One is a corporate veteran who runs a renowned training and advocacy organization for multicultural professionals.

Another is a millennial entrepreneur who uses a digital recruitment platform to connect major corporations with promising candidates of color.

And still another heads D&I strategies and initiatives for one of the largest global management consulting and professional services firms.

Each have recently written books on the value of diverse organizations and how corporate leaders and executives – like you – can drive inclusive cultures and practices. Here, through a series of excerpts, we share their powerful perspectives.
THE ROONEY RULE AND YOU
Carol Fulp, President & CEO, The Partnership Inc.

What should your company do to extend leadership opportunities to a broader pool of candidates? The Rooney Rule provides a good starting point. It’s worth considering for a moment how that rule has benefitted the NFL financially. During his career as a professional player during the 1980s, Arnold Garron remembers that some teams weren’t able to always fill their seats. The game, however, was tailored to a very particular type of consumer. You didn’t see many people of color in the stadiums.

Arnold is convinced that it is diversity in the managerial ranks that has allowed NFL franchises to connect to a broad array of consumers, including people of color and women. And Arnold should know. Following his professional football career, he attended Harvard Business School and then worked for John Hancock in sales management. “As more and more diversity crept into the NFL, things changed,” Arnold says. Football now boasts as much as $13 billion a year in revenues. As it continues to expand into lucrative markets such as China, those numbers are projected to swell to $25 billion by 2027.

Since its implementation in the early twenty-first century, the Rooney Rule has emerged as a “best practice” for diversity and inclusion. In 2011, Robert Johnson, CEO of RLJ Companies, cofounder of Black Entertainment Television (BET), and the country’s first black billionaire, called on all Fortune 1,000 companies to voluntarily adopt the Rooney Rule when filling new leadership vacancies and selecting suppliers, vendors, and contractors. This NFL inspired policy, which he renamed the “RLJ Rule,” would allow companies access to a talented and undertapped workforce and help lower the country’s black unemployment rate, which at the time was 16 percent. “The RLJ Rule is principally designed to encourage companies to voluntarily establish a ‘best practices’ policy to identify and interview the tremendous talent pool of African American managers and African American companies that are often overlooked because of traditional hiring or procurement practices,” said Johnson when announcing the policy. By addressing employment disparities between whites and people of difference, he insisted that these new recruitment and hiring strategies would be in every company’s financial best interest. “This is not a mandate and this is not a program that attempts to appeal to the better angels of anyone’s nature,” Johnson said. “We’ve tried that. We are making the business case for fixing this problem.”

Several years later, when President Barack Obama urged the tech sector to diversify, companies heeded the call by following the rule when filling leadership positions. Social media giants Facebook and Pinterest, along with smaller companies such as Box, a cloud content-management and file-sharing services firm, all committed to implementing various versions of the Rooney Rule when faced with managerial vacancies. For every leadership vacancy at Pinterest, one woman and one diverse candidate is now considered. Intel ranks among the most ambitious and successful tech companies following Obama’s challenge. In addition to implementing the Rooney Rule and publishing the firm’s diversity hiring statistics, Intel CEO Brian Krzanich committed to having his workforce more accurately reflect the complexion and composition of the American and global marketplace by 2020. Always a leader in diversity, Xerox has implemented the “Wilson Rule,” named in honor of its first CEO, Joe Wilson, which mandates that people of color and women constitute at least one of three interview finalists for every US management opening. Damika Arnold, Xerox’s global diversity and inclusion leader, made diversity and inclusion part of every manager’s annual performance review.

The Rooney Rule is also invoked when large corporations are floundering. In June of 2017, Uber CEO Travis Kalanick resigned amid corporate and personal scandals involving intellectual property theft, sexual harassment, a customer’s rape by a driver, and transportation and safety violations. Former US attorney general Eric Holder, who was hired to consult for the company, suggested a dramatic overhaul of what some deemed to be the “generally toxic environment” that prevailed at the company. Among his suggestions was instating a version of the Rooney Rule so that women and people of color, underrepresented in the management ranks, could assume leadership roles. Uber’s board agreed unanimously to adopt all of Holder’s recommendations.

