



# **Creating and Retaining a Diverse and Productive Workforce**

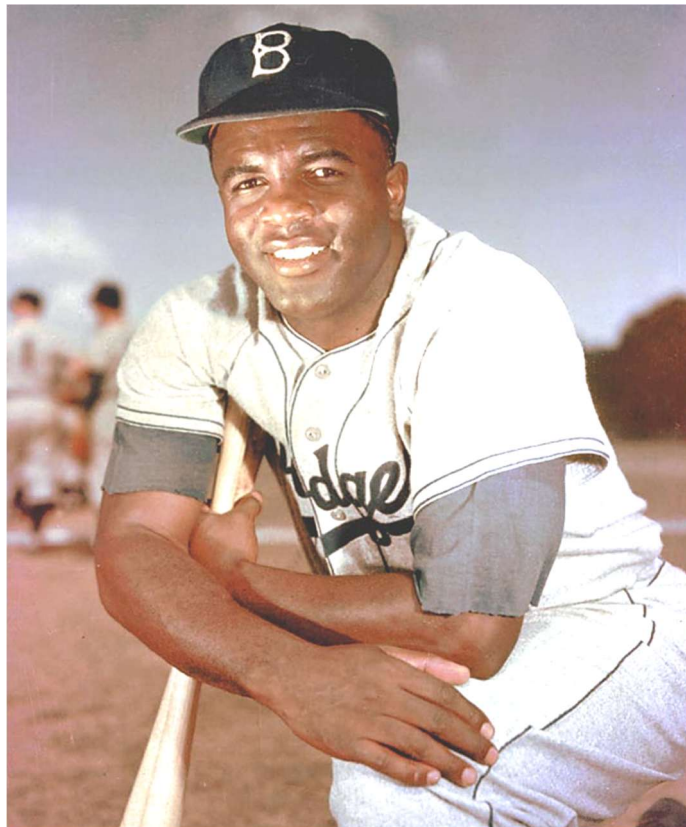
**An Online Continuing Education Course for Engineers**

**Course Number: FM-3003**

**Credit: 3 Hours / 3 PDH / 3 CPD**

# Creating and Retaining a Diverse and Productive Workforce

Richard Grimes



# TABLE OF CONTENTS

<b>A NOTE FROM THE AUTHOR</b> .....	<b>5</b>
<b>COURSE DELIVERABLES</b> .....	<b>6</b>
<b>THE COST OF REPLACING TEAM MEMBERS</b> .....	<b>7</b>
<b>CALCULATING THE ROI OF THIS COURSE</b> .....	<b>8</b>
<b>YOUR PRESENT SITUATION</b> .....	<b>9</b>
<b>TRAITS OF A DIVERSE AND PRODUCTIVE PROJECT TEAM</b> .....	<b>11</b>
<b>BENEFITS OF A DIVERSE PROJECT TEAM</b> .....	<b>12</b>
<b>REQUIREMENTS FOR A DIVERSE AND PRODUCTIVE PROJECT TEAM</b> .....	<b>13</b>
<b>WHAT ARE FUNDAMENTAL HUMAN NEEDS?</b> .....	<b>14</b>
<b>WHAT MOTIVATES YOU?</b> .....	<b>15</b>
<b>THE FIVE COMPONENTS OF TEAM MEMBER MOTIVATION</b> .....	<b>19</b>
<b>#1 TELL ME WHAT YOU EXPECT OF ME IN MEASURABLE TERMS</b> .....	<b>20</b>
<b>#2 GIVE ME A CHANCE TO PERFORM (AND LEARN)</b> .....	<b>22</b>
<b>#3 LET ME KNOW HOW I AM DOING AS I GO ALONG</b> .....	<b>23</b>
<b>#4 GIVE ME HELP AND GUIDANCE WHEN I NEED IT</b> .....	<b>24</b>
<b>#5 REWARD ME WITH PAY OR PRAISE WHEN I SUCCEED</b> .....	<b>25</b>
<b>BASIC ELEMENTS OF A DIVERSE AND PRODUCTIVE PROJECT TEAM</b> .....	<b>26</b>
<b>THE ORGANIZATIONAL ELEMENT</b> .....	<b>26</b>
<b>THE LEADERSHIP ELEMENT</b> .....	<b>28</b>
<b>THE TEAM MEMBER DEVELOPMENT ELEMENT</b> .....	<b>29</b>
<b>DEVELOPING A PROJECT OR ORGANIZATIONAL ACTION PLAN</b> .....	<b>30</b>
<b>A STRATEGIC PLANNING MODEL FOR PROJECT OR ORGANIZATIONAL CHANGE</b> .....	<b>31</b>
<b>“BRANDING YOUR PROJECT OR ORGANIZATION”</b> .....	<b>33</b>
<b>PROJECT/ORGANIZATIONAL/EMPLOYMENT BRAND</b> .....	<b>34</b>

