

Texas Libraries Becoming Daring, Dynamic, and Diverse Organizations!

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Roadmap

- Why diversity is important for Texas libraries
- Benefits of diversity
- Types of diversity
- Managing diversity
- Leaps of logic and wild speculation

Texas & U.S. Population Comparisons

Source: U.S. Bureau of the Census, State and Country Quick Facts, Revised Jan. 6, 2014.
<http://quickfacts.census.gov/qd/st/tx/48000.html> (Mar. 15, 2014)

| Race | Texas | USA |
|--|-------|-------|
| White (alone, not Hispanic) | 45.6% | 63.0% |
| Hispanic or Latino | 38.2% | 16.9% |
| African American (alone) | 12.3% | 13.1% |
| Asian (alone) | 4.2% | 5.1% |
| American Indian, Alaska Native (alone) | 1.0% | 1.2% |
| Language | Texas | USA |
| Other than English Spoken at Home | 34.6% | 20.5% |
| Foreign Born | Texas | USA |
| Foreign Born Persons | 16.3% | 12.9% |
| Education | Texas | USA |
| High School Graduate or Higher | 80.8% | 85.7% |

Literacy Rates in 77 Largest U.S. Cities

Sources: Steve Campbell, "Most Texas Cities Move Up in Literacy Rankings," Fort Worth Star-Telegram, Feb. 7, 2014, B1

Top 1/3

- Austin #21

Middle 1/3

- Dallas #37
- Plano #43
- Fort Worth #49

Bottom 1/3

- Arlington #63
- San Antonio #73
- El Paso #74
- Corpus Christi #76

"This study isn't about how well people can read, it's about whether they do."



"The generally lackluster showing by Texas cities comes as no surprise... Texas is ranked 40th among all states in per capita spending for library support..."
Gloria Meraz, Director of Communications, TLA

Leading Companies Value Diversity

Top 10 Companies for Diversity

Source: Sherwood & Mendelsson, Diversity Inc.

| For African Americans | For Latinos | For Executive Women |
|------------------------|------------------------|------------------------|
| 1. PepsiCo | 1. PepsiCo | 1. Abbott Labs |
| 2. Altria Group | 2. Citigroup | 2. Staples |
| 3. Colgate-Palmolive | 3. Unilever | 3. Altria Group |
| 4. Xerox | 4. Health Care Service | 4. Turner Broadcasting |
| 5. Citigroup | 5. Colgate-Palmolive | 5. New York Times |
| 6. Allstate Insurance | 6. AT&T | 6. Sears |
| 7. Health Care Service | 7. Abbot Labs | 7. Marriott |
| 8. Ford | 8. Coca-cola | 8. Knight Ridder |
| 9. Kaiser Permanente | 9. JP Morgan Chase | 9. Pepsi Bottling |
| 10. Turner Broadcast | 10. Tribune Co. | 10. Master Card |

Lessons from PepsiCo

Sources: Chad Terhune, Pepsi, Vowing Diversity Isn't Just Image Polish..., Wall Street Journal

- Diversity is a source of competitive advantage
- Diverse workforce (all levels)
- Guided by integration paradigm
- Superb at managing diversity
- Productive discussions about race and culture
 - "Comfortable being uncomfortable"
- World class mentorship programs

"The full potential of diversity is not realized without an inclusive culture."

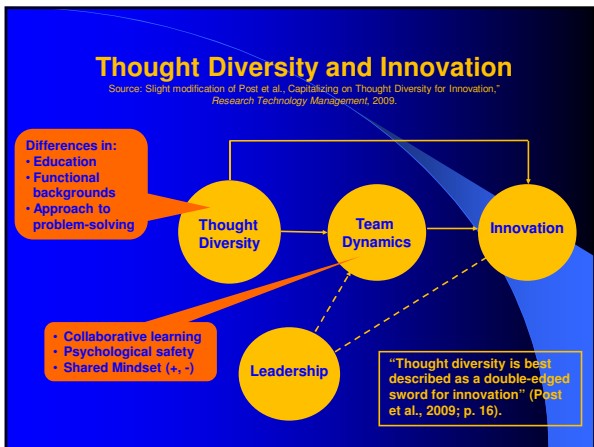
CEO Indra Nooyi

Some Potential Benefits of Diversity

- Utilization of talents
- Enhanced decision-making
- Access to large talent pool
- Access to larger knowledge base
- Access to markets (patrons or consumers)
- More creativity and innovation
- More entrepreneurship

But the relationships may be Complex!





