

# Diversity and Inclusiveness

*For years, the terms “diversity” and “inclusiveness” were confined to the realm of human resources. In those circles, the value of finding and retaining employees with diverse backgrounds and experience was widely recognized, and companies large and small benefited from implementing diversity and inclusion strategies. Now, this issue has stepped out of the shadows, to become a hot topic in boardrooms and policy meetings alike. Indeed, many companies now have a Chief Diversity Officer, a rarity just a few years ago.*

*For some leaders, diversity and inclusiveness are two sides of the same coin. For others, they represent slightly different but equally important values. What they share is that both concepts are born out of a sense of respect, underpinned by an awareness that competitive excellence depends on understanding the diversity of society at large, and reflecting it within the culture of the company. On the following pages, the heads of some of the world’s foremost companies weigh in with the reasons they value – and strive for – a diverse and inclusive workforce.*



**JAMES M. CORNELIUS**

**Chairman and Chief Executive Officer, Bristol-Myers Squibb**

Our patients, and the medical professionals who care for them, come from every walk of life in every part of the world. Whether we’re helping hepatitis patients in Asia or reaching Hispanic patients with heart disease in the Americas, we know our diverse teams provide tremendous benefit in bringing our medicines to the patients, physicians, and communities that need them. We’re a biopharmaceutical leader focused on helping patients prevail in their fight against serious disease, and our company’s success depends on our ability to maintain and expand the diversity of our people, perspectives, and experience. For these reasons, we continue to recognize and reward employees who incorporate diversity and inclusiveness into their work.



**BOB DAMON**

**President, North America, Korn/Ferry International**

Korn/Ferry International puts a premium on advancing diversity, both within the firm itself and at the client organizations that we serve. Our goal is to mirror the clients we represent.

Diversity has been a key cornerstone in this firm’s growth and success since we began 40 years ago. Internally, Korn/Ferry is proud to have such a diverse workforce – in fact, approximately 63 percent of our global employees are female. Additionally, we feel it speaks exceedingly well for our firm that we have so many women in senior roles at the organization, including strong female representation on our board of directors.

Korn/Ferry is also committed to identifying a diverse pool of candidates for all of our recruiting assignments. Our team of search consultants has a solid record of recruiting outstanding professionals from a wide range of backgrounds, cultures, and races to meet the most demanding client requirements.

Since its inception in 1999, our diversity specialty practice has conducted more than 700 diversity-focused searches for clients in a wide range of industries. The searches have ranged from Treasurers and CIOs to Vice Presidents, Directors, CEOs, and board members. Korn/Ferry’s diversity consultants are present in critical markets throughout the world, and have the means to uncover and recruit the best candidates worldwide.

Korn/Ferry clients are increasingly interested in diversity at executive levels. The days of the selection process being an “old boys club” are long gone. Companies are truly embracing diversity as a business imperative. Why? Because: Executive talent is in short supply; today’s executives need to understand and represent differing markets and cultural nuances; success in the marketplace depends on it; business results can be improved; they recognize the value of having diverse backgrounds around the leadership table; they want to attract, retain,

and motivate talent throughout the organization; and their stakeholders demand it.

Today’s leading organizations ask their search consultants to be leaders in their ability to source the best in a highly competitive market for talent. Korn/Ferry is well recognized for its leadership position in executive recruitment. By addressing our clients’ strategic interests in diversity, we help develop the strongest leadership teams that represent the markets and customers of our clients. In return, we strengthen our position as their trusted advisor on strategic talent management at senior levels.



**DICK FULD**

**Chairman and Chief Executive Officer, Lehman Brothers**

The starting point in everything we do is our culture of coming together as a team to deliver for our clients – nothing is more critical to our success. Diversity and inclusion are very much a part of the fabric of our firm, as they not only ensure that we attract the best people, but they also strengthen the way our people work together in support of our culture.



**HANK GREENBERG**

**Chairman and Chief Executive Officer, C. V. Starr & Co., Inc.**

I can say, unequivocally, in the company I ran, diversity and inclusiveness were always a priority. When I retired, there were 92,000 employees at AIG. It is difficult to do business internationally and, with AIG doing business in 130 countries, understanding the culture, history, and customs required that a very significant portion of our corporate population came from the countries in which we operated. Whether

they were African American, Caucasian, Middle Eastern, Asian, or Latin American was immaterial. In many countries, women could hold senior positions and in other, less-enlightened countries, it was difficult, but change was constant, and we tried to lead change. I believe that any significant company today should follow practices as outlined herein.



**CHRISTIE HEFNER**

**Chairman and Chief Executive Officer, Playboy Enterprises, Inc.**

Diversity and inclusiveness have been fundamental values at Playboy from our very beginning. Back in 1960, when racial and ethnic discrimination were widely accepted, the Playboy Clubs broke ground by refusing to ask about race or religion on our membership applications and by hiring entertainers such as Dick Gregory, who had not previously played to integrated clubs.

