

CHANGING THE CONVERSATION



# Disrupting Aging in the Workplace:

Profiles in Intergenerational Diversity Leadership

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## **ACKNOWLEDGMENTS**

The report was prepared under the guidance of Debra Whitman, Susan Reinhard, Sarah Lock, and Gary Koenig.

Special thanks to Cheryl Paullin, PhD, of the Human Resources Research Organization for her guidance and assistance throughout the project.

Many AARP colleagues also supported this project: Britta Berge, Mary Liz Burns, Jordan Green, Michael Herndon, Marla Hetzel, Ellen Hunt, Michele Johnson, Carl Levesque, Diane Renzulli, Bradley Schurman, William Shiflett, and Heather Tinsley-Fix.

This report would not have been possible without the assistance and contributions of the following people:

### **HUNTINGTON INGALLS INDUSTRIES**

Dawn Smith, Dan Brookman, Christie Miller, Bill Glenn, Mary Stuczynski, and Amanda Vallejo

### **UNITEDHEALTH GROUP**

Christopher Stidman, Chris Coleman, Mary Norlander, and Ouraphone Willis

### **CENTRICA PLC**

Alison Hughes

### **PNC FINANCIAL**

Marsha Jones

### **AT&T**

Avalyn Jackson

# Introduction

America's workforce is aging. People are living longer and many will need or want to work beyond what was once considered typical retirement age. AARP believes that the time has come to disrupt aging—that is, to move beyond outdated and limiting beliefs about aging and change the conversation about what it means to age in America. A major opportunity awaits employers and employees alike to begin a conversation about how to do that.

Today, it is common to see four or five different generations working side by side in many workplaces, and that trend will continue in the future. Meanwhile, today's generationally diverse companies are the better and stronger for it.

## IS DIVERSITY A BUSINESS IMPERATIVE?

Many employers recognize the need to have a diversity and inclusion (D&I) strategy.<sup>1</sup> Diversity can include dimensions such as age, race, ethnicity, nationality, gender, sexual orientation, religion, language, disability status, and veteran status. Age diversity focuses on the array of people of different ages. Generation is another way to view age diversity, as generational groupings combine the common experiences of people based on year of birth over a certain period of years. Inclusion goes beyond the identification of differences by encouraging a work environment that allows people to be who they are and feel safe to do so.

D&I strategies are often housed within the human resources function of a company. Some companies have a chief diversity officer and separate diversity staff, while others merge the functions under a human resources executive.

**Diversity** is defined as the variety of people and ideas within a company.

— *Bersin by Deloitte (2014)*

The reasons underlying employers' focus on diversity have evolved over time. Early on, diversity was driven by affirmative action and equal employment opportunity regulatory requirements; there were legal reasons for developing a diversity program. Many companies also believed they had an ethical responsibility to ensure diversity and that it was "the right thing to do."<sup>2</sup> Compliance is another reason why companies focused on diversity in the past, and why many continue to do so today. For example, new regulations for federal government contractors include additional requirements for hiring employees, suppliers, and vendors.<sup>3</sup>

More recently, companies have moved beyond diversity to a focus on inclusion. Having a diverse workforce is not enough—employees will thrive only if they also feel included. In addition, companies have long recognized that there is a business case for building a diverse and inclusive workforce because it can lead to greater engagement, teamwork, performance, and innovation.<sup>4</sup>

## IS THERE A BUSINESS CASE FOR AGE DIVERSITY?

Today's workforce consists of workers from five generations. Yet only eight percent of CEOs include age as a dimension of their D&I strategy.<sup>5</sup>

Research has shown that age diversity can improve organizational performance if managed well. Age-inclusive human resources practices that improve how age is viewed within an organization have the potential to improve company performance and lower employee turnover.<sup>6</sup>

Stereotypes have always been part of the misperceptions about the role age plays in employment. Statements like, "He's too old to learn a new computer program," or "She's too young to lead a team" are examples of

### 64% of CEOs

have a strategy to promote diversity and inclusion.

— PwC 18th Annual Global CEO Survey (2015)

**Inclusion** is defined as creating an environment in which people feel involved, respected, valued, and connected.

— Bersin by Deloitte (2014)

### Only 8% of CEOs

include age as a dimension of their diversity and inclusion strategy.

