

## Forum Proceedings

# The State of Workforce Diversity 2014

## Overview

On April 23, 2014, the Office of Diversity Studies of the John J. Heldrich Center for Workforce Development at Rutgers, The State University of New Jersey convened its annual workforce diversity forum. One hundred participants, including chief diversity officers; corporate executives; representatives from higher education, national and state governments, foundations, national associations, and the Federal Reserve Bank of Philadelphia; policymakers; employers; consultants; labor unions; graduate students; and other interested parties, gathered to discuss current diversity research findings, as well as the current and future state of diversity in both the workforce and in society.

Presentations were given on disability employment and inequality in the workplace and society. An expert panel discussion also addressed the topic of inequality and a vision for a more equitable America.

Speakers in order of appearance:

- **Dr. Carl Van Horn**, Professor and Director, Heldrich Center;
- **Robert L. Lattimer**, Senior Fellow, Diversity Studies, Heldrich Center;
- **Kathy Krepcio**, Executive Director, Heldrich Center;
- **Randy Lewis**, retired Senior Vice President, Walgreens;
- **David Dante Troutt**, Professor of Law and Justice John F. Francis Scholar, Rutgers School of Law–Newark;
- **Bill Hackney**, Managing Partner, Atlanta Capital Investment Managers; and
- **Hattie Dorsey**, President, HBDorsey & Associates, LLC.

## Welcome and Opening Comments

Dr. Carl Van Horn discussed the Heldrich Center's focus on diversity and inclusion, and commented that this forum was the sixth in a series on diversity in the workforce and in society.

Van Horn thanked Robert L. Lattimer for his leadership of the diversity forum and the Heldrich Center's diversity and inclusion initiatives. He then turned the program over to Lattimer.

## Program Context and Objectives

Lattimer commented that Van Horn convened the first workforce diversity forum at the Heldrich Center in 2007. Diversity thought leaders, policymakers, researchers, corporate executives, and representatives from higher education came from as far away as the Republic of South Africa to participate in that initial forum.

Subsequently, Van Horn established the Office of Diversity Studies at the Heldrich Center. Over the past six years, the Office of Diversity Studies has helped to shape public policy, conducted applied research, contributed to the existing research literature, advised senior executive leadership, and presented on the issue both in the United States and across the world. Additionally, since 2010, the Office of Diversity Studies has conducted an annual symposium on workforce diversity. Speakers at previous forums have included the late Dr. R. Roosevelt Thomas Jr., a pioneer in the field of diversity; Toni Riccardi, retired Chief Diversity Officer at The Conference Board; Anthony Carter, Chief Diversity Officer, Johnson & Johnson; Bill Weldon, Chairman at Johnson & Johnson; Hazel O'Leary, President of Fisk University; Dr. Nancy DiTomaso, Professor at the Rutgers Business School; and other thought leaders and experts that formed the programs' panel discussions.

Lattimer stated that this year's forum would focus on two vital issues: the employment of persons with disabilities and inequality in America. Lattimer previewed the forum's agenda: a presentation about disability employment, followed by an address and a provocative debate on inequality and a vision for a more equitable America.

Lattimer then discussed the April 22nd Supreme Court decision on affirmative action. The decision dictates that colleges and universities throughout the United States, regarding the University of Michigan case, will no longer be allowed to use race in their selection process. He mentioned the dissenting opinion by Associate Justice Sonia Sotomayor, who said that the decision tramples on the rights of minorities.

Lattimer then introduced Kathy Krepcio, Executive Director of the Heldrich Center. He highlighted her work in government and her highly respected research on disability employment. Krepcio then introduced Randy Lewis, retired Senior Vice President of Walgreens. Over a period of 17 years, Lewis oversaw Walgreens' supply chain. He is the author of the memoir *No Greatness without Goodness*, which recounts his efforts to implement a revolutionary disability employment model in Walgreens' distribution centers.

## **Keynote Address — No Greatness without Goodness — Randy Lewis**

Lewis began by relaying background about his family, including his wife, two daughters, and a son. He described himself as an “accidental advocate,” largely because of his son Austin, who has Autism. Lewis shared some stories about Austin and described him as having a unique sense of humor and as a young man who enjoys making up his own words (for instance, he refers to an elevator as a “flying closet”). Today, Austin works part time at Walgreens a few days a week.

Austin didn't speak until he was around the age of 10. Unlike his sisters, Austin has never been invited to a party. In time, his parents realized that he would not have the same advantages that his sisters have and that his life would be completely different than theirs. He would never be offered a job at a living wage. He would likely never marry. Realizing these facts opened Lewis' eyes to the challenges individuals with disabilities face in society and the workplace. And he decided to do something about it.

