, these barriers were much more frequently cited by organisations in the lower tier for representation of women:

Unwillingness of managers to take risks



Culture does not support work/life balance



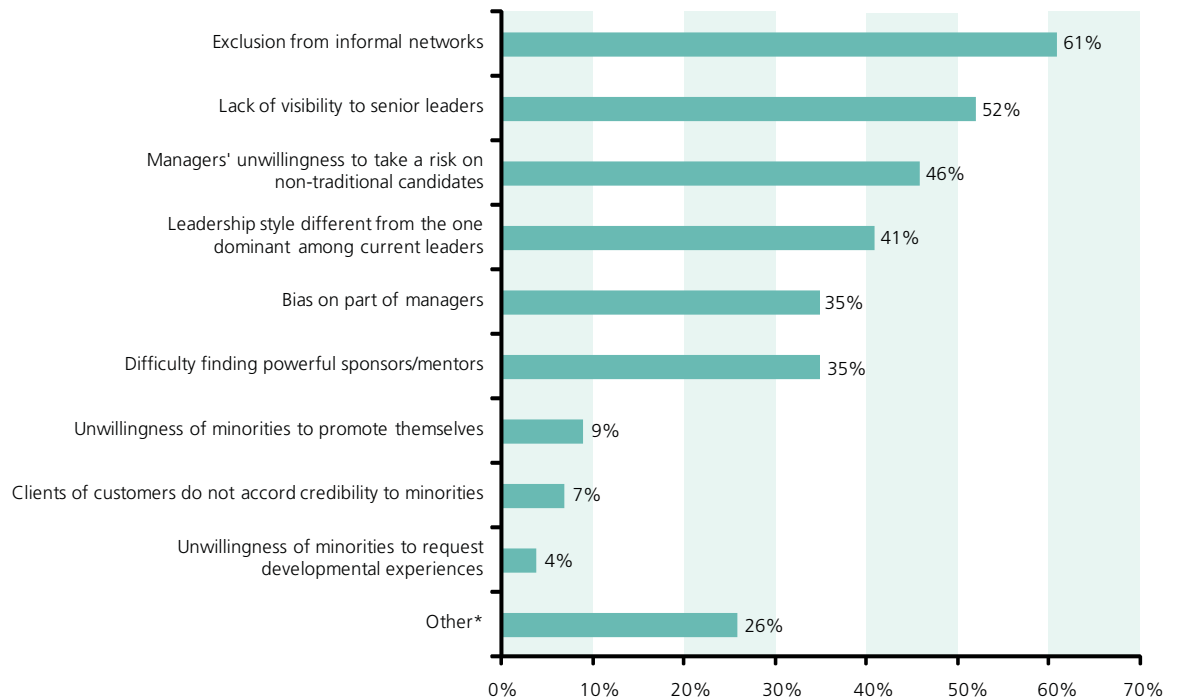
Closely related to the work/life balance issue are policy and practice regarding leaves of absence. The survey found that permitting a gradual return to work after a leave through part-time arrangements is associated with higher female representation at all three levels.

Case in Point:

At BBC, which was an early-adopter of W/L programmes, flexible schedules and part-time working are prevalent at all levels of the organisation. Many employees have formal or informal arrangements for working at home, either all or some of the time. The company notes that technology is in place to allow people to work “from wherever and whenever.” With the prevalence of these arrangements has come a sense of trust and the lessening of the sense of that you have to be physically present. While there are still certain jobs where flex work is not feasible, on the whole, BBC reports that it’s quite usual and there is no stigma associated with taking advantage of this work-life balancing option.

Barriers to Racial/Ethnic Minorities

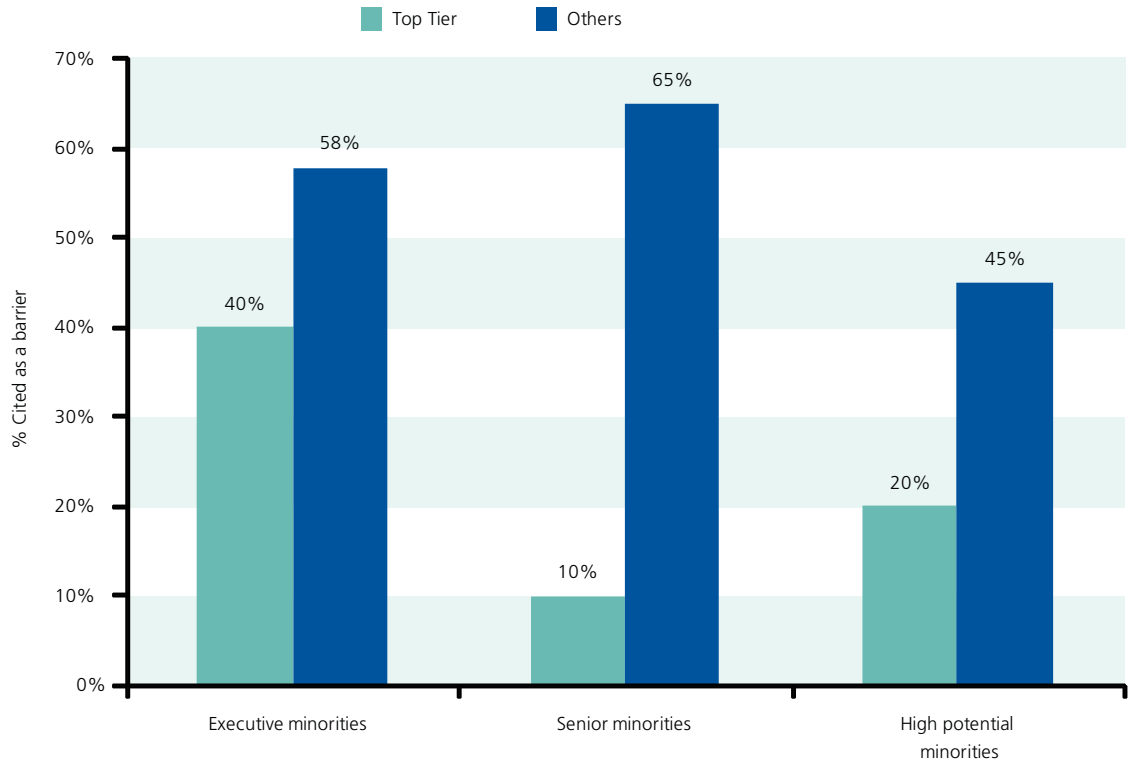
As with women, the biggest obstacle for minorities is exclusion from informal networks. Lack of visibility is the second most frequently cited barrier, while leadership style is not as much of a problem for this group.



* Other responses included: Lack of candid feedback; availability; lack of applicants due to non-targeted recruitment; Pe&L management/operations experience; very low turnover and low growth; homosocial reproduction bias; unwillingness to relocate; few qualified candidates in pipeline; fewer developmental opportunities across the board; downsizing; limited numbers in lower ranks for Hispanic/Latino and African descent.

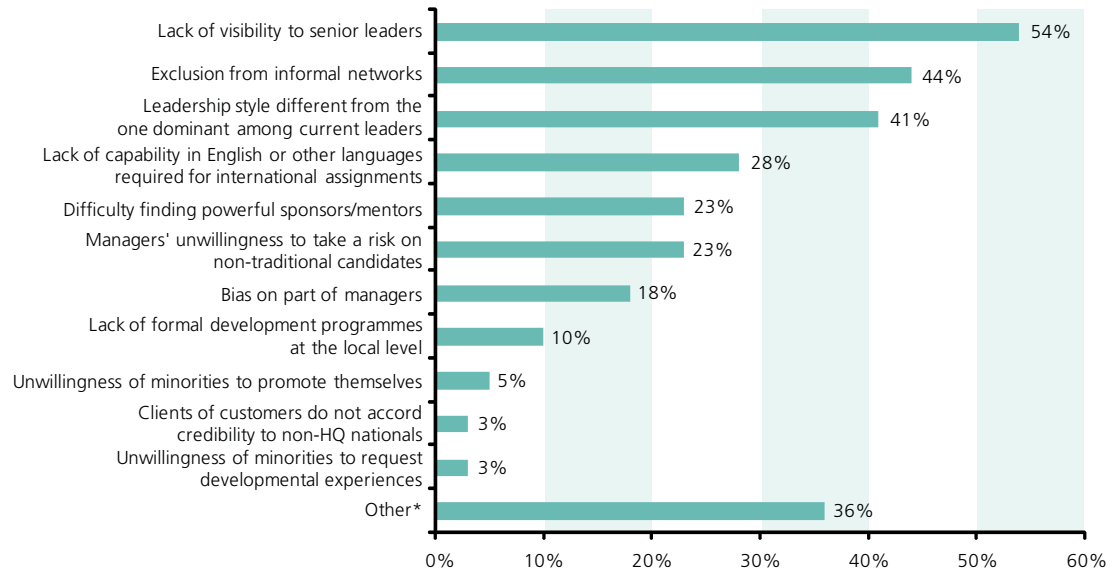
It is worth pointing out that, although cited by fewer than half of respondents, unwillingness of managers to take a risk on traditional candidates is a barrier considerably more prevalent in companies with lower representation of racial/ethnic minorities.

Unwillingness of managers to take risks



Barriers to Non-HQ Nationals

The number one barrier for non-HQ nationals is lack of visibility to senior leaders, which may reflect talent management processes that are less rigorous at the local level or not yet tied into enterprise-wide processes for identifying, monitoring, and developing talent. The next two most prevalent barriers are exclusion from informal networks and differences in leadership style.



* Other responses included: Seen as more technical and operations oriented than leadership oriented; legal requirement eg, work permits; cost of expatriate assignments; unwillingness to move; homosocial reproduction bias; historical culture; concentration of business in North America; no talent pool; fewer developmental opportunities across the board; downsizing.

Cases in Point:

Two leading organisations shed light on what can be done to make local talent more visible:

Deutsche Bank, a leader in non-HQ national representation, noted that frequent travel and tools such as video conferencing help to overcome lack of visibility by individuals outside the HQ country.

In Xerox's annual talent discussions, leadership from each region identifies the people in their leadership pipeline. The managers of individuals identified are responsible for making sure that their development plans include moves into positions with corporate-level responsibility and activities that will showcase the individual to senior leaders. For example, an individual might be given the opportunity to join the leader for dinner when he or she visits the country.

Interestingly, although NHQNs live and work at some distance from the seat of power, access to powerful sponsors/mentors is not seen as a major obstacle by three-quarters of respondents. However, those in the top tier are much more likely to be concerned about this issue. It may be that these organisations have addressed the systemic talent management issues blocking visibility and are exploring subtler barriers of access and influence on a global scale.

The remainder of this report looks at the strategies and practices organisations are using to try and overcome these barriers.

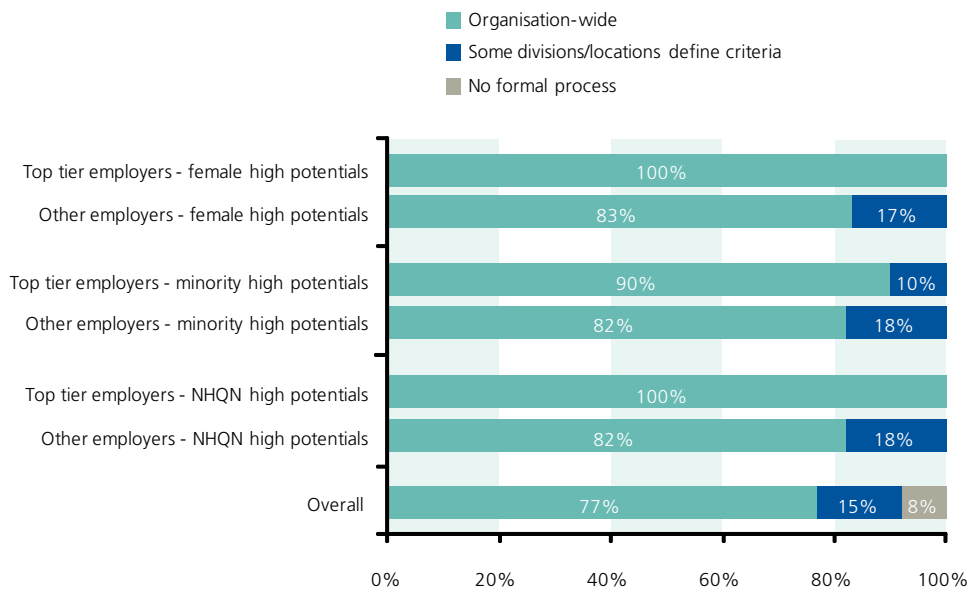
IV. Diversifying the Pipeline

Efforts to create a more diverse senior leadership often start with the pipeline of potential future leaders, so the survey explored whether there are certain processes or practices for identifying high potentials that seem to contribute to a more diverse pipeline.

Process

First, we considered whether having a formal high potential identification process that is used consistently throughout the organisation is associated with a more diverse high potential pool. The majority of the organisations in the study do use such an organisation-wide formal identification process; organisations in the top tier for diversity in the senior levels are even more likely to do so.

