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The National Association for environmental, health and safety, and sustainability (EHS&S) Management (NAEM) empowers corporate leaders to advance environmental stewardship, create safe and healthy workplaces and promote global sustainability. As the leading business community for EHS&S decision-makers, we provide engaging forums, a curated network, peer benchmarking, research insights and tools for solving today’s corporate EHS&S management challenges. Visit us online at naem.org.
In the past decade, diversity and inclusion (D&I) in business has become a key focus for socially-conscious investors, who actively support companies with strong environmental, social and governance programs. As companies that prioritize these programs will say, diversity and inclusion is not a feel-good fad, but a significant shift in how companies relate to their employees, manage their talent and ultimately, create business value.

Since January 1, 2011, when the oldest member of the baby-boom generation turned 65, another 10,000 boomers have reached retirement age every day (1,2). The generational turnover now underway is ushering in a new set of attitudes toward work. For millennials, diversity and inclusion does not just mean having representation in the workforce, but how all employees, regardless of age, race, gender, and career stage, interact with one another.

### Demographic Composition of the U.S. Workforce

Baby boomers have long been the largest living adult group in the US (74 million in 2016), but millennials already outnumber boomers in the workforce. Generation X is much smaller and isn’t predicted to outnumber boomers until 2028 (3,4). According to Pew Research, the most recent generations are defined as follows:

- **Baby Boom Generation**
  
  Born: 1946-1964

- **Generation X**
  
  Born: 1965-1980

- **Millennials/Generation Y**
  
  Born: 1981-1996

- **Generation Z**
  
  Born: 1997
Why is this important to EHS&S leaders?

Because those companies who create a welcoming work culture consistently outperform those that don’t. If you’re looking to develop a high-performance team, strengthen your team’s influence across silos or attract top talent to your function, this paper offers a new way to think about your staffing strategy.

Inside, you’ll find the background you need to understand this issue better, strategies you can use to build a program from scratch, tips from diversity and inclusion leaders, and case studies from companies with recognized programs.

At a time when succession planning is a critical program for EHS&S leadership at all companies, this report is a guidepost to help you achieve excellence now and into the future.
Diversity and inclusion strategies are the best way to bring people of different generations, genders and cultures together, address current issues and work toward preparing the EHS&S function for the changing American workforce.

For the rising generation of EHS&S leaders, diversity and inclusion is now a business expectation. Workers under the age of 38 are the most racially and ethnically diverse workforce to date, so it's perhaps not surprising that this younger wave of workers actively search for it when applying for jobs. And they aren't the only ones.
A survey by the employment site Glassdoor found that 67% of job seekers of all ages said a diverse workforce is an important factor when evaluating employers and job offers. Additionally, the survey found that 57% of employees think their company should do more to promote diversity and inclusion in their current workplaces (5). Millennials might have been the first generation to raise this issue to the forefront, but its vast array of benefits have made it popular with employees across all generations, industries and geographic locations.

That’s because the emerging notion of diversity goes far beyond checking a demographic checkbox: For younger workers, diversity and inclusion is about embracing each person’s unique skills and perspectives to form creative, productive and effective teams.

When it’s implemented deliberately as a core company value, diversity and inclusion yields better business results. Those who have invested in these programs describe improvements in recruitment, retention, innovation, customer experience, employee engagement and team collaboration, among other benefits.

Newest employees are the most diverse

More than half (50.2%) of Generation Z belong to a group that might once have been called a "minority."

Source: The United States Census (2)
Recent research on the bottom-line benefits resoundingly make the business case for investing in these programs. According to McKinsey & Company's 2018 Women in the Workplace study, companies with more women in leadership positions consistently perform better financially (6).

The consulting firm's 2015 Diversity Matters report shows that while a gender-diverse company is more likely to outperform its industry peers by 15%, an ethnically diverse company is more likely to outperform its peers by 35% (7). While gender and ethnic diversity is not a guarantee of better financial results, it does indicate that when companies strive for diverse leadership and a diverse workplace, they are more successful.

For those leading EHS&S functions, diversity and inclusion are particularly salient issues due to the demographics of those who currently dominate the field. According to a 2017 survey by Industrial Safety & Hygiene News, 64% of EHS&S professionals are between 50-69 years of age, and 84% are men (8).