— PwC 18th Annual Global CEO Survey (2015)

outdated beliefs that diminish the qualities of the people involved. Age is a number, not a credential. Experience increases with age; it does not reach a certain level and then cease to be important. Likewise, a young person with knowledge and skills should not be held back because of a perception that age is a requirement to perform a job well. A person's potential is not dependent on, nor should it be limited by, his or her age.

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**“A workplace with millennials, Gen Xers, baby boomers, and the Silent Generation offers a unique opportunity for varied perspectives and approaches to day-to-day work.”<sup>7</sup>**

*—Jo Ann Jenkins, CEO of AARP  
in Disrupt Aging*

One research study found that the relative productivity of both older and younger workers is higher in companies that utilize mixed-age work teams than in companies that do not.<sup>8</sup> Another study found that age diversity within a team was positively related to performance for groups that are involved in performing complex decision-making tasks.<sup>9</sup>

By removing the lens of age as a way to view existing or potential employees, we shift the focus to their abilities, skills, and knowledge. It also expands the talent recruitment pool, which ultimately benefits an organization.

Nevertheless, we must also recognize that differences exist in the experiences, expectations, styles, and perspectives of people from different generations. While differences can sometimes be a source of conflict, these same differences can become a source of strength and innovation when addressed and managed well.

# Promising Practices for Disrupting Aging in the Workplace

## WHAT ARE EMPLOYERS DOING?

The AARP Public Policy Institute (PPI) conducted a series of case studies of leading employers to examine programs and practices that address age diversity and the intergenerational workforce. PPI identified companies based on a review of diversity-focused organizations that recognize best-in-class diversity programs, such as *DiversityInc Magazine*, *Profiles in Diversity Journal*, and Prism International, Inc. The selection process also included a review of recent publications that focus on diversity and inclusion, as well as case study research on the aging and multigenerational workforce. We also contacted authors of studies and staff from human resources organizations for input on companies that currently have innovative intergenerational workforce programs.



After identifying several companies as potential candidates for the case studies, we conducted a detailed examination of the D&I information on their websites. We then contacted the companies to determine their willingness to participate in a case study. Ultimately, five companies from a variety of industries and of different sizes were selected for inclusion in the study: Huntington Ingalls Industries, UnitedHealth Group, Centrica, PNC, and AT&T.\* Interviews were conducted in February and March 2016 with human resources staff, diversity officers, and program managers.

One takeaway from the case studies is that the approach to diversity and inclusion varies by company. Diversity goals and measurement metrics also vary. For example, one company focuses on recruitment of people of all ages to mirror its customer base, while another focuses on raising awareness of generational differences to enhance team building. Approaches are largely reflective of how far along the company is on its diversity journey. Some companies have focused on intergenerational issues for several years, while others are just beginning.

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\* AARP licenses its intellectual property to United HealthCare and AT&T for use with select products and in return receives a royalty.

## KEY TRENDS IN DIVERSITY AND INCLUSION STRATEGIES

Diversity and inclusion remains a strong focus of organizations of all sizes, both in the United States and across the globe. Companies are devoting significant resources to ensuring their workforces are diverse and that all employees have a voice. The companies profiled in this paper believe that promoting age diversity and addressing the intergenerational workforce are important and worthwhile for their business success. Several themes emerge as a result of this inquiry:

- Diversity in isolation is no longer a sufficient goal; inclusion must be part of the strategy.
- Diversity and inclusion (D&I) is a CEO priority for many companies; managers are now being held accountable for implementing the D&I strategy throughout all levels of the organization.
- Companies believe that implementing a D&I strategy can have a positive effect on employee engagement, productivity, and the bottom line.
- As demographics change, it is vital to attract and retain a workforce that mirrors the diversity of a company's customer base.

## HIGHLIGHTS OF PROMISING PRACTICES

- Talent recruitment across all ages help build a diverse and experienced workforce. (*UnitedHealth Group, Centrica PLC*)
- Apprentice programs open to people of all ages helps recruit and retain talent. (*Huntington Ingalls Industries, Centrica PLC*)
- Special programs designed to help people reenter the workforce following an extended absence provide an opportunity for permanent employment. (*Centrica PLC*)
- Raising awareness of intergenerational differences enhances understanding and leads to better-functioning teams. Companies can raise awareness through such methods as videos, training programs, events, and employee resource groups focused on intergenerational issues. (*Huntington Ingalls Industries, UnitedHealth Group, PNC, AT&T*)
- Employee resource groups increase employee engagement and often house mentoring programs. Some have evolved into employee business

resource groups that help solve business problems and further business goals. Some companies use employee groups as a path for leadership development. (*Huntington Ingalls Industries, PNC, AT&T*)

- Cross-generational mentoring programs help facilitate knowledge transfer—a critical need for many companies. (*Huntington Ingalls Industries, PNC, AT&T*)

The following case studies reveal these highlights and offer some interesting ideas about how to address the intergenerational workforce.



