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## **Staffing for Diversity: The Business Case for an Inclusive Information Technology Workforce**

– Stephanie Overby, CIO

**May 16, 2008**

If you were looking for someone to play the typical IT professional at Atlanta-based Southern Company, central casting would send David Traynor. He's 46 (the average age in Southern's IT shop). He's been with the southeastern regional utility conglomerate 24 years (median tenure is 18). He's white (like 80 percent of the staff). And he's male (solidly in the majority).

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Traynor first joined Southern's subsidiary Alabama Power fresh out of Texas A&M (where he majored in accounting and computer science) and eager to return to his Alabama roots. A self-described "nerd-geek," he was an accountant at Alabama Power before joining IT and has held a variety of technology roles within Southern since.

Today, Traynor's title is business excellence manager. He oversees tasks from competitive intelligence to environmental safety. But it's safe to say one of his most challenging—and critical—tasks is tracking efforts to make the IT department more diverse and inclusive. Traynor wants to make sure that he—the typical middle-aged, white guy who's spent a career at Southern—is no longer the face of IT.

Like many other IT groups, Southern's technology organization is feeling its way toward that elusive goal of diversity—striving to improve minority and female employee representation while creating an inclusive work environment for those different not only in ways you can see (such as age, sex and ethnicity), but also in ways that you can't (such as education, experience and upbringing). That's no small task when you're talking about a company where "different" once described someone who spent decades at Mississippi Power instead of Georgia Power or had a "Roll Tide" instead of a "Go Tigers" bumper sticker next to his Alabama license plate.

The motivation at Southern to develop a diverse workforce stems as much from demographic data as it does from the desire to stay out of legal trouble. (In 2000, Southern sidestepped a lawsuit alleging discrimination against black workers.) By 2010, business demand for technology will outstrip the supply of qualified IT professionals, according to Gartner. Southern CIO Becky Blalock can't just sit in her 13th floor office in downtown Atlanta, waiting for a few hundred new David Traynors to rush on over. The only way to keep pace is to cast a wider net for talent, bringing more women and minorities into the fold and seeking out more young graduates and mid-career hires than ever before.

Then there's the community Southern serves. Georgia, for example, is 66 percent white and 30 percent African-American, according to the U.S. Census Bureau. Its Hispanic population is the 11th-largest in the country (and it's growing faster than all but two states), according to the civil rights organization the National Council of La Raza. Southern's staff must reflect the changing customer base in order to serve it, says [Blalock](#).

Finally, IT leaders recognize that a diverse team can serve the business better than a collection of clones. "If we're all between the ages of 40 and 50 and went to [Georgia Tech](#), we might all think the same way," says Traynor. "But if you get some younger people, females, minorities, those with some work experience outside of Southern, you're going to get some debate and innovation."



Southern Company CIO Becky Blalock is building an IT team that is diverse by race, gender, age, education and culture. Clockwise from front: Blalock, Kristy Mapps, David Traynor, Zachery Byrd, Tanya Harvell, Mike Erickson, Rajeev Agarwal.  
*All Photos by Ken Reid.*

Not one of those drivers of diversity makes achieving it any easier, though. After five years of trying, Southern has discovered that diversity is hardly a straightforward goal. And missteps are to be expected. Diversity programs intended to lift up standout employees have inadvertently disenfranchised some seasoned veterans. Success requires tons of transparency to prevent such misunderstandings—and 360-degree

communication clarity means more work. Making sure everyone on a team of 1,100 has a voice, particularly within Southern's historically "command-and-control" culture, is difficult.

"We had a hard time communicating what diversity is and isn't. I think we still struggle with it," admits Traynor. "We're just trying to get our arms around it and trying to change some of the things that need to change in our culture to make it happen."

## Why Diversity Matters

Southern's IT organization has federally mandated affirmative-action goals this year: increasing the number of minority employees in technical positions and in clerical roles. (The goals derive from a mandate by the U.S. Department of Labor based on Southern's status as a federal contractor.) But as Traynor points out, "Diversity is far more than affirmative action." Many of Southern's IT department diversity goals mirror those of its corporate parent. It strives to create an inclusive work environment, to improve minority and female employee representation and to strengthen supplier diversity and community partnerships.

Like many companies, Southern is reacting to a demographic shift that's been anticipated for some time. In 1987, the Hudson Institute released the "Workforce 2000" study, commissioned by the Department of Labor, which predicted that in the 21st century, demand for skilled workers would grow while the supply of such workers would decline. It also forecast that new entrants to the workforce would include primarily women, racial and ethnic minority population groups, and immigrants.

"Those predictions have come true," says Arlene Roane, senior vice president and leader of the Diversity and Inclusion Practice at Highbridge Associates. "Most of the new entrants in today's workforce are not white males. Women comprise more than 50 percent of college graduates and the percentage growth of the nonwhite population continues to outpace the growth of the white population."

