Taking Your Diversity & Inclusion Strategy to the Next Level

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Session Purpose:

Discuss how key elements and steps can take your Diversity strategy to the next level of inclusion.

Introductions:
- About Ford
- Stages toward Diversity & Inclusion

Step 1: Reviewing Your Strategy
- Strategic Planning Process & Definitions
- Infrastructure & Metrics

Step 2: Implementing Your Strategy
- Key Processes & Metrics
- Employee Resource Groups

Q & A
About Ford Motor Company

- In business for 100+ years
- Approx. 198,000 employees globally
- Over 90 plants worldwide
- 200 markets across six continents
- $118.3 Billion in revenues in 2009

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Diversity & Inclusion Continuum

Different regions and functions can be at various stages of inclusion and diversity. Our desired state is global inclusion.

Stage 1: Reactive
- Focus: Compliance
- 100% Internal
- AA/EEO and U.S. recruiting efforts. Activities vary based on local and country requirements

Stage 2: Proactive
- Focus: Definition & Development
- Internal: diversity awareness, Diversity infrastructure, recruitment, retention, promotion
- External: community goodwill, customer relations

Stage 3: Aligned
- Internal Focus: policies, practices, procedures, operations, organizational health
- External Focus: community goodwill, customer relations, supplier relations, business performance, shareholder equity

Stage 4: Institutionalized
- Focus: Maximizing synergies between internal and external focus
  - Globally aligned
  - Integrated deeply into key people and business processes

Change Management Curve
Step 1: Reviewing Your Strategy

These are steps that will help you develop your business case and strategy for diversity & inclusion.

- Start with a vision/purpose
- Define diversity & inclusion for your organization
- Assess current state
- Develop your strategy
- Establish your structure
- Set goals and measure success
Step 1: Review Your Strategy

Does your D&I strategy continue to forward your company’s vision, brand, and key business goals?

**Strategic Planning Process**

- **Vision**
  - Starting Point for Each Key Metric
  - Planned Targets for Each (1-5 year)
  - Projected Glide Path

- **Business Environment and Opportunities**
  - People-Related Business Assessment – Environmental Scan, Demographics, Future Trends, Strategic Challenges & Opportunities

- **Strategy**
  - Priority Areas of Focus
  - Key Metrics in Each Area

- **Plan**
Reviewing Your Strategy – Definitions

Revisit your D&I definitions. Are they inclusive of your company? Do they support the vision of your next generation?

At Ford, we define Diversity in the workplace to include all of the differences that define each of us as unique individuals, e.g.:

- Physical abilities
- Race/ethnicity
- Gender
- Age/generations
- Sexual orientation
- Gender identity
- Religion
- Culture
- Experiences
- Opinions
- World View
- Beliefs
- Nationality
- Education
- Family
- Marital status
- Thinking Styles
- Background
Diversity & Inclusion

- Diversity shouldn’t be seen as a separate program for minority groups but as an assurance of equal treatment for all.

- D&I is critical to globalization and high-performing teams, aiming to create a working environment that:
  
  - Drives a culture in which everyone is able to contribute to success
  
  - Values the differences and abilities of all employees
  
  - Includes people as part of the team BECAUSE their differences are seen to add value in achieving the organization’s goals
  
  - Utilizes the advantages of a diverse workforce
Reviewing Your Strategy - Definitions

To us, inclusive behaviors are the Own Working Together behaviors that support ONE Ford as one team across a global enterprise.