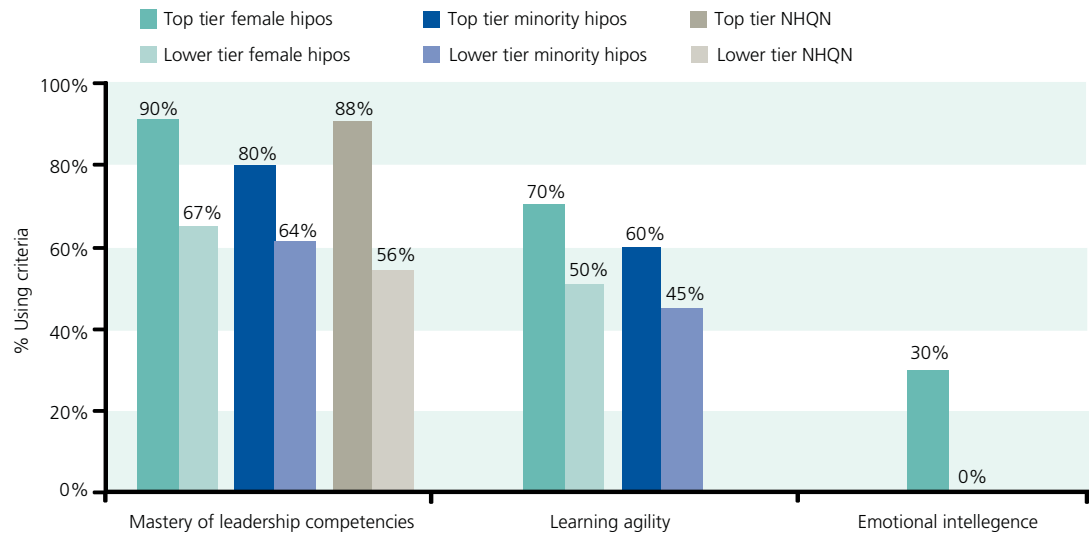
Organisations with formal high potential identification processes



Selection Criteria for High Potentials

While the criteria used to identify high potentials will be determined by the strategy and leadership requirements of each individual organisation, “consistent superior performance” is a common baseline factor, required by 91 per cent of participating organisations. Employers with greater diversity in their high potential pool also use three other criteria – mastery of key competencies, learning agility, and emotional intelligence – more frequently than other employers.

Per cent of organisations using criteria linked to gender and racial/ethnic diversity among high potentials

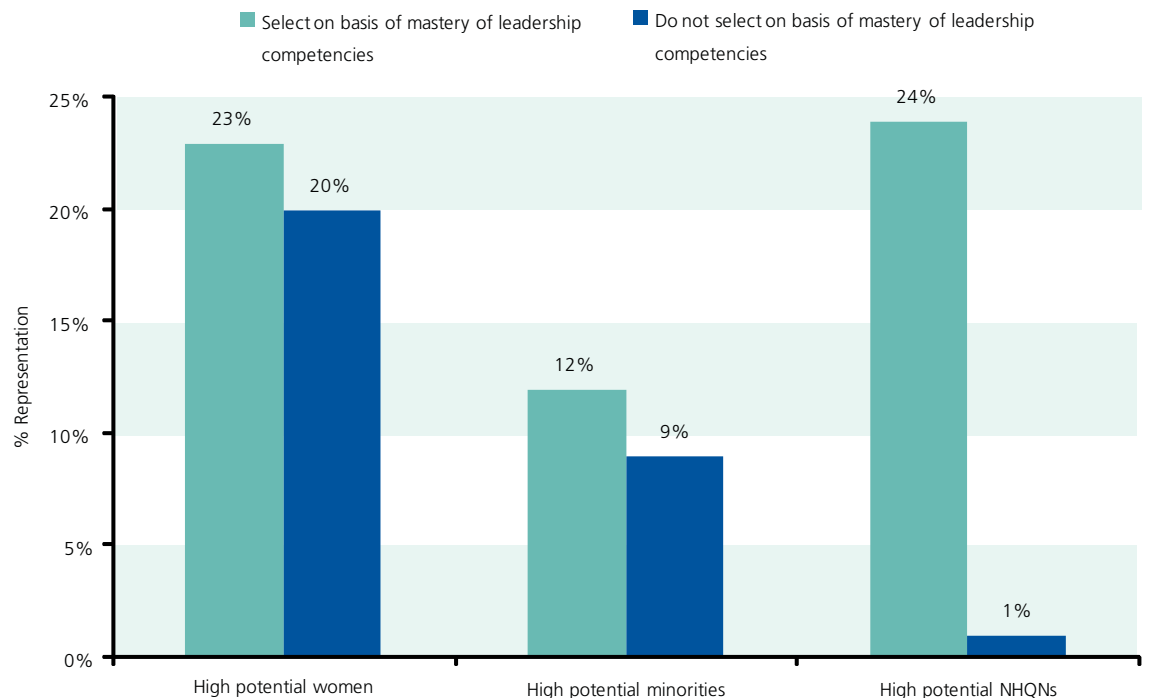


The charts below indicate that organisations using these criteria have more representation of certain groups among high potentials. “Mastery of leadership competencies” is associated with higher representation of all three populations – women, racial/ethnic minorities, and non-HQ nationals. Learning agility appears more closely linked with women and minorities and emotional intelligence with minorities.

Mastery of Leadership Competencies

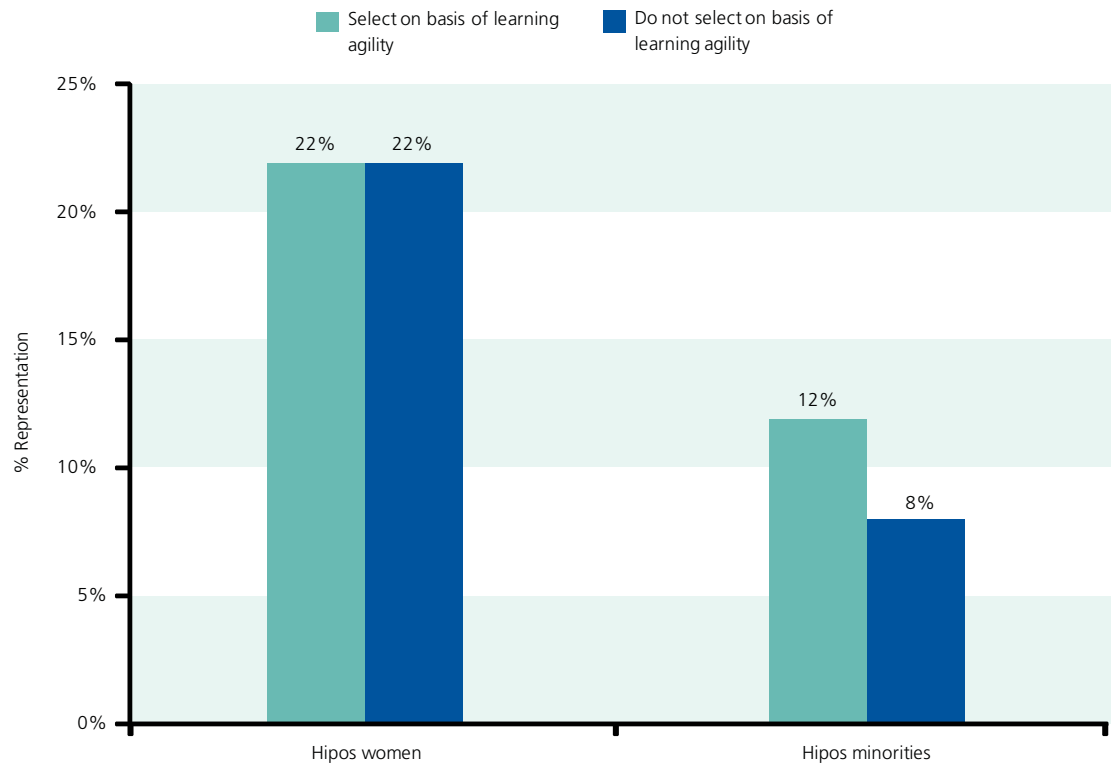
Employers that select high potentials at least in part on the basis of these criteria have considerably higher representation of NHQNs and racial minorities and a slightly higher proportion of women in the high potential pool.

Median representation of women, racial/ethnic minorities, and non-HQ national high potentials



Learning Agility

Learning agility refers to a person’s ability and willingness to learn how to deal with new situations and meet new challenges as they arise. It is an important criterion for high potential selection in the majority of organisations in the top tier for female and minority high potentials. In addition, organisations that do use these criteria have 33 per cent higher representation of minorities in the high potential pool than other organisations. However, we see no difference in the proportion of female high potentials linked to this criterion.



Case in Point:

Xerox realised that in the process of identifying possible future leaders, executives often confused potential with performance. According to director of talent management Eduardo Bascaran, Xerox chose learning agility as one criterion to help executives recognise potential because, in its ever-changing environment, the company needs leaders “who can succeed in areas outside their comfort level”.

Emotional Intelligence (EI)

Emotional intelligence is the “ability to recognise the meanings of emotions and their relationships, and to reason and problem-solve on the basis of them”.¹ Emotionally intelligent people understand how their own emotions and those of other people affect thought and action, and they adapt their behaviour accordingly. Fewer than a third of the employers in our sample use emotional intelligence to predict which employees will succeed as leaders, but all of those that do are in the top tier for minority high potentials. Because there are so few, however, we will not show a comparison of demographics between these organisations and those in the lower tier.

Cases in Point:

McDonald’s is one of the leaders for representation of racial/ethnic minorities among the employers in our sample, but the company’s decision to use emotional intelligence as a criteria for high potentials arises not from diversity concerns but out of its organisational structure and culture. In McDonald’s, people frequently work across departments and levels. “We’re a pretty lean organisation; we can’t afford to have silos,” says diversity and inclusion director Kevin Bradley, “so the capability to build relationships internally is really important to being a successful leader.”

The BBC excels in representation of women among its senior leadership (although under-representation still exists in some technical and IT based divisions). The company selects future leaders in part on the basis of emotional intelligence because of the nature of the business. As a public service broadcaster, the BBC is necessarily impacted by politics. To manage a creative enterprise in such an environment leaders “must have very good communications, listening, and personal relationship skills, including the ability to network”, according to Emma Towell, senior diversity manager.

What would explain the finding that organisations with more diverse high potential pools tend to use these selection criteria more often than other organisations? One explanation sometimes put forth is that certain populations may be better at certain competencies – for instance, relationship-building skills that involve emotional intelligence. A more likely explanation might be that organisations relying on these criteria would put less emphasis on others that might tend to work against non-traditional leaders, such as experience in particular types of jobs. Mastery of key leadership competencies, for example, can be attained and demonstrated through a variety of types of experiences.

Strategies for Diversifying the High Potential Pool

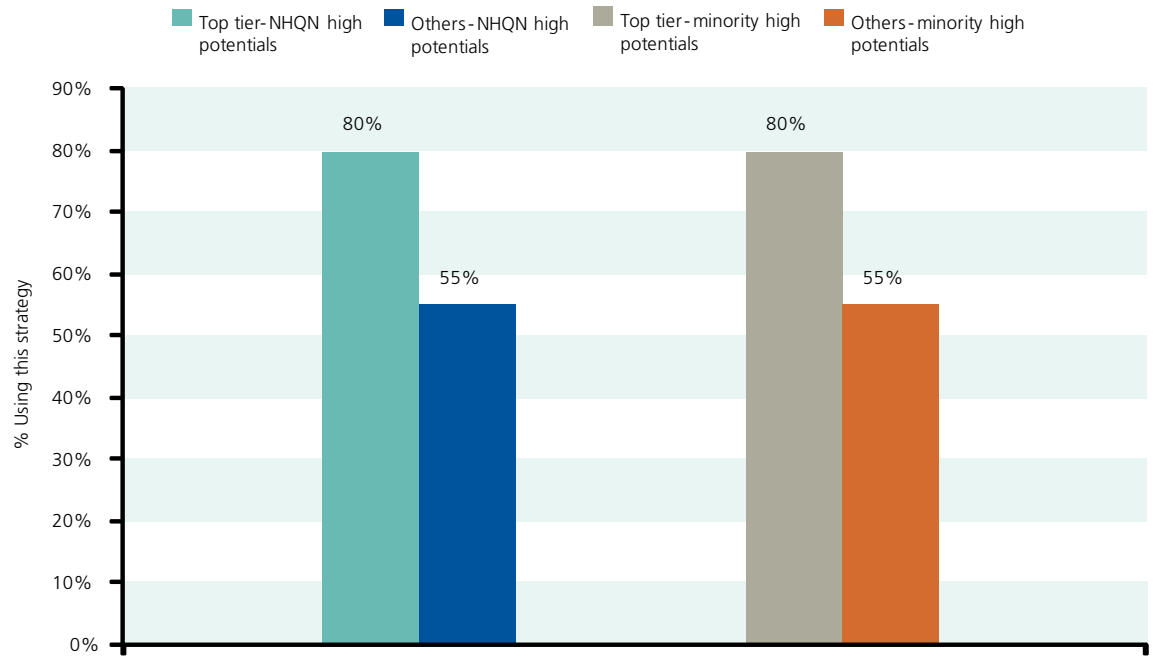
The two most widely used strategies across the board are “involving others besides just the supervisor in assessment” (used by 73% of participants), and “explicit discussion of diversity in talent reviews” (71%). These strategies also turn out to be closely associated with diversity in the high potential pool. We can see this in two ways: 1) Top tier organisations tend to use them more frequently than other employers, and 2) employers that do use them have higher representation of certain populations among their future leaders.

