



Ted Childs® LLC

The role of Ted Childs® LLC is to serve as a global “Strategic Diversity Advisor” to Senior Management and a client’s Workforce Diversity team. We will lead them through the identification of their external / internal environment, and the development and execution of a Global Workforce Diversity Strategy.

In August of 2006, Ted Childs retired from IBM after a 39 year career, the last 15 as the executive responsible for the company’s Global Workforce Diversity Programs. In the July 2000 FastCompany Magazine, Keith Hammonds wrote that “Ted Childs is perhaps the most effective diversity executive on the planet.” While that was one reporter’s opinion, Ted’s goal has been to be the Workforce Diversity thought leader, strategist, catalyst for change, and key executive partner of this generation. He has tried to do so by heavily influencing the following four areas:

- I **Definition:** The goal of Workforce Diversity is four fold: (1) to identify, attract, and retain the best people of each group; (2) to create a workplace where that talent can perform at its best to maximize shareholder value; (3) to assess and understand the diversity of the marketplace and ensure we are responding to customers as they are, not as we want them to be; and that they see themselves in the client’s vision, actions and workplace; and (4) to use external contributions to eliminate disadvantage / increase the diversity of the talent pool.
- II **Strategy:** Working through the senior line management, serve as the catalyst for change by achieving “**progress through quality debate,**” and ensuring that all internal / external stakeholders are included in the discussion, particularly where the outcome can influence their wellbeing, and trust and confidence in the business.

III Business Approach:

- ▶ Be guided by a set of six personal **Workforce Diversity Ideals** that are applicable to the conduct of all business.
 - (1) A company theme that connects to the firm’s values;
 - (2) We have moved from the **moral imperative to the strategic imperative;**
 - (3) We must view **all citizens in all countries as potential customers;**
 - (4) When we find someone who **wants to buy**, we have to be able to connect them with someone who **wants to sell**---not someone who looks like them, but **who will value them as a customer;**
 - (5) We want everyone to be able to do two things at our clients: **come to work and come to shop**---if you feel denied a fair opportunity to compete for job opportunities, or don’t see people like you at all levels---from the mailroom to the boardroom, you may not come there to work, or to shop;
 - (6) **Understanding that no matter who you are, you will have to work with co-workers and customers who are different than you.**
- ▶ Look at the field through the lens of a set of **Global Workforce Diversity Imperatives** that define and frame the Workforce Diversity issues of our time. Develop a strategy to respond to that framework.
- ▶ Understand that “**Ted’s Learnings**” are value based, impactful opportunities---anchors on which to stand to make real progress. We share them with our clients to allow them to be beacons for progress.
- ▶ Understand your role: **Catalyst for thoughtful, innovative “constructive disruption” that will be interpreted as leadership.**
- ▶ Use **Ted’s Eco-System** to bring the best thinkers available to help clients analyze / think / strategize / execute. This includes building on Ted’s relationships with the leaders of key constituency groups and national / international organizations.



IV Personal Approach: Be driven by a personal philosophy to which you are ruthlessly committed. Ted's has four components: (1) An unyielding commitment to the concept that "**Workforce Diversity is the Bridge Between the Workplace and the Marketplace®**;" (2) The global human relations guide post at Ted Childs LLC will always be "**We talk to one another, not about one another®**;" (3) The belief that shareholder value is enhanced by understanding that "**No matter who you hate, you don't hate them more than you love money®**;" and (4) a personal approach to my work of advising the client's team to maximize / leverage your resources to achieve your business objectives and do so through a tactical and strategic focus on 3 core areas: **culture, talent, and marketplace**.

A Personal Journey: IBM's legendary CEO, Thomas J. Watson, Jr. established the company's Equal Opportunity Department in the fall of 1967, six months after Ted became an employee. Upon this announcement, Ted told his manager, "I want that job one day." On April 1, 1991, twenty-four years later, that goal was achieved. Along the way Ted had a number of HR assignments that included management responsibility for employment, compensation, benefits, management development, employee relations, employee services, and yes, equal opportunity. Those assignments built Ted's understanding that the network of HR functional areas, in partnership with key line stakeholders is critical to the development / execution of a successful Workforce Diversity Strategy.

In 1982, Ted took an 18 month paid leave of absence from IBM to serve as the Executive Assistant to Dr. Benjamin L. Hooks, Executive Director of the NAACP. This assignment gave him insight through the lens of that generation of civil rights leaders to the nation's key social issues---the opportunity to assess those issues in an historic context and the environment of the eighties, and to begin to craft a vision of what Ted calls the "**connecting of the dots**": the mutual interests of the business, civil rights, social, cultural and political issues of our time. It was during this period that he determined that there is an extraordinary link between all of these issues, and it is two words: **talent and customer**.

Work Approach---The Ted Childs® LLC Global Strategic Advisory Experience

Workforce Diversity is gut wrenching, culture change work that also has the potential to be highly rewarding. Key questions for a senior executive leader / management team to ask itself are "What do we want to accomplish, how different will our workplace be if we are successful, and if we feel good about our culture, why haven't we already done so within its framework?"

The motivation to do this work must be accompanied by the flexibility to allow for "Constructive Disruption" in which all of the key stakeholders have a hand in contributing to and managing the process. That must begin with an agreed upon understanding as to why we are doing the work, and a shared sense of the expectations and the pace of change--slow, but steady--constructively disruptive, not disruptively disruptive, and the tolerance to judge the difference. All stakeholders participating (i.e., employees and managers / executives) minimize any group feeling that this work is happening at their expense, or to the competitive advantage of another group.

