Moving from the ‘Right Thing’ to do to the Bright Thing to do when maximising the benefits that ethnic diversity brings to our workplace.
Kia ora and welcome to Riding the Wave, a guide to maximising the benefits that ethnic diversity brings to our workplaces.

It is a fact that New Zealand is becoming more ethnically diverse. Between 2001 and 2006, the ethnic sectors population increased by more than a third. By 2021, almost 18 per cent of the population will be comprised of ethnic people.

This rise in the diversity of our population is flowing through to our workplaces. In the workforce there is increasing diversity of employees and employers. Customers and stakeholders are becoming more diverse too.

It is imperative that we respond to ethnic diversity in order to be successful in the future. New Zealand organisations can gain immensely by responding to these changes more strategically. For organisations to continue to deliver high quality services or products and to be more innovative and productive, they need to integrate diversity management into every facet of their business. This includes building core intercultural awareness and communication skills in the workplace.

But while we often talk about the changing work environment and creating more inclusive workplaces where diversity is respected, some people face difficulties in identifying what practical actions they should be taking.

The Office of Ethnic Affairs is committed to achieving better government, community and business outcomes through intercultural understanding and communication. This practical guide provides local and international findings on how New Zealand organisations across the spectrum can utilise diversity management tools to improve their business outcomes.

Whatever business you may be in, I encourage you to consider how this guide can be applied to your organisation.

Mervin Singham
Director
Office of Ethnic Affairs
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Introduction

Did you know?
One in every four New Zealanders is born overseas.
(Census 2006).

“We have employed Afghans, Pakistanis, Indians, Chinese, Iranians... and others. Most have had no experience in our sector, but come with a whole lot of other skills that complement what we are doing.”
Karel Adriaens, General Manager, Coupland’s Bakeries (South Island Bakery Chain).

The Office of Ethnic Affairs (OEA) defines ethnic diversity management as the active management of an ethnically diverse workforce to meet an organisation’s goals and objectives – innovation through inclusion.

As ethnic diversity is a part of the bigger ‘diversity’ picture, which includes age, gender, sexual orientation, religious belief, diversity of thought and thinking styles as well as race, this guide should be read in conjunction with other diversity resources.

For policy makers, this is a unique area. The OEA has a tool for developing policies and services for ethnic people and this would provide more policy related information and advice.

This guide is about ethnic diversity in the workplace – what it is, why it’s important, and how your organisation can put it into practice.

For many years New Zealand employers have hired New Zealand workers: people born in New Zealand who share the same Kiwi culture. But in the past decade, the pool of available workers has been changing. A growing number of people from different backgrounds have settled in New Zealand, while a large number of traditional workers (the ‘baby boomers’) are retiring from the workforce. At the same time, the customer base of many New Zealand organisations is becoming increasingly international. It’s easy to see that a diverse workforce is not just an available workforce, but also a very necessary and desirable one.
While some studies have shown that diversity may have little or no affect on an organisation's performance and engagement, when actively managed as described in this guide, ethnic diversity can:

- add new skills, knowledge, and behaviour to your talent pool.
- bring creative and innovative new ideas and perspectives to your organisation.
- improve your organisation's performance and results.

The OEA found two important general points can be made about the relationship between diversity and business success.

1. The effects of workforce diversity are conditioned by other organisational and contextual factors.
2. Diversity can't be used as a competitive organisational strength unless it's managed effectively.

Case Study
IBM Australia and New Zealand is one organisation that does have the ‘know how’ when it comes to increasing productivity through the utilisation of a diverse workforce. They have successfully made the business case for diversity and have developed recruitment, management, and service and product development strategies that place the value of diversity at the centre of their organisational culture.
The OEA found seven areas of business practice crucial to managing ethnic diversity.

- **Leadership and management** – provides the vision for the organisation to include ethnic diversity, and strategies to make it happen.
- **Human resources** – provides tools and resources to move beyond EEO data collection and surface compliance.
- **Recruitment and selection** – ensures the best people are employed for the job, based on merit and regardless of ethnic background.
- **Retention and succession planning** – finding, growing, holding on to, and promoting talented staff, including those from ethnic backgrounds.
- **Employee empowerment** – when employees are valued they become empowered to make decisions and take responsibility for their work, meaning better productivity.
- **Product and service design** – bringing it all together to use diversity to assist innovative product development and service delivery, and develop higher quality products and services to reach broader markets.
- **Evaluation and monitoring** – measuring the efficiency of ethnic diversity plans and actions.

This guide will provide you with lots of information and ideas on how ethnic diversity could be managed in your organisation.
Managing ethnic diversity
Leadership and management

“Managed effectively, cultural diversity is a key asset to employers with potential for improving the business.”
Brian Carran, Pak ‘n Save, Mt Albert.

“Baby-boomer business leaders from traditional New Zealand backgrounds will leave our labour market over the next 15 years, giving people from diverse ethnic backgrounds opportunities to move into leadership roles.”

Leaders
An organisation’s leaders have the most power to bring about change.

Leaders, both formal leaders (like owners, directors, and managers), and informal leaders (people with natural leadership qualities but not necessarily formal leaders) are responsible for driving organisations to meet their vision and mission. It’s up to leaders to explain why diversity is important to the organisation and how it makes a difference.

Leaders need to align with management in their commitment to diversity. That means helping managers to increase their understanding of diversity, and supporting plans and actions that promote diversity and inclusion.

Managers
Managing workforce diversity effectively can be a complex task. To make it work, existing staff, at all levels of the organisation, need to change the way they think about and act towards people from other ethnic backgrounds whose ways may be different from their own.

Because every workplace is different, there’s no one-size-fits-all approach for managing ethnic diversity. But there are several principles that can help to manage ethnic diversity in your organisation.

• Value diversity and inclusion.
• Make the most of any opportunities that diversity has to offer.
• Make sure that your values, processes, and systems are open to new ideas.
• Monitor and evaluate plans and activities that support diversity.
• Promote cultural awareness at work (cultural awareness means being aware of the needs and behaviours of people from different cultural backgrounds).

Common leadership and management challenges
• Finding theory-based diversity management activities that are proven.
• Actively discouraging stereotypes and preconceptions about people with diverse ethnic backgrounds.
• Setting up a welcoming workplace culture for people of diverse ethnic backgrounds.
• Ensuring ethnic diversity strategies do not ‘exclude’ others.
• Promoting the organisation’s level of cultural awareness.
• Making staff aware of activities that support diversity.
• Measuring the success of diversity strategies.
• Preventing discriminatory attitudes in the workplace.¹

Recommendations
• Be clear with yourself and your team about the value of diversity to your organisation, for example, how diversity helps to meet your organisational objectives.
• Support plans and actions that help diversity to succeed.
• Encourage employees to get to know each other – go beyond the surface level.
• Appoint a diversity officer or create a diversity team/council.
• Where appropriate, work with your diversity officer/team/council to set up a strategy for managing diversity (see Employee Empowerment later in this guide).
• Make sure you allow for sufficient funding, time and people to support your diversity management strategy effectively.
• Make sure that your approach to diversity is transparent and open to all in your organisation; after all, it is about inclusion.
• Take time to explain diversity management to your team. Focus on the role of all staff in its success.
• Create opportunities for people to give input into decisions that affect them.
• Keep staff informed of progress.
• Get support to overcome challenges in creating a diverse environment.
• Make sure that your management and boardroom includes people with diverse ethnic backgrounds.
• Assess your organisation’s current diversity processes. Run a staff satisfaction survey, develop a plan based on the survey recommendations, and put it in place.
• Measure and celebrate success – remember, any big cultural change takes a long time.
• Share regular diversity bulletins with information.

¹ European Commission survey (2005).
Points to ponder
If your organisation has a Diversity Management Strategy in place, consider the following.
• Who on the formal leadership team actively and visibly supports your organisation’s diversity goals?
• Who are your informal leaders across the organisation who could become diversity champions?
• What should a diversity officer role look like in your organisation?
• How do you communicate your commitment to diversity?
• How are you sharing the importance of diversity and its role in your organisation’s success?
• How are you holding yourself and others accountable for the success of diversity?
• Is your work environment and culture right for people with diverse ethnic backgrounds to work in?

