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Abstract
An analysis of diversity management programs used by fourteen companies cited for diversity found a suite of practices used by nearly all of them. Using a benchmarking assessment, this study analyzed the diversity management programs from a sample of hospitality and customer service organizations that were named by Diversity Inc. to be top companies for diversity. The analysis of the organizations’ specific practices revealed the following seven complementary and highly related categories of diversity management practice: corporate diversity council, diversity training programs, supplier diversity, employee networking and mentoring, cultural awareness, support for women, and lesbian, gay, bisexual, and transgender network programs and same-sex benefits. The result of these policies is a highly diverse workforce and relatively diverse management in the sample firms.

Keywords
diversity management; best practices; diversity training; human resources; mentoring

Diversity, as the term is used in the United States, is a continuing concern of the U.S. government and the nation’s businesses and organizations. The fastest growing groups in the U.S. workforce are Hispanics, Blacks, foreign-born individuals, and people with disabilities (Bureau of Labor Statistics 2009; Houtenville and Kalargyrou 2012; Toossi 2012). All of these groups are included in the U.S. definition of workplace diversity, which includes such aspects as ethnic identity, gender, sexual orientation, age, and disability (Arthur and Doverspike 2005; Madera 2011; Richard 2000). Given the government’s focus on diversity, corporate investments in diversity management efforts have grown in the last two decades to an eight-billion-dollar level (Chavez and Weisenger 2008; Hansen 2003). Organizations have adopted numerous practices aimed at fostering diversity, such as mentoring programs focused on developing women and ethnic minorities, diversity training, networking programs that connect employees who share a similar demographic background, and supplier diversity programs.

With the exception of collected lists of best practices, I have found little structured information about specific programs used by hospitality and customer service organizations (Kalev, Dobbin, and Kelly 2006). Thus, the purpose of this study was twofold: first, to outline what the diversity management literature suggests about various diversity management programs, and second, to examine which diversity management practices are used by organizations that have been recognized as exemplary organizations for diversity management, including a comparison with what the literature recommends. To do this, I analyzed the diversity management programs from a sample of hospitality and customer service-related organizations that were named by Diversity Inc. to be top companies for diversity.

Diversity Management Practices
Diversity management practices are complementary, interrelated human resource policies that focus on increasing and maintaining a diverse workforce (Dyer and Reeves 1995). Research suggests that diversity management practices can provide firms with a competitive advantage, among other benefits (Cox and Blake 1991; McKay, Avery, and Morris 2008, 2009; Richard 2000; Richard and...
Diversity management practices succeed by directing attention to relevant efforts to achieve the goals of diversity and eliminate discrimination. Among the effective practices are formal, written guidelines and policies to increase diversity, which lead to more diversity in the workforce and management positions (Konrad and Linnehan 1995). Regardless of their specific form, diversity management programs generally focus on recruiting and developing diverse employees, for example, through networking and mentoring programs focused on hiring and advancing women and ethnic minorities. Most programs include executive positions related to administering the program, and many firms also maintain programs to source purchasing from women- and minority-owned businesses. In addition, these programs generally involve educating and training employees regarding diversity.

Y. B. Kim (2006) applied a four-dimensional scheme to diversity management practices, based on the following four broad benefits of diversity: maintaining a heterogeneous workforce that provides new and fresh ideas, improving firm growth, enhancing firm image, and gaining a pool of valuable human resources.

**New and Fresh Ideas**

Y. B. Kim (2006) proposed that a diverse workforce can enhance an organization’s marketing strategy because diversity in work groups often leads to diverse ideas and perspectives. In fact, research shows that groups of diverse personnel are more effective in solving and analyzing problems than are homogeneous groups (Cox 2001). In addition to generating new ideas, a diverse workforce will mirror the diversity that makes up customers.

**Improve Firm Growth**

Research shows that having diversity management programs promotes employees’ organizational attitudes that affect individual performance (McKay, Avery, and Morris 2009). Those favorable attitudes would be reflected in the operations of customer service organizations (Waight and Madera 2011).

**Enhance Firm Image**

Companies with exemplary diversity management practices perform better, as measured by their stock prices (P. Wright et al. 1995). However, allegations of discrimination can harm an organization’s public image (Y. B. Kim 2006) and damage stock prices (Goldman et al. 2006).

**Create Valuable Human Resources**

Customer service organizations already depend on a diverse workforce and will continue to do so. Although recruiting, selecting, and retaining a diverse workforce will give an organization a competitive advantage (Y. B. Kim 2006), numbers alone are not sufficient. Instead, research shows that the benefits of diversity on organizational performance are contingent on formal and integrative diversity practices (Cox, 2011; Kalev et al. 2006; McKay, Avery, and Morris 2008, 2009).

