

## Chapter Two — Becoming Successfully Diverse Tends To Follow Fairly Predictable Patterns

One of my major goals in my work settings going back nearly 40 years has been to do what I could do to make those work settings more diverse.

I love and value diversity. I believe — from years of practical experience — that we are all smarter collectively than we are smart individually — and I believe that our collective smartness improves when we are more diverse.

When all people in a room are the same age, same ethnicity, same culture, and same gender, there is an unfortunate tendency to have the same thoughts.

When people in a setting have different ethnicity, different cultural backgrounds, different training, different ages, and different life experiences, then when we are solving problems and when we are figuring out how to do important things, we are more likely to bring broader, more creative, more flexible, and more intellectually and experientially powerful sets of resources and insights to that task.

That is not a hypothetical or theoretical set of beliefs.

I have had some significant real world successes over the last two decades in helping diverse organizations achieve some of the highest performance levels in the country on issues like care quality and service levels. I believe that we achieved those high levels of service and those high levels of quality because we were highly diverse — with a majority of women employees and with a 59 percent minority employee percentage in my last work setting with over 200,000 total employees.

I believe we achieved top performance levels in the country because we were a true meritocracy in each setting — where people who did well from every group were included and did well themselves at every level in that context and that setting.

Meritocracies, I believe, outperform organization who use standards other than merit as their strategy for selecting leaders and for getting work done.

## **Diverse Organizations Can Outperform Less Diverse**

### **Organizations**

Diverse organizations can, I believe, outperform less diverse organizations when the setting is an inclusive and functional meritocracy at

its core. I have helped my work settings be more diverse with that belief system as my guide and it has proved to be true.

That approach of increasing diversity on my work teams has not always been welcomed by my employers or my supervisors. In my earliest work settings, when I first became a department head and when I initially served as a hiring manager and decided to do some diverse hiring, the truth was that I actually very consistently faced some internal opposition to making those hires.

My own direct bosses in those early settings allowed me to go down those paths to diverse hiring because the work product of my departments was fairly good. My bosses trusted my commitment to turning out a solid work product and so they tolerated what some other people at that time saw as radical hiring practices.

Many of my team members and colleagues were initially less than enthusiastic about some of my diverse hiring decisions. Some thought it was a good idea and some were very opposed to those hires. Some were very angry.

I learned back in my first Minnesota work setting, as I intentionally did a number of things to integrate that specific workforce, that there was a

response and a reaction pattern I could count on relative to bringing both women and minorities into new jobs where women and minorities had not been before.

I have had a chance to do the kinds of hiring efforts that create diversity in a work place setting a number of times, both early and late in my career... and I have generally had very similar consequences and closely echoing responses from the work settings for each diverse hire.

### **Initial “Diverse” Hires Often Face Opposition**

I have personally been in the work force since 1968 — so I have had the experience of seeing a wide range of changes through very personal and direct experiences over a number of years relative to intergroup integration approaches and to intergroup discrimination issues.

When I hired the first woman professional writer at a professional/non-clerical level into that same setting, the initial reaction to her being hired was actually quite negative from quite a few people in my work site.

The full degree of that discrimination level that existed then against making those particular hires seems hard to believe today, but at that point in our history as a country, quite a few jobs were officially held only by men. I

am certainly not an ancient man, and even I can clearly remember working in a time when the want ads in the newspapers were divided into jobs for men and jobs for women.

When my first wife wanted a job right after grad school, she had to look for her jobs on the want ad pages that accepted women applicants.

Women in those days were paid a lot less money than men — a practice that hasn't been eliminated — but quite a few jobs were also entirely and officially off limits to women candidates. In that societal context, I did hire some women into those “men only” jobs for my place of employment.

That hiring was actually extremely easy to do. There were some amazing women candidates available. One of the very first secretaries I had worked with in that organization was a lawyer who had finished law school, passed the bar, and couldn't find a single law firm to hire her.

I met her just before she retired. She made a career as a spectacular secretary. She taught me a lot about being professional and about not ever turning in a substandard work.

She could not get work as a lawyer, however, and so she had to type and file to make a living and she did that up to her retirement. She would

have been a great lawyer and she was prevented by her gender from going down that path as a career.

She was not my first exposure to gender-based job discrimination.

