HARD CHOICES IN BLACK AND WHITE

RETHINKING THE CORPORATE CULTURE

Firm Makes Racial Revolution From Top Down

Last of five articles

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WILMINGTON. Del. ne morning last March. soon after he had emerged from one of the golden Venetian meeting rooms at The Breakers resort in Palm Beach, DuPont vice president Tony Cardinal received what he would later describe as his personal wakeup call. Cardinal was taking in the panoramic oceanfront view during a break in the DuPont leadership conference when Brenda Thomas, a black colleague, came up to him and asked: "Did you notice what happened in the meeting whenever a black or woman offered a thought?"

"No," said Cardinal.
"Watch next time," he was urged.

The next afternoon, when DuPont executives gathered again

BY CRAIG HERNDON—THE WASHINGTON POST

DuPont Vice President Stacy Mobley, left, with Chairman Ed Woolard.

in small discussion groups, Cardinal, as the leader of one session, paid closer attention to the dynamics. When either of the black women in his group injected an idea, it was greeted with silence by the white males. They would neither incorporate it nor reinforce it, but simply resume the discussion as though they had been unnecessarily interrupted. "I had never really appreciated the

problem before," Cardinal said later. "I started to get the very early inklings of what blacks and women live with every day."

Cardinal did not get that inkling purely by accident, no more than it was happenstance that two blacks were in his small group. It was all part of a carefully constructed event designed by DuPont's new chairman and chief executive officer, Ed Woolard, a soft-spoken and determined North Carolinian who has emerged as a champion of diversity—not so much the type of economic diversity that means branching out into different product lines. but the cultural diversity that means valuing blacks and women in the executive work force.

The DuPont leadership conference in Palm Beach was Woolard's coming-out party as chairman, and he used it to make a statement about his vision of the

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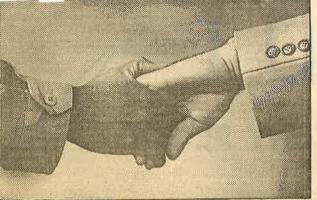
embers of a DuPont Committee to Achieve Cultural Diversity, above with with Jack Quindlen, vice president for finance, include, from left, Michael Wyatt, Deborah Hopkins, Ingrid Reid and Rodney Tate.



SHIRREFFS



THOMAS



articipants of a "core group" of four white and two black men and three white women and one black women who meet to discuss issues of race include Jack Shirreffs, Brenda Thomas, Clay Smith and Janice Eddy.



SMITH



EDDY

INTEGRATION, From A1

187-year-old corporation. Such gatherings were usually limited to the top 60 senior vice presidents and division heads. That would not satisfy Woolard. He wanted to inaugurate his era with a conference resembling what DuPont would look like when it reached his goal of being a "truly great global company."

"We need to 'Walk the Talk,' as I've heard some of our black employees say," Woolard told his advisers planning the conference. "I want this to look like what Du-Pont leadership will look like in 10 years." He was acting out of enlightened selfinterest. Action in the business world is motivated by two impulses: the profit motive and uncertainties about the future. Both were at work in Woolard's thinking. As markets become global, large companies see the advantage of having multicultural work forces. They also realize, looking at the demographic trends for the next 25 years, that women and minorities are going to be more plentiful than white men.

Woolard's top human relations directors responded to his request by stepping out of the hierarchy and expanding the Palm Beach leadership pool to include scores of blacks and women. Black employees were encouraged to meet ahead of time at the home of Stacy Mobley, vice president for federal affairs, the highest-ranking black in the corporation, to select people they wanted to send to the conference. In previous years, Mobley would have been the only black at the conference. This time many blacks spent four days in Florida while their bosses were left back in Delaware.

For staid, conservative DuPont, the epitome of the white, male engineering model, this was an unprecedented deviation from tradition, a watershed event in what many DuPonters have since described as a cultural revolution.

"For me, it was one of most important the things they've ever done," said Thomas, a marketing director in the medical division. It reflected, she said, a remarkable symbolic distance from her childhood in Dothan, Ala., where she and other black students studied from books passed down from white students, often with racial epi-

thets scrawled in them. And from her law school days at Georgia where a torts professor refused to call on her all semester because he thought she was not up to the task and did not want to embarrass her. And from her early days at DuPont, when she felt she had to comform and was not valued for her own qualities.

