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The HOW-FAIR Study 2003

How Opportunities in the Workplace and Fairness Affect Intergroup Relations

Contents

Executive Summary

- Being a "team player" is of paramount importance in the workplace, according to both employers and employees. Being perceived as a team player is considered to be more important than doing a good job, being intelligent, being creative, making money for the organization, and many other "good" qualities in terms of getting ahead in the workplace.

- Women and employees of color indicate that the fact that "only certain people are part of the important social groups at work" is a bigger obstacle to fairness in the workplace than overt discrimination—"allowing race and gender to matter when they should not." Thirty-six percent of White women, 37% of minority women, and 33% of minority men identified the fact that only certain people are part of important social groups at work as the greatest obstacle to fairness in their workplaces.

- Among "bad" behaviors (e.g., unwanted comments, unwanted touching, bullying, etc.) that are experienced in the workplace, stereotyping is the bad behavior reported most by people from every ethnic and racial group. Fifty-three percent of minority employees and 39% of White employees report having been stereotyped at work in the past year. While minority employees experienced more stereotyping, unwanted jokes and remarks, social exclusion, yelling, unwanted sexual teasing, pressure for dates, and bullying, all employees surveyed experienced a fairly high rate of these behaviors—74% of all employees experienced some kind of bad behavior in the past year.

- Gay and Muslim employees were rated very low relative to other racial, ethnic, and religious groups in terms of "fitting in" in the workplace, with gay employees ranked lower than Muslims. Ten percent of respondents gave the lowest possible fit rating to Muslim employees and 13% gave the lowest possible fit rating to homosexual employees.

- Black, Hispanic, and "Other" (Asian, Native American, mixed race) employees' perceptions of fairness from their supervisors, their peers, and the organization they work for are significantly different from those of White employees.

   - Less than one-seventh (14%) of White employees think that co-workers do not do a good job of treating them fairly, compared to almost one third of Black employees (29%), Hispanic employees (29%), and Other employees (30%).

   - Less than one-fifth of White employees (18%) think that their immediate supervisor does not do a good job of treating them fairly, compared to fully a third of Black employees (35%), Hispanic employees (33%), and Other employees (33%).

   - One quarter of White employees (24%) think that the company they work for does not do a good job of treating them fairly, compared to over a third of Hispanic employees (35%), almost half of Black employees (44%), and Other employees (45%).

- Employees who experience bad behavior at work and employees who believe that they are treated unfairly are less likely to have positive perceptions of their employer, including willingness to recommend their employer to others as a good place to work, or to recommend their employer to clients and customers.

- Nonetheless, despite their concerns about fairness in specific areas, most employees believe that they will get ahead in the workplace as far as their skills and talents will take them—77% of employees believe that this is true, and there are not significant racial or gender-based differences.

- Employees of women-owned companies seem to be significantly more likely to have positive workplace experiences and to experience less "bad behavior" in several dimensions. Women employees rate their expectations of company values higher than do their male counterparts.

- Young people in the workplace ("Gen Y") seem to have more negative workplace experiences and negative perceptions of their employers than do older workers. Conversely, "mature" workers seem to perceive very little bad behavior in the workplace.

Introduction

The MK Level Playing Field Institute with the Center for Survey Research at the University of Connecticut conducted an extensive survey of U.S. employees and employers in the winter of 2003, with the analysis of results presented in the Spring of 2003. This survey is a baseline survey to measure employers' and employees' opinions on issues in the workplace. Issues in the workplace explored include: values, fairness, fitting in, getting ahead, experiences with discrimination and stereotyping, as well as policies and procedures.

Values in the Workplace

Employers and employees were both asked to rate the importance of a series of values to the organization they work for using a one to 10 scale, where one means "not at all important" and 10 means "extremely important." Employees were also asked to rate how important they think that these values *should* be to the organization and how much their values correspond with those of their employers. The values that were suggested to both employers and employees were a mixture of "diversity-related" values, "fairness-related" values, and more general values that a corporation might hold, such as "having a high quality product" and "building a strong organization for the long-term."

Q3. On a scale of 1 to 10 where one is "not at all like my values" and 10 is "exactly like my values" how closely would you say that your organization shares the same values as you do?

Employee Top 4 Box Responses

	7 & 8	9 & 10
Minority	36%	25%
Non-Minority	43%	28%

0   50%   100%

■ 7 & 8   ■ 9 & 10
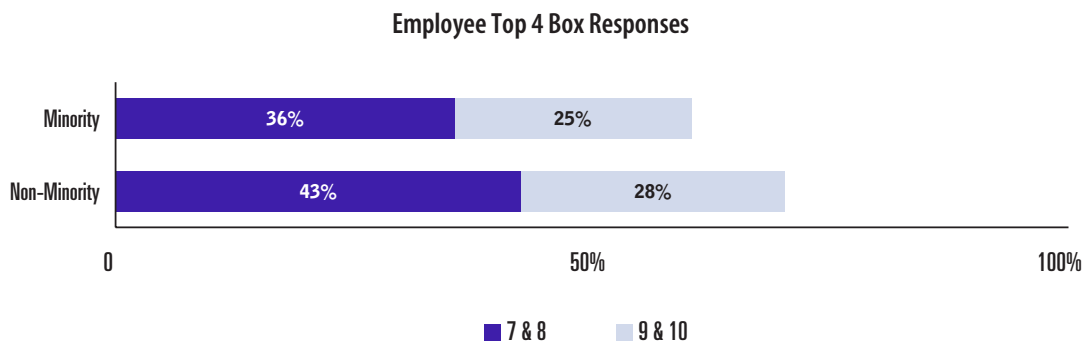
There is a strong employer consensus that avoiding discrimination and harassment is very important, so much so that this was more highly valued than a more general value of "building a strong company or organization for the long-term." However, "softer" values such as fairness, helping employees balance work and family, and creating a diverse work environment were ranked less highly and are treated and prioritized differently from the more basic notion of avoiding discrimination. This seems to be aligned with employee expectations as well—they say that avoiding discrimination should be ranked very high, while consigning "diversity" and "balancing work and family" to the bottom of their rankings of what employers "should" value.

Employees rated their employers' values generally lower than employers themselves did, and they have a slightly different idea of the relative importance of values to employers, though they do demonstrate a fairly accurate sense of the overall ranking of values relative to one another. The greatest discrepancies between employer-reported values and employee-reported actual value of their employers are on "having a good public image" and "ethics and honesty." Employers (9.21) reported that having a good public image is a much less important value than employees (8.73) perceive it to be, as well as that ethics and honesty are much more important than employees perceive them to be (9.52 and 8.46, respectively).

Q2a-2i for employee; Q13-Q21 for employer. I would like to read you a list of values that some companies or organizations might find important. On a scale of 1 to 10 where one is "not at all important" and 10 is "extremely important", please rate how important you think the following items are to the company or organization you work for?

Means

	Employer Perception (rank)	Employee Perception (rank)	Employee "Should" (rank)
Having the highest quality product or service	9.64 (1)	8.72 (2)	9.41 (2)
Ethics and honesty	9.52 (2)	8.46 (5)	9.57 (1)
An environment free of discrimination	9.51 (3)	8.58 (3)	9.39 (3)
Building a strong company or organization for the long-term	9.47 (4)	8.50 (4)	9.26 (4)
Fairness	9.24 (5)	7.78(6)	9.26 (5)
Having a good public image	9.21 (6)	8.73 (1)	9.14 (7)
Rewarding a job well done	8.79 (7)	7.45 (8)	9.19 (6)
Diversity	8.35 (8)	7.58 (7)	8.63 (9)
Helping employees to balance work and family	8.04 (9)	7.21 (9)	8.83 (8)

	Male Employee Perception (rank)	Female Employee Perception (rank)	Male Employee "Should" (rank)	Female Employee "Should" (rank)
Having the highest quality product or service	8.56 (1)	8.87 (2)	9.33 (2)	9.49 (3)
Ethics and honesty	8.26 (5)	8.67 (5)	9.46 (1)	9.70 (1)
An environment free of discrimination	8.44 (3)	8.74 (3)	9.24 (3)	9.54 (2)
Building a strong company or organization for the long-term	8.32 (4)	8.69 (4)	9.22 (4)	9.38 (6)
Fairness	7.56 (6)	8.03 (6)	9.07 (5)	9.46 (4)
Having a good public image	8.54 (2)	8.94 (1)	8.97 (6)	9.32 (7)
Rewarding a job well done	7.30 (8)	7.61 (8-9)	8.47 (7-8)	9.42 (5)
Diversity	7.45 (7)	7.72 (7)	8.26 (9)	9.01 (9)
Helping employees to balance work and family	6.84 (9)	7.61 (8-9)	8.47 (7-8)	9.22 (8)

- Employees of women-owned companies (regardless of the race of the owner) are more likely to say that their employers have values like their values. They give significantly higher mean scores to their employers on the following values: fairness, helping employees to balance work and family, an environment free of discrimination, ethics and honesty, having the highest quality product or service, and rewarding a job well done.

In addition to looking at means, one could also examine the percentage of employers and employees who rated a particular value a "10" ("extremely important") on a scale of 1-10. Again, in general, employers rate their "values" relatively much higher than do employees:

- 81% of employers state that a high quality product or service is extremely important.
- 50% of employees say that this is true of their employer.

- 79% of employers state that an environment free of discrimination is extremely important.
- 55% of employees say that this is true of their employer.

- 75% of employers state that ethics and honesty are extremely important
- 51% of employees say that this is true of their employer.

- 73% of employers state that building a strong company for the long-term is extremely important.
- 50% of employees say that this is true of their employer.

- 65% of employers state that fairness is extremely important.
- 38% of employees say that this is true of their employer.

- 65% of employers state that having a good public image is extremely important.
- 53% of employees say that this is true of their employer.

- 52% of employers state that rewarding a job well done is extremely important.
- 31% of employees say that this is true of their employer.

There are a few value items on which employers and employees are relatively closer to agreement—those that are least important to the company.

- 42% of employers state that diversity is extremely important.
- 30% of employees say that this is true of their employer.

- 32% of companies state that helping employees to balance work and family is extremely important.
- 28% of employees say that this is true of their employer.

Fairness in the Workplace

The majority of employees think that their workplaces are relatively fair, in general, though some demographic groups are less convinced of this, and some dimensions of fairness do not rank as high as others. Employees were asked a series of questions about how fair their own organization is in the following areas: promotion, quality of assignments, pay, benefits, job security, respect regardless of job level, and balancing human needs versus business needs. In general, employees rated all of these areas as "moderately fair"—between 6.45 and 7.43 on a scale where one is "not at all fair" and 10 is "very fair."

Q4a-4h. Now, I would like to ask you some questions about your experiences at your workplace. On a scale of 1 to 10 where one is "not at all fair" and 10 is "very fair"…How fair do you think (insert item) are at your organization?

Means

	All Employees	White	Black	Hispanic	Other
Quality of assignments	7.43	7.38	7.03	7.45	6.71
Job security	7.36	7.41	7.13	7.25	6.24
Respect regardless of job level	7.28	7.28	6.63	7.18	6.93
Benefits	7.03	6.98	7.09	7.01	6.59
Balancing human needs vs. business needs	6.94	6.93	6.45	6.84	6.36
Pay	6.89	6.93	6.51	6.79	6.29
Promotion	6.45	6.43	6.22	6.19	5.96

Fairness of pay, promotion, and quality of assignments

- In aggregate, women employees who work in mixed gender environments and "Mature" employees (born before 1945) are more likely to find their work environments fair. "Gen Y" employees (born after 1978) are less likely to see their employer as fair.