Today, we continue to take pride in our inclusive philosophy. In hiring, we focus solely on excellence, and our results show that. Today, minorities make up 30 percent of our total workforce, and 40 percent of our employees are women. Women and minorities make up 43 percent of our company officials and managers.

The Playboy philosophy is founded on principles of social justice and individual rights. Diversity is at the core of this company, in employment and in every aspect of our business, and it always will be.



**NEVILLE IDELL**

**Chairman and Chief Executive Officer, The Coca-Cola Company**

For The Coca-Cola Company, diversity is a fundamental and indispensable value, and the company, its shareholders, and all of its employees will benefit from our striving to be a premier “gold standard” company with a focus on diversity. We recognized that, to seize opportunities in an increasingly diverse marketplace, we needed a workforce that could first see these opportunities. One step toward that, of course, is simply to have a more diverse workforce, but it also meant harnessing their insights – what we refer to as “leveraging collective genius.”

One of the ways we made diversity a part of our culture was to establish employee forums, which enable employees throughout the organization to actively participate in shaping our culture and identifying marketplace opportunities. One small, but significant, example of one forum’s contributions is a new energy drink featuring blue agave flavoring – Full Throttle Blue Demon. With the support and guidance of our Latino employee network, we launched our first North American product line with fully bilingual

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*– Shelly Lazarus*

packaging, including labeling and nutritional information. Additionally, our Latino employee network helped our sales force to introduce the product to our Hispanic-owned customers, leading to an extremely successful launch.

Our focus on diversity is simple: to be as inclusive as our brands. To be sustainable in the long run, we must embrace ideas that grow organically, like Blue Demon, and embed processes, like the forums, into our company’s culture. This includes ensuring that all employees, particularly middle managers, become full stakeholders in the company’s ongoing efforts to integrate diversity into the company’s overall strategy for business growth.



**SHELLY LAZARUS**

**Chairman and Chief Executive Officer, Ogilvy & Mather Worldwide**

For years, diversity has been narrowly associated with hiring practices, but its broader meaning and benefit have been increasingly embraced by companies worldwide. Diversity means variety. For us, as a global creative business, we absolutely require variety – of people, of cultures, of socioeconomic backgrounds, and of intellectual and artistic points of view. Bringing together people of diverse experience with different points of view and backgrounds creates the alchemy that produces the rich, interesting ideas that our clients want and need.

Creating a truly diverse company is not a passive exercise. Our priority is to seek out and become an employer of choice for talented people from everywhere. It just makes sense.

Diversity is the lifeblood of effective marketing communications, and Ogilvy has seen the benefits directly. Depth of consumer understanding is critical to effective advertising. It is our belief that our diverse workforce makes for richer consumer insights and deeper cultural understanding – these are the prerequisites for great ideas and great creative executions. Diversity is not an agenda item; it’s the smart way to operate.



**STEVEN R. LORANGER**

**Chairman, President, and Chief Executive Officer, ITT Corporation**

How well an organization leverages employee differences to advance its performance can play a huge role in business success. ITT strives to have an inclusive and diverse environment, because we believe that diversity is key to providing better ideas and solutions for the broad issues and challenges we face as a global, multi-industry company. Inclusion and diversity are crucial aspects of our core value of respect, which states that we will sustain a culture of diversity and inclusion; value different ideas, opinions, and experiences; treat others fairly and courteously; and work as a team and help each other. Our value system sets forth actionable, non-negotiable behavioral expectations of our employees and leaders. We have a strong focus on unlocking the benefits of diversity to increase innovation, continuously improve processes, delight our stakeholders, and achieve competitive excellence.



**TERRY J. LUNDGREN**

**Chairman, President, and Chief Executive Officer, Macy’s, Inc.**

It is vitally important that our company reflects the face of America and the customer base we serve. About 30 percent of our core customers at Macy’s and Bloomingdale’s are racial and ethnic minorities, and to understand this diverse customer base, we have to be a diverse and inclusive organization at every level. Macy’s conducts its business within the framework of its core values. Our “You Count” value communicates to our associates that we support, recognize, and develop our people to their fullest potential. We value diversity and work/life balance.

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**—James Schiro**

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We constantly challenge management to demonstrate to our associates, through words, deeds, and daily interactions, the value we place on respect, inclusion, and teamwork in the workplace. In addition, our supplier diversity program helps us to present distinctive assortments of unique merchandise in our stores. This sets us apart from the competition and makes our stores the go-to destinations for shoppers wanting fresh and exciting assortments. I believe so strongly in supporting and nurturing supplier diversity that I am currently serving in a volunteer capacity as Chairman of the National Minority Supplier Development Council. I believe that diversity and inclusion become important parts of a company's culture only after the CEO makes it known, by both words and actions, that they are a priority for him or her.



