

# The Best Workplaces for Diversity

Pursuing the potential of all employees

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<b>Table of Contents</b>	<b>1 Introduction</b>	PG. 03
	<b>2 Not so Minor: “Minority” Populations Will Grow Faster</b>	PG. 04
	<b>3 Leading the Way: The Best Workplaces for Diversity</b>	PG. 05
	<b>4 Bridging the Gender Gap</b>	PG. 07
	<b>5 From Their Perspective: People of Color</b>	PG. 08
	<b>6 Best Practices and Tips</b>	PG. 09
	<b>7 Diversity and A Great Place to Work For All</b>	PG. 11

## Introduction

Rarely in recent years have issues surrounding diversity and inclusion jumped to the forefront of national conversation at the level they have in 2016. Following a divisive—when not outright vulgar—presidential campaign, many business leaders are rightfully concerned about the experience of women, people of color and gay employees among their ranks.

At Great Place to Work, we recently analyzed surveys from 448,456 employees across a range of industries to name the [2016 Best Workplaces for Diversity](#) and studied the traits that make them such equitable places to build a career. These companies don't just hire, inspire and promote under-represented team members. They also deliver results: Our research showed that the Best Workplaces experienced average annual revenue gains 24 percent higher than their peer companies certified by Great Place to Work.

It's also important to note that simply increasing headcount diversity did not show a strong connection to revenue growth in our research. Instead, our data showed that employees' experience of genuine workplace inclusion—as seen by high, consistent survey scores in areas such as fair treatment and a caring environment—is a better predictor of revenue growth than diversity alone.

Going forward, the [2016 Best Workplaces for Diversity](#) can offer insight into how businesses can best serve the customers and talent that will be critical to their success in an increasingly diverse America. As Marriott CEO Arne Sorenson [wrote on LinkedIn](#) after opposing an Indiana law negatively affecting LGBT people, "I've had critics - especially in the social media realm - say, 'You're a business guy, you should stay in your lane.' Actually, I very much think these topics are our business because we open our doors to everyone, regardless of sexual orientation, gender, gender identity, race/ethnicity, culture or religion. That will always be at the heart of our business."

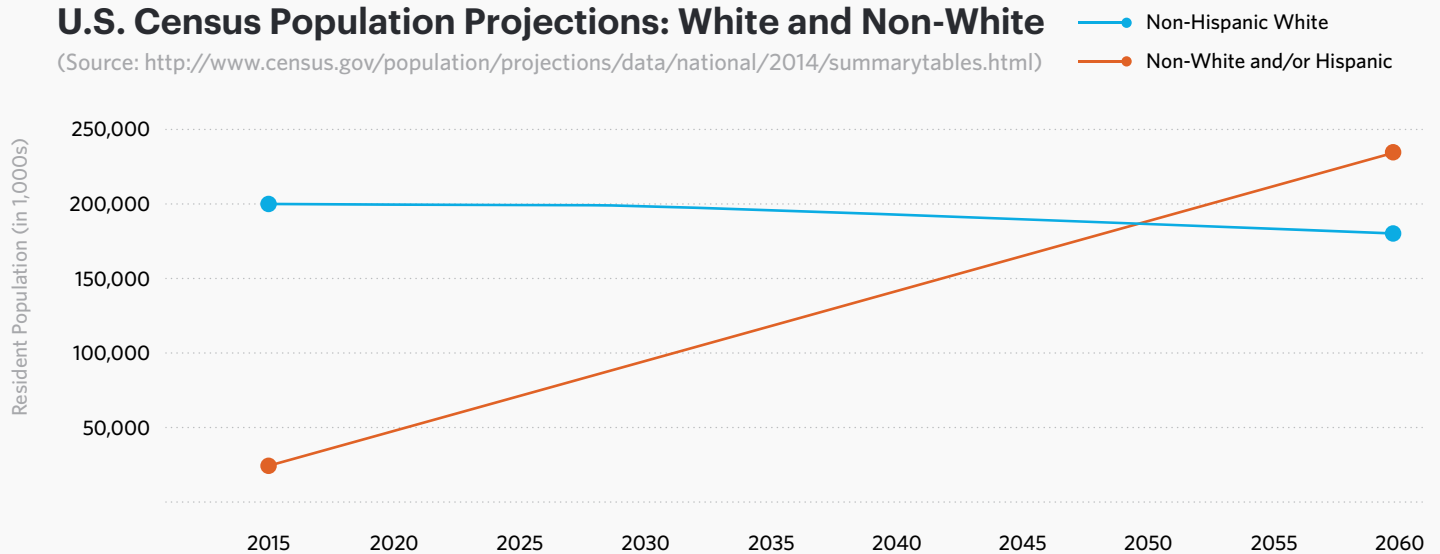
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## Not so Minor: “Minority” Populations Will Grow Faster