**Commonly Cited Diversity Management Programs**

**Leadership Initiatives**

Leadership, particularly executive positions related to administering a diversity program, is one of the most important factors for developing a diverse workforce (Richard 2000). Management positions are responsible for monitoring diversity outcomes (such as recruiting and retention rates of ethnic minorities and women). Some scholars argue that direct involvement from top executives in diversity-related functions can signal an organization’s commitment to diversity (e.g., Cox 2001; Gilbert, Stead, and Ivancevich 1999; Hubbard 2004). Even stronger is including diversity and nondiscrimination policies as part of the organizational culture (Baytos 1992; Cox 2001; Hubbard 2004; Naff and Kellough 2003; Richard 2000; Sturm 2001).

**Diversity Training**

Many organizations offer diversity training to implement and maintain a culture of diversity and inclusion (up to 79%, according to Galvin 2003). Although the specifics of diversity training programs can vary widely, they share one common set of goals, which is “to increase knowledge about diversity, to improve attitudes about diversity, and to develop diversity skills” (Kulik and Roberson 2008, p. 310). Such training can take the form of online modules, classroom-based training, videos, discussions, role-plays, simulations, and exercises (Bendick, Egan, and Lofhjelm 2001; Pendry, Driscoll, and Field 2007).

**Recruitment and Selection**

Regarding the key aspect of diversity management programs, recruiting and promoting diverse applicants, the literature points to the following three specific strategies: (1) using proper communication media and messages, such as minority publications and websites; (2) using minority recruiters and advertising materials that include diverse individuals; and (3) communicating the importance and value of diversity to all applicants to maintain a positive diversity climate among new hires (Arthur and Doverspike 2005; Avery 2003; Avery, Hernandez, and Hebl 2004; Cox 2001; Digh 1999; Doverspike et al. 2000; Houtenville and...
Mentoring and Networking

The diversity management literature underscores the importance of mentoring and networking programs for minorities (Brass 1984). Many diversity management programs focus on mentoring and providing networks for minority employees. The literature suggests two major programs: (1) creating formal programs in which managers mentor minority employees and (2) using affinity groups—employee networking groups in which employees engage in informal activities, discussions, and meetings to share information and career advice (Cole 2003; Digh 1997; Higgins and Thomas 2001; Houtenville and Kalargyrou 2012; Sparrowe and Liden 2005; D. A. Thomas 2001; Wanberg, Welsh, and Hezlett 2003).

Supplier Diversity

Supplier diversity programs help support the estimated 10.4 million women- and minority-owned businesses in the United States, which generate more than $1.5 trillion in sales revenue and employ 11.7 million people (U.S. Census Bureau 2002). More than 75 percent of organizations have some type of supplier diversity initiative, but these initiatives are not always communicated or implemented effectively (Holmes 2005). Corporate commitment and corporate culture have been identified as the most important factors in developing and maintaining a supplier diversity program (Carter, Auskalnis and Ketchum 1999; Duffy 2004; Min 1999; Whitfield and Landeros 2006; Yuva 2003).

Affirmative Action (AA) and Equal Employment Opportunity (EEO) Compliance

Underlying most successful diversity programs are AA/EEO programs, which are also generally mandated by federal or state law. Usually administered by a director, AA/EEO programs focus on setting goals for increasing diversity in all ranks of an organization and evaluating the progress of diversity, including collecting and analyzing demographic information of an organization, finding departments or ranks in which women and minorities are underutilized, and disseminating information about diversity to employees (Cox 2011; Jayne and Dipboye 2004; Kaley et al. 2006; Konrad and Linnehan 1995).

With that background for why diversity management practices benefit hospitality organizations, I will examine which specific diversity management practices are adopted by a sample of successful hospitality and customer service organizations. The goal is to develop an organized list of diversity programs and discover whether diversity management practices recommended by researchers are the ones adopted by these successful firms.