When the data are disaggregated to examine extremes (very high scores and very low scores), the following racial effects are evident:

- Employees who are of Other ethnicity (includes Asians, those of mixed race, Native Americans, etc.) and Black employees are most likely to rate the fairness of promotion and quality of assignments very low (score of three or less). Twenty-one percent of employees who identified as Other think that promotions are very unfair compared to 18% of Blacks, 20% of Hispanics, and 15% of Whites. Ten percent of Other employees think that assignments are very unfair, compared to 6% of Blacks, 5% of Whites, and 6% of Hispanics.

- Black employees are most likely to rate respect and pay as very unfair (rating of three or less), but there also is a strong contingent that gives the highest rating possible ("10") to fairness of respect and pay, indicating that Black employees in different workplaces are having widely divergent experiences. Sixteen percent of Black employees rate fairness of respect very low (one to three score), compared to 10% of White, Other, and Hispanic employees. However, 25% of Black employees gave fairness of respect the highest rating of "10," compared to 19% of Other employees, 26% of Hispanics, and 24% of Whites (thus explaining the flattening of the mean). Similarly, 16% of Black employees rate pay as very unfair (compared to 14% of Other employees, 9% of Whites, and 8% of Hispanics), while 15% of Black employees give fairness of pay the highest rating of "10," compared to 14% of Hispanics, 14% of Whites, and 8% of Other employees.

Q4a-Q4h. Now, I would like to ask you some questions about your experiences at your workplace. On a scale of 1 to 10 where one is "not at all fair" and 10 is "very fair"... How fair do you think (insert item) are at your organization?

Employee Top 4 Box Responses (7-10)

	Quality of assignments	Job security	Respect regardless of job level	Benefits	Balancing human needs versus business needs
White	71%	70%	69%	66%	64%
Black	63%	66%	56%	64%	52%
Hispanic	70%	66%	68%	66%	61%
Other	61%	53%	60%	62%	60%

White ■ Black ■ Hispanic ■ Other

	Pay	Promotion
White	65%	54%
Black	58%	50%
Hispanic	61%	55%
Other	53%	51%

White ■ Black ■ Hispanic ■ Other
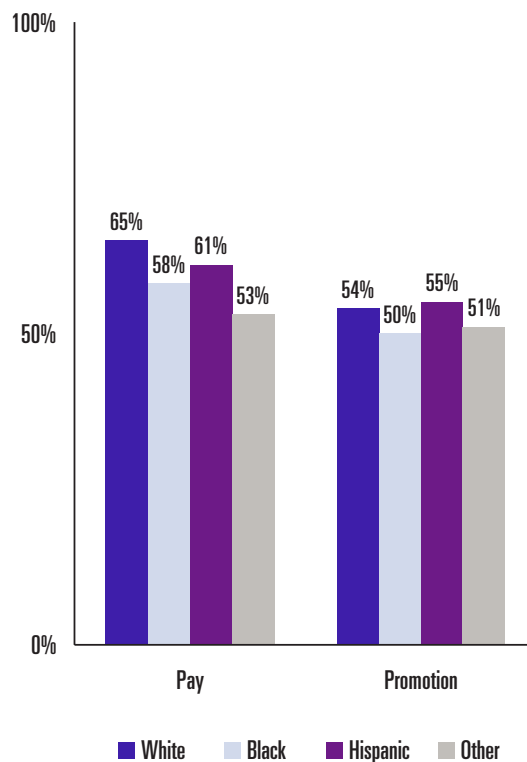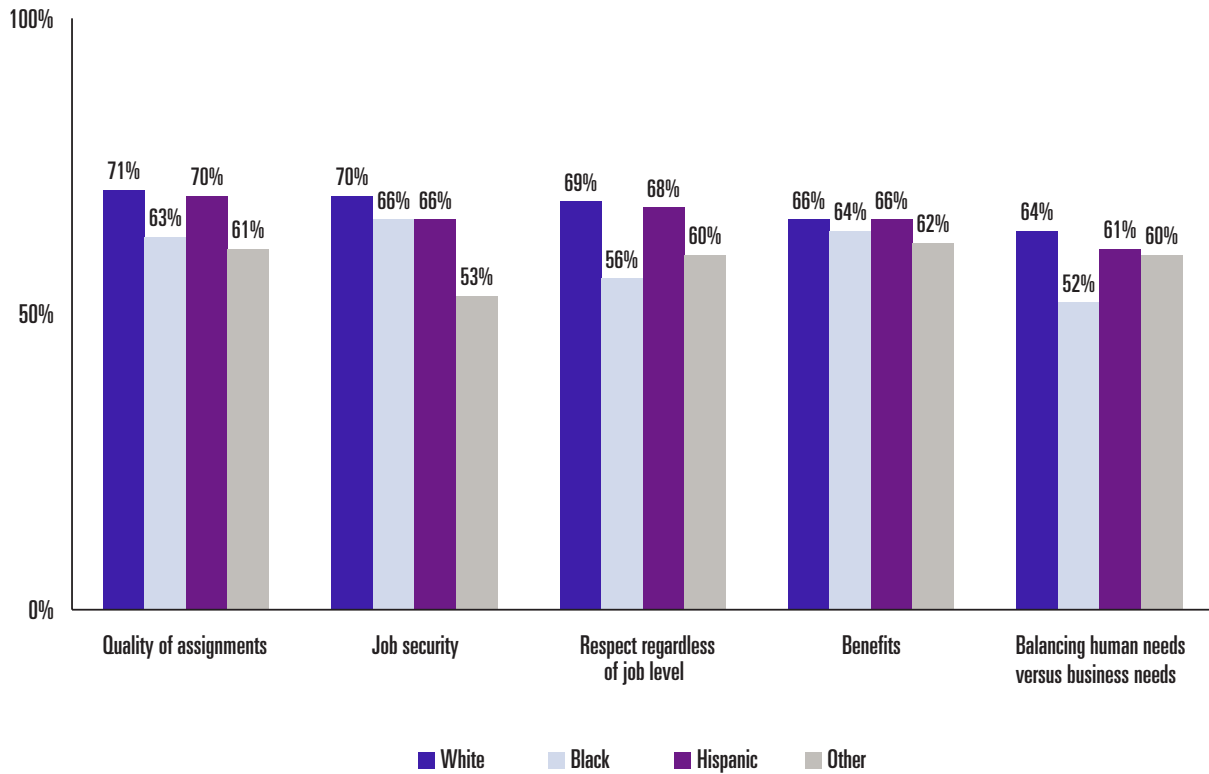
Additional analysis was done to find out how employees' perceived level of fairness in the workplace impacts how they feel about their employer overall. This analysis evaluates the relative impact of the level of fairness individuals perceive in various organizational aspects of their employer. "Respect" and "Fairness in Promotions" have the greatest impact on overall workplace favorability. "Quality of Assignments" and "Job Security" have somewhat less of an impact, while "Pay", "Balancing Human Needs versus Business Needs", and "Benefits" have the smallest impact on overall workplace favorability among these seven items.

Fairness of treatment in relationships

Employees were asked more specifically about their own experience and how well the following do at treating them fairly: the organization they work for, their co-workers, their immediate supervisor, their clients and customers, and American society in general. There are strong race effects and more negative answers to this series of questions about fairness of relationships in the workplace than there were to the preceding questions about fairness in the workplace in general. *Employees report that co-workers and immediate supervisors do a reasonably good job at treating them fairly, and a better job at treating them fairly than the organization they work for and American society in general. Yet quite substantial numbers of employees, particularly people of color, think there is room for improvement all around.*

Eight in 10 employees report their co-workers do an "excellent" (38%) or "good" (42%) job at treating them fairly. However, two in 10 employees report their co-workers only do a "fair" (17%) or "poor" (20%) job at treating them fairly. Employees who think that co-workers do a "fair" or "poor" job are disproportionately people of color, with only 14% of White employees thinking that their co-workers do only a "fair" or "poor" job at treating them fairly, compared to 29% of Black employees, 29% of Hispanic employees, and 31% of Other employees.

Similarly, in the general population, three-quarters (75%) of employees think their immediate supervisors are doing an "excellent" (42%) or "good" (33%) job of treating them fairly. However, one-quarter (23%) reports immediate supervisors are only doing a "fair" (17%) or "poor" (6%) job. Those who think that supervisors are doing a "fair" or "poor" job of treating them fairly are disproportionately people of color. A third of non-White employees think that supervisors do a relatively "fair" or "poor" job of treating them fairly. Thirty-five percent of Black, 33% of Hispanic, and 33% of Other employees believe that their supervisor does only a "fair" or "poor" job, compared to 18% of White employees. Treatment by immediate supervisors is also thought to be significantly less fair by people who are not US citizens. Seventy-eight percent of citizens say that their immediate supervisor is "excellent" or "good" at treating them fairly, compared to 62% of non-citizens.

About three-quarters of employees think the organization they work for does an "excellent" (29%) or "good" (44%) job at treating them fairly, but more than one-quarter report the organization they work for only does a "fair" (22%) or "poor" (6%) job. Again, race is highly significant, with 24% of White employees versus 42% of Black, 35% of Hispanic, and 45% of Other employees thinking that their organization does only a "fair" or "poor" job of treating them fairly.

Seven in 10 employees think their clients and customers are doing an "excellent" (24%) or "good" (46%) job at treating them fairly, while more than two in 10 think their clients and customers are only doing a "fair" (20%) or "poor" (3%) job of this. There is a racial gap on this question as well, though not as large as on some of the other "fairness in relationship" questions. Twenty-one percent

of White employees say that clients do a "fair" or "poor" job, compared to 30% of Black employees, 30% of Hispanic employees, and 33% of Other employees.

While only 15% of the general population thinks that American society in general does an "excellent" job of treating people fairly, 47% of employed Americans think that American society does do a "good" job at treating people fairly. In terms of their treatment by American society in general, women were actually more likely than men to say that society does a "good" or "excellent" job of treating them fairly (67% of women versus 59% of men). Whites are more likely than non-Whites to say that society does a "good" or "excellent" job of treating them fairly (66% versus 47%). Black and Other employees are most likely to say that society does a "poor" job of treating them fairly—12% of Blacks, 7% of Other employees, 4% of Whites, and 5% of Hispanics chose this response.

Q5a-Q5e. How well does (insert item) do in treating you fairly? For each please tell me if they do an excellent job, a good job, only a fair job, or a poor job of treating you fairly.

	Excellent job	Good job	Only a fair job	Poor job
Your co-workers				
White	42%	43%	12%	2%
Black	27%	44%	26%	3%
Hispanic	29%	42%	24%	5%
Other	34%	35%	21%	9%
Your immediate supervisor				
White	47%	32%	14%	4%
Black	31%	31%	23%	12%
Hispanic	34%	33%	24%	9%
Other	27%	37%	22%	11%
The organization you work for				
White	31%	45%	19%	5%
Black	19%	38%	30%	12%
Hispanic	22%	42%	31%	4%
Other	15%	40%	29%	16%
Your clients and customers				
White	24%	48%	18%	3%
Black	23%	41%	27%	3%
Hispanic	19%	46%	25%	5%
Other	22%	37%	27%	5%
American society in general				
White	15%	51%	28%	4%
Black	8%	32%	46%	12%
Hispanic	9%	45%	38%	5%
Other	11%	36%	44%	7%

Additional analysis was done to determine to what extent how respondents are treated by co-workers, supervisors, and other various groups impacts overall perception of the workplace. This analysis evaluates the relative impact of perceived fair individual treatment of workers by various groups. Fair treatment by one's employer has an extremely strong impact on overall workplace favorability. Fair treatment by one's immediate supervisor also results in a favorable overall attitude toward an employer. Fair treatment by customers or clients, co-workers, and American society in general do not have any impact on overall workplace favorability.

