

Retaining a Diverse Workforce

National Retail Federation (“NRF”) asked the Jackson Lewis Corporate Diversity Counseling Group to create a short paper to stimulate thought and discussion on the topic of Retaining a Diverse Workforce based on our broad experience assisting companies to enhance their diversity and inclusion (“D&I”) performance.

Most forward-thinking companies today know that a diverse workforce is imperative to a successful business. Retaining highly skilled diverse employees is as important as securing a diverse workforce.

Employee retention is an essential element of an effective D&I program. The loss of highly talented minorities and women through turnover will result in what Dr. Stefanie K. Johnson has termed a “leaky pipeline,” negating any success the company has had in recruitment and hiring. After the senseless killings of many unarmed African Americans such as George Floyd and Breonna Taylor, Black Lives Matter protests, and many other unfortunate events begging for social change, it is more important than ever for corporate leaders to recognize how crucial it is to build and sustain fair, equitable, and diverse workplaces.

I. Establish a Diverse and Inclusive Workplace

A. Employers must create an environment where all employees feel respected, valued, and included to maintain a diverse workforce.

1. It has been said that “If you do not intentionally include, you unintentionally exclude.” [*Forbes*].
2. Employers need to include talented diverse employees throughout the company’s organizational structure and ensure those employees know that their work is respected and they are valued.
3. CEO and senior executives need to communicate—and demonstrate—their personal commitment to D&I.

B. Essential actions.

1. Secure an objective assessment of current D&I performance, determine corporate objectives and priorities and create a plan to enhance D&I programs and performance companywide.
2. Ensure that minorities and women have clearly fair opportunities in hiring, development, training, and advancement.

II. Recruit and Hire a Diverse Workforce

A. Employers must create and promote a public image of inclusivity in order to retain diverse talent.

Employers need to take steps to ensure they build high-performing teams that include minorities and women. Recommended steps include:

1. Ensure the company is recruiting and hiring the best possible talent for all positions, including creating a pipeline of highly qualified diverse talent.
2. Be aware of the effects of unconscious biases and other biases that create barriers for underrepresented groups and make efforts to reduce obstacles.
3. Use targeted outreach to attract candidates from underrepresented groups (e.g., social media, minority and female professional associations, minority-focused media, minority institutions).

B. In implementing D&I policies and practices, companies need to understand legal challenges—and not overreact to complaints of so-called “reverse discrimination.” Title VII of the Civil Rights Act of 1964 permits a wide variety of proactive tactics to create a diverse workforce.

III. Sustaining Success — Retention

A. In our experience, highly talented diverse employees leave companies for many reasons, including:

1. A failure by management to communicate an employee’s value and his or her future for advancement within the company.
2. A lack of sufficient development opportunities; **or** lack of equal opportunities afforded non-diverse colleagues.
3. No path to **serious** advancement; **or**
4. Unequal compensation as compared to non-diverse colleagues.

B. To retain diverse talent, employers need to address those issues and create a fair and equitable workplace for *all* employees.

C. Companies should design a diversity retention program tailored to *that* company’s unique needs, objectives and corporate culture.

Caveat: Successful practices for one company may not be effective for another company—and may even be counterproductive. “Best Practices” should be adopted only to the extent they are appropriate for your company, and then should be *adapted* to your company’s needs, objectives, and culture.

D. Below are *examples* of practices that *may* be appropriate to help retain a diverse workforce.

1. Ensure minorities and women have access to and visibility before senior leaders—senior leaders will not see them as promotable, until the senior leaders “see” them in action.
2. Encourage / direct senior executives to coach / mentor / sponsor people typically “not like them.”
3. Ensure minorities and women are being tapped for leadership development and fast-track programs and have opportunities for success.

4. Ensure minorities and women have access to, and are tapped for, rotational and stretch assignments.
5. Monitor performance evaluation process to ensure it is fair and equitable.
6. Ensure career development is part of annual performance management discussion between managers and subordinates.
7. Consider implementing annual stay meetings where senior executives meet with high potential diverse talent to discuss their role in the company's future, opportunities for growth and advancement and any barriers the employee is facing.
8. Make support for D&I, including developing a diverse team, a part of performance evaluations for executives and managers, recognizing that managing diverse teams is an advantageous and learnable skill.
9. Provide D&I training, including unconscious bias training, to all decision-makers (hiring, promotions, terminations).
10. Ensure there is a succession planning process that incorporates senior level diversity as a desired outcome.

IV. Conclusion

Often, independent D&I assessments can help management to identify barriers to creating and retaining a diverse workforce and provide insightful recommendations for improvement.



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