Method and Sample Construction

Using Hinkin and Tracey’s (2010) benchmarking assessment methodology, I studied fourteen organizations selected from the 2010 Diversity Inc. Top 50 Companies for Diversity to investigate what these organizations do to successfully manage a diverse workforce. In this competitive-generic hybrid benchmarking analysis, organizations from the same industry and organizations from other but similar industries are examined in one sample. I used the Diversity Inc. list as a proxy for an assessment of effective diversity management. I note that these organizations have a higher proportion of women and minorities in their workforce, management positions, and executive positions than organizations outside this list. These organizations are representative of major U.S. corporations, and they are positively rated by the majority of their employees. Their company size, revenue, health care benefits, and salaries are highly comparable, and company information and demographic data are generally available. Because the majority are headquartered in the United States, most organizations are governed by the same laws (e.g., Title VII of U.S. Civil Rights Law). Similar methods have been used by past research examining diversity management practices (e.g., Bilimoria 2006; Rechner and Dalton 1991; Wiersema and Bantel 1992).

The fourteen companies that I chose from the Diversity Inc. list all involve a large service component as part of their business model. The sample included five hospitality organizations: Sodexo (ranked 1 by Diversity Inc.), Marriott International (ranked 7), Starwood Hotels and Resorts Worldwide (ranked 19), MGM Mirage (ranked 24), and the Walt Disney Company (ranked 33); two food and beverage purveyors—the Coca-Cola Company (ranked 17) and Kraft Foods (ranked 35); and seven other service organizations: Bank of America (ranked 9), Verizon Communications (ranked 11), Health Care Service Corporation (ranked 20), HSBC-North America Bank (ranked 27), JP Morgan Chase Bank (ranked 34), Target Corporation (ranked 40), and J. C. Penney (ranked 46). These fourteen organizations are listed in Exhibit 1, together with their diversity management practices, and ethnicity- and gender-related workforce statistics, as available.

The Diversity Inc. list is developed from a multiple-choice survey consisting of about 300 questions that is mailed to more than 700 companies. No subjective or qualitative questions are asked. The survey is organized in four parts: CEO commitment, human capital, corporate communications (internal and external), and supplier diversity. The survey includes questions on workforce demographics, including information on race and gender at different levels of management and on the retention rates for female and minority managers, and about supplier diversity, such as the
**Exhibit 1:**
**Diversity Management and Workforce Diversity Statistics**

<table>
<thead>
<tr>
<th>Ranking and Company</th>
<th>Diversity Management Practices</th>
<th>Workforce Diversity Statistics</th>
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</thead>
<tbody>
<tr>
<td>(1) Sodexo</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 49.7% of the workforce, and 60% are women.</td>
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<td></td>
<td>2. Diversity training programs</td>
<td>Ethnic minorities account for 24% of management, and 45% are women.</td>
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<td>3. Supplier diversity</td>
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<td>4. Employee networking and mentoring programs</td>
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<td>6. Support for women</td>
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<td>7. Same-sex benefits</td>
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<tr>
<td>(7) Marriott International</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 61% of the workforce, and 55% are women.</td>
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<td></td>
<td>2. Diversity training programs</td>
<td>Women account for 48% of management. Ethnic minorities are 27% of new managers hired.</td>
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<td>3. Supplier diversity</td>
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<td>4. Employee networking and mentoring programs</td>
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<td>6. Support for women</td>
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<td>7. Same-sex benefits</td>
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<tr>
<td>(9) Bank of America</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 44% of the workforce, and 69% are women.</td>
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<td></td>
<td>2. Supplier diversity</td>
<td>Ethnic minorities account for 25% of management, and 49% are women.</td>
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<td>3. Employee networking and mentoring programs</td>
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<td>6. Same-sex benefits</td>
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<tr>
<td>(11) Verizon</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 37% of the workforce, and women are 30%.</td>
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<td>Communications</td>
<td>2. Supplier diversity</td>
<td>30% of managers are ethnic minorities, and 22% are women.</td>
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<td>3. Employee networking and mentoring programs</td>
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<td>6. Same-sex benefits</td>
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<tr>
<td>(17) Coca-Cola Company</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 35% of the workforce, and 41% are women.</td>
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<td></td>
<td>2. Diversity training programs</td>
<td>Ethnic minorities account for 35% of management, and 49% are women.</td>
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<td>7. Same-sex benefits</td>
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<tr>
<td>(19) Starwood Hotels and</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 60% of the workforce, and 50% are women.</td>
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<tr>
<td>Resorts Worldwide</td>
<td>2. Diversity training programs</td>
<td>Ethnic minorities account for 50% of college interns.</td>
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<td>3. Supplier diversity</td>
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<td>4. Employee networking and mentoring programs</td>
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<td>6. Support for women</td>
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<td>7. Same-sex benefits</td>
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<tr>
<td>(20) Health Care Service Corporation</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 41% of the workforce, and 34% are women.</td>
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<td>2. Diversity training programs</td>
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<td>3. Supplier diversity</td>
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<td>6. Same-sex benefits</td>
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<td>(24) MGM Mirage</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 61% of the workforce, and 50% are women.</td>
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<td></td>
<td>2. Diversity training programs</td>
<td>Ethnic minorities account for 36% of management, and 44% are women.</td>
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<td>3. Supplier diversity</td>
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<td>4. Employee networking and mentoring programs</td>
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<td>6. Same-sex benefits</td>
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<tr>
<td>(27) HSBC-North America Bank</td>
<td>1. Corporate diversity council</td>
<td>Ethnic minorities account for 40% of the workforce, and 57% are women.</td>
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<td></td>
<td>2. Supplier diversity</td>
<td>Ethnic minorities account for 37% of new hires, and 56% are women.</td>
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<td>3. Employee networking and mentoring programs</td>
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(continued)
Exhibit 1: (continued)