If your organisation does not have a Diversity Management Strategy in place, consider the following.
• What are the demographics of your customers?
• What are the demographics of your workforce?
• How could a diversity management strategy reduce costs to the organisation?
• How could a diversity management strategy drive business growth?
• Who are the key leaders in your organisation to discuss this with further?
• Who are the key leaders from other organisations you could discuss this with further?

Recommended reading


Case study
Within the New Zealand Post Group, the ability to engage with and lead employees who have diverse backgrounds is an important competency for leadership positions.


Recommended websites

Management Focus: An initiative established by a group of leading New Zealand private and public sector organisations. By pooling the resources and expertise of these organisations, Management Focus aims to bring a collaborative effort to improving New Zealand’s management capability – www.managementfocus.org.nz

The EEO Trust: The trust provides information and tools on equal employment opportunities and raises awareness of diversity issues in the workplace. They assist employers with recruiting, retaining and engaging an increasingly diverse workforce – www.eeotrust.org.nz

The Office of Ethnic Affairs: The OEA is focused on people whose culture and traditions distinguish them from the majority in New Zealand – www.ethnicaffairs.govt.nz

Workplace Diversity Network: The Workplace Diversity Network was a learning community of diversity professionals who came from a variety of work sectors to explore emerging questions of workplace diversity and inclusion. They came together in small group forums for substantive dialogue, information sharing, research and scholarship – http://digitalcommons.ilr.cornell.edu/wdn/

Human resources

“In many ways, the effectiveness of workplace diversity management is dependent on the skilful balancing act of the human resources manager.”


To be engaged and successful in today’s workplaces, employers need to be culturally competent, that is, having skills and knowledge to work effectively with people from diverse ethnic backgrounds. Human resource people inevitably play a key role in growing such skills and knowledge.

As more and more New Zealand organisations go global they need more diverse talents to understand the various niches of their market. Human resource people need to organise that diverse talent to deliver to the organisation’s customers and objectives.

Common human resource challenges

- There needs to be an understanding that ethnic diversity is not a ‘quota system’ where people are hired based on something other than their skills.
- Staff employment should be based on merit and discarding assumptions and other areas not based on this.
- Human resource people need to assure local staff that employing people from overseas, or those born here who may be different from themselves, is not a threat to their career advancement.
- Without proper control and evaluation, some of these plans and actions that support diversity may fizzle out without any real impact.

“New Zealand Post Group is a large, diverse organisation. The diversity of our businesses and in our people will continue to be a key to our success. As an iconic New Zealand organisation, which is all about ‘people connecting people, communities and businesses’, we want our workforce to reflect the diversity of our country.”

Jacqui Cleland, Group Manager Human Resources, New Zealand Post Group
Recommendations

• To keep pace with employment requirements in a modern market Human Resource people need to:
  – set up retention and talent management strategies for people of diverse ethnic backgrounds, as their needs and motivations may differ from the mainstream (see retention and succession later in this guide).
  – adapt their role to become coaches, counsellors, and mentors to help motivate and guide staff from diverse ethnic backgrounds.
  – have a heightened awareness of intercultural communication challenges.
  – move away from being driven by compliance and towards cultural awareness.
  – stand by values, ethics, and beliefs that support workplace diversity.
• Don’t pigeonhole people into ‘compartments’ based on what you see or assume.
• Set up mentoring relationships between managers and employees from diverse ethnic backgrounds, moving both beyond their own cultural frame of reference.
• Regularly assess pay, benefits, work environment, management, and how you keep people up-to-speed about diversity strategies, plans, and actions; and recommend improvements.
• Find tools to measure the impact of diversity management in your organisation (like feedback surveys).

• Put a reward system in place to lift job satisfaction and motivation. Make sure it’s based on a sound understanding of what motivates your people at work.
• As part of their performance, evaluate your manager’s application of diversity management strategies.
• Recognise, celebrate, and showcase your high performers from diverse ethnic backgrounds as role models of great performance.
• Regularly check how the attitudes and behaviours of employees about and towards diversity have changed since the implementation of new diversity strategies, plans, and actions.
• Embed diversity into HR process and policies.
Points to ponder

- What are the diversity drivers for the business or the organisation?
- What are the demographics of your current workforce?
- Do your current HR practices in recruitment, development and retention take these into account?
- How can employee loyalty, motivation, and commitment be measured and rewarded?
- How can the communications and interactions between employees from diverse ethnic backgrounds be measured, acknowledged, or rewarded?
- Thinking about your ethnically diverse employees:
  - Who do they report to?
  - Do they feel comfortable reporting to them?
  - Do they have the right responsibilities for their position and abilities?
  - What training and development can you support them with?
  - How do you train people to overcome any language barriers?
  - Are they clear about who they need to work with and how to engage with stakeholders?

Recommended Reading


Recruitment and selection

Did you know?
By 2021, 25 per cent of New Zealand’s workforce will have been born overseas.
(Statistics New Zealand 2006).

“I had always suspected there was a problem; but then I got my proof. I sent in two copies of my CV, one with my actual (very ethnic sounding) name and the other with the most typical kiwi name I could think of, Sarah Smith. Sarah Smith got short-listed almost every time, but I never got a call using my own name.”
Wilson et. al. (2005)

Keeping pace with change is one of the biggest challenges for organisations today. Change happens constantly to all parts of your organisation, like an increasingly global market for your products and services, or the pool of people you recruit from becoming more diverse. You need to understand the cultural expectations of your customers, and your potential hires, and you need to prepare your workforce to address these expectations.

You also need to know how to recruit the right workforce. Successful, empowered workforces are often more diverse workforces – highly skilled, more global, and often virtual, who are able to work autonomously.

Research with local and international employers shows that cultural diversity can add to creativity, innovation, and market access, and act as a magnet for talent – worth considering!

Common recruitment and selection challenges
• Making sure your recruitment process seeks diverse talent, minimises potential for cultural bias, and gives all a fair chance to compete for job opportunities.
• Unpicking the skills and experience in a CV and relating them to the job at hand, to either discount an overseas worker, or identifying their potential for your organisation.
• Realising that you may need to adapt your interview style to help candidates to show their abilities, while at the same time maintaining consistency across interviews.

• Understanding that the way people come across in an interview is as much cultural as it is personal. If you notice behaviours you’re not familiar with, check them out with the candidate. It’s OK to ask.

• Filling skill gaps by growing the skills of employees with diverse ethnic backgrounds, instead of recruiting outside an organisation.

• Making sure that recruitment is fair, particularly when restructuring an organisation.

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**Recommendations**

**Before you start recruiting**

• Find the most effective way to reach your potential employees, for example:
  – mainstream and ethnic media.
  – newsletters and journals of professional and trade groups.
  – contact with community groups and cultural networks.
  – websites such as Jobcafe, Career Hub for university students, Career Jet, Local Government careers, Mahi, Kea (New Zealand’s Global Talent Community), My Job Space, Seek, Trade Me, Working in New Zealand, Gumtree and LinkedIn.
  – let recruitment agencies know that you welcome applications from all sectors of the community.

• Recruit people from diverse ethnic backgrounds with skills that you need to meet your organisational goals.

• Find talent by tapping into the networks of your people with diverse ethnic backgrounds.

• Work with schools, universities, polytechnics and language schools. Speak at their career events, mentor students, run mock recruitment interviews and CV checks, and set up internships.

• Consider work tests and presentations to assess an applicant’s ability.

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**Case study**

As well as lifting employee efficiency and engagement and reducing absenteeism, British Telecommunication saw a reduction in spending on recruitment and training of new staff, after implementing a range of diversity management strategies.
When planning recruitment
• Find a selection panel of people with diverse backgrounds who are committed to a fair and equitable recruitment process and who are familiar with the requirements of the job you're recruiting for.
• Tell potential applicants how you require their CV to be presented. For example, in New Zealand marital status, ages of children, and father’s name and occupation aren’t commonly included in CVs, whereas these details can be important for job applications in other countries. Career Services Rapuara provides some useful advice for job seekers.
• When recruiting, make sure you have clear and to-the-point job descriptions and competencies, and share them with potential hires.