Local governments are also adopting the rule. Diversity rates in municipal governments and agencies are just as challenging as in corporate America. Ferguson, Missouri, presents a famous—or perhaps infamous—example. About 66 percent of the population is African American, while a staggering 95 percent of its police officers are white. This measure places Ferguson slightly above the national average: the United States is currently 64 percent white and has a 75 percent white law enforcement workforce (blacks make up 12 percent of law enforcement personnel; Hispanics, 10.3 percent). But these numbers might soon change. Following Dan Rooney’s death in 2017, Pittsburgh mayor Bill Peduto implemented a Rooney Rule for his city. Per Peduto’s executive order, the city would “create and implement a policy that ensures purposeful recruitment of diverse candidates and requires the City to interview at least one external
and one internal diverse candidate before the final selection of a candidate for any supervisory position in City government, such as directors, deputy directors, managers, and supervisors.” With the Rooney Rule’s help, Pittsburgh’s governmental agencies—like the workforce at Intel—might soon more closely resemble the demographic makeup of America. And they’ll make themselves much more competitive by doing so.

Don Bell, former president of the US Senate’s Black Legislative Staff Caucus, would like to see the Rooney Rule implemented on Capitol Hill. Less than 5 percent of Washington-based legislative staffers are African American. And yet, our senators and congressional representatives need advisers who represent the diverse racial, socioeconomic, and geographic communities in the United States. Failing that, Bell notes, the most democratic body in the United States won’t actually be very democratic at all. “In football,” Bell said, “the Rooney Rule is vital in trying to bridge the gap between the league’s robust majority of minority players [72.6 percent] and its scarcity of minority head coaches [18.7 percent] and general managers [15.6 percent]. In Congress, we need a Rooney Rule to begin bridging the gap between the staffs that influence lawmakers’ policy choices and the diverse body politic that Congress represents.” And let’s not forget our political leaders themselves. America’s federal legislature has steadily diversified over the twenty-first century, with the 115th Congress boasting 19 percent nonwhite members—the most diverse cohort of lawmakers yet. This progress is laudable, though there is a long way to go before the two chambers reflect the diverse makeup of the country.

The Rooney Rule is hardly perfect. Ten years after the rule’s instatement in 2003, scholars, commentators, and fans alike began noticing a diversity progress plateau in the NFL’s leadership ranks. As New York Times sports reporter David Waldstein noted, some feared the Rooney Rule resembled “merely tokenism in a league that is dominated by black players but has relatively few members of minority groups in leadership positions.” In 2013, Earl “Butch” Graves Jr., president and CEO of Black Enterprise and a retired basketball player, surveyed the numbers of African Americans in NFL leadership positions and called the Rooney Rule a “sham.” That year there were five African American general managers and three head coaches in a league where 65 percent of the players were African American. Even more upsetting, all fifteen open leadership positions that year went to whites. As Harvard Law School professor Charles Ogletree commented, “There is a big difference between interviewing and hiring.” Given how talented minority coaches are, Ogletree believes that “There is no acceptable reason for this underrepresentation.”

More recently, the NFL has improved its record. There are currently eight nonwhite head coaches in the league, tying 2017 with 2011 for the most diverse coaches at the start of a season. Still, the Rooney Rule isn’t a magic bullet. Organizations can’t just enact a hiring policy and assume they’re “done.” Instead, they must make an enduring and authentic commitment to leadership diversity. Even a league as forward-looking as the NFL must remain constantly vigilant to ensure that its rule doesn’t become a mere formality, bereft of its initial spirit and intention.

Overall, the Rooney Rule is justifiably a “best practice” as well as a welcome first step in many organizations that so sorely need more diversity in the C-suite. My hope is that the Rooney Rule, combined with even more robust diversity measures, will help forge business cultures that truly value inclusion. John Wooten, a former player and current NFL executive and chairman of the Fritz Pollard Alliance, points us toward the ultimate goal. “I am not an affirmative-action guy,” he said. “I don’t believe 70 percent of the coaches should be black, or any percentage. I believe the best man should get the job, and for years, that wasn’t always true. In this case, it is. The hope is that one day we won’t even need a rule.”

Even if organizations succeed in recruiting a diverse workforce at all levels, their path to preparing for 2042 is hardly complete. In fact, it’s just beginning. Energized by the spirit and reality of diversity at the top, companies must go on to inject diversity into virtually every area of their operations. One critically important place to start is with the board of directors. It’s hard to commit an organization to becoming more inclusive if the body overseeing executive leadership doesn’t itself reflect diversity. The board is a critical part of a company’s public face. Boards also set strategic agendas and guide executives as they make decisions. To thrive with diversity and secure their future success, companies must send a strong message to all stakeholders by making their boards diverse. As we’ll see next, companies that do this wind up with sharper strategies that drive both profits and sustainable growth.

Carol Fulp is president and CEO of The Partnership, Inc., New England’s premier organization dedicated to enhancing regional competitiveness by attracting, developing, retaining and convening multicultural professionals.