The Role of Immigrants in U.S. Entrepreneurial Success

Sources: Economist, "The United States of Entrepreneurs," March 12, 2009

- "52% of Silicon Valley start-ups were founded by immigrants, up from around a quarter ten years ago"
- "A quarter of America's science and technology start-ups, generating \$52 billion and employing 450,000 people, have had somebody born abroad as either their CEO or their chief technology officer."
- "In 2006 foreign nationals were named as inventors or co-inventors in a quarter of American patent applications, up from 7.6% in 1998."

Foreign-Born Labor Representation

U.S. Bureau of the Census, *Statistical Abstract of the United States*; Takahashi Noriyuki, "What It Takes to Stimulate Entrepreneurial Activity," http://www.neti.go.jp/users/takahashi-noriyuki/index_en.html

| Country | % Total Labor Force |
|----------------|---------------------|
| Australia | 24.9 |
| Canada | 19.9 |
| Switzerland | 18.1 |
| United States | 13.9 |
| Austria | 11.0 |
| Germany | 9.1 |
| France | 6.2 |
| Sweden | 5.1 |
| United Kingdom | 4.4 |
| Japan | 0.2 |

Many things other than immigration affect entrepreneurship.

Japan has a very low level of entrepreneurial activity relative to other advanced economies. It ranked 58th of 59 countries on total entrepreneurial activity.

Leveraging All Types Diversity for Value Creation

Surface-level diversity

- Gender
- Race
- Age
- Physical capabilities

Deep-level diversity

- Values
- Attitudes
- Background
- Personality

Big Five Dimensions of Personality

Source: Williams, Management, 2013

- Extraversion
- Emotional Stability
- Agreeableness
- Conscientiousness ★
- Openness to New Experience ★

Prevalence of Myers-Briggs Personality Types

- Sensation (S).....75%
- Intuition (N).....25%

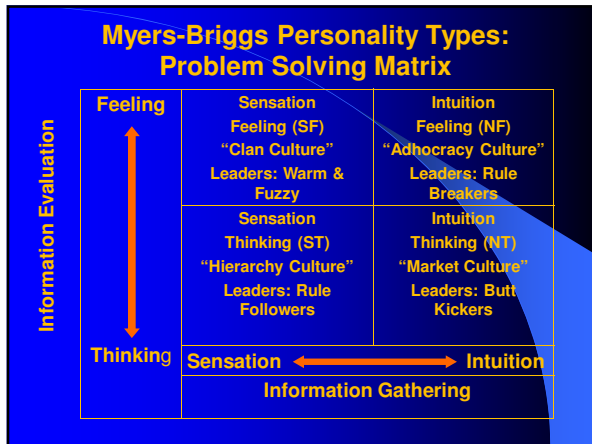
- Thinking (T).....50%
- Feeling (F).....50%

- ST.....37.5%
- SF.....37.5%
- NT.....12.5%
- NF.....12.5%

Myers-Briggs Personality Types Problem Solving Matrix

| | | | |
|----------------------------------|-------------------------|----------------------------|----------------------------|
| Information Evaluation ↑ ↓ | Feeling | Sensation Feeling (SF) | Intuition Feeling (NF) |
| | Thinking | Sensation Thinking (ST) | Intuition Thinking (NT) |
| | Sensation ← → Intuition | | |
| | Information Gathering | | |

People solve problems "differently" based on deep-seated personality differences. Combinations of styles can be helpful.



Paradigms for Managing Diversity

Source: David Thomas and Robin Ely, Making Differences Matter, HBR, HBS #5-4-5-055, Teaching Note for Managing Diversity at Spencer Owens & Co.

| |
|---|
| <p>Assimilation Approach (Numbers = Fairness)</p> <ul style="list-style-type: none"> • Emphasis on compliance and equality • Potential benefits not captured • No discussion of culture-related differences |
| <p>Differentiation Approach (Access to Markets)</p> <ul style="list-style-type: none"> • Attempts to gain market access • Potential for occupational segregation • Potential for exploitation |
| <p>Integration Approach (Learning and Inclusion)</p> <ul style="list-style-type: none"> • Openness • Tolerance for conflict • Emphasis on power of diverse perspectives |

Practices for Managing Diversity

Source: Greer, Supervisory Management, 2007

- Direct communication
- Honest feedback
- Quick response to disagreements
- Input from everyone on decisions
- Avoidance of exclusion
 - Avoiding gender-specific activities
- Mentoring
- Facilitate networking of women and minorities

More Practices for Managing Diversity

Source: Greer, *Supervisory Management*, 2007

- Use of objective data
- Flexibility in working arrangements
- Active listening
- Empathetic listening
- Understand that mistakes will be made
 - Trust and sincere intentions are critical
- Match managerial skills with “complexity”

Suggestions for Developing Diverse Talent

Source: Extracted from Greer & Vitell, “Diverse Succession Planning,” *Human Resource Management*, 2008

- Create critical masses of diverse talent.
- Identify effective mentors and leverage their skills.
- Focus on the advantages of same-race/gender or cross-race/gender mentorship.
- Provide anonymous procedures for mentees to decline pairing with potential mentors.
- Use “pump priming” (carefully) where appropriate to signal commitment and opportunity.

