

*Diversity Re-  
Imagined: From  
Corrective Action  
to Competitive  
Advantage:*

*Steve Pemberton  
Global Chief Diversity Officer  
Walgreens Boots Alliance*



*istevepemberton*



# After Many Years... An Epiphany...

Diversity and Inclusion is  
hard.

*Really hard.*





# We Made Progress....

**Awareness**

**Compliance**

**Consultants**

**Right Thing To Do**

**Equal Opportunity**

**Purchasing power**

**Hispanic or Latino**

**Corrective Action**

**Conferences**

**Affirmative Action**

**Chief Diversity Officers**

**GLBT**

**Training**

**Top Organizations For...**

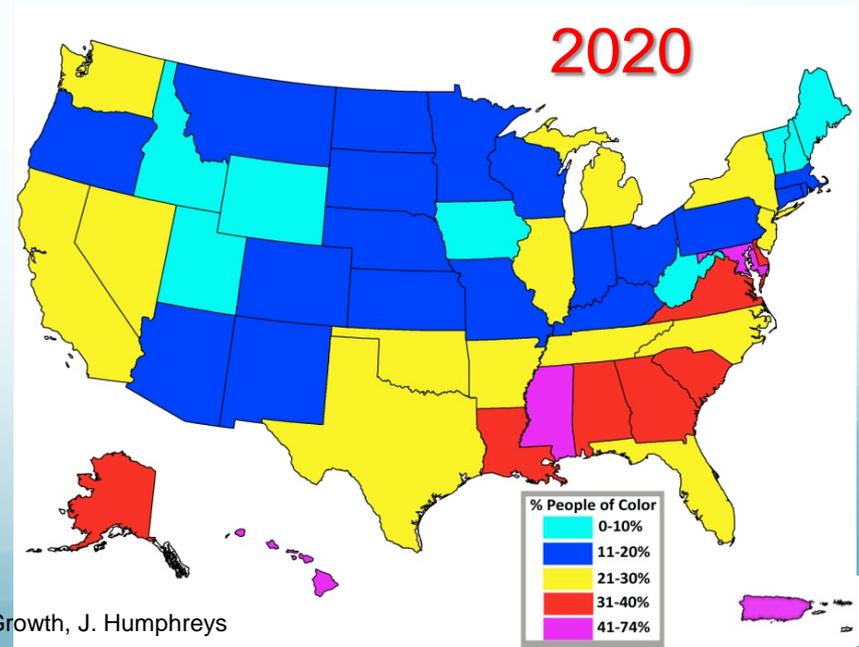
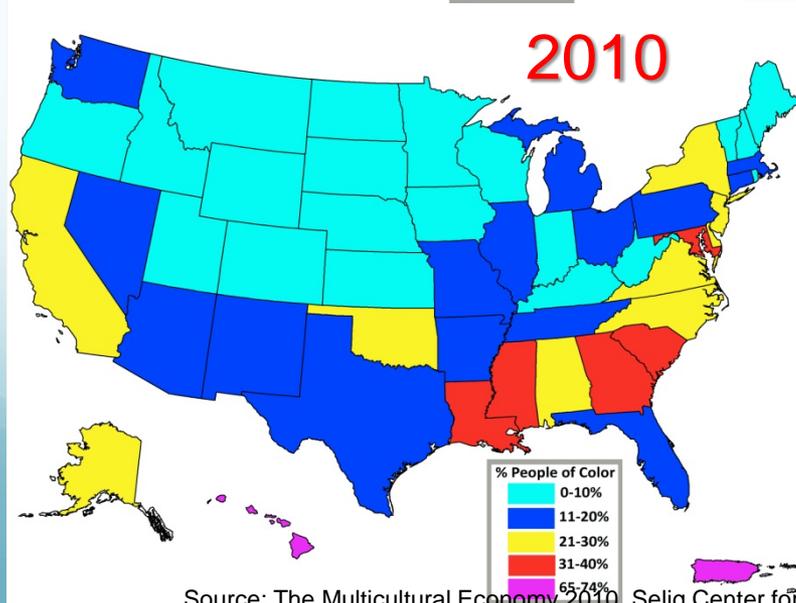
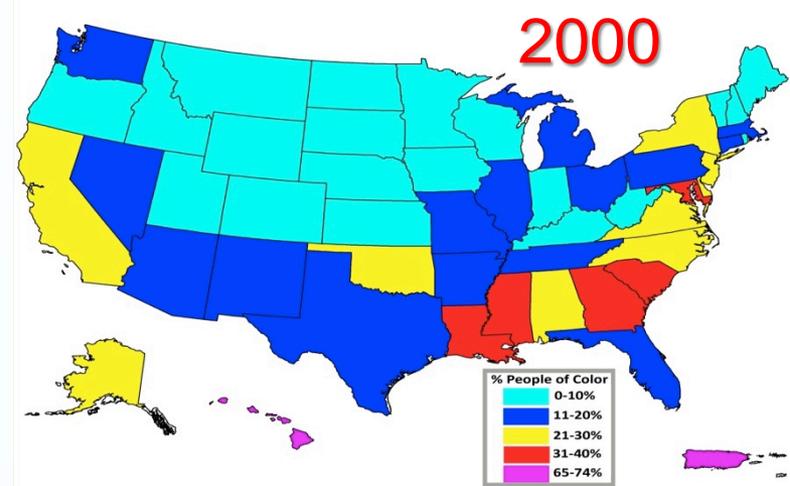
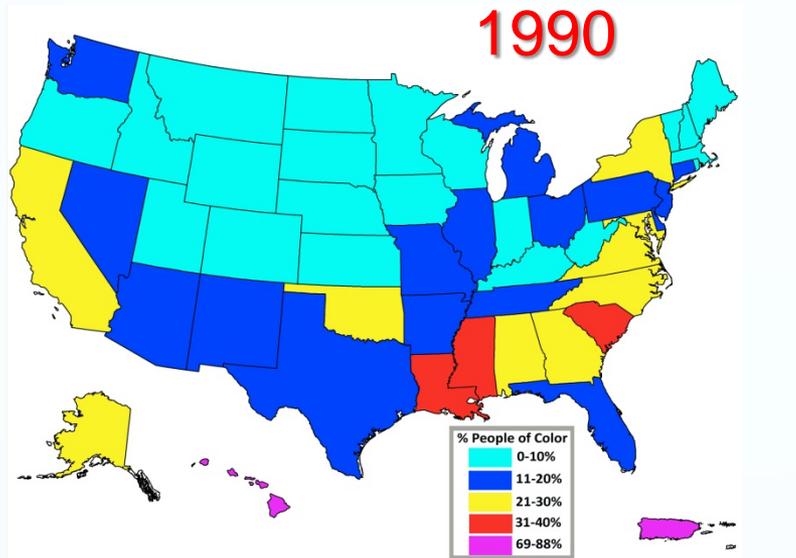
**Best Practices**