Involving Others Besides the Supervisor in Assessment of Potential

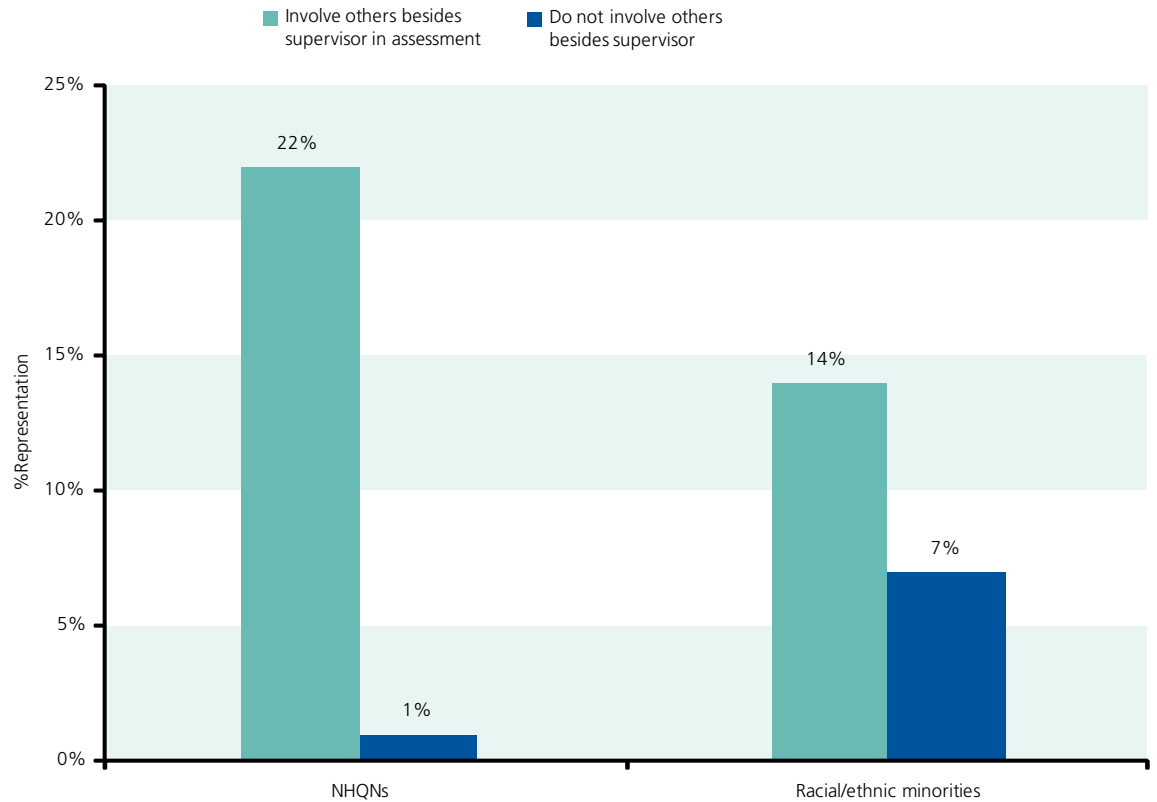
This strategy for diversifying the high potential pool is associated with racial/ethnic and nationality diversity, as shown below. The first chart indicates that top tier organisations for minorities and NHQNs use this strategy more frequently; the second shows that companies that involve others in potential assessment have higher representation of minorities and NHQNs.

¹ John D. Mayer, et al., “Emotional Intelligence Meets Traditional Standards for an Intelligence,” *Intelligence* 27(4), 267-298, 2000.

Per cent of organisations that involve others besides the supervisor in assessment of potential



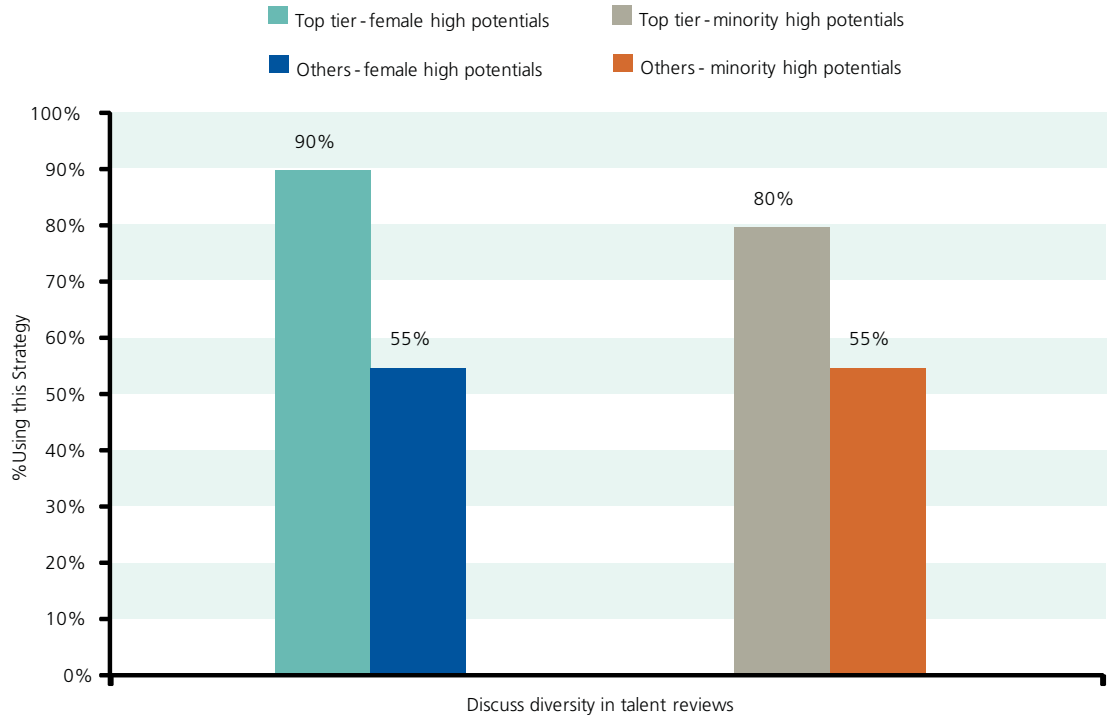
Representation of non-HQ nationals and racial/ethnic minorities in high potential pool



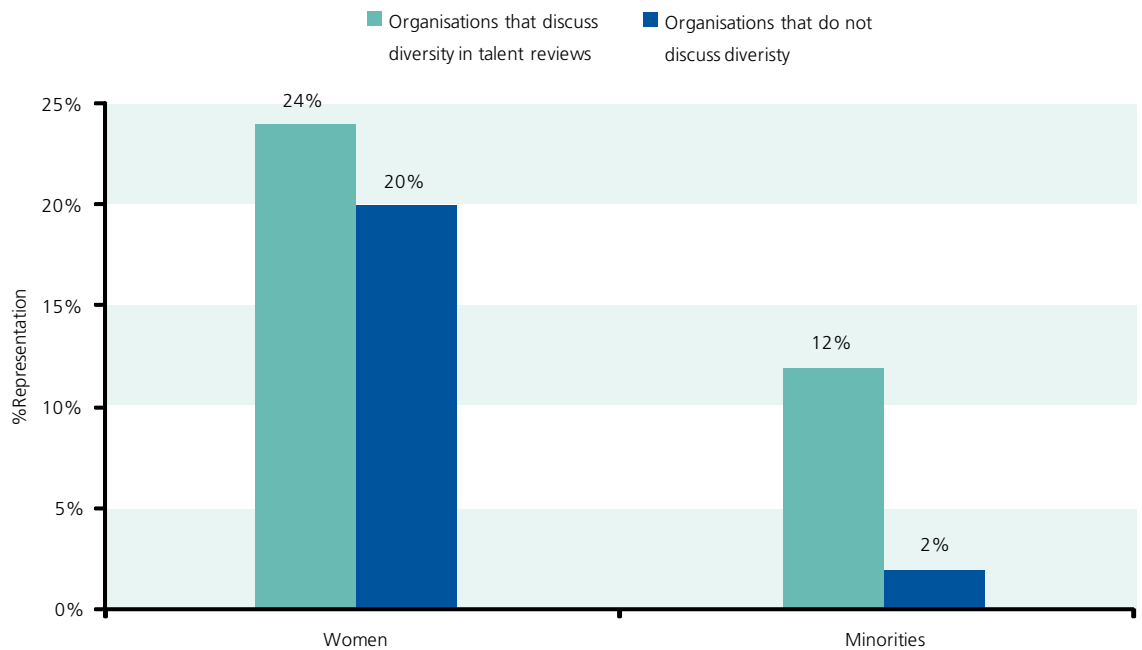
Discuss Diversity Explicitly in Talent Reviews

Organisations in the top tier for women and racial/ethnic minorities in the high potential pool are more likely to make diversity a regular topic of conversation during talent reviews. These employers have female representation that is 17 per cent higher than those of other organisations and minority representation six times higher.

Per cent of organisations that discuss diversity explicitly in talent reviews



Representation of women and racial/ethnic minorities in the high potential pool



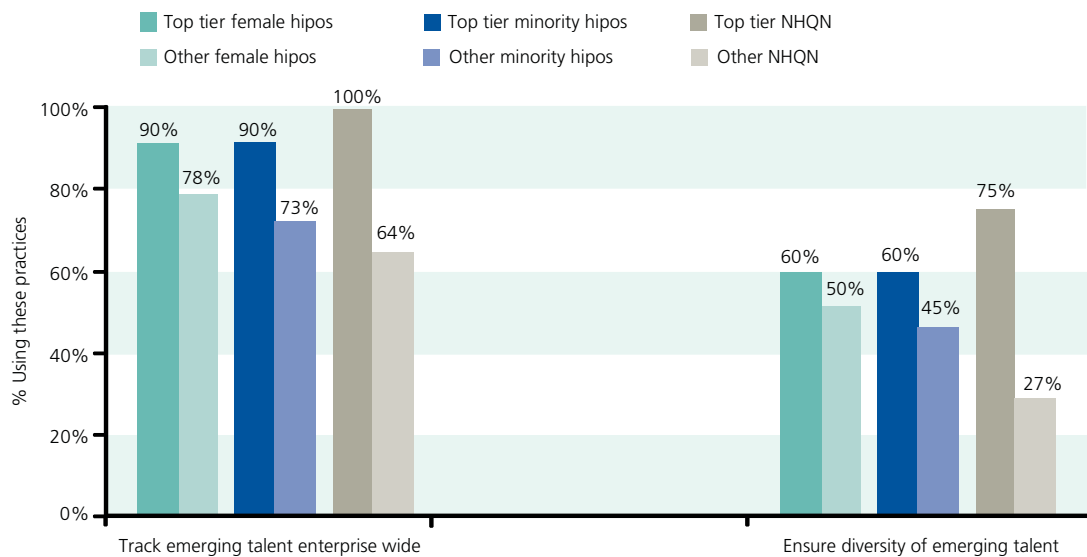
Case in Point:

One of the reasons Xerox has been able to sustain focus on diversity and progress over many years, in Eduardo Bascaran’s view, has been that any meeting regarding workforce planning or talent includes discussion about diversity. Making sure the question is always asked serves to reinforce commitment and promote the right behaviours. “Right behaviour” in Xerox means casting the net for talent very wide and then choosing the best person. Asking the hard question – why diversity is not as expected – is not always easy or pleasant, but it is critical.

Early Identification of High Potential Talent

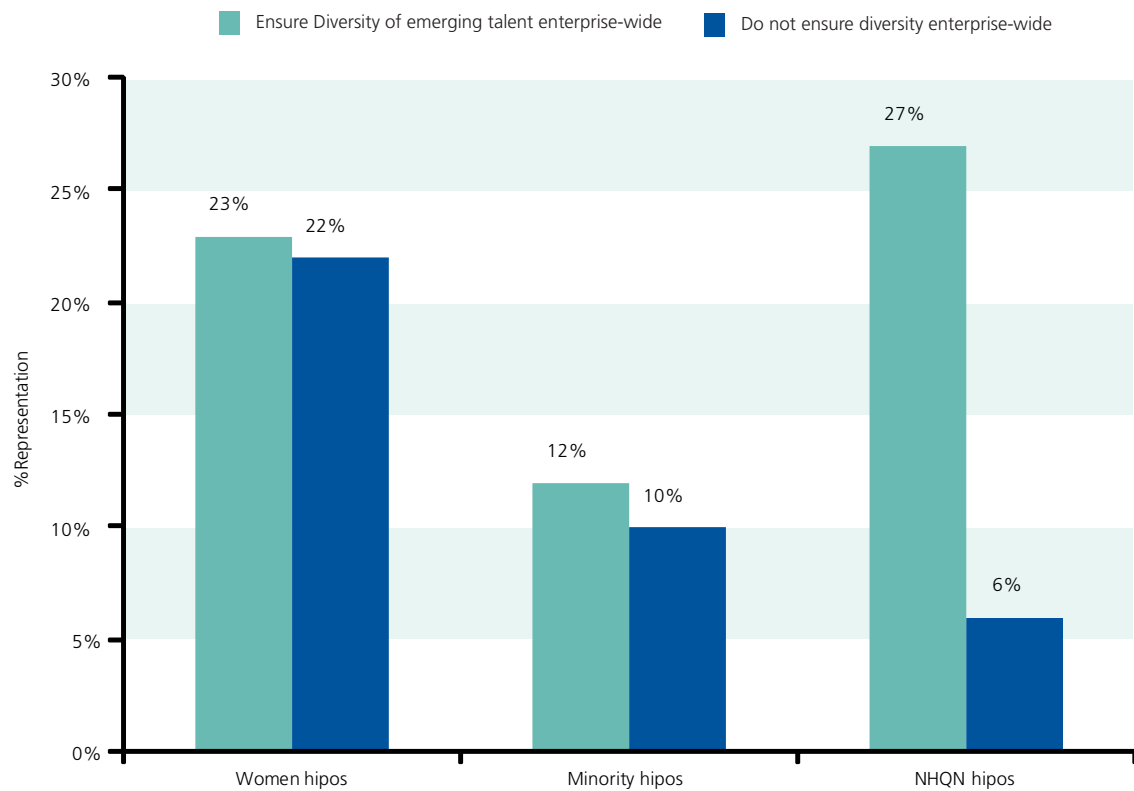
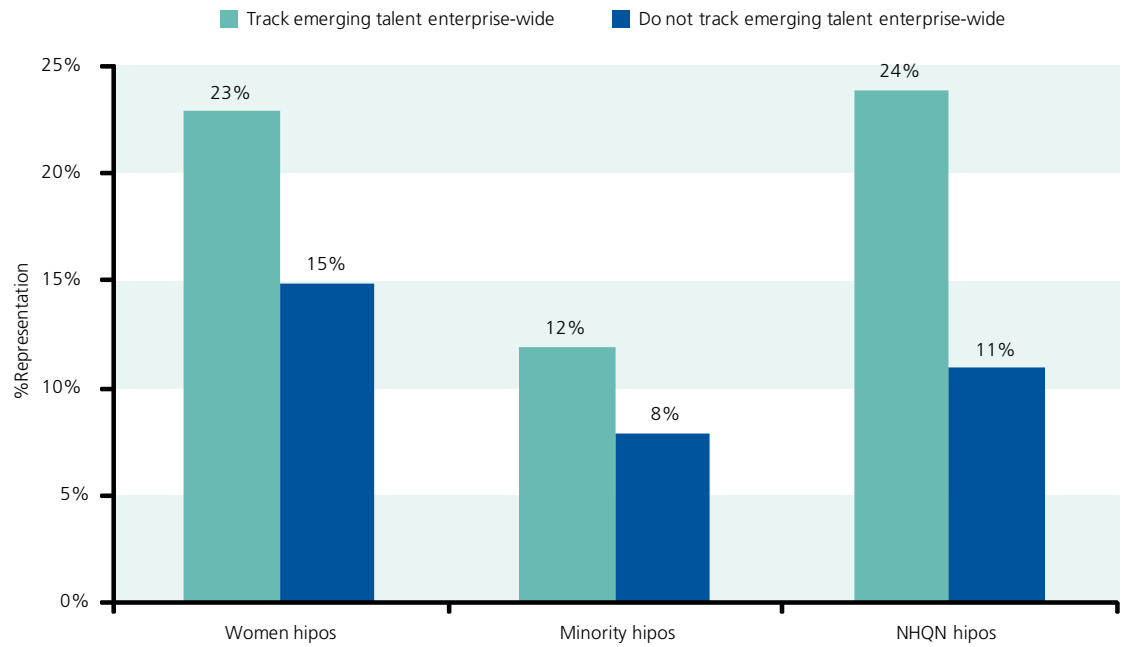
The survey indicates that identifying and tracking a diverse pool of talent early in their professional careers – and doing so across the entire organisation – may lead to more diversity among high potentials. Top tier organisations are more likely to track emerging talent enterprise-wide and to make enterprise-wide efforts to ensure diversity in the emerging talent pool.