Diversity and Complexity

Source: Roosevelt Thomas, *Redefining Diversity*

| | | The Diversity-Complexity Relationship | |
|--|--------|---|---------------------|
| Number of Component Types – Such as Gender, Race, Age, National Origin, Sexual Orientation | Many | Moderate Complexity | High Complexity |
| | ↑ ↓ | Low Complexity | Moderate Complexity |
| | | Few | Low |
| | | Variability Among Types e.g. large age differences, many nationalities | |

Challenges in Managing Diversity

- Potential for conflict
- Some managers lack skills to manage diversity
- Training is sometimes ineffective
- The level of complexity may pose challenges

The Un-PepsiCo: “Spencer Owens & Co.”

HBS #5-4-S-055, Teaching Note for Managing Diversity at Spencer Owens & Co. Spencer Owens is a disguised environmental consulting firm.

- Became most diverse in industry
- Guided by assimilation paradigm
- “Numbers” the goal, not the means
- No business rationale for diversity
- Emphasis on assimilation
- Lack of support programs
- Acrimonious racial relations
- Felt like they were “walking on eggshells”

Lessons from “Spencer Owens & Co.”

Sources: HBS #5-4-S-055, Teaching Note for Managing Diversity at Spencer Owens & Co.

Conflict

- With greater diversity there may be more conflict

Guiding Paradigm Matters

- Assimilation approach – limits discussion of differences in views along cultural lines

Management Skill Is Required

- Skill cannot be assumed – takes time and effort

Trust Is Required

- Enables a person of color to raise a question about race without being perceived as playing the race card
- Enables a white manager to give critical feedback to a person of color without being suspected as being a racist.

What Does Diversity Climate Mean?

Sources: Virick & Greer, "Gender Diversity in Leadership Succession..." Human Resource Management, 2012; Mor Barak, Cherrin, Beckman, "Organizational and Personal Dimensions in Diversity Climate," Journal of Applied Behavioral Science, 1998.

Examples of Measures (Items):

- Feel at ease with others with different backgrounds
- Not treated differently because of...
- Not afraid to disagree
- No "old boys" network
- Fair employee policies
- Mentoring program
- Integration into the work environment
- Opportunities for networking
- Training

Diversity Climate Is a Moderator

Sources: Virick & Greer, "Gender Diversity in Leadership Succession..." Human Resource Management, 2012; Mor Barak, Cherrin, Beckman, "Organizational and Personal Dimensions in Diversity Climate," Journal of Applied Behavioral Science, 1998.

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    graph LR
      DC[Diversity Climate] --> |moderates| D[Diversity] --> DO[Diversity Outcomes]
  
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Moderators strengthen or weaken relationships between the independent and dependent variables.

Diversity Training

Source: Cocchiara, Connerley, & Bell (2010). "A GEM for increasing the effectiveness of diversity training," Human Resource Management.

- Commitment by high level executives
- Clear goals
- Appropriate approaches
 - heighten awareness of benefits
 - awareness training (e.g. unconscious biases)
 - mentoring
- Easy to difficult progression
- Continuous and incremental
- Should be mandatory
 - If voluntary "preaching to the choir"
 - If not mandatory, "Why was I selected?"
- Evaluate results

Research on Diversity

- Diversity is positively related to creativity (McLeod, Lobel, & Cox, 1996; *Small Group Research*)

Diversity and Firm or Individual Performance

- Racial and gender diversity is positively related to firm performance (strengthened by participation and inclusiveness) [complex] (Orlando, Kirby, & Chadwick, 2014; *International Journal of Human Resource Management*)
- Managers who nominate women as their successors are higher performers (Virick & Greer, 2012; *Human Resource Management*)

Diversity Climate and Unit Performance

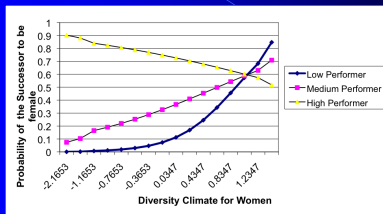
- Diversity climate is positively related to unit sales (store level) (McKay et al., 2009; *Personnel Psychology*)
- Diversity climate strengthens relationships between gender diversity and unit productivity [complex] (Gonzalez & DiNisi, 2009; *Journal of Organizational Behavior*)
- Diversity climate strengthens relationships between gender diversity and unit profitability [complex] (Gonzalez & DiNisi, 2009; *Journal of Organizational Behavior*)
- Diversity climate is positively related with nomination of women as successors (Virick & Greer, 2012; *Human Resource Mgmt.*)

Diversity Climate and Conflict

- The relationship between gender diversity and conflict is lower with inclusive climates [complex] (Nishii, 2013; *Academy of Management Journal*)

Gender and Leadership Succession

Source: Virick & Greer, *Human Resource Management*, 2012



Active Listening Exercise

- Choose a speaker and a listener.
- Listeners must *listen* to the speaker.
- Listeners must reflect or restate what the speaker says without adding to, changing, or omitting information. Listeners must use hand signals to stop the speaker when they are ready to restate.
- Speakers and listeners will change roles after a few rounds.