"We weren't universally accepted down there by any stretch, but it was an enormous opportunity," said Clarence Wilson, the highest-ranking black in DuPont's finance division. "If all of a sudden people start asking for your opinion, that is like magic."

"This is still a long ways from utopia, but what Ed Woolard did was legitimize the process," said Claudette Whiting, a black executive in the polymer products division. "It was a validation for many blacks—saying they belong in a very conspicuous way. It gave the stamp of approval to the notion of valuing diversity."

'A Huge Laboratory Experiment'

One year later it seems that everyone is talking diversity at the ancient gray executive offices of DuPont in downtown Wilmington and the redbrick division headquarters ringing the perimeter of Delaware's largest city. Tony Cardinal and other vice presidents walk around urging one another to "walk the talk," as Woolard said, and to "do the right thing." Several consultants are inside various DuPont divisions, organizing mentoring programs for black and women employees, leading black-white discussion groups. The place has become, in the words of organizer Mary Lou Arey, "a huge laboratory experiment."

All those involved in this experiment, black and white, emphasize that it is still in its very early stages, where the aura of goodwill is more apparent than statistical results. DuPont, they acknowledge, has a long road to travel before it becomes a truly integrated institution.

When Black Enterprise magazine last year ranked its top 50 corporations for blacks to work at, DuPont did not even make the list. The fact that Woolard and his aides had to dig several layers deep into the corporate structure to get enough blacks to the Palm Beach meeting says as much about the paucity of minorities in DuPont executive suites as it did about Woolard's commitment to change. Out of DuPont's global work force of 140,000 employees, about 15 percent are minorities. Within the 28,000-member professional force, the number drops below 9 percent, and in the coal and petrochemical divisions, the black executives can be counted on two hands.

The cultural traditions of DuPont are conservative, analytical, white and Protestant. Although one of Woolard's recent predecessors, Irving S. Shapiro, was Jewish, many old-time members of Wilmington's Jewish community remember when the company had no Jewish executives. There were few women in the corporate structure 20 years ago, and it was not uncommon then for women with chemical engineering degrees to be assigned secretarial duties. Blacks, in many cases, were shut out completely. The company policy during the days of Jim Crow segregation in the South was

that each of its plants followed local custom: chairman Woolard started in 1957 at a Du-Pont plant in Kinston, N.C., where the cafeteria was segregated, the drinking fountain was whites-only and blacks were relegated to janitorial jobs.

Over the years, in response to the black push and pull toward respect and equality—nonviolent civil rights protests and riots in the cities, including Wilmington in 1968—DuPont set up affirmative action committees and periodically brought in consultants to address the issues of corporate integration. Every year more black engineers and accountants were recruited from universities. But looking back on a quarter-century of such efforts now, many DuPonters believe they were misguided though well intentioned.

"The engineering view of solving the race and sex issues was to change the raw materials—people. It was one-dimensional. Bring more blacks and women in at one end of the company and over time it will all work itself out and you'll have appropriate distribution," said Faith Wohl, director of many of DuPont's diversity programs. "There was this touching faith in technology, but it went awry. They didn't get the upward distribution they expected. Blacks and women were leaving after a few years. Those that remained were not happy. Something was wrong. It was not a problem that could be solved by a slide rule."

Although the struggles of blacks and women in the corporate workplace diverge at many points, in DuPont's sociological evolution the relationship between the two groups was symbiotic. It was, in fact, the education of one DuPont vice president on both issues that led to the larger companywide awakening on race.

Mark Suwyn, the tall, middle-aged white male vice president of the profitable and expanding medical products division, the classic stereotype of a DuPont executive, noticed during a personnel review of his department in early 1987 that women and blacks who were highly rated when they were hired and had moved on the fast track for a few years, either left the company or dropped in ratings after a decade at the company.