Per cent of organisations taking enterprise-wide actions on emerging talent



Not surprisingly, given that lack of visibility is the most commonly cited barrier to advancement of non-HQ nationals, practices for tracking and diversifying the emerging talent pool across the entire enterprise are most strongly associated with increased representation of NHQN high potentials. These practices may also help surface female and minority talent since we see higher representation of those two populations in the high potential pool of organisations using these practices.

Median representation of diverse groups in the high potential pool



Case in Point:

Deutsche Bank's staffing philosophy stresses recruitment and development of new graduates. Future potential, therefore, is an important criterion assessed during the hiring process, and is an element considered in performance reviews thereafter. Deutsche Bank ensures diversity among emerging talent in part by recruiting actively in universities around the world.

V. Developing Senior Leaders

The survey sought to discover which development strategies might be most effective for developing a diverse senior leadership team. We found that several practices that were common among top tier organisations were associated with greater gender, racial/ethnic, or national diversity among senior leaders.

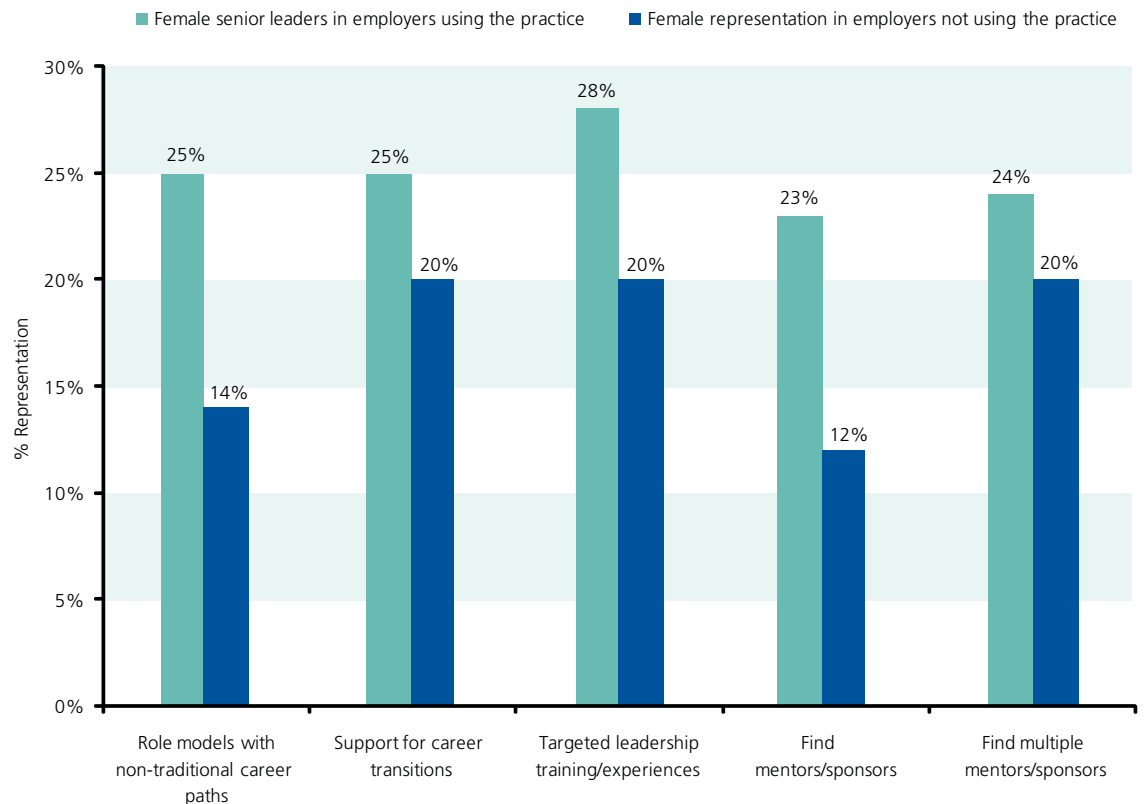
Developing Women

The development practices most closely linked to higher representation of women among senior leaders were:

- Providing leadership role models who have followed both traditional and non-traditional career paths (used by 63% of top tier organisations, compared with 39% of others)
- Providing formal support (eg, coaching, executive onboarding, special training) for significant career transitions (50% of top tier organisations v. 32% of others)
- Offering special targeted leadership development training or experiences to women (50% v. 35%)
- Helping diverse employees find mentors/sponsors (100% v. 79%)
- Helping diverse employees find multiple mentors/sponsors (50% v. 21%)

Each of these practices is associated with a difference in female representation of at least 17 per cent between organisations that use it and those that do not.

Comparison of female representation among senior leaders in organisations that do or do not use each practice



Cases in Point:

In a hierarchical organisation such as the BBC, status is an important factor in relationships. It is important in this type of organisational structure that staff have access to mentors who will introduce them to senior people whom they would not ordinarily encounter. The BBC does not undertake to completely manage an employee's mentoring relationships, but "puts them on the road to mentoring" through "bespoke" development programmes (that is, development programmes that have been initiated with particular groups in mind, such as development routes into senior leadership for feeder grades or journalism for under-represented staff or even more individualised programmes based on individual appraisals).

Xerox uses its caucus groups to connect members with senior leaders who are like themselves in some way and who may have taken untraditional roads to the top.

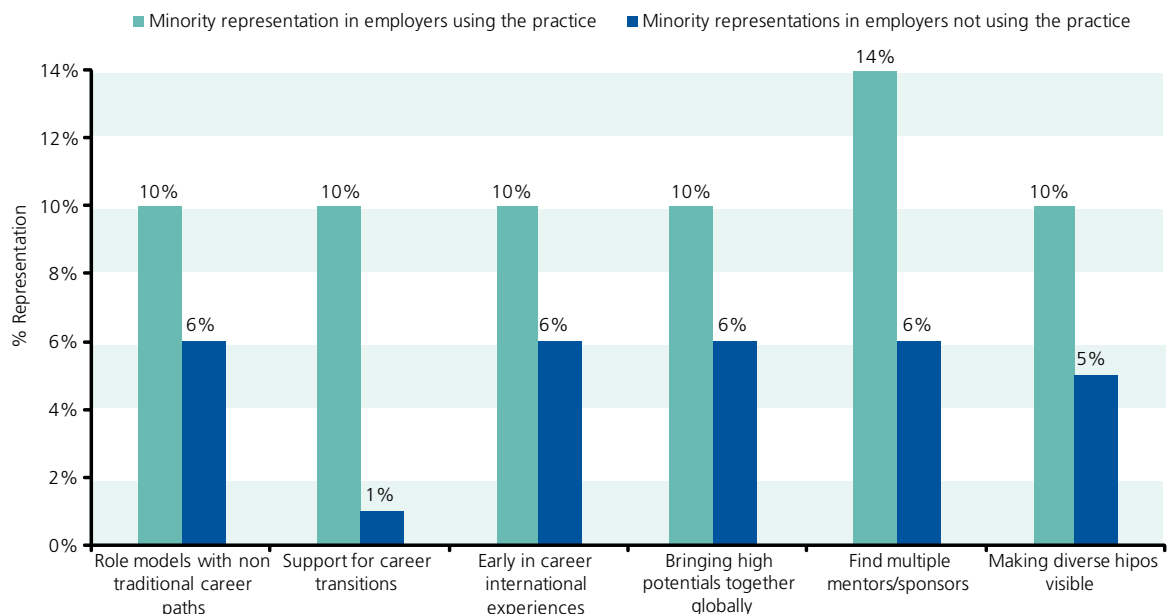
Developing Racial/Ethnic Minorities

The development practices most closely linked to higher representation of racial/ethnic minorities among senior leaders were:

- Providing leadership role models who have followed both traditional and non-traditional career paths (used by 63% of top tier organisations, compared to 41% of others)
- Providing formal support (eg, coaching, executive onboarding, special training) for significant career transitions (63% v. 32%)
- Helping diverse employees find multiple mentors/sponsors (63% v. 18%)
- Offering international experiences early in career (50% v. 27%)
- Bringing high potentials together from around the world for training or conferences to facilitate network building among them (88% v. 59%)
- Including diverse high potentials in critical meetings and giving them opportunities to make presentations in visible venues (88% v. 45%)

Each of these practices is associated with a difference in representation of racial/ethnic minorities at the senior level of at least 40 per cent between organisations that use it and those that do not.

Comparison of minority representation among senior leaders in organisations that do or do not use each practice

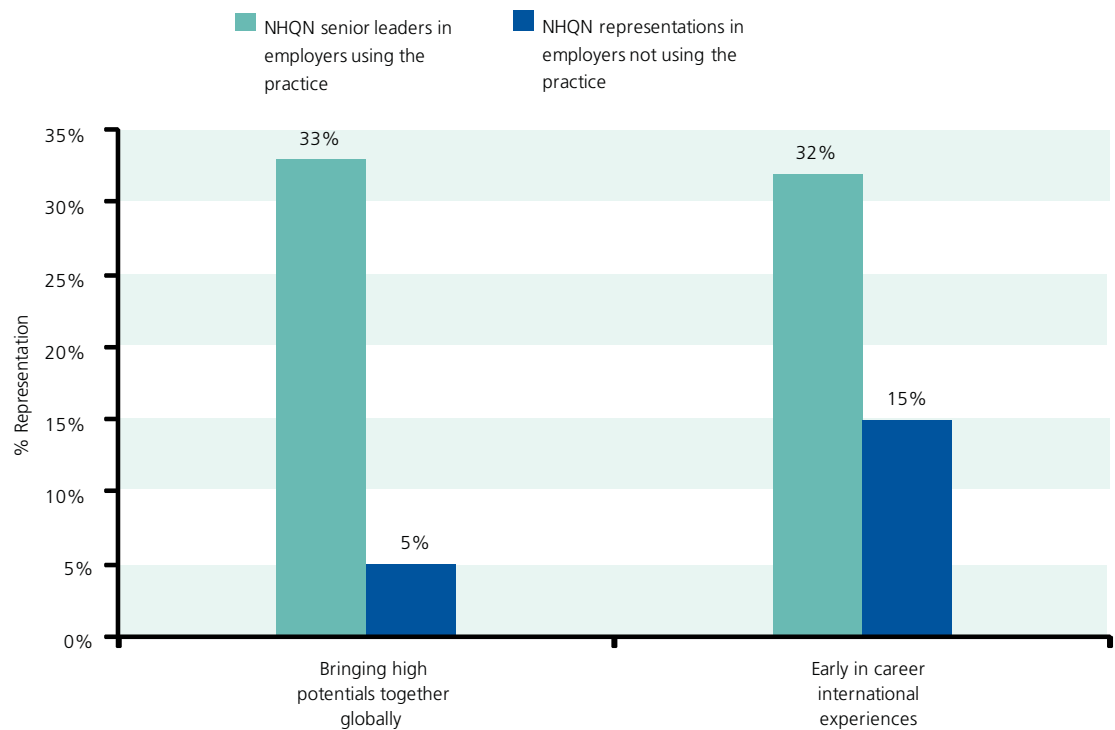


Developing Non-HQ Nationals

Two of the development practices investigated showed a strong link to organisations' ability to advance non-HQ nationals to senior leadership positions:

- Bringing high potentials together from around the world for training or conferences to facilitate network building among them (100% of top tier employers do this, compared to half of the other participating organisations)
- Offering international experiences early in career (50% v. 25%)

Comparison of NHQN representation among senior leaders in organisations that do or do not use each practice



Case in Point:

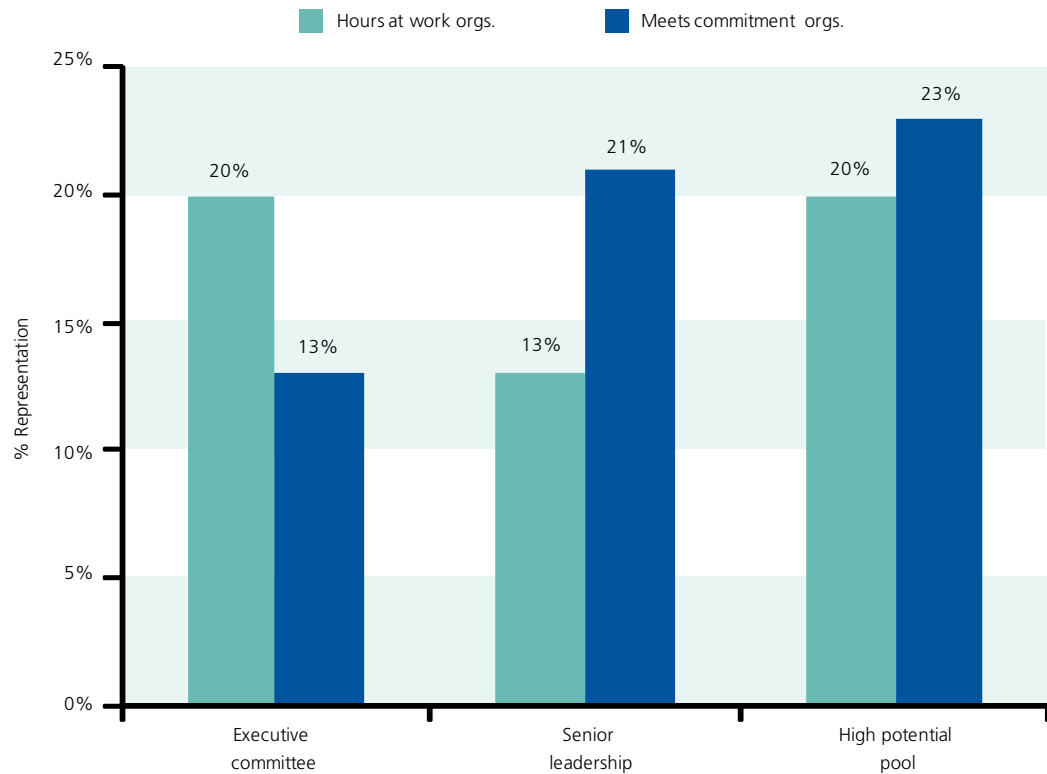
Deutsche Bank, one of the leaders among survey participants for representation of non-HQ nationals in senior leadership, conducts all of its new graduate training centrally. Participants come from all over the world to learn together, and the connections they make with their fellow students become a network that they rely on throughout their careers.

