

# 3RD ANNUAL INSURANCE DIVERSITY SUMMIT:

Diversity is a Source of Competitive Advantage.



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December 8, 2014



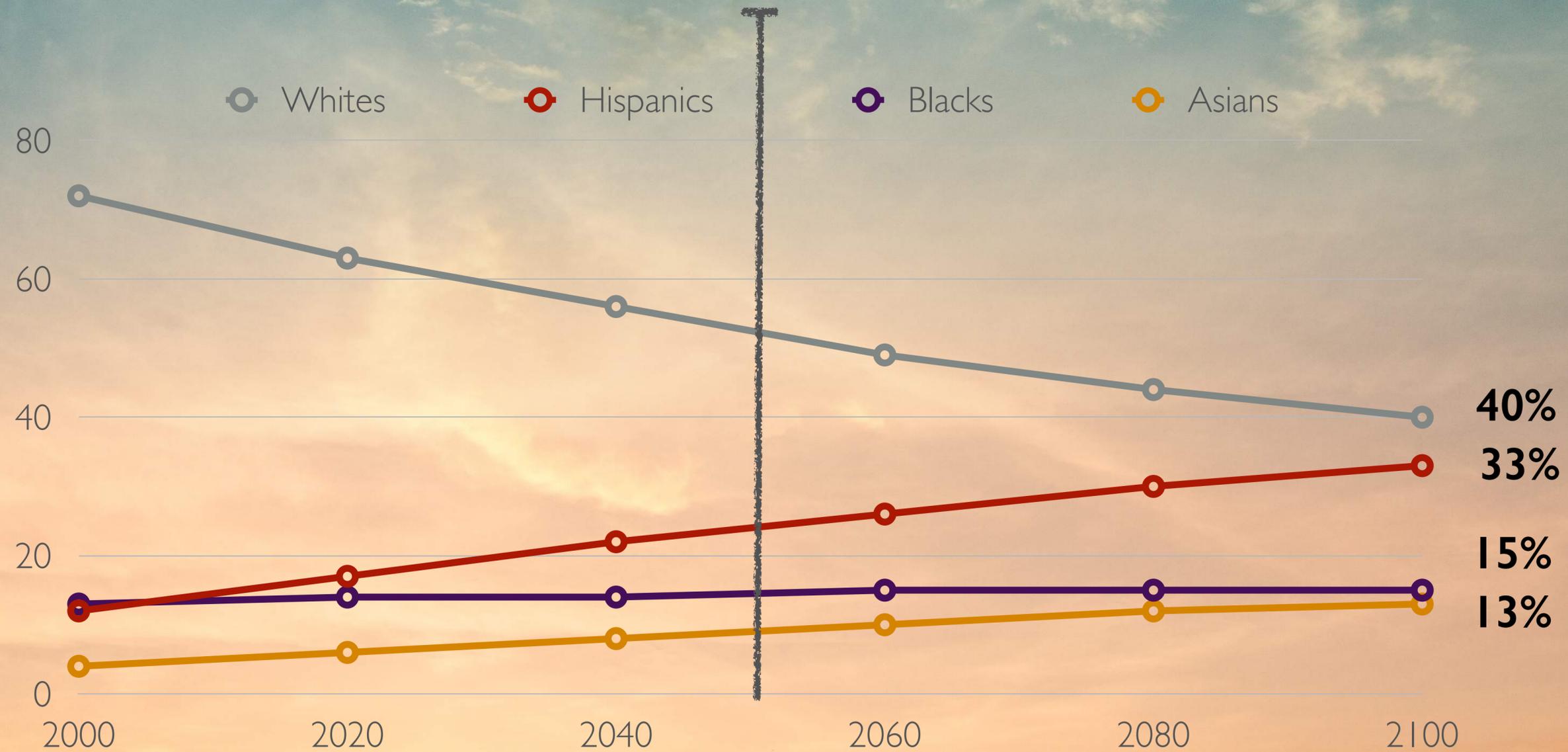
# WHY IS DIVERSITY IMPORTANT

- 1 - The business world has become more global.
- 2 - Homogeneous hierarchy has given away to diverse teams.\*
- 3 - Businesses spend billions in managing diversity.