Interviews
• Before the interview, prepare an interview checklist with reminders to:
  – use information from CVs to prompt candidates to talk about their experience.
  – show appreciation of a candidate’s response before probing for more detail.
  – be prepared to re-phrase questions, follow them up, and probe further if necessary.
  – clear up any misunderstandings as they happen.
• be comfortable with silence – in New Zealand, we can feel uncomfortable with what we see as awkward pauses, but for some cultures, pausing is a sign of reflection.
• check your own accent and communication style – colloquial New Zealand English can be quite hard to understand.
• Know which questions you’re not legally allowed to ask at an interview. The pre-employment guidelines ‘An A to Z for Employers and Employees’ (www.hrc.co.nz) gives advice about fairness for all job applicants.
• Let candidates bring support people to the interview. Some people feel uncomfortable talking about their accomplishments, and rely on others to do it on their behalf.
• Ask the candidate if they would like feedback at the interview, and if so provide it. The EEO Trust Guidelines (www.eeotrust.org.nz/toolkits/recruiting.cfm) have some useful tips on giving feedback.
Points to ponder

• How well do your candidates meet the key job needs?
• Where are the gaps?
• Can you give support to someone who needs to grow their abilities?
• What skills can be taught on the job?
• Do you have the resources to do this?
• Who gets to each stage of your recruitment processes?
• How many are candidates from culturally diverse backgrounds?
• If you use psychometric testing, can your facilitator prove that their tools and processes are free of cultural bias?
• If you’re having difficulty attracting job applicants from a wide range of groups, check the methods you use to hire. Are they unfairly benefiting one group over another?

Recommended reading

The Office of Ethnic Affairs:
Foot in the door resource – www.ethnicaffairs.govt.nz

Immigration New Zealand:
A welcome that works – retaining skilled migrants in your workplace, gives advice to employers about how to make settling in easier for newcomers to New Zealand – http://www.immigration.govt.nz/community/stream/support/publications/welcomeworks.htm

Human Rights Commission:

Human Rights Commission:

Industrial Research Limited:

The Department of Labour:
Immigration Service website for information for jobseekers outside New Zealand about employment in New Zealand, including how to obtain a work permit – http://www.immigration.govt.nz/migrant/stream/work
Work programmes
The following work programmes offer job seekers a foot in the door. In many cases, these mentoring and internship opportunities have led to permanent employment.

The Internship Programme established by OMEGA (Opportunities for Migrant Employment in Greater Auckland) – http://www.omega.org.nz/


The New Kiwis Work Experience programme and the Kiwi Career Success programme run by the Auckland Chamber of Commerce.


Retention and succession

Many talented and qualified New Zealand workers are moving offshore for employment – over 63,000 in 2009.


New Zealand has a shortage of skilled people, and we’re losing a lot of those skilled people overseas. We also have a growing population of New Zealanders who were born overseas. To keep our competitive edge we need to find talented people with diverse ethnic backgrounds, and we need to keep those people.

So what is retention?
Retention means finding ways to keep your talented people. It’s often called ‘talent management’. These are some common ways of retaining people.
• Succession and career planning – working with your employees to get them ready for their next role, and giving them opportunities to grow and develop.
• Giving the right rewards for the right reasons to the right people.
• Maintaining a great work environment.

Why is it important?
Retaining talented staff is important because it keeps the knowledge and skills that you’ve helped to develop in your organisation, and it reduces the need to recruit and train people to replace those who move on (which can cost a lot of money). Promoting people to succeed those people in specialist roles who retire is also important and organisations such as New Zealand Post Group are encouraging an ethnic diversity of staff as line managers. For example, it offers people of Māori descent scholarships to support them into these positions.
If it isn’t already, finding people with diverse ethnic backgrounds and growing and retaining those people, might be a challenge for your organisation.

Common retention and succession challenges

- Employees move on because their talents, skills, or knowledge aren’t used. When that happens, organisations lose knowledge and their costs increase as they recruit and train replacement staff.
- Promoting people from ethnic minorities can be seen as ‘token’ (some may assume the promotion is based on ethnicity instead of merit).
- Rewarding excellence may be seen as discriminating against those not rewarded.
- Connecting people from diverse ethnic backgrounds with the right mentors and role models.
- New Zealand authorities don’t always accept overseas qualifications and experience.

Recommendations

- Have a retention strategy and put your retention strategy into practice. Retaining your ethnically diverse staff maintains your organisation’s knowledge and skills, and reduces the cost of recruiting and training replacement staff.
- Don’t assume that your retention strategy motivates all your employees, and that they will always give you feedback one on one. Diversity networks and affinity groups (see employee empowerment section) are an important mechanism with which to identify staff and gauge feedback.
- Find talented people from diverse ethnic backgrounds and actively develop them, looking for opportunities to promote and reward them.
- Offer ethnic diversity or intercultural communications training to your employees – particularly to your managers.
- Introduce talented junior staff from diverse ethnic backgrounds to your senior staff.
- Set up mentor programmes for people from diverse ethnic backgrounds.
- Give active career planning support to your people from diverse ethnic backgrounds.
- Get your staff to run diversity events such as ‘Lunch and Learn’ where employees are treated to a diverse menu while learning about different parts of the world and your initiatives.

Points to ponder

- Who gets rewards and why?
- Do your rewards reinforce the behaviours and results that are important for your organisation?
- Do your rewards motivate your people to help each other to succeed?
- Are your rewards seen as fair, simple, clear, and meaningful to all staff?
- Who are your star performers?
- Can they mentor junior staff from diverse ethnic backgrounds?
- What are the best ways to retain your junior staff from diverse ethnic backgrounds?
Recommended reading


Case study

Some staff from diverse ethnic backgrounds left Digital Island to return to their home country. Digital Island encouraged feedback from those staff about their reasons for returning to their home countries. As a result of the actions taken from this feedback, Digital Island’s staff felt more engaged and valued, are more productive, and the company has reduced its staff turnover.
Employee empowerment

The success of any organisation depends on its people. If your people are empowered and engaged at work your organisation will succeed – in recruitment, retention, and sales.

What is employee empowerment?
Employee empowerment means:
• offering employees opportunities to input into decisions, participate, and be responsible which means they become more invested in their organisation and see themselves as representatives of the organisation.
• encouraging entrepreneurial thinking and recognising and rewarding employees who take initiative.
• making sure employees have the right tools and working conditions to complete their tasks and goals.

Common employee empowerment challenges
• Many cultures encourage subservience to authority instead of employee empowerment. Traditional Asian culture, for example, values deference to authority figures, while Western culture expects workers to blow their own trumpets and question authority.
• Some employers find it difficult to take on board employee feedback. It can be easy to ask for, but difficult to act on. Not acting on feedback reinforces the belief that the power belongs to managers and not employees.

• Perception is reality. Perceived discrimination in the workplace has a significant impact on engagement and empowerment.
• Employers need to make sure that people from diverse ethnic backgrounds are integrated into an organisation’s informal networks.
• Micromanagement takes power away from employees. Controlling all parts of others’ work does not lead to employee empowerment. A manager dedicated to employee empowerment must know how to delegate appropriately so that employees feel they are entrusted to make decisions and participate in the delivery of outcomes.

Case study
Longveld set up training and life-coaching for their staff when they realised that staff often doubted their own abilities. As well as lifting employee engagement, suppliers and customers have fed back positively about the changes they’ve seen in staff.
Recommendations

• Set up a diversity manager role or form a diversity team/council/network.
• Task a staff member/team/council/network with helping people from diverse ethnic backgrounds to find a sense of belonging in your organisation.
• Encourage relationship building with groups that represent people with different ethnic backgrounds.
• Install a feedback box. Invite your people to give feedback or make suggestions.
• Read and consider their feedback and suggestions!
• Provide a forum where questions or suggestions are responded to, like a weekly or monthly newsletter.

