Workplace Diversity: Learning from Diverse Companies in Modern Era

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Abstract: *What can we learn from diverse companies? Workplace diversity has become a vital part of a company's overall success. This article depicts lessons learned from three companies supporting a great diversity program—Marriott, Progressive, and Ally Financial. These companies have been recognized in Forbe's "America's Best Employers For Diversity" honorary listing and are much valued by both employees and customers alike.*

Keywords: *Workplace Diversity, Marriott, Progressive, and Ally Financial*

1. INTRODUCTION

What can we learn from diverse companies? Workplace diversity is an integral part of a company's overall success, and diversity, equity, and inclusion(DEI) have become a hot trend in organizations today.A majority of U.S. workers indicated that focusing on "DEI at work is a good thing, but a relatively small shares place great importance on diversity in their own workplace" (Minkin, 2023, para 1). Gross-Gołacka et al. (2022) noted that people are different no matter how similar they are, and managers are constantly working on improving their workplace environment, organization and its products or services.

TalentLyft. (n.d) cited two important statistics related to the benefits of workplace diversity:

1) According to McKinsey's research, racially and ethnically diverse companies outperform industry norms by 35%

2) According to a survey conducted by Glassdoor, 67% of job seekers said a diverse workforce is important when considering job offers and 57% of employees think their companies should be more diverse (para 6).

This article depicts lessons learned from three companies supporting a great diversity program—Marriott, Progressive, and Ally Financial. These companies have been recognized in Forbe's "America's Best Employers For Diversity" honorary listing and are much valued by both employees and customers alike.The purpose of this article is to accomplish the following: 1) briefly define and review organizational ethics, 2) describe Marriott, Progressive, and Ally Financial diversity program, and 3) provide practical application of effective diversity program in the workplace.

2. BACKGROUND AND WORKPLACE DIVERSITY DEFINED

DEI have become a buzzword in business today. DEI is a "conceptual framework that promotes the fair treatment and full participation of all people, especially in the workplace, including populations who have historically been underrepresented or subject to discrimination because of their background, identity, disability, etc." (Dictionary.com, n.d., para 1). Diversity refers to differences between different people in terms of their race, religion, sexual orientation, language, etc. while inclusion means making people, who are in the minority, feet valued, respected, and treated equally (Wadhwa & Aggarwal, 2023).Indeed, diverse companies experience many advantages over those who do not which include a variety of different perspectives, increased creativity, increased problem-solving, increased profits, improved employee engagement, reduced employee turnover, improved company reputation, and improved hiring results (TalentLyft, n.d, para 5).

Research studies have been conducted on effectiveness ofworkplace diversity programs. Gross-Gołacka et al. (2022) explored the ever-present problem of achieving better results of creative innovative and diverse human resources in the workplace environment through learning and inference from past actions. The authors concluded that using quantitative methods in the decision-making process can have a significant impact on the quality of its management. Additionally, Hauret & Williams (2020) examined the empirical relationship between workplace diversity and job satisfaction and the role of the level of communication between coworkers in moderating this relationship. The researchers highlighted the need for employers to actively manage the diversity within their firms.

Wadhwa & Aggarwal (2023) explored how today's diversity programs augmented workplace effectiveness in terms of higher productivity, a culture of creativity and innovation, and overall financial performance. The authors concluded the need for comprehensive diversity and inclusion programs in any organizations to retain a decisive edge over the competitors. Moreover, Adam-Samura (2023) studied the relationship between workforce diversity and organizational effectiveness of the United Nations civilian component in the personnel of the United Nations peacekeeping mission in Africa. The results showed a strong positive and significant relationship between three components of workforce diversity (age, gender, and ethnic diversity) and organizational effectiveness.

Finally, Salcedo et al. (2022) studied testimonio, a narrative methodology with Latin American roots in indigenous oral storytelling, and the various ways it can be used as a research methodology to perturb the dominant practices in the workplace. The researchers found the use of testimonio as a human resources development (HRD) approach to amplify unrepresented voices in the workplace may be an asset to HRD professionals. In addition, Si et al. (2019) investigated diversity management in an under researched country by merging theoretical insights developed in the Western literature with cultural aspects of a traditionally homogeneous country of South Korea. The results indicated that gender diversity is negatively related to organizational performance in South Korea and highlights the importance of cultural contingencies in understanding the consequences of diversity.

3. CORPORATION BACKGROUND

Three companies are explored in this section foreffective diversity program, based on Forbe's "America's Best Employers for Diversity"—Marriott, Progressive, and Ally Financial.