VI. The Role of Organisational Culture

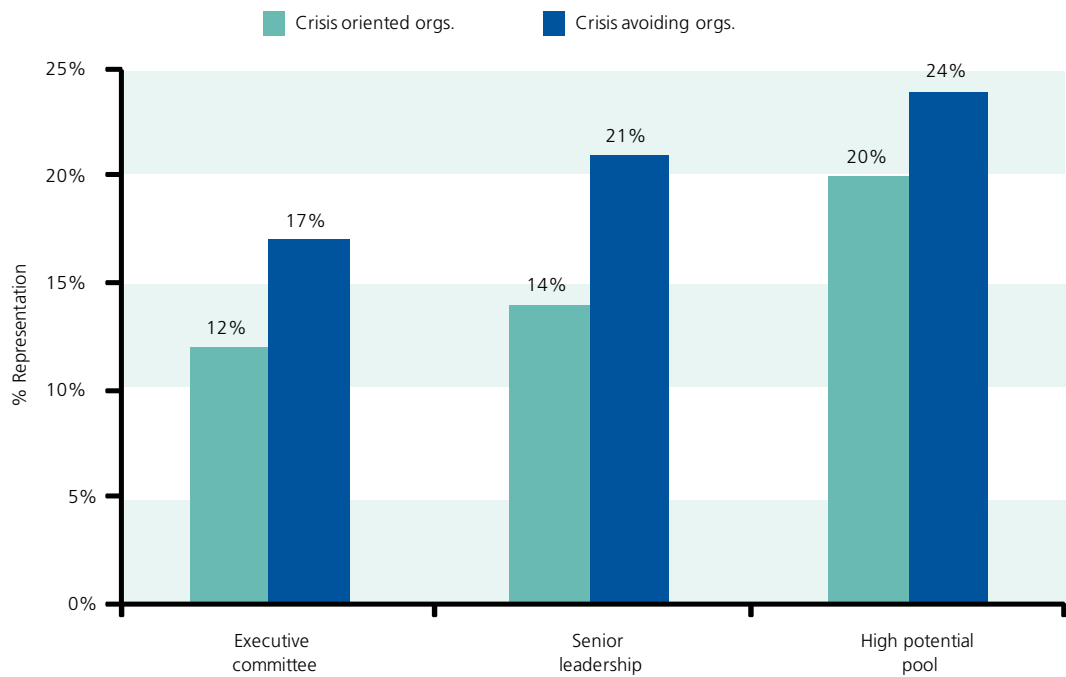
The survey suggests that the culture within an organisation may be related to the number of women who make it to the top of the house. In particular, employers that value avoiding crises more highly than putting out fires have higher representation of women in the most senior positions. Similarly, organisations that value building consensus have more women at executive committee level and in the high potential pool than those that value quick decision making. Organisations that stress meeting commitments over putting in long hours have more women senior leaders and high potentials but, interestingly, fewer on the executive committee. We don't know whether the difference in culture permits more women to rise, or whether the presence of more women changes the culture.

We found no particular patterns associating higher representation of racial/ethnic minorities or non-HQ nationals with the organisational values we tested.

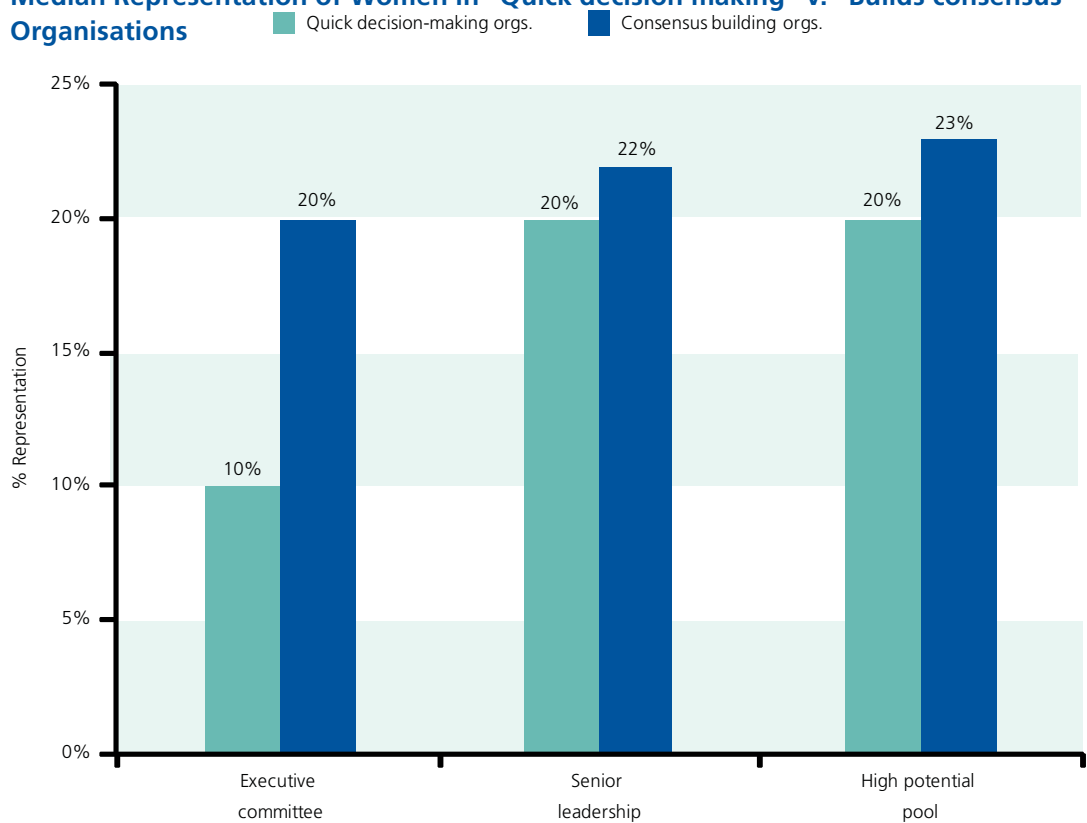
Median Representation of Women in "Hours at work" v. "Meets commitments" Organisations



Median Representation of Women in Crisis-Oriented v. Crisis-Avoiding Organisations



Median Representation of Women in "Quick decision making" v. "Builds consensus" Organisations



Cases in Point:

Notwithstanding its hierarchical structure, management styles in the BBC allow for more creative, team-based decision-making processes. One step down this road has been the development of leadership behavioural competencies known collectively as the “Leadership Imperatives” consistent with cooperative leadership styles, such as harnessing creativity, building purposeful relationships and leading with conviction. These behaviours are incorporated into the criteria for selecting senior leaders and are built into leadership development programmes such as the Mentoring and Development Programme, which, through positive action, targets high potential staff largely from groups that are currently under-represented at senior leadership level.

Kevin Bradley believes McDonald’s culture, with its emphasis on “McFamily”, may be a key ingredient in the company’s recipe for diversity success. Employees throughout the organisation feel a strong commitment to one another, as evidenced by how quickly they mobilised to respond to the earthquake in China and Hurricane Katrina in New Orleans. McDonald’s franchise structure also encourages strong ties between restaurant managers and the communities in which they have their businesses.

VII. Accountability for Diversity in Talent Management Processes

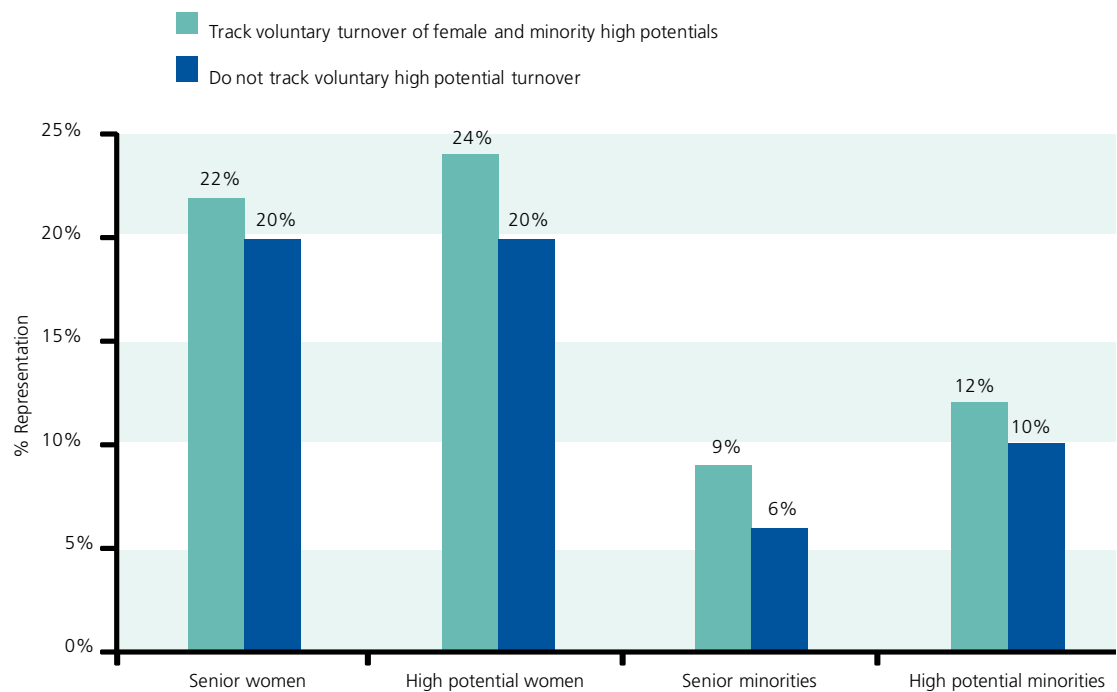
Centralised Tracking of Talent Management Processes

The majority of the survey group monitors gender and racial/ethnic diversity across the entire enterprise in a number of areas: senior leaders, high potentials, new hires, promotions and turnover. (Very few employers in the survey track nationalities/passport countries in these areas.)

The measures that show a link with diversity performance, as indicated by representation of women and minorities at top levels of the organisation, are two of the lesser used ones:

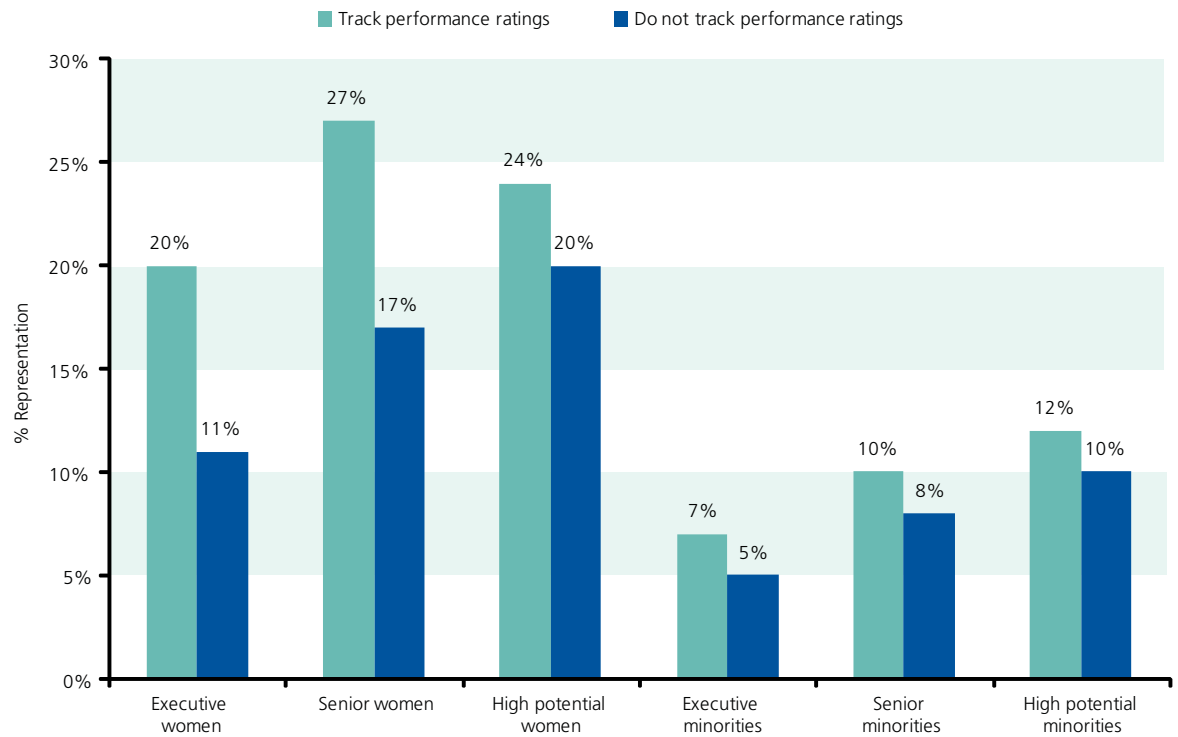
- 56% of participants track voluntary turnover of female high potentials; 40% track voluntary turnover of minority high potentials. These organisations show a higher percentage of women and minorities in the high potential pool and the senior leadership team.