YOUR PROJECT OR ORGANIZATION’S VALUES .....	35
<b>ACTION STEPS.....</b>	<b>42</b>
<b>ADDITIONAL ITEMS FOR CONSIDERATION .....</b>	<b>43</b>
<b>USEFUL “HUMAN CAPITAL” METRICS.....</b>	<b>46</b>
HUMAN CAPITAL ROI [HC ROI].....	47
REVENUE PER EMPLOYEE [RPE] .....	48
WORKFORCE DEVELOPMENT RATIO [WDR] .....	49
PROFIT PER EMPLOYEE [PPE] .....	50
LABOR COST AS A PERCENTAGE OF REVENUE .....	51
VOLUNTARY SEPARATION RATE [VSR] .....	51
<b>COURSE SUMMARY.....</b>	<b>52</b>

## A NOTE FROM THE AUTHOR

Diversity is not just about ethnicity, gender, etc., it is so much more.

Fundamentally, everyone must be able to *see portions of themselves* in the definitions of diversity and until individuals can personalize it, it will always be about *someone else*.

Employees watch their leaders to see if they are “walking the talk”. They notice with whom they sit at lunch or sit beside at meetings. To whom do they assign the highly visible assignments and who gets the routine and tedious ones?

What makes team member think they are genuinely valued in the project or organization?

This course will show you how organizations can become so focused on performance criteria that age, ethnicity, gender and any other non-performance issues simply do not matter.

Jackie Robinson broke the major league baseball color barrier in 1947. It was not because of their social consciousness but because the Brooklyn Dodgers knew his *skills were so exceptional*, they could not afford to *not* have him. They won six pennants in his 10 years of playing!

In other words, ***when employers focus more on talent and performance than tradition, that alone will determine who plays.***

Before you begin this course, please allow me to clarify something so there is no chance of confusion later. Any references that I make to “project management” ***refer to the group of leaders who manage the individuals called “The Project Team.”***

I DO NOT MEAN the technical discipline called “Project Management” that deals with the tools of accomplishing the project such as Work Breakdown Structures, Gantt Charts, Schedules, Budget Projections, etc.

## COURSE DELIVERABLES

This course will teach you:

- ▶ How to identify the traits of a diverse and productive project team and compare them to your current organization
- ▶ How to calculate the costs of team member turnover
- ▶ The requirements necessary for a diverse and productive project team.
- ▶ The five components of team member motivation.
- ▶ The organizational, leadership, and team member development elements of a diverse and productive project team.
- ▶ How to develop a project or organizational action plan.
- ▶ How to “brand” your project or organization to recruit and retain diverse and productive team members.

You will also gain these tools to help you:

- ▶ A method to measure the readiness of your project or organizational culture to create and retain a diverse and productive project team.
- ▶ An easy-to-use model for strategic planning within your project or organization.
- ▶ A list of specific, practical action steps to help you get started

The intent of this course is to help you focus on the specific performance requirements of every position within your project or organization and look for the people who can meet them.

