Driving Global Diversity: Selected Examples of Global Diversity Efforts

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Driving diversity can pose special challenges for any organization, especially when the company operates internationally and must be cognizant of a wide variety of cultural values, traditions, and perspectives. In the United States, companies typically interpret diversity along dimensions such as race, ethnicity, gender, LGBT status, age, or physical ability. In other areas of the world, diversity dimensions can revolve around attributes such as religion, urban or rural area of origin, family status, and language. Whether they are large multinational enterprises or not, all organizations must recognize that they operate in a multicultural world where diversity abounds.

Considering the varying definitions of diversity and the variety of cultural sensibilities involved, companies that operate internationally must figure out how their operations can leverage this worldwide diversity. This report examines the structure of the global diversity functions for two multinational organizations. It provides information on several company initiatives that enable organizations to address the global diversity of their multinational workforce and the marketplace.

**DRIVING GLOBAL DIVERSITY**

Global diversity requires a global mindset. An article on the Society for Human Resource Management (SHRM) website defines this mindset as, “openness to and awareness of multiple spheres of meaning; a complex representation of cultural dynamics; and the integration of ideas and actions oriented both to the global and to the local.” This mindset is one that values diversity, is comfortable with ambiguity and pushes toward the bigger picture.¹

According to a SHRM article, *Global Diversity Advantage: The Next Competitive Edge*, this global mindset comes into play as company executives determine how to drive diversity globally. Senior leaders must be aware of the types of diversity initiatives that are appropriate for a particular region or country. They must be sensitive to different cultural values and perceptions and aware of the types of initiatives that fit a particular country or region. The article states:

"Rolling out a U.S.-centric diversity program designed for the needs of one nation will not address the complexity of a multicultural, global workforce. ... [Diversity] practitioners based in the United States, for example, must be aware of the following major cultural values dimensions when dealing with India and China: 1) hierarchy is more important in China and India than in the United States; 2) the group is valued over the individual in China and India, while the U.S. work perspective is more individualistic; 3) India and China are more oriented toward the long term than the United States; and 4) communication is less direct in China and India than in the United States.”
According to SHRM’s 2009 Global Diversity and Inclusion: Perceptions, Practices, and Attitudes Survey, companies that operate internationally tend to rely on local and national managers to implement diversity programs. And the degree to which a company uses a decentralized or centralized approach varies depending on the parent company’s nationality. “For example, North American companies take a more centralized approach, whereas Western European and Asian firms tend toward a more laissez-faire attitude in diversity related matters,” stated the report.²

**Johnson & Johnson**

Johnson & Johnson (J&J) is a global leader in healthcare, consumer goods, pharmaceutical products, and medical devices. It’s a 125-year-old company with $65 billion in revenues. In an October 2012 webinar hosted by Diversity Best Practices, J&J’s Smita Pillai, director of global diversity and inclusion, medical devices and diagnostics, explained that the company’s diversity and inclusion office reflects the company’s overall culture and structure. Operating with a centralized core strategy at its corporate offices in New Brunswick, N.J., and a decentralized structure in its 250 operating companies that span 57 countries across the globe, J&J’s diversity function structure is a hybrid. The central office establishes an overall diversity strategy and provides some independent funding, while the local companies roll out the strategy and allocate funding from their budgets to support diversity initiatives.³

According to Pillai, the company’s CDO reports directly to the CEO, and manages six director-level direct reports. With an annual budget of $5 million, the diversity function numbers about 16 employees, including directors and administrative assistants. Pillai said, Johnson & Johnson couldn’t run a global diversity operation with the current structure at the corporate level, so the diversity function works in close partnership with human resources and its teams. While J&J’s office of diversity and inclusion has a well-deserved reputation, internally and externally, as an established leading-edge operation, Pillai recognizes that its structure may evolve as the company adapts to an ever-changing global landscape.