If the era of hashtag activism has taught us anything, it’s that there’s power in the masses. Change happens when a critical mass of people gathers behind a cause or issue. In recent years, marches, rallies, and demonstrations have been the markers of change, or at least of the desire for change. So you may wonder what, if anything, the lone individual can accomplish.

Frankly, it depends on the individual. For real change to take place, you must be willing to put in the work and make a convincing case for your actions. Championing a cause, especially among the colleagues and friends you work with every day, is not for the faint of heart. But someone needs to take up the cause.

Here’s how.

What Is a Diversity Champion?

More than a human resources watchdog, more than a committee head, a diversity champion is the driving force behind culture change at an organization. Part educator, part facilitator, part active listener, the diversity champion assesses needs, leads conversations, and organizes events focused on creating a more inclusive workplace environment.

The diversity champion must be able to understand the nuanced and sensitive nature of conversations on this subject matter and issues of change management in general. The champion might come from a management or nonmanagement position, but in the latter case should make it a priority to gain managerial buy-in as soon as possible. That kind of support will help ensure knowledge transfer and participation across departments and divisions.

Most important, the diversity champion ensures that “diversity” isn’t just a buzzword reserved for job descriptions and About Us pages, or, as writer and Jezebel founder Anna Holmes put it in The New York Times Magazine, “both euphemism and cliché, [it’s] a convenient shorthand that gestures at inclusivity and representation without actually taking them seriously.”

Much of what’s written about diversity champions focuses on the CEO and her responsibility in engaging employees in culture change. And while it’s true that certain changes require top-down initiative, I don’t believe that significant culture shifts are the exclusive purview of the corner office. In fact, with a certain level of executive or managerial buy-in, I think a grassroots effort led by a diverse group of passionate employees can lead to broader, more lasting change.
It wasn’t just our network at Novartis that was struggling to gain its footing in a large organization. As a matter of fact, the African American ERGs in every company I’ve worked for seemed to struggle, which included efforts to secure financial backing. In general, budgets for ERGs will vary depending upon the size and scope, as well as their relevance to the business. While black ERGs struggles, the women’s ERGs could plan these wonderful forums and get the necessary funding. Maybe it’s because there was a more critical mass of women working at these companies. Or perhaps it was because African American employees remained paralyzed by the fear factor, or they simply did not see or demonstrate the value in the ERGs. And yet, such networks were initially established on our behalf.

ERGs were started as race-based employee groups in response to racial tensions in the 1960s. Xerox Corporation was cited for its groundbreaking approach toward discrimination and achieving equality in the workforce. Taking action after violent race riots in Rochester, New York, in 1964, black employees at Xerox established the company’s first regional caucus in 1965. The Bay Area Black Engineers (BABE) group at Xerox Corporation formed in 1969 to support the hiring, development, and promotion of qualified minority applicants—a move that followed race riots tearing apart inner cities across America in 1968 after the assassination of Dr. Martin Luther King Jr. Xerox founder Joseph Wilson wrote a letter to his managers calling for increased hiring of African Americans. In 1970, Xerox founded the National Black Employees Association (NBEA), a national caucus group of African American Xerox employees. In 1986, Xerox furthered its efforts when sixteen female employees started the Black Women’s Leadership Council.

Nearly fifty years later, ERGs have evolved from networking groups that promote diversity and inclusion of African Americans and women to key contributors in business strategy and operations. Almost 90 percent of Fortune 500 companies report having ERGs, per research from Catalyst. Because of the rising popularity, many companies have adopted practices and have begun financially supporting ERGs. Beyond advocacy for equal pay and equal opportunity, ERGs allow an opportunity for voices of employees to be heard and to gain greater visibility with, and access to, senior executives. Catalyst understands that a powerful ERG enables organizations to increase employee engagement, connect to communities in which business is conducted, and enhance the bottom line. Accordingly, the Catalyst Employee Resource Leadership Initiative engages and connects ERG leaders across companies, industries, functions, and regions to share ideas and practices.

There are issues beyond the control of even the best companies that have philosophical practices and principles around diversity and inclusion. Having such groups not only indicates an investment and commitment to challenges facing women and ethnic minorities in the workforce, but it also demonstrates a bottom-line impact.

What if you believe your ERG at work is ineffective? Then get in there and make it count. You should consider becoming an ERG leader, because in doing so, you will get to rub elbows with members of senior management. Your direct report will likely be to a director or above, typically a vice president. Likewise, leading an ERG—managing a team of co-workers and a budget—provides a window of opportunity for you to build a relationship with a potential sponsor.