If your project or organization becomes **PERFORMANCE FOCUSED** from top-to-bottom, the “packaging” of the performers – black or white, male or female, young or old, etc. - becomes a non-issue. *When their packaging becomes a non-issue, you will have created and be able to retain a culture of inclusiveness and productivity.*

## THE COST OF REPLACING TEAM MEMBERS

Replacing lost team member is very expensive for any organization. The worst aspect of this issue is that **it does not have to happen!** This course will help you identify probable reasons within your organization why people leave and help you develop strategies to change it.

The Society for Human Resource Management (SHRM) estimates that the cost of turnover is typically 30% of an team member's **total** annual salary cost when you factor in the cost of recruitment, lost productivity, possible overtime for others in making up that person's work, possible impact on customers, morale of fellow team member, etc. Here is how to figure the cost of turnover in your organization.

1. Take the annual salary of the team member that you lost. \$ \_\_\_\_\_
2. Add the wage cost of benefits, taxes, and anything else the employer provides such as uniforms, parking fees, etc. as a percentage of salary. Usually from 28% - 35% depending on the organization \$ \_\_\_\_\_
3. Take 30% of that amount as the cost of turnover.

For example, we will use an administrative position that pays \$40,000 a year and the company's added wage costs are 32%.

1. Take the annual salary of the team member that you lost = **\$40,000**
2. Add the cost of benefits, taxes, and anything else the employer provides such as uniforms, parking fees, etc. as a percentage of salary. We will use 32% here.
3.  $\$40,000 \times 32\% = \$12,800$   $\$40,000 + \$12,800 = \$52,800$
4. Take 30% of that amount as the cost of turnover.  **$\$52,800 \times 30\% = \$15,840$**

**The cost of losing that \$40,000 team member is \$15,840.** If you can stop just one team member from leaving, based on what you learn in this course, what would be your organization's return on investment (ROI) for the cost of this course?

## CALCULATING THE ROI OF THIS COURSE

We will use the example on the previous page where the cost of turnover was \$15,840.

We will make these assumptions:

- ▶ Your project or organization paid \$149 for this course
- ▶ You made some specific recommendations to your organization based on what you learned.  
(These recommendations did not cost anything beyond the cost of the course– **the organization just started doing things differently.**)
- ▶ Project management implemented your recommendations
- ▶ A \$40,000 (annual salary) team member changed her mind about leaving because your organization's work environment had improved
- ▶ Your organization did not have to incur the \$15,840 cost of replacing her
- ▶ Your organization's return on that \$149 investment was the net gain of not replacing her divided by the net cost of that gain.

$\$15,840$  (cost savings by her not leaving) -  $\$149$  (the cost of your learning) = net gain of your learning or  $\$15,691$ .

$\$15,691 / \$149$  (Cost of the course) = 105.308 or 10,530.8% return on the \$149 investment of this course.

## YOUR PRESENT SITUATION

What benefits would there be for you, personally, to be a member of a diverse and productive project team?

People typically list:

- ▶ More satisfying professional and personal life because I am maximizing my unique talents and abilities
- ▶ More opportunities to learn
- ▶ An opportunity to work with people from different backgrounds
- ▶ Better communication
- ▶ Increased productivity
- ▶ Increased job satisfaction
- ▶ Increased organizational commitment

What benefits would there be for you, personally, to be a member of a diverse and productive project team?

How about:

- ▶ Increased productivity
- ▶ Increased job satisfaction
- ▶ Increased organizational commitment

What obstacles are you likely to encounter if you attempt to implement your suggestions?

(Typical obstacles include the “not-invented-here” syndrome; the “not-my-idea” ego maniac that blocks organizational development.)

How do you think you will overcome them?

(Help key project management members see “what’s-in-it-for-them” by trying your suggestions. You will see that most of the tips and techniques in this course DO NOT COST ANYTHING TO IMPLEMENT. There is no financial risk for the organization. What more could they ask for?)