**Sodexo**

With 400,000 employees across the globe, 130,000 in North America and operations in 32,000 sites in 82 companies, Sodexo is among the world’s top 25 employers, as a provider of integrated food services and facilities management. In the same webinar, Betsy Silva Hernandez, Sodexo’s senior director for corporate diversity and inclusion, explained the company’s diversity operations reflect the decentralized nature of its parent company. Depending of the location of a regional market (North America, Europe, Central or South America, and others), the company enables each
market to establish its own local diversity initiatives, while also participating in some corporate initiatives, such as diversity training.\(^4\)

This decentralized approach can result in varying progress throughout the company. In a separate 2012 interview, Sodexo CDO Rohini Anand explained, “Even though we’re more advanced in the U.S. around diversity efforts, we’re really not able to necessarily use the successes to engage the rest of the organization, because everything happens from the ground up. For each of the 25 countries [in Europe], we have … to start from the ground and build the diversity efforts so they have more ownership of it. Each country feels that … if it’s not made here [locally] it’s rejected.”\(^5\)

In 2002, Sodexo created a diversity leadership council, which was charged with developing the diversity and inclusion strategy, setting priorities, and providing oversight for the effort. Later the strategy was broadened to include a committee of operational leaders comprised of members from the executive committee and market presidents. Their task was to implement the strategy and embed it throughout the organization by working with the company’s Cross Market Diversity Council (CMDC) and its business resource groups (BRGs). The CMDC and BRGs provide the grassroots support for inclusion initiatives. According to Silva Hernandez, this structure represents a top-down, middle-out, bottom-up approach to the inclusion strategy.\(^6\)

Anand explained that Sodexo’s global inclusion strategy is also based on the shared services model. The corporation provides and funds support services for the entire corporation, with local operations furnishing additional resources. For example, all employees participate in some type of diversity training. Whether in Europe, Asia or South America, Sodexo’s diversity staff works in concert with human resources, acting as diversity consultants and embedding local realities into any diversity efforts.\(^7\)

**EMPLOYEE RESOURCE GROUPS**

As companies expand globally, employee resource groups (ERGs) have become instrumental in driving diversity, providing insights on cultural values and traditions, and strengthening an organization by aligning with its global business objectives.

**General Electric**

With more than 300,000 employees in 100 countries, General Electric (GE) views its diversity initiatives as a competitive advantage in the global marketplace. Its Corporate Diversity Council (CDC) engages more than 20 senior executive leaders across the company in promoting global
diversity and inclusion initiatives. Co-chaired by GE Chairman and CEO Jeff Immelt and Chief Diversity Officer Deborah Elam, the CDC, according to the GE website, takes a “deep dive” into business initiatives, challenges, and opportunities, and monitors progress. “Diversity Council members have open and candid conversations about diversity,” says Elam. “It is a venue that engages senior leadership in building an inclusive culture, team, and environment where diversity is both embraced and leveraged as a competitive advantage. As we enter 2013, the Corporate Diversity Council will focus on key company initiatives and supporting our networks to recruit, promote and retain GE employees,” she said.  

Among the responsibilities of the CDC is the governance of the company’s six affinity networks and employee groups: the African American Forum (AAF), the Asian Pacific American Forum (APAF), the Hispanic Forum, the Veterans Network, the Women’s Network, and the Gay, Lesbian, Bisexual, Transgender & Allies Alliance (GLBTA). Most of the groups have a global membership reflecting the countries where GE operates. For instance, GE’s Women’s Network integrates 160 individual chapters, also known as hubs, in 46 countries.  

A well-articulated governance organization knits the vast network together. “The challenge is to create a level of homogeneity that speaks to the disparate cultures of a chapter in Ohio and one in the United Arab Emirates, while, at the same time, allows customization that meets the unique need of each culture,” said Janice Ferguson, manager of GE’s Women’s Network, in a 2011 interview with Diversity Best Practices. The organizational structure balances commonality with individuality. Every hub participates in common initiatives, such as promoting heart health, providing women with professional development activities, and delivering programs supporting women in the science, technology, engineering, math, and commercial fields. Hubs also customize programs and participate in initiatives designed to address the needs of the hub and its members related to professional development. To implement the strategy, the co-leaders and network manager work with region leaders, and hub leaders to prepare annual operating plans designed around the network initiatives.  