Furthermore, says Roane, the U.S. labor pool—once dominated by one or two generations of workers—is now a mix of four. And CIOs like Blalock aren't competing for top tech talent just within their geographic region. "In today's 'flat world' the competition for talent is stretching across borders," says Roane, as companies compete in global markets for their products and services. As a result, she concludes, many Fortune 500 companies see a business case for diversity.

## A Corporate Imperative for Diversity

Diversity at Southern wasn't always a corporate imperative. Dominating global markets, after all, wasn't on the to-do list for the regional power provider.

But the company dodged a big legal bullet in 2000, when several employees (not in IT) filed high-profile racial discrimination suits against subsidiary Georgia Power, alleging that black workers were passed over for promotions and subjected to harassment. The cases were denied class-action status and were dropped. Other companies didn't get off so easy. In 2000, Southern's Atlanta neighbor, Coca-Cola, agreed to a multipronged [settlement of a 1999 racial-bias suit](#) that included nearly \$200 million in compensation for plaintiffs and the creation of an independent task force to monitor the company's employment policies.

Around the time the lawsuits against Georgia Power were filed, its CEO, David Ratcliffe—who has since become Southern's CEO—was already gathering his forces to deal with the glass-ceiling effect, according to Blalock. Ratcliffe created diversity goals at senior levels of Georgia Power. Still, observes Blalock, who at the time was working in economic development at Georgia Power alongside Ratcliffe, the lawsuits were "an attention getter."

Ratcliffe ultimately instituted 33 diversity initiatives ranging from diversity training to affinity groups—workplace support groups for communities of employees, such as working parents or Latinos. He also developed diversity metrics. By 2002, leaders across Southern began to recognize the need to address diversity. Management had started with the basics—a standard diversity training program called Valuing Differences, which had been developed in 2001—and other programs followed. In 2004, Southern signed an agreement with the U.S. Equal Employment Opportunity Commission to resolve workplace disputes through alternative dispute resolution, so aggrieved employees wouldn't necessarily have to sue to be heard. In 2005, the \$15.4 billion company appointed a chief diversity officer. Southern still faces discrimination suits; several recent ones have been settled or dismissed. In one case—in which a white lineman for Alabama Power alleged he was fired for violating company policy when black employees were not for the same or more serious conduct—the court found for Alabama Power. That case is under appeal.

Meanwhile, Blalock became corporate CIO in 2002. Eager to employ the diversity tactics Ratcliffe had first put in place at Georgia Power, she created diversity goals for her senior leadership team to increase the representation of women and minorities within IT, and she developed a communication plan around IT's new diversity goals. "Historically we'd not had many females or minorities in senior-level jobs," explains Blalock.

Southern IT wasn't—and isn't—unique. Today, less than 3 percent of senior IT managers in the United States are black, according to the Information Technology Senior Management Forum, an organization formed to foster executive talent among African-American IT professionals. And women held just 12 percent of senior technology positions in 2007, according to recruiter Sheila Greco Associates. "Research shows that there are now more IT jobs in the United States than there were at the height of the dotcom boom," says Heather Foust-Cummings, research director for Catalyst, a nonprofit research and advisory organization. "Despite the increased opportunities, the numbers of women in certain high-tech occupations have remained flat or declined."

Then there's an issue that's reached the point of obsession for Blalock: bringing young people in before her highly tenured workforce walks out. Of 13 senior IT leaders, eight will be eligible to retire within five years. "Sometimes I walk into a room and I'm the youngest one there," says Blalock, 52. In 2002, Southern IT had 64 job openings. Last year, it had more than 200.

Her plan to fill them includes new university recruitment programs—some targeting minority-centric institutions—as well as internships and leadership development programs that she promotes to women and minorities. She's tracking the results of these efforts, most important, how many advancement opportunities are going to minorities and females. "Ideally we would like to see the percentage of opportunities greater than or equal to the percentage of the population for minorities and females," explains Traynor.

Yet Blalock's not a fan of the word diversity; it reminds her too much of another d-word—divisive. She prefers inclusion; it sounds less controversial. (For the record, Southern's corporate literature refers to both, defining diversity as "the full range of human and/or

organizational differences and similarities," and inclusion as "the process of leveraging the power of diversity to achieve a common goal or objective.")

The problem is, trying to include one type of employee can make another feel excluded. "We don't want our white male employees upset by any of this. That's the largest talent pool we have," says Blalock. Same with employees who are over 40. "Our older workers are the most productive we have," she says. Blalock wants everyone "to feel valued and appreciated."

Traynor is quick to reiterate that diversity covers more than race, gender or age. "There are many more components—where you grew up, where you went to school—that make up who we are, how we deal with each other, how we process information." Even birth order, says Traynor, the youngest of four.

Traynor is not just whistling Dixie. His brother Dan works at Southern. In IT. And coworkers will tell you, David and Dan are pretty different.

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