\* E. Mannix and M. Neale (2006), What Differences Make a Difference? *Psychology in the Public Interest*

# U.S. IS A MULTICULTURAL NATION

Point at which the “Minority” Becomes Majority - Nationally



# 63% OF CALIFORNIA IS MULTICULTURAL

## 2013 Pop % Across Cultural Groups - U.S. vs California

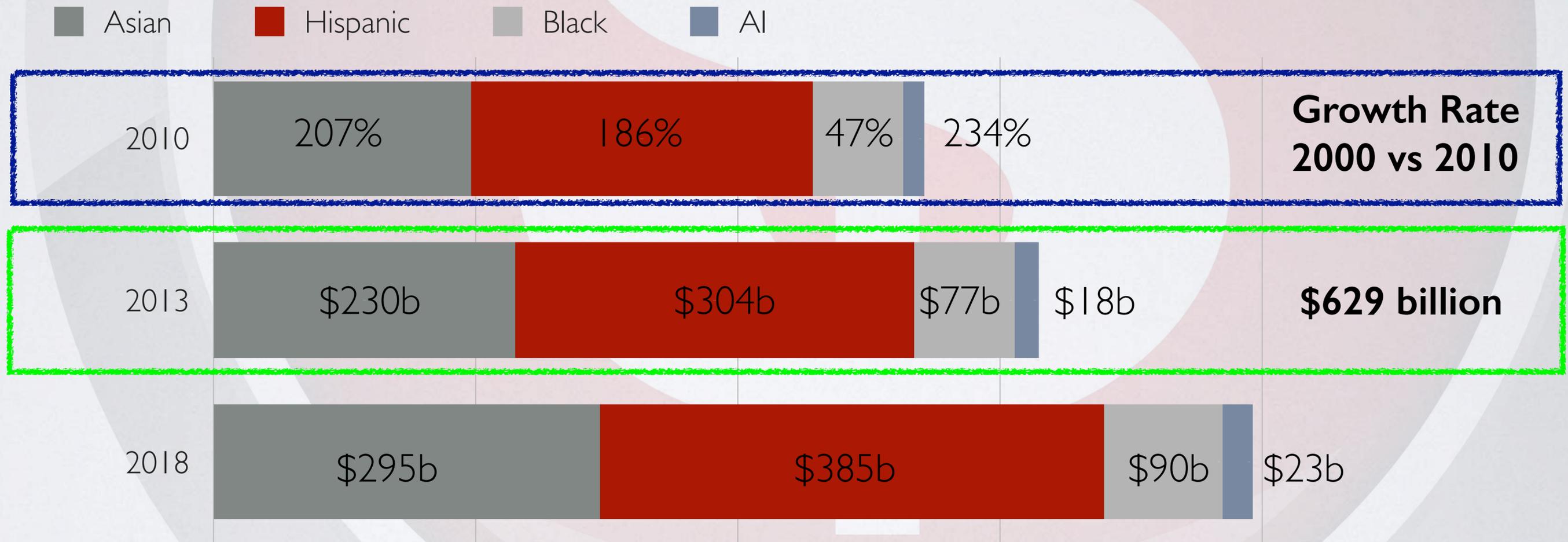
	U.S.	CA
White (Non-Hispanic)	63%	39%
Hispanic	17%	38%
Asian	5%	14%
Black	13%	7%
Two or More Races	2%	4%
Am Indian	1%	2%
Pac Islander	0%	1%

