Today, workforce diversity is a global workplace and marketplace topic. Any business that intends to be successful must have a borderless view and an unyielding commitment to ensuring that workforce diversity is part of its day-to-day business conduct.

Success also must be measured as it pertains to a company’s composition and program content. A company’s management team must ask itself, “Do we look like our customers, at all levels of our business?” “Do our programs reflect an understanding of the demand for talent in a competitive worldwide marketplace?” “Is our business culture one that fosters inclusiveness and tolerance in each country where we do business?” and, most important, “Are we using workforce diversity issues to improve marketplace performance and grow shareholder value?”

To be successful, global companies must continue to look toward the future, and CEOs, senior line and HR management, and diversity leaders play a key role in that process. Workforce diversity cannot be delegated; it must be a partnership. Although the HR team plays the key staff role, total delegation from the top, without active involvement, is a recipe for failure. IBM considers diversity a business imperative as fundamental as delivering superior technologies in the marketplace. To ensure that talented people can contribute at the highest possible level, the company insists on a workplace that is free of discrimination and harassment and full of opportunity for all people. © 2005 Wiley Periodicals, Inc.
team plays the key staff role, total delegation from the top, without active involvement, is a recipe for failure.

It's About Leadership

There's a great deal of debate about the qualities needed for a successful diversity executive. “What attributes must a diversity executive have in order to be effective in corporations today?” and “How can a diversity executive work in the corporate boardroom but stay in touch with the various constituency groups and their needs and still remain credible and effective?” are questions asked by experts and executives alike.

During my 37-year IBM career, I’ve thought about these questions often, and about the answers even more. I always come to the same conclusion: It’s about passion and leadership. Do we exhibit leadership both in our personal approach to diversity and the policies we embrace for our company, and do we care about the outcome of the debates we engage in? Do we hate to lose?

Leadership by Example

To answer these questions, I look at two people I have learned from and admire greatly—Jackie Robinson of the Brooklyn Dodgers and Tom Watson Jr. of IBM. “Life is not a spectator sport,” said Robinson, who broke the baseball color barrier in 1947. “If you’re going to spend your whole life in the grandstand just watching what goes on, in my opinion you’re wasting your life.”

And Robinson lived as he believed. While in the Army, from 1942–1945, before baseball, Robinson challenged segregation at Camp (Fort) Hood. As he went through military channels stating his case to superior officers, Robinson’s protest led to desegregation at the camp. He also once faced and defeated court martial proceedings after refusing to move to the back of an Army bus when the driver gave the order. Robinson’s protest, a legitimate one since Army regulations prohibited discrimination on government vehicles, eventually led to all charges being dismissed.

Robinson laid out a valuable lesson for diversity executives today. Our work is not for spectators, but for those who thrive on change—not for change alone, but change that is a catalyst for improvement—creating fairness when it doesn’t exist, moving organizations from separate but equal points of view to inclusiveness, and migrating people from conflict to collaboration.

Diversity leaders also can learn from the leadership of Tom Watson Jr. When it involved IBM, he also sought to live by his values as he led the business. In his book, A Business and Its Beliefs, Watson said, “If an organization is to meet the challenges of a changing world, it must be prepared to change everything about itself except its basic beliefs as it moves through corporate life. The only sacred cow in an organization should be its basic philosophy of doing business.”

And so, he identified three basic beliefs to serve as the cornerstone of IBM’s approach to business: (1) respect for the individual, (2) service to the customer, and (3) excellence must be a way of life. Watson led by these beliefs, reflecting his view of the values required to lead a great company during the time in which he lived and worked. In a personal meeting with Mr. Watson in 1990, I asked him why he wrote what I believe is America’s first equal opportunity policy letter in 1953—one year before the U.S. Supreme Court’s Brown v. Board of Education decision integrating America’s schools and 11 years before the Civil Rights Act.

The letter communicated his commitment to fairness and inclusion. Mr. Watson replied that during negotiations with the governors of two southern states regarding the building of IBM plants, he told them there would be no “separate but equal” racial policies at IBM. To ensure the governors took him seriously, he wrote a letter to his management team in 1953 and made the letter public. As a result, he said, both governors responded by choosing payroll and tax dollars over bad social policy. They chose progress.

The cornerstone in the partnership between senior line management and diversity leadership must be their passion about the people working for their company and their customers. Leaders must help all people involved with their business understand that workforce diversity can be the bridge between
the workplace and the marketplace. Passion is contagious, and when combined with leadership, the equation is very effective.