**Demographic Overview of the EHS Profession**

- **84%** are men
- **16%** are women (majority are under 40)
- **64%** are 50-69 (35% are 50-59 and 29% are 60-69)
- **16%** have 30+ years of experience
- **28%** have 21-30 years of experience
- **25%** have 11-20 years of experience
- **31%** have less than 10 years working in EHS roles

Source: 2017 International Safety and Hygiene News survey (8)
If you find that your company tracks close to the norm, it doesn’t mean that you have to wait to start embracing diversity as an issue within your EHS team. Creating a team culture that actively makes every member feel welcome can have a profound impact on their level of engagement and even on the direction of their career.

Such was the case for Lissa Aquino, who is currently a Corporate Environmental Compliance Assurance Manager at Stepan Company. When she moved from Chicago to St. Louis after college to begin her EHS career, she was apprehensive about the work environment.

“At the time, I was the only female and the only ethnic minority on a six-person team,” she recalled. “And the next person closest in age was 13 years older than me.”

Despite her initial misgivings, the inclusive work environment changed the course of her career.

"From the outside, I didn’t ‘fit in’, but my coworkers made me feel safe to be myself,” she said. “They welcomed me, mentored me, and encouraged me to continue to develop as an EHS professional.

“My coworkers made all the difference, and the supportive work environment is probably a huge reason why I stayed in the EHS field. The impact of that experience is not lost on me.”

Advice For EHS Leaders

If your EHS function does not have the levels of representation you think it needs, Randy Martinez, Director of Strategic Diversity Management with CVS Health, recommends taking a hard look at the data. What are your targets? What is your recruiting plan going to look like to meet them? Why are you building it? Then: How do you do it? Are there organizations out there that can help you? “There are a slew of organizations you can partner with that can loop you into networks of people that might have those particular skills,” he said. “I would say that, to anyone who’s looking to begin their workforce representation, identify what your real need is, look at the numbers and understand the targets.”
Diversity and inclusion is about much more than race and gender

Twenty years ago, diversity efforts might have consisted of reviewing your organization’s demographics and then making a short-term effort to attract more diverse candidates to balance the mix. “Inclusion,” back then, might have been a practice of giving those workers with lower representation the chance to participate, as long as they downplayed their differences to align with the norm.

This experience of “fitting the mold” is still so common that a 2017 Harvard Business Review (HBR) report found that “37% of African Americans and Hispanics and 45% of Asians say they ‘need to compromise their authenticity’ to conform to their company’s standards of demeanor or style.” And HBR’s research on women’s participation in the science, engineering, and technology industries demonstrates that “acting like a man” can help a woman become a leader in those fields (9).

The key to building a competitive 21st-century workforce, on the other hand, is to not only attract diverse applicants but to cultivate a highly collaborative workspace where all employees, regardless of gender, race, age or length of employment, are invited to participate. When employees know their ideas and perspectives are valued, they are likelier to be engaged, contribute more and stay longer.

In a time when skilled EHS&S professionals are increasingly difficult to find, diversity and inclusion is an effective strategy for long-term talent management.

Types of diversity

For today’s workers, D&I goes beyond gender, race, age or skill level (also called inherent diversity). The unique collection of traits within each individual is called acquired diversity, while the effective blending of differences to work well together as a team is called cognitive diversity.
Success Story: EY

Global professional services firm EY is a recognized leader in diversity and inclusion and consistently a pioneer on progressive issues.

Shannon Roberts, Senior Manager of Climate Change and Sustainability Services at EY, can verify that diversity and inclusion are not just words on a page at EY.

“This has been a critical pillar [at EY] ever since I joined six years ago. There is a huge focus on diversity and inclusion because it’s understood that it’s critical to driving high-performance teams, which is essential to our business.”

In her six years at the firm, diversity and inclusion has been embedded into every aspect of her working life, so it not only seems normal, but obvious, that “all differences matter.”

“We do a lot of work at the firm to understand how we think and how others think,” Ms. Roberts said. “[It’s important to understand] those differences and figure out a way to work with people who may have a different thinking style, social style and learning style than you do.”
Five Lessons From Successful Diversity and Inclusion Programs

Changing the demographic makeup of a team or company takes time and planning, but if you’re ready to explore how you can incorporate diversity and inclusion into your EHS&S talent management program, here are some ideas about where to start from some companies who are doing it right.
Building a diversity and inclusion program is not a public relations initiative but a different way of approaching business from the day you start.