The demographics trends are unambiguous. The Census Bureau forecasts that Hispanic and non-white people will continue to grow as a share of the U.S. population in the coming decades, overtaking non-Hispanic whites at some point in the early 2040s. Among the youngest Americans, this is already a reality, with non-white children under 5 years old representing more than half of their age cohort in 2014. They will eventually shape both the consumer landscape and the labor market in ways that every business will need to anticipate.

### U.S. Census Population Projections: White and Non-White

(Source: <http://www.census.gov/population/projections/data/national/2014/summarytables.html>)



## Leading the way: The Best Workplaces for Diversity

We ranked the Best Workplaces based on the results of anonymous surveys from women, people of color and LGBT employees, with a particular emphasis on organizational characteristics where these groups' experiences often diverge from their colleagues'. The rankings also took into account how the survey results compared to those of male and non-minority colleagues, as well as each company's share of under-represented people in their workplaces and leadership.

### The Top 10 Workplaces for Diversity Overall:

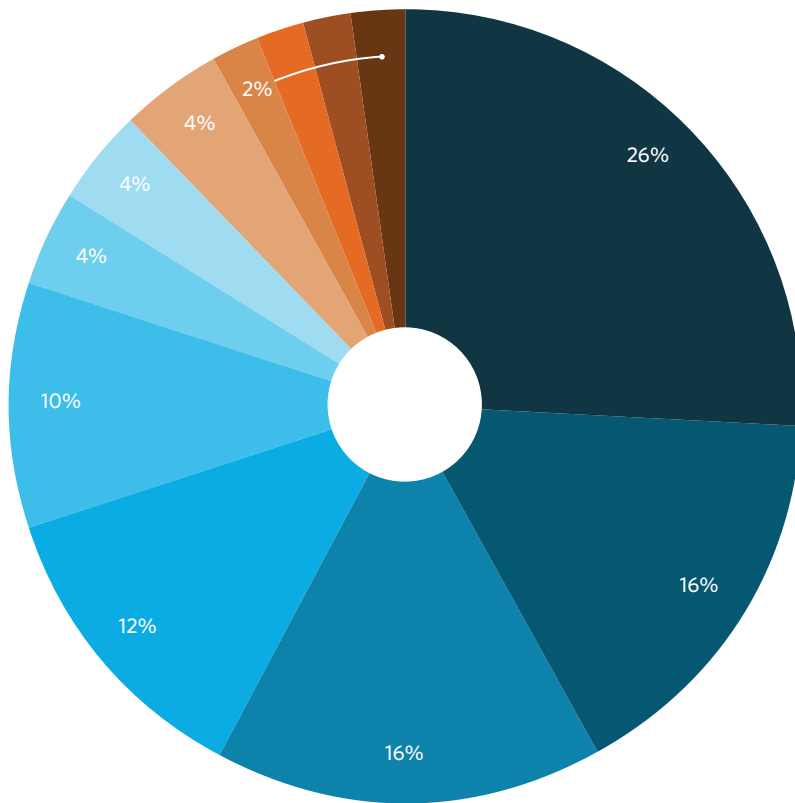
- 1 Texas Health Resources
- 2 Delta Air Lines
- 3 Navy Federal Credit Union
- 4 Kimpton Hotels & Restaurants
- 5 Ultimate Software
- 6 Miami Children's Health System
- 7 Marriott International
- 8 Build-A-Bear Workshop
- 9 Quicken Loans
- 10 USAA

“

I am proud to work in a company that embraces diversity and is very inclusive. We have employee resource groups that employees participate in and leaders use for a resource to ensure they have differing perspectives on decisions. They are employee-led, and many of them are led by our front-line employees. There is a group for so many areas, some examples are employees who have lost children, gay/lesbian/transgender, Latin, African American, ABLE (employees with disabilities), women, Pacific, etc. In addition, there are employee-nominated involvement groups in each of the business units. I know of no other company that does as much as Delta to get employees engaged and to find vehicles to listen to the employees' concerns, ideas and recommendations.”