Points to ponder

• Is employee empowerment important to you?
• How do you empower employees?
• What barriers to employee empowerment exist in your organisation? What can you do about it?
• How are your employees recognised and rewarded for making good decisions?
• Do you encourage diversity networks, and affinity groups within your organisation?
• Do you actively encourage them to discuss and provide feedback on important issues in relation to the business?
• Do you actively encourage your managers to seek feedback from employees?

Recommended reading


Case study

Beca Transportation discovered that with a more ethnically diverse workforce, staff engagement scores increased, and staff turnover decreased.
Product and service design

Case study

IBM – no surprises here: clients from diverse ethnic backgrounds like dealing with suppliers from the same ethnic backgrounds.

Diverse talent = diverse solutions.

Organisations are under growing pressure to improve their performance. Changes in our population require changes in the products and services we provide to them, and in how we design those products and services.

Organisations in the public and private spheres have reported the following results from employing a more diverse staff:

- They have broader perspectives, greater innovation, and effective problem solving.
- They can reach a broader, more diverse group of customers.
- They’re more attractive to highly talented employees.
- They have greater flexibility, which means that people respond well to changes and perform better during times of uncertainty.

Common product and service design challenges

A number of studies note that when poorly managed, diversity can negatively affect performance. Diversity has been associated with stereotyping, ‘the-in-crowd’, conflict between staff, and staff turnover. Teams need time to adjust to an organisation’s diversity management approach. High performance takes time to emerge – don’t give up early in the process.
**Recommendations**

Incorporating diverse perspectives into product design and services can help ensure their suitability to a wider client base, and can be more effective in finding solutions.

Key outcomes of your diversity strategy should include the following:

- Actively recruit for ethnic diversity in your key product design teams (see recruitment and selection section). Teams characterised by diversity have the capability to access broader networks of relationships and cultural capital, and to bring these assets into the innovation process.

- If you’ve set up staff networks (see employee empowerment section) consider utilising their feedback in the product and service design process. Diverse employees find strength and security in numbers, particularly when they are a minority in a large organisation.

- Management of diverse teams can bring challenges in the early stages but will usually lead to a more robust product or service in the long run. The challenges can be mitigated through intercultural awareness training for all staff to encourage an ‘organisational’ culture of open communication and a heightened awareness of intercultural communication challenges that will naturally occur in any diverse workplace.

**Points to ponder**

- What are the demographics of your customers?
- What are the demographics of your workforce?
- How important is diversity management for your customers?
- Is your management team clear about the connection between your diversity management plans and actions, and the profitability and efficiency of the business? Are your employees?
- How diverse are your product and service design, and marketing teams?
  - Are they considering different perspectives?
  - Are they considering your different customer’s perspectives?
- Do you have diversity networks already established?
- Could they provide you with feedback on marketing and product design?
- Are all your employees valued for their different points of view?

**Case study**

British Telecommunication’s ‘Effortless Inclusion’ strategy helped it to earn £217m in revenue as a result of advertising campaign featuring an engineer from a diverse ethnic background.
Recommended reading


Recommended websites
More successful international case studies can be viewed at http://www.business-humanrights.org/Links/Repository/637508

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Case study
Digital Island were finding it hard to recruit. They hired three staff of Chinese background for sales positions, which created an unseen opportunity to break into the Chinese market in New Zealand, a market which until then, had been poorly catered for. Since that recruitment, Digital Island have added about 300 new Chinese businesses and about 100 Korean businesses to their client base, and are expecting further growth.
Evaluation and monitoring

What is it?
Monitoring means finding ways to check that your diversity management plans and actions are running as you expected them to. Evaluating means finding ways to measure the results of those plans and actions regularly or when they’re complete.

Why evaluate and monitor?
Evaluating how effective your diversity and management plans and actions are helps your organisation to:
- confirm the impact diversity management has had on your business.
- identify plans and actions to continue, change, or cease.
- identify gaps that need new plans or actions to close.

Monitoring your plans and actions makes sure they’re being used as intended. Regular monitoring allows you to make changes as required.

Common evaluation and monitoring challenges
- Finding time and ways to evaluate and monitor!
- Diversity management strategies and initiatives can be difficult to measure.

Recommendations
- When designing diversity management plans and activities, agree on some goals or objectives that you want your plans and actions to achieve. Think about how you’ll measure those goals, systemically. For example, if your goal is to reduce staff turnover, how will you measure it? How has this affected the diversity in your customer base? How has this affected the level of customer satisfaction?
- During or after staff involvement in a diversity management activity, run a short survey. Check that they understood its purpose, ask how they felt about it, and what could be done better next time.
- A few weeks after a diversity management plan or action has been completed, meet to evaluate its success. Use the measures you identified when planning. What were they then? What are they now? Ask those involved in the plan or action what they thought went well, or could be improved next time.
- Put in place recommended changes!
- Run an annual diversity survey and share the results with your people and other interested stakeholders (like your owners or the public).
Points to ponder

• How do you monitor and evaluate your organisation's performance now?
• How does your diversity management strategy get measured against the organisation's performance?

Recommended reading


Conclusion – Bringing it all together

Ethnic diversity can potentially transform your business or organisation. High performing companies agree that active diversity management results in cost savings to the business, and can drive business growth through:

- enhancing customer relations and increases in market share.
- enhancing employee relations and reductions in the cost of labour.
- improving workforce quality and performance in terms of diverse skills, creativity, problem solving and flexibility.

However, organisational culture, and the leadership approach to managing diversity are critical factors to ensuring the desired results are achieved. In this resource we’ve discussed seven areas of business practice critical to managing ethnic diversity, and to ensuring your organisational culture takes advantage of this potential.

Leadership and management

Successful leadership and management ensures that diversity is a key component in the organisation’s strategy – it is an attitude for how business is done, a business goal, and a business strategy. When leaders actively support the organisation’s diversity initiatives, and make resources available for them, it will promote an organisational culture of cultural awareness and intercultural competence.

Human resources

Human resources people are critical strategic partners in the design and implementation of any diversity management strategies and initiatives within your organisation. This is critical, for the following reasons:

- Sustaining competitive advantage depends on optimising valuable human resources. Organisations that are better able to recruit, develop, retain and promote diverse employees have an edge.
- Talented people will be attracted to organisations that value their capabilities and will be more willing to invest themselves in productive activity if they believe they are treated fairly and that career opportunities are available.

Recruitment and selection

Finding the best person for the job may depend on how widely you cast your net. An effective diversity management strategy should ensure that your recruitment and selection processes open the doors to diversity within your organisation or business. Ethnic diversity initiatives in particular should:

- acknowledge and mitigate against the systemic barriers such as a lack of recognition of qualifications and experiences gained overseas and inadequate advertising of vacancies.
- acknowledge and mitigate natural prejudices such as perceived difference (appearance, accent, name, religion) and lack of knowledge about different cultures, their protocols and behaviours.
Retention and succession planning

Finding, growing, holding on to, and promoting talented staff, including those from ethnic backgrounds, is more important now than ever. Don’t assume that all people are motivated in the same ways and have the same expectations for rewards. Ethnic diversity is about recognising difference. Ethnic diversity management is about tapping into that difference for a business advantage.

Employee empowerment

When employees are valued they become empowered to make decisions and take responsibility for their work, meaning better productivity. For ethnically diverse staff in a large organisation, diversity networks, and recognition of their difference plays an important role in employees feeling empowered.

Product and service design

When the five previous business areas are addressed effectively, this can result in a company culture where all employees feel valued, recognized and empowered. This allows ethnic diversity within an organisation to provide the impetus for innovative product development and service delivery, to develop higher quality products and services to reach broader markets. When an organisational culture is one that actively seeks and values the different perspectives that diversity brings, the result is potentially transformational. This can take some time, but if the organisational culture is right, and your employees are supported, this will mitigate the risks.

Evaluation and monitoring

Measuring the efficiency of ethnic diversity plans and actions is not as difficult as it sounds. You are probably already measuring a number of indicators in your business such as market share, employee satisfaction, and customer satisfaction. Diversity management initiatives have an effect on all these areas. Clarify the objectives that you wish to achieve from your diversity management initiatives and incorporate them into your reporting systems.