Perceived causes of lack of fairness in the workplace

Employees were asked what, in their personal experience, was the greatest barrier to fairness in their workplace (if any): the organization treating people unfairly by allowing race and gender to matter when they should not, the organization treating people unfairly by giving rewards not based on work or merit, unclear rules and expectations, only certain people are part of important social groups, or something else. ***Approximately three in 10 employees thought that there were no particular barriers to fairness in their workplace, while the remaining seven in 10 employees specified a particular obstacle that they felt most impeded fairness in their workplace.***

Interestingly, two in 10 (21%) minority employees compared to three in 10 (31%) White employees report there are no obstacles to fairness in their workplace. Yet, many minority (24%) and White (18%) employees think the greatest obstacle to fairness in the workplace is that only certain people are part of the important social groups at work.

Unclear rules and expectations ranked as the second greatest obstacle to fairness in the workplace, with 17% of minority and 18% of White employees reporting this. Organizations treating people unfairly by giving rewards not based on work or merit was third with 17% of minority and 16% of White employees reporting this. Lastly, about one in 10 minority (12%) and fewer than one in 10 (6%) White employees say organizations treating people unfairly by allowing characteristics such as race and gender to matter when they should not is the fourth greatest obstacle to fairness in the workplace.

- Black employees were the most likely to say that the greatest obstacle impeding fairness in the workplace is when race and gender are allowed to matter when they should not. Of the respondents who think that there is a barrier to fairness in the workplace: 17% of Black employees, 13% of Other employees, 16% of Hispanic employees, and 9% of White employees say that this is the *main* obstacle to fairness in their workplace. Women were slightly more likely than men to say that race and gender are allowed to matter, with 9% of women and 7% of men saying that this is the main barrier to fairness in their workplace. "Gen Y" (born after 1978) employees were much more likely to perceive discrimination as the main obstacle to fairness than were other age cohorts, particularly "Mature" employees (born before 1945).

- For all non-White employees who think that there are obstacles to fairness in the workplace, the fact that "only certain people are part of important social groups" is the greatest perceived barrier to fairness for most respondents. This was also the largest barrier perceived by women and, overwhelmingly, the largest barrier perceived by "Gen Y" employees. Thirty-six percent of Black, 31% of Hispanic, 30% of Other employees, and 27% of White employees perceive that exclusion from important social groups is the most important barrier to fairness in the

workplace. Thirty-one percent of women versus 25% of men think that this is the most important barrier to fairness in the workplace.

- Twenty-seven percent of men and White employees ranked "unclear rules and expectations" the highest of all reasons for lack of fairness in the workplace. While a significant number of women and non-White employees also thought that this was important, they generally ranked "only certain people are part of social groups" much higher.

There was a strong gender and race gap on "the organization treating people unfairly by giving rewards not based on work or merit" as a main factor, which might or might not have been perceived as related to affirmative action. Twenty-seven percent of men versus 18% of women chose this as the most important factor contributing to unfairness. Seventeen percent of Black employees chose this category, compared to 23% of Whites, 33% of Other employees, and 23% of Hispanics.

Q6. In your personal experience, what do you think is the greatest obstacle to fairness in your workplace, if any?

Only certain people are part of the important social groups at work
- White women: 36%
- White men: 27%
- Minority women: 37%
- Minority men: 33%

Unclear rules and expectations
- White women: 30%
- White men: 32%
- Minority women: 24%
- Minority men: 24%

Giving rewards not based on work or merit
- White women: 22%
- White men: 31%
- Minority women: 24%
- Minority men: 25%

Allowing race and gender to matter when they should not
- White women: 12%
- White men: 10%
- Minority women: 15%
- Minority men: 19%

■ White women   ■ White men   ■ Minority women   ■ Minority men

Responsibility of employers to be fair even if unfairness is not illegal

Majorities of employers and employees agree organizations have the responsibility to treat employees fairly, even if being unfair is not illegal. Eight in 10 (80%) employees agree at least somewhat that organizations have the responsibility to treat employees fairly, even if being unfair is not illegal—52% "strongly agree" and 28% "somewhat agree." About eight in 10 (78%) minority employees and more than eight in 10 (82%) White employees agree at least somewhat that organizations have the responsibility to treat employees fairly, even if being unfair is not illegal. Likewise, 79% of employers agree at least somewhat that corporations and organizations have the responsibility to treat employees fairly, even if being unfair in some ways is not illegal.

- Black and White employees are more likely to "strongly agree"—55% of White and 55% of Black, versus 49% of Hispanic and 38% of Other.

Q15. To what extent do you agree with the following statement: Corporations and organizations have the responsibility to treat employees fairly, even if being unfair in some ways is not illegal—strongly agree, somewhat agree, somewhat disagree, strongly disagree?

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
White	55%	27%	7%	8%
Black	55%	21%	7%	15%
Hispanic	49%	29%	5%	12%
Other	38%	42%	5%	9%

- Perhaps contrary to expectations, "Gen Y" employees are least likely to "strongly agree" with this statement—only 35% of "Gen Y" agrees strongly, compared to 52% of "Gen X" (born between 1966 and 1977), 54% of "Baby Boomers" (born between 1946 and 1965), and 66% of "Mature" employees.

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Generation Y	35%	41%	12%	11%
Generation X	52%	32%	7%	7%
Baby Boomer	54%	25%	5%	12%
Mature	66%	15%	5%	10%

Employers were asked if being under financial pressure makes the organization more or less likely to think about fairness to employees and diversity in the workplace. Just less than half (46%) report they think about diversity and fairness to employees without regard to financial pressure. About three in 10 (29%) employers report they think more and 15% report they think less about fairness and diversity when under financial pressure.

Q12. Do you think that being under financial pressure makes your organization more or less likely to think about fairness to your employees and diversity in the workplace?

More
29%

Less
15%

DK/Refused
10%

About the same
46%
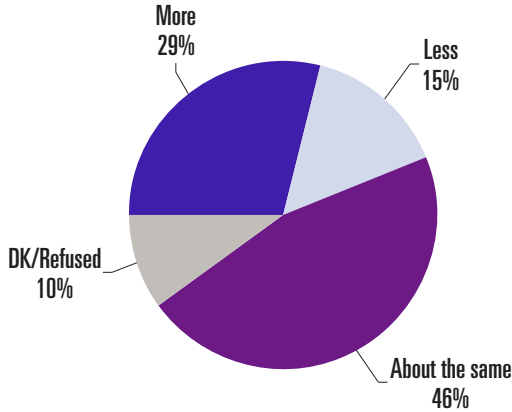
Teamwork and Fitting-in in the Workplace

A clear majority of employed minorities believe they fit in with their workgroup, although they rate their fit lower than do White employees, and, as noted above, they have some reservations about how fairly their co-workers and immediate supervisor treat them. Eighty-six percent of minority employees report they feel they are really part of their group and 87% report that they get the help they need from co-workers. About three-quarters of minorities also think everyone's opinion in their workgroup is listened to (73%) and the group shares the same values and ethics (74%) as they do. Ninety-three percent of White employees report that they are really part of their workgroup and 93% say that they get the help they need from co-workers. Eighty-two percent of White employees think that everyone's opinion in their workgroup is heard and 86% say that the group shares the same values and ethics as they do.

Nearly three-quarters (73%) of minority employees report that their workgroup is "very diverse racially/ethnically." Seventy-one percent report that their workgroup is mixed, gender-wise. Fifty-three percent of White employees report their workgroup is "very diverse racially/ethnically" and 64% report their workgroup is mixed, gender-wise.

Q9. The following questions may or may not describe your workgroup, that is the people you work with the most every day. Please tell me if you agree or disagree with (insert item).

Strongly agree
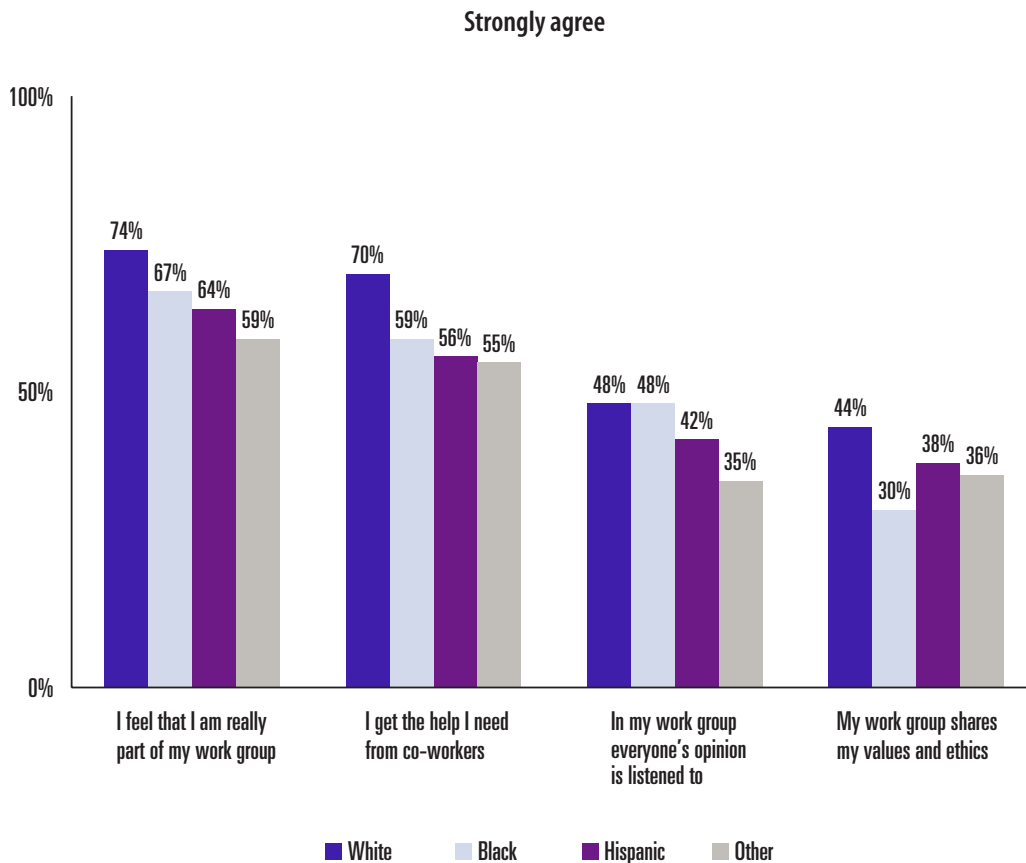
Half of employers say most of the leaders at their organization are like them in terms of race. Less than half (44%) report leaders in their organization are very diverse. Also, nearly eight in 10 (79%) employers report leaders in their organization are mixed, gender-wise. Fewer than two in 10 (17%) executives say the other leaders at their organization are like them in terms of gender.

Q22 and Q23. Which of these (insert item) best describes the people who are the leaders, that is those who report to the CEO in your company or organization?