**MICHAEL B. MCCALLISTER**

**President and Chief Executive Officer, Humana Inc.**

At Humana, we describe diversity as the unique characteristics that each associate brings with her or him to work each day. We endeavor to create a robust work culture in which all associates are able and encouraged to bring their "A" game to work every day. We expect our leaders to create safe and inclusive environments where everyone's opinion matters and everyone's contributions are recognized. We believe this level of inclusion will enable the creation of value-based solutions that will differentiate Humana from our competitors.



**JIM MCCANN**

**Founder and Chief Executive Officer, 1-800-FLOWERS.COM, Inc.**

Diversity has been a vital contributor to the success of 1-800-FLOWERS.COM since our inception more than 32 years ago. We are committed, via our policies and our actions, to an all-inclusive culture that provides employment and career advancement opportunities for talented

people who can play a pivotal role in the growth of our business. Furthermore, we actively seek the services of staffing partners who share our dedication to encouraging a diverse workforce throughout our company.



**BRUCE MOSLER**

**President and Chief Executive Officer, Cushman & Wakefield**

As a services company, our success depends upon the ability of our professionals to develop solid, long-term relationships with clients and to exceed expectations. As an organization, establishing strong relationships requires an absolute commitment to clients, and a talented employee base that is reflective of the broader marketplace. In that regard, to be anything other than committed to the principles of diversity and inclusion is a sure path to failure.

A diverse employee base enhances our ability to establish stronger relationships with the businesses that we want to work with – and the people behind those businesses. It also ensures a diversity of talent and ideas, which enables us to exceed client expectations with innovative thinking and solutions. At Cushman & Wakefield, we ensure that diversity remains at the forefront of our business model by making it a priority for recruitment and by making sure that its importance is known and respected. We accomplished this by creating the role of Chief Diversity Officer, whose responsibility it is to ensure that our management understands the importance of diversity and inclusion, and that we remain proactive and innovative in our recruitment of a diverse, talented workforce.



**ANNE MULCAHY**

**Chairman and Chief Executive Officer, Xerox Corporation**

At Xerox, diversity is an integral part of our business success. Today's marketplace is a highly diverse one, more competitive than ever

before, and one that is constantly changing. We are better equipped to understand this diverse world thanks to a long history of fostering a diverse workforce, and our commitment extends beyond diversity of culture or ethnicity. Xerox prides itself on being a company that prizes diversity of thought, approaches, and ideas. It's really about creating a culture and a work environment of inclusion and opportunity.



**GEORGE NOLEN**

**President and Chief Executive Officer, Siemens Corporation**

At Siemens, we actively seek to find and foster a dynamic workforce that best leverages America's rich diversity of race, ethnicity, gender, and other characteristics by tapping into the widest variety of talents, experience, and skills which, when combined, give us an unbeatable edge. We maintain our competitive edge for top talent across all dimensions of diversity through a variety of initiatives, including management training programs, executive and local diversity councils, more than 20 affinity groups, and our philanthropic investments, nearly a third of which support national and local programs to promote science and math education among historically underrepresented groups. Leveraging diversity drives our U.S. business and is at the heart of our success.



**JAMES J. SCHIRO**

**Chief Executive Officer, Zurich Financial Services**

In my experience, I cannot underscore enough the importance diversity plays in the overall success of a global company. Understanding what, how, and when to deliver for customers is tied directly to the global diversity of talent, since the insights needed to succeed are rarely found in only one segment of society. In my experience, I would rather have six people with different perspectives and backgrounds looking at a problem than 60 who have the same perspective or background.

**IVAN G. SEIDENBERG****Chairman and Chief Executive Officer, Verizon Communications Inc.**

The impact a culture of inclusion has had on Verizon is clear. For example, in 2007, we began offering our customers in the Mid-Atlantic region the ability to communicate with specially trained customer service representatives via videophones, using American Sign Language, which dramatically enhanced the quality of service we could provide those customers. We're expanding the service this year to more parts of the country. FiOS TV offers programming in Farsi, Russian, Vietnamese, French, and Polish, to name just a few languages. These are just two examples of how diversity has helped us understand, anticipate, and meet our customers' needs. We operate in some of the most diverse markets in this country and we offer services across the globe, so this is as much a business decision as it is about doing what's right.

The entire leadership team at Verizon spends a lot of time meeting with employees, talking about our values, and discussing how to incorporate diverse points of view into our outlook on the world. You have to be clear about your expectations in a big organization like Verizon. So we manage diversity the way we do anything we truly care about as a business – with disciplined goals, a focus on results, a commitment to operating excellence, and a grounding in our corporation's core values and beliefs. We review our diversity performance index every quarter and have board-level oversight of our progress.

