

TWO **UNTAPPED**
TALENT POOLS

HOWARD ROSS: DON'T STOP WATCHING
AND DON'T STOP TALKING

THE LANGUAGE
OF **INCLUSIVITY**

INCLUSION

*Creating Globally
Inclusive & Culturally
Competent Workplaces*

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MICROSOFT'S

Leading the
charge on
implementing
inclusive practices

**GWEN
HOUSTON**



Gwen Houston, General Manager, Global Diversity and Inclusion, Microsoft

GWEN HOUSTON IS RESPONSIBLE FOR THE STRATEGIC direction, implementation, and alignment of Microsoft's global diversity and inclusion initiatives to ensure maximum impact on Microsoft's business growth and talent strategies. In her tenure at the software giant, the company has won numerous awards, including being honored as the Number One Employer of Choice by the National Society of Black Engineers. The company has also made a commitment to developing young women and underrepresented minority technologists and engineers through investments in programs like DigiGirlz, TEALs, Code.org, Year Up, and many others.

Houston held high-ranking positions in the diversity and inclusion field at a number of large corporations—Aetna, Campbell Soup, Nike, and FedEx—before joining Microsoft in 2008. She has received many prestigious awards and honors, including being featured among Savoy's Top Women in Corporate America in 2012 and being honored with a Leading Lights Diversity Award in 2012 from the National Multicultural Institute.

Inclusion: What are some ongoing or special initiatives Microsoft is engaging in now to maximize inclusion?

Gwen Houston: The spotlight on diversity in the tech industry this year has served to heighten the engagement of our CEO and his leadership team, while accelerating our connected efforts in the area of diversity and inclusion.

What we are learning is that while diversity in the workplace is a powerful concept and one that is still evolving, the emphasis we place on it must be much more about inclusion than purely a conversation about the numbers.



With the usual talent sources running dry, we are seeking out new sources of talent, including diverse talent.

To that end, we have a deep commitment to create an inclusive environment where all employees can do their best work. This is anchored around strengthening our diversity and inclusion acumen and deepening leader and manager understanding of the diversity strategy and value proposition, as well as increasing senior leader accountability for their diversity plans.

We have rolled out company-wide, mandatory Unconscious Bias training plus supplemental inclusive learner paths. This will be an ongoing journey to recognize and change behaviors that contribute to and foster an inclusive culture.

We have a number of employee resource groups that represent segments of our diverse population—they provide effective channels of communication—allowing us to leverage the strength of our diverse workforce.

We are creating and implementing Inclusive Design principles and practices, leading to more innovative and accessible products, features, and settings built into Microsoft software programs. The result is that more people can experience computer technologies in meaningful ways, despite physical or sensory limitations. In addition, we have continued to make significant investments in research and development toward accessible technologies, including speech processing (for hard of hearing), speech synthesis (for speech impairment), eye-operated assistive technology and advanced wheelchairs (for ALS), and directional audio (for guide dogs).

IN: Tell us about your greatest success story.

GH: The success my team has experienced in our efforts to advance D&I initiatives within Microsoft is certainly through a collaborative approach, with many partners across the company making things happen.

Perhaps the best example among several significant “wins” we’ve had is the growth and expansion of our DigiGirlz program to more than 16 countries around the world. We will celebrate our 14th year of the DigiGirlz program (part of YouthSpark), which helps girls 14 to 18 years old get interested—and stay interested—in technology. DigiGirlz spans the globe and has allowed us to reach more than 23,000 girls so far. For the first time ever, we are now hiring our DigiGirlz as full-time employees, from a talent pool we began cultivating years ago.

IN: How do you measure success in terms of diversity and inclusion? Retention? Organizational alignment? Participation in inclusion activities? What else?

GH: Each member of the Senior Executive Leadership Team has goals to increase diversity and inclusion as it relates to key areas of focus that our CEO, Satya Nadella, outlined recently. On a regular cadence, members of the team come together to review and act on their diversity and inclusion agenda, which includes both quantitative and qualitative components, to better understand what’s working and where our efforts need refinement. The focus is on all up representation/retention/advancement, sponsorship, inclusive dialogues, and employee satisfaction, as measured by our employees’ responses to things like our Pulse survey, which provides us with a more regular gauge of our employees’ subjective experiences of the workplace.

IN: How has the accelerated globalization in recent years affected your D&I strategies?

