

## Best Practice: Bank Boston

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While a growing number of companies are treating diversity as a business imperative, a handful stand out as model best practices. One of these is BankBoston, the sixteenth largest bank holding company in the United States, with 26,000 employees and assets totaling \$74 billion. This bank understands the potential costs of failing to manage workforce diversity—high turnover, high absenteeism, and low productivity – and appreciates the benefits of diversity – increased creativity, greater productivity, increased employee satisfaction and loyalty, larger market share, and enhanced shareholder value. Its basic philosophy is that “paying attention to diversity issues is really paying attention managing everybody well.” Accordingly, instead of a director of diversity, the bank employs a director of workforce effectiveness, whose responsibilities extend beyond traditional diversity issues to include work/life strategies and performance management.

BankBoston’s Workforce Effectiveness program focuses on three main areas: (1) investing in leadership and education, (2) listening to employees, and (3) holding managers accountable.

1. *Investing in leadership and education.* This includes a Diversity Leadership Conference, an intensive five-day program required of all senior managers and other nominated employees. Between 1997 and 1999, 850 people have participated. There are also three workshops in the Diversity Series on Respect, Diversity Beyond 2000, and HIV/AIDS Education. Additional courses under consideration at the time of this writing include Diversity and Decision Making and Diversity and Conflict Management.
2. *Listening to employees.* There are six resource groups for African-Americans, Latinos, Asian-Americans, gays and lesbians, parents, and people with disabilities. Participants network and establish common-ground objectives. The employee-initiated groups meet in company provided facilities and receive a stipend for educational and other developmental activities. Examples of funded activities include seminars for parents on how to talk to children about racism, and a pilot program that provides \$25,000 for each resource group to give a community nonprofit organization with common interests.

3.  *Holding managers accountable.* Managers at all levels are accountable for implementing diversity-related issues in their performance evaluations. On the flip side, employees complete a Management Assessment Form, rating their manager's effectiveness. Some managers are also being required to develop business unit diversity goals with progress being reviewed on a regular basis. Managers are rewarded for achieving their goals.

BankBoston provides other programs that help employees balance work/family responsibilities. These include Lifeworks, a telephone consulting service that offers advice on childcare and eldercare; Extended Family Benefits, including domestic partners or adult dependents; and BKBFLEX, a program of alternative work arrangements.

BankBoston's Workforce Effectiveness unit has also developed a Diversity Competence Continuum, enabling the bank to measure managerial effectiveness in this area. Evaluations may be at one of three levels. Quoting from the bank, they are as follows:

1.  *Role Model.* "Is familiar with and able to address diverse market opportunities and the needs of diverse internal and external customers: seeks out perspectives from those of different backgrounds; actively participates in creating an environment where various styles that contribute to the success of business are welcomed, appreciated and sought-after; models language and behavior that is inclusive and respectful of all people and expects others to do the same; demonstrates self-awareness and initiates personal development related to diversity; effectively communicates the relationship between issues of diversity and the organization's success; recognizes the impact that decisions and actions have on individuals and groups."
2.  *Moderately Effective.* "Does not discount, but does not solicit diverse perspectives in problem-solving; shows little creativity in indentifying cross-cultural business opportunities; does not actively include people of varied backgrounds in his/her personal network; deals politely with diverse customers and colleagues, but does not assertively invest in building alliances; is willing to 'follow the lead' when diversity issues surface, but rarely takes a leadership role; believes that diversity impacts the bottom-line, but cannot effectively communicate how; does not demonstrate an understanding of the impact that decisions and actions have on individuals and groups."
3.  *Not Effective.* "Ineffective in dealing with people of all different cultures and styles; shows disdain towards dealing with issues of diversity in the workplace; maintains a personal network that excludes people of different cultural backgrounds; takes little or no ownership for personal learning style related to issues of diversity; does not understand the impact of cultural biases on business relationships; contributes to creating an environment that discourages people of different styles and backgrounds from fully participating in the work environment."

BankBoston is considered one of the nation's leaders in diversity. Its report, "Investing in Diversity," was entered into the *Congressional Record* as an example of diversity excellence. Included among its measurable accomplishments, the bank has increased the proportion of minority employees in its total workforce and in management positions. The number of women in managerial positions has also increased significantly.