## Fostering Intergenerational Understanding

It takes seven years to build an aircraft carrier, a complicated manufacturing process involving a range of people—from engineers, designers, and electricians to mechanics and pipefitters, to name a few. Highly skilled craftspeople are in demand, and teamwork is critical to meeting deadlines and achieving success. It is not surprising, therefore, that experience and tenure are valued at Huntington Ingalls Industries.

Huntington Ingalls Industries (HII) is the largest military shipbuilding company in the United States and provides engineering, manufacturing, and management services to the nuclear energy and oil and gas markets. Headquartered in Newport News, Virginia, HII employs 36,000 people in the United States and internationally. There are two divisions—Newport News Shipbuilding in Virginia and Ingalls Shipbuilding in Pascagoula, Mississippi—as well as several subsidiaries.

The HII workforce is a picture of age diversity: 32 percent millennials, 32 percent generation Xers, 35 percent baby boomers, and 1 percent silent generation. Also adding to the mix are generation Z employees, the eldest of whom are just coming out of college, interning, and starting their first jobs. The median age of HII's workforce is 45 and the median tenure is nine years. Tenure is valued at HII, as demonstrated by its special recognition program for employees with 40 years or more of continuous service. Known as Master Shipbuilders, approximately 1,100 current employees have earned this special status.

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**“Tenure is valued. But we face a challenge because the younger generations may not want to stay with a company long term like the generations before them.”**

*—Dawn Smith  
Director of EEO, Diversity and Inclusion  
Huntington Ingalls Industries*

## WELCOMING APPRENTICES OF ALL AGES

Given its need for highly skilled workers, HII is taking steps today to ensure it has a highly skilled workforce tomorrow. One way the company does that is through its two apprentice schools, which are located at both sites.

The Apprentice School at Newport News Shipbuilding was founded in 1919. Of the 21,000 employees of Newport News Shipbuilding, approximately 2,900 are Apprentice School alumni and many have gone on to leadership positions within the company. This is not surprising, since the curriculum includes a leadership component. The apprentice programs take four or five years to complete depending on the area of specialization.



photo by Chris Coley/HII

*The Apprentice School*

The student profile has changed with the times. Sixty years ago, the age limit was 21 and apprentices could not have been married or gone to college. Over time, the age limit for entry to the school was raised, and in 1996, the age limit was removed completely. This was the result of action taken by the Equal Employment Opportunity Commission that determined apprenticeship programs should be subject to the requirements of the Age Discrimination Employment Act. Currently, between 60 percent and 65 percent of apprentices have been to college, many are career-changers, some are veterans, and approximately 30 percent are current employees.

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**“Dropping the age limit was one of the best things we ever did.”**

*—Dan Brookman, Manager of Administration, Admissions and Recruitment  
The Apprentice School*

Program completion rates are highest for current employees who enter the program after having already worked for the company for some period of time. Many of these employees see the apprentice program as a way to advance their careers. Each new class has 230 to 250 students and approximately 150 complete the program in a given year. Over the past five years, 74 percent of graduates were under age 30, 24 percent were ages 30 to 44, and 2 percent were ages 45 and older.

## **HEARING THE VOICE OF THE EMPLOYEE**

Hill values diversity and inclusion in its workplace. In the past few years, it has moved away from a focus on compliance to viewing diversity and inclusion as a strategic initiative that will create value for the company. Each business unit creates its own strategy and has a Diversity and Inclusion Council. An Executive Council has oversight of the Diversity and Inclusion Councils to ensure continuity and sharing of ideas across the company.

One example indicative of Newport News Shipbuilding's commitment to inclusion and valuing the employee voice was its one-time event, "Bridging the Generation Gap: The Greatest to the Latest" in 2014. This grassroots effort was the idea of a project management analyst who suggested it as her final project for the Emerging Leaders Program, a company leadership development initiative. The event included a multimedia presentation, speakers of all career levels and from different generations, and a series of humorous skits depicting intergenerational interactions. The presentation consisted of information about each generation, including music, historical events, and photos from each era. Over 300 employees attended the optional event. The participation of senior leadership was the key to its success.