Even if you are the only leader who is paying attention to this issue, you need to make a strong business case that begins with a clear set of business objectives and the benefits you expect. A one-size-fits-all approach to diversity and inclusion has had a high failure rate, so your business objectives and diversity strategies should be as individual as your department to have a better chance at succeeding.
One company that has made a concerted effort to invest in diversity is Schneider Electric, which began working toward evolving into a more gender-equal company 15 years ago. At that time, women were only 3% of the company’s top 1,000 leaders.

According to CEO Jean-Pascal Tricoire, who recently wrote about the company's success on its blog (10), women now make up more than 20% of its global leadership. By the end of 2018, nearly 40% of its new hires were women, Mr. Tricoire said. As of 2019, 46% of its board members are women, and three of its five major P&L are led by female executive committee members.

"We continue to advance career development for women throughout the employment life cycle, to ensure that we empower and advance top female talent up to the highest levels of our organization," he wrote. "Creating a more diverse environment, where everyone enjoys working together, is not something to declare; it is something to build."

Schneider Electric now offers all of its employees worldwide a Global Family Leave policy. All employees receive 12 weeks of fully paid leave for the primary caregiver (birth or adoption) as well as 2 weeks of fully paid leave for a secondary caregiver (birth or adoption). Many employees in other countries are eligible for a more generous leave policy through their own country’s laws, but in the U.S. — where there is only 12 weeks unpaid leave (through the FMLA) and few companies offer something better than that — this policy is a substantial benefit. It is a major draw for both women and men.
Like any new program, engaging others in the change is an important step, even if the effort remains limited to EHS&S. As you frame the purpose, take the opportunity to give your EHS&S team members equal ownership of this effort. Ask them what they would suggest if you could redesign the department, its tasks, equipment, projects and goals from scratch. Take the time to listen to each person’s input. If you haven’t already, take note of what traits make each one of your colleagues different. What generation are they? What is their personality type? How do they approach their work?

The process of including employees in shaping the future of their work environment is the first step toward achieving your goals. As you continue to build your program, keep up the momentum by offering, consistent, open communication. Invite feedback by taking surveys and spending the time to actively encourage suggestions, ideas and feedback.

**Five Questions to Ask About Your EHS&S Function**

1. What are your goals for your EHS&S function? Do any of these objectives help attract more diverse job applicants?

2. How do you structure your EHS&S roles? Are there aspects you could change to help attract new talent or to retain employees?

3. Do your succession plans acknowledge the importance of diversity and inclusion? Do they help your workplace achieve its diversity and inclusion goals?

4. What kinds of social events or outings do you host for your EHS&S staff? Would everyone feel comfortable and included?

5. Do your employees see themselves there over the long term? Why or why not?
At CVS Health, the diversity management model has four business objectives, designed to cultivate a diverse, collaborative and effective workforce. According to Randy Martinez, the company is so committed to its program that it awards a steak dinner to any employee whose job is not well-served by one of the objectives.

1. **Workforce Representation** ensures that they have a workforce that’s reflective of their customers, their patients and the communities they serve.

2. **Colleague Engagement** creates an inclusive environment. “When you have diversified your workforce and it represents the marketplace and they are now in the organization, then how do you make it inclusive for all?” Mr. Martinez said. The effort involves colleague engagement programs such as the company’s 14 Employee Resource Groups. With 20,000 members, these groups are a chance for people to network and connect with each other.

3. **Talent Management** ensures that there is equitable professional development and upward mobility opportunities for all. To help address the need for more Spanish-speaking pharmacists, for example, the company went outside its gates to create a pipeline for new talent. It partnered with the national Hispanic Medical Association to create the National Hispanic Pharmacy Association, a group that now educates students on career opportunities in the field and provides scholarships and direct funding to pharmacy schools.

4. **Marketplace Diversity** is about how the company shows up in the marketplace. Their goal is to ensure they exceed the needs of their customers, their communities and their external constituents. Some of the efforts to support this objective include building relationships with nonprofit organizations that align with their values and building a network of business-to-business relationships.
While the youngest members of the workforce may have been the ones to elevate the issue, diversity and inclusion is not just for women, minorities and the latest generation. Ultimately, these programs are about respecting the value of your employees and building better teams; as such, they recognize and benefit everyone.

