Chapter 4

Culture, Values, and Ethics
Your company’s culture and ethical norms are a component of its diversity and inclusion effectiveness. Increasingly, when CEOs, business leaders, and heads of business units speak out on diversity and inclusion, they are speaking out on values, culture, and ethics. These clear statements of “D&I values” are essential, as is the monitoring and enforcement of the values. Best-practice companies often readdress their values equation to make sure the mission is clear to their employees. They also further clarify their expectations on the company’s website and intranet.

While some companies have already crafted a company culture founded on the principals of ethics and inclusion, current events and the ensuing national dialogue are increasing the pressure on all organizations to readdress acceptable social culture.

From awards for supplier diversity to badges for eco-friendliness and “top” lists for LGBT initiatives to spotlights for women and minority leadership, companies today are vying for employees and customers by displaying their achievements loud and clear. In the current workplace and marketplace, a company’s culture, values, and ethics matter more than ever and are manifesting themselves in a variety of ways.

There is a revolutionary commitment to establish a unique company culture founded on the principals of ethics and inclusion. At the same time, current events and the ensuing national dialogue are increasing the pressure on all organizations—government, corporate, non-profit, and social service—to step up their game in regard to being employers of choice and the “go-to” places for socially conscious products and services. Through visible CEO leadership, sustainability standards, community involvement, work-life balance programs, and diversity and inclusion policies, people are sizing up companies for who they are, not just what they offer.

In this chapter, we will explore the following questions:

- What are the key trends in corporate culture, values, and ethics?
- What does ethical leadership “look” like?
- How does having a strong commitment to diversity and inclusion and ethical practices boost an organization’s investment appeal?
- What are some corporate examples of culture, values, and ethics statements?
Trends in Culture, Values, and Ethics:

Company culture and the underlying values of the culture are understood as drivers for performance. Cultural audits and their measurements of change are critical indicators from a company's workforce. Cultural surveys, assessments, and audits are standard tool barometers for change.

To that end, companies should recommit themselves to a formal process of values developed around diversity and inclusion that is embraced across the company, including the following:

- The values the company embodies
- The company mission
- The company vision
- The ethics by which they and all employees conduct themselves

Companies are naming chief diversity officers, chief ethics officers, and chief culture officers, and in some cases are combining all three functions into a single “C-level” officer position. Meanwhile, cultural components and diversity and inclusion values are being included in employee surveys.

- 360° evaluations are being deployed from top management all the way to entry-level employees. The assessment of individuals by their colleagues, based on how they “live” diversity and inclusion values, is being established as a performance measurement that has an impact on employees incentive pay
- Employee advocacy is being added as a function and competency of the D&I and/or ethics officer
- Strong tie in from the general counsel’s office to ensure that every aspect of values-related expectations is clear and cogent
- Inclusion of the company’s communications team in strategy formulation

The Essence of Ethical Leadership: New Directions

The combination of D&I and ethics continues to shape business. Tying diversity and inclusion policies to ethics, social responsibility, and reputation can increase recruiting, retention, and stock price. And yet, an effective program emphasizes behavior, not just compliance. For example, at Waste Management, when the ethics officer retired, the CEO merged the ethics and diversity functions. Waste Management’s CEO made it clear that the focus would be on behavior and not compliance. In the end, tying ethics to diversity did more for D&I than ever imagined within corporate management. Having the new role report directly to top leadership demonstrated the highest level of commitment.
When ethics and D&I are combined, the Board of Directors and senior management can more clearly see results. An ethics and D&I report card can also help a company measure how it is doing. Best-practice companies regularly review their codes of conduct to ensure that the ethics policy is clear. These new codes are then shared with employees—at all levels. Companies also review the help, complaint, or feedback lines to gauge response.

**Investing**

More investor funds are looking for socially responsible companies and are researching diversity and inclusion policies. Take, for instance, the Calvert Group's Diversity Index. From this list, corporations can recognize the impact that diversity and inclusion policies can have on stock price. Similarly, the Social Investment Forum offers comprehensive information, contacts, and resources on socially responsible investing. Other resources include the Domini Index and the Domini Social Equity Fund, and the Human Rights Campaign's HRC Corporate Equality Index, which focuses on LGBT issues such as domestic partner benefits.