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**“This intergenerational event provided a firsthand view of the experiences of each generation, and it created an opportunity for attendees to talk about how these dynamics apply to their work environment.”**

*—Mary Stuczynski,  
Project lead and developer of Hill's  
Bridging the Generation Gap event*

As a result of this event, Hll's age-diversity efforts have continued to expand even further. The company is developing follow-on efforts, including a new intergenerational employee resource group that focuses on intergenerational understanding.



photo by Chris Coley/Hll

*Participants Discuss Intergenerational Issues at "Bridging the Generation Gap" Event*

Newport News Shipbuilding is also raising awareness of diversity and inclusion through a series of videos titled, *About Face: Rethink What You Think*. Employees from diverse backgrounds share their personal stories about how they have been affected by the misperceptions or biases of others in the workplace, whether they are generational, cultural, about sexual orientation, about gender, or about something else. In one video, for example, a young man discusses his concerns about how people view him because of his many tattoos. The potential of these videos is powerful, because people can address issues only when they are aware of them. Being aware is the first step on the road to inclusion.

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**“By creating awareness, people all of a sudden see themselves, which leads to better understanding and the ability to leverage our strengths.”**

—Amanda Vallejo  
Manager of Diversity and Inclusion  
Ingalls Shipbuilding

## **ENGAGING THE WORKFORCE THROUGH EMPLOYEE RESOURCE GROUPS**

Hill also has an active set of eight Employee Resource Groups (ERGs) as a component of its D&I strategy. These groups support the company's recruiting, retention, diversity, and corporate citizenship programs. Membership is open to all employees. The ERGs are created and run by employees with the support of a management-level leader who provides guidance and mentorship. Hill has found that participation in ERGs improves employee engagement. Perhaps more importantly, based on a review of four years of data, the Ingalls Shipbuilding division found that 25 percent of employees who held board positions on an ERG were promoted.

The Ingalls Shipbuilding division recently formed an intergenerational ERG called E-LINKS—"Engaging Employees to Learn, Improve, Network, and Knowledge Share." This all-inclusive, multigenerational group is committed to fostering leadership through community involvement, professional development, and networking. E-LINKS was originally formed as a new employee group, but was reinvented as a multigenerational group because the members recognized the need for more knowledge sharing across generations.

## Planning for the Customer of the Future

Anticipating future needs is key to a company's success. A full decade ago, UnitedHealth Group saw a business need for age diversity in its workforce. It has continued to address age issues within its workforce training programs ever since.

UnitedHealth Group is a diversified health and well-being company in the health insurance and services industry. Headquartered in Minneapolis, Minnesota, UnitedHealth Group employs 140,000 people across the United States and consists of two business platforms: health benefits and services. UnitedHealthcare is the health benefits platform that serves employers, individuals, Medicare, and Medicaid, while Optum helps consumers make better decisions about their health and health care.

UnitedHealth Group is committed to diversity and believes that it can better meet the needs of its multicultural clients, communities, individuals, and shareholders by leveraging the depth of a diverse workforce. Several years ago, its Diversity & Inclusion Council recognized that changing customer demographics (i.e., the aging of the population) would require a workforce that could communicate effectively with customers of all ages.

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**“We want the demographic of our workforce to represent the members we serve.”**

*—Chris Coleman,  
Senior Vice President, Human Capital*

### **COMMITTING TO DIVERSITY AT THE TOP**

UnitedHealth Group's Diversity & Inclusion Council has been in place for over a decade. The Council consists of senior-level executives and represents every business aspect of the company. Members are charged with embedding diversity and inclusion more deeply into the workforce. The group provides strategic direction and sets



diversity goals for the enterprise, with a focus on the workforce, customers, suppliers, and communities.

## **RECRUITING TALENT OF ALL AGES**

In the workforce area, UnitedHealth Group has a talent recruitment strategy that actively seeks to attract talent of all ages. The company has a college recruitment program and an internship program for college and MBA students. UnitedHealth Group also recruits military, veteran, and military spouse candidates and specifically seeks to recruit talent ages 50 and older. Workplace policies and programs are in place and are aligned to support recruitment and retention of mature workers.