3.1. Marriott International

Marriott International, Inc. is a leader in the lodging industry and the largest hotel chain in the world with more than 8,500 properties worldwide and a reported annual of revenue of more than $20 billion in 2022. Founded by J. Willard and Alice Marriott in 1927, the company is headquartered in Bethesda, Maryland. In 2023, Marriott employs over 377,000 employees worldwide. Marriott continues to set the bar high as top employer garnering numerous accolades in 2022such as Forbes' "America's Best Large Employers", "The Best Employers for Diversity", Fortune Magazine's "100 Best Companies to Work For", "World's Most Admired Companies", "Fortune 500", Human Rights Campaign Foundation's "Best Places to Work for LGBTQ Equality", and Newsweek's "America's Most Trusted Companies". (Marriott International, 2023).

Marriott has an established DEI program embedded in its five core values that set them apart from its competition—putting people first, pursuing excellence, embracing change, acting with integrity, and serving our world. Since 1927, Marriott has valued diversity and inclusion and identified three pillars of associate wellbeing: We all need to feel good about ourselves, the workplace, and about our company's role in society. The TakeCare Movement will continue to drive Marriott's commitment to putting people first and ensure cultural legacy for future generations. Moreover, Marriott education inclusion campaign include Community Talent Network Teams, Cultural Competence program, and Room for All program (Marriott International, 2023).

Marriott's commitment to diversity is evident by its statistics. More than 50% of Senior Global Leadership and top U.S. leadership are diverse as well as the Board of Directors. As part of Marriott's efforts to continue to diversity senior leadership, it has set a goal to achieve global gender parity at the Vice President level and above by the end of 2023 and increase the representation of people of color at the Vice President level and above in the U.S. to 25% by the end of 2025. Marriott is the only hospitality company on the Fortune 100 Best Companies list to be on the listing each year since its inception in 1998 (Marriott International, 2023).

3.2. Progressive

Progressive Insurance isone of the largest insurance holding company in the U.S.with over 20 million policies and a reported annual of revenue of over $49 billion in 2022. Founded by Joseph Lewis and Jack Green in 1937, the company is headquartered in Mayfield Village, Ohio. In 2023, Progressive has over 55,000 employees. Progressive continues to shine as a best employer gaining numerous honors such as Fortune's "100 Best Companies to Work For", Newsweek's "America's Greatest Workplaces for Diversity", and "Military Friendly Employer". (Progressive, 2023).

Progressive has an established DEI program embedded in its five core values that govern the way they conduct business and treat stakeholders—integrity, golden rule, objectives, excellence and profit. Progressive's mindset is true to its name—moving forward and improving how they service customers, employees and the community. Moreover, Progressive has four DEI objectives: 1) We maintain a fair and inclusive work environment, 2) We reflect the customers we serve, 3) Our leadership reflects the people they lead, and 4) We contribute to our communities (Progressive, 2023, para. 8). Its company-wide diversity programs showed commitment to inclusion such as Courageous Conversation, Dare to Disagree programs, DEI Speakers Bureau, andEmployee Resource Groups (ERGs) such as Military Network and Parent Connection (Progressive, 2023).

Progressive's commitment to diversity is evident by its statistics.At Progressive, 48% represented women in leadership while 59% women employed overall. To focus on DEI efforts, Progressive introduced an ambitious goal to double representation of people of color in senior leadership to 20% by 2025. The company has several programs that train/grow its leaders such as Progressive Boot Camp and Multicultural Leadership Development Program.Forbes awarded Progressive as #1 in its 2023 "America's Best Employer for Diversity" (Progressive, 2023).

3.3. Ally Financial

Ally Financial isa financial services company and the nation's largest all-digital bank with over 11 million customers and a reported annual of revenue of over 8 billion in 2022. Founded by General Motors in 1919 as the General Motors Acceptance Corporation (GMAC) in New York, the company is headquartered in Detroit, Michigan. In 2023, Ally has over 11,700 employees. Ally continues to standout as top employer garnering numerous accolades in 2022 such as Forbes' "America's Best Large Employers" and "America's Best Employers for Diversity", DiversityInc's "Top 50 Companies for Diversity", People's "Companies that Care List", and Newsweek's "Top 100 Most Loved Workplaces" (Ally, 2023).

Ally is driven by a mission to "Do It Right" has an established DEI program embedded in its core values of LEAD—look externally, execute with excellence, act with professionalism, and deliver results. Ally is committed to "doing it right" to all its stakeholders and implemented DEI strategy implementation by hiring Chief Diversity Officer, launched ERGs such as Women ALLYs, Aliados, and more., created training/development programs such as NeuroLeadership Institute Bias Training, Ally Mentoring Program, Moguls in the Making, and introduced DECIDE curriculum to help break unconscious bias using the SEEDS model of similarity, expedience, experience, distance, and safety (Ally, 2023).

Ally's commitment to diversity is evident by its diverse team with over 36% board of directors are women or people of color, 505 of executive council team are women or people of color, and 82% retention rate for women or people of color in 2022. Moreover, Ally's benefits package has evolved to accommodate employees such as pay in line with the market, eligible employees awarded Ally stock annually, minimum wage currently at $23 per hour with pay rates reviewed routinely, and unlimited access to free, unbiased Certified Financial Planners.Bankrate awarded Ally Financial as "2023 Best Bank Overall" (Ally, 2023).