## **I Learned A Lot About People And Perceptions In My Small**

### **Town Bank Job**

While I was in high school, I had worked part-time as a teller in a local bank in that same small Northern Minnesota town. The bank had a practice of hiring high school students with good grades to work for the bank for their junior and senior years.

They only hired one student at a time, and I had the good fortune to be the student they hired that year because my father was a friend of the man who ran the bank.

It was an amazing job.

I learned a huge amount about people at multiple levels in that job. I learned a huge amount because in my work assignment at the bank, I personally manually “processed” and administered each of the personal checks that were written by each of the bank customer, into their accounts.

I learned very quickly that some people that I believed to be rich were poor. I also learned that some people I had believed to be poor were actually

rich. I learned that some people spent money on vices that were not evident from their public demeanor and their community persona.

As employees of the bank, we were each sworn to secrecy. To this day, I have never violated that pledge — even though I have been tempted on more than one occasion. So that job was a stunning and wonderful learning experience for me.

For a naïve young person, the job was a very effective reality-expanding and reality-grounding process, and it was a highly instructive tutorial at a very persuasive and effective level in the difference between appearances and reality for many people.

I have never had the same sense that people are what they initially appear to be. I now tend to wait for some levels of behavioral proof points from people in addition to personal image and reputation as I try to figure out who people really are.

That was not, however, the main learning point that is relevant to this book that I picked up in that bank job — although it is probably relevant that I do tend not to be taken in by appearances as much as I might otherwise, be because I had that almost unique learning experience of seeing all of those

amazing functional and secret financial realities for all of those very real people.

We lived in a very small town. Everyone knew everyone. I learned in that job in that small bank that we did not all know everything about everyone.

That was golden learning.

### **The Women Did The Heavy Lifting At The Bank**

Relative to this book and to my own commitment to diversity as a winning strategy, however, the more directly relevant and important topic that I learned about the world in that bank-clerk-job relates to gender discrimination. Both men and women worked in that bank. My own personal job at the bank functioned in a support role relative to the women. I learned what the jobs of the women were and I saw how each of the women did those jobs.

I saw the women bank clerks do all of the heavy lifting in that bank. They performed the basic banking functions, set up the schedules, and those women ran a perfect and efficient set of processes.

The women who worked in that bank in those clerk jobs were amazing workers. They kept the bank functioning. They had both judgment



and wisdom about how to keep the bank functional and how to keep the bank in service to its customers.

I was in awe of their competency, and I was heavily reliant on their goodwill and their functional generosity, because my own level of competency as a bank clerk was clearly and undeniably imperfect. I made errors and they helped me fix the mistakes I made in ways that were a mercy to me and a benefit to the bank.

### **This Is A Great Job For A Woman**

I very much appreciated who the bank women were and I appreciated what the bank women did for the bank and its customers.

Then — I was shocked. I learned one day, in the context of me directly administering bank paychecks into everyone's bank account on pay-day — that the women who were doing all of that work were making a fraction of the money that was being paid to men — in the bank who did less work — and who did their work, in my site-based and slightly biased opinion, less well than the women in the bank did their work.

I wanted to protest. I, in fact, planned to protest. I began to set up the protest. A couple of the women told me to 'cool my jets' and to be quiet. "This is a great job for a woman," one of them told me, "Don't make any

waves or we will get fired. There are a lot of women in this town who would kill for this job. I don't want to lose it.”

I was outraged. I also was quiet. I then looked at a couple of other local work settings and I discovered the same patterns there. I already had a sense that my own mother was being underpaid for her job in another setting. I could see that women in several settings were often the best workers and were paid less than the men for doing their work.

Later, when I personally was able to do some hiring myself in my own work settings, I made a point of hiring both women and people from minority groups into good jobs when the people I hired were good fits for the job.

The truth is, in my initial hiring at that point in my career, I actually had a slight prejudice in favor of women being better workers that was directly based on my early experience of watching the women do such good work in that bank.

That turned out to be a good prejudice to have. I actually ended up getting some super- star performance from my very first work teams because when I opened those previously men-only jobs up to women, some of the candidates available to be hired by me were spectacular.

The talent pool of women to be hired at that point in our history was both deep and untapped. Those high performance hires of very capable women generally made me look good in my job. I owe some early promotions and some significant project successes to the superb work done by those teams.