**Civil Rights**

**Post-racial**

**Discrimination**

# A Demographic Destiny Was Unfolding...



Source: The Multicultural Economy 2010, Selig Center for Economic Growth, J. Humphreys

# *A Demographic Destiny...Has Arrived!*

- 1. We began living longer and in an America with no clear racial or ethnic majority**
  - More than half of all babies born in the US today will be diverse
- 2. The Gender structure of the labor force has changed**
  - Women now represent more than half of the US labor force
- 3. New generations were arriving with different definitions**
  - They see diversity and inclusion through the lens of experiences not labels
- 4. Important societal advancements for people with disabilities and the GLBT community**
  - American Disabilities Act, Same-Sex Marriage

# But Where Are We Today?

**TRIBALISM**

**Us  
Them**

**DISSONANCE**

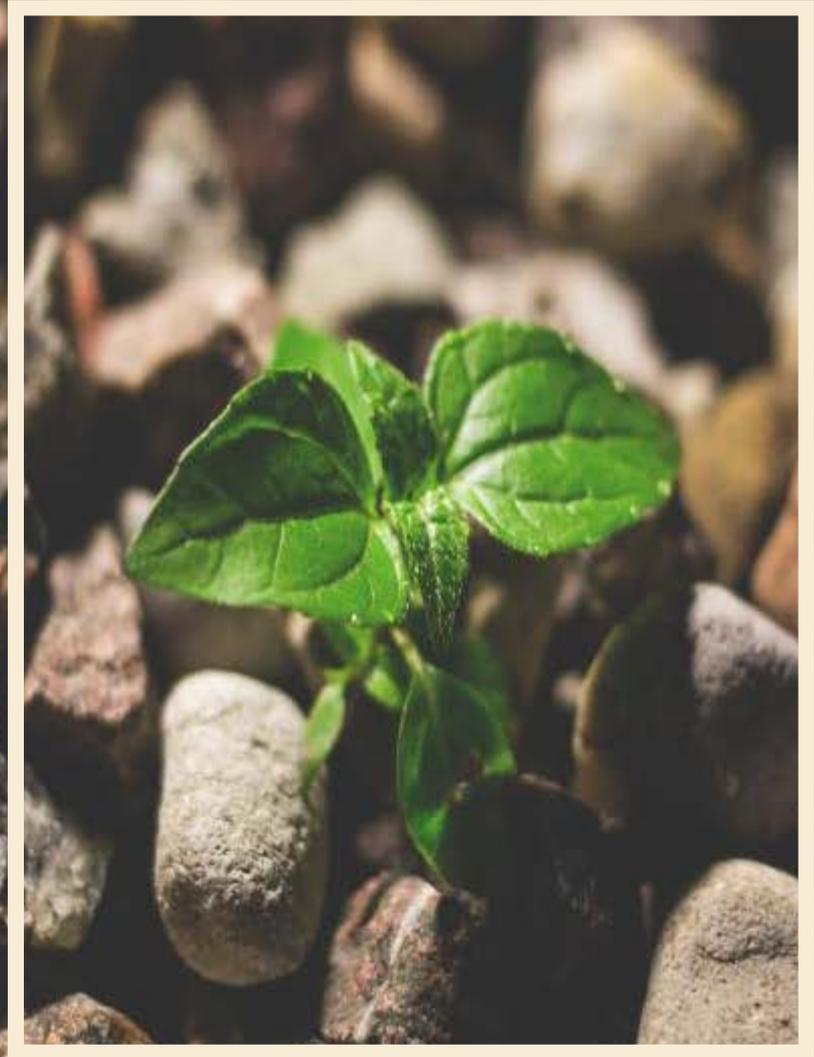


**And Where Will Leadership Come From?**

## *But Using Old Methods Means...*

- Little industry or institutional understanding of why this matters
- Anchoring Diversity and Inclusion efforts in what we don't do well
- Assigning one person to the task...the Pied Piper syndrome
- Excessive focus on unconscious bias/micro inequities
- Relying on 'Top Organizations for...' lists
- Failing to create sustainable and integrated processes
- Not aligning diversity constituencies to the organizational mission
- Not driving accountability internally and externally
- Not creating a learning culture of courageous conversations

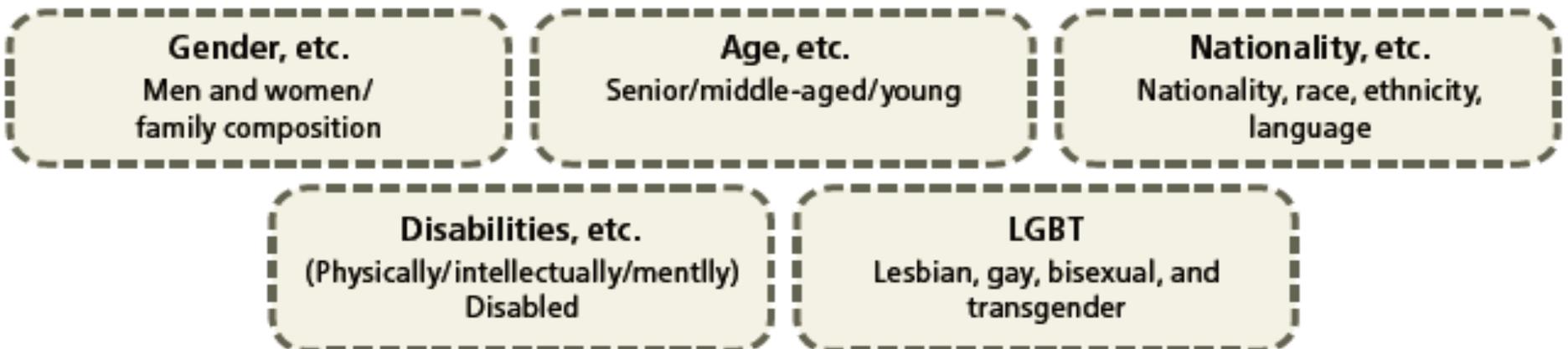
There is  
hope!



# The Stages of Diversity...



## Widening Human Capital Diversity



# The Next Practices

Capability Capacity Creativity

"All the News  
That's Fit to Print"

# The New York Times.

LATE CITY EDITION

U. S. Weather Bureau Report: Page 41  
Cloudy and cool today and tonight.  
Mostly fair tomorrow.  
Temp. range: 65-55. Tomorrow: 62-4-63.

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© 1957, by The New York Times Company.  
Times Square, New York 10, N. Y.

NEW YORK, SATURDAY, OCTOBER 5, 1957.