Beyond these well-publicized lists, more women, minority groups, and others are forming investment clubs. These investment groups seek out companies committed to D&I and to their own interests. This issue will be a major one as the decade continues. Best-practice companies know how important it will be to do well on surveys with those tracking diversity and inclusion leadership.

**Conclusion**

In this chapter, we:

- Established key trends in corporate culture, values, and ethics.
- Listed components of ethical leadership.
- Explored how a strong commitment to diversity and inclusion and ethical practices boosts an organization’s investment appeal.

More and more, a company’s culture and its ethical norms are becoming inextricably tied to its diversity and inclusion effectiveness. Increasingly, when CEOs and business leaders speak out on diversity and inclusion, they are also speaking out on values, culture, and ethics.

Corporations are finding themselves at the center of deeply held values of their workforce and their customer base. This reality has made it that much more important for companies to clarify and project their D&I value statements as well as monitor and enforce them. On the internet, intranet, in public speeches, and through everyday actions, best-in-class companies know that who they are is becoming just as important as what they are selling.
Corporate Examples: Mission, Vision, Values

Carlton Fields, P.A.
Carlton Fields has a tradition and culture of diversity. We are committed to creating a climate of inclusion, growing our talent pool, and fostering innovation and creativity to compete in the global market. We believe that persons with diverse backgrounds enrich our work environment, add value to the legal services that we provide, and enhance the overall culture of the firm.

CDW Corporation
CDW offers an inclusive work environment that leverages diverse perspectives in order for coworkers to excel and drive CDW’s success.

Just as solid and dependable technological solutions require many components to maximize capability, so does our approach to diversity and inclusion. The very name of our diversity and inclusion practice - Connections@CDW - suggests that it’s all about making solid and dependable connections in the workplace, with our customers and supplier partners, and in our communities. We seek to:

• Promote a team conscience that is inclusive and reflective of the markets we serve
• Foster diverse thought and an inclusive work environment that enables each coworker to excel
• Provide our customers with the best talent to understand and meet their unique needs
• Leverage a diverse supplier network that adds value and innovation to our business

Valuing diversity is an important priority for CDW. We believe that it is more than just the right thing to do. We believe that it is critical for overall organizational health and well being.

Cisco Systems, Inc.
At Cisco, we continually strive to be a better company, and a better corporate citizen. We aim to fully embrace the human network in all its multiplicity, and to foster innovation and talent in the workplace. This way, we can better serve our customers and engage with our partners in the worldwide marketplace.

We demonstrate our commitment to a culture of inclusion and diversity by:

• Integrating inclusion and diversity into business processes and operations
- Creating systemic accountability for realizing the inclusion and diversity objectives at every level of the organization
- Increasing recognition of employees who create a culture of inclusion
- Using our pervasive culture of inclusion to attract and retain top talent
- Challenging Cisco’s executive team to consistently and broadly spread the inclusion and diversity vision
- Strengthening the Cisco brand through our reputation as an inclusion and diversity leader

**ConAgra Foods**

At ConAgra Foods, we serve a very broad base of customers and consumers. To best serve them, we will create an organizational climate that values the diversity and unique qualities of our employees, customers, and consumer base. In doing so, ConAgra Foods is committed to an environment and employee base that:

- Reflects the growing diversity of our customers and consumers in order to serve them more successfully
- Is supported by management policies that respond to the needs of a diverse workforce, is inclusive, and enables the full contribution of every person in the organization
- Is sensitive and responsive to diversity among customers, consumers, suppliers, and communities in which we work
- Is sensitive and responsive to the work-life needs of our employees
- Promotes a sense of company responsibility on issues of diversity and inclusion

**Dell, Inc.**

Dell is committed to inclusion and diversity. Our mission is to succeed in the marketplace by fostering a winning culture of Dell employees who are highly talented, committed, reflective of our global customers and recognized as our greatest strength.

Dell’s diversity initiatives focus on three business imperatives:

1. To provide a great customer experience, which requires a workforce reflective of our customers
2. To access the best and brightest talent the marketplace has to offer
3. To focus on global expansion with employees who understand the various cultures, giving us a competitive advantage

Diversity is at the core of Dell’s values and winning culture. It helps define the kind of company we are and aspire to be. Diversity initiatives tap additional talent, retain
employees, strengthen relationships, improve our operating results, and further our global
citizenship efforts in the many communities we call home. Dell defines diversity in its
broadest sense: “It’s About Inclusion.”