"Something is going on that I don't understand," Suwyn recalled saying to himself. "Since I've got 20 more years in this organization, which increasingly will be made up of black men and women and white women, I better figure out why we seem to have a helluva time creating an environment in which they can excel." With the help of a biracial consulting team, Janice Eddy and Richard Orange, Suwyn set up a "Core

Group" of four white men, two black men, three white women and one black woman who would meet all day once or twice each month to learn how to deal with issues of

race and gender.

"All the stereotypes we carry with us were brought to a conscious level by the discussions in the Core Group," Suwyn said. "I came to realize how I had been making decisions based on subconscious stereotypes. I learned that blacks and women tend to have different ways of working than I have. I tended to favor human behavior like mine: aggressive, a little bit of the football player. When I said to myself: 'Who do I need for a tough job?'—I tended to look for a tough white man. Now I have a greater appreciation of what blacks had to do just to get here. From that I know they are prepared to do the tough jobs."

After years working on the transformation of corporations, Eddy and Orange were convinced that the process required "a very powerful white man to step out and assert some leadership." They persuaded Suwyn to assume that role. Because he was considered a corporate star, he carried with him a certain power as he spread the diversity message. First he created a cross-departmental Core Group mixing top executives with blacks from different departments. Over the next year, Core Groups were formed in department after department. "There are eight vice presidents involved right now," said Eddy. "That level of involvement is unprecedented in this country."

'Is This Real or Is This Memorex'

Many blacks at DuPont were skeptical at first. "The company had done programs around race in the past, but they were never sustained," said Brenda Thomas, a member of Suwyn's original Core Group. "I had developed this antenna in my mind: Is this real or is this Memorex? But Mark Suwyn has changed tremendously. He took it upon himself to ennoble and empower people. As a black woman at DuPont, you are invisible: black women are at the bottom. Now I am valued in the organization. I wasn't before."

The transformation of a culture toward true integration is complex, as the experience of DuPont's 3,000-member finance function reveals. Soon after Suwyn started pushing diversity, the company's finance division set up a committee called Upward Mobility of Women and Blacks to study why blacks and women were not moving up the career ladder.

"We found blacks were largely relegated to the lower end of the scale in performance evaluations," said committee chairman Clarence Wilson, who grew up in Chattanooga, Tenn., where he attended segregated schools, received an MBA from Indiana and served as Marathon Oil's first black sales representative for 10 years before being recruited by DuPont. Wilson said that among other findings, the committee learned that in DuPont's 1 to 5 performance rating system, 5 being the highest, the percentage of blacks rated at category 3 or below was more than double the number for white men and women. More than half the black employees were identified as having low or no potential.

"What we didn't know was why," said Wil-

son. "We needed to find out."

The committee's first step, with the assistance of veteran race relations consultant Frederick A. Miller, was to set up focus groups of finance employees, separated by race. Differences in perceptions were dramatic, according to the committee's report:

White men said the black promotion problem could be resolved simply by hiring better quality people. They saw themselves as colorblind, but acknowledged a lack of experience dealing with people who were different.

Black men and black women saw as barriers to career advancement limited role models and feelings of isolation and underutilization; and they felt they were stereotyped, affecting both their current performance evaluations and their potential ratings. They said they felt strong pressure to conform to the white male culture, that they often heard racist commments and that many white managers did not give them straight feedback on their performance.

The case of Ingrid Reid underscored those concerns. Reid grew up in Washington, attending Federal City College and Howard University where, after receiving her MBA in 1981, she was recruited by Du-Pont. After a few months here as a financial analyst, Reid said, she wondered why the company had hired her. Her white boss would not talk to her and rarely gave her assignments.

"It was very frustrating," Reid said. "Finally I approached the manager of our group and said, 'I'm a very capable individual, and I thought there was a job for me to do here.' I found out later that my boss could not deal with blacks: she assumed you were not going to do the job. People told me after I got some work that I started to change her attitude."

From there Reid moved to an auditing position, where again her manager did not seem interested in her development. In that job, Reid said, she felt uncomfortable at

staff meetings, and "didn't talk unless I had something to say." She had no black mentors and was discouraged from networking with other minority employees. One of her black colleagues, accountant Rodney Tate, said that when he was seen talking with other blacks, a supervisor posed a subtly racist query: "What is this, an NAACP meeting?"

