



Spice up your agency

Counter the 'same old' hiring practices

There are three main reasons why a professional, independent insurance agency would want to diversify its workforce: 1. It expands the available talent pool; 2. The demographics of customers are changing. With greater diversity, there is a better chance of understanding customers' needs; and 3. Diversity helps generate innovation and creativity.

The challenges around diversity are not just race-related, but also evoke concerns around age, gender and sexual preferences. Agency principals should keep an open mind when it comes to hiring employees.

Insurance agency demographics are getting older and the industry needs to bring younger employees into the system. These younger employees will be better at using technology systems designed to support sales, promoting social-media efforts and relate to younger customers.

Diversity means differences

The root word for diversity means different. The interesting thing is that despite the diversity in this country and throughout the world, we still are very much alike.

All of us have to work, eat, sleep, raise children, take care of parents and secure our long-term future. We are far more alike than we think. It is only that the differences get much more attention than our commonalities.

Nature needs diversity to remain strong. In nature, when there is the least amount of diversity there also is the lowest rates of survival, evolution and change. From a risk manager's perspective, embracing diversity can reduce the number of discrimination-type claims filed against an agency.

Then there is the ability to celebrate our differences. Whether it is different music, food, entertainment or holidays, the agency will be a boring place if you never get to venture outside of your own cultural norms.

The four interaction levels

There are four levels of interaction between people. This is true whether we come from similar or diverse backgrounds.

The first level is fear. At its essence, discrimination or prejudice toward people is fear based. We tend to fear that which we do not know.

The second level is tolerance. “While I may not like you, I will tolerate you.” This is the level of interaction required by the law. It is the bottom floor of moral and legal responsibility.

The third level is acceptance. “While you are different from me, I accept that difference because of my open and understanding nature. I judge you not for who you are, but for what you do. I will deny no opportunity based on anything other than your abilities.”

Last, there is the concept of unconditional love. Understand however, that unconditional love is not about having unconditional relationships. It means I can love and celebrate our differences, but you still have a job to do and I will hold you responsible for doing it.

While I am sure you can develop classifications different from these, they provide a good reference point for further discussion about diversity.

Developing a cultural competence does not mean you have to learn how to yodel or play conga drums. It is about coming back to the understanding we are all different for a reason. It is about accepting our differences as opposed to fighting over them.

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The 'glass ceiling'

The “glass ceiling” is a term coined in a 1986 *Wall Street Journal* article to identify the inability of women and minorities to attain jobs in upper-level management. For example, women and minorities occupy less than 11 percent of this country's board of director positions. The Equal Employment Opportunity Commission, state agencies and several nonprofit organizations are working to break through the glass ceiling, so there is full opportunity for advancement for everyone.

Since the term glass ceiling was coined, two other terms have emerged: the “glass wall” and the “sticky floor.” The first refers to the inability of women and minorities to obtain challenging job assignments and responsibilities within equal pay ranges. The second term refers to the inability to move beyond rank-and-file positions into any level of management.

Glass ceiling, glass wall and sticky floor phenomena result from disparate treatment and adverse impact discrimination. Many barriers in the way of advancement are unintentional consequences of historical development. For example, it is hard for a woman or a minority to obtain a high-level managerial or board

position when a company has never had a minority or woman in those positions. The same can be said for hiring a female broker or a male customer service representative. Sometimes it is hard to get past our own references, whether we realize it.

Getting it done

When it comes to expanding the diversity of an agency there is no substitute for a strongly worded message from the top. If you want a diverse workforce, that desire has to be a core business objective and communicated by the CEO or president of the agency.

This message can be communicated through everything from your website's "About Us" page to your employee handbook and quarterly reports. You also need to make sure that you have the policies and procedures in place so you don't face claims because of diversifying. Include an EEOC statement, grievance mechanism, investigation procedure, appropriate discipline and ongoing education and training.

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Diversity and your agency

The three strategies discussed below can help you bring people into your agency.

Strategy No. 1: Expand your hiring sources. If you rely solely on word-of-mouth hiring, chances are that you will have a fairly homogeneous workforce. To attract a more diversified workforce you have to go to a diversified candidate pool. Consider recruiting from predominately minority schools and neighborhoods.

Strategy No. 2: Remove invisible barriers in the interviewing process. Here is a classic example. For many years, women musicians complained that they were not being hired on par with their male counterparts although they sounded just as good (if not better). To remove any element of sexist bias, auditions at many orchestras are now done behind a curtain. Because of these "blind auditions" women are now being hired at a rate greater than they were previously. Usually, discrimination was not intentional but more stereotypical. The breaking down of those stereotypes may result in an orchestra, which looks differently than expected, but sounds a whole lot better.

Strategy No. 3: Engage in career planning at the outset. What are the advancement opportunities at the agency? Where can employees be in five years? How should they go about getting challenging job assignments and moving up the ranks? If there are few or no women or minorities in upper-level management what is the reality of that person ever obtaining such position?

Often businesses have invisible barriers to advancement, including the informal networks that develop within an organization. Companies have to move from informal networks to formal ones that help nurture promising employees of all backgrounds along their career path. Another way to avoid hidden biases is by forming diverse committees to make promotion and compensation decisions. And last, internship and mentorship programs are another proven method of breaking past informal barriers to advancement.

If you want a diverse workforce, you now have the strategies to get there. The choice is yours. ■



Phin is an employment lawyer, trainer, speaker and coach. In 2014, he sold HRThatWorks, used by many brokers, to ThinkHR. He is the editor of Employment Practices Liability Consultant (EPLiC) published by IRMI. For more information and tons of free tools, visit donphin.com.