Employer

Most leaders in my company are like me in terms of race or ethnicity	50%
Leaders in my company are very diverse	44%
Most leaders in my company are like me in terms of gender	17%
Leaders in my company are mixed, gender-wise	79%
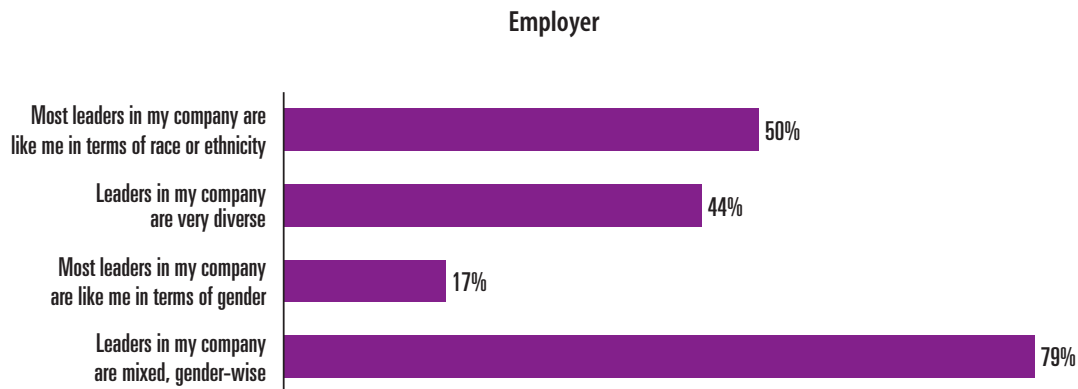
Employees were also asked how well, on a scale of one to 10, someone would fit into their workgroup who was: White, Black, Asian, Hispanic, a man, a woman, a homosexual person, a Jewish person, a Muslim person, a Republican, a Democrat, a born again Christian, and someone from another country. *Overall, employed minorities are more likely than non-minorities to report people of a certain race, religion, sexual orientation, or political view are less likely to fit in with their workgroup.*

- Employees that have the highest aggregate "fit" scores (saying that people of all backgrounds would fit well in their workgroup) are: more likely to work for an employer with a policy to help minorities and women, more likely to be managers, more likely to be women, more likely to be "mature" in age, and more likely to be part of a workgroup that is already of mixed gender and race.

- People with mixed race workgroups were more likely to say that people of all religious, political, sexual orientation, and racial/ethnic backgrounds would fit in. People in mixed race workgroups, in particular, had much higher mean "fit" scores for the following than did people in homogenous workgroups: Asians (8.48 vs. 7.97), gay (7.56 vs. 6.84), Muslims (7.79 vs. 6.91), and people from another country (8.41 vs. 7.85). People in mixed gender workgroups were, similarly, more inclusive, with higher "fit" scores for the same, more marginalized groups: Asians (8.49 vs. 7.77), gay (7.50 vs. 6.71), Muslim (7.61 vs. 6.99), and people from another country (8.39 vs. 7.71).

Mean ranked "fit" scores for the various groups asked about in this survey are listed in the table below. The scores reflect how well others think a member of a particular group will fit in, not how well the group members, themselves, think they will fit.

	Mean
A White person	9.08
A man	9.01
A woman	8.81
A Republican	8.59
A Democrat	8.56
A Black person	8.51
A Hispanic person	8.43
A born again Christian	8.37
A Jewish person	8.25
An Asian person	8.08
Someone from another country	8.04
A Muslim person	7.30
A homosexual person	7.01

Clearly, Muslim employees (probably due to current events and the post-September 11th political atmosphere) and gay employees are considered to be the least socially acceptable people in the workplace.

The following table looks at what percentage of employees thought that someone from the group in question would be a "10" in their workgroup, and what percentage thought that someone would score a "one" or not fit at all. Again, gays and Muslims both rank relatively low in terms of high scores and are much more likely to be scored very low—"not at all likely to fit."

	% ranking "10" Very likely to fit	% ranking "1" Not at all likely to fit
A White person	67%	1%
A man	67%	2%
A woman	64%	3%
A Republican	59%	2%
A Democrat	58%	3%
A Black person	57%	4%
A Hispanic person	56%	4%
A born again Christian	55%	4%
A Jewish person	55%	6%
An Asian person	52%	6%
Someone from another country	48%	6%
A Muslim person	41%	10%
A homosexual person	39%	13%

Generally, employees in workgroups that expressed concern about a Muslim fitting in also expressed concern about gay employees fitting in. There were particular characteristics associated with employees who reported that gay and Muslim employees would NOT fit in (score of four or below on a 10 point scale): employees of companies without policies that are targeted to assist women and minorities; "Gen Y" employees; male employees; employees who are rural residents; employees with household incomes under $75K.

The data below provide additional information on gays and Muslims and their "fit" in the workplace.

- Seventy-four percent of employees of companies with policies that advance women and minorities say that Muslims would fit in well (scoring above seven on a 10 point scale), compared to 63% of employees of companies without such policies. Seventy-one percent of employees of companies with policies say that a gay employee would fit in well (scoring above seven on a 10 point scale), compared to 62% of employees of companies without policies.

- Younger employees are more likely to report that Muslims would NOT fit in in their workgroup. Seventy-eight percent of "Mature" employees (born before 1945) report that a Muslim would fit in well in their workgroup (score of seven or above), compared to 62% of "Gen Y" employees (born after 1978). Conversely, 17% of "Mature", 21% of "Baby Boomer", and 16% "Gen X" employees think that a Muslim would not fit in well (score of four or below), compared to almost one-quarter (24%) of "Gen Y."

- Men are more likely to report that a gay person would NOT fit in in their workgroup, with more than one-quarter (27%) of men saying that a gay person would not fit in (score of four or below on a 10 point scale), compared to 18% of women. Conversely, 73% of women said that a gay person would fit in well (score of seven or higher), compared to 57% of men. Men are also less likely to report that a Muslim person would fit in well in their workgroup, with 63% of men saying that a Muslim person would fit in well (score of seven or higher) compared to 70% of women.

- People in non-metropolitan counties are less likely to report that Muslims or gays would fit in and more likely to report that they wouldn't. Twenty-three percent of rural resident employees say that Muslims would not fit in (score of four or lower), compared to 17% of metropolitan residents. Sixty-four percent of rural employees report that Muslims would fit in well, compared to 71% of metropolitan employees. 28% of rural employees say that gays would not fit in, compared to 18% of metropolitan residents. Fifty-five percent of rural employees report that gays would fit in well, compared to 70% of metropolitan employees.

- People with incomes over $75K are more likely to report that Muslims and gays would fit in and less likely to report that they would not. Seventy-two percent of employees with household incomes over $75K said that a gay person would fit well in their workgroup; 62% of those with household incomes under $50K said the same. Seventeen percent of higher income employees said that a gay person would not fit well, compared to 24% of lower income people. Seventy-four percent of employees with incomes over $75K said that a Muslim person would fit well in their workgroup; 66% of those with incomes under $50K said the same. Conversely, 14% of higher income employees said that a Muslim person would not fit in well, compared to 22% of lower income employees.

- Hispanics were much less likely than other races to say that Muslims would fit in well in their workgroup. Fifty-three percent of Hispanics said that a Muslim would fit well in their workgroup, compared to 70% of people of other races.

- People in larger companies (over 250 employees) were much more likely to say that Muslims would fit in their workgroup and less likely to say that they would fit poorly. Seventy-one percent of employees of large companies said that Muslims would fit well, versus 65% of very small companies (under 50 employees) and 66% of medium-sized companies (50-250 employees). Sixteen percent of employees of larger companies say that Muslims would *not* fit in their workgroup, compared to 20% of very small companies and 23% of medium-sized companies. Similarly, people in larger and medium companies are much more likely to say that gay people would fit in in their workgroup and much less likely to say that they would be a poor fit. Sixty percent of employees of very small companies say that gay people would fit in well, compared to 69% of employees of both medium and larger firms. Twenty-seven percent of employees of very small companies say that gay people would fit in poorly, compared to 19% of employees of medium-sized companies and 17% of employees of larger companies.

- Women were more likely to think that everyone would fit in their workgroup, giving uniformly higher "fit" scores to everyone than did men.

Racial interactions were quite complicated. In general, Blacks and Hispanics seemed to think that other groups would fit in less well, with Hispanics usually the most skeptical about fit overall.

- Blacks and Hispanics were more likely to give Asians a lower "fit in" rating (mean score for Asian fit: Other including Asian 8.16; White 8.36; Black 7.53; Hispanic 7.45).

- Hispanics and Other employees gave Blacks a lower "fit in" rating than other groups (mean score for Black fit: Black 8.74; White 8.63; Other 7.71; Hispanic 7.75).

- Hispanics, Blacks, and Other employees gave gay people a lower fit rating than do White employees, with Hispanics especially low (mean score for gay fit: Other 6.78; White 7.12; Black 6.87; Hispanic 6.40).

- Hispanics and Blacks gave people from other countries a lower fit rating, with Hispanics especially low (mean score for someone from another country fit: Other 8.02; White 8.26; Black 7.79; Hispanic 7.76).

- Hispanics gave Muslims the lowest fit rating (mean score for Muslim fit: Other 7.04; White 7.43; Black 7.19; Hispanic 6.88).

- Hispanics and Blacks gave Jews the lowest fit rating, with Blacks the lowest (mean score for Jewish fit: White 8.54; Other 7.45; Hispanic 7.62; Black 7.47).

- Black and White employees had the highest fit ratings for women (mean score for woman fit: Black 8.93; White 8.84; Other 8.32; Hispanic 8.31).

Q8a-Q8m. On a scale of 1 to 10 where one is "not at all likely" and 10 is "very likely", how likely is it that (insert item) would fit with your work group?

Means

	White	Black	Hispanic	Other
A White person	9.26	8.66	8.65	8.57
A Black person	8.63	8.74	7.75	7.71
An Hispanic person	8.49	8.23	8.27	7.89
An Asian person	8.36	7.53	7.45	8.16
Someone from another country	8.26	7.79	7.76	8.02
A man	9.16	8.69	8.61	8.42
A woman	8.84	8.93	8.31	8.32
A homosexual person	7.12	6.87	6.40	6.78
A Jewish person	8.54	7.47	7.62	7.45
A Muslim person	7.43	7.19	6.88	7.04
A born again Christian	8.49	8.09	7.64	7.57
A Republican	8.84	7.88	7.81	8.24
A Democrat	8.67	8.67	8.11	8.04

Getting Ahead in the Workplace

Both employees and employers were asked "Do you think that if people work hard they will advance in your organization as far as their skills and their talents will take them?" Despite their above-noted concerns about fairness in the workplace, employees were generally extremely optimistic, without significant differences by race or by gender.

Almost four in 10 (38%) organizations say if their employees work hard they will advance "most of the time" as far as their skills and talents will take them. About one in 10 (11%) employers say if their employees work hard they will "sometimes" advance as far as their skills and talents will take them.

More than seven in 10 (73%) minority employees believe they will advance as far as their skills and talents will take them if they work hard, while more than one-quarter (27%) believe they will not advance, even if they work hard. Slightly more White employees (78%) think they will advance if they work hard; and about two in 10 (22%) White workers believe even if they work hard they will not advance as far as their skills and talents will take them.

- As noted above, employees of color have different concerns about fairness than do many White employees, and yet White, Black, Hispanic, and Other employees all agree that people can advance if they work hard and have skills. Similarly, despite other differences, women and men believe equally in meritocracy. The only racial and gender effects that are observable are that employees who are in racially homogenous workgroups (describe most employees in their workgroup as "like me" race-wise) and employees in mixed-gender workgroups are more likely to believe in meritocracy; the meaning of this statistic bears further scrutiny.