To achieve this convergence of passions, the most important quality for a diversity leader is the ability to motivate others to be part of the leadership on this subject, and see it as part of their personal day-to-day performance. A diversity leader must be able to draw others into the debate and be the catalyst that can convince others that helping to change the content and character of the workplace makes the team stronger and a better performer in the marketplace.

Why Is Diversity Leadership Important?

The answer to why diversity leadership is important is simple: Our work is not done. First, we have not solved the problems of gender and race. Women represent more than 50% of the world’s population, but they’re not 50% of our workforce and certainly have not achieved parity on our management and executive teams. They are, however, increasingly becoming executives and owners of their own businesses. We must view them in a more important and inclusive context—as workforce talent and customers.

The issue of race has been a pivotal item in the United States since its founding. Today, driven by immigration patterns, the growing presence of people of color as citizens, business owners, and customers puts this issue on the social, business, and political agendas of many countries.

Second, the gay and lesbian workplace issue achieved legitimacy as a discussion topic in the last decade. The driving force was the debate around whether or not to offer domestic partner benefits. Although approximately 145 Fortune 500 companies offer domestic partner benefits today, most companies don’t. Although the domestic partner benefits issue is still a legitimate topic of discussion, we must move forward within the gay/lesbian/bisexual/transgender (GLBT) discussions to address issues of leadership. Do we have equivalent programs to attract, develop, and retain GLBT talent as we have done for women and people of color?

Are we being evenhanded? Are we just saying, well, gay and lesbian people work here, so we must solve this benefits thing? Or do we see them as a part of our core business environment—employees, leaders, and customers? We must ask the same inclusion questions about our disabled community. Is our approach to “disability” anchored in sympathy or based on respect for the individual and a high regard for “ability”?

Third, a key emerging issue is the concept of being global, whether we’re in the United States, Europe, the Asia-Pacific region, Latin America, or Africa. When we look at our businesses, do we see a company that is limited to conducting its day-to-day operations in our country, or do we have a perspective that crosses borders? What are our expectations about our business’s conduct in other countries? Do we have a commitment to ensure fairness in the treatment of women, people with disabilities, gays and lesbians, and ethnic minorities—no matter where we do business? Are we taking steps to understand the workforce diversity legislation in each country where we do business? Is our company in compliance with the expectations of the legislation in each country where we do business?

A Heritage of Leadership and Diversity

IBM is committed to building a workforce as broad and diversified as the customer base it serves in 165 countries. Reflective of this customer base, we have a broad definition of diversity. In addition to race, gender, and physical disabilities, it includes human differences such as culture, lifestyle, age, religion, economic status, sexual orientation, gender identity and expression, marital status, thought, and geography.

We consider diversity a business imperative as fundamental as delivering superior technologies in the marketplace. And to ensure that talented people can contribute at the highest possible level, our company insists on a workplace that is free of discrimination and harassment and full of opportunity for all people.

At IBM, diversity is composed of the following three areas: equal opportunity, affir-
mative action, and work/life. The common denominator is access to the workplace—access through an environment free of harassment in a workplace that provides the tools to eliminate disadvantage and that understands that work/life balance makes it possible for employees to come to work and be productive.

From its inception more than a century ago, IBM has embraced workforce diversity as a fundamental value. IBM’s commitment to workforce diversity can be traced back to 1899, when we hired our first female and black employees—20 years before women’s suffrage, 10 years before the founding of the NAACP, and 36 years after the signing of the Emancipation Proclamation. And part of that heritage is the fact that eight IBM chairmen have acknowledged the importance of workforce diversity to our business, to our culture, to the marketplace, and as a cornerstone of our IBM values.

Under the leadership of IBM Chairman and CEO Sam Palmisano, IBM’s values have been redefined and drive everything we do. They are:

• dedication to every client’s success;
• innovation that matters—for our company and for the world; and
• trust and personal responsibility in all relationships

It’s clear to me that IBM’s leaders, in every generation, believed that diversity was right for the company no matter what the prevailing issues of the day mandated. That kind of leadership didn’t just happen. It sprang from our shared beliefs and values, and from the efforts of our visionary founders to infuse every aspect of our business conduct with the deeply held convictions of IBMers. And that type of leadership begins with the CEO and the leadership team.