At Dell, we're committed to building a diverse environment that is reflective of a diverse
global marketplace and an inclusive culture where everyone is engaged. We strive to ensure
that each employee is heard and valued and that personal strengths and perspectives are
assets to the company, rather than being left at the door.

To achieve our vision for an even more diverse and inclusive global company, we
established a global diversity strategy, which is reviewed regularly by the Global Diversity
Council. Our strategy focuses on:

• Strong, visible leadership commitment and clear expectations of accountability for
diversity and inclusion

• Genuine commitment to diversity and inclusion built into our business practices

• Thorough integration of these behaviors in our talent and performance management

Eastman Kodak Company

Our Global Diversity Vision is an inclusive environment in which we leverage diversity
to achieve company business objectives and maximize the potential of individuals and the
organization.

The Mission of the Global Diversity & Community Affairs Office is to integrate diversity
and inclusion in all aspects of the business in order to:

• Fully engage the energies of Kodak's employees and a diverse supplier base

• Meet competitive challenges in the marketplace

• Maximize shareholder value

Johnson Controls, Inc.

For Johnson Controls, diversity is a requirement for doing business right. We provide
customers with products and services reflecting the preferences of a diverse global
marketplace. This requires a workforce with the thoughts, ideas and experiences needed to
serve all markets.

Johnson Controls is committed to attracting, developing and training the best talent in
the world. Recognizing that excellence comes in many forms and from every region, we
foster a culture that promotes excellent performance, teamwork, inclusion, leadership and
growth.
To accomplish our business growth objectives, our employees must be involved and engaged as individuals and as team members. Our employee and leader diversity mirrors our global markets and population. We do that by hiring and working with smart, talented people who can bring us diverse perspectives and capabilities.

We work to eliminate discrimination and harassment in all its forms, and we are committed to providing equal opportunity in all of our employment practices. By valuing diversity, all our employees can fully realize their potential.

**Johnson & Johnson**

Our vision is to maximize the global power of diversity and inclusion to drive superior business results and sustainable competitive advantage. We will achieve our vision by:

- Fostering credo-based inclusive cultures that embrace our differences and drive innovation to accelerate growth (workplace)
- Achieving a skilled, high performance workforce that is reflective of the diverse global marketplace (workforce)
- Working with business leaders to identify and establish targeted market opportunities for consumers across diverse demographic segments (marketplace)
- Cultivating external relationships with professional, patient and civic groups to support business priorities (external stakeholders).

**Medtronic**

At Medtronic, we recognize that a broad spectrum of skills, values and cultures are essential for innovation and growth. As such, significant diversity characterizes our employees, as well as our customers and their patients, and will continue to do so as Medtronic grows into the 21st Century.

We are committed to being the employer of choice for our globally diverse workforce. Our goal is to respect employees and maintain a workplace where all employees can contribute to their full potential. We strive for maximum awareness, skill and adaptability in dealing with differences among employees, customers, and other stakeholders. Clarity, honesty, and directness mark our approach as we focus on fulfilling Medtronic’s mission to alleviate pain, restore health, and extend life.

**The New York Times Company**

The New York Times Company is committed to diversity in its most inclusive sense, so it’s not simply an issue of race or ethnicity. We seek to attract, develop and retain people from a rich variety of experiences, ethnic backgrounds and cultures. In a rapidly changing world, our diverse workforce will strengthen our competitive position in the global marketplace.
The Procter & Gamble Company

P&G believes a fully engaged and leveraged diverse work force is a competitive advantage. Our goal is to grow that competitive edge by fostering an inclusive culture.

Diversity is a business strategy for P&G. It's an intentional choice that creates sustainable competitive advantage. It is implicit in the company's purpose and explicit in the company's business strategy for success. We simply cannot create brands and products to improve the lives of the world's consumers unless we deeply understand and value the diversity of their needs and aspirations. We believe the best way to do this is to have a work force that reflects the markets and consumers we serve and to fully value and leverage all of their experiences, insights and talents. That's why P&G’s corporate diversity strategy is: Everyone valued, Everyone included, Everyone performing at their peak.