GH: As Microsoft turns 40 years old, it is important to grasp how much the work and emphasis around D&I have changed over the last several years. Globalization, technology, the legal environment, and shifting social and political climates have all made diversity and inclusion an integral



Being inclusive is not something we simply do, but rather, it stands for who we are.

part of the business landscape within Microsoft. Our focus has progressed from valuing differences, which was largely achieved through awareness training and multicultural celebrations, to strategic global business growth. Our D&I strategies today are focused on grounding leaders and managers in D&I’s business impact on our products, and infusing these business realities into strategic decision making, cornering new markets, building effective and efficient global teams, and managing brand reputation.

IN: How important is board diversity? Would a diverse board make your path to reaching your desired outcomes smoother?

GH: A diverse board is vital in helping us stay the course in making Microsoft the best place to work for all talented people across the world. Our board of directors understands that diversity is essential to the company’s success. They see the correlation between mission, strategy, and board composition and understand that establishing an inclusive organization starts with establishing a diverse and inclusive board.

Our workforce and our board are more diverse than they were a decade ago and, yet, less diverse than I would hope they will be a decade from now. During our annual 2014

Microsoft thrives through a culture of innovation, which is only possible if all people are empowered to contribute ideas.

shareholders meeting, I realized how far we've come as I watched our CEO Satya Nadella, an Indian man, born outside the United States; our CFO Amy Hood, a woman; and our chairman John Thompson, an African American man, take the stage. Their individual presence was not only a huge indicator of progress but will help us drive greater culture change as well.

IN: How will your role change in the next five years? Will more be expected of CDOs—and how so?

GH: My role will continue to evolve as the technology industry

matures and changes. It is a well-known fact that talent shortages, especially in technical fields, are a pressing issue, as the upcoming generation of skilled talent does not meet the demand for open jobs. Like many other global companies, we are competing for technical talent across a broad set of industries.

With the usual talent sources running dry, we are seeking out and investing in newer sources of talent, including more diverse talent. We are establishing robust initiatives to increase the representation of diverse communities in science, technology, engineering, and math [STEM]—among them, women, girls, and ethnic minorities, as well as veterans and service members and individuals with disabilities.

This is such dynamic work, and CDOs will be asked to position D&I more holistically, as a key lever in driving strategic, global business growth. We will also be expected to help implement D&I policy across a much faster and more fluid global marketplace. We must also be prepared to help our organizational cultures evolve in order to increase agility in addressing changes in the market that impact our D&I policies.

IN: How do you cultivate a diverse talent pipeline?

GH: Despite our industry's efforts, there continues to be a need for greater representation of women and underrepresented minorities in tech. A key factor in addressing this need is filling a pipeline of diverse talent for roles in the world's largest tech companies. This is a longer-term strategy for us. We are making significant investments to expand the pipeline through STEM programs and are continuing to support driving the business of inclusion within our teams.

In 2012 we announced Microsoft YouthSpark, a company-wide, global initiative to create opportunities for 300 million



Developing a pipeline of diverse talent not just for Microsoft, but for the industry as a whole, is very important for us.

young people to get involved in STEM by the end of 2015, and we're on track to achieve that. Through 30-plus programs and partnerships with more than 350 youth-serving nonprofits, Microsoft YouthSpark has created new opportunities for more than 227 million young people in more than 100 countries.

We recently launched a pilot program focused on hiring people with autism for full-time, Redmond-campus-based Microsoft positions. We are passionate about hiring individuals of all abilities, and we believe that with them we can create, support, and build great products and services.

IN: For a number of years, practitioners of diversity and inclusion have been making the business case for diversity and inclusion. Do you think this message is sinking in?

GH: Microsoft thrives through a culture of innovation, which is only possible if all people are empowered to contribute ideas. This requires diverse experiences and ways of thinking in an inclusive environment.

As we look to drive meaningful progress within Microsoft, we know that this requires commitment, engagement, and accountability from all levels of our leadership teams. Diversity and inclusion is a strategic priority for our CEO, as well as his senior leadership team, and is a strong focus on our business agenda.

Satya Nadella took over the helm of Microsoft as the company was experiencing the greatest change in its 40-year history. It was, and is, essential that we have strong and unwavering leadership to drive the right messages and lessons of diversity and inclusion into the heart of the company.

Satya demonstrates this by bringing a relentless drive for innovation and a spirit of inclusion and collaboration to this critical role. On a regular basis, the senior leadership team reviews and acts on key diversity and inclusion initiatives, which includes understanding what's working and where our efforts need refinement. **IN**