<http://quickfacts.census.gov/qfd/states/06000.html>

# DEMOGRAPHIC “TIPPING POINT” HAS ARRIVED IN MANY CALIFORNIA CITIES

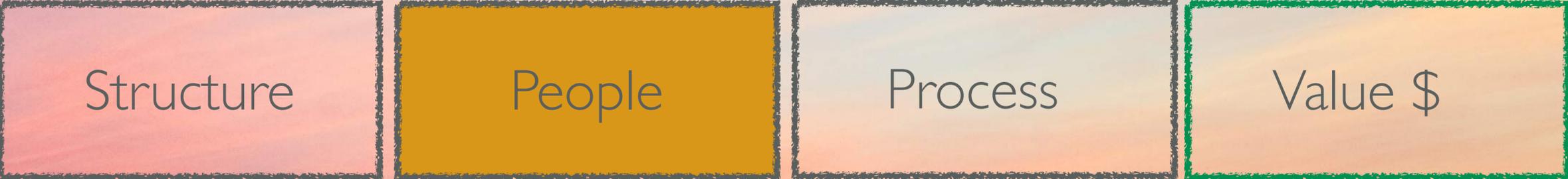
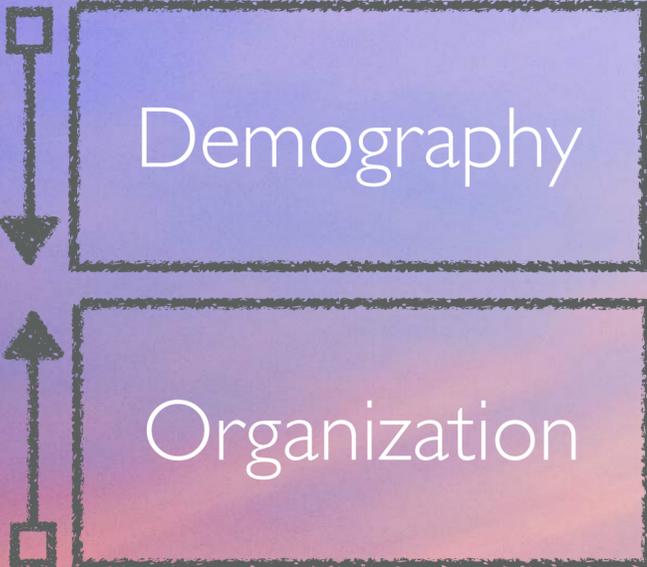
2010	Total	Multicultural	Hispanic	Black	Asian	AI	Pac Isl
Los Angeles	12,829	67%	44%	7%	15%	1%	0%
San Francisco	4,335	60%	22%	8%	23%	1%	6%
Riverside	4,225	62%	47%	8%	6%	1%	0%
San Diego	3,095	49%	32%	5%	11%	1%	0%
Sacramento	2,149	40%	20%	7%	12%	1%	1%
San Jose	1,837	53%	17%	3%	31%	1%	0%
Fresno	930	67%	50%	5%	10%	2%	0%
Bakersfield	840	61%	49%	6%	4%	2%	0%
Oxnard-Ventura	823	50%	40%	2%	7%	1%	0%