When Sam Palmisano, IBM’s eighth CEO, took over the helm of IBM in 2002, he not only had the responsibility for heading up one of the world’s leading global technology companies, but he was also entrusted with ensuring that IBM continued its commitment to diversity. This was no trivial matter, since each of Palmisano’s predecessors had personalized their commitment to building an inclusive IBM community where talent was the common denominator. After more than a century of small victories, IBM’s record in diversity is unassailable—one that is unmatched by any other company in its industry. The forward-thinking vision of the company’s CEOs has put IBM on the forefront of promoting diversity, challenging institutional barriers that preclude a more inclusive community.

What is the future of diversity at IBM and where is it heading? According to Palmisano, the lesson IBM draws from a century of leadership in diversity is to stay true to the company’s shared values. The marketplace demands it, and it’s what we believe—and have always believed—is the right thing to do.

Global Diversity Winning Plays

Today at IBM, we’re attacking diversity issues through innovation and actions that we call winning plays. These winning plays are distinctive and allow us to execute globally and compete locally. Here are some examples.

• Building on what was America’s premier corporate commitment to basic child and dependent care initiatives in the 1980s/1990s to create IBM’s $50 million Global Work/Life Fund Strategy in 2000–2006. We remain the only company to have such a strategy, which includes 74 child care center relationships around the globe.
• Creating eight executive task forces in 1995 (Asian, Black, Hispanic, Native American, Gay/Lesbian [currently named Gay/Lesbian/Bisexual/Transgender], People with Disabilities, Men, and Women) to each look at IBM through the lens of their group and answer these four questions: What is required for your group to feel welcomed and valued here? What can IBM, in partnership with your group, do to maximize your productivity? What decisions can
IBM make to influence the buying
decisions of your group? What out-
side organizations that represent the
interests of your group should IBM
have a relationship with?

- Growing our investment in our sup-
plier diversity program from $370
million in 1995 to $1.3 billion in
2003 in the United States and $263
million outside the United States.
- Helping to address the digital divide
through programs like our signature
initiatives, including Reinventing
Education, Native American, Black
Family, and La Familia Technology
Weeks, to offering Exploring Inter-
est in Technology and Engineering
(EXITE Camps) for middle-school
girls.
- Showcasing our assistive technology
at the California State University
Northridge Conference and subse-
quently in six Global Accessibility
Centers.
- Incorporating the eight constituencies
mentioned above into our adver-
tising and marketing campaigns—
which speaks to advocacy.

The business of workforce diversity is
constantly evolving and presents us with new
and different challenges, especially as busi-
nesses become more global.

One major winning play we are develop-
ing at IBM is a global workforce strategy that
will span 2004 through 2010. This strategy
will address the growing equal opportunity
legislation taking shape around the world,
play a positive role in shaping the debate
about global sourcing, and respond to the
growing variety of multicultural/ethnic mi-
nority issues becoming a dominant factor in
the labor market.

When we look at the landscape, we are
confident we will maintain a path of innova-
tion and leadership. Every year, we demon-
strate our willingness to solve new chal-
lenges. In Canada, for example, we
developed separate washing facilities for our
Muslim employees who must cleanse their
feet before they pray; more than 100 em-
ployees use the solution daily. In Brazil, as a
result of our EXITE camp, we had a 16-year-
old girl open a bakery business.

For IBM, maintaining the integration of
our global diversity initiatives within the
mainstream of the corporation is crucial to
our future success in the information tech-
nology industry.

Diversity is becoming a key factor in help-
ing to define leadership in today's market-
place. Workforce diversity is about effectively
reaching customers and markets. As a com-
pany, we are clearer than ever before about
our values and our commitment to diversity.

I know we have some very tough and
challenging diversity issues today. I also know
the world is smaller today than it was when I
was growing up. But one thought has guided
me during my lifetime: My mother continues
to tell me to always set high goals. She says,
"Never reach for the mountaintop. If you fall,
you may fall to the bottom of the mountain.
Always reach for the stars; if you miss you
may land on the mountaintop." We still have
several mountaintops worth pursuing.

If reaching for the stars will help our
companies have the most diverse, talented
workforce we can assemble in our respec-
tive marketplaces, then it is a goal we owe
to our shareholders, customers, and em-
ployees to pursue.

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ate of West Virginia State College and a member of the board of directors and a past
president of the University's Foundation. He is also a member of the Executive Lead-
ership Council and the Conference Board's Work Force Diversity Council. Ted has
served on various councils including the New York State Governor's Advisory Council
on Child Care, the White House Conference on Aging, and the U.S. Treasury Secre-
tary's Working Group on Child Care.