The largest circulation ever  
for The New York Times

FIVE CENTS

## SOVIET FIRES EARTH SATELLITE INTO SPACE; IT IS CIRCLING THE GLOBE AT 18,000 M. P. H.; SPHERE TRACKED IN 4 CROSSINGS OVER U. S.

### HOFFA IS ELECTED TEAMSTERS' HEAD; WARNS OF BATTLE

Defeats Two Foes 3 to 1  
—Says Union Will Fight  
'With Every Dunce'

Text of the Staff address  
is printed on Page 8.

By A. H. HARRIN

MIAMI BEACH, Oct. 5.—The  
swandal-scarred International  
Brotherhood of Teamsters elect-  
ed James H. Hoffa as its presi-  
dent today.

He won by a margin of nearly  
3 to 1 over the combined vote  
of two rivals who campaigned  
on pledges to clean up the  
union's biggest union.

Senate racketeers investigators  
and Hoffa critics in the  
union rank-and-file immediately  
opened actions to strip the 46-  
year-old former warehouseman  
from Detroit of his election vic-  
tory.

A jubilant Hoffa exhibited,  
however, greater concern over  
the possibility that his union  
might be ousted from the  
American Federation of Labor  
and Congress of Industrial Or-  
ganizations. He appealed for  
time to prove that he could  
make the teamsters "a model of  
trade unionism."



IN TOKEN OF VICTORY: Dave Beck, retiring head of the Teamsters Union, raises  
hand of James H. Hoffa upon his election as union's president. At right is Mrs. Hoffa.

### FAUBUS COMPARES HIS STAND TO LEE'S

Says He Will Remain Loyal  
to People of Arkansas.

### Flu Widens in City; 10% Rate Predicted; 200,000 Pupils Out

By ROBERT ALDEN  
Asian influenza continued to

### ARGENTINA TAKES EMERGENCY STEPS

State of Siege Proclaimed  
in Buenos Aires Region

### COURSE RECORDED

Navy Picks Up Radio  
Signals—4 Report  
Sighting Device

By WALTER BULFELAN  
Special to The New York Times  
WASHINGTON, Saturday, Oct. 5.—The Naval Research Labo-  
ratory announced early today that  
it had recorded four crossings  
of the Soviet earth satellite  
over the United States.

It said that one had passed  
near Washington. Two cross-  
ings were farther to the west.  
The location of the fourth was  
not made available immediately.

It added that tracking would  
be continued in an attempt to  
pin down the orbit sufficiently  
to obtain scientific information  
of the type sought in the Inter-  
national Geophysical Year.

[Four visual sightings, one of  
which was in conjunction with  
a radio contact, were reported  
by early Saturday morning.  
Two sightings were made at  
Columbus, Ohio, and one east  
from Terre Haute, Ind., and  
Whittier, Calif.]

Press Reports Noted  
Soviet newspapers reported  
several weeks ago that the So-  
viet satellite would broadcast  
on frequencies in the neighbor-  
hood of twenty and forty mega-  
cycles. More exact frequencies  
were given by Soviet scientists  
at a conference on rockets and  
satellites that took place here  
this week.



The approximate orbit of the Russian earth satellite is  
shown by black line. The rotation of the earth will bring  
the United States under the orbit of Soviet-made moon.

### Device Is 8 Times Heavier Than One Planned by U.S.

WASHINGTON, Oct. 4.—Leaders of the United States  
earth satellite program were astonished tonight to learn  
that the Soviet Union had launched a satellite eight times  
heavier than that contemplated  
by this country.  
Dr. Joseph Kaplan, chairman  
of the International Geophys-  
ical Year, described the 35-  
pound weight as "fantastic."

### 560 MILES HIGH

Visible With Simple  
Binoculars, Moscow  
Statement Says

Text of Staff announcement  
appears on Page 2.

By WILLIAM A. JORDEN  
Special to The New York Times  
MOSCOW, Saturday, Oct. 5.—  
The Soviet Union announced  
this morning that it success-  
fully launched a man-made  
earth satellite into space yester-  
day.

The Russians calculated the  
satellite's orbit at a maximum  
of 560 miles above the earth  
and its speed at 18,000 miles a  
hour.

The official Soviet news  
agency Tass said the artificial  
moon, with a diameter of  
twenty-two inches and a weight  
of 184 pounds, was circling the  
earth once every hour and  
thirty-five minutes. This moon  
more than fifteen times a day.

Two radio transmitters, Tass  
said, are sending signals con-  
tinuously on frequencies of  
20,005 and 40,003 megacycles.  
These signals were said to be  
strong enough to be picked up  
by amateur radio operators. The  
trajectory of the satellite is  
being tracked by numerous  
scientific stations.