### **I Owe My Success To Those High Performance Hires**

To be accurate and complete relative to that issue, I also actually owe some of my later promotions and I owe much of the success of the organizations I later led as CEO to that same practice of hiring spectacular workers from a talent pool of minority and women candidates that some other hiring processes overlook.

In the CEO job for the \$50 billion company that I just left last year, we had stars in all lead jobs. Of our eight regional presidents, only two were White males. Of our three group presidents, none were White males.

That particular organization has won multiple quality and service awards and has won them in significant part because of that very impressive and highly diverse leadership team.

I learned to hire stars early. I continue to hire stars. The White males who were members of that top lead senior leadership team for my last health

system job, were also very clearly stars. Every single member of that very diverse team is a star player. They did great work together. Stars work well with stars if you select the right stars.

### **The Resistance And Acceptance Stages Could Be Predicted**

Back in my early hiring days, it was clear that not everyone in those worksites was happy that I was hiring those more diverse sets of people. A fairly clear pattern of internal resistance, as I noted above, tended to be almost identical for each new type of hire.

That initial resistance to those diverse hires tended to be followed, in a year or more, with acceptance. Acceptance then tended to evolve into enthusiasm in the following year when the teams performed at star levels and interacted well with each other as teams.

I did those diverse hires a number of times. The pattern was absolutely consistent and easy to predict once I recognized the pattern to be a pattern.

For each hire, there was initial resistance. Sometimes, there was initial anger. People in a work setting often tend to be unhappy about any new hires when their expectations for who will be hired into a job are not met.

### **Most Unhappiness Results From Unmet Expectations**

Most unhappiness is, I believe, the result of unmet expectations. My father used to say that, and I think he was accurate. That is clearly true for many areas of behavior. Prior and long-standing expectations were not being met for people who were already working in those settings by my diverse hires. Some people were clearly angry and unhappy at each diverse hire in those settings.

That was the initial response.

Then the people in each setting where the diverse hire was made tended to see the new reality. They also saw the performance results. They saw good people with good ethics and good interpersonal skills doing good work.

Anger faded at that point. Expectation changes happened.

The response process to that level of change tended to be both gradual and incremental. My experience has been each of the future diverse hires for those same jobs in those same settings tended to generate less stress than the prior hires.

### **People Tend To Forget Old Beliefs When Paradigms Change**

My experience with making any work setting more diverse has been , in fact, that each subsequent diverse hire generally reduces the stress level.

And, to my initial surprise, I discovered that ultimately, the people in the work settings where the new hiring patterns exist, often have a hard time even remembering their old expectations and their initial negative reactions once the new expectations are clearly in place and after some time has passed.

That specific piece of learning about people in a setting forgetting old expectations when new expectations are in place was an extremely important thing for me to learn. It could only have been learned through direct experience and observation.

When people's expectations and people's paradigms change on any topic, the old paradigm that people used to believe in for that topic actually is very often forgotten.

What I have seen more than once, is that after a couple of years, many of the same people who had initially been upset with me about the hires would deny that they had ever been angry when the first hires had happened. They sometimes expressed surprise in later years if I mentioned their earlier more negative reactions.

That bothered and even slightly irritated me when it first happened. Then I changed my opinion about that memory modification process entirely

— and I now count on it as a useful and positive part of the change process that is an asset for making some things in a given setting better.

Some of those people would actually pass a lie detector test on that point of fact at that point in time because they had forgotten their initial resistance and because their personal expectations and their personal paradigms about those practices had changed.

### **Anger And Resistance Became Acceptance And Expectations**

That pattern of initial resistance and anger in a setting evolving into acceptance in that same exact setting happen in work places very often. It happens in communities as well. The first round of unexpected hiring or unexpected inclusion creates anger and even resistance. Then expectations change, and the new reality becomes the new normal.

I saw that in my own hiring practices and I could see that basically, that very same pattern and acceptance cycle happened for both women and minorities in multiple other settings. A good example was the U.S. Military.

We had that same pattern occur very clearly in our armed services. It happened relative to integrating each armed service and it was particularly true for integrating the officer corps in each setting.

There was initial resistance to both minority and female senior officers. Over time, the anger turned into acceptance and then into new expectations. Minority and female generals are now expected.

The first generals who did not meet the hiring expectations for the current people for those positions created real situational anger. Those diverse generals are now the new normal and they don't trigger anger at any level.