<table>
<thead>
<tr>
<th>Ranking and Company</th>
<th>Diversity Management Practices</th>
<th>Workforce Diversity Statistics</th>
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</table>
| (33) Walt Disney Company | 1. Corporate diversity council  
2. Diversity training programs  
3. Supplier diversity  
4. Employee networking and mentoring programs  
5. Cultural awareness  
6. Support for women  
7. Same-sex benefits | Ethnic minorities account for 21% of the workforce, and 52% are women.  
Ethnic minorities account for 21% of management, and 44% are women |
| (34) JP Morgan Chase Bank | 1. Corporate diversity council  
2. Diversity training programs  
3. Supplier diversity  
4. Employee networking and mentoring programs  
5. Cultural awareness  
6. Support for women  
7. Same-sex benefits | Ethnic minorities account for 41% of the workforce. |
| (35) Kraft Foods | 1. Corporate diversity council  
2. Supplier diversity  
3. Employee networking and mentoring programs  
4. Support for women  
5. Same-sex benefits | Ethnic minorities account for 21% of the workforce, and 35% are women |
| (40) Target Corporation | 1. Corporate diversity council  
2. Diversity training programs  
3. Supplier diversity  
4. Employee networking and mentoring programs  
5. Cultural awareness  
6. Support for women  
7. Same-sex benefits | Ethnic minorities account for 42% of the workforce, and 59% are women.  
Ethnic minorities account for 23% of management, and 47% are women. |
| (46) J.C. Penney | 1. Corporate diversity council  
2. Diversity training programs  
3. Supplier diversity  
4. Employee networking and mentoring programs  
5. Cultural awareness  
6. Support for women  
7. Same-sex benefits | Workforce demographic data were not available. |

volume of purchases, provision of loans, or other financial assistance to diverse suppliers. To be selected for the list, companies must score above average in all four parts.

My study examined these firms’ diversity management practices as found on their web sites, the Standard and Poor’s Register of Corporations, and information from the Human Rights Campaign, the National Association of Female Executives (NAFE), and the National Minority Supplier Development Council. I conducted a content analysis using Krippendorff’s (2004) coding guidelines, in which trained coders read all of the materials and develop a coding scheme. Along with the coders, I cross-checked the coding scheme for reliability. We then developed and cross-checked subthemes.

Results and Discussion

The content analysis found seven major themes reflecting the following seven diversity management programs applied by all fourteen corporations: corporate diversity council, diversity training programs, supplier diversity, employee networking and mentoring, cultural awareness, support for women, and lesbian, gay, bisexual, and transgender network (LGBT) programs and same-sex benefits.

Corporate Diversity Council

Although known by different names, the firms’ corporate diversity councils have a common function of focusing management and staff on diversity issues and actions. At Coca-Cola, the diversity council is composed of employees from various levels and business units to advise senior management regarding diversity (Coca-Cola 2011). MGM Mirage holds diversity roundtable discussions that include top executives, including the CEO, and established the Corporate Diversity and Community Affairs Department to implement diversity and inclusion initiatives (MGM Mirage 2011). The CEO of Bank of America is the chair of their corporate diversity council, which meets quarterly (Bank of America 2011).
Kraft Foods established a diversity practices council that comprises executive leaders from various departments, including corporate and legal affairs, multicultural marketing, diversity management, and talent acquisition to ensure that their diversity efforts are aligned with corporate strategies (Ezell, Wise, and Moody 2010). Sodexo takes a unique approach with its diversity council because the members of their Diversity and Inclusion Business Advisory Board are not employees of Sodexo, but are rather leaders from outside the company who advise the corporate leaders on diversity issues (Sodexo 2011).