Effective diversity management is different for all organisations, and these principles have worked well for organisations of all sizes. If in doubt, you may like to contact external organisations who specialise in the area of diversity management to advise you. This can range from private consultants, public sector organisations such as the Office of Ethnic Affairs or the Department of Labour Employment Relations team, to publicly funded organisations such as the EEO Trust.
Case studies
Case studies introduction

The following pages provide an overview of eight award-winning New Zealand organisations, and four international organisations that have benefited from putting in place diversity management plans and actions.

These overviews give good insight into the type of challenges the organisations faced, the benefits they gained, and the processes they put in place.

The organisations offer a cross-section of New Zealand businesses, both in size, and type. You’re likely to find similarities with your organisation somewhere in these case studies.

Damwatch
Dam Engineering Specialists

mw cleaning services
“Creating healthy environments”

Longveld engineering

New Zealand post group

Wesley community action

Digitalisland*

Beca
Beca Transportation

Beca’s Transportation unit is based in Auckland and has around 50 full-time employees. New Zealand-headquartered Beca is one of the largest privately-owned engineering consultancies in the Asia Pacific region, with over 2,400 employees operational worldwide.

In the early 2000s, Beca faced a global shortage of engineers. While countries like the UK and South Africa had traditionally provided Beca with migrant workers, Beca’s Transportation team found that a number of workers from these countries only stayed a short time before returning home. This meant frequent recruitment with high, unsustainable company costs. The company decided to deal with skill shortages by both improving the recruitment processes and by targeting new countries for people who were top talent and shared the values of the company.

What Beca Transportation did

• Accessed a broader talent pool by hiring people from a variety of countries.
• Uncovered the needs and concerns of their new employees, and then tackled them.
• Established a confidence-building programme, providing tools for the success of all staff.
• Managed employee expectations during interviews so that people get a clear idea of what to expect from Beca Transportation as their employer and New Zealand as a place to live.
• Analysed the recruitment process to better assess and meet the needs of candidates and based on this developed a top recruitment brand.
• Managed expectations by outlining professional development opportunities and delivering on what they’ve promised.
• Organised social events, mindful of cultural differences, such as having non-alcoholic drinks available and hosting yum‑cha lunches.
• Looked at how employees worked as a team under pressure and provided tools to support them.
• Arranged a programme that explained how to succeed at Beca Transportation.
• Brought in a consultant to work as an English tutor and, since then, have used her skills to improve their management of staff of diverse ethnic backgrounds.

What’s happened as a result?
• All these programmes were successful. They created new opportunities, new ideas, and new understanding about how to deal with issues.
• Beca Transportation built their business by bringing in more top talent than others, which meant securing more contracts.
• For every $1 Beca invested in managing their diverse workforce, they returned $5 to shareholders through staff growth and retention.
• Staff engagement scores increased.
• Over a four‑year period new‑employee turnover halved.
• With more overseas staff, the company was better equipped to help other migrant staff.

What were Beca’s challenges?
• Beca Transportation thought that their model of using diversity to grow profits would spread across Beca but this has been slow. Despite great results it takes substantial extra time and commitment from managers to start and sustain a diversity‑focussed programme.
• Senior staff needed to review and rewrite reports of staff whose English was not up to scratch.
• Staff reported uncertainty about how to work in New Zealand’s workplace culture and how to be successful in it.

What Beca Transportation recommend
• Understanding the expectations of new staff is critical.
• Believe that managing diversity is an investment and that it makes good business sense.
Damwatch

Damwatch is a niche consultancy engineering firm based in Wellington, specialising in dam engineering, safety and surveillance. The company is owned by Meridian Energy. It employs 30.5 Full-time (FTE) personnel, of which, 27.5 are technical staff. Damwatch has a history of employing ethnically diverse staff from overseas (with a few recruited also from within New Zealand) as engineering skills are not always available in New Zealand. Approximately one-third of staff are from overseas backgrounds including Irish, English, French, Slovakian, Chinese, American, Australian, and German. Most overseas-born staff are single, and as such there are few if any family-related settlement pressures.

What Damwatch do

Damwatch is open to an ethnic diversity of staff being recruited globally using the dam engineering network and its business contacts. It supports overseas staff by:

- paying relocation costs, and for the first few weeks of accommodation.
- organising meetings with the Wellington City Settlement Support Officer for new overseas staff.
- having an existing staff member as a 24-hour contact person in case of emergencies and accidents to assist with transport/support.
- extending invitations to new staff to attend people’s homes for BBQs and social events.
- holding social gatherings, run by a social committee, headed by overseas-born staff.
What has happened as a result?

• Growth has increased by 10 to 15 per cent.
• The organisation has more culture specific knowledge – a possible asset when working overseas.
• Overseas staff bring new and different perspectives.
• Overseas staff have brought vitality to the company.
• Overseas staff have helped the New Zealand staff see themselves with fresh eyes.
• Some overseas staff have brought new contacts in a specialised field.
• Young people seem to blend in quickly at work and into life in New Zealand without too much difficulty.

What were Damwatch's challenges?

• The financial cost of recruiting overseas staff for Damwatch is up to $50,000 per candidate.
• Candidates might not work out.
• Immigration and visa processes can delay candidates from starting work.
• Cultural and person differences required a different management approach for several student internships.

What do Damwatch recommend?

• You don’t have to ‘smother’ new arrivals but be sensitive to their needs, and offer support.
Digital Island

Digital Island was established in 2004. It is a New Zealand owned telecommunications provider to businesses in New Zealand. Digital Island is based in Auckland and has 22 full-time staff.

Because of a tight employment market, Digital Island initially hired three staff of Chinese background for sales positions. This created an unseen opportunity for Digital Island to break into the Chinese market in New Zealand, a market poorly catered for. They discovered that speaking the native tongue of their clients, and doing business face-to-face instead of telemarketing, appealed to Chinese ex-pats.

Once the company became aware of the competitive advantages it started intentionally investing in diversity initiatives. They decided to take the same approach with Korean staff.

What Digital Island did

• Hired Mandarin speaking staff for Mandarin-speaking customers.
• On learning that many Chinese customers wanted assurance that Digital Island was a safe and reputable company, they took the trouble to provide references.
• Recognising the preference of Chinese customers to deal to face, they provided the sales team with company cars.
• Placed a lot of advertisements in Chinese directories and at Chinese expos.
• Hired three Korean sales staff and one Fijian Indian employee and encouraged them to network with their community groups.
• Empowered sales staff to provide management with ideas of what their ethnic minority customers need.
What happened as a result?

• A business growth of approximately 10 per cent by acquiring new customer markets (about 300 new Chinese businesses and about 100 Korean businesses so far).
• Product suppliers see Digital Island as a company that can supply their products to markets that they themselves are finding difficult to reach.
• Absenteeism and staff turnover decreased.
• Overall, their staff are more conscientiousness and have a higher level of skills and education (often from local tertiary institutions).

What were Digital Island’s challenges?

• Handling immigration rules, regulations, and details required for work permits.
• Ascertaining reasons behind an employees move to New Zealand and the level of commitment to the job.
• Finding employees with a standard of English suitable for good communication.

What Digital Island recommend

• Put in place customer driven diversity initiatives.
• Realise that overall, it’s no more expensive to hire migrants than Kiwis. Digital Island had to sponsor a couple of work permits, but at a cost of about $5,000, the benefits outweighed the cost.
• Don’t cut corners when it comes to people management, pay and treat staff right.
• Choose the right staff and hire on merit not on what is familiar.
• Advertise widely to attract a broader pool of talent.
• Ask current and potential customers what they would need and like from your business.
• Create opportunities for employee feedback and consider that feedback when it comes to improving your services.
• See diversity as an investment in your business, not a cost.
Longveld Engineering

Longveld Engineering are stainless steel specialists and certified welders and have been operating since 1992. Currently they have about 60 staff (although they are planning to double this in the next 12 months). About one third of the team come from overseas.

An ongoing shortage of semi-skilled and qualified staff had seen the company previously hiring the only available staff, rather than the best. This had led to a number of problems so Longveld Engineering decided to focus on hiring the right staff even if that meant hiring from overseas.