It's always a different situation relative to expectations and behaviors in a setting once you establish the "new normal" for any behavior in that setting.

### **Integrated Professional Sports Became The New Normal**

That same basic pattern of reactions and behaviors also happened for minority athletes when this country first integrated baseball and then integrated other professional sports.

The first minority players in those key sports had to go through hell — with anger, resistance, and even hatred in some settings. The second round of minority players in each sport faced less resistance.

The third round of diverse participants for most settings and most sports barely merit comment for their diversity related factors.



Over time — the expectations of both the public and the other players in each sport changed to the point where, if you suggested today that someone not be drafted onto a team because of their race, most people would find your suggestion a bit strange, inexpert, uninformed, inappropriate, incorrect, poorly reasoned, and even more than a little dysfunctional.

Expectations do change. New normals create the new set of expectations. That can be a very good thing. As noted earlier, most unhappiness is the result of unmet expectations.

My experience has been that one way of handling organizational unhappiness in any setting is to manage the organizational expectations for that setting. When you make the overall organizational expectations in any setting on any issue very clear — and when you then enforce the new expectation with either actual rules or some kind of explicit action — then the culture of the setting generally changes and the new behavior becomes the new expectation.

When that is done well, people internalize the new expectation. People who have internalized the new expectations on any issue or behavior actually tend to resist the old, less enlightened, behaviors in future situations and circumstances.

## **When We Have A New Normal — Expectations Change**

That was another key set of discoveries that I made in my various jobs along the path to learning how to deal, in a process-linked way with those sets of behaviors and those packages of instincts. Sometimes the initial set of hires or promotions or assignments that I made in a setting were a bit difficult, but then the barriers to those activities tended to soften, and they usually disappeared entirely as time went on and as new expectations replaced the old expectations.

I also learned that even when real and relevant progress is made on those issues, however, we are never entirely out of the grasp of the potential to revert in a negative way to our more primal definitions of ourselves.

Sadly, there is always a risk in any setting where we have made progress, that we will regress to less enlightened and directly instinct-triggered more negative behaviors for various intergroup interactions and thought processes.

We can lose ground on key issues in any setting if we don't continue very intentionally to act in enlightened ways and continue to enforce and reinforce the new expectations that we create. We need to reinforce our new

behaviors with conscious efforts and we need to reinforce them by creating relevant rules and laws and by embedding them in our cultures.

That intentional process and those explicit steps can defuse most of the resistant energies in any setting in a positive way that can cause the new expectations to last for very long periods of time.

### **Cultures Can Be Used To Create Expected Behaviors**

Cultures are a very useful tool for selling, steering, guiding, enforcing, and reinforcing the right set of expected behaviors. I have included a chapter in each of the four books dealing very directly with that use of cultures.

Cultures can be great tools when we understand what they are and how to use them.

When we put a culture in place that calls for non-discriminatory hiring, then the people in that culture internalize those expected behaviors and people in that setting then tend to feel right in making those non-discriminatory hiring expectations their functional reality.

That linkage of cultures to behavioral and value based expectations is a very useful thing to understand as the leader for any setting. It is functionally useful for a CEO and for any other type of organizational leader in almost all work or community settings to understand that group behaviors

can be influenced very effectively by managing the cultural expectations of the group in that setting.

Managing the culture can be done both systematically and strategically when you decide what you want the new culture to be in any setting.

I was delighted to learn that cultures did not need to be something that just happened. I learned in my three decades as a CEO, in half a dozen work settings, that cultures could be constructed, designed, and then modified, and enhanced as needed to meet the needs of an organization or group.

### **Our Cultures Create The Rules To Actualize Our Goals**

Our cultures, I learned, are created by us in an instinct-triggered process. Creating cultures is a useful instinct, for people to have and it is an extremely useful process for people and group leaders to understand.

We actually build cultures for every setting. They spontaneously create themselves if we don't create them intentionally for any setting. Because I have been the chair or CEO for various organizations for more than three decades, I have been able to create and use the cultures in my various settings to do major parts of the work that I needed to do in each setting.

It has been fascinating to me as I have studied group behaviors, to see the role culture plays in group behaviors. We all have instincts both to own things and to acquire things — so our cultures create both property rules and rules to prevent theft. We have instincts to have hierarchies, so each culture creates and defines hierarchies. We have instincts to form families, so each culture creates its own set of rules about creating and protecting families.