Overall, I think we've done a pretty good job of improving the diversity of our workforce over the past few years. There's always more to do, but we've made a lot of progress and we are focused on keeping the momentum going. The next phase is making sure that we use our purchasing power to ensure that the benefits of diversity extend up and down our entire supply chain. Last year, for example, the Verizon board of directors approved an initiative to tie supplier diversity success to executive compensation.

**DAVID STERN****Commissioner, National Basketball Association (NBA)**

Our organization is diverse in many ways, including gender, race, and ethnicity. The difference in perspectives allows us to be more innovative in speaking to our stakeholders, and makes our workplace stronger and more desirable. It also improves our access to the most qualified and talented candidates. That culture must be "baked" into the organization from the top down, mirroring the NBA's stated brand values of being inclusive and progressive, as well as diverse. When this is done, the rest is simple.

**JOHN STRANGFELD****Chairman and Chief Executive Officer, Prudential Financial**

Nothing is more important to Prudential's success than our employees. To attract and retain the highest-quality employees, we must foster an environment that encourages, respects, and rewards diversity – diversity of backgrounds, views, skills, education, beliefs, and experience. Such diversity creates a culture that celebrates the courage to share ideas and unleashes creativity, a critical component of winning in the marketplace.

**DONALD J. TRUMP****Chairman, President, and Chief Executive Officer, The Trump Organization**

I've always been alert to the fact that many people have hidden talents, and I'm known for promoting from within. A job title should never be a hindrance, even if it's a good title, and people are often surprised at how small my core group is. The talent here is diverse, but focused. Every person is efficient and cooperative to the whole, and yet their individual talents are not only permitted, but encouraged.

I know that I have a lot of interests, and I assume other people do too. That enhances the environment as well as the brand. Also, I have an open-door policy – my employees know they can walk into my office and speak to me. It's not formal, but it's efficient. We are an organization that works well together in a comprehensive way, and I think it's a tremendous way to get things done.

**JAMES S. TURLEY****Chairman and Chief Executive Officer, Ernst & Young**

Finding the best people and mobilizing them to serve our clients around the world is one of my top priorities. With the global war for talent, we are challenged to find the number of people we need. So developing a diverse and inclusive culture is not only the right thing to do – it's a business imperative.

We call upon our shared values of integrity, respect, and teaming to foster an environment where everyone feels they have opportunities to grow and succeed. Our competitive advantage rests on our ability to attract the best and brightest people, regardless of their gender, ethnicity, cultural background, sexual orientation, or any other difference. By embracing these differences in our people, we are able to provide richer insights to our clients and to the wider

communities in which we operate, as well as help our people achieve their potential.

For more than a decade we have worked hard to foster this type of culture and have made notable progress around our gender equity and ethnic diversity efforts. However, much work remains to be done. To that end, we have made inclusiveness one of Ernst & Young's 10 global priorities, and we are holding ourselves accountable for further progress. We know that the organization that gets this right will be the organization that wins in the global marketplace.

**BRETT WHITE****President and Chief Executive Officer, CB Richard Ellis Group, Inc.**

Diversity is a long-term strategic commitment at CB Richard Ellis. The commercial real estate industry is known to be among the least diverse professions in the business world. Our goal is to change both the perception and reality of our industry – and we are committed to leading the transformation. To this end, we have formed a diversity board to oversee internal and external diversity initiatives companywide. Our goal is an inclusive workplace that emphasizes fairness, recognizes each individual's unique value, and sees differences as an opportunity to improve the organization. We believe the ability to leverage the diverse thoughts, ideas, perspectives, and experiences of all of our employees can truly distinguish us from the competition.

**ROBERT WOLF****Chairman and Chief Executive Officer, UBS Americas, and President and Chief Operating Officer, UBS Investment Bank**

At UBS, we believe that diversity is critical to enhancing our standing as a leading global financial firm and to creating long-term stakeholder value. We have identified diversity as one of UBS's core values and an essential element to our global success.

Fostering an inclusive environment opens up market opportunities. A workforce that reflects the variety of cultures where the bank does business is better able to identify new markets, develop innovative products, and strengthen client relationships. We find that having cross-cultural teams helps generate new ideas and creative solutions for our increasingly diverse client base. From an employee perspective, sharing different experiences helps our employees become more flexible, adaptable, and innovative.

Our managers make it their personal goal to attract and retain a diverse workforce and to foster a culture in which diversity is valued and encouraged. We maintain an inclusive environment through a number of efforts, including education and development programs, recruitment efforts, workplace policies, and employee networks. ●