—An LGBT Employee at [Delta](#)

## 50 Best Workplaces for Diversity by Industry



- 26% Financial Services & Insurance
- 16% Health Care
- 16% Information Technology
- 12% Professional Services
- 10% Retail
- 4% Hospitality
- 4% Manufacturing & Production
- 4% Telecommunications
- 2% Advertising & Marketing
- 2% Biotechnology & Pharmaceuticals
- 2% Construction & Real Estate
- 2% Transportation

- |                                   |   |   |   |  |
|-----------------------------------|---|---|---|--|
| 1. Texas Health Resources         | 12. Comcast Corporation                   | 22. Workday, Inc.                       | 32. Atlassian                           | 42. First American Financial Corporation |
| 2. Delta Air Lines, Inc.          | 13. Intuit Inc.                           | 23. IKEA Holding U.S. Inc.              | 33. Old Navy                            | 43. Nationwide                           |
| 3. Navy Federal Credit Union      | 14. American Express                      | 24. Alston & Bird LLP                   | 34. Grow Financial Federal Credit Union | 44. On Deck Capital, Inc. (OnDeck)       |
| 4. Kimpton Hotels & Restaurants   | 15. Camden Property Trust                 | 25. Slalom, LLC.                        | 35. Alliance Data                       | 45. JM Family Enterprises, Inc.          |
| 5. ULTIMATE SOFTWARE              | 16. Capital One Financial Corporation     | 26. Orrick, Herrington & Sutcliffe, LLP | 36. Atlantic Health System              | 46. Dropbox                              |
| 6. Miami Children's Health System | 17. St. Jude Children's Research Hospital | 27. PricewaterhouseCoopers LLP          | 37. Salesforce                          | 47. Mars, Incorporated                   |
| 7. Marriott International         | 18. Baptist Health South Florida          | 28. The Boston Consulting Group, Inc.   | 38. Foot Locker, Inc.                   | 48. Adeptus Health                       |
| 8. Build-A-Bear Workshop          | 19. SCRIPPS HEALTH                        | 29. Synchrony Financial                 | 39. AT&T                                | 49. American Savings Bank                |
| 9. Quicken Loans                  | 20. Edmunds.com                           | 30. Novo Nordisk Inc.                   | 40. American Fidelity Assurance Company | 50. Nielsen                              |
| 10. USAA                          | 21. Methodist Le Bonheur Healthcare       | 31. Aflac Incorporated                  | 41. SAP America Inc.                    |  |
| 11. Wegmans Food Markets, Inc.    |   |   |   |  |



## Bridging the Gender Gap

Three of the winning companies on the list—[Salesforce](#), [Boston Consulting Group](#) and [Old Navy](#) parent company Gap - were also among early signers of the [White House Equal Pay Pledge](#). With women's average earnings [trailing their male counterparts by 22 percent](#), thoughtful promotion practices are essential to creating a level playing field at work.

Just as important are other features of a company's atmosphere that can help women thrive or hold them back. Responses from women across all companies we've surveyed showed substantially lower scores compared to their male counterparts in the areas of workplace fairness and professional inclusion. Among the survey statements showing the biggest "experience gaps" are these three:

"People here are paid fairly for the work they do."

"Managers avoid playing favorites."

"Management involves people in decisions that affect their jobs or work environment."

Managers take note: The gender gap for the statement "Management genuinely seeks and responds to suggestions and ideas" was 22 times larger at companies that didn't make the Best Workplaces for Diversity than among companies on the list. The upshot is that the most inclusive companies are much better at cultivating and capturing the human potential that leads to innovation and ideas that can improve business performance.

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I've noticed a lot more collaboration across departments. My manager cares about me and takes time to ask me if I feel overwhelmed, and if I do, how can she help me. Upper-level management respects my thoughts and observations, and my recommendations are considered and taken into account. My upper-level management (VPs, AVPs) take time to reach out to me to let me know how my work has made an impact. I have met with my VP, AVP, manager and supervisor at various times in 2015, and they all want to know if there is anything that I need, if I like what I do, and what I think can be done for improvement.”