Representation of women and minorities in organisations that track distribution of performance ratings compared to those that do not



- Distribution of performance ratings is tracked for women by 37% of participants and for minorities by 22%. These organisations have higher median representation of women and minorities at all three levels: high potentials, senior leaders, and the executive committee.

Representation of women and minorities in organisations that track distribution of performance ratings compared to those that do not



Cases in Point:

Kevin Bradley attributes McDonald's success in diversifying the racial/ethnic makeup of its senior leadership to "constant monitoring of the bench". Bradley describes McDonald's as a "training institution" that relies heavily on training restaurant managers to prepare the next generation of future leaders. As such, it is crucial for the company to track employee development at all levels.

The BBC is an excellent example of why the term "best practice" should be used advisedly. The best approach in one organisation is not necessarily best for another. The BBC does not consistently track diversity in talent management processes at the corporate level, as do many of the other top tier organisations, because the company's structure does not lend itself to centralised talent management. The business operates through a number of divisions that are individually very distinct with customised working practices, largely developed as a result of the unique challenges different divisions face. As a result each division has a great deal of flexibility in how it designs, implements, and measures talent and diversity programmes.

Succession Planning Targets

Monitoring is one thing; setting targets is another. Few of the organisations in this study set targets for diversity representation on succession slates:

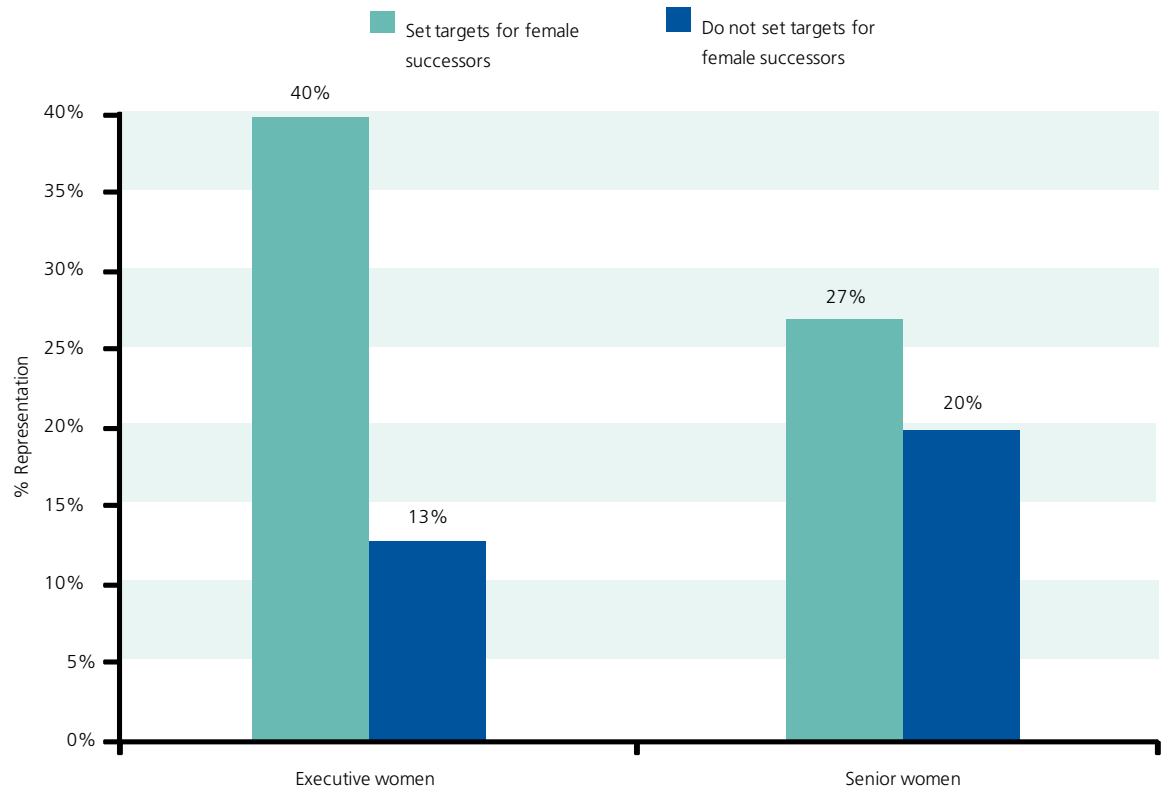
- 23% set targets for women
- 15% for racial/ethnic minorities
- 6% for non-HQ nationals

Case in Point:

Deutsche Bank's view on targets is typical of many organisations. Leaders of the company worry that setting hard targets would conflict with the company's philosophy of meritocracy. Instead, they reward managers that have diverse teams and do a good job of managing that diversity, and the CEO maintains a focus on diversity by questioning managers whose representation levels are lower than expected.

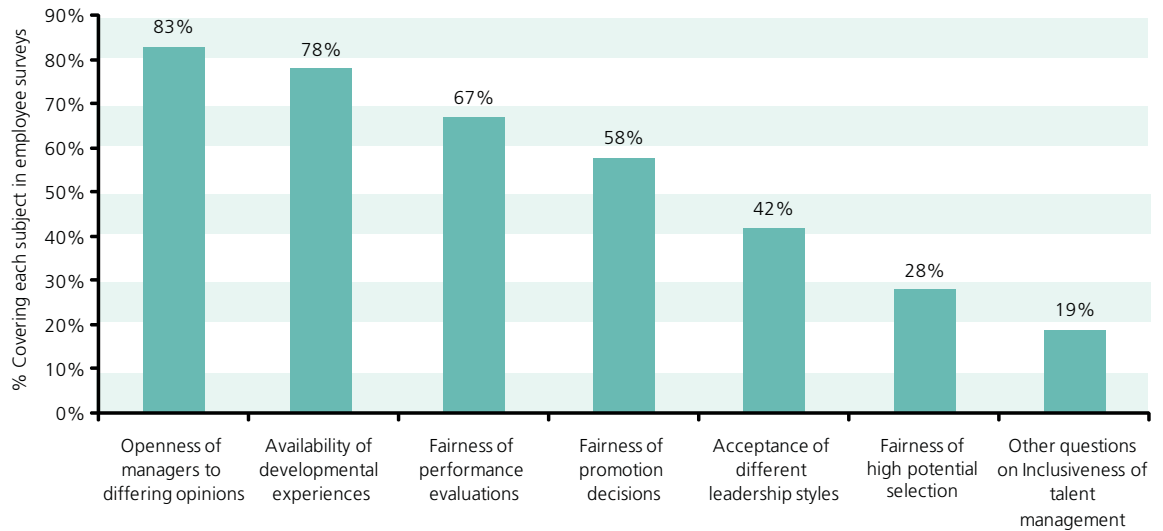
Since so few set targets for minorities and NHQNs, we can't see if there are any links between doing so and actual representation of those populations. The statistics for females, however, suggests that there may well be. Organisations that set targets for female successors have considerably higher percentages of women at the executive committee and senior leadership levels:

Representation of women in organisations that set succession slate targets compared to those that do not

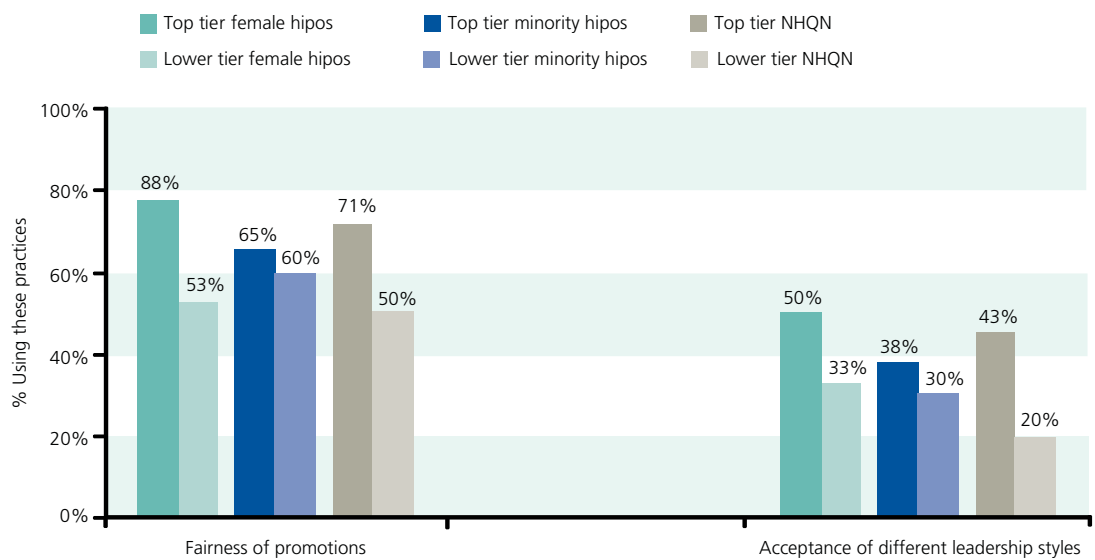


Measuring Employee Perceptions

There is a good deal of commonality in the subjects covered by employee surveys in participating organisations. The majority ask employees how they perceive the openness of managers to differing opinions, how satisfied they are with availability of developmental opportunities, and whether performance review and promotion processes are fair.



Interestingly, two of the less frequently covered subjects – fairness of promotion decisions and acceptance of different leadership styles – are more often included in surveys by the organisations with more diverse high potential pools and senior leadership teams. Possibly this indicates a correspondence between metrics and the maturity of efforts to integrate talent management and diversity. As employers more thoroughly integrate diversity efforts into the entire human capital management system, they may be more likely to look deeper into the inclusivity of talent management processes.



Case in Point:

Deutsche Bank covers these and other inclusion issues in its employee survey, and uses the results as a tool to give feedback to its diversity committees around the world. The Bank also follows up on differences in survey results between regions to see if those units with higher scores have best practices that can be shared with the rest of the company.

VIII. General Policy and Practice

Sixty per cent of participating employers have global diversity policies, and, of those, the majority specifically protect most of the dimensions of diversity listed:

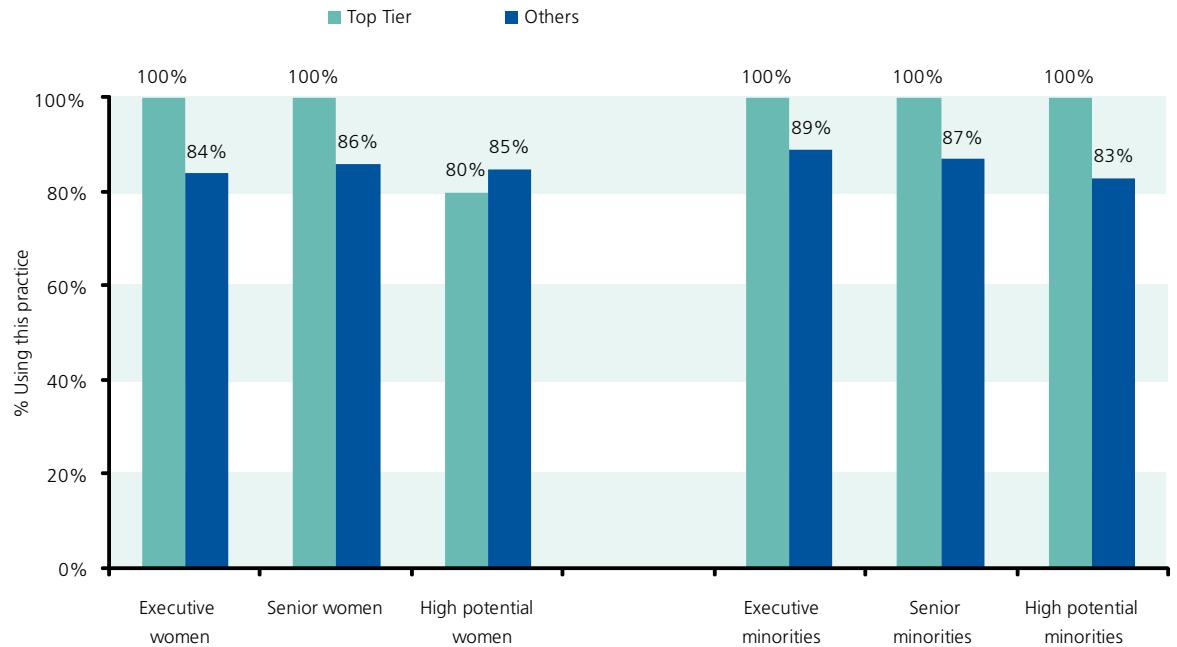
Dimension of diversity	% of employers with global diversity policies that include this dimension
Race/ethnicity	93
Gender	93
Religion	90
Age	90
Disability	90
Sexual orientation	90
Gender identity	72
National origin	69
Regional origin	35
Political belief	28
Caste/social class	10
Other	21

We found no link between diversity in the upper ranks and whether or not an employer has a global policy or which dimensions the policy covers. However, we did see some notable differences between top tier and other organisations in terms of their global mobility policy and practice.