**ONE TEAM**
People working together as a lean, global enterprise for automotive leadership, as measured by:
- Customer, Employee, Dealer, Investor, Supplier, Union/Council, and Community Satisfaction

**ONE PLAN**
- Aggressively restructure to operate profitably at the current demand and changing model mix
- Accelerate development of new products our customers want and value
- Finance our plan and improve our balance sheet
- **Work together effectively as one team**

**ONE GOAL**
An exciting viable Ford delivering profitable growth for all

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**Expected Behaviors**

**Foster Functional and Technical Excellence**
- Know and have a passion for our business and our customers
- Demonstrate and build functional and technical excellence
- Ensure process discipline
- Have a continuous improvement philosophy and practice

**Own Working Together**
- Believe in skilled and motivated people working together
- Include everyone; respect, listen to, help and appreciate others
- Build strong relationships; be a team player; develop ourselves and others
- Communicate clearly, concisely and candidly

**Role Model Ford Values**
- Show initiative, courage, integrity and good corporate citizenship
- Improve quality, safety and sustainability
- Have a can do, find a way attitude and emotional resilience
- Enjoy the journey and each other; have fun - never at others' expense

**Deliver Results**
- Deal positively with our business realities; develop compelling and comprehensive plans, while keeping an enterprise view
- Set high expectations and inspire others
- Make sound decisions using facts and data
- Hold ourselves and others responsible and accountable for delivering results and satisfying our customers
How is your strategy supported to include all major functions and regions? Although structure may change over time, diversity champions are needed at different organizational levels.

Before diversity can be valued and properly managed, leadership must be committed to it. Buy-in is not commitment!
To ensure D&I is integrated at every level of the company, it should be part of the leadership conversation.

Senior Leader Group Roles:

- Represent all major regions and business functions/skill teams
- Develop D&I direction and strategic focus
- Champion the corporate employee resource groups
- Advocate policies that support inclusive behaviors and environment
- Review metrics to measure process of D&I initiatives
- Provide D&I perspective within their key messages
Step 2: Implementing Your Strategy

Consider your strategy and key focus areas in your governance structure. How will you ensure synergies and alignment?

Marketplace:
- Multicultural Marketing
- Minority Dealer Program
- Supplier Diversity Development
- Employee Resource Groups

Workforce:
- Pipeline
- Affirmative Action/EEO
- Employee Lifecycle:
  - Attraction,
  - Onboarding
  - Development
  - Engagement
  - Retention
  - Separation

Workplace:
- HR Policies & Programs
- Employee Resource Groups
- Mentoring Programs
- Professional Development
- Engagement Programs
- Work-Life Flexibility Programs

Community:
- Company Philanthropy/
  Community Outreach
- Employee Resource Groups
Implementing Your Diversity Strategy – Key Processes

What common people tools and processes are available globally. What D&I aspects have been integrated?
As your diversity strategy evolves, you may need to review the diversity dimensions and measures of success you track. Do they identify the D&I contribution to strategic goals and organizational performance?
For example, review your employee resource groups and their alignment to the business.

Ford ERGs have been critical business assets in reaching out to our employees, communities, and customers.
To what degree do you use your employee groups to support your organization’s goals and objectives and provide insights and different perspectives to meet business needs?

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<tr>
<th>Workforce</th>
<th>Workplace</th>
<th>Marketplace</th>
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<tbody>
<tr>
<td>Recruiting Events</td>
<td>Inclusive Workplace</td>
<td>Consumer Insight</td>
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<td>New Hire Events</td>
<td>Global Competencies</td>
<td>Product/Service Info</td>
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<td>Networking &amp;</td>
<td>Worklife/Flexibility</td>
<td>Community/Society Outreach</td>
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To take D&I to the next level, ensure that it is part of the regular business meetings, operational reviews, and key processes.

Best Practices from the OCEDC Session Group:

- Look at aspects of diversity and their implications when reviewing trends and opportunities. The focus should be broad to engage all employees.
- We worked with our unions on our inclusion strategy.
- Rather than separate ERGs, we combined ERGs to build a diversity networking group which incorporated four subcommittees: employee engagement, cultural awareness, professional development, communications.
- We used an Ice Cream Social to demonstrate different needs – we provided low saturated, sugar-free, lactose-free options.
- We have an annual appraisal and diversity is part of the appraisals.
- At the Detroit Zoo, we have a “Green Team” environmental group which is naturally diverse. We use biodiversity as a model.
- We focus on competencies and different aspect – business opportunities, new hire opportunities.
- Develop Communities of Practice to encourage innovation, global networking, and flexible practices.
Q & A