# MULTICULTURAL POPULATION RESPONSIBLE FOR \$600B+ IN PURCHASING POWER IN CA



# DIVERSITY FRAMEWORK

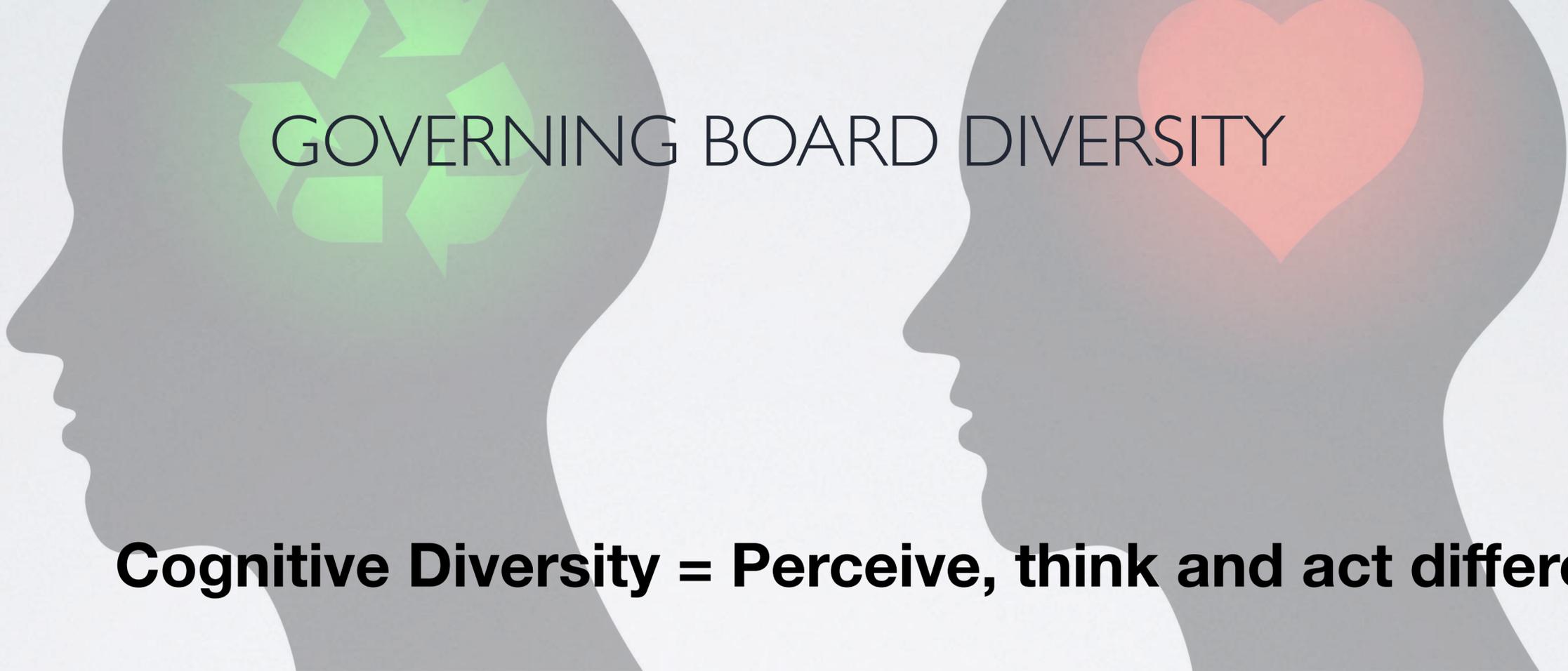
## Alignment (#1)



# SUPPLIER DIVERSITY

"We are strengthened by working with a diverse supplier base, which can help us **better understand and address our consumers' needs**. And we know when our suppliers succeed, **we succeed**."

John Bryant, President & CEO  
The Kellogg Company



GOVERNING BOARD DIVERSITY

**Cognitive Diversity = Perceive, think and act differently**

**Problem solving ability is improved**



**Identity diversity must be linked to cognitive diversity**

Source: "Page, Scott E., "The Difference"

