

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*

FALL 2015 + ISSUE 1

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**WALGREEN'S**

Leading the  
charge on  
implementing  
inclusive practices

**STEVE  
PEMBERTON**





## Steve Pemberton, Divisional VP & CDO, Walgreens, and Global CDO, Walgreens Boots Alliance

**Diversity runs deeper than how things look and is more about the way we think and act.**

**S**TEVE PEMBERTON, WALGREENS FIRST CHIEF DIVERSITY officer in its 114-year history, is responsible for overseeing the company's efforts to create and maintain a diverse and inclusive environment that reflects the company's culture, people, and perspectives as well as its current and future customers and communities. He and his team specifically focus on unleashing inclusive collaboration, innovation, and opportunity, particularly in serving diverse markets and populations; recruiting, developing, engaging, and retaining diverse talent; implementing relevant equal employment

opportunity and talent outreach plans; and strengthening and empowering diverse suppliers and communities.

Prior to assuming his role at Walgreens, Pemberton was chief diversity officer and vice president of diversity and inclusion at Monster.com. A graduate of Boston College, he was a ward of the state for much of his childhood. In 2012 he chronicled that experience in his best-selling memoir, *A Chance in the World*. Pemberton's extraordinary life journey continues to inspire audiences across the world, and his tireless advocacy has earned him national recognition from the Trumpet Foundation to the Steve and Marjorie Harvey Foundation.

A resident of Chicago, Pemberton serves on several non-profit boards, including UCAN, the Home for Little Wanderers, and the US Business Leadership Network.

**Inclusion:** What are some ongoing or special initiatives Walgreens is engaging in now to maximize inclusion with your team?

**Steve Pemberton:** The successful integration of Walgreens with Alliance Boots in December 2014 transformed America's leading retail pharmacy, health, and daily living organization into the world's first global pharmacy-led health and well-being enterprise. Consistent with Walgreens Boots Alliance's presence in more than 25 countries, we are moving from a US-centric diversity and



On visiting Walgreens' distribution center in Windsor, CT, US Secretary of Labor Tom Perez (second, from left) applauded the company's disability inclusion approach as one of the "models for the nation."

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inclusion model to a new global framework, one that emphasizes gender and generation, approaching differences with dignity and respect.

**IN:** Tell us about your greatest success story.

**SP:** I would say my greatest success has been building what I believe to be the best diversity and inclusion team around, and doing so with the clear intent to integrate diversity and inclusion into the mainstream processes and functions of the business.

**IN:** How has your approach to D&I changed in the last 10 years? How has the field and thinking and best practices changed around D&I?

**SP:** I have moved aggressively away from external measures of diversity and inclusion progress, putting much more focus on internal metrics, such as employee engagement scores and retention. Frankly, I believe looking at what your people say and do tells you more about where your organization really stands than how your company ranks among the organizations on a publication's list.

Looking at the field more broadly, one of the biggest changes I've seen our profession embrace is the business case. There's more focus on how diversity and inclusion intersects with the business, and on building business cases

based on the opportunities that intersection presents.

**IN:** Presumably, when you hire, you want to be sure the potential candidates are a good fit for the company and its mission. How do you hire? What factors do you take into consideration and what questions do you ask?

**SP:** Diversity runs deeper than just how things look and is more about the way we think and act. With that said, I am always trying to ascertain your level of commitment, your degree of self-motivation, the way you think, and how you go about working.

As a leader, I recognize that my role is to inspire, to guide, to coach. At the same time, I look for aggressive thinkers, people who are always investing in and developing themselves, so they can bring forth their best in advancing the work. Yes, I want to know what you have accomplished, but I like to ask candidates to tell me about a time when things didn't go well and how they handled that. I think answers to questions like that can say a lot about how a person approaches challenges, whether they can see opportunity in the midst of adversity.

**IN:** How does your company use technology and social media to enhance your D&I initiatives?

**SP:** Internally, we make full use of our intranet, online publications, video [Channel W] and social media [Yammer] technology platforms to communicate our organization's rich legacy of inclusion, to highlight the progress we continue to make, and most important, to engage team members at all levels in conversation around the opportunities they have found and envision in regard to diversity and inclusion.

Externally, too, we take every opportunity to tell our story and highlight the commitments we continue to make. One great example is our award-winning diversity and inclusion annual report, which leverages augmented reality [i.e., YouTube-hosted videos accessible by printed QR codes] to weave even more executive voices throughout the narrative.

**IN:** How is Walgreens addressing work-life balance?

**SP:** Our leaders foster a workplace culture that recognizes the considerable responsibilities

our team members carry. They understand that people are more inspired to keep doing their best work when the company encourages work-life balance.

As an organization, we also have made a number of investments in programs that can help our team members work toward achieving a better work-life balance, including a fitness center on our corporate campus, on-campus childcare and collaborating with a number of work-life companies to offer an array of team member discounts. These offerings are just a small way we can recognize our team members for all that they do for both the company and their communities.

**IN:** As more and more Millennials join the job force, and as baby boomers are slowly aging, has this phenomenon provided challenges for you? And what are your tactics for addressing them?

**SP:** There has always been generational change in the workforce. I believe that employee evolution is the way to continue moving forward.

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The challenge Millennials pose is that they do not see themselves being at one company for 25-plus years, growing their careers. From Day 1, in fact, they are asking employers, "Why should I stay?" As an employer, we have to recognize and stay well ahead of that, and clearly articulate an employer value proposition that makes a compelling case for the development and growth opportunities available when they join and stay at Walgreens.

**IN:** Would you say that Walgreens exhibits a culture of inclusion? If you think it can improve, what are some of the challenges and how are you working to overcome them?

**SP:** On a lot of levels, I would say yes. Our employee engagement survey results indicate our team members consider us to be an inclusive company. We also exhibit a culture of inclusion to the extent that we never declare victory. We stay attuned to what talent, both internally and externally, needs and expects from Walgreens, how we articulate our employer value proposition, illuminate career paths, and continually provide opportunities for professionals to do their best work and stay with us.

**IN:** For a number of years, practitioners of diversity and inclusion have been making the business case for D&I. Do you think this message is sinking in? Does Walgreens leadership view a culture of diversity and inclusion as a competitive advantage? If yes, what was the turning point? If no, what do you think can be done?

**SP:** Certainly the business case has helped drive the message home. But what has really driven a shift in business leaders' thinking have been two things: changing customer demographics and greater competitive pressure to attract those customers. Increasingly, we're seeing diversity and inclusion viewed less through the lens of corrective action and more through the lens of competitive opportunity. By partnering with black churches, historically black colleges and universities, Hispanic-serving institutions, the AARP and the National Urban League, we have been able to provide free prevention and early detection health services in underserved communities with the highest prevalence of health disparities. **IN**



Conducting free health tests in black churches, at community fairs, and on its Wellness Tour with the National Urban League, Walgreens champions everyone's right to be happy and healthy. "Regular screenings have saved many lives including my own," says Chicago-area fashion, beauty, and lifestyle blogger Rajjean Stroud (at right).