The Six Sigma Phenomenon

In the 1980s, our team at Motorola launched our renowned “Six Sigma” initiative to propel the company toward the summit of quality excellence. Harnessing our Six Sigma techniques, we improved Motorola quality by a factor of 800:1—an already low defect level of 15,000 ppm (1.5%) to a miniscule 20 ppm (0.002%) in ten years. In the process of this astounding quality achievement, we registered a savings of $9 billion! Our Six Sigma fame spread all over the world, with hundreds of companies following in our footsteps.

After eleven years launching and nurturing Six Sigma at Motorola, I retired and formed my own consulting company. The experiences of mentor- ing organizations on four continents compelled me to research and expand the horizons of our Six Sigma thrust from just quality excellence to total business excellence— Six Sigma excellence for customers, corporate leadership, organizations, employees, suppliers, and design and service industries. My book, The Ultimate Six Sigma, published in 2001, became a best-seller.

Why Apply a Six Sigma Methodology To Diversity?

The concept of measuring the effectiveness of a corporation’s diversity efforts is far from new. However, many of the measurement vehicles today seem to concern themselves with either Quantity Alone (celebrating the metric, rather than the end result) or Quality for the sake of Quality Alone. None seem to make the leap to measuring the impact of a corporation’s diversity efforts on that corporation’s customers and long-term profit.

In his historic acceptance speech at the 1964 Republican Convention, Barry Goldwater stated that the pursuit of liberalism, in the cause of human betterment, is no virtue and the pursuit of quality for customers and long-term profit is no vice.

But what if a diversity manager could mobilize their organization’s managers, thereby extending the diversity reach and making a greater impact? While this would require recruiting and engaging employees who understand and support diversity and inclusion as a leadership competency and as an organizational business improvement tool, mobilizing an army of diversity change agents would provide tremendous payoffs.

Diversity champions and change agents can be found at all levels of the organization. The key is to recruit, equip, engage and hold accountable the leaders who can produce the results. Most often they do not possess the knowledge, skills and tools to initiate, communicate and incorporate the diversity message, strategies and tactics into their departments and teams.

Do you remember your first day of work? Were you provided with an overview of the organization’s traditions, policies, practices and culture? Do you remember those first few weeks on your new job? Was your manager busy, task-driven and racing to meet deadlines? Did you find yourself being quickly assimilated and aligned with your new team and department? Were you expected to immediately contribute and produce! Over the course of your employment, your quick assimilation was likely due to many factors, such as the following:

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1-800-573-2867 www.diversityjournal.com

Profiles in Diversity Journal commissioned Keki Bhote, author of The Ultimate Six Sigma, to design the ultimate diversity assessment tool—one that measures the effectiveness of your diversity efforts by measuring their impact on the bottom line.

The Six Sigma Methodology

The impact of diversity upon business performance can and should be measured.

1. There should be a linkage between diversity achievement and business performance.

2. The assessment of diversity effectiveness can be quantified.

3. The assessment process can be repeated each year to measure longitudinal progress in diversity.

4. Diversity metrics should include financial performance.

5. Diversity managers and executives cannot drive the real change process alone. It’s directors, supervisors, coaches and leads—the managers, who are ultimately responsible for meeting departmental and business unit goals. They have the most to gain and lose. It’s the managers who determine which behaviors are supported, reinforced or stopped. Ultimately, they shape, create and sustain the culture.

They decide how organizational values and vision around diversity are actually integrated into the daily activities and decisions. It’s the managers who know the business and behavior challenges their teams are facing, and it’s the managers who are responsible and accountable for both.

Inclusion and diversity efforts cannot be fully successful without managers who are equipped to incorporate diversity concepts and tools into the jobs that they and their staff perform each day. Yet, given the time constraints of managers, they must find a way to incorporate diversity and inclusion into their schedules. Some organizations use PRISM’s Diversity Discussion Starters™ tool to incorporate business-relevant, bite-sized diversity concepts into their staff and team meetings. The PRISM Diversity Discussion Starters™ consist of fourteen 45-minute scripted, activity-driven, business-related, decision-focused diversity conversations that managers include in their staff and team meetings. The real power of the tool is in the design of each meeting’s script—it enables the team to identify and make decisions within their team about leveraging diversity and inclusion to bring about bottom-line business changes. Leading product company Mead Johnson observes, “The power of the PRISM Diversity Discussion Starters™ lies in the decisions that we make as a result of the conversation that we held.” Let’s examine two examples:

• If diversity has been discussed as a “business issue” for the business, have managers had the conversation with team members about diversity as a business issue for them?...in their own department?

