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Diversity is critical for business success

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By James S. Cassel



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As Stephen R. Covey famously said, “Strength lies in differences, not in similarities.”

While most middle-market business owners recognize the importance of having a diverse workforce, many are still struggling to find the right strategy for creating the right team. As a nation, we need a diverse workforce to adequately reflect the diverse population that makes us strong. Considering our country’s current labor challenges and current uncertainties surrounding our immigration policies, we do not expect it to get much easier to achieve this any time soon. However, it is not impossible and we should not stop trying.

This week, I will share my perspective on the challenges and opportunities of implementing workforce diversity. Next month, I will provide some practical guidance to help develop a diverse workforce within your company.

First, it is important to understand the definition of a diverse company. Diversity is about more than just race and ethnicity. A truly diverse workplace is comprised of employees with different characteristics including religious

and political beliefs, genders, socioeconomic backgrounds, sexual orientation, and geographic (foreign and domestic) locations. Successful companies are those that have diversity in their DNA — not those that perceive diversity as an optional bonus.

Why is diversity critical to growth and prosperity? Among other things, it creates a culture of ideation and innovation, brings varied values, perspectives and views to the table, and gives companies a competitive advantage that breeds success. The benefits of diversity have been validated consistently in research by the nation's leading institutions. Forbes studies, including "Fostering Innovation Through a Diverse Workforce," have identified workforce diversity and inclusion as key drivers of innovation and growth. McKinsey studies have found that companies with more diverse top teams are also higher financial performers. Harvard Business School has found that multicultural networks fuel more creativity. The list goes on.

Increasingly, corporate and individual clients are making diversity part of their key criteria when selecting companies to hire. Many of the larger companies have extensive diversity programs to cultivate diverse talent, including recruitment, training and retention. For many, these programs are proving quite effective.

However, companies in industries like technology, which have historically been more skewed toward white, Indian and Asian males, are having a particularly difficult time achieving their diversity goals in some job categories. In part, this stems from a myriad of reasons beyond their control, including the fact that many of the diverse candidates they would like to employ were raised in geographies where they had little exposure to these career options, or limited access to the quality early education that can be important in shaping technology career paths. It may not be so easy to diversify your ethnic pool if the quality and training of the talent available in the hiring process is coming predominantly from limited groups.

That said, diversification does not mean lowering your standards to hire less-qualified candidates. While you should continue to hire the best candidates based on their qualifications, you also should commit to training and education to help cultivate more diverse talent.

South Florida might be one of the most diverse places in the United States. So what can you do if the labor pool of diverse candidates in your industry is not as ideally qualified as you would like? Unfortunately, there is no purple pill or one-size-fits-all approach. It requires developing a customized strategy for your business, rolling up your sleeves and doing some work. In my next column, I will discuss how.

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