**Microsoft**  
Microsoft encourages its groups to focus on local as well as global needs by making a distinction between ERGs that are global in nature and those that are country-specific (called “network groups”). The company describes global ERGs on its website:
“The employee resource groups represent constituencies that are collectively global. They work in areas that align closely with Microsoft’s global diversity strategy, which includes efforts to advance representation, inclusion, and market innovation.”

The company’s global ERGs include groups for Asians; Blacks; those with a disability; gay, lesbian, bisexual, transgender employees; Latinos; parents; and women. By creating these global ERGs, Microsoft positions members to find the transnational challenges and opportunities that Blacks, for example, face. While the African American, Afro Caribbean, and African experiences can be so very different from each other, there is recognition that there is something about being Black in today’s modern, global world that leads to similar types of experiences of marginalization, and also of opportunity.

In contrast, Microsoft describes the difference between its ERGs and the more local network groups in different parts of the world:

“The Employee Networks represent a variety of constituencies, including those based on national heritage, ethnicity, and family role. They support the company’s diversity strategy through more focused scopes of action. While Employee Resource Groups are more globally oriented, Employee Networks are more country specific.”

The list of Employee Networks is extensive with about 40 operating groups including ones for Arabs, Boomers, Ex-Yugoslavians, Indian Employees, Israelis, Persians, Romanians, Vietnamese, and others.

**Hewlett-Packard**

The first Hewlett-Packard (HP) ERG was formed more than 30 years ago. Today, HP has more than 120 ERGs in 30 countries. Employees exchange ideas and collaborate through online and in-person forums, such as WaterCooler and HP Connections, and social networking platforms. HP Connections specifically supports conversations about products and sales related topics. Although, the benefit of face time among ERGs cannot be ignored. In 2011, HP held four “diverse talent” summits in the Americas, Asia Pacific, and Europe, where more than 400 high-performing diverse employees learned about leadership and business strategy.

Two examples of HP’s global ERGs are the HP Sustainability Network and the Women’s Network in Munich. Phillip Kong, HP Enterprise Services’ green practice consulting manager for Asia Pacific and Japan, works with some of HP’s largest customers to calculate the carbon emissions created
by their IT infrastructure and then helps them identify ways to reduce those emissions. He is also the global leader of the HP Sustainability Network, a volunteer group that consists of thousands of HP employees across 36 chapters worldwide. The Melbourne chapter, the first in Australia, was established in 2009, and has more than 300 members. It has become one of the fastest growing and most active employee groups at HP.  

Chantal Martineau-Kirse is a project manager for HP Enterprise Services, and was one of the founding members of the HP Women’s Network in Munich (one of four in Germany). Currently, she serves as its coordinator. The network promotes the professional development, visibility, and retention of women at HP. Since its start in 2007, the HP Women’s Network in Munich has grown to more than 260 members.

Conclusion

Due to varied and numerous cultural norms across the world, driving global diversity is among the more complex issues that a company faces. To ensure success, global diversity initiatives must reflect and adapt to the cultural traditions, values, and sensibilities of each region or country. Whether centralized or decentralized, global diversity functions must be prepared to take into account the various cultural dynamics of its workforce and marketplace and exhibit a global mindset that values ambiguity.

Endnotes

5 Rohini Anand, Senior Vice President and Chief Diversity Officer, Sodexo, Telephone interview, November 2012
7 Rohini Anand, Senior Vice President and Chief Diversity Officer, Sodexo, Telephone interview, November 2012
10 Janice Ferguson, manager of GE’s Women’s Networks, Telephone interview, November 6, 2011