Expatriate Selection

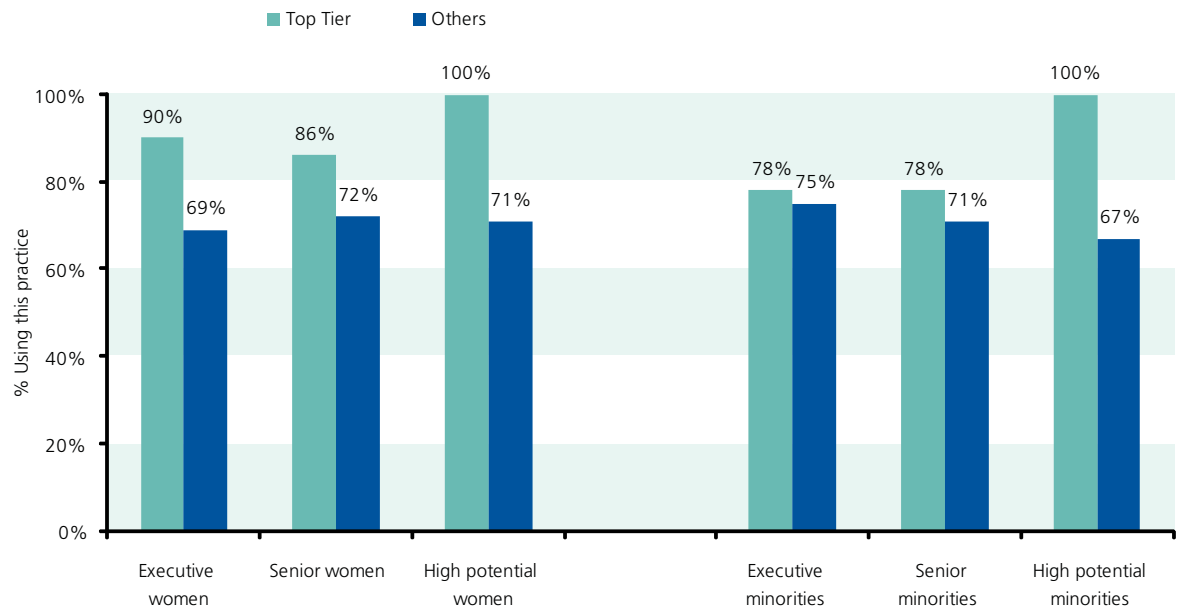
Top tier organisations are more likely to select both women and racial/ethnic minorities for international assignments, regardless of attitudes in the assignment location toward individuals from these groups. (The exception is that there is little difference in usage of this practice between the top tier for high potential women and other organisations.) Given the importance of international assignments in leadership development for many global organisations, it makes sense that this practice would support the advancement of these groups.

Select expats and locals for international assignments regardless of level of acceptance of this group in the assignment country



Data suggest that involvement of talent management or other HR staff in the selection of expatriates may also aid advancement of women and minorities. Top tier organisations were more likely to involve HR in the selection of women and minorities at all levels studied (although the differences at the executive and senior levels for minorities are very small). HR/talent management involvement does not seem related to success with advancing non-HQ nationals, however.

Involve talent management /HR in selection of expatriates



Case in Point:

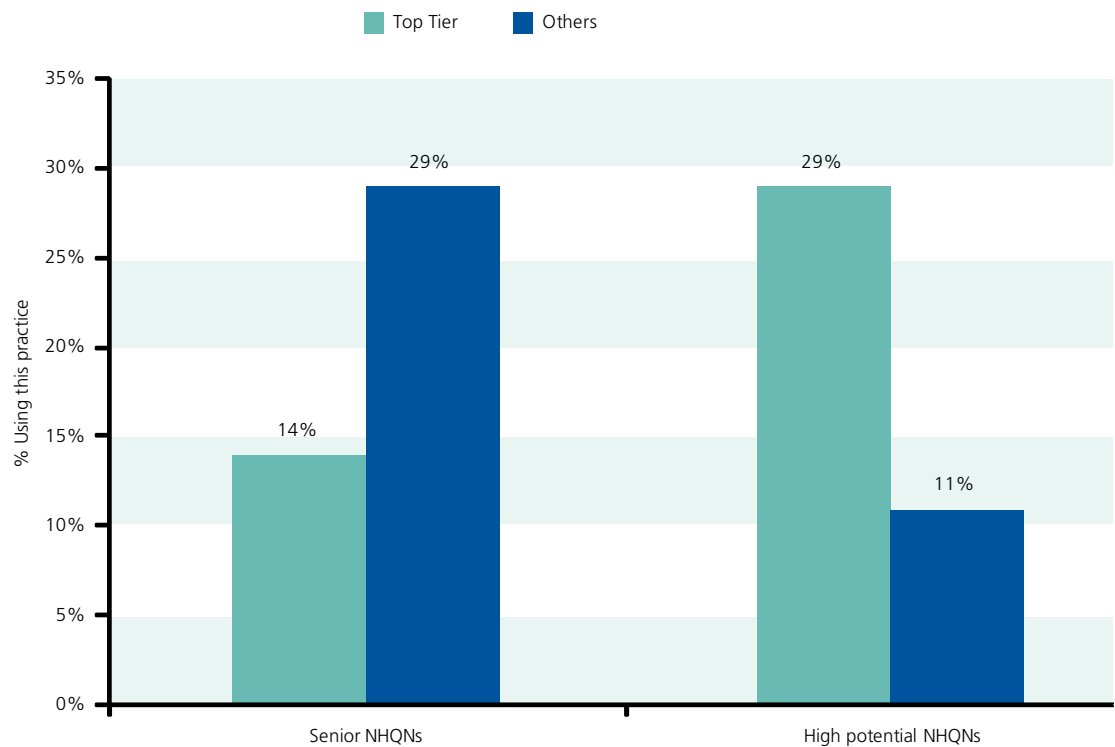
Xerox tracks the diversity of its expatriate population, enabling the company to track whether international assignments, an important developmental experience for future leaders of a global enterprise, are accessible to a diverse population.

Reserving Management Positions for Local Nationals

Organisations frequently wrestle with how to provide developmental opportunities for non-HQ nationals when challenging experiences may be scarce in their home countries. Two strategies sometimes employed to help solve this problem are to reserve management positions in countries other than the headquarters for local nationals, unless no one local is appropriate for the role, and to permit employees to nominate themselves for international assignments through a global posting system. Neither policy is used widely among organisations participating in the survey; and, for the most part, we did not find any significant relationship between either policy or representation of non-HQ nationals in the upper ranks.

The one exception was that reserving management positions for local nationals was associated with greater representation of non-HQ nationals in the high potential pool. The implication is that reserving management positions for local nationals may help talent demonstrate their potential and become recognised as possible future leaders. But we also found that the policy was actually inversely related to the proportion of senior leaders who are non-HQ nationals. It's unclear from our findings why this should be. Perhaps making these positions unavailable to people from other countries limits the ability of NHQNs to move around and get the developmental experiences necessary to advance.

Reserving all management jobs for local nationals where possible



IX. Observations

The difference in representation of women, racial/ethnic minorities, and non-HQ nationals between top tier employers and the rest of the survey sample is considerable. The proportion of women, racial/ethnic minorities, and non-HQ nationals in top tier organisations is from 33 per cent to 4,500 per cent greater than the proportion in other participating organisations, depending on the population and level in question (see charts on p. 6-7). It behoves us, then, to see where the policies and practices used in those high performing organisations differ from those in other organisations and whether those differences might account for the difference in outcomes.

We would expect to find that the top tier organisations have put in place practices to overcome the barriers facing non-traditional populations, and, indeed, the survey results confirm this expectation. The following table shows the principal barriers identified by survey respondents, and the measures top tier organisations are taking to mitigate them. (Many of these practices might address more than one barrier, although for simplicity's sake we have listed each one only once.)

Barriers	Key practices used more frequently by top tier organisations
Exclusion from informal networks	<ul style="list-style-type: none"> • Helping employees find mentors/sponsors, and helping them find multiple mentors/sponsors • Bringing high potentials from around the world together for training, conferences, etc. to help them build their networks • Offering international experiences early in career
Difference in leadership styles	<ul style="list-style-type: none"> • Providing specialised targeted leadership training or development experiences
Lack of visibility	<ul style="list-style-type: none"> • Having a consistent, enterprise-wide process for identifying high potentials • Putting in place centralised monitoring of emerging talent • Involving others besides the supervisor in evaluation of potential • Including diverse high potentials in critical meetings and giving them opportunities to make presentations in visible venues
Unwillingness of managers to take risks on non-traditional candidates	<ul style="list-style-type: none"> • Involving HR or talent management function in selection of employees for international assignments • Discussing diversity explicitly in talent reviews • Having formal support for significant career transitions (coaching, onboarding, training) • Selecting high potentials on the basis of competencies (leadership, learning agility, emotional intelligence)
Organisation culture unsupportive of work/life balance	<ul style="list-style-type: none"> • Permitting part-time work following return from leave • Providing role models of leaders who have taken non-traditional career paths • Creating a culture that values crisis-avoidance, consensus, and meeting commitments rather than hours at work
Bias	<ul style="list-style-type: none"> • Involving others besides the supervisor in performance evaluation • Tracking distribution of performance ratings

We also see evidence, as we have before, that setting targets for representation is associated with greater diversity, although most organisations remain reluctant to do so. In the present study, we find a link between setting targets for succession slates and a greater percentage of women in the senior leadership and executive committee levels.

One might expect that employers with more diversity in the pipeline would see more diversity in the senior leadership levels, but, except in a few of the organisations participating in the study, that is not the case. In some organisations, the diversity among high potentials may be relatively recent so that its impact has not yet been seen in the senior management and executive levels. But in others the failure of diversity to make it through the pipeline into senior leadership may be due to more than lack of time; it may also reflect insufficient integration of diversity and inclusion into talent management practices. Our interviews with four companies that have managed to achieve high numbers at every level show that in the most successful organisations, diversity and inclusion efforts do not stand apart as a separate programme; they are “baked into” the practices the organisation uses to make decisions about its talent.

The most important lesson of this research, then – more than the value of any particular practice or policy – is the interconnectedness between diversity and inclusion and talent management processes. The organisations that have integrated diversity into their global talent management systems and processes – their tracking mechanisms, their selection and development processes, and their global mobility policies and practices – have more diversity in their pipelines and senior ranks. Over time, the consistent attention to diversity in these organisations has helped leaders develop the habit of thinking about talent more inclusively.

Appendix A: Participating Employers

Accor Hospitality	Lloyds TSB Bank plc
ADP, Inc.	London Borough of Sutton
AkzoNobel	Lowe's Companies, Inc.
American Airlines, Inc.	McCormick & Company, Incorporated
American Express Company	McDonald's USA
BBC	Metropolitan Police Service
Bechtel Civil	The MITRE Corporation
Becton, Dickinson and Company	Monsanto Company
British Airways	National Australia Bank Limited
Cisco Systems, Inc.	Novartis Pharmaceuticals
Corning Incorporated	PG&E
Deutsche Bank	Praxair, Inc.
Diageo plc	The Procter & Gamble Company
Fluor Corporation	Publix Super Markets, Inc.
Fox Entertainment Group	Sprint Nextel Corporation
General Mills, Inc.	State Farm Insurance Companies
GlaxoSmithKline	Synovus Financial Corp.
Hess Corporation	Tesco plc
Illinois Tool Works, Inc.	UBS AG
IRC UK	Unilever Home & Personal Care USA
Johnson Controls, Inc.	Visa Inc.
JP Morgan Chase & Co.	WaterAid International
JT International Services S.A.	Xerox Corporation
Kraft Foods, Inc.	

Appendix B: Survey Questions

Talent Management Processes for a Diverse Leadership Team

Screen 1: Identifying High Potentials / Emerging Talent

1.a. Does your organization have a formal process for identifying high potential employees?

- Yes, in some divisions or locations
- Yes, throughout the organization
- No (Please skip to the next screen by clicking Next arrow below.)

b. Does your organization use a defined set of criteria for selection of high potentials?

- Yes
- No
- N/A, we do not select high potentials (Please skip to the next screen by clicking the Next arrow below.)

c. If you use defined criteria for the selection of high potentials, which of the following are most important? (Please choose no more than five.)

- Consistent superior performance relative to peers
- Personal aspiration to leadership roles
- Learning agility (quickly learns from and adapts to new environments)
- Mastery of key leadership competencies at a level higher than most of their peers
- Political astuteness
- Specific experience (e.g., specific line of business, function, or market)
- Experience in a role with profit/loss responsibility
- Experience in more than one function or type of role
- Proven crisis management ability
- Emotional intelligence (i.e., maturity, self-knowledge, empathy)
- Financial management savvy
- Significant assignment outside the person's home country
- Ability to function effectively in different cultures
- Commitment to staying with the organization
- Other, please specify:

Screen 2: Identifying High Potentials / Emerging Talent

2. What does your organization do to ensure diversity of the high potential pool? (Please select all that apply.)

- Require that all professional employees, or all those at a specific level, be assessed for leadership potential
- Test the cultural neutrality of leadership competencies and/or high potential criteria
- Involve more than just the supervisor in the assessment process (e.g., use multi-rater instruments, discuss nominations in talent review meetings)
- Use structured assessments such as tests or assessment center exercises
- Discuss diversity explicitly in talent reviews
- Involve employee affinity groups in identifying high potentials from among other constituencies
- Put senior leaders in situations where they get to know talented women and ethnic/racial minorities (e.g., as sponsors of employee affinity groups, in upward mentoring relationships, as teachers in leadership development programs)
- Involve the corporate diversity leader in the process for identifying high potentials
- Set targets for representation of women, minorities, and/or non-HQ nationals in the high potential pool

Screen 3: Identifying High Potentials / Emerging Talent

3. In most organizations, there is an unofficial (often unspoken) set of expectations for high potentials. In your opinion, which of the traits in each of the following pairs does your organization value more highly? (Please select one in each pair.)

- Crisis oriented; willing to give 150% to meet deadlines or resolve unexpected issues, or
- Deliberate and well-organized; avoid crises

- Spends many hours at work, often forgoing vacation, or
- Meets commitments

- Makes decisions quickly, or
- Builds consensus

- Treats all subordinates the same, or
- Takes individual circumstances into account

- Knows everything there is to know about his/her operation, or
- Knows whom to call on for needed information or advice

- Uses a command-and-control leadership style, or
- Uses a cooperative leadership style

4. a. Does your organization identify “emerging talent”?

