Attracting Diverse Talent Survey
FINAL REPORT
April 6, 2010

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Background

As incongruous as it might seem during the current economic difficulty, labor availability in Fond du Lac County will change greatly in the not-too-distant future. In fact, indicators point to a near crisis.

The economy will turn around. When it does, employers will rev back into gear. Baby Boomers who put off retirement during the recession will get back on schedule. According to a Fond du Lac Area Association of Commerce 2008 survey, the area faces a major gap in workers due to retirements and slow natural population growth. In fact, if no action is taken, Fond du Lac County alone could face a gap of 17,000 unfilled jobs by 2026.

Perhaps these numbers have softened – or perhaps the date has been pushed back – but there's no stopping time. The county's work force is older than average (older than the state average, which is older than the U.S. average). Compounding the issue: the county is and continues to grow at a slower-than-ideal rate. There haven't been and there won't be enough babies born here to naturally replenish retirees.

The solutions to this issue are many. A cooperative group of organizations in Fond du Lac County is working to explore one possible answer: expanding our employment pool by becoming a more-inclusive community through attracting and retaining the most talented of the incoming labor force, 70 percent of whom are women and minorities.

Representatives from Agnesian HealthCare, Aurora Health Center, the Fond du Lac Area Association of Commerce, the Fond du Lac County Economic Development Corp., Mercury Marine, Moraine Park Technical College and Fond du Lac County UW-Extension distributed the "Diverse Talent Attraction Survey" in March 2009 to 211 employers from throughout Fond du Lac County (96 companies responded, a 45 percent response rate). Their aim: to discover which programs and initiatives employers would support for attracting and retaining the type of talent businesses need to be successful.

The results were interesting yet yielded additional questions. To explore these issues further, the group conducted four focus groups, two each comprised of employer representatives and diverse employees. (Note: For purposes of this report and the survey, "diverse" is defined as persons who self-identify as members of lawfully protected groups by virtue of their race or ethnicity.)

It shouldn't come as any surprise that the focus groups helped us refocus the survey results. The groups put the findings into real-world context filtered by everyday experiences.

Executive Summary

This project started with a simple objective: to take a quick snapshot of what the Fond du Lac County business community is doing – in 2009 – regarding the practice of hiring and retaining diverse employees. We wanted to know what our starting point was. We wanted to educate our communities and ourselves as we embarked on the longer-term objective of attracting and retaining the best talent possible. We knew that the economic health of our community rested in its ability to attract and retain the best talent. We knew that a labor shortage was in our future. And we knew that the overall U.S. labor pool was going to be much more diverse than what our community had experienced. But before we began to come up with solutions to attracting and retaining diverse employees, we wanted to fully understand our starting point.

So where are we? In short, most of the businesses in our county don't have policies or initiatives to attract or retain a diverse work force (however, most of the companies that *do* have these policies also have financial support for those programs). It's not surprising, then, to learn that most companies haven't made special efforts to attract or retain diverse workers. Businesses said that their biggest problems in finding diverse workers are the lack of qualified candidates and a non-supportive community. Their biggest challenges with diverse employee retention were the lack of other diverse co-workers and, again, a non-supportive community. Those companies that do have programs in place to attract and retain workers felt, for the most part, that their programs were successful.

This was good baseline information, but the survey-planning group felt it needed more. Questions arose on the finer points. And the group realized that the information was missing the input of perhaps the most-critical group: the local diverse worker.

We learned a great deal from the two sets of focus groups – county employers and county diverse workers.

Separately, the two groups covered a lot of common ground. The conversations echoed many of the same themes: a perceived problem with community acceptance of diverse workers, the need for educational programs in the workplace and community and the need for additional support systems. On the whole, both groups agreed that the issue of attracting and retaining diverse workers is a critical and important one for the area. Both groups saw the long-term economic implications of a failure to be more inclusive. And both groups agreed that the status quo fell far short of what our community should and could become.

But, since both groups saw problems with the current situation, it was natural that both groups looked for the sources or causes of the problems. This area – assigning blame – was where the groups veered apart.

Clearly, the employer group felt that a generally unwelcoming community to workers from diverse backgrounds and even to non-Fond du Lac County natives generally was to blame for their problems of talent attraction and retention. They said their diverse workers had experienced friction and resistance outside of work – at schools, stores, law

enforcement and elsewhere. They said these problems have been pervasive and long-standing. "We're having the same conversation today that we had in 1990. We've had employees leave because of lack of support in the community. We can get them here but they don't stay," said one member of the employer focus group.

Just as clearly, while the employee group also cited the community as a whole, it traced the source more clearly to the work place, with special emphasis on the role of company leadership. Leaders must do a better job, they said, of providing education at work on the importance and benefits of a diverse work force. They pointed to mentoring. "This is not about excuses, it is about training, having a dedicated team to educate and provide flexibility and work-life balance," said one member of the diverse employee focus group.