What Longveld did

- Shaped the organisational culture in a way that was based on respect, and would accommodate individual needs.
- Recruited from overseas.
- Brought in leadership training to help cause organisational culture change.
- Strengthened human resources practices (like recruitment) to better meet the needs of people from diverse ethnic backgrounds.
- Set up a whānau culture, where relationships promote business.
- Ran personalised training, development, numeracy, and literacy programmes.
- Raised the bar on acceptable standards of behaviour and trained supervisors to manage this objectively.
- Set in place middle management communication training.
- Offered flexible leave arrangements and fully funded study opportunities.
- Benchmarked pay rates and set these in the upper quartile.
What happened as a result?

• Hiring staff based on merit, and providing training, has raised the standard of staff and increased company productivity.
• Staff conflict has decreased.
• Respect for cultural differences and greater self-awareness has led to better communication, increased motivation, and a happier work environment.
• Confidence to expand operations overseas has increased.
• Client feedback to changes has been extremely positive.

What Longveld recommend

• Invest in best practice HR systems and train all supervisors to use these on a day-to-day basis.
• Being culturally aware does not mean having different rules for different people, but teach your team to understand the universal values of respect and empathy.
• Accept that not all initiatives cost money, and many that do are an investment rather than an expense.
• Understand the motivations and needs of each staff member to get them on board. This trickles down to a better service for your customers and a high loyalty factor from your staff.

What were Longveld’s challenges?

• Succession planning. Many trade staff find the transition from floor to supervisor a difficult one – they often lack confidence that they can do it.
• Finding workers with diverse skills. Overseas workers tend to specialise, whereas New Zealand’s small economy needs and expects a variety of skills.
• Different cultural expectations which could cause, for example, an older, less experienced person to refuse orders from a younger, more experienced person.
MW Cleaning Services

MW Cleaning Services is a commercial cleaning service based on the North Shore of Auckland. The business is 36-years-old and has doubled in the last few years. They hire between 20-30 teams, with teams varying in their size from one to four people per team, so they have anywhere between 40 and 60 contractors. About 50 per cent to 60 per cent of their staff are people of ethnic backgrounds from a number of countries, like South Africa, Zimbabwe, Macedonia, Kenya, and Brazil.

MW saw that a lot of New Zealanders perceive cleaning as being ‘below’ them. Even if they take it on as a job, it’s often only temporary. Many migrants, however, approach cleaning as a business opportunity. Their motivation is high and they’re willing to work hard.

MW hires people of many different ethnic backgrounds because of their emphasis on good cleaning, strong commitment, and willingness to work hard. The company didn’t have to invest financially for an ethnically diverse workforce but did need to adjust some of their initiatives to make sure that they’re understood and accepted.

What MW Cleaning Services do

• Use basic language when recruiting, or if there are words that interviewees don’t understand that are important (like skirting boards), show them to candidates. They try to make the interviewing process comfortable.
• Tailor training and induction from a group setting to a one-to-one approach.
• Get contractors together to build rapport, especially at Christmas (and getting the catering for different food requirements right).
• Give extra time off to staff who celebrate holidays and festivals not officially recognised in New Zealand, providing other staff can be found to cover for them.
• Are sure to spell and pronounce names correctly.
• Avoid offence from people’s different ways of approaching each other (for example, being careful to respect gender, careful to avoid pairing people whose cultures might be in conflict).
• Pay well.

**What happens as a result?**
• Good work attitude.
• Good feedback from customers.
• Much lower staff turnover.
• Employing many former franchise owners because of MW’s good reputation.

**What are MW Cleaning Services’s challenges?**
Sometimes contractors won’t understand what they need to do or how to do it. MW Cleaning Services will go to the property and physically show them.

Because people of one ethnicity don’t always get along with people from other ethnicities, MW needed to make sure they had the right mix of the contractors in teams to avoid conflict.

**What MW Cleaning Services recommend**
• Hire on merit – experience, and skills.
• Change your interviewing approach to make sure that you can assess skills and potential of your possible future employees accurately.
• Avoid making assumptions – don’t limit the right responses to only those you expect.

• Keep language simple.
• Assess your current training to make sure it’s clear, to avoid new people missing out on key learning.
New Zealand Post Group

New Zealand Post Group is a state-owned enterprise made up of a number of different businesses that provide a range of postal, banking, communication, data management, logistics and distribution services within New Zealand and Australia. Some 17,000 people are employed by or undertake work for New Zealand Post Group organisations, including employees, owner-drivers, contractors, and franchisees.

With a diverse customer base, and diverse market offerings, New Zealand Post Group is committed to embracing the business benefits of attracting and retaining a diverse workforce.

What New Zealand Post Group do

What New Zealand Post Group is doing to support employee diversity

- Maintaining a focus on employee diversity as a key area within the New Zealand Post Group’s broader Corporate Responsibility strategy.
- Operating a high-level employee diversity policy, applicable across the Group.
- Participating in national and international benchmarks that include diversity measures.
- Increasing the ability to monitor workforce diversity across a number of different diversity strands.
- Developing initiatives to encourage greater diversity of employees in leadership roles, especially in terms of gender and ethnicity.
- Enhancing its recruitment communication strategies to ensure candidates of different ethnicities and languages are attracted to the organisation.
What New Zealand Post Group is doing to support employees of ethnically diverse backgrounds

- Offering scholarships for undergraduate tertiary study in business and commerce for students of Māori descent, to encourage more Māori into professional and leadership roles.
- Working with two organisations which assist migrants gain employment – OMEGA (Opportunities for Migrant Employment in Greater Auckland) and the Victoria University Skilled Migrant programme (Wellington).
- Undertaking an Employee Census, to better understand the demographics of the Group, and to inform future diversity initiatives.
- Ensuring executive awareness of progress in employee ethnicity representation at different levels and segments across the workplace.
- Looking for local opportunities to recognise, encourage and support employees of different ethnicities.

What happened as a result?
While New Zealand Post’s Diversity Policy is in its early stages of implementation, having this context and commitment to develop a work environment that values differences and engenders business performance through diversity and equal opportunity, is key to being a good employer, and to its Corporate Responsibility strategy.

The overall workforce of the New Zealand Post Group is already very diverse. By tapping into strengths and experiences of employees of different ethnicities, New Zealand Post Group has already seen some great successes in developing new markets, increasing customer satisfaction, and strengthening employee engagement. Diversity initiatives for the future aim to encourage broader diversity in leadership positions within the Group. Diversity is good for business.

What have been New Zealand Post Group’s challenges?
Identifying and determining which diversity initiatives or interventions (that is, the things that will actually make a positive difference) to progress is a challenge.

The size, diversification, and geographical spread of the Group also provides challenges for determining and implementing workforce diversity initiatives. One size does not fit all.

What New Zealand Post Group recommend

- Have a shared understanding, context, and buy-in at executive levels on the rationale for focusing on workforce diversity – ‘why is this important?’
- Gather data on the demographics of the workforce, and monitor trends and changes.
- Involve influencers from the different ethnic groups within the workplace, and encourage them to champion and progress initiatives.
- Spread the word – communicate good news stories of where diversity is making a positive difference within the business.
- Start small, build the case, and share successes.
The Johnson Group (TJG) is a recruitment agency based in Wellington. It currently employs seven staff, including two part-time staff, with plans for expansion. TJG specialises in recruiting for the New Zealand public sector, and, increasingly, are placing candidates from overseas countries into New Zealand public sector organisations. Their commitment to diversity featured on TJG’s website: “How can I help you: my commitment is to growing a diverse and skilled workforce”. Around 10 per cent of candidates placed are recent migrants.

There are several drivers behind TJG’s commitment to ethnic diversity in the workplace.

- Establishing and managing relationships with candidates from diverse backgrounds is critical for New Zealand in a global market with international customers.
- New Zealand Government organisations have an increasing need for candidates with the ability to work well in ethnically diverse work-teams and with diverse client groups.
- TJG’s key clients for placements, New Zealand Government agencies, adhere to the State Service Commission’s Equity and Diversity strategy. As a corporate member of the EEO Trust, TJG is aligned with these values.