—A Woman Employee at [Navy Federal Credit Union](#)



05

## From Their Perspective: People of Color

Also telling are gaps between minorities and Caucasian colleagues found in the broad pool of companies we considered for the Best Workplaces for Diversity ranking. Select survey statements showed significantly lower results among ethnic minorities, with fair treatment and a caring atmosphere among the areas with the largest differences relative to Caucasian employees.

Compared to non-list winners, winning companies saw gaps that were 12 to 16 times smaller between people of color and white colleagues in these key areas:

- 1 Confidence in their leaders' vision for the organization.
- 2 A sense that their managers trust them and don't look over their shoulders.
- 3 Meaningful work.

### Racial Divides

Survey Statements With Significant Gaps Relative to Caucasian Employees. Statements with the largest gaps are listed first.

#### Black



People here are treated fairly regardless of their race.



People care about each other here.



People avoid politicking and backstabbing as ways to get things done.

#### Hispanic



People here are given a lot of responsibility.



People care about each other here.



People here are treated fairly regardless of their race.

#### Asian American



People here are treated fairly regardless of their race.

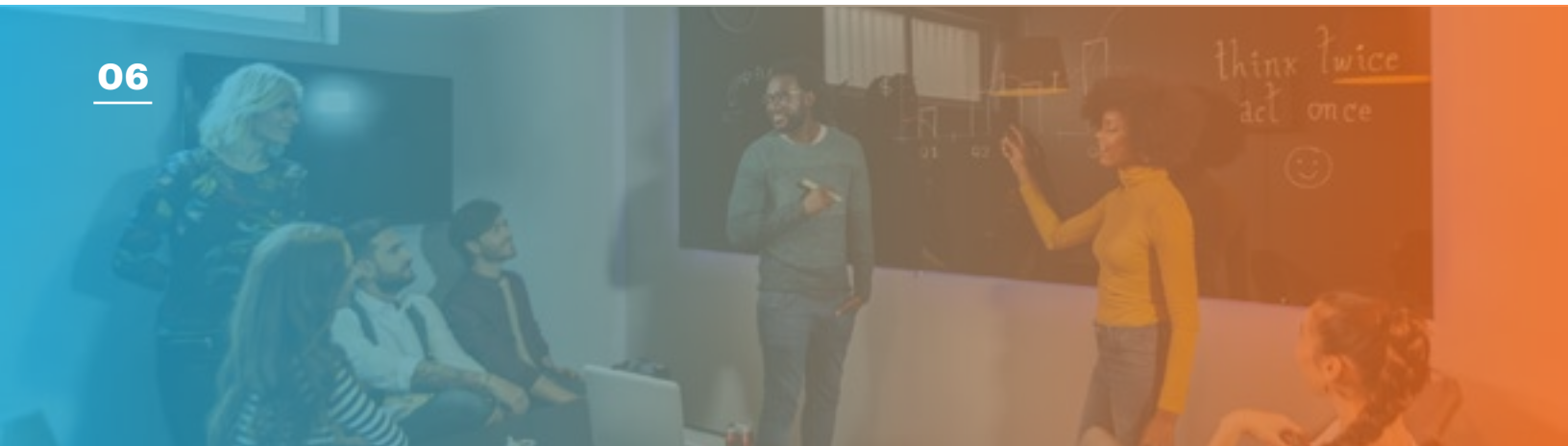


When people change jobs or work units, they are made to feel right at home.



People care about each other here.





## The Commitment to Genuine Diversity Shows up in Practices and Programs. Here are a Few:



**Boston Consulting Group:** The firm provided unconscious bias training for management and HR employees while integrating diversity principles into the way the organization approaches career development. It's also refined the onboarding and mentoring of diverse employees and tracks their progress for trends that merit further action.



**Novo Nordisk:** Employee Resource Groups at this biotech company help connect employees with mentors and others who can help them succeed at work while sharing common backgrounds. Groups support people from multiple ethnic groups, LGBT employees, veterans, women, millennials and others.



**Kimpton:** Like many of the best employers, this hospitality brand extends its benefits to same-sex partners. That includes six weeks of paid parental leave for new mothers, fathers and adoptive parents.