This work must be viewed by all as in the enlightened self-interest of the business. It must begin with a thorough understanding of the client's history, including predecessor firms whose roots form the foundation for today. Policy statements, photos, internal news documents, external news clips, products---the earliest discoverable examples of diversity of people, policy and products that will help define a heritage of respect, or help us determine what has to be built if it does not exist to the client's satisfaction. If it does not exist, then innovation is required. Led by a senior management / employee partnership, we must invent the future we want to see. This work will influence how to frame messages for multiple publics, most important of which are employees, applicants, customers, suppliers, legislators and shareholders; or what has to be done to enable messages worthy of the client's brand.

Companion to defining the internal stakeholders and the above thinking is the need to begin to blend an assessment of the internal / external environment, policies and practices, a competitive review of the client's industry, and key other players---the goal being to build a Global Strategy for CEO review. This should be a six month objective, and the necessary resources must be allocated to do so.

The goal of **Ted Childs® LLC** is to move a company from "spinning your wheels, politically correct behavior" to execution that reflects performance and leadership.



IBM: One Company's Measurable Results... 1995–2006

A Team's Results: Ted's leadership of Workforce Diversity at IBM was heavily influenced by his personal life and business experiences. The eleven year results for IBM were superb and are measurable and definable: Internal: A senior management / employee partnership that provided a constructive contribution to the company's cultural transformation; a reinforced commitment to the importance of a crisp, cohesive approach to the attraction / retention of diverse talent; a substantial increase, numerically and percentage wise, in the executive population of each constituency group (Asian, Black, Hispanic, Native American, Persons with a Disability, Gay / Lesbian and Women); and most impactfully, the development of a multi-year Global Workforce Diversity Strategy.

The Marketplace: A refashioned vision of the diversity of the marketplace / the available business opportunity; a four X increase in the Supplier Diversity Spend---from \$370M in 1995 to \$1.6B in 2000, and being named one of only 14 U. S. companies to spend \$1B with diverse suppliers; the launching of a marketplace focus---advertising and sales---that led to annual double digit revenue growth---\$260M to \$719.5M in three years. External: Strong global media interest (i.e. TV, Magazines, Newspapers) as determined by an outside consultant to have reached 300M people in 2002 and 1.5B people in 2006.

Global Competition / Global Results and Recognition: The results achieved by IBM led to Ted being invited to conduct personal briefings for more than 20 leading CEO's, including an invitation to address a select group of Japanese CEO's in Tokyo. These "Advisor" discussions served as useful briefings to help thoughtful leaders explore approaches to workforce diversity as a workplace / marketplace topic.

Consistent, historic recognition for IBM from key U. S., and other country non profit stakeholders is also distinctive. Examples of **The Americas Recognition** are as follows: Named by Brazil's Ethos Institute as one of the Top 10 Best Companies for Women; Ability First Award from Just One Break; IBM is the only company to be named to Working Mother Magazine's Best Companies for Working Mothers list for 22 consecutive years and to their prestigious "**Top Ten**" for twenty consecutive years, and their Best Companies for Women of Color for five consecutive years. IBM is the only three time winner of the Catalyst Award; 12 of the 65 women in the Women in Technology International Hall of Fame are IBMers; IBM is the 2006 National Minority supplier Development Council Corporation of the Year and is the only IT company to be named to the Billion Dollar Roundtable for four consecutive years---only fourteen companies have been named from all of industry; the National Association of Female Executives has named IBM to its Top 25 for 5 consecutive years, and Top 10 for 4 years; the National Society of Black Engineers, the largest student run organization in the U. S., 13,000 students / 6,000 technical professionals / 7,700 pre-college students, voted IBM their Employer of Choice for 10 consecutive years, and 14 of the 16 years; named for two consecutive years as the Company of the Year by the Society of Hispanic Professional Engineers; Ranked as the Top Fortune 100 Company for Hispanics according to a 2004 national survey released by the Hispanic Association on Corporate Responsibility; the Human Rights Campaign, the nation's leading Gay / Lesbian business related civil rights organization has given IBM a Perfect 100 Corporate Quality Index for four consecutive years; and SVP for HR, Randy MacDonald, and SVP and CFO, Mark Loughridge were jointly recognized by the Families and Work Institute for their partnership to promote Work / Life Balance for employees.

Asia Pacific Region: IBM ranked number one Worker Friendly Company for Women and Younger Employees by Nikkei; Family Friendly Employer Award, 2004, by the Tripartite Committee on Work-Life Strategy, presented by S. R. Nathan, President of Singapore; IBM India employee, Jyotindra Mehta, received the Helen Keller Award by the National Center for Promotion of Employment of Disabled People; IBM Australia Country General Manager named Leading CEO for the Advancement of Women in 2004; five IBM China women included in the Top 40 IT women in the nation; IBM Hong Kong named Most Caring Company for two consecutive years.

Europe: recognition by the Black Women Business Owners in the United Kingdom; the Woman Magazine Award in Austria; the First Women in IT Award from British Computer Society sponsored by Computer Weekly; IBM Spain Country General Manager, Amparo Moreleda named Top Business Woman of Spain; and Françoise Gri, IBM France Country General Manager, named by the Financial Times, as number 13 of the top 25 Women in Business in Europe.

Government: Recognition for IBM's Workforce Diversity performance from key governments including, Australia, Canada, Czech Republic, China, Germany, Japan, Portugal, Singapore, South Africa, Spain and the United States---all in recognition of a partnership to build a network of strong economies through the development of people talent.

Personal: The recognition for Ted has also been positive, and substantial, but it has only been possible, and is only noteworthy because it represents the superb blend of executive support, senior management / employee partnership, and relentless team commitment to attract and retain talent, maximize performance and enhance shareholder value. That is the on-going commitment of Ted Childs® LLC.