Reid's reticence was interpreted as indifference, and it was held against her later when she competed with a white woman for a supervisory position. The white woman got the promotion, though most of their colleagues thought Reid deserved it and

was better qualified.

"It was clear that blacks felt disenfranchised," said committee chairman Wilson after studying dozens of cases like Reid's. "Not only did they have no role models, but the performance evaluations were wrought with stereotypical thinking that was holding them back. White males thought that all that was needed was to bring in smarter blacks. But we found that most white managers were technically oriented with no people skills at all. It was the whole culture of the corporation that was holding blacks back."

Consultant Miller, a graduate of historically black Lincoln University who worked as an insurance company executive for a decade before getting into race relations advising, said DuPont's failings resulted more than anything else from a lack of cultural awareness.

"Any time you join something, you have to give something up," Miller said. "But you don't have to give up your integrity, your essence. What is it that involves just adjusting to a team? What is cultural? That is always the challenge. DuPont did not know the difference. If a company likes solid suits, not sport coats, okay. But facial hair is cultural. Part of black culture is a 'Weness,' being connected to other people. That would be too much to give up."

'We Haven't Done Complete Job

Committee members saw the need to encourage a corporate culture that valued what everybody brought to the organization. They changed the group's name to the Committee to Achieve Cultural Diversity. They presented proposals to the leadership that were quickly accepted—setting up mentoring and career development systems for blacks and women, changing the performance evaluation system, eliminating ratings on potential for the first few years.

Finance senior vice president Jack Quindlen also agreed that he and his top 23 managers—all white except Wilson—would take black-white awareness courses led by Miller. After two days of intense discussions with black employees at a resort in Hershey, Pa., Quindlen said he had a deeper appreciation of what his black employees feel trying to cope in the corporation. He held a meeting of the finance staff and said that his goal was to make all employees feel empowered.

All of this made some DuPonters uncomfortable. "We haven't done a complete job of explaining where the value is in this to some white males," said Clarence Wilson. "This comes up against the somewhat fundamental belief among white males that blacks are not up to the task and women are family-oriented. So, they ask, what is the problem? Backlash of that sort is fairly normal. No one had illusions we wouldn't have it."

George Glackin, director of human resources in the finance division, said that in his discussions with other white males during career planning meetings, bitter feelings poured out. "I kept notes for a while. I have an immense grapevine at all levels," Glackin said. "When we started pushing diversity in finance, and when one of the first results was Clarence Wilson getting promoted, the reaction was emotional. No one denied his talent, but white males said they were equally qualified and questioned whether reverse discrimination was the tiebreaker. I haven't heard as much of that lately."

There is a practical edge to the diversity issue at DuPont. Mid-level executives see that if they want to get ahead under chairman Woolard, they must score well in that area. Shortly after last March's leadership conference, Woolard hired retired Marine Corps Lt. Gen. Frank Petersen Jr., who was the highest-ranking black in that service branch, to head DuPont's leadership and education programs. Petersen also served to bolster Woolard's resolve in moving the corporation toward true integration.

When he became frustrated, Woolard would call Petersen into his office and say, "Frank, what in the hell am I going to do?" Petersen had a way of putting his advice in no-nonsense language: "Tell them, 'Gentlemen, the train is leaving the station. Either get on, or I'll make sure you get another train to another station.'"

Woolard's image is more easygoing than that. He does not want to appear to be a revolutionary. One afternoon, as he sat across from an old portrait depicting E.I. du Pont selling explosives to Thomas Jefferson, Woolard noted the traditions of the company where he has spent his entire career. He cherished DuPont's commitment to the well-being of its people, he said, and was merely adapting that traditon to a work force that includes more women and blacks.

"Other people hear what I'm saying and say, 'Listen, you're talking about a cultural revolution,' "he said. "But I don't start out with that idea. My idea is just to use the enormous talent we have—all of it. To let blacks and women into the process, to give them a sense of belonging and power, to have biracial teams working together—all of that is important for our functioning as a company, and it can also serve as a role model for the rest of America."