As you engage others in your efforts, take the time to demonstrate how these changes will directly benefit long-time employees. When GHD — a professional services firm specializing in solutions for water, energy, environment, property and transportation — first introduced a new flexible schedule policy, there was some initial grumbling among those who had come up through the ranks before the diversity and inclusion era. It didn’t take long, however, for them to discover the benefits of the new policy for caring for families of all ages — young children and aging parents alike.
Lesson #2

Sandra Nessing, Managing Director of Corporate Responsibility at American Electric Power Co. Inc. (AEP), said the company also encountered some resistance as it worked to establish itself as a leader in diversity and inclusion. To overcome the perception that the new programs would be limited to just a few, the company created a floating holiday that employees could use for religious observances, cultural celebrations and federal holidays that are not part of the corporate calendar. Giving everyone an extra day to use for their individual needs was an effective step toward communicating that the rewards of the company’s commitment to diversity and inclusion would be shared equally.

Success Story: GHD

Gregory Carli, Principal at GHD, said they realized they had to be creative to attract and retain valuable talent. Many consulting companies require a tremendous time commitment for client projects, the work-life balance is rarely tipped toward the "life" side of the scale. The number of hours and travel requirements routinely led many employees — especially women — to seek other opportunities during the crucial family-raising years.

“It hurt that we didn’t have programs in place years earlier to retain women,” Mr. Carli said. “We lost a lot of people over the years...We realized that we needed to be flexible for our people during this period of their lives, so that they could become senior managers down the road.”

Today, GHD no longer limits its definition of performance to billable hours alone, although it is still working on how to best define success for the future. It also encourages high potentials with seven to 10 years of experience (the young family years) to go through leadership training. That way, if they decided to remain with the firm, they are prepared for the next step in succession.
Because many in the workforce rank learning and growth opportunities among the top attributes they look for in a prospective employer, companies such as EY, AEP, Schneider Electric and CVS Health have all developed internal employee networking groups to deliver on that need.

At EY, the networking groups include: Professional Women’s Network, Black Professionals Network, Asian American Network, People with Disabilities, Veterans Network, Parenting Network and many more, including international networks. There are also abundant resources to get involved in a number of philanthropic efforts.

Create opportunities for your employees to connect and learn from one another
AEP also has a number of employee-led networking groups such as: Abled and Disabled Allies Partnering Together, the African American Employee Resource Group, the Asian American Employee Partnership, the Hispanic Origin Latin American Employee Resource Group, the Military Veteran Employee Resource Group, the Native American Employee Resource Group and the Pride Partnership.

According to Ms. Roberts from EY, the company's networking groups offer both valuable connections as well as a great opportunity for learning.

“What's cool is that each group has two open events each year and we all get invited to them, so we can go learn about the culture,” she said.

To strengthen engagement and retention among those who have been out of college for less than 10 years, GHD gives young professionals the chance to travel, whenever possible. The firm also developed a Young Professionals program that features regional meetings for professional development, networking and mentoring.

One such opportunity is to shadow senior GHD leaders as they interact with clients, develop new business and establish performance goals, Mr. Carli said.

“I have a two-day senior management meeting next week, and I asked some of the Young Professionals in that region to sit in to see how we do strategic planning and how the business is done,” he said.
One outcome of an inclusive culture is that you may find yourself called to change an entire team’s policies to accommodate the needs of a single employee. Those who have done this, however, say that being responsive to that one person may solve the problem for many others who had the same issue but never had the courage to speak up about it.

At times, the solution is simple, and at other times, it involves making changes to job descriptions and even how your company measures individual performance.
So whether it starts with one person or many, the key is to create an open dialogue with your team about their needs and priorities. This close relationship strengthens engagement and builds the kind of welcoming environment that today's job applicants seek.

At CVS Health, Mr. Martinez spends a lot of time getting to know his teams as he works to solve their problems. Rather than exclusively focusing on the challenge at hand, he asks lots of questions to learn about their families, hobbies, goals, and yes, their work.

He says he believes that simple, individual solutions can make a huge difference, even if the solution only applies to that employee. Sometimes he figures out how to fix a group issue.