Another area of some disagreement revolved around the issue of the labor pool. Survey respondents pointed to a lack of qualified diverse candidates thwarting hiring efforts. The employer focus group agreed and provided examples from their own work places as evidence. They did acknowledge some complicating factors, such as a need to go beyond city limits and a need to start recruiting earlier in the school systems. Conversely, the diverse employee group said the candidates were out there; employers weren't looking hard enough. They too suggested starting earlier; one person suggested "grow your own" programs to identify diverse candidates of promise early on and nurture them into good candidates who will stay and work here.

It's important to express another factor, one that is not reflected simply in the survey results or the focus group flip charts. Both groups, but most prominently the employee group, brought emotion and, in some cases, frustration to their discussions about this issue. Some of the employer representatives expressed frustration about the community that, as a whole, didn't see the long-term importance of diversity. Hence their recommendation for priority No. 1: Establish a sense of urgency. Some of the employees, meanwhile, wanted the community and their employers to understand the profound human fallout to what is perceived as cold shoulders in the shops, neighborhoods and schools and deaf ears in the work place. They wanted enlightenment, and that said that enlightenment should start at work. Hence their No. 1 priority: Internal workplace efforts.

We asked them to set top priorities, and they did:
- Establish a sense of urgency on the issue
- Create internal, workplace programs to begin the process of change
- Create a countywide support network
- Educate the community

With this wealth of information, the survey-planning group was faced with the task of synthesizing the feedback from the focus groups, understanding the survey results and making critical decisions on the best ways to move forward. In that process, in was incumbent upon the group to use all the information, including the community's emotional and historical underpinnings. When that happened, a key component fell into place.

The final four priorities all have one essential aspect in common: education. The focus groups felt the process of attracting and retaining the best diverse talent needed to start at

a more-elementary point in our community. They said we must raise awareness among community and government leaders, business leaders, workers and residents. The planning group took this advice to heart. How best to approach this daunting task, given where the community is today and where it has been?

We had a breakthrough moment when we stopped thinking about the issue in terms of the standard definitions of diversity (i.e., race, ethnicity and culture) and expanded our thinking to the concept of inclusiveness. By definition, inclusion encompasses us all, the whole community, the entire workplace. By adopting inclusion as our compass point, we acknowledged that the solutions to these issues rested with us all, and we liberated the conversation from negative past associations.

Survey results

The raw, unfiltered results of the survey are as follows:

The respondents:
- Surveys were completed by human resources professionals or company executives.
- Among respondents, the average number of employees: 235
- The total number of diverse persons employed by respondents: 868
- Breakdown by category: 62% business/industry; 10.5% education; 12% government; 7% health; 3% social services/non-profit

Policy & support:
- 60% of respondents do not have policies/initiatives in place regarding recruitment/retention of diverse employees
- Of the 40% that do have policies/initiatives in place:
  - o 78% have budgetary support
  - o 83% are supported by dedicated personnel

Recruitment
- 64% of all respondents have not taken special actions to recruit diverse candidates
- Of the 36% that have taken special actions to recruit diverse candidates:
  - o The following strategies were identified as being most important (in order):
    - ▪ Internal referral
    - ▪ Web-based services
    - ▪ Media (radio, print, etc.)
    - ▪ University recruiting
  - o 77% felt the strategies above were moderately successful in improving efforts to recruit diverse candidates; 7% felt they were very successful
- The following factors were identified as negatively impacting recruitment efforts of diverse candidates (in order):
  - o Lack of availability of qualified candidates in labor pool

- Lack of supportive local cultural/social network
- Overall community environment/attitudes
- Not enough budget devoted to this effort
- Lack of retail & service businesses catering to diverse needs

Retention
- 80.5% of all respondents have not taken any special actions to retain diverse employees
- Of the 19.5% of respondents that have taken special actions to retain diverse employees:
    - The following retention strategies were identified as most important (in order):
        - Employee recognition
        - Other (theme: pay & benefits)
        - Ongoing diversity training
        - Diversity coordinator
- 71% felt the strategies above were moderately successful in improving efforts to retain diverse employees; 23.5% felt they were very successful
- 41% felt their diverse-employee retention efforts resulted in greater success in hiring new diverse employees; 23.5% said they were not successful; 35.5% could not answer
- The following factors were identified as negatively impacting retention efforts of diverse employees (in order):
    - Lack of other diverse co-workers with whom to connect
    - Other (no dominant theme)
    - Overall community environment/attitudes
    - Lack of supportive local cultural/social network

Supplier program
- 76% of all respondents do not have a supplier program that targets minority or women-owned businesses