Lewis approached Walgreens' board and presented a plan to build the most advanced distribution center in the world, a project that would cost \$180 million. He then added that his plan included a goal for one out of every three workers in the distribution center to be persons with disabilities.

The board had one simple question: “What if it doesn't work?”

Lewis responded that they would do as business always does and adjust.

The Walgreens' board approved Lewis' proposal.

Next, Lewis showed a [video from ABC News](#) that reported on Walgreens' distribution center in Anderson, South Carolina. Forty percent of the center's 700 workers have disclosed disabilities. The video highlighted Lewis' vision for the distribution center and shared stories of its employees who have disabilities. The segment described how everyone at the distribution center is on equal ground. They can all do the same jobs and earn the same pay.

Lewis then talked about some of the successes of the program. Lives of the distribution center's employees with disabilities have been changed forever, as evidenced by one set of parents who said that their daughter has blossomed since being hired at the center. Absenteeism rates for workers with disabilities in the distribution center are half of what they are for workers without disabilities.

Walgreens did have to make accommodations for some workers with disabilities but most of those accommodations averaged \$25 or less. Additionally, the hiring of people with disabilities helped to spur creativity amongst staff. For example, one worker with a disability was constantly returning late from his breaks. His managers tossed around ideas to help him with his punctuality and decided to use the worker's interest in President Obama to motivate him. Managers placed a cardboard cutout of Obama in the distribution center that featured a personal admonition to the worker to get back to work. The effort was successful and the employee no longer has a problem returning from his breaks on time.

The success at the Walgreens distribution center was the accomplishment of hundreds of people. Other companies, both in the United States and abroad, have noticed the program and its success and have launched similar efforts. Examples include Proctor & Gamble, Lowe's, UPS, and Best Buy. Walgreens also expanded its own program to include other company distribution centers, including ones in Connecticut and Texas.

Lewis then answered a few questions from the audience. He stressed that work still needs to be done with providers, who need to understand that their focus must be on helping all kinds of individuals with disabilities to find employment, as opposed to simply certain subsets (e.g., those who are deaf or who have Cerebral Palsy). He said to get buy-in from small and medium-sized businesses, it is essential that business leaders check out the success stories in person to see how they work and to see how the model can have positive effects, both for individuals with disabilities and for the business itself.

## **Featured Address — The Price of Paradise — David Dante Troutt**

Lattimer introduced the next presenter, David Dante Troutt, Professor of Law and Justice John J. Francis Scholar at the Rutgers School of Law–Newark. Additionally, Troutt is the author of the book, *The Price of Paradise: The Costs of Inequality and a Vision for a More Equitable America*.

Troutt reminded the audience of where we are: New Jersey, where inequality still exists in large measures. He said that inequality can be measured by high rates of segregation, growth in wealth and jobs in homogeneous areas of the state, the increase of poverty in urban and depressed areas, the increase in exclusionary zoning, and opposition to affordable housing. He stressed that New Jersey is a prime example of the stark contrast between what the courts recommend and what the legislature rules.

He referenced his book, *The Price of Paradise*, and described it as a conversation between himself and the reader. The book features six core and erroneous assumptions, which Troutt went on to lay out to the audience. In tandem, he read passages from his book that were pertinent to each of the assumptions. The assumptions were:

- Middle-class lives are self-sufficient.
- Preserving middle-class status requires physical distance from the poor.
- Segregation is a thing of the past. Our current levels of racial and economic stratification merely reflect people's preferences.
- Racism no longer limits minority chances. (While old fears, such as hatemongers wearing white hoods, may no longer be prevalent, they still exist.)
- Persistent poverty is largely the result of weak values and poor decision-making.
- Racial labels no longer matter.

## **Panel Discussion — The Costs of Inequality and a Vision for a More Equitable America**

Lattimer served as the moderator for the panel discussion, which was comprised of Professor Troutt, Bill Hackney, and Hattie Dorsey. He introduced each of the panelists.

Hackney, the Managing Partner and Chief Investment Officer of a mid-size investment bank in Atlanta, began the panel by discussing his research on the global economy. He emphasized that inequality is on the rise and cautioned that America is at risk of assuming a *Downton Abbey* economy with two classes, the rich and the poor. He went on to discuss five areas that have had an impact on today's economy.

- Globalization - Approximately one-third of the economy is exposed to globalization, which has caused a lot of inequality and has marginalized low-skilled workers.
- The Technology Revolution - Advances in technology are not creating jobs, but eliminating them.
- Tax Incentives and Breaks - In the past, government provided tax incentives and breaks to CEOs to keep their salaries lower. However, those tax incentives and breaks have been eliminated, causing dramatic increases in the salaries for the upper echelon of corporate executives.