Once, while working with a team on its challenges on diversity, communication and productivity, he met an employee who told him that her child was being bullied at school. To make sure her son gets to class safely, she often doesn't arrive to work until 8:30. By 2:00, she said she was watching the clock because she was worried about what would happen to her son when class dismissed.

She knew it was affecting her work, but she didn't know what to do.

“So how do you modify or solve that?” he asked.

Because there were no existing policies to address situations like this, Mr. Martinez worked to introduce flex schedules, so people could come in a little bit later, take a break in the middle of the day and then come back to make up the hours.

“Those were some slight modifications that we could put in place to help that person accomplish what they needed to do every day more effectively,” he said.

At GHD, the company is working to update its internal performance metrics to redefine the factors that indicate success beyond billable hours alone.

So whether you’re looking to solve a specific talent issue or just looking to strengthen your department’s appeal among prospective employees, creating a workplace culture that can accommodate the changing needs of the EHS&S workforce requires a willingness to listen, adapt and let each individual know that they count.
Not only is diversity an issue within EHS talent management; it also affects how EHS leaders interact with those they are seeking to influence across the company. According to experts, the two concepts that seem to rise to the top are awareness and acceptance.

Oftentimes, Mr. Martinez said, the biggest disconnects are between employees of different generations.

“We'll have these meetings where baby-boomers are taking notes and millennials are on their phones, and there is this level of aggravation. The boomers assume that the millennials aren't paying attention, when in fact they are taking notes on their phones and it looks like they’re texting,” he said.
One effective way to communicate this is through a presentation Mr. Martinez derived from a book called “Sticking Points,” which explains how each respective generation sees the world based on the dominant technology of the era they know best.

When the boomers were coming of age, he explains, the technology was television. For Gen X, it was the Internet, and for millennials, it was mobile technology.

“When I do this presentation and play some of the music from the different eras they begin to understand that they are very different,” he said. “They think about things very differently, they listen to different music, their technology is different, the way they approach problems is different — so the root of that problem or challenge is just about awareness.

“Awareness that we are all working for the same thing — we just approach it differently. And a good manager helps manage those differences within the organization, and manages them effectively to those goals,” he said.

Ms. Roberts from EY came to the same conclusion, thanks to her company’s diversity and inclusion program. When she first started working at the company, she was often partnered to work on audits with a peer who had a completely different approach to projects and style of working.

“It was so frustrating! I wanted to take the time to thoroughly analyze data and get feedback before drawing a conclusion, and she wouldn’t hesitate to drive through to the solution while I was still working,” Ms. Roberts recalled.

A change occurred when she went through her company’s management training, which involved a personality and work style assessment.

“It was like a lightbulb went off...I completely understood the basis of my frustration,” she said. “I realized that we were both trying to get to the same goal, but we were just going about it differently.”

While it seems like a simple observation, being reminded that everyone works a little differently helped Ms. Roberts take a step back, start delegating responsibilities according to strengths and focus on the outcomes different team members can achieve together.
At CVS Health, Mr. Martinez uses the fable of "The Giraffe and the Elephant", based on the book "Building a House for Diversity," to help employees begin to bridge the divide.

“It's the story of a giraffe that lives in his giraffe house and he's this incredible woodsman and his business is picking up and he needs help. He sees the elephant outside his window and says to himself that the elephant is also a great woodsman, and maybe together they could really build a business.

"So he invites the elephant into his house. And at first the elephant can't get through the door or fit into the house, so the giraffe opens up the double doors so the elephant can fit. Then the giraffe has to move so the elephant can move around. Next, the elephant looks at the giraffe's tools and belongings, and every move the elephant makes, he breaks the giraffe's things or stumbles around and damages his house.

"The idea is: who is responsible here for ensuring that the cultures merge? Should they continue working together? They are both very different. Is it the giraffe's job to accommodate the elephant, who has skills that will help the giraffe? Or is the elephant responsible for telling the giraffe that things are not working out, so that they can find a way to work together somehow?"

For EHS professionals who are called upon to be change-makers and influencers across silos, being able to acknowledge each person’s perspective upfront can be a vital tool.

Mr. Martinez recommends using a tool like a video of the fable at the outset of a change process to help break through barriers and spark conversation. Once people can describe the problem from their own perspective, everyone is more willing to collaborate on the solution.

“It's incredibly impactful,” he said.
References

Works Cited


References


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Planning for a Sustainable Future

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