

DIVERSITY MBA MAGAZINE RESEARCH METHODOLOGY

50 OUTFRONT COMPANIES FOR DIVERSITY LEADERSHIP: *BEST PLACES FOR DIVERSE MANAGERS TO WORK*

Overview

Problem Definition:

For the past few years we focused on corporate recruitment process and programs of how diverse talent and women were recruited in the workplace. We also focused on the basic developmental programs for managers and diversity inclusion programs. Our 2008 study further refined to focus on the CEO's commitment, intentional recruitment of diverse managers, representation among diverse managers and the overall strategic effort to implement accountability for diversity efforts that fosters development into the executive ranks. In 2009, enhanced our approach by exploring information on retention, inclusion practices, accountability and recruitment from a performance perspective. We used representation to validate the diversity within the organization. Now, in 2010 we went further to examine actual results of how developmental and diversity programs are performing by attaching the metrics.

The most noted business publications currently publish lists on top companies for minorities to work, *Diversity MBA Magazine* wanted to uncover a more specific area of diversity as it relates to diverse managers of different cultural backgrounds and post secondary education. The majority of today's statistics report on all categories of diversity (African American, Latinos, Asians or Pacific Islanders, Indians and others), but because *Diversity MBA Magazine's* readership has rich diverse cultural and professional backgrounds, it is important for us to have broaden our study to be more inclusive.

Research Objectives:

1. Identify U.S. based companies that seek to hire people of color and women managers because of the value they bring to the business with the intent to develop them into the executive ranks.

2. Uncover which U.S. based companies that actively and intentionally develop programs for succession and leadership for women and people of color.
3. Understand whether U.S. based companies hire and/or promote women and minority MBAs into senior management positions
4. Examine whether U.S. based companies have a diverse succession plan
5. Identify companies that consistent results for representation among people of color and women within management based on their leadership and diverse programs

Research Methodology

Primary and secondary research was gathered to obtain the information required to identify the most qualified companies for the 50 OUT FRONT for Diversity Leadership list.

I) Primary Data Research Method

We contracted with DePaul University Marketing Department to develop, design and administer our survey. This allowed us to further improve our quality and integrity of our survey responses and to ensure complete privacy and protection of proprietary data.

The questionnaire was designed to meet the research objectives above mentioned. However, we recognized that the survey must be quick, easy to complete and thorough enough to meet our research objectives so a closed-ended questionnaire was designed with few open ended questions.¹ The survey was administered to 400 companies via third party research online technology and we received a 20.6% response rate.²

Selection Criteria

The research criteria used in analyzing the research data is as follows:

1. At least 18.45% (U.S. American population³) of management staff must be people of color.
2. The company must have a well defined succession plan that includes intentional objectives to recruit and retain people of color and women.
3. The company must actively and intentionally recruit people of color and women with a built in process for accountability.
4. Companies must exceed and/or meet the mean for representation in the areas of women and people of color in management positions.

¹ Studies show that companies are more likely to complete questionnaires that take less than 60 minutes to complete

² The average response rate for survey research via mail questionnaire is 3% to 6% so we are pleased with our response rate

³ According to the 2008 U.S. Census Estimates, people of color make up more than 50% of the population.

5. The company's focus on diversity must be a part of the strategic direction of the entire organization.
6. The company must have a clearly defined mandatory diversity training program.
7. The company must have internal programs that focus on retention and development.

A weighted scale methodology approach was utilized.

Rating Scale Key for Company Participants:

- .25 Representation
- .25 Retention
- .25 Accountability
- .15 Succession planning
- .10 Recruitment

Each company was assigned points based upon these criteria (from 1 to 5) and was then sorted from high to low score to come up with the total points. The weighted categories applied. Those companies that did not meet minimum criteria were excluded from the list altogether.

Since our list did not include qualified 50 companies we had to rely on lists from other reputable sources to meet our requirement; thus, the use of secondary data. We pulled lists from other publications, evaluated those companies' diversity programs and included them in our ranking criteria to create the complete 50 Out Front List.

II) Secondary Research Approach

Although the response rate was above the national average for mail questionnaires, we wanted to test our results with other leading magazine publications that conduct research on 'best of' companies. (lists on Diversity, Women and Best of Lists), Fortune 100, Diversity Inc. Working Mothers Media, Catalyst and Latina Style Magazines provided lists of top companies on various aspects of diversity that we consider reputable. We identified the companies that were named on two or more list from the magazines, in addition to their company profiles on diversity and used them in our ranking process. It is important to note that many of the companies named in these highly credible magazines were also identified by Diversity MBA Magazine as a 'best of' diversity company.

The purpose of this research was to supplement and substantiate our primary research with other sources that were conducting the same kind of research. Secondly, we believe that benchmarking the work of other leading industry publications helps to increase the credibility of our research. Less than 10% of the companies on our list are from secondary research.