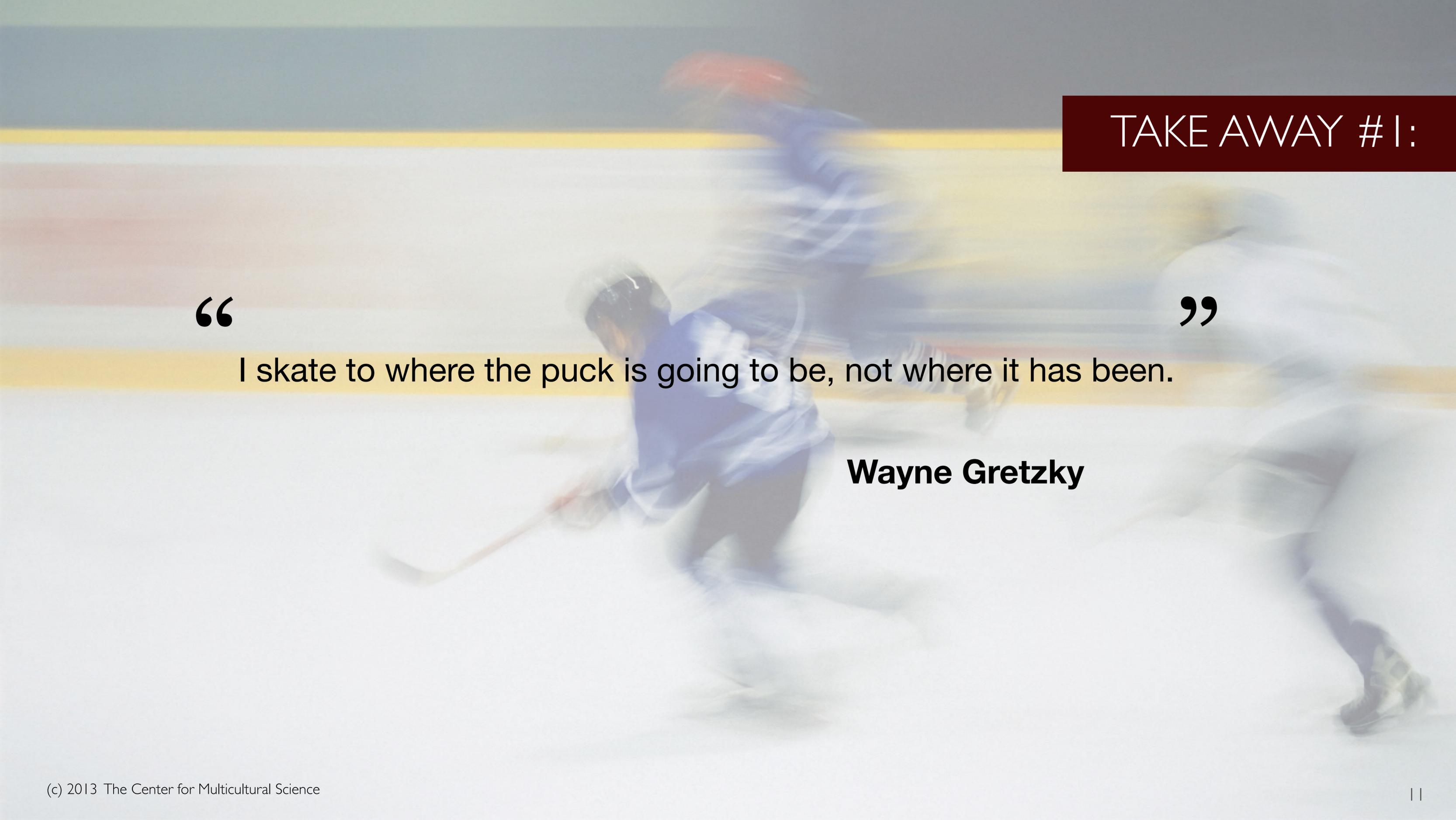
# ADAPTIVE ORGANIZATIONS

Organizations that are successful in leveraging the diversity of their people are better able to adapt to changes in the external environment.



Success Indicators	Adaptive Culture		Non-Adaptive Culture
Increase in revenues	682%	→	166%
Expanded workforce (growth)	282%	→	36%
Increased stock price/market valuation	90%	→	74%
Improved net-incomes	756%	→	1%

Kotter, John. (1995) "Leading Change: Why Transformations Fail"



TAKE AWAY #1:

“

I skate to where the puck is going to be, not where it has been.

”

**Wayne Gretzky**

## TAKE AWAY #2:

### **Think Differently.**

Embrace intra-organizational diversity to drive performance at every level.



TAKE AWAY #3:

Courage is Leadership

A woman with long brown hair, wearing a black business suit jacket over a white collared shirt, is leaning over a white horizontal line. She is smiling broadly and pointing her right index finger towards the text below. Her left hand is resting on the white line.

TAKE AWAY #4:

**Leverage Organizational Diversity.  
It's a Business Imperative in the 21st century.**

THANK YOU



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