• If it’s discussed as a “business issue” for the business, have managers had the conversation with team members about diversity as a business issue for them?...in their own department?

The Changing Landscape

Driving Diversity Changes with Manager-Led Discussions

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5. However, in order to provide a balance between financial performance and diversity progress, the role of a company’s constituencies—
Steve Miller joins representatives of Shell’s eight employee networks and Diversity Practice. The employee networks represent a major accomplishment for Shell’s diversity initiative, which has the goal of being a model of diversity for corporate America. Front row, from left to right: Piskchin Jarell, SAPENG; Steve Miller; Aleasha Ghassani, Co-chair of SHEN; and Jani Lopez, SEA Shell. Back row, from left to right: Rhonda Laqua, L Alice; Scot Hedrick, SEA Shell; Evette Torres, Shell Diversity Practice; Neddy Perez, SHELL; Benjamin Brown, SBNG; and Tandy Ringoringo, WAVE.

"As we state in our Blueprint, we aspire to be a model of diversity for corporate America, not only within the energy industry," he says. "We want to be considered an 'employer of choice' and build a robust talent pipeline. We want to share our best practices with other organizations, and be a strong partner to the communities in which we live and work."

"Steve’s leadership in terms of diversity being a fundamental for business success cascaded throughout Shell," says Leadership Team member and Shell Oil Senior Vice President and General Counsel Cary Lamboloe. “Certainly, in my organization (Shell Legal Services), the Blueprint was the building block from which we developed our diversity program." 

As a result, Shell’s legal program attracted national attention; in 2001, the Minority Corporate Counsel Association named Shell Legal Services an “employer of choice.” Besides making diversity part of the Shell business plan, Miller actively supported the Diversity Scorecard, used to measure Shell’s progress toward achieving diversity goals, and the Diversity Progress Report, published annually to capture Shell’s accomplishments for the year.

In addition, Miller participated in numerous internal activities, including Shell’s Annual Diversity Conference where he delivered welcoming remarks in the past two years to some 300 Shell diversity practitioners and business leaders, nationally known consultants and representatives from Shell and other companies who came together to share information and best practices.

In another internal Shell effort, Miller brought his relationship with Shell’s eight employee networks to a new level. Recognizing the networks as excellent business resources, he met periodically with their leadership to learn about their concerns and to share information about business plans. He also attended the networks’ annual meetings.

“Employee networks are part of our diversity infrastructure,” Miller says. “They provide support, enhance employee development, strengthen communication channels throughout the organization and serve as a valuable grassroots resource for the business. I have called on them for advice and consensus on a number of internal and external issues.”

“One of the lessons I’ve learned from Steve was the value of consensus building, especially on tough issues,” says Rick Schroeder, Manager, Sustainable Development, Exploration. “Various aspects of diversity can be tough, and Steve utilized appropriate stakeholders when needed to help guide the process. It was reassuring to have a broad consensus on an issue, which creates a strong foundation for the decision-making process.”

Miller also committed to developing the next generation of Shell leaders in the United States. He encouraged his executive leadership team to expand talent pipeline development efforts to include new college hires and experienced hires, and to examine the pipeline from a diversity standpoint. He led discussions about the importance of continually analyzing the pipeline to ensure women and people of color were making meaningful progress. His intent was to raise awareness of subtle hindrances that can prevent individuals from reaching their full potential. For example, were women and people of color remaining in their jobs longer than white males before being promoted?

Miller launched an effort to establish closer ties with the Hispanic community, the fastest growing segment of the U.S. population. Recognizing Hispanics would be a major source of Shell customers, employees, suppliers and neighbors, he charted a team to determine how to forge a stronger relationship with the Hispanic community on a national level—a sustained relationship. He led discussions about the importance of continually analyzing the pipeline to ensure women and people of color were making meaningful progress. His intent was to raise awareness of subtle hindrances that can prevent individuals from reaching their full potential. For example, were women and people of color remaining in their jobs longer than white males before being promoted?

Our success with our Women’s Initiative along with our heightened awareness and attention to employee issues have progressively sharpened our determination to become the employer of choice. Five years ago, when it was first announced, our firm submitted an application for Fortune magazine’s list of “100 Top Companies to Work for in America.” We made the list on our first try and have made the list ever since. We are the only professional services firm to appear for five consecutive years on the list and one of twenty-five companies to have appeared every year. And of those twenty-five, only four other companies have ranked higher than us.

Going forward, we intend to make good on our commitment to diversity with the same determination with which we address all our professional and business issues. That kind of commitment is intrinsic to our culture and to our success.

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