Program support
- When all respondents were asked, "If cost were not a factor, which if the following would be of most interest to support your efforts to recruit/retain diverse employees," the following were identified as being of the top-six highest interest (in order):
    - Internships
    - Sharing diversity-related best practices for my industry or region
    - Face-to-face networking opportunities
    - Directory of area cultural/social networks
    - Directory of area professional support networks
    - Joint recruitment missions to attract diverse talent

The focus groups

On June 17, 2009, four focus groups, aided by facilitators, reviewed the final results of the Attracting Diverse Talent Survey and participated in conversations and decision-making sessions to help bring focus to the results and establish top priorities. They provided insights and recommendations on:
- Policies to attract/retain diverse employees
- Factors affecting recruitment of diverse employees
- Factors affecting retention of diverse employees
- Impact of retention efforts on recruitment of diverse employees
- Solutions & next steps

Employer feedback
Note: The following paragraphs summarize the thoughts expressed by the employer groups.

Employers said that it is difficult for anyone not born and raised in this area to feel connected enough to stay and thrive because the community and other employees are not perceived as accepting. It is an employer's job to hire the best individual for the position without regard to diverse characteristics. They can and do hire diverse employees here but believe that without a welcoming and supportive local community, these employees don't stay. Lessening the standards for a position to enable hiring of a diverse candidate is rarely successful.

There are prevalent stereotypes in the community about diverse employees, which arise from of lack of exposure. There is also an underlying resentment to "diversity plans" when employees don't see the need for them or perceive these plans will result in preferential treatment of others. Diversity program effectiveness is hard to measure quantitatively, but it is clear that the culture of the workplace, management and coworkers, and their responses to inappropriate comments or actions greatly impact how much an employee feels like they fit in and their desire to stay.

People look at connections and relationships and want to know someone else like them has already been successful in a company. Efforts to help employees build community, connect across different work duties and build networks help strengthen the relationship with the company. Word of mouth is the most powerful tool for successful recruitment. Retention is as much about the employees' experiences in the community as about their experiences at work. Employers don't feel they can impact the community dimension of their employees' life.

Final recommendations for action:
1. Create a sense of urgency
2. Community training and education

<u>Employee feedback</u>
Note: The following paragraphs summarize the thoughts expressed by the employee groups.

Employees said that employers and the general public need to understand the importance of diversity in a global economy. They felt many in the community don't perceive diversity as an asset in the work force.

They also noted that simply having a written diversity policy in a workplace does not mean that it has been successfully implemented, that it has a budget or that the motivation behind it is genuine. Recruitment works best when employers are genuinely interested in building relationships with diverse candidates through continuous outreach. One example of this might be building relationships between employers and students early in the school system.

Authenticity and consistency are critical in recruitment and retention efforts, as are relationships. Employees in the group knew of qualified candidates who have not been hired for local positions, which lead them to think difficulties in recruitment reflect a lack of employer commitment to diverse workplaces more than poor labor force availability. They believe community leaders and managers should be educated about the importance of hiring a diverse employee base. Accountability for hiring goals would be helpful since what gets measured gets noticed.

Retention efforts require attention from both workplaces and the community. An example of this might be a community team that helps people relocate and get settled. Management, workers and community members need to be involved. Workplaces can show genuine commitment to this effort through dedicated positions and by offering mentoring to new employees and students in the community. The awareness and perspective of the community impacts the experience of the diverse population.

Within a workplace, efforts could be made to be inclusive of all cultures, and new employees should also be educated about the expectations of the workplace. Employers that treat all employees with respect uniformly across their organization will retain employees.

Final recommendations for action:
1. Internal workplace efforts
2. Countywide support strategies

Outcomes

Key realizations
- There is agreement that attracting and retaining diverse workers has critical, long-term economic implications for Fond du Lac County
- There is disagreement over the obstacles to addressing this challenge (community, company, workers themselves)

Consensus priorities
- Establish a sense of urgency
- Create internal, workplace programs to foster change
- Create a county-wide support network
- Educate the community through best practices

Shared principles for action
- Focus on community strengths
- Appreciate existing and differing dimensions of humanity in Fond du Lac County, such as culture, ethnicity, work styles, neighborhoods, interests, talents, skills. Everyone has their own "culture" they bring to the work environment.
- Efforts to nurture a welcoming and inclusive community will affirm *all* employees regardless of background

Central tenant
By nurturing an environment of inclusion, Fond du Lac County companies can recruit and retain the best talent available in the marketplace. Period.

Recommendation for action

Create an Inclusion Council that embraces best practices
    a. Council generates consensus on the local definition of inclusion and the behaviors that embody that principle
    b. Council members pledge to customize and implement best practice strategies at the organizational level for leveraging inclusion as means to cultivate talent attraction and retention; agree upon behaviors to serve as indicators / benchmarks for demonstrating the success of these practices
    c. Coordinate targeted training and community activities
    d. Host a community-wide event to share inclusion best practices and experiences