Melanie had been the head of HR for a midsized but fast growing financial services company for only six months when the CEO called her into his office and asked her to set up the company’s diversity council. “Diversity is an HR issue,” he said, “make it happen by the end of the quarter.”

Not wanting to contradict her boss so early in their relationship, Melanie bit her tongue, even though she knew that diversity is far more than just an HR issue – it’s a bottom line issue. But, when she asked for a budget for the council the CEO said there were no funds available. When she asked for leadership support, he said that since she was the head of HR, she should consider herself the council’s leader. And when she asked who he thought would be good council members, he said “pick the most vocal women and minorities.”

Melanie did as she was told and brought together a group of women and minorities for a series of meetings; had a great time talking, exchanging stories and eating lunch together. But by the end of the year, very little of note had been accomplished, and most of the members had dropped away, lost interest or moved on to other, more career enhancing pursuits. The council was disbanded and Melanie, disheartened, disappointed and disempowered, decided it was time to leave.

Unfortunately, this is an all too common story. Setting up and supporting an effective diversity council isn’t easy. And though it’s tempting to hand it off to HR, that would be a mistake. Valuing and leveraging diversity should be an organization-wide effort, with the diversity council being just one part of the initiative. Regardless, there are six “must have’s” that need to be in place if your diversity council is to have a decent chance.

1. **Leadership Support** – few effective diversity councils have lasted more than a year without genuine and visible leadership support and participation. I mean one of the CEO’s direct reports – someone who has clout; who can open doors, free up money and talk-the-talk of diversity inside and outside of the council. Ideally, this person is a middle aged, straight, white male who “gets it” about diversity. But under no circumstances should the “leadership support” be the head of HR. HR could sit on the council or serve as an advisor, but it’s imperative to move diversity out of HR and into day-to-day business.

2. **Members Should Be Invited to Join and Find It An Honor to Serve** – Many diversity councils fail because they are designed to be “release valves” for disgruntled and/or vocal employees who need a place to vent frustrations. Truly effective diversity councils are comprised of employees at every level and from every division in the company who have been invited to serve by the CEO. These “invitees” are selected from a short list prepared by the head of each division who has been coached on what makes for an appropriate candidate. Members should serve no longer than two years.

3. **A Budget.** Too many diversity councils have withered away because they had little or no budget to work with. Under funding sends a clear message that the diversity and the council are not linked to the company’s success. And it’s demoralizing to the council members who have to raid their own budgets in order to get anything done, or even pay for lunch! The size of the budget is negotiable, but a good first year budget is $2 - $4 per employee. Only the council decides how to spend it.

4. **Strong, Independent Leadership.** The council should have officers who have been voted into their positions by the members. Officers should have high levels of emotional intelligence and a willingness to advocate fiercely on the council’s behalf with the CEO. They’re responsible for setting the agenda, facilitating meetings, delegating and motivating. Officers should rotate out of their positions yearly.

5. **Strong Beginning.** The most effective diversity councils come out of the gate sprinting – making a splash throughout the company by doing something bold and innovative in the very first months of operation. This strong beginning should be followed relatively soon by another bold
and daring initiative/event. By doing this the council makes it clear that they mean business. It also makes it much harder for the CEO to shut it down if his feathers are ruffled.

6. Clear Mission, Vision and Opportunity to Make a Difference. An effective diversity council is much more than a “talk shop” or grievance committee. It is a group of committed employees who take diversity seriously, who have decided together what needs to be done within their company to drive diversity and inclusion and who have the opportunity to get it accomplished. The council must have an open channel to “speak to” to all employees and to serve as an effective resource and change agent. Its efforts need to directly and positively impact productivity, morale, turnover, sales, and perhaps most importantly, the bottom line. Without the opportunity to make a concrete difference even the most well intentioned council will fade into insignificant.

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