Trinity Health

Trinity Health operates dozens of hospitals and hundreds of health centers in seven states. Because we serve diverse populations, our associates are trained to recognize the cultural beliefs, values, traditions, language preferences, and health practices of the communities that we serve and to apply that knowledge to produce positive health outcomes. We also recognize that each of us has a different way of thinking and perceiving our world and that these differences often lead to innovative solutions.

Trinity Health's dedication to diversity includes a unified workforce (through training and education, recruitment, retention and development), commitment and accountability, communication, community partnerships, and supplier diversity.

United States Steel

In order to attract and retain employees with the talents and skills needed for the company to achieve its vision: “Making Steel. World Competitive. Building Value.” U. S. Steel is committed to creating an environment that values people's differences.

Established in 2006 and working closely with a Diversity Council made up of employees with different backgrounds, U. S. Steel's Corporate Diversity Department is focused on attracting, training and retaining a world-class workforce. This is essential to sustaining our global operations at a time when the demographics of America are changing and the labor force is growing at a slower pace. The department’s immediate goals include training our existing workforce on our new diversity initiatives and recruiting new employees with a variety of educational, work, community service and life experiences for positions throughout the company.
Walmart

We believe that business wins when everyone matters. We remain competitive by leveraging diverse perspectives to drive business solutions; expanding our talent pipeline to create a sustainable company; and demonstrating global cultural competence to better serve our customers, associates, communities and suppliers.

Walmart Office of Diversity Core Objectives:

• To align diversity strategies and goals directly with our business.
• To continue to build a diverse leadership pipeline and workforce.
• To model inclusive leadership through mentoring and outreach to diverse organizations.
• To serve as the leading employer, retailer and neighbor of choice.
• To enhance our relationships with diverse suppliers.

WellPoint, Inc.

Everything we do at WellPoint is focused on our mission of improving the lives of the people we serve and the health of our communities. This spirit drives our commitment to create the best health care value for our customers, while advocating for responsible health care reform in America. It sets the foundation for our success as the nation’s largest health benefits company and it strongly influences our approach to diversity as a competitive advantage.

At WellPoint, we are determined to provide quality health care plans to our members and to deliver products and services that anticipate and meet customer needs. We understand that diversity is essential to our success, as we deliver on this commitment by:

• Recruiting and retaining the best talent from ALL walks of life
• Developing products and marketing initiatives that resonate with, and appeal to a diverse consumer base
• Cultivating a culturally competent workforce that understands what drives our consumers’ buying decisions, and the needs of the diverse underinsured and uninsured market
• Understanding and communicating that diversity management is not just race, gender, age, sexual orientation or disability, but rather a comprehensive strategy for business success
• We believe in the power of diversity, the role it plays in creating a culture of distinction and the impact it has on improving our member and provider service satisfaction, our associate and consumer engagement and, ultimately, a brighter future.
Case Study:
Marriott International, Inc.

Marriott International’s commitment to diversity can be summed up in one word—absolute. To Marriott, diversity is more than a goal, it is a business imperative. Nineteen years after Marriott became the first hospitality company to implement a diversity program, the company still continues to make great strides in the diversity and inclusion world. Initially, the company’s initiatives only focused on workplace programs, but today Marriott’s D&I focus includes employees, owners, customers, franchisees, and suppliers.

In 2003, the company established its “Committee for Excellence,” which meets regularly to set important diversity goals for the company and oversees the progress at every level of the organization. Marriott also has three regional diversity councils that work to make sure that the company’s diversity message is translated well throughout its communications, in its recruitment efforts, and in its relationships with other corporations.

Another facet of Marriott’s strong commitment to diversity and inclusion can be seen through its diversity ownership program. The company reports that more than 430 of its hotels are owned, operated, or under construction by minorities and women.

Through its supplier diversity program, the company has spent $500 million with multicultural firms and has put forth a goal of spending 15 percent with multicultural firms.

The company’s efforts to ensure all of its employees feel included and important extend to employees with disabilities as well. Marriott’s hotels work with many community-based disability organizations and high schools to help prepare individuals with disabilities for employment in the hospitality industry. A few years ago, the company introduced its “We Welcome Service Animals” training program, which assists its hotels in helping to make its guests with disabilities who have service animals feel comfortable during their stay. Additionally, more than 10,000 young persons with disabilities have gotten job and life training skills through Marriott’s “Bridges…from School to Work” program.