- The Working Class have Unfair Tax Burdens - Many working-class employees not only have to face high taxes but have also lost benefits as a result of the Great Recession.
- Taxing the Rich is Tricky - Many people have been calling for increasing taxes on the wealthy. However, raising taxes on the rich can have unexpected consequences, including the migration of the wealthy to states and jurisdictions with lower tax rates.

Next, Hattie Dorsey, considered a national authority regarding community economic development, addressed the participants by emphasizing that she is part of two minority groups: women and African Americans. But, she explained, at heart she is an activist dressed up in a suit. Dorsey said that she has lived in both integrated and segregated communities but found that she best thrived in a nurturing school system in the segregated south.

Dorsey relayed how her father taught her about inequality and that she eventually moved to Washington, D.C. where she began to understand politics and the reasons her father and others were fighting for policy change.

Dorsey later relocated to California where she began working in the Silicon Valley. As she spoke with both employers and workers, she realized that the issues in the Silicon Valley (for example, affordable housing) were the same ones that were being encountered in urban areas. She also noticed that any kind of responsiveness to the issues were the direct result of the self-interests of the individuals affected by the issues.

She also addressed the topic of education and how it is critical that we re-educate educators to address the needs of students from all walks of life.

In time, Dorsey returned to Atlanta where she found that many inner-city neighborhoods had begun to deteriorate, perhaps because of the migration of many residents to the suburbs. She said that at that time, there was no reinvestment strategy in place and Atlanta placed second in the nation in terms of poverty. What was key was convincing the private sector that it was in their best interest to do something about the issue.

What mobilized the revitalization and renewal of Atlanta was the Summer Olympics coming to the city in 1996. New stadiums were built in poor neighborhoods of Atlanta, which pushed the city's issues to the forefront. And the private sector got involved in revitalizing the city and addressing some of the issues of inequality.

Next, Lattimer welcomed questions from the audience.

- One individual asked whether the issue of inequality is a matter of racism or unconscious bias. Troutt responded by saying that we shouldn't be surprised when racism creeps out. He mentioned the high rates of African-American boys being suspended in school and how it stems from teachers' perceptions that unruly behavior is to be expected of young African-American males. The same is true of young African-American females who have higher rates of school suspension than that of young white males. Troutt stressed that racism is often seen through society's expectations and perceptions.
- In response to a question about efforts to help the poor, Dorsey talked about some of the efforts happening in Atlanta, such as a stadium that is being touted as providing economic relief to the city and its residents. But the truth is that the stadium will only provide seasonal jobs, not sustainable living wages. The bottom line is that many government policies support poverty.
- Another participant asked why lower-skilled workers seem to be dealing with having their wages suppressed. Hackney stated that we have an excess of low-wage labor today and fewer opportunities for workers as many jobs have been wiped out by technological advances. Thus, there are fewer opportunities for higher-paying jobs for lower-skilled workers.
- One audience member asked what kind of role the private sector can play in transforming education so that high school and college students can achieve more academically. Dorsey said that the private sector needs to be instrumental in mobilizing schools and government. Hackney added that we need to provide incentives to students so that they stay in school and graduate rather than drop out.
- Another audience member asked why fear is such a major factor in inequality. Dorsey said there is much fear among whites that minorities will overtake them and movements like the Tea Party espouse and perpetuate those fears. Troutt then discussed individuals with lower-skilled jobs and how they are on the periphery of social networks that can assist them, meaning they have less access to job opportunities. He stressed that it is critical that the private sector not only sponsor such individuals in their careers but also mentor them.

## Closing Remarks

Lattimer then brought the question-and-answer session and forum to a close. He thanked all attendees and speakers for their participation and acknowledged Van Horn, Krepcio, and the administrative and communications staff at the Heldrich Center for their support of the event.

## About the Heldrich Center

The John J. Heldrich Center for Workforce Development, based at the Edward J. Bloustein School of Planning and Public Policy at Rutgers University, is a dynamic research and policy center devoted to strengthening the nation's workforce. It is one of the nation's leading university-based centers dedicated to helping America's workers and employers respond to a rapidly changing 21st Century economy.

The Center's motto — "Solutions at Work" — reflects its commitment to offering practical solutions, based on independent research, that benefit employers, workers, and job seekers. The Center's policy recommendations and programs serve a wide range of Americans at all skill levels.

Learn more about the Heldrich Center at <http://www.heldrich.rutgers.edu>.