Starwood Hotels and JP Morgan Chase all include senior leaders in their diversity teams. Starwood’s Diversity Council monitors the status of women and minorities in three areas: their associates, managers, and owners. Chaired by the CEO, Marriott International created a corporate diversity council that meets quarterly and is composed of corporate executive leaders who are responsible for developing diversity objectives and keeping track of diversity in four areas, including their employees, guests, suppliers, and owners.

J. C. Penney uses regional chapters for its diversity and inclusion councils overseen by a senior executive of diversity and inclusion development program (J. C. Penney 2011). Similarly, the Walt Disney Company established a diversity leadership advisory board comprising executives from various business units in all of its locations. These diversity councils assist their site in developing diversity strategies, such as monitoring trends in management diversity. A common thread in all these diversity councils is that support from top management is an important aspect, reflecting the importance of top management in promoting diversity initiatives (Chrobot-Mason and Quiñones 2002; Hebl, Madera, and King 2007).

Diversity Training Programs

Ten of the fourteen organizations communicate the availability of diversity training through their corporate web site, namely, Coca-Cola, Health Care Service Corporation, J. C. Penney, JP Morgan Chase Bank, Marriott, MGM Mirage, Starwood Hotels and Resorts, Target, Walt Disney, and Sodexo. Coca-Cola, for instance, has diversity training, a diversity speaker series, and diversity training for supplier diversity to ensure that its associates understand how women- and minority-owned businesses can be used as an asset for Coca-Cola. Sodexo maintains mandatory diversity training for the entire workforce on such topics as generations in the workplace and cross-cultural communications. Similarly, Target has mandatory diversity training for all of their employees, which is held monthly for half a day.

Diversity training at Starwood Hotels and Resorts Worldwide is not mandatory, but a one-day session at MGM Mirage is required for both employees and managers. Marriott International’s training is also mandatory, as is that of Health Care Service Corporation, J. C. Penney, Walt Disney, and Kraft Foods, in sessions that range from half a day to a full day.

Broad or Narrow Approach to Diversity. Most of the firms I studied defined diversity quite broadly, but some gave it a narrow interpretation. Broad definitions can encompass a variety of demographic dimensions (e.g., race, age, gender, disability, sexual orientation) and individual dimensions (e.g., parental status, education level, personality). In contrast, narrow definitions of diversity may only consider a few demographic dimensions (e.g., race, age; Roberson, Kulik, and Pepper 2003).

Diversity training in the following firms takes a broad approach: Coca-Cola, Health Care Service Corporation, J. C. Penney, JP Morgan Chase, Sodexo, Target, and the Walt Disney Company. This approach is consistent with research-based evidence that shows that employees prefer diversity training that takes a broad approach (Mobley and Payne 1992; Roberson et al. 2003). In doing so, employees feel that every group, whether based on race or age, is represented as diverse, including their own.

Supplier Diversity

All fourteen of the organizations had some type of supplier diversity program that was clearly communicated through their web sites. In 2010, the Walt Disney Company’s supplier diversity program spent $443.6 million on women- and minority-owned businesses, representing more than 13 percent of the firm’s supplier spending (Walt Disney Company 2011), and Disney also has a formal relationship with the National Association of Women Business Owners. MGM Mirage spent more than $700 million (17% of its supplier spending) in construction and design contracts with more than 200 minority-owned firms throughout a five-year project (MGM Mirage 2011), and works with the Women’s Chamber of Commerce of Nevada to support women-owned businesses. Marriott International spends 16.6 percent of its discretionary spending with diverse suppliers, surpassing its goal of 15 percent established in 2007 (Marriott International 2011). Similarly, Starwood Hotels and Resorts Worldwide spends 11 percent with diverse suppliers.

Supplier diversity programs are mutually beneficial. HSBC-North America (2011) states that “HSBC leverages the supplier diversity program to build relationships with select businesses by providing training and exposure that strengthens their ability to compete in the U.S. and global market place.” With more than 30 years of experience, J. C. Penney has a long history with promoting minority- and women-based organizations. J. C. Penney is a founding member of the National Minority Supplier Development Council and the Women’s Business Enterprise Council,
two business networking organizations that are focused on promoting women- and minority-owned businesses. Similarly, supplier diversity for Sodexo, which spends 14 percent on supplier diversity initiatives, is communicated as an opportunity to provide excellent products and goods, and as a competitive advantage for their diverse customers and their minority-based business partners (Sodexo 2011).