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**“The 50-plus community is included in all that we do.”**

*—Ouraphone Willis, Director of Global Diversity and Military Recruiting*

## **RAISING AWARENESS THROUGH ONLINE TRAINING**

One particular piece of the company’s program exemplifies the meeting point of diversity and business objectives. Once on board, all employees are required to take an online training course titled “Valuing Diversity & Inclusion.” For example, one module of the training course explores the differences in style and work approaches of people from different generations. The course is designed to raise employees’ awareness that people from different generations may have different preferences and to help employees understand that they may need to utilize alternative approaches when assisting certain customers.

A variety of additional online courses, including some about the multigenerational workforce, are available to all employees. UnitedHealth Group also hosts Diversity & Inclusion webinars several times a year. Given the company’s large and geographically dispersed workforce, webinars are an effective way to deliver information and enable large numbers of employees to view and participate in an event. Webinar topics are chosen based on trends as well as feedback from employees and business area leaders. The format is like a radio show, where a human resources staff member facilitates a conversation with an outside expert and an internal staff person. UnitedHealth Group has found that, often, over 2,000 employees tune into these webinars, which are also available to employees for viewing online after the original broadcast.

## Attracting and Retaining a Diverse Workforce

Centrica PLC was an international recipient of the 2011 AARP Best Employers for Workers over 50 Award because of its dedication to creating an age-diverse workforce, flexible work policies, and age awareness training. It has continued to develop innovative ways to address workforce and company needs through its diversity and inclusion strategy.

Centrica PLC, parent company of British Gas, is an energy and services company and the largest employer of engineers in the United Kingdom. Headquartered in Windsor, the company has 36,000 employees worldwide. Attracting and retaining diverse talent is an important priority for the company.

Today, Centrica's diversity strategy has evolved into one that now focuses on inclusion. Its employment policies and practices reflect a culture where employment decisions are based on individual ability and potential in relation to the needs of the business, and not on age, disability, or other diversity attributes. Recognizing that a diverse workforce makes a valuable contribution to business success and drives innovations to meet the varied needs of its customers, Centrica continues to recruit talent across the diversity spectrum, including age and experience.



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**“We are focusing our efforts on recruiting and retaining diverse talent—there is a business case for that.”**

*—Alison Hughes  
Group Head of Diversity and Inclusion*

### **CONTINUING INNOVATION IN TALENT RECRUITMENT**

Centrica continues to seek innovative ways to source talent, as evidenced by its participation in the HitReturn program. HitReturn is a new pilot program targeted toward senior-level professionals—both men and women—who are seeking to return to the workforce following an extended



career break of two years or more. Launched in partnership with Mars and Vodafone, it is the first cross-company partnership in the United Kingdom. The pilot program offers 12-week, paid “returnships” giving people the opportunity to work on professional assignments and to receive expert coaching. Each participating company also provides a mentor and access to all relevant internal networks. Job opportunities are based in the head offices of the three participating companies in areas including marketing, legal, finance operations, technology, and human resources. Participation in the program does not guarantee a permanent job, but a permanent job is a possibility. Although it is too soon to determine whether HitReturn is a success, Centrica believes it is a way to bring in experienced and qualified talent.

### **OFFERING APPRENTICESHIPS TO ALL**

Apprenticeships have long been a part of employee development at Centrica. In 2006, age limits were removed from the apprenticeship program and for the past decade, older applicants have been encouraged to apply. Centrica actively recruits older workers and continually invests in developing employees’ skills. The company’s graduate recruitment program also seeks to include mature graduates.

### **HELPING WORK-LIFE BALANCE THROUGH EMPLOYEE NETWORKS**

Centrica has several Employee Networks (ENs), including the Women’s Network, Parent’s Network, Dad’s Network, and Carer’s Network. The Carer’s Network, for example, is focused on providing assistance and advice for employees who have caregiving responsibilities for elders. The network has been in place for over a decade and recently gained online capabilities. It now has over 1,000 members across all business units. Each employee network also provides a mentoring program as part of its offerings. By offering these types of family-friendly workforce programs, Centrica hopes to attract and retain talent.

## Tying Diversity to Company Performance

While many companies focus on diversity and inclusion (D&I), few embed D&I goals into management performance metrics or utilize Employee Business Resource Groups (EBRGs) to achieve business goals. PNC has advanced its diversity and inclusion strategy to do just that and expects to better compete in the marketplace as a result.

PNC Financial Services Group (PNC) is one of the largest diversified financial services companies in the United States. Businesses include retail and business banking, real estate finance, wealth management, and asset management. Its bank subsidiary operates nearly 2,700 branches in 19 states and the District of Columbia. Headquartered in Pittsburgh, Pennsylvania, PNC employs approximately 52,000 people in the United States and abroad, including people across all backgrounds and generations.