What TJG do

- Participate in the Victoria University of Wellington Skilled Migrant Programme (SMP), placing migrants into internships with employers at a reduced fee, and encouraging employees to undertake other public service projects by making company time available for this purpose.
- Advise clients on how to run successful recruitment processes with diverse applicants.
- Provide information about what support may be needed for overseas candidates and staff.
- Educate employers about, and the benefits of, hiring candidates from ethnically diverse backgrounds.
- Include a section for international candidates and references to the SMP on their website.
What happens as a result?

• TJG believe that by building their reputation through diversity placement success and effectiveness, they improve their client’s resilience in tough times.
• Their work with migrants contributes to TJG’s bottom line both socially and financially.
• Diversity management has led to repeat business and referrals.
• 90 per cent of candidates agree they would use TJG services again.
• 92 per cent of clients (employers) agree they would use TJG services again.
• Locating interns can provide a ‘door opener’ in public sector organisation for other TJG candidates who are from diverse backgrounds.
• TJG’s staff capability and agility improves.

What were TJG’s challenges?

• TJG needs to manage the unique challenges of candidates and employers. Candidates, for example, may struggle when applying for jobs outside their comfort zone.
• Some employers struggle with a fear of the unknown in employing people from overseas.

What TJG recommend

• Hire an ethnically diverse staff for points of difference. It will separate your company out in a crowded market.
• Be prepared to attract the widest possible pool of candidates and look for transferable skills and experience.
• Always be on the look out for new ideas and opportunities with ethnic diversity.
• Diversity means we learn without really realising it!
Wesley Community Action (WCA) is a not-for-profit organisation that provides social services to communities. The organisation is committed to helping people break free from cycles of poverty and disadvantage by providing solutions for individuals, families, and communities.

WCA estimate they employ 30–40 per cent Pacific Islanders, 15–20 per cent Māori, 5 per cent African or Asian, and about 40 per cent Pakeha and other ethnicities. Through its various facilities, WCA provides:

- counselling for people with mental health problems.
- free social services for people affected by poverty.
- a service focused on adolescents with traumatic histories.
- services for older people.
- rest homes, independent rental accommodation, and a continuing care hospital.

Given the low pay of care workers and the challenging and demanding work involved, jobs are failing to attract New Zealand born people. Therefore, as an increasing number of new migrants are being recruited to fill these positions, diversity is naturally high in the industry. Age care is one of the ways that migrants can get a foot in the health-care sector.

WCA’s clients are also increasingly ethnically diverse and as workers require a specific knowledge and understanding of their needs, employees from the same ethnic background as the clients are preferred.
What WCA did

• Employed people of diverse ethnic backgrounds to reflect their community.
• Employed people from within the area they will be working in.
• Provided support for new overseas staff to help them get established, especially language and accent support.
• Had an expectation for other staff to be flexible and understanding towards diversity.
• Encouraged staff to spend time together, and provided opportunities for them to do so.

What has happened as a result?

• WCA's director, David Hanna, believes that:
  - WCA employees from refugee and migrant backgrounds are very committed, loyal, and actively pursue high standards and quality service.
  - Ethnic diversity brings opportunities to develop WCA's services.
  - The ethnic diversity of staff and clients brings an edge to the organisation as it stretches everyone to have a greater self awareness, and awareness of others.

What were WCA's challenges?

• Language barriers.
• Complications with immigration processes.
• People with a monocultural world view may not be so accepting of a staff with diverse ethnic backgrounds.

What WCA recommend

• All staff need to model communication, negotiating, and cooperation.
• Run sessions on tikanga Māori to lay a platform for people of other backgrounds to contrast and compare with their own. This leads to collective learning, knowledge, and skill development, which can be channelled directly into your work.
Aetna USA

Aetna, United States is a leading US diversified health care benefits organisation that offers a broad range of traditional and consumer-directed health insurance products and services.

A changing customer base led Aetna to increase their black, minority and ethnic staff’s uptake of senior positions. This was required to:

- better represent their customer base.
- provide better communication.
- give an understanding of cultural processes.
- identify top talent.
- increase profitability.

What Aetna USA did

- Relationships have been established with educational institutions and other organisations that traditionally serve African Americans, Hispanics and Asians.
- The ‘Executives in Training’ programme where Aetna executives work with black and Hispanic-serving colleges has been set up. This includes speaking at university career events, directly mentoring students, conducting mock employment interviews and performing CV reviews.
- Partnerships were formed with local and national organisations to provide internship programmes.
- ‘Representativeness and diversity’ is a specific section on their managers ‘scorecards’, which are used to evaluate how successful the manager is performing.
- Both lower and higher level employees receive annual ‘diversity training.’

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2 NHS Institute for Innovation & Improvement., (2009). Access of BME (Black & Minority Ethnic) staff to senior positions in the NHS. Pg 35.
• Career progression incorporates early identification of talent including talents from ethnic minority workforce, increasing the visibility of such talent and ensuring they receive the support and training they need in order to progress within the organisation.

• A number of initiatives has been set up to ensure these individuals receive appropriate training to aid their development. Examples are:
  – diverse discoveries – a training programme providing leadership for ethnic minority workforce, talented individuals who are mid level in the organisation.
  – visibility – increase visibility of talented individuals by introducing them to senior employees in head office.
  – mentoring – mentoring programmes are available from senior to lower-level employees from ethnic minority workforce.

• Workforce percentage against previous annual workforce statistics and oncoming targets is being monitored. Supplier diversity is also monitored.

What happened as a result?
• More work from diversity-led clients led to increased company profits.
• There has been better identification of top talent.
• The company has received recognition (awards) including being named No 1 company in US (black enterprise).
• A more accepting working environment has led to increased creativity in responding to cultural differences.
• More cultural work processes have been established.
• The company has a positive public image.
An Garda Síochána (Irish police force)

An Garda Síochána (usually spoken of as ‘the Garda’) believe that the diversity in its workforce is a source of strength and is vital to effectively represent and serve Ireland’s diverse population. They aim to create a work environment where all employees are inspired to do their best, strengthened by their different perspectives, backgrounds, and life experiences.

The Garda believe this will lead to improved employment conditions, service delivery, and police practice across the nine equality grounds in Ireland: gender, ethnicity, marital status, family status, religion, sexual orientation, disability, age or membership of the Traveller (gypsy) community. An Garda Síochána also believe that having respect for all people inspires loyalty in both employees and the wider public.

What An Garda Síochána did

- Appointed a Chief Administrative Officer (CAO) as the Garda’s ‘Diversity Champion’.
- Set up a Diversity Strategy Board with civilian experts and high ranking staff.
- The Garda’s CAO drew up Diversity Vision and Mission Statements.
- Interculturalism is written into the Garda Síochána Code.
- The Garda developed partnerships with diverse community groups to encourage respect, trust, and regular communication.
- Each Garda building posts information in a range of languages.
- Annual ‘Diversity Days’ are held at each Divisional HQ station, Garda College, and Garda HQ.
- The Garda Racial, Intercultural, and Diversity Office and Garda Ethnic Liaison Officers have been set up to build relationships with community groups.
- A yearly report on community consultation is submitted by all divisions to the Diversity Strategy Board.
• Feedback from consultation is forwarded to the Garda’s Director of Training and Development, and is used to improve diversity training programmes.
• A national advertisement campaign is conducted marketing An Garda Síochána as an organisation that wants to recruit a more diverse range of people.
• Attitude surveys among members of ethnic and other diverse communities show a career in An Garda Síochána as a popular choice.
• Interview boards for recruitment and promotion are trained in diversity awareness.
• All candidates for promotion satisfy a competency on ‘respect for diversity’ during the promotion process, from application form to appointment.
• The Garda delivers quality assured diversity awareness training and development programmes to Garda senior management and staff.
• The Garda evaluate all diversity training and development programmes and assess the diversity skills and behaviours that their staff apply back on the job.
• The Garda appointed Diversity Support Officers in all divisions.
• All staff receive a copy of a ‘Words to Watch’ – a professional language guide.
• The Garda put in place explicit sanctions for discriminatory behaviour.
British Telecommunications

For the past 20 years, British Telecommunications (BT)\(^3\), has been convinced of the business benefits of that come from a diverse workforce and customer base. To make the most of the diversity in Britain’s multicultural society, BT undertook several major, ongoing developments.