- Employers who describe their workforces as predominantly White are less likely to think that their employees will get ahead if they work hard and have skills and talents; 57% of employers with mixed or majority Hispanic, Black, or Asian workforces said that employees who met this description would always get ahead, compared to 44% of employers with predominantly White workforces.

- Non-profit organizations and government-affiliated organizations were much less likely to agree that employees will get ahead commensurate with hard work, skills, and talents than are their for-profit counterparts; 53% of employers that are for-profit say that employees will always get ahead, compared to 37% of government employers and 38% of non-profit employers.

- Employers with more educated workforces (most of the workforce has a college education) are less likely to agree that employees will always get ahead (33%), compared to employers with workforces that have primarily technical college (46%) or high school education (52%).

Q19. Do you think that if people work hard they will advance in your organization as far as their skills and talents will take them?
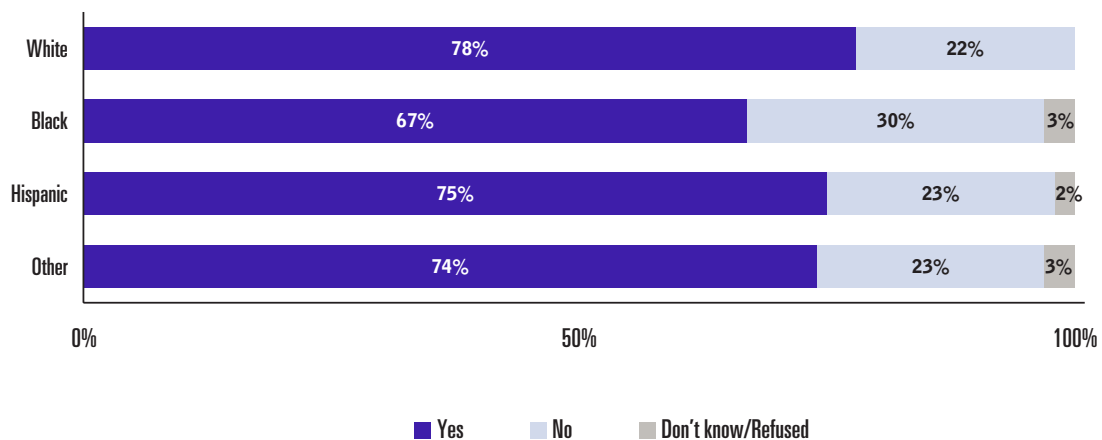
About half (48%) of organizations report their employees have regular, written performance reviews at the one-year mark. More than one-third (36%) of employers report workers have written reviews at least once in the first six months. Fewer than one in 10 organizations report their employees have written performance reviews after six months, but before the nine-month mark (8%), or after the nine-month mark, but before one year (1%).

Only 1% of organizations report their employees have regular, written performance reviews in the first three months, then at six months, followed by a review at one year. About 5% of employers say their employees do not have a review (3%), or a review is not given on a scheduled basis (2%).

Workers were asked a series of questions to assess their satisfaction and future intentions with regard to their current organization. Data for White, Black, Hispanic, and Other (including Asian) are illustrated below.

Q14a-Q14e. Please tell me if you agree or disagree with each of the following (insert item).
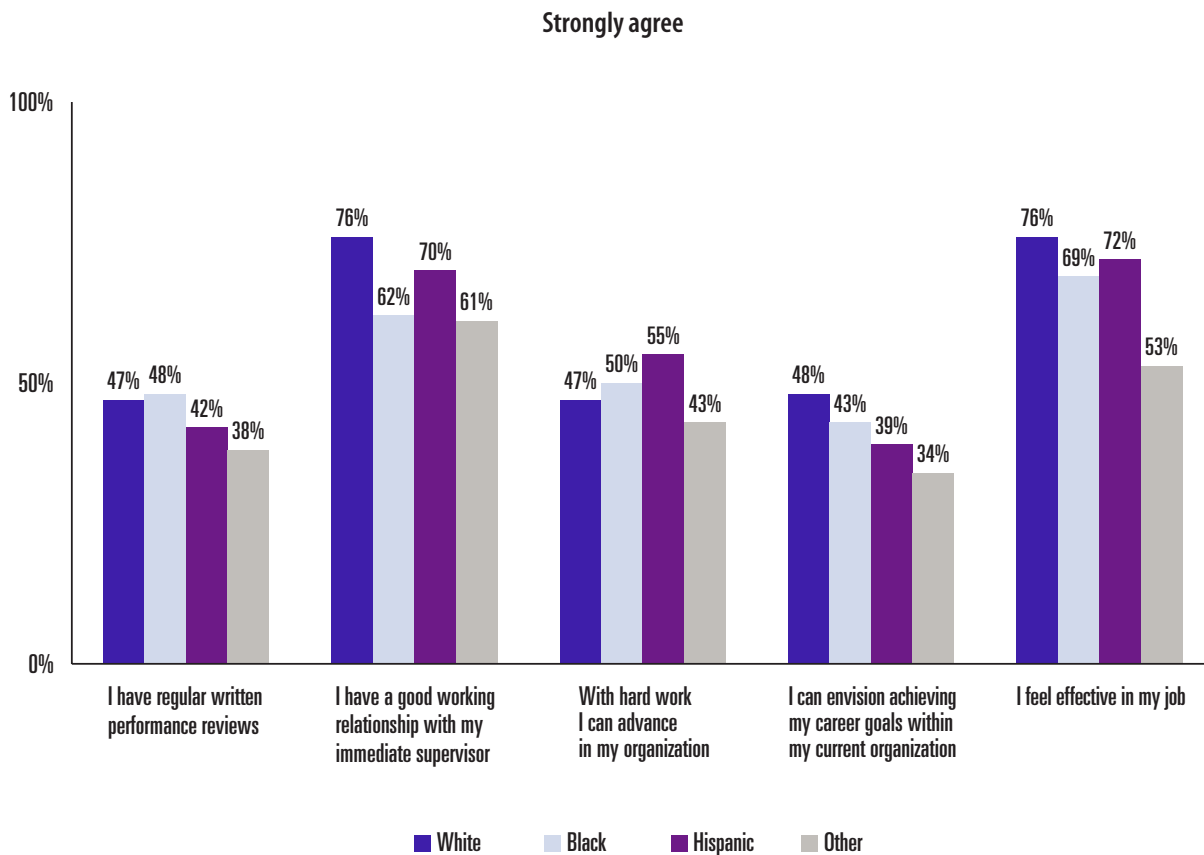
Strongly agree

- Asian workers were significantly less likely to *"strongly agree"* with the statement, "I feel effective in my job." Less than 50% of Asian workers **strongly agreed** with this statement, compared with 75% of other workers.

FACTORS THAT HELP ONE GET AHEAD IN THE WORKPLACE

The majority of organizations report being a team player is the most important factor in getting ahead, and employees agree. On a scale of one to 10 where one is "not at all important" and 10 is "very important", employers mean score for being a team player is 8.92. Employees also rate being a team player as the most important factor in getting ahead at their workplace (8.66).

The least important factor in getting ahead, according to employers is "who you know". On a scale of one to 10 where one is "not at all important" and 10 is "very important", less than half of organizations rate this as an important factor, with a mean score of 4.86. Data for this and other factors are presented in the table below.

Q12a-12n for employee; Q24-Q36 for employer. Now I want you to think again about you and your company or organization. On a scale of 1 to 10 where one is "not at all important" and 10 is "very important", please tell me how important are (insert item) in getting ahead in your company or organization?

Means

		Employee			
	Employer	White	Black	Hispanic	Other
Being a team player	8.92	8.64	8.56	8.75	8.65
Merit and performance	8.89	8.24	8.16	8.32	7.81
Leadership skills	8.75	8.18	8.31	8.33	7.64
Intelligence	8.43	8.10	8.11	8.34	8.02
Working well with racial or ethnic minorities	8.21	7.86	8.36	8.46	7.32
Working well with women	7.93	7.90	7.68	8.03	7.23
Fitting in	7.73	7.55	7.47	7.48	7.44
Creativity	7.70	7.32	7.41	7.68	7.29
Making money for the organization	7.58	7.49	7.41	7.77	8.16
Working well with men	7.53	7.88	7.61	7.96	7.40
High-visibility assignments	6.72	7.19	7.44	7.65	7.39
Long hours	6.35	6.73	7.16	7.03	6.79
Who you know	4.86	6.65	7.65	7.64	7.08

Employers and employees were asked what gets people ahead in the workplace, and there were indicators that employers are concerned with teamwork more than they are with individual merit. In terms of qualities related to getting ahead, employers rank "being a team player" higher than they do "merit and performance" and much higher than such qualities as intelligence, creativity, long hours, or high-visibility assignments. Thus, employees may not be sufficiently clear about the relative importance of "fit" with the "team" in determining whether or not they advance in the workplace.

- What employers perceive as "being a team player," employees may perceive as being in the right social group at work. Employees perceive that "who you know" is important to getting ahead, while employers are more likely to disavow this connection (28% of employees think it is of highest importance, compared to 6% of employers). Black and Hispanic employees (40% and 37% respectively) believe strongly that "who you know" is of highest importance.

- Black and Hispanic employees rate several qualities significantly higher in terms of leading to advancement than do employers or Whites. These include "creativity" (35% respectively, compared to 21% of employers and 26% of Whites); "leadership" (45% and 47% respectively, compared to 40% of employers and 38% of Whites); and "long hours" (33% and 29% respectively, compared to 12% of employers and 22% of Whites). This may reflect misperceptions of what will get them ahead, or it may reflect that Blacks and Hispanics perceive that they need to meet different standards in order to succeed.

- Women believe that a high level of performance in almost all areas is required in order to succeed. They may believe that people can actually succeed if they work hard, but they may be holding themselves to impossibly high standards and trying to be good at everything rather than emphasizing a few key qualities. They rate nine of the 11 qualities of significantly higher importance than do men (the exceptions are "long hours" and "making money for the organization"), and 10 of 11 higher than do employers (the exception is "merit and performance"). In some cases this may serve them well, for example 59% of women give "being a team player" the highest rating, compared to 52% of employers and 48% of men. In other cases, it may lead to a perception of the need for exertion in all dimensions in order to succeed.

- Women overrate the importance of "working well with women" (53% rate it of top importance, compared with 35% of men and 39% of employers) and "working well with minorities" (51% rate it of top importance, compared to 38% of men and 38% of employers) as success factors in their organization. Similarly, Black and Hispanic employees overrate the importance of "working well with minorities" as success factors in their organization (53% respectively rate it of top importance, compared to 40% of Whites and 39% of employers). This may mislead them not only about how much their abilities in these areas "count" for employers, but also about how vital it is for others to relate well to them and include them in teams and important social groups.

- Men, conversely, slightly underestimate all three of employers' "top" factors in getting ahead: "being a team player", "merit and performance", and "leadership skills." Their ratings are as follows: "being a team player" (48% of men rate it of highest importance, compared to 52% of employers and 59% of women); "merit and performance" (35% rate it of highest importance, compared to 47% of employers and 46% of women); "leadership skills" (34% rate it of highest importance, compared to 40% of employers and 45% of women).

- Employees of women-owned companies are more likely to say that the following qualities will get an employee ahead in the workplace: "working well with women," "merit and performance," "being a team player," and "fitting in." They are less likely to say that who you know is important to getting ahead.