Many of the organizations also provide some form of mentoring to diverse suppliers. Spending 25 percent of its supplier spending on women- and minority-owned businesses, Coca-Cola established a supplier diversity mentoring program that trains and guides female and minority business owners (Coca-Cola 2011; Tharasook 2008). In addition to spending 28 percent of supplier spending with diverse vendors, Bank of America provides women- and minority-owned suppliers financial assistance and resources, such as loans, equity financing, and financial services (Bank of America 2011). Verizon spent 36.5 percent of its supplier spending with diverse suppliers and actively pursues business with diverse suppliers by partnering with diversity advocacy groups, chambers of commerce, and other organizations to identify qualified diversity suppliers (Verizon 2011). In sum, the average spending on diverse suppliers was 20 percent for this sample, higher than the typical spending focused on women- and minority-owned businesses, which ranges more commonly from 5 to 8 percent (National Minority Supplier Development Council 2004).

Employee Networking and Mentoring Programs

The third theme that emerged from the data analysis was the presence of employee networking groups and mentoring programs, which are found in all fourteen organizations. For example, Verizon established the Employee Resource Group, which provides networking, mentoring, special initiatives, seminars, and conferences for employees (Verizon 2011). Kraft Foods established a “Jumpstart” program in which senior members coach employees who have less than three years with the company. The program helps employees understand how to build and maintain relationships, gain leadership skills, and establish effective mentor networks. Kraft Foods also has peer-coaching networks that are specifically aimed at accelerating the development of women and ethnic minorities toward management positions (Ezell et al. 2010). Similarly, MGM Mirage holds a nine-month executive mentoring program with the goal of advancing high-potential minority employees into the executive level.

Sodexo uses both mentoring and employee networking groups for its diversity and inclusion initiatives. In particular, Sodexo established IMPACT, which is an annual event in which mentoring partnerships are formed to help protégés achieve their work goals. To increase diversity in management, Sodexo also established the “Spirit of Mentoring Bridge Program,” which is focused on connecting newly hired and frontline managers.

Starwood established a virtual mentor network that is centered on a web-based tool that allows employees worldwide to create mentoring relationships with other associates. Mentors and protégés establish goals on leadership competencies and measure progress, provide coaching and development opportunities, and prepare employees for leadership roles (Allen, Finkelstein, and Poteet 2009).

Affinity Groups. A subtheme in the networking category is affinity groups based on a common dimension (e.g., race, religion, disability, gender). Sodexo’s affinity groups, for instance, include the African American Leadership Forum, the Military Network Group, the Intergenerational Network Group, the Pan-Asian Employee Network Group, PRIDE (a LGBT), the Organization for Disabilities Resources, the Organization of Latinos, and the Women’s Network Group (Catalyst 2012).

Coca-Cola, HSBC-North America Bank, and J. C. Penney have also established affinity groups, such as people with disabilities, female, African-American, Asian/Pacific Islander, LGBT, Hispanic, and Native American employees. Developing employee networking groups, and mentoring programs that are focused on women and minorities is aligned with the literature examining mentoring experiences for those groups, which suggests that minority managers have fewer intimate networking relationships (Hebl, Madera, and King 2007; Ibarra 1995; D. A. Thomas 1990). It is widely recognized that networks are central to a person’s mobility, promotion, and emergence as a leader. The absence of such networks, moreover, leads to feelings of exclusion and lack of commitment in the workplace (Williams and O’Reilly 1998).

Cultural Awareness

Twelve of the fourteen organizations communicated cultural awareness programs or training on their corporate web sites: Bank of America, Coca-Cola, Health Care Service Corporation, J. C. Penney, JP Morgan Chase, Marriott, Target, Sodexo, Starwood Hotels and Resorts, Verizon, and Walt Disney.

Marriott’s web site clearly communicates that the multicultural makeup of the U.S. workforce is a business opportunity, stating that

for many new immigrants, hotels are often the first opportunity for formal employment and [they] deeply influence initial impressions of their new homeland. In the U.S., many of our associates are foreign-born, and Marriott has long advocated for a comprehensive approach to immigration reform. (Marriott International 2011)
In addition to their efforts in U.S. properties, in 2008, Marriott appointed a global diversity officer to spearhead the company’s diversity outreach outside of the United States. Part of Marriott’s required diversity training aims to help employees gain cultural competence and be able to effectively work with peers and customers from different cultures. Disney uses its “hola” program to promote Hispanic and Latino heritage and cultural exchange between employees.