Active Listening for Coaching

Facilitating Techniques:

- Periodic summaries
- Asking for clarification and checking to ensure that you understand, "I understand that you...Is this correct?"
- Restating, such as "So you feel that Tonya does not respect your input..."
- Providing verbal reinforcement to draw out the person
- Resisting the tendency to argue

Conversation Blockers:

- Providing reassurance (limit to appropriate cases)
- Psychoanalyzing (telling the person about him/herself)
- Giving advice (limit to appropriate cases)

Topics for Active Listening Exercise

Select a topic from the following:

- Climate change and its effects
- Gay and lesbian marriage
- Pro choice vs. right to life
- Environmental standards in developing countries
- Dealing with North Korea
- Prohibition of assault rifles and 10+ round clips
- The Tea Party
- How to obtain peace in the Middle-East
- Immigration Reform
- Greg Abbott vs. Wendy Davis for Texas Governor
- Your biggest challenge in managing diversity

Topics for Active Listening Exercise

- What did you learn than from your conversation?
- Did the speaker have a unique perspective?
- How did you feel when you were the speaker?
- What would happen if we do more active listening?

Examples of Failures in Diversity

| Financial Costs of Discrimination | | |
|---|--------------------|------------------------|
| <small>Source: Hubbard, The Diversity Scorecard</small> | | |
| Company | Cost (in millions) | Type of Discrimination |
| Coca-Cola | \$192.5 | Race |
| State Farm | \$250 | Gender |
| Home Depot | \$110 | Gender |
| Lucky Stores | \$107 | Gender |
| Publix | \$82 | Gender |
| Texaco | \$176 | Race |
| Shoney's | \$132 | Race |
| Denny's | \$54 | Race |

Best and Worst Places for Women

Source: "The Best and Worst Places for Women," Newsweek/Daily Beast, <http://www.thedailybeast.com/articles/2011/03/23/best-and-worst-countries-for-women-the-full-list.html>

- 100 = Best, Data for 165 Countries
1. Sweden, 99.2
 2. Canada, 96.9
 3. Denmark, 95.3
 4. Finland, 92.8
 5. Switzerland, 91.9
 6. Norway, 91.3
 8. United States, 89.8
 23. China, 84.4
 53. Mexico, 77.5
 80. South Korea, 69.6
 109. United Arab Emirates, 59.6
 120. Egypt, 51.9
 130. Syria, 45.8
 147. Saudi Arabia, 35.5
 163. Yemen, 12.1
 164. Afghanistan, 2.0
 165. Chad, 0
- } Middle East

Speculative Example of Egypt*

Sources: Egypt's Revolution and Higher Education, Troy Campkin <http://www.pewcenter.org/about/author.html?id=469>

- Middle East values:
 - Collectivism: High
 - Power Distance: High
 - Risk Aversion: High
- Population 83.7 million (2012)
- 13.2% unemployment rate
- 25 % of population have attended or are attending college
- Unemployed college graduates are leading revolutionary action

*Speculation: Low rating on status of women may be an indicator of need for greater skill in managing diversity.

Weak HR Management in Egypt

Source: Slightly-modified slides from Kemal Mellahi, University of Warwick, Academy of Management, Orlando, FL, Aug. 10, 2013

HR Practices
Example:
Seniority-based promotions

→

- Lack of career path
- Lack of recognition
- Unstimulating work environment
- Undifferentiated reward structure

→

Disengagement of high potential employees. After a few years you just give up.

Innovation is unlikely with disengaged employees

Speculation: Potential Effects of Disengagement?

Source: Kemal Mellahi, University of Warwick, Academy of Management, Orlando, FL, Aug. 10, 2013

Patents in 2008

- Arab world: 71 patents
 - Saudi Arabia: 30 patents
 - Egypt: 2 patents
- South Korea: >7,500 patents

Patents in 1980-1999

- Arab world (9 leading economies): 370 patents
- South Korea: 16,369

Caveat: Patents and disengagement are influenced by **MANY** factors. Could lagging views on diversity be a limiting factor?

Note: Population of South Korea in 2008 was approximately 49.2 million while the population of Egypt was approximately 75 million.

Thank you!

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