Q12a-12n for employee; Q24-Q36 for employer. Now I want you to think again about you and your company or organization. On a scale of 1 to 10 where one is "not at all important" and 10 is "very important", please tell me how important are (insert item) in getting ahead in your company or organization?

Means

	Employer	Male Employee	Female Employee
Being a team player	8.92	8.50	8.84
Merit and performance	8.89	7.98	8.42
Leadership skills	8.75	8.04	8.33
Intelligence	8.43	7.99	8.40
Working well with racial or ethnic minorities	8.21	7.87	8.19
Working well with women	7.93	7.58	8.33
Fitting in	7.73	7.44	7.64
Creativity	7.70	7.34	7.51
Making money for the organization	7.58	7.80	7.43
Working well with men	7.53	7.83	8.00
High-visibility assignments	6.72	7.38	7.30
Long hours	6.35	6.93	6.77
Who you know	4.86	6.88	6.93

Advancement of Women and Minorities in the Workplace

According to the majority of employers, cultural differences, race, and gender are not reasons prohibiting women and minorities from advancing in the workplace. Employers were asked about possible reasons why there are so few minorities in top-level executive and professional positions in this country, in general, and in their organizations, specifically.

Cultural Differences and Race

The majority (71%) of employers report cultural differences in terms of communication style and personal presentation are not the reason that there are so few minorities in top positions it their organization. However, a substantial minority of employers does report these cultural differences as a reason. More than two in 10 (21%) employers say this is a "minor" reason and 4% say this is a "major" reason why there are so few minorities in top positions in their organization.

Employers were also asked if customer and client preferences for working with someone who is White is a reason, why there are so few minorities in top positions in their organization. More than three-quarters (76%) of employers report this is not a reason. Yet, more than two in 10 employers report this is a reason why there are so few minorities in top positions in their organization. Eighteen percent of employers say this is a "minor" reason and 3% say this is a "major" reason.

Gender Differences

Employers were asked if women bringing personal and family problems (i.e., that interfere with job performance) to the workplace is a reason why there are so few women in top positions in their organization. The majority (69%) of employers think this is not a reason at all. Yet, more than one-quarter of employers think this is a reason why so few women are in top positions, with 22% reporting it as a "minor" reason and 6% saying it is a "major" reason.

Employers were also asked if customers and clients prefer working with someone who is male, and if this is a reason why there are so few women in top positions in their organization. More than seven in 10 (73%) employers think this is not a reason at all. More than one-quarter of employers think this is a reason why so few women are in top positions, with 19% reporting it as a "minor" reason and 6% saying it is a "major" reason.

Similarly, employers were asked if gender differences in terms of communication style and self-presentation make it difficult for many women to advance in their organization. More than seven in 10 (71%) report this is not a reason at all. Still, more than one-quarter of employers think this *is* a reason why so few women are in top positions, with 21% saying it is a "minor" reason and 5% saying it is a "major" reason.

Q39-Q40 & Q46-Q48. As you may know very few top level executive and professional positions in this country are filled by racial and ethnic minorities. There may be many reasons that there are so few minorities in these positions. Here is a list of some possible reasons. Thinking about your company or organization, please tell me whether you think (insert item) is a major reason, a minor reason, or not a reason why there are so few women and minorities in these positions.

Employer

Reason	Major reason	Minor reason	Not a reason	Don't know/Refused
Cultural differences like communication style and personal presentations	4%	21%	71%	4%
Customers and clients prefer working with someone who is white like them	3%	18%	76%	3%
Women are more likely to bring personal and family problems to the workplace	6%	22%	69%	2%
Customers and clients prefer working with someone who is male	6%	19%	73%	2%
Gender differences in terms of communication style, self-presentation make it difficult for women	5%	21%	71%	3%

■ Major reason   ■ Minor reason   ■ Not a reason   ■ Don't know/Refused

Employers were also asked how useful the following would be in helping more minorities and women advance into leadership positions: helping mangers/business owners understand employees' cultural differences, helping managers/business owners understand gender differences, helping minority employees understand dominant corporate culture norms, and helping women employees understand dominant corporate culture norms.

Cultural Differences

The majority of employers agree that helping managers understand both cultural and gender differences as well as helping employees understand dominant corporate culture norms, will assist both minorities and women to advance into leadership positions. More than seven in 10 employers think that helping managers and business owners to understand employees' cultural differences will help more minorities advance into leadership positions. On a scale of one to 10, where one means "not at all helpful" and 10 means "very helpful", 7.52 was the average helpfulness rating employers gave to informing managers about cultural differences. One in 10 employers give ratings of four or lower which indicates they think helping managers and business owners to understand employees' cultural differences *will not* be that helpful in the advancement of minorities into leadership positions.

Gender Differences

Employers were also asked (using the same scale) whether it would be useful in the advancement of women into leadership positions to help managers and business owners understand gender differences. More than six in 10 employers think that this approach would be helpful. The average helpfulness rating given by employers is 6.87. More than one in 10 (15%) employers give ratings of

four or lower, indicating that they think this approach will not be that helpful in the advancement of women into leadership positions.

Minority Differences

More than six in 10 employers think that helping minority employees to understand dominant corporate culture norms will help them advance into leadership positions. On the same helpfulness scale, 6.86 was the average rating that employers gave to this approach. Just over one in 10 (13%) employers give ratings of four or lower, indicating that they think helping minority employees to understand corporate culture norms *will not* be that helpful in the advancement of minorities into leadership positions.

Similarly, about six in 10 employers think that helping women employees to understand dominant corporate culture norms for leaders will help more women advance into leadership positions. On the same helpfulness scale, 6.71 was the average rating that employers gave to this approach. Just over one in 10 (15%) employers give ratings of four or lower, indicating they think this *will not* be that helpful in the advancement of women in the workplace.

Q43-44 & Q49-50. On a scale of 1 to 10 where one means "not at all helpful" and 10 means "very helpful," how helpful do you think each of the following things are to helping more minorities and women advance into leadership positions.

Employer

	1-4	5 & 6	7 & 8	9 & 10
Helping managers/business owners understand employees' cultural differences	10%	17%	29%	38%
Helping managers/business owners understand gender differences	15%	24%	30%	31%
Helping minority employees understand dominant corporate culture norms	13%	25%	36%	26%
Helping women employees understand dominant corporate culture norms	15%	25%	30%	28%

Legend: ■ 1-4 ■ 5 & 6 ■ 7 & 8 ■ 9 & 10
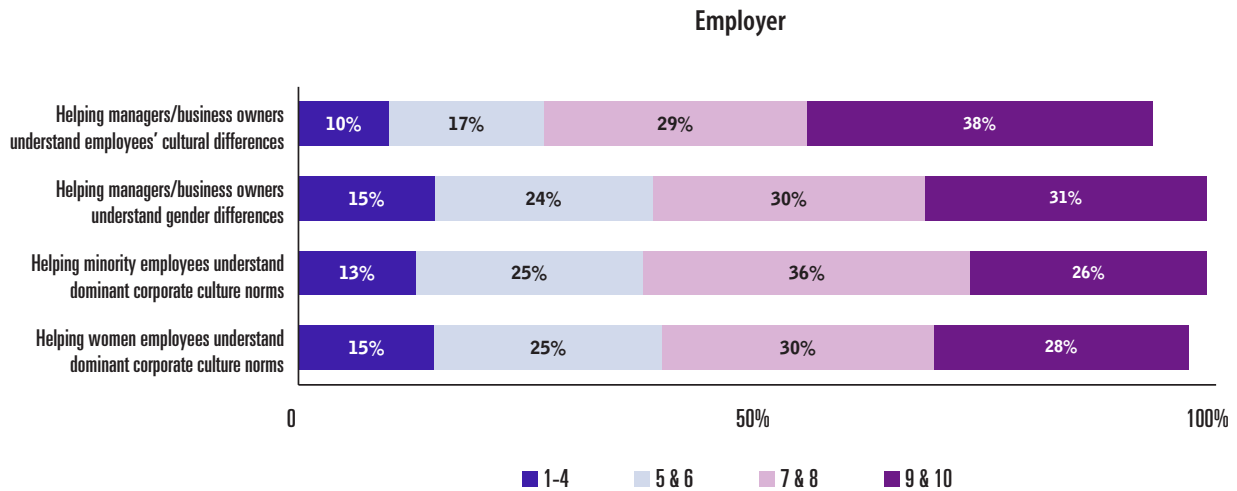
EXPERIENCES OF DISCRIMINATION AND INAPPROPRIATE BEHAVIOR IN THE WORKPLACE

Employees were asked about inappropriate behavior that they may have experienced in the past year. They were asked how frequently, if ever, they had experienced the following behaviors: unwanted sexual teasing, jokes, remarks, or questions; unwanted pressure for dates; unwanted ethnic, racial, religious or cultural jokes, remarks or questions; unwanted physical behavior (touching, leaning, cornering, or pinching); offensive email; public humiliation; being socially excluded; being yelled at; being sworn at; being stereotyped; and being bullied. *Substantial percentages of minorities have experienced all of these behaviors in the past year. Those who have experienced these behaviors in the past year are significantly less likely to recommend their employer as a good place to work for someone like them, less likely to recommend the organization to clients and customers, and less likely to think that their organization will be successful in the long run. Employees of women-owned companies are far less likely to say that they have experienced any of the above-mentioned "bad behaviors" in the workplace.*

Q7a-Q7k. Please tell me if you have experienced* (insert item) in your work place in the past year a lot, sometimes, rarely or never.

	White	Black	Hispanic	Other
Being stereotyped				
Have experienced	39%	54%	52%	50%
Never experienced	60%	45%	48%	47%
Being socially excluded				
Have experienced	30%	44%	42%	39%
Never experienced	69%	56%	58%	59%
Being yelled at				
Have experienced	35%	39%	42%	39%
Never experienced	65%	61%	58%	60%
Being sworn at				
Have experienced	30%	30%	29%	36%
Never experienced	70%	70%	69%	63%
Unwanted racial, ethnic, religious, cultural jokes, remarks				
Have experienced	29%	46%	44%	42%
Never experienced	71%	54%	54%	58%
Unwanted sexual teasing, jokes, remarks, or questions				
Have experienced	21%	32%	36%	27%
Never experienced	79%	67%	65%	71%
Unwanted pressure for dates				
Have experienced	14%	26%	31%	24%
Never experienced	86%	74%	69%	75%
Unwanted physical behavior (touching, leaning, cornering)				
Have experienced	10%	18%	17%	17%
Never experienced	89%	83%	83%	82%
Public humiliation				
Have experienced	21%	24%	31%	26%
Never experienced	79%	75%	69%	73%
Being bullied				
Have experienced	20%	19%	23%	30%
Never experienced	80%	81%	74%	69%
Offensive email				
Have experienced	12%	16%	16%	17%
Never experienced	87%	83%	83%	83%

*"Have experienced" is the total of "a lot," "sometimes" and "rarely."

Q7a-Q7k. Please tell me if you have experienced* (insert item) in your work place in the past year a lot, sometimes, rarely or never.