4. ANALYSIS OF DIVERSITY PROGRAMS

An effective organizational diversity program can be a competitive edge in today's highly competitive, dynamic marketplace. After analyzing the abovementioned corporations, it is interesting to note their similarities:

➢ Clearly communicated DEI program/policy
➢ Strong leadership support
➢ Learning/growth orientation

This author observed that all three organizationshave a solid DEI program, strong leadership support, and learning growth orientation. First, all three companies have a solid DEI program tied to its organizational strategy, core values, and diversity objectivessuch as Marriott's TakeCare Movement program, Progressive's DEI Speakers Bureau, and Ally's NeuroLeadership Institute Bias Training. Second, the aforementioned companies have DEI programs that are supported by its leadership, especially from its board of directors or Chief Executive Officer. Third, these companies value learning and growth among its employees through programs such as ERG programs, speakers, and institutes.

Marriott, Progressive, and Ally Financial exemplifies commitment to diversity through their excellent DEI programs. In today's dynamic marketplace, leading a diverse group of employees is essential to organizational success. Workplace diversity inspires the culture of the organization; therefore, it creates higher engagement, collaboration, and productivity (Trepanier, 2023).

Below are highlights of theabove-mentioned diversity programs:

MARRIOTT	PROGRESSIVE	ALLY FINANCIAL
➢ CORE VALUES: putting people first, pursuing excellence, embracing change, acting with integrity, and serving our world ➢ The TakeCare Movement ➢ Education and inclusion campaign include Community Talent Network Teams, Cultural Competence program, and Room for All program	➢ CORE VALUES: integrity, golden rule, objectives, excellence, and profit ➢ Company-wide diversity programs such as Courageous Conversation, Dare to Disagree programs, DEI Speakers Bureau, and Employee Resource Groups (ERGs) such as Military Network and Parent Connection	➢ CORE VALUES: look externally, execute with excellence, act with professionalism, and deliver results ➢ Launched ERGs such as Women ALLYs, Aliados, etc. ➢ Created training/development programs such as NeuroLeadership Institute Bias Training, Ally Mentoring Program, Moguls in the Making ➢ Introduced DECIDE curriculum to help break unconscious bias

5. PRACTICAL APPLICATION

Effective workplace DEI programs have enormous benefits to the organization. Research has shown that a diverse and inclusive workplace leads to increased revenue growth, recruitment, innovation, retention, and trust (Bush, 2023). Leadership relies on their workforce to get the job done daily. As a supervisor, Trepanier (2023) provided strategies on leading effective employees or teams: 1) Meet with team members one-on-one regularly, 2) Encourage opposing views: Tension is good, 3) Be aware of your own bias and personality, 4) Be mindful when selecting members, 5) Embrace and celebrate the difference, 6) Review the team's performance regularly, and 7) Foster a culture of inclusion (p. 2).

Rose & Palma-Rivas (1998) noted four strategies experts consistently identified as best strategies for managing diversity—training and education programs, organizational policies mandating fairness and equity, mentoring programs, and career development programs (p. 9). Moreover, Rose & Palma-Rivas (1998) emphasized the importance of components of effective diversity training program— commitment and support from top management, inclusion as part of the organizational strategic plan, programs that meet the specific needs of the organization, qualified trainers, combination with other diversity initiatives, mandatory attendance, inclusive programs, and conduct evaluation (p. 10).

Creating an effective DEI program requires a comprehensive, specific, and measurable approach. Altimare (2022) provided the following tips in creating a winning DEI strategy:

1) Make it specific and actionable.

2) Make it measurable.

3) Communicate.

4) Don't focus solely on hiring.

5) Start with what you already have.

6) Get employee feedback.

7) Don't forget about culture (para. 7).

Marriott, Progressive, and Ally Financial are great examples of a successful diversity programs as exemplified by Forbe's "America's Best Employers For Diversity" honorary listing. This author believes that an effective DEI program has to be clearly communicated to stakeholders, a strong leadership support, and a learning/growth orientation/mindset. With proper commitment, planning, and execution, an effective DEI program will have a positive impact within an organization.

6. CONCLUSION

This article extracted lessons learned from three companies supporting a great diversity program—Marriott, Progressive, and Ally Financial. Leadership at all levels must commit to promoting DEI while establishing a workplace culture that fully embrace these values. Companies must take deliberate steps in managing diversity and leveraging the potential of each worker for a competitive advantage (Wadhwa & Aggarwal, 2023).

AUTHOR'S BIOGRAPHY

Dr. Baldonado, is a faculty member at Columbia Southern University and a military veteran. His areas of expertise include human resources, work motivation and diversity, business administration, and management. Dr. Baldonado has over 20 years of human resources, military, and teaching experience and has published in his field.

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