- Yes, enterprise-wide
- Yes, in some locations or business units
- No

b. If “Yes”, how is emerging talent tracked?

- The department, division, or location is solely responsible
- Emerging talent for the entire enterprise is tracked centrally

c. Are efforts made to ensure the diversity of the emerging talent pool?

- Yes, enterprise-wide
- Yes, in some locations or business units
- No

Screen 4: Developing Future Leaders

5. Which of the following practices does your organization use for developing a diverse high potential pool? (Please select all that apply.)

- Provide leadership role models who have followed both traditional and non-traditional career paths
- Make it acceptable for individuals to make lateral moves to broaden their experience
- Permit individuals to turn down or defer an international assignment without prejudicing future career opportunities
- Offer international experiences early in a high potential's career
- Bring high potential employees from around the company together for training or conferences to facilitate network building among them
- Ensure that all high potentials are offered assignments with profit and loss responsibility
- Provide all high potentials with formal support for significant career transitions (e.g., special training, coaching, executive onboarding)
- Make sure diverse high potentials are included in critical meetings and have the opportunity to make presentations in visible venues (e.g., management and Board meetings)
- Help diverse employees connect with mentors and sponsors
- Help diverse employees find multiple mentors and sponsors
- Offer special, targeted leadership development training or experiences to women and/or ethnic/racial minorities

6. What practices does your company use, as a rule, regarding professional individuals who take leaves of absence? (Please select all that apply.)

- Managers keep in contact with employees on leave
- Before end of leave, manager or HR contacts employee to plan for return
- Upon return, there is a formal plan for reintegration
- Employees are permitted to return on a part-time basis for some period of time
- Employees are kept on succession plans while on leave
- Other, please specify:
- No special practices in place

Screen 5: Accountability

7. a. For which of the following talent processes does your company track demographic diversity measures at the enterprise-wide level? (Please select all that apply.)

- Senior leadership positions
- International assignees
- Employees whose international assignments terminate earlier than planned
- High potential pool
- Employees included in succession plans

Do you count the same individual multiple times if he or she appears on the plan for more than one role?

- Yes, we count multiple instances of the same individual
- No, we only count each individual once regardless of the number of slates on which he or she appears
- N/A because our succession plan identifies a pool of successors rather than specific nominees for each position
- High potentials leaving the company voluntarily
- Employees who leave the company voluntarily within two years of repatriation from an international assignment
- Participants in management training programs
- Promotions
- New hires
- Turnover
- Distribution of performance ratings/rankings

b. Which demographic groups are usually tracked for these purposes at the enterprise-wide level? (Please select all that apply.)

- Gender
- Race/ethnicity
- Nationality/passport
- Disability
- Other, please specify:

c. Does your organization track diversity in talent management processes at the local national level?

- Yes, enterprise-wide
- Yes, in some locations or business units
- No

d. Recognizing that it may vary by country, for which of the following talent management processes is diversity usually tracked at the local national level?

- Participants in management training programs
- Promotions
- New hires
- Turnover
- Distribution of performance ratings/rankings

8. Do you set targets for diversity representation on succession slates (e.g., number or percent successors who should be female or minority)? (Please select all that apply.)

- Yes, targets for women
- Yes, targets for ethnic/racial minorities
- Yes, targets for non-HQ nationals
- No

Screen 6: Accountability

9. a. Do you regularly (e.g., at least every one or two years) conduct a global employee opinion or engagement survey?

- Yes
- No (Please skip to the next screen by clicking the Next arrow below.)

b. Are the results analyzed by diversity of respondents? (Please select all that apply.)

- No
- Yes, globally, by the following dimensions:
(Please select all that apply.)
 - Gender
 - Member of a minority (however this may be defined in any location)
 - Age
 - Disability
 - Sexual orientation
 - Nationality or passport country
 - Other, please specify:
 - Yes, at the local level, results may be analyzed by diversity dimensions or importance in that country

c. Which of the following issues are addressed by your global opinion or engagement survey? (Please select all that apply.)

- Openness of managers to differing opinions
- Acceptance of different leadership styles
- Fairness of high potential selection process
- Fairness of promotion decisions
- Fairness of performance evaluation process
- Availability of developmental experiences
- Other question(s) related to the inclusiveness of the selection and development processes, please specify:
- None of the above

Screen 7: General Policy and Practice

10. a. Do you have a global diversity and inclusion policy?

Yes

No

b. Which of the following dimensions of diversity are specifically protected worldwide in your policy? (Please select all that apply.)

Race/ethnicity

Gender

Religion

Sexual orientation

Gender identity

Age

Disability

Political belief

National origin

Regional origin

Caste/social class

Other, please specify:

Screen 8: General Policy and Practice

11. a. Does your diversity and/or leadership training curriculum include discussion of different leadership styles?

- Yes
- No
- We do not provide either diversity or leadership training

b. Who receives cross-cultural training in your company? (Please select all that apply and indicate whether training is mandatory or voluntary.)

- We do not offer cross-cultural training at all
- Professional employees
 - Mandatory
 - Voluntary
 - Other, please specify:
- Managers
 - Mandatory
 - Voluntary
 - Other, please specify:
- Senior leadership
 - Mandatory
 - Voluntary
 - Other, please specify:
- Only employees with a specific need (e.g., those assigned to another country or international team)
 - Mandatory
 - Voluntary
 - Other, please specify:

Screen 9: General Policy and Practice

12. For each of the following, please choose the response that most clearly represents your company's usual practice:

a. When selecting individuals for leadership assignments in countries where women are not generally accepted in leadership roles, we:

- Select both expatriates and locals to fill leadership roles without regard to gender
- Avoid promoting local women to those roles, but select expatriates without regard to gender
- Avoid putting any women, either expatriates or locals, in these roles
- Not applicable, company does not operate in such countries

b. When selecting individuals for leadership assignments in countries where members of certain ethnic groups, religions, or castes/social classes are not accepted in leadership roles, we:

- Select both expatriates and locals to fill leadership roles without regard to those factors
- Avoid promoting local people from those groups to leadership roles, but select expatriates without regard to those factors (except where immigration policy would prohibit members of those groups from entering the country)
- Avoid putting anyone from these groups, either expatriates or locals, in these roles
- Not applicable, company does not operate in such countries

c. When selecting individuals for assignments in countries where homosexuality is not culturally acceptable but is not illegal, we:

- Select expatriates for leadership roles without regard to sexual orientation as long as employee is fully cognizant of the situation and its implications
- Avoid sending gay or lesbian employees for assignments in those countries
- Not applicable, company does not operate in such countries

d. When selecting individuals for assignments in countries where homosexuality is illegal, we:

- Select expatriates for leadership roles without regard to sexual orientation as long as employee is fully cognizant of the situation and its implications
- Avoid sending gay or lesbian employees for assignments in those countries
- Not applicable, company does not operate in such countries

Screen 10: General Policy and Practice

13. Which of the following most closely describes your company's process for selecting employees for international management positions?

- Business leaders have authority to make decisions on all expatriate assignments without consultation with the corporate/enterprise-wide Talent Management/HR staff or the senior leadership team
- Selection of expatriates for management assignments requires consultation with the corporate/enterprise-wide Talent Management/HR staff and/or the senior leadership team

14. What do you do to ensure developmental opportunities for local national employees?

- All management positions outside the headquarters country must be filled first by local employees, unless no such individual is appropriate for the role
- Employees may nominate themselves for international assignments via a global posting system
- Other, please specify:

Screen 11: Demographics

15. Please fill in the proportion of positions at each leadership level that are filled by women, non-HQ nationals, or racial/ethnic minorities. (See "DEFINITIONS" at the beginning of the survey.)

a. Executive Committee (The Chief Executive Officer (or equivalent), Chief Operating Officer (or equivalent), and their direct reports)

Women: _____%

Non-HQ Nationals: _____%

Racial/ethnic minorities (however these may be defined in your organization): _____%

b. Senior Leaders (The group of leaders who report directly to members of the Executive Committee)

Women: _____%

Non-HQ Nationals: _____%

Racial/ethnic minorities (however these may be defined in your organization): _____%

c. High Potential Pool

Women: _____%

Non-HQ Nationals: _____%

Racial/ethnic minorities (however these may be defined in your organization): _____%

Screen 12: Self-Assessment

16. a. In your opinion, which are the barriers most responsible for keeping women from advancing to senior leadership positions? (Please select no more than three.)

- Bias on part of managers
- Managers' unwillingness to take a risk on a non-traditional candidate
- Clients or customers do not accord credibility to women
- Exclusion from informal networks
- Difficulty finding powerful sponsors/mentors
- Lack of visibility to senior leaders
- Unwillingness of women to promote themselves
- Unwillingness of women to request development experiences
- Leadership style that differs from the style dominant among current senior leaders
- An organization culture that does not support or value work-life balance
- Other, please specify:

b. In your opinion, which are the barriers most responsible for keeping ethnic/racial minorities from advancing to senior leadership positions? (Please select no more than three.)

- Bias on part of managers
- Managers' unwillingness to take a risk on a non-traditional candidate
- Clients or customers do not accord credibility to ethnic/racial minorities
- Exclusion from informal networks
- Difficulty finding powerful sponsors/mentors
- Lack of visibility to senior leaders
- Unwillingness of minorities to promote themselves
- Unwillingness of minorities to request development experiences
- Leadership style that differs from the style dominant among current senior leaders
- An organization culture that does not support or value work-life balance
- Other, please specify:

c. In your opinion, which are the barriers most responsible for keeping non-HQ nationals from advancing to senior leadership positions? (Please select no more than three.)

- Bias on part of managers
- Managers' unwillingness to take a risk on a non-traditional candidate
- Clients or customers do not accord credibility to non-HQ nationals
- Exclusion from informal networks
- Difficulty finding powerful sponsors/mentors
- Lack of visibility to senior leaders
- Lack of formal leadership development programs at the local level
- Lack of language capability in English or other languages required for international assignments
- Unwillingness of non-HQ nationals to promote themselves
- Unwillingness of non-HQ nationals to request development experiences
- Leadership style that differs from the style dominant among current senior leaders
- Other, please specify:

About Industrial Relations Counselors, Inc.

Industrial Relations Counselors, Inc. (IRC) is a not-for-profit research and educational organisation specialising in human resources in management. Incorporated in 1926 through the efforts of John D. Rockefeller, Jr., IRC was the first research organisation in its field. IRC continues to be dedicated to its original objective: “To advance the knowledge and practice of human relationships in industry, commerce, education, and government.” IRC’s work has been guided over these 80-plus years by a board of trustees comprising distinguished leaders of American industry.

IRC became an exemplar of the progressive management view that labour and management, while adversaries, had common interests and that it was the task of the industrial relations function to seek ways to establish this unity of interests. From its inception, IRC has conducted innovative research and produced publications that have broken new ground in the employee relations field. In the 1930s, legislators drew on IRC expertise concerning pension systems and European experience with unemployment insurance in the establishment of the federal social security system and the design of unemployment insurance in the United States. IRC was also deeply involved in advancing the interests of progressive employers in the formation of national labour policy.

Between 1927 and 1932 IRC was the official representative of American business to the International Labour Office in Geneva, and conducted research there on employment issues in several European countries. IRC research has also dealt with all aspects of collective bargaining policy, remedies in emergency disputes, executive retirement, and job evaluation. For many years IRC’s own management development and education courses broadened the expertise of human resources professionals and increased line managers’ understanding of employee relations issues. Periodic IRC symposia bring together business leaders and academic researchers to review HR topics of mutual importance.

About ORC Worldwide

ORC Worldwide (ORC) is an international management consulting firm offering professional assistance in the areas of global equality, diversity and inclusion; talent management; global and domestic compensation; labour and employee relations; and occupational safety and health. ORC delivers practical insight to clients through expert, customised consulting; accurate and timely data and information; and unique opportunities to network with professional peers. ORC's clients span geography and industry, and consist of many of the Fortune 500, the International 500, a significant number of smaller companies, and not-for-profit, non-governmental, and governmental organisations. ORC is headquartered in New York, with offices in Chicago, Dallas, Dubai, Los Angeles, London, Melbourne, Munich, Paris, Sacramento, San Francisco, Singapore, Tokyo, Washington, D.C., and Wellington, NZ.

ORC's Global Equality, Diversity, and Inclusion Practice

ORC's equality, diversity and inclusion (EDI) practice began in the early 1960s in the United States and today extends to Europe. ORC's global EDI practice is based in New York and London, with close ties to government and regulatory agencies in the European Union and Washington, D.C.

ORC's global EDI practice has been helping clients enhance the value of diverse workforces for more than 40 years by:

- Creating and implementing powerful global diversity strategies.
- Engaging senior leaders in creating cultures of inclusion that leverage the value of diversity in their organisations.
- Benchmarking talent management practices that create a diverse workforce.
- Advising on effective management of diversity and equal opportunity programmes in North America and Europe that comply with applicable employment law.
- Facilitating cross-industry networks of professionals who share best practices and strategies in a confidential forum.
- Updating clients on key developments in global diversity and equality that affect organisational practices.

ORC's four global EDI networks address issues and trends in: race and ethnic origin; gender and equal treatment, disability; age; GLBT issues, and other related areas:

- Global Diversity Forum (Forum), established in 2006, includes 40 global organisations that meet three times a year, twice in the U.S. and once in Europe.
- Workforce Opportunity Network (WON), established in 1962, has more than 80 organisations that meet four times a year to discuss employment and affirmative action issues within the U.S.
- Vanguard Network in the U.K., established in London in 1991, works with private sector employers on their EDI issues.
- Breakthrough Network in the U.K., established in London in 1998, assists public sector employers with their equal opportunity initiatives.

Through its consulting services and peer networks, ORC's global EDI practice serves the needs of organisations in the United States and the United Kingdom and has pioneered many of the advances made in the corporate EDI area.