Diversity and inclusion, a major focus at PNC, is fully embedded at every level of the organization and is tied to business outcomes. For PNC, inclusion is the full engagement of employees in an environment in which every employee can bring his or her whole self to work and know that their employer respects their opinions. Furthermore, PNC is committed to developing a talented and diverse workforce, which it recognizes is critical for maintaining a competitive edge, spurring innovation and enhancing profitability.

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**“A diverse and multi-generational workforce better positions PNC to understand and provide for our customers’ evolving preferences...”<sup>10</sup>**

*—William S. Demchak  
Chairman, President and Chief Executive Officer  
—in the 2015 Diversity & Inclusion Annual Report*

## FOCUSING ON THE WORKPLACE

One way to ensure program success is to involve leadership across the company. PNC has a Corporate Diversity Council (CDC) chaired by CEO William Demchak and supported by 22 senior executives who represent every line of business across the company. CDC members serve three-year terms, after which they rotate off the council to ensure that the group's ideas and strategies remain fresh and innovative.



*Photos courtesy of PNC*

In 2014, the CDC implemented performance objectives for managers of people. To support these objectives, PNC instituted a leadership workshop, Raising the Bar on Talent, which required managers of people to not only perform the business aspects of their jobs but also to develop skills to hire, train, and develop a diverse workforce. Tools were provided to assist managers in measuring and tracking their progress in the areas of turnover, promotion, and hiring. Although metrics are not yet publicly available, managers are engaging in dialogue with one another regarding best practices, and there has been an increase in requests for workshops to help managers further develop their management skills.

PNC also supports 12 Line of Business Diversity and Inclusion Councils, including audit, business banking, customer care, risk management, and technology, among others. These councils are charged with finding ways to integrate diversity and inclusion into their specific business areas.

## ENGAGING THE WORKFORCE

PNC sponsors 10 EBRGs consisting of 55 different chapters. These EBRGs go beyond the typical functions of employee affinity groups to ensure that the operating plan for each group incorporates a business component.

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**“Open your eyes and see the possibilities, see how you can make a difference.”**

*—Marsha Jones  
Executive Vice President, Chief Diversity Officer*

Twenty-two percent of PNC employees participate in EBRG initiatives, which are open to all employees. Each group consists of members who typically share a common diversity attribute, such as race, ethnicity, military status, disability status, or sexual orientation. Group members work closely with senior executives on issues related to their program initiatives and business opportunities in their respective markets. EBRGs also represent PNC in their local communities throughout the year via partnerships, sponsorships, and participation in cultural events.

EBRGs have become increasingly important since some of PNC's growth has occurred through merger activity. Specifically, EBRGs have helped facilitate the assimilation of new employees into the company.

Housed within the EBRGs is the Diversity and Inclusion Mentoring Program, which is open to all EBRG members. The Mentoring Program aims to help employees navigate the corporate culture, network, and develop, and also serves to increase employee engagement.

IGen, the newest EBRG at PNC, focuses on intergenerational issues and provides a natural way to transfer knowledge from older generations to younger generations. IGen is partnering with PNC's talent development team to share best practices and personal anecdotes about career experiences and is also seeking ways to further enhance employee retention.

## **EXTENDING THE GOALS TO THE MARKETPLACE**

PNC also focuses its diversity initiatives on the marketplace, which includes its customers and their communities. Regional Diversity Councils generate revenue by attracting new customers, partnering with diverse suppliers, and strengthening their relationships with the community. PNC works to support its increasingly diverse customer base by providing bilingual employees at branches, offering ATMs that feature 10 or more languages, and ensuring that interpretation services in over 170 languages are available in both the branches and over the phone. The company also offers services for people with physical, visual, and hearing disabilities.



## Moving Employee Resource Groups to Lead

Many companies utilize employee resource groups as part of their diversity and inclusion strategy, but AT&T has developed a unique model that creates leadership training opportunities for ERG leaders and bolsters its D&I goals through an annual convening of ERG members at company headquarters.

AT&T is the world's largest communications company, delivering mobile services, TV, and high-speed Internet services. Headquartered in Dallas, Texas, AT&T employs 272,000 people in 57 countries worldwide. Its workforce is largely made up of four generations: 1 percent generation Z, 26 percent millennial, 43 percent generation X, and 30 percent baby boomer.