We all have sexual instincts — so our cultures create rules that allow sexual behaviors to happen in each setting, and our cultures create rules about how those sexual behaviors can be actualized.

### **Some Cultural Expectations Become Self-Reinforcing**

Some of our cultural expectations become self-reinforcing. Behavioral issues like our wedding cultures take on a life of their own and they create self-reinforcing behavior patterns for people getting married.

As I have traveled around the world, I have partially enjoyed looking at wedding cultures in multiple countries. That has been a fascinating set of side cultural issues to observe. India, Vietnam, and China have built some amazing wedding cultures that are worth seeing, if you can manage to get yourself into a wedding setting in those countries.

Those particular areas of our cultures reinforce themselves without the need for laws. That collective, voluntary, and self-enforcing behavior guidance approach for the cultures of weddings is workable because our wedding cultures are not in place to overcome or prevent the activation of any of our more negative behaviors — like theft or sexual harassment.

Some aspects of our cultural rules — like making theft illegal — are much less self-reinforcing. The cultural rules we create that relate to steering our most negative instincts to minimize the damage they cause generally do need some levels of supportive enforcement processes.

We all have instincts to acquire things and the sad reality is that we generally need to control and channel those particular instincts through sets of rules and laws to keep those instincts from triggering theft and robbery and enabling or allowing simple and direct forced usurpation of property.

In those instances, we need both cultural rules and supportive law enforcement processes to keep theft from being normal behavior in various settings.

Similarly, our rules against sexual harassment need to be both clearly defined and strictly enforced in order to end harassment in all relevant setting. Without those rules in place, harassment too often happens. That is

sad, but true. The chapter of this book that deals with discrimination against women is clear on that issue and explains why we cannot afford to stop enforcing those rules if we truly want to prevent those negative behaviors.

Cultures give us tools that we really need to give us the settings we want to live and function in for our workplaces, schools, and communities.

We need cultural rules that protect us against the most negative sets of interpersonal and intergroup behaviors, and we need cultural guidances and steering points that help us achieve the full benefits of our most positive and beneficial instinct packages.

Our cultures reflect our values on those issues in each setting — and we need to make the intellectual decision to have our cultures reflect and support our most enlightened sets of values and behaviors.

That set of decisions, I have learned from experience, too often happens without guidance and that can lead us to unfortunate cultural outcomes.

### **Each Job Was A Chance To Learn**

My path that began in a small, multi-ethnic town in Northern Minnesota has taken me down a learning trail and a learning process that has

given me a chance to look at group behaviors, group values, and group instincts in a number of settings.

My jobs have allowed me to work in a number of countries and in a variety of organizational settings — with health care delivery and health care financing as the main business models and operational function for the places that have employed me.

I have been in management jobs since my early 20s and I have served as the CEO of one organization or another for more than three decades. The CEO roles in each of those settings have also allowed me to function in a number of public policy and public service settings that have also been fascinating learning opportunities.

### **A Work Site Practitioner Who Loves Theory**

Instead of becoming an academic — as I had considered early in my career — I became a work site practitioner who loves theory and who loves the intersection between theory and real world practice.

I have particularly enjoyed learning how our instinctive behaviors influence us as individuals and as groups. There has been significant overlap in those areas. I found that my study of instincts helped me immensely in my day job of being a CEO and in my roles helping to lead and guide various



commissions, task forces, and trade associations on a variety of public policy related issues.

Over the years, I have served on more than three-dozen boards or task forces. I have chaired a significant number of those settings — including chairing the health governors for the World Economic Forum in Davos, chairing a task force on international health systems development in London, and chairing the International Federation of Health Plans for nearly a decade.

The Federation had more than 100 health systems from 40 countries. I loved chairing that group. In each of those settings, I had a chance to either build or influence relevant cultures. I actually used the six-trigger, group alignment tool kit that is outlined in this book to make my job easier in every setting.

A key part of my learning process has focused on the intersection between instinctive behaviors and creating systematic processes, important approaches, and strategies to first improve care delivery and then to improve intergroup interactions.

Over the past couple of decades, as I have been both managing and leading organizations and doing the research and experimentation that has

led to the writing of these books, I have found the entire process to be extremely synergistic.

It turns out that understanding intergroup interactions more clearly actually can make managing people in group settings an easier task to do.