An example of how hospitality organizations can embrace cultural awareness is provided by the observance of Ramadan by Starwood Hotels and Resorts, in which the hotels provide reduced rates to customers traveling during that time. Verizon also celebrates cultural holidays with events such as the Lunar New Year, Cinco de Mayo, Hispanic Heritage month, Black History month, Latin Grammys, the National Association for the Advancement of Colored People Image Awards, and the Hispanic and Asian film festivals. Health Care Service Corporation established a “Diversity Day,” in which employees can take a paid floating holiday that can be used for any cultural holiday.

In addition to having general cultural awareness programs, some of the organizations, such as Starwood and Marriott, have programs that welcome employees from all cultures and facilitate employees to work and gain international experience in their company under specific visas. Such programs promote cultural diversity among the workforce and strengthen employees’ ability to communicate effectively with a wide span of customers.

**Language Proficiency Programs.** Another subtheme was that some of the organizations had programs focusing on language proficiency. Both Starwood Hotels and Resorts, and Marriott offered language programs. Marriott’s language program teaches Spanish-speaking employees workplace skills in English to increase their English proficiency. Such programs benefit the workers and develop a bilingual staff, which is important to the organization. Verizon provides customer service in multiple languages in the United States to support customers in Mandarin, Cantonese, Korean, Russian, Spanish, and Vietnamese.

**Support for Women**

All of the firms work on recruiting, developing, and retaining women. This finding is underscored by the fact that women constitute a greater proportion of workers than ever before (Powell and Graves 2003). It is projected that by 2016, women will make up about 46 percent of the labor force, a percentage that will hold relatively steady (at 48%) through 2025 (Fullerton 1999; Toossi 2008). The hospitality industry has more work to do here, given its reputation for sex discrimination, sexual harassment, and being male dominant (Slonaker, Wendt, and Baker 2007; Sparrowe and Iverson 1999). Additionally, research has shown that women earn less than men in similar job positions and that there are gender differences in hospitality industry managerial positions (Biswas and Cassell 1996; Purcell 1996; Sparrowe and Iverson 1999; Thrane 2007).

The fourteen organizations in this study have clearly recognized the value of creating avenues for women in top management positions, with programs such as “Women’s Leadership Development Program” at Marriott, Coca-Cola’s “Women’s Linc” business resource group, and the J. C. Penney women’s affinity group. Marriott’s program includes a Leadership Development Talent Inventory process for female general managers to give them a personal assessment, feedback, coaching, a workshop, and a personal development plan. Sodexo’s “Women’s Network Group” was established to include women’s growth and development as part of Sodexo’s culture and mission (Catalyst 2012).

Seven of the firms have been given the NAFE Top 50 Award, for companies that display a great interest in their female executives, based on the number of women in executive positions. Those firms are Bank of America, HSBC North America, JP Morgan Chase, Kraft Foods, Marriott Hotels, Sodexo, and Verizon. Women in the organizations on the NAFE list represent an average of 23 percent of boards of directors and 26 percent of executive positions. In contrast, women only constitute 15.4 percent of corporate officers and 14.6 percent of boards of directors of Fortune 500 organizations (Catalyst 2007).

**LGBT Programs and Same-Sex Benefits**

The last theme that emerged from the analysis is support for LGBT employees and providing same-sex benefits. All fourteen organizations offer same-sex benefits to their employees, which exceeds the 57 percent rate of Fortune 500 organizations that provide benefits to employees’ same-sex partners. Estimated at up to 10 percent of the population, LGBT individuals often face discrimination in their personal lives (Gonsiorek and Weinrich 1991; Herek 2000) and in the workplace (Friskopp and Silverstein 1996; Hebl, Madera, and King 2007; Ragins and Cornwell 2001; Ragins, Singh, and Cornwell 2007). Although there are state and local antidiscrimination laws that protect sexual orientation diversity, sexual orientation is not protected at the federal level.

Three organizations stand out for advancing LGBT employment policies and protection: Marriott International, JP Morgan Chase, and MGM Mirage. Marriott International was among the first in the lodging industry to offer domestic partner benefits and has earned perfect 100-percent scores on the Human Rights Campaign’s Corporate Equality Index for multiple years (Gunther 2008). JP Morgan Chase was the first in the banking industry to offer same-sex
domestic partner benefits to its employees. Similarly, MGM Mirage was the first company in the gaming industry to offer same-sex health benefits to employees.

Other organizations also provide same-sex benefits and actively engage in events that advance LGBT diversity. Verizon flies a rainbow flag during Pride month, and Target has a history of sponsoring events in the LGBT community. In addition, Marriott hotels have hosted LGBT community functions and events as part of their efforts to advance LGBT inclusion policies.