Das Over Moscow Today  
Tass said the satellite was  
moving at an angle of 85 de-  
grees to the equatorial plane

SATELLITE SIGNAL  
BROADCAST HERE

# *Sputnik's Lessons for Us*

- Inherent understanding of the consequences of failure
- Solved the right problem; we realized we had an **access** issue
- Very clear on the Why, What and How
- Willing to revisit traditional structures to accomplish goals
- Clear lines of collective ownership; no delegating.
- Urgent!!!
- Understood what success looked like (e.g. 'man on the moon')
- Leveraged mutuality to speed up the change

# What Next Practices for Diversity & Inclusion Means...

- Diversity of experience and thought is now as important as more traditional categories of diversity

# *A Culture of Inclusive Thinking Begins...*

**Visible  
Diversity Traits**

**Gender**

**Skin color**

**Physical Traits**

**Age**

**Behaviors**

**Body Size/Type**

**Physical Abilities**



**Religion**

**Socio-economic Status**

**Sexual Orientation**

**Military Experience**

**Level in Organization**

**Ethnicity**

**Geographic Location**

**Values**

**Beliefs**

**Culture**

**Invisible  
Diversity Traits**

**Thinking Styles**

**Marital Status**

**Functional Specialty**

**Habits**

**Work Background**

**Parental Status**

**Communication Style**

**Personality**

**Native born/non native**

**Education**

***Below The Water Line!***

# What Next Practices for Diversity & Inclusion Means...

- Diversity of experience and thought is now as important as more traditional categories of diversity
- Business better understands the intersection of diversity and innovation



“We’ve been at the leading-edge of clean energy technology...these developments were only possible because different people with unique perspectives looked at these challenges in new ways. Innovation is powered by diversity and fostered by inclusion.”

- Lockheed Martin CEO Marilyn Henson



“We’re calling on our industry to again make the seemingly impossible possible by making a commitment to real change and clarity in our goals. Without a workforce that more closely mirrors the population, we are missing opportunities, including not understanding and designing for our own customers.”

- Intel CEO Brian Krzanich

# What Next Practices for Diversity & Inclusion Means...

- Diversity of experience and thought is now as important as more traditional categories of diversity
- Business better understands the intersection of diversity and innovation
- 'Learning' into access challenges

# *Walgreens Distribution Centers*



# What Next Practices for Diversity & Inclusion Means...

- Diversity of experience and thought is now as important as more traditional categories of diversity
- Business better understands the intersection of diversity and innovation
- 'Learning' into access challenges
- Developing a framework with operating principles

## ACCOUNTABILITY & REVIEW

- Definitive D & I Goals
- GPS Measures
- Diverse Slates
- Review and modify strategies

Accountability & Review

## MEASUREMENT & ASSESSMENT

- Gallup Employee Survey
- HRBP Partnership
- Intrinsic/Empirical Data
- Talent Management
- Compliance
- D & I Scorecard
- Bi-annual review of quantitative/qualitative data

Measurement & Assessment

*Walgreens™*

# DIVERSITY AND INCLUSION NEXT PRACTICES

## D & I Vision Statement

To be, within the next three years, a 'Next Practices' company for Diversity and Inclusion, whose cultures, people, perspectives, and workplaces will reflect the current and future customers we serve while delivering superior business performance.

Execution

## EXECUTION

- Implement BU/Functional Strategy

Strategy

## STRATEGY

- Comprehensive D & I Strategy
- D & I BU/Functional Strategy

Education & Skill Building

## EDUCATION & SKILL BUILDING

- D & I Awareness Training
- D & I Skill Building for Managers

Branding & Communication

## BRANDING & COMMUNICATION

- Walgreens World
- Inter/Intranet
- Publications/Journals

# What Next Practices for Diversity & Inclusion Means...

- Diversity of experience and thought is now as important as more traditional categories of diversity
- Business better understands the intersection of diversity and innovation
- 'Learning' into social issues
- Developing a framework with operating principles
- Recognizing that diversity is something **you do!**



# *Next Practices Operating Principles*

1. Start with what you do well
2. Emphasize our mutuality as people and as movements
  - Establish a shared language of progress and empowerment
3. Anchor diversity in business necessity not corrective action
  - Find opportunities to integrate all that you do with business processes, strategies and goals
4. It Starts At The Top...and is Executed By The Middle!
5. Develop ownership and accountability-at all levels
6. Tell your story!





Fear is **Not** Allowed!

**New Possibilities Are Waiting!**