Percent who have experienced the following

Being bullied	White women 9%, White men 10%, Minority women 11%, Minority men 14%
Being stereotyped	White women 25%, White men 24%, Minority women 37%, Minority men 37%
Being sworn at	White women 11%, White men 23%, Minority women 13%, Minority men 22%
Being yelled at	White women 15%, White men 20%, Minority women 20%, Minority men 27%
Being socially excluded	White women 14%, White men 15%, Minority women 26%, Minority men 24%
Public humiliation	White women 10%, White men 8%, Minority women 13%, Minority men 14%
Offensive e-mail	White women 4%, White men 7%, Minority women 7%, Minority men 7%

Legend: ■ White women ■ White men ■ Minority women ■ Minority men
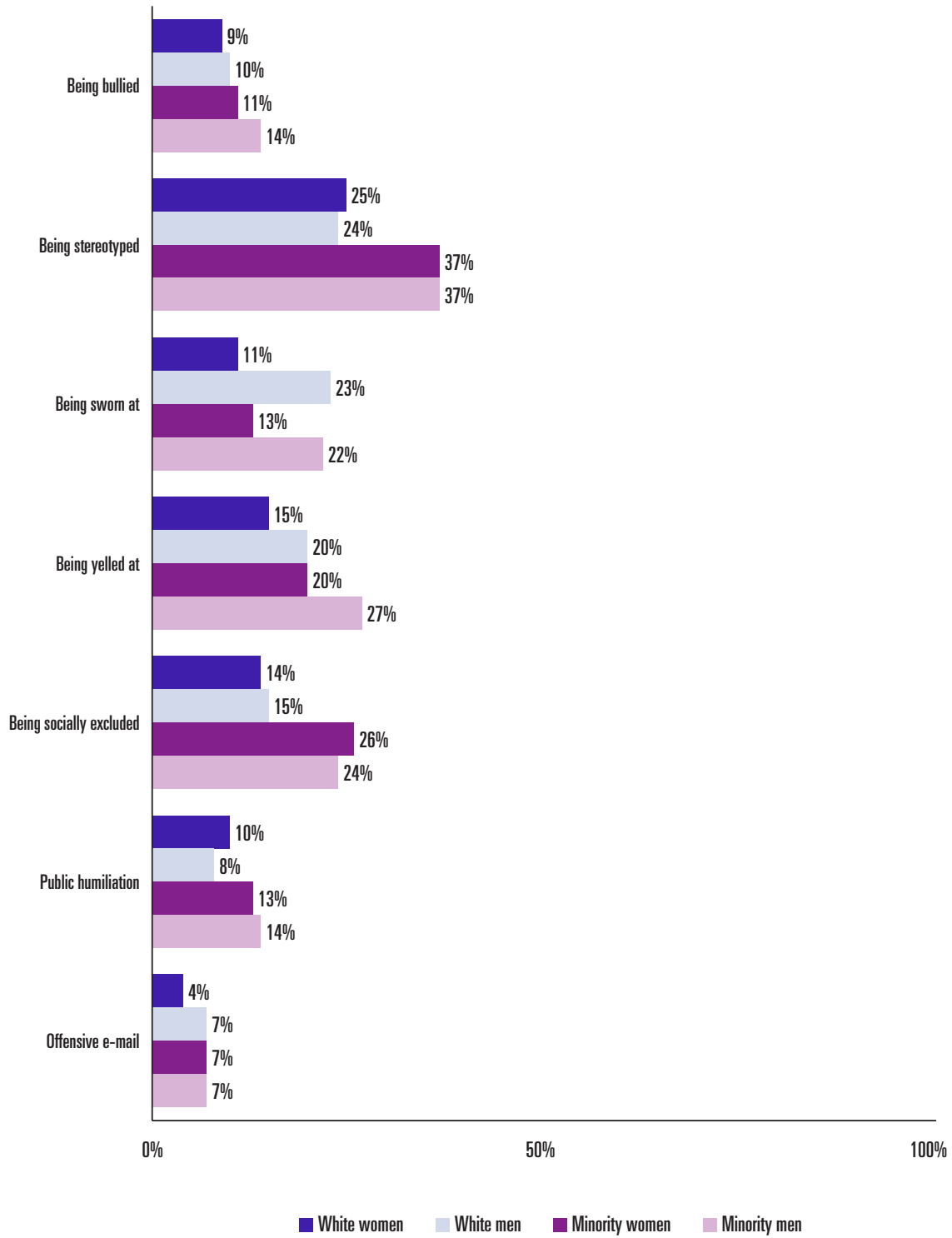
*"Have experienced" is the total of "a lot," "sometimes" and "rarely."

Q7a-Q7k. Please tell me if you have experienced* (insert item) in your work place in the past year a lot, sometimes, rarely or never.

Percent who have experienced the following

(continued)

Chart data:

Unwanted physical behavior (touching, leaning, cornering)
- White women: 6%
- White men: 3%
- Minority women: 6%
- Minority men: 8%

Unwanted racial, ethnic, religious or cultural jokes, remarks, or questions
- White women: 12%
- White men: 12%
- Minority women: 21%
- Minority men: 25%

Unwanted pressure for dates
- White women: 7%
- White men: 8%
- Minority women: 13%
- Minority men: 17%

Unwanted sexual teasing, jokes, remarks, or questions
- White women: 11%
- White men: 7%
- Minority women: 14%
- Minority men: 19%

Legend: ■ White women ■ White men ■ Minority women ■ Minority men

*"Have experienced" is the total of "a lot," "sometimes" and "rarely."

While popular wisdom might assert that organizations are becoming increasingly sophisticated in creating positive work environments and eradicating discrimination over time, there is a troubling trend that appears in our data: Older employees are substantially less likely to see bias, discrimination, stereotyping, and unfair behavior, but "Gen Y" employees (those born after 1978) are more likely to perceive their employers as unfair, and to experience or observe "bad" behavior in the workplace.

- "Gen Y" employees have more negative perceptions of their employer, are more likely to see their employer's shortcomings, and perceive more "bad" behavior and stereotyping at their workplace. Their views stand in contrast to the much more uniformly positive perceptions of "Mature" employees.

- While 72% of "Mature" employees "strongly agree" that they would recommend their organization to prospective clients, only 56% of "Gen Y" employees would do the same. This compares to 61% of "Gen X" and 63% of "Baby Boomers."

- While 87% of "Mature" employees "strongly agree" that their organization will be successful in the long-term, 71% of "Gen Y" employees agree with this statement. This compares to 75% of "Gen X" and 75% of "Baby Boomers."

- 47% of "Gen Y" "strongly agrees" that "stereotyping is not a serious problem at my organization." This compares to 57% of "Gen X", 62% of "Baby Boomers", and 65% of "Mature" employees.

- 58% of "Gen Y" "strongly agrees" that "offensive jokes are not a serious problem." This compares to 64% of "Gen X", 69% of "Baby Boomers", and 78% of "Mature" employees.

- 60% of "Gen Y" strongly agrees that "sexual harassment is not a serious problem." This compares to 78% of "Gen X", 79% of "Baby Boomers", and 86% of "Mature" employees.

- As might be expected, "Gen X" has the most problems with juggling work and family. Over 20% of "Gen Xers" disagree with the statement "people juggling work and family are handled well by my company"; and only 45% agree strongly. This compares to 49% of "Baby Boomers", 60% of "Gen Y" and 68% of "Mature" employees.

Non-White employees report having heard someone at work say or imply several different stereotypes more often than White employees in the past year. This includes stereotypes that are not racially-based, such as stereotypes of women, older workers, and religious minorities.

- About four in 10 (38%) minority employees report they have heard someone at work say or imply that "a woman with small children is not committed to the workplace." One-quarter of White employees have heard someone at work say or imply this. More than six in 10 minority employees report they have never heard anyone at work say or imply this. Nearly three-quarters (74%) of White employees have never heard anyone say or imply this at work.

- About three in 10 (29%) minority employees have heard someone at work say or imply that a "woman is bad with numbers," compared to 16% of White employees.

- Forty-three percent of minority employees have heard someone say or imply that an African-American person is lazy, while 22% of White employees say that they have heard this in their workplace.

- Over one-third (35%) of minority employees have heard "an unmarried woman is a mean, tough boss", while only 15% of White employees report hearing this said or implied at work.

- Half of minority employees report hearing "a good-looking woman is getting by on her looks" at work, compared to one-third of employed Whites.

- Forty-seven percent of minority employees have heard it said or implied that "an older employee is over the hill." More than three in 10 (34%) White employees have heard this said or implied at work.

- About four in 10 (36%) minority employees have heard "a minority employee is not a team player," compared to less than two in 10 (19%) White employees.

- One-quarter of employed minorities have heard "a gay man hits on other men at work" compared to about one in 10 (9%) White employees.

- More than four in 10 (43%) minority employees, compared to more than two in 10 (22%) White employees, have heard "a White male manger is prejudiced" while at work.

- More than four in 10 (43%) minority employees, compared to one-quarter of White employees, have heard "a White man was promoted without adequate qualifications" while at work. Forty-two percent of minority and 27% of White employees have heard it said or implied at work that "a woman was promoted without adequate qualifications."

- Both minority (36%) and White (22%) employees report hearing "a minority was promoted without adequate qualifications" while at work, less than hearing this about a White man.

- About three in 10 (28%) minority and one in 10 White employees have heard "a Jewish person is pushy" said or implied in the workplace.

Data about the different stereotypes heard/not heard by different racial groups are presented in the table below.

Q21a-Q21m. I am going to read you a list of things people sometimes say about people they work with, fairly or unfairly. How often in the past year have you heard someone at work say or imply (insert item)?

	White	Black	Hispanic	Other
A woman with small children is not committed to the workplace				
Have heard*	25%	39%	37%	37%
Never heard	74%	60%	62%	63%
A woman is bad with numbers				
Have heard	16%	26%	32%	25%
Never heard	84%	71%	67%	74%
An African-American person is lazy				
Have heard	22%	49%	42%	32%
Never heard	78%	50%	57%	65%
An unmarried woman is a mean, tough boss				
Have heard	15%	39%	34%	29%
Never heard	84%	60%	63%	70%
A good-looking woman is getting by on her looks				
Have heard	33%	57%	47%	39%
Never heard	66%	42%	52%	59%
An older employee is "over the hill"				
Have heard	34%	49%	46%	42%
Never heard	65%	49%	54%	58%
A minority employee is not a team player				
Have heard	19%	40%	36%	31%
Never heard	81%	60%	63%	68%
A gay man hits on other men at work				
Have heard	9%	28%	27%	16%
Never heard	90%	71%	73%	80%
A White male manager is prejudiced				
Have heard	22%	52%	41%	36%
Never heard	77%	47%	58%	63%
A White man was promoted without adequate qualifications				
Have heard	25%	46%	40%	39%
Never heard	74%	53%	59%	59%
A minority was promoted without adequate qualifications				
Have heard	22%	36%	37%	32%
Never heard	77%	63%	61%	67%

Q21a-Q21m. I am going to read you a list of things people sometimes say about people they work with, fairly or unfairly. How often in the past year have you heard someone at work say or imply (insert item)? (continued)

	White	Black	Hispanic	Other
A woman was promoted **without adequate qualifications**				
Have heard	27%	46%	38%	42%
Never heard	72%	53%	60%	57%
A Jewish person is pushy				
Have heard	10%	30%	29%	23%
Never heard	89%	68%	67%	72%

*"Have heard" is a total of "often," "sometimes" and "rarely"

Q21a-Q21m. I am going to read you a list of things people sometimes say about people they work with, fairly or unfairly. How often in the past year have you heard someone at work say or imply (insert item)?