What BT did

- ‘Effortless Inclusion’ – a company philosophy of ‘connection to diversity through strategy’. This philosophy has been integrated throughout the company from employment policies to product development and customer service.
- There are a number of diverse employee networks, which not only support employees’ communities, but are also used to provide feedback and information when it comes to marketing and product design.

What happened as a result

- There is one indication that shows that British telecommunications earnt £217m in revenue as a result of an advertising campaign featuring an engineer from a diverse ethnic background.
- Percentage of ethnic minority workers promoted is higher than their representation in the associated talent pool.
- Employee satisfaction surveys also indicated that because of employment policies implemented, that employees were more efficient and delivered more profit to the business and there were 2 per cent less absenteeism than the UK average. (Effectively, this also translates into money saved from not having to recruit and train new employees.)

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\(^3\) This, and other international case studies can be viewed at http://www.business-humanrights.org/Links/Repository/637508
IBM Australia and New Zealand

IBM Australia and New Zealand is one organisation that does have the ‘know how’ when it comes to increasing productivity through the utilisation of a diverse workforce. They have successfully made the business case for diversity and have developed recruitment, management, and service and product development strategies that place the value of diversity at the centre of their organisational culture.

IBM carried out research including their biannual employee opinion survey. They found that:

- modern organisations face a skills quandary. Their workforce is ageing and skilled workers are in increasingly short supply
- the demands of clients driven by globalisation and advanced technology are becoming more complex.

They concluded that any organisation that fails to maximise opportunities for all employees will fall into a talent gap and miss business opportunities.

What IBM did

- An HR Director was appointed as an executive cultural diversity sponsor. In this capacity, they work with a team of senior IBM managers who champion particular diversity programs within IBM. This is achieved through personal commitment, and regular communication by gaining support for the program from other IBM managers and influencing decision-making that may impact on the program.
- Cultural diversity employee roundtables have been held to gather more face-to-face feedback and ideas from staff. These meetings have generated many practical ideas for increasing awareness of cultural diversity within IBM, for example a cross-cultural communication course, and were simple ideas that became pilots for fully fledged diversity training initiatives. Others, such as a networking and cultural evening with the Vietnamese community in Brisbane, were one-off events.
What IBM recommend

IBM identified the following 10 steps towards a cultural diversity strategy.
1. Start with good data, through quantifiable research if possible.
2. Build the business case, using industry benchmarks to find comparisons on measurements such as retention rates.
3. Find champions within the business, both senior management and employees.
4. Position the programs as an initiative for the whole business and not simply the HR team.
5. Look for the 'low hanging fruit' (IBM's first step was training and awareness).
6. Pilot each program before rolling out, as small steps and success builds momentum.
7. Staff focus groups are a good way to get buy-in.
8. Each program must be able to link directly to the organisation's stated core values.
9. Don't assume a huge budget is necessary.
10. Communicate successes.
Our methodology

The Office of Ethnic Affairs identified several examples of best-case practice in diversity management. To be considered, organisations needed to:

- be recommended or already recognised in the professional, academic or community circles for their successful diversity initiative(s).
- show relevant diversity management initiatives.
- identify (or have measured) benefits to their organisations as a result of the successful management of ethnic diversity.
- be representative of New Zealand organisations in terms of sectors and size.

The OEA reviewed the best-case practices in diversity management nationally and internationally. Within New Zealand we looked at the recipients of EEO Trust Diversity Awards over the past five years, organisations listed at New Zealand Deloitte's 50 Fastest Growing Companies, and winners/nominees of Regional Business Excellence Awards. We also contacted EEO Trust and Independent Business Foundation for their recommendations and contacts.

We developed a participant information sheet, which was peer-reviewed by the EEO Trust. We sent the participant information sheet to a number of New Zealand organisations, and we invited them to interviews held across three regions (Auckland, Wellington and Christchurch). Of these organisations, nine were selected for inclusion in this guide, based on their representation of different sized business in different sectors, and on their experience in diversity management.

All participants signed consent forms and had the opportunity to review their interview scripts prior to publication. Interviews on average lasted for an hour.

All the interviews were conducted following a broad model. We asked participants to tell us a bit about:

- their background information, for example, type of organisation, type of business
- ethnic diversity initiatives of the organisation, for example, initiatives that the organisation has been involved in that have contributed to the economic benefits of the organisation
- benefits – examples of economic benefits and/or cost savings that the organisation has experienced as a consequence of the implemented diversity initiatives
- challenges the organisation has experienced while implementing these initiatives.

International examples (based on literature review and some overseas interviewing) were used where there was limited information from New Zealand case studies. This specifically refers to succession planning in the retention and succession section and the evaluation and monitoring section. While we recognise that having international examples at times may imply a level of inconsistency of some information and audiences, we felt it could still prove useful as a general indicator of results.
The EEO Trust publishes a quarterly Diversity in Action magazine which is available either as hard copy or online. This is available to both members and non-members of the EEO Trust. Refer to www.eeotrust.org.nz.

In addition to the recommended readings listed in each section, the EEO Trust also has a comprehensive library of books on the subject of cultural diversity. These resources are available for borrowing for all EEO Trust members, and include the following titles that may be of interest.


Leadership and management
Census 2006, New Zealand Statistics.


Human resources


Employee empowerment


Retention and succession
Census 2006, New Zealand Statistics


Hewitt Associates
Hewitt Associates has more than 60 years experience as the world’s foremost provider of human resources outsourcing and consulting services. Located in 35 countries, Hewitt employs approximately 19,000 associates. Pg 1 (sic). For more information on these trends, please refer to the report below. The Hewitt report is downloadable from this link: http://www.hewittassociates.com/intl/na/en-us/KnowledgeCenter/ArticlesReports/ArticleDetail.aspx?cid=2045&tid=0


K Vasantha
K. Vasantha is General Manager at Enfatico, a global marketing and IT company. Previously held positions such as Assistant Vice President – Marketing at Adrenalin eSystems Ltd, Brand Planning Director at Lowe Worldwide, Consultant, Author, Marketer, Researcher.

Product and service design


More successful international case studies can be viewed at http://www.conference-board.org/worldwide/downloads/europeWorkplaceDiversity.pdf

Examples of Business Case for Diversity:

Want to find out more?

For more information about the Office of Ethnic Affairs contact us on:

Wellington office
New Zealand Postal address:
Office of Ethnic Affairs
PO Box 805
Wellington 6140
New Zealand

Street address:
The Department of Internal Affairs
46 Waring Taylor Street
Wellington 6011

Telephone: 64-4-494-0546
Fax: 64-4-495-7231
Email: ethnic.affairs@dia.govt.nz

Auckland office
New Zealand Postal address:
Office of Ethnic Affairs
PO Box 2220
Auckland 1140
New Zealand

Street address:
The Department of Internal Affairs
AA Centre, 99 Albert Street
Auckland 1010

Telephone: 64-9-362-7981
Fax: 64-9-362-7969
Email: ethnic.affairs@dia.govt.nz

Hamilton office
New Zealand Postal address:
Office of Ethnic Affairs
PO Box 19 230
Hamilton 3244
New Zealand

Street address:
The Department of Internal Affairs
Level 2, 410 Victoria Street
Hamilton 3204

Telephone: 64-7-839-9961
Fax: 64-7-839-9955
Email: ethnic.affairs@dia.govt.nz

Christchurch office
New Zealand Postal address:
Office of Ethnic Affairs
PO Box 4033
Christchurch 8140
New Zealand

Street address:
The Department of Internal Affairs
Level 8, NZI Building
96 Hereford Street
Christchurch 8011

Telephone: 64-3-353 8316
Fax: 64-3-353-8299
Email: ethnic.affairs@dia.govt.nz