AT&T has a long history of focusing on intentional diversity. AT&T believes that by harnessing and leveraging people's differences, it is better able to serve its customers, achieve business goals, and remain an employer of choice.

Thus, senior leaders are accountable for leading diversity initiatives and for weaving diversity and inclusion into all business operations. AT&T has a Diversity Council, led by Chairman and CEO Randall Stephenson, his direct reports, and the company's chief diversity officer. Council members lead numerous initiatives within their units, ensuring that the D&I strategy aligns with business goals and priorities including workforce inclusion, community impact, multicultural marketing, and supplier diversity.

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**“With diversity and inclusion comes greater innovation and success.”**

—Avalyn Jackson  
*Lead Manager for Diversity*

Cascading down from such leadership efforts, meanwhile, are a host of mechanisms that allow the company to reach employees.

## HARNESSING THE POWER OF EMPLOYEE RESOURCE GROUPS

AT&T currently supports 12 Employee Resource Groups (ERGs) that provide support, advocacy, education, and mentoring.<sup>11</sup> Interestingly, each group is incorporated as a 501(c)3 nonprofit. The ERGs receive money from AT&T and are also able to raise money from other sources. By incorporating the groups as separate entities, the ERGs have more flexibility in determining their activities.

ERGs are supported at the corporate level by the Diversity Council. Members serve as ambassadors for the company and often assist with talent recruitment activities. ERGs also participate in volunteer activities serving the populations they represent or their local communities.



Photo courtesy of AT&T

*The 2015 National ERG Conference*

At the same time, ERGs provide a pathway to leadership development at AT&T. ERG Leadership Academies are designed to help participants develop their leadership skills and competencies. The ERG national presidents nominate their top officers to participate in the academies. More than 1,000 ERG leaders have attended the academies as of 2015.

Two of the ERGs have a generational focus: oxyGEN, which focuses on young professionals, and >50, which focuses on professionals ages 50 and older. OxyGEN's mission is to attract, develop, and retain future leaders. Active in community outreach, oxyGEN sponsored events to educate seniors about mobile technology in 26 cities in 2014.

The mission of >50 is to engage an experienced and dedicated group of AT&T professionals who embody the company's commitments to workplace and community diversity and inclusion, professional development, technological leadership, and growth. They have also worked on an initiative entitled "Workforce 2020: Better Together," designed to help younger managers lead an age-diverse workforce.

## **CREATING EMPLOYEE NETWORKS**

In addition to the ERGs, AT&T sponsors nine Employee Networks (ENs) that are also open to all employees. These networks are organized around cross-functional diversity and focus on specific business or professional development issues. As in the case of ERGs, these networks are created and managed by employees. However, unlike ERGs, the ENs are not formal nonprofit organizations. Examples of EN groups include Business Professionals, AT&T Women of Technology, AT&T Women of Finance, and the Project Management Network.

## **MEETING ANNUALLY TO FURTHER D&I GOALS**

Each year, a national ERG conference is held at company headquarters in Dallas. All members of ERGs are invited to attend, and attendance is mandatory for senior leaders. Nearly 1,500 employees and over 100 officers and senior managers attend each conference. The event consists of speeches and workshops designed to assist members with championing the D&I strategy. During the event, six ERG initiatives are recognized with an award for making a difference to the company, industry, and communities. The second day of the conference is devoted to volunteering for a "day of service" at local charitable organizations.

## FOR FURTHER READING:

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9. Susan Murphy, *Leading a Multigenerational Workforce* (Washington, DC: AARP, 2007).
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11. Linda Roundtree, *Innovative Practices—Executive Case Report No. 5: Flex Strategies to Attract, Engage & Retain Older Workers* (Chestnut Hill, MA: The Sloan Center on Aging and Work at Boston College, 2012).
12. Suzanne Snowden and Poh-Khim Cheah, *A Marketplace without Boundaries? Responding to Disruption, 18th Annual Global CEO Survey* (n.p.: PwC, 2015).
13. Society for Human Resource Management Foundation, *The Aging Workforce, Executive Roundtable Summary*, (Alexandria, VA: SHRM Foundation), June 5, 2014.