	Gen Y	Gen X	Boomer	Mature**
A woman with small children is not committed to the work place				
Have heard*	39%	30%	25%	23%
Never heard	59%	70%	75%	76%
A woman is bad with numbers				
Have heard	29%	18%	20%	14%
Never heard	69%	81%	79%	85%
An African-American person is lazy				
Have heard	29%	27%	26%	25%
Never heard	71%	72%	73%	74%
An unmarried woman is a mean, tough boss				
Have heard	30%	20%	15%	15%
Never heard	66%	78%	83%	84%
A good-looking woman is getting by on her looks				
Have heard	52%	40%	36%	31%
Never heard	48%	59%	64%	68%
An older employee is "over the hill"				
Have heard	44%	40%	36%	27%
Never heard	54%	60%	65%	72%
A minority employee is not a team player				
Have heard	30%	24%	21%	20%
Never heard	70%	76%	78%	79%
A gay man hits on other men at work				
Have heard	23%	12%	10%	10%
Never heard	75%	87%	89%	89%
A White male manager is prejudiced				
Have heard	37%	27%	27%	19%
Never heard	61%	72%	72%	79%
A White man was promoted without adequate qualifications				
Have heard	32%	33%	28%	20%
Never heard	68%	67%	71%	78%
A minority was promoted without adequate qualifications				
Have heard	31%	25%	27%	27%
Never heard	69%	75%	73%	73%

Q21a-Q21m. I am going to read you a list of things people sometimes say about people they work with, fairly or unfairly. How often in the past year have you heard someone at work say or imply (insert item)?

(continued)

	Gen Y	Gen X	Boomer	Mature
A woman was promoted without adequate qualifications				
Have heard	37%	27%	28%	27%
Never heard	62%	73%	70%	72%
A Jewish person is pushy				
Have heard	18%	14%	11%	14%
Never heard	80%	85%	87%	85%

*"Have heard" is a total of "often," "sometimes" and "rarely"
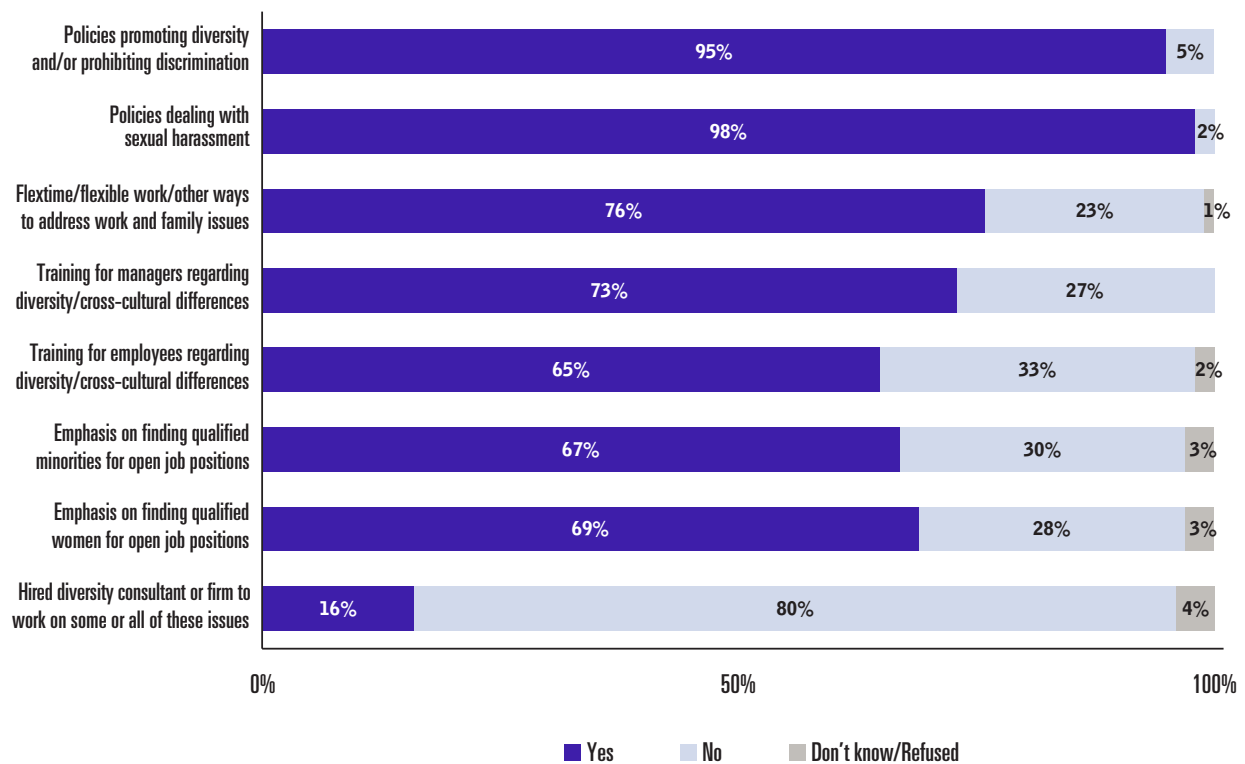**Mature=before 1945; Baby Boomer=1946-1965;
  Gen X=1966-1977; Gen Y=1978 forward

Employers' Perspective—Policies and Procedures

The overwhelming majority of employers have written policies addressing discrimination and sexual harassment. Many also address diversity by seeking qualified minority and women candidates for open positions, by addressing work-family issues, and by training managers and employees regarding diversity issues. Overall, larger employers, international employers, employers with a base of employees with technical/two year college training, and employers with more diversity in their workforces already are more likely to be actively addressing diversity issues in their organizations.

Employers who do not address diversity issues generally don't do so because they do not think that it is important to their organizations. For the most part, the decision not to attend to diversity issues is not influenced by cost concerns, time concerns, or effectiveness concerns. Employers who do address diversity issues are mostly dealing with them internally—only 16% hire outside consultants or trainers to assist them.

Q1-Q8. Please tell me if you have any of the following in your company or organization (insert item).

	Yes	No	Don't know/Refused
Policies promoting diversity and/or prohibiting discrimination	95%	5%	
Policies dealing with sexual harassment	98%	2%	
Flextime/flexible work/other ways to address work and family issues	76%	23%	1%
Training for managers regarding diversity/cross-cultural differences	73%	27%	
Training for employees regarding diversity/cross-cultural differences	65%	33%	2%
Emphasis on finding qualified minorities for open job positions	67%	30%	3%
Emphasis on finding qualified women for open job positions	69%	28%	3%
Hired diversity consultant or firm to work on some or all of these issues	16%	80%	4%

Policies prohibiting discrimination, promoting diversity, and dealing with sexual harassment

- Only 5% of employers do not have policies promoting diversity of the workforce and prohibiting discrimination. Three-quarters of these employers say they do not have these policies because it is not important to the organization. One-quarter reports they "don't know" why the organization does not have these policies.

- Of the 2% of employers that do not have policies dealing with sexual harassment, all report they do not have these policies because it is not important to the organization.

Policies helping employees to balance work and family

- Of the 23% of employers that do *not* offer flextime or other ways of addressing work and family issues, about three in 10 (28%) say they do not do so because it is not important to the organization. The organization being small or being a school is the second most mentioned reason for not offering work-family benefits. Very few employers cite cost in terms of time (1%) or dollars (4%) as being a reason for not offering employees ways to balance work and family. More are concerned about these programs being "ineffective" (12%).

- Organizations whose employees were primarily Black or "mixed" and had at least a vocational school/two year college education were more likely to offer flextime or other ways of addressing work and family issues.

Training for managers and employees regarding diversity and cross-cultural differences

- Of the more than one-quarter (27%) of employers who do not offer training for managers regarding diversity and cross-cultural differences, about one-third (32%) say it is because it is not important to the company, while two in 10 (21%) say diversity training for managers is not needed or diversity is not an issue at the organization.

- Cost in time (10%) and dollars (9%) are less important reasons for employers in terms of offering these programs. Interestingly, only 3% of employers do not offer training for managers about these issues because they think it would be ineffective.

- Employers with 500 or more employees, with a mixed or Black workforce, or with more than $10M in revenues are more likely to report having training for managers on diversity and cross-cultural issues.

- One-third (33%) of employers do not offer training for employees regarding diversity and cross-cultural issues. Twenty-seven percent of these report that training is not offered because it is not important to the company, and nearly two in 10 (18%) say that diversity training for employees is not needed or that diversity is not an issue at the organization.

- Time concerns are greater for employers in considering training for employees regarding these issues, with 14% of non-training employers citing time as an issue, though expense is still a relatively minor consideration at 9%. Only 5% do not offer training because of concerns that it would be ineffective.

Emphasis on finding qualified minority and women candidates for open positions

- Of the three in 10 employers that do not place emphasis on finding qualified minority candidates for open positions, most say the organization hires the best-qualified candidate, regardless of race (32%). Twenty-four percent say it is not important to the organization to place emphasis on finding minority candidates for open positions. Only 1% says that it is too time consuming, 2% that it is too expensive, and 2% that it is ineffective to find qualified minority candidates for open positions.

- Of the 28% of employers that do not emphasize trying to find qualified women candidates, 30% say that they just hire the best-qualified candidate; 29% say that this is not important to their company; and 14% say that their organization is already diverse, gender-wise. No respondents said that it is too time consuming. Only 1% said that it is too expensive, and 5% said that it is ineffective.

Managers' evaluation/compensation based on people skills, success in managing a diverse workforce, and success in finding diverse candidates for jobs and promotion

- Roughly one-third of employers do not base their managers' evaluations or compensations on the managers' people skills. Fifty-five percent of employers say the managers' success in managing a diverse workforce is not a factor in evaluation. Two-thirds of employers do not evaluate managers based on their success in finding diverse candidates for jobs and promotions. Despite the fact that most employers seem to place some value on creating and managing a diverse workforce, this is not uniformly reflected in manager performance incentives.

Consulting regarding diversity issues

- Those employers who hired a diversity consultant or a consulting firm to work on diversity issues were quite pleased with the outcome. Forty-two percent think it was "very effective" and 43% think it was "somewhat effective."

- Employers with 500 or more employees and non-profit and government sector employers were more likely to have hired a diversity consultant.

Positive Perceptions of, and Relationships With, Employer

Overall, employees are very favorably disposed toward their employers. Most employees report they would recommend their employer to someone like them as a great place to work and to prospective clients or customers. About six in 10 (62%) employees "strongly agree", followed by 24% who "somewhat agree" that they would recommend their employer as a great place to work. Similarly, about three-quarters (74%) of employees "strongly agree" that they would recommend the organization to clients and customers, followed by 19% who "somewhat agree." Black, Other, and Hispanic employees are more likely to say that they would not recommend their organization as a great place to work for someone like them (12% White employees versus 23% of Black, 19% of Other, and 17% of Hispanic employees). However, fully 5% of White employees say that they would not recommend their organization to prospective clients, compared to 10% of Black, 9% of Hispanic, and 11% of Other employees.

Despite the current economic climate, employees are inclined to believe that the organization they work for will be successful in the long run. Three-quarters (75%) of employees strongly agree the organization they work for will be successful, and another 18% agree "somewhat."

Seven in 10 (70%) employees "strongly agree" and 21% "somewhat agree" the organization they work for makes a positive contribution to our country and our society.

Despite their overall positive perceptions of their employers, a substantial number of employees indicate that their employers have some areas in which they could improve. White employees have very different perceptions than do employees of color about how serious problems at their organizations are.

- 8% of White employees versus 16% of Black employees, 25% of Hispanic employees, and 24% of Other employees think that sexual harassment is a serious problem.

- 11% of White employees