### Four Tips to Improve Inclusion

As the examples above suggest, practices employers put into place to encourage inclusiveness aren't magic. Four actions any organization can take to improve in this area include:

- 1 Create employer resource groups for different communities that hold regular events and advocate for diversity awareness.
- 2 Provide training on cultural sensitivity and recognizing unconscious bias.
- 3 Use suppliers that also are committed to diversity and inclusion.
- 4 Seek to improve diversity in recruiting and in the talent pipeline through partnerships and scholarships.

## From Our CEO

Here are more suggestions for doing diversity right from Great Place to Work's CEO, Michael C. Bush:



### Go on Record

You'd be joining a number of U.S. CEOs who have publicly committed or recommitted to diversity programs. Immediately after the election, for example, Tim Ryan, U.S. chairman and senior partner at [PricewaterhouseCoopers LLP](#), wrote on Medium, "Now, more than ever before, it is imperative to keep the dialogue going, respect our different points of view, and continue our commitment to be a fully inclusive workplace." Likewise, Arne Sorenson President and CEO at Marriott International Inc. and an advocate for LGBT equality, [published an open letter on LinkedIn](#) urging President-elect Donald Trump to use his position promote inclusiveness, including at work. And earlier this year, Randall Stephenson, CEO of [AT&T](#), celebrated his firm's diverse workforce even as he [spoke out in defense of the Black Lives Matter movement](#).

### What do you SEE?

When you look at your Board of Directors, Executive Team and Senior Managers, what do you see? Do you see people that look like your desired customer base? Or do they look like you? Do these "pictures" give your employees the confidence that if they excel they can make it to one of these levels? If not, your efforts will weaken your credibility as a leader. They will also weaken the effectiveness of your Diversity Executive. We have surveyed millions of employees. We can tell you with 99% confidence that you are about to lose great people because your actions don't match your diversity messaging.

### Reject the "Hard to Find" crap

Your company innovates and solves highly complex problems every day. Using the exact same leadership focus, curiosity, design thinking you can solve this problem too. Ben & Jerry's is based in Vermont where less than 2% of the population is African-American, yet they exceed that number in their employee base. Why? They set interview targets that require that recruiters develop a diverse pool of "HIGHLY QUALIFIED" candidates before the manager can start the interview process. Due to pressure from managers, only great, value-adding recruiters have survived.

### Put someone in charge

But make sure this individual is an outstanding senior executive whose track record is at least equal to those on the senior leadership team. If not, your efforts will not deliver results. The employees will see this appointment as politically driven vs. business-performance driven. Initiatives won't go far without an innovative leader who will disrupt the status quo; that is what the companies on our list have done. It's not surprising that many organizations on our best workplaces for diversity lists have outstanding executives in upper management-level positions who oversee their organization's diversity efforts and report directly to the CEO or other C-suite executive. Some of those organizations include PwC, which has a chief diversity officer; [NVIDIA](#), which has a chief administrative officer responsible for meeting diversity goals; [Hyatt Hotels Corp.](#), and [USAA](#).

## Diversity and a Great Place to Work For All

The Best Workplaces for Diversity embody what we at Great Place to Work have been calling “A Great Place to Work For All”—or, in social media shorthand, #GPTW4ALL. The idea is a kind of radical inclusivity. The daily, human interactions at work recognize, welcome and expect great things from every employee, no matter their background, their personal characteristics, their job level, their location. There’s an authentic commitment to inclusion, fairness and trust-building throughout the organization. As a result, people experience a positive workplace culture widely and consistently—not just in pockets, which is what we see in many other workplaces. #GPTW4ALL companies are therefore better able to cultivate the human potential of all their people—and to outperform their competitors.

Progress with respect to diversity starts with a commitment to building a #GPTW4ALL. And the success of the Best Workplaces for Diversity shows that organizations striving for an inclusive workplace

will be in a better position to lead their industries. Not to mention lead the country to a better place. As PwC US Chairman and Senior Partner Tim Ryan [recently wrote his employees](#) in response to the 2016 presidential election: “Together we will work with our clients, our communities and each other to realize our full potential. As a nation, we continue to have unimaginable potential, but we must work toward it together.”

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