Sexual Orientation Nondiscrimination. A subtheme that emerged here is that some of the organizations also include sexual orientation in their nondiscrimination policies, including J. C. Penney, Disney, and Starwood, which includes gender identity as a protected class. Research has shown that including LGBT nondiscrimination policies is positively related to job satisfaction and commitment among LGBT employees (Day and Schoenrade 2000).

Comparing the Results to the Literature

As a final step, I compared the results of the content analysis with recommendations from the diversity management literature to examine whether the programs adopted by these large, successful organizations match those recommendations. I found considerable congruence. These companies had leadership initiatives, diversity training, supplier diversity programs, and mentoring and networking programs, and they also communicated their support of diversity and nondiscrimination policies through their cultural awareness, support for women, diversity training, and LGBT programs and same-sex benefits.

In addition, the importance of recruiting and selecting diverse individuals was also communicated through many of the diversity management practices adopted by these firms, including Marriott’s global diversity officer; the supplier diversity initiatives (including women-owned businesses) on the part of MGM Mirage, Verizon, and Walt Disney; Marriott’s language program; and Marriott International’s, JP Morgan Chase’s, and MGM Mirage’s offer of same-sex benefits and protection to attract and retain LGBT individuals.

I also identified practices that were not aligned with the diversity management literature’s recommendations. In only three firms, for example, was the CEO part of the corporate diversity council, Marriott, MGM Mirage, and Bank of America. However, many firms did have corporate diversity councils to administer diversity initiatives and progress.

Interestingly, the companies in this sample do not include specific mentions of AA or EEO policies in conjunction with their diversity program. This result, however, is consistent with a growing body of literature that suggests that because AA/EEO programs are federally mandated and are often associated with negative stereotypes, many organizations frame their diversity initiatives outside of their AA/EEO statements (Chavez and Weissengr 2008; Hansen 2003; Society for Human Resource Management 2008). That is, diversity management practices are voluntary organizational programs, whereas AA/EEO programs are tied to legislation.

The results also underscore an important shortcoming of the diversity management literature, which is that the literature lacks practical and specific advice. The best practices suggested by the diversity management literature are often conceptual and general, while the firms’ practices are often quite specific to various groups, such as affinity groups focusing on disabilities, programs to promote women into management, language programs for foreign-born employees, and policies that specifically protect LGBT employees.

Summary and Conclusion

This study identified seven categories of diversity management practices used by the fourteen organizations I examined: corporate diversity council, diversity training programs, supplier diversity, employee networking and mentoring, cultural awareness, support for women, and LGBT programs and same-sex benefits.

This study contributes to the diversity management literature by examining which specific diversity management practices have been adopted. The sample, drawn from the Diversity Inc. top-rated companies, provides a window into diversity management practices used by the most successful firms. The successful diversity management practices highlighted here are particularly important for the hospitality industry, given its position as one of the largest employers of women, ethnic minorities, and immigrant employees (Jackson and DeFranco 2005; Lee and Chon 2000). Hospitality employers can use these results as a gauge for which diversity management practices have been successful for other service organizations and as models for diversity management. Six organizations use all seven diversity management practices, and all fourteen had at least five of these practices. What these results suggest is that to have a truly effective approach to diversity management, organizations need to offer a broad set of diversity management practices.

One interesting observation is that all fourteen companies had a corporate diversity council, even though only three included their CEO. All of the corporate diversity councils were responsible for diversity initiatives and for monitoring progress, which the diversity management literature suggests is vital for diversity programs to be successful. Another practice common to all fourteen companies was the use of employee networking groups or affinity groups. The fact that this can be done virtually is
particularly important for small companies or those with distant operations. I found that Sodexo, Coca-Cola, and Bank of America, among others, use free social media, such as Facebook and Twitter, to organize their affinity groups.

In closing, it important to highlight the presence of hospitality firms on this list. A hospitality organization, Sodexo, was the top company for diversity. According to Diversity Inc., Marriott International, Starwood Hotels and Resorts Worldwide, MGM Mirage, and the Walt Disney Company were also high on the list, giving evidence that the hospitality industry can be a leader for diversity management practices. These practices will help offset the industry’s major problem, as identified by Hinkin and Tracey (2010); there is an attitude in the hospitality industry that the industry “faces special problems that other industries do not” (p. 170), such as high turnover rates. By adopting diversity management programs, as explained here, organizations in the hospitality industry will be able to increase and maintain a diverse workforce in all levels.

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