## DIVERSITY ORGANIZATIONS

1. [www.diversitybestpractices.com](http://www.diversitybestpractices.com)
2. <http://diversityinc.com>
3. <http://diversityjournal.com>
4. <http://prismdiversity.com>

## COMPANY DIVERSITY AND INCLUSION WEBSITES

1. [http://about.att.com/sites/diversity/our\\_people](http://about.att.com/sites/diversity/our_people)
2. [www.centrica.com/news/embracing-workplace-diversity](http://www.centrica.com/news/embracing-workplace-diversity)
3. [www.centrica.com/files/pdf/business\\_principles\\_leaflet.pdf](http://www.centrica.com/files/pdf/business_principles_leaflet.pdf)
4. [www.pnc.com/en/about-pnc/corporate-responsibility/diversity-and-inclusion.html](http://www.pnc.com/en/about-pnc/corporate-responsibility/diversity-and-inclusion.html)
5. [www.unitedhealthgroup.com/diversity/](http://www.unitedhealthgroup.com/diversity/)
6. [www.huntingtoningalls.com/employees/diversity/index](http://www.huntingtoningalls.com/employees/diversity/index)



## ENDNOTES

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- <sup>1</sup> Mary Ellen Egan, *Global Diversity and Inclusion: Fostering Innovation through a Diverse Workforce* (New York: Forbes Insights, 2011).
- <sup>2</sup> Stacia Sherman Garr, *The Diversity and Inclusion Framework: A Guide to Transforming Organizations* (n.p.: Bersin by Deloitte, Deloitte Consulting LLP [Deloitte Development LLC], March 2014). 11-12.
- <sup>3</sup> For example, Executive Order 11246, as amended in 2014, prohibits federal contractors who do over \$10,000 in government business in one year from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin. It also requires contractors to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment. Additionally, Executive Order 11246 now prohibits contractors from, under certain circumstances, taking adverse employment actions against applicants and employees for asking about, discussing, or sharing information about their pay or the pay of their coworkers.
- <sup>4</sup> David A. Thomas, "Diversity as Strategy," *Harvard Business Review*, September 2004 <https://hbr.org/2004/09/diversity-as-strategy>
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- <sup>6</sup> Stephan Böhm, Florian Kunze, and Heike Bruck, "Spotlight on Age Diversity Climate: The Impact of Age Inclusive HR Practices on Firm-Level Outcomes," *Personnel Psychology* 67 (2014): 667-704.
- <sup>7</sup> Jo Ann Jenkins, *Disrupt Aging: A Bold New Path to Living Your Best Life* (New York: PublicAffairs, 2016), 172-173.
- <sup>8</sup> Christian Gobel and Thomas. Zwick, "Are Personnel Measures Effective in Increasing Productivity of Old Workers?," *Labour Economics* 22 (2013): 80-93.

<sup>9</sup> Jürgen Wegge, C. Roth, B. Neubach, K. H. Schmidt, and Ruth Kanfer, “Age and Gender Diversity as Determinants of Performance and Health in a Public Organization: The Role of Task Complexity and Group Size,” *Journal of Applied Psychology* 93 (2008): 1301–13.

<sup>10</sup> *Driving Momentum: 2015 Diversity & Inclusion Annual Report* (n.p.: PNC Diversity & Inclusion, 2015), [www.pnc.com/content/dam/pnc-com/pdf/aboutpnc/2015-diversity-annual-report.pdf](http://www.pnc.com/content/dam/pnc-com/pdf/aboutpnc/2015-diversity-annual-report.pdf).

<sup>11</sup> *AT&T Diversity and Inclusion 2014 Annual Report* (n.p.: AT&T Diversity and Inclusion, 2014), [http://about.att.com/content/dam/sitesdocs/DiversityInclusion\\_AR.pdf](http://about.att.com/content/dam/sitesdocs/DiversityInclusion_AR.pdf).

AARP is a nonprofit, nonpartisan organization, with a membership of nearly 38 million that helps people turn their goals and dreams into 'Real Possibilities' by changing the way America defines aging. With staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, AARP works to strengthen communities and promote the issues that matter most to families such as healthcare security, financial security and personal fulfillment. AARP also advocates for individuals in the marketplace by selecting products and services of high quality and value to carry the AARP name. As a trusted source for news and information, AARP produces the world's largest circulation magazine, *AARP The Magazine* and *AARP Bulletin*. AARP does not endorse candidates for public office or make contributions to political campaigns or candidates. To learn more, visit [aarp.org](http://aarp.org) or follow @aarp and our CEO @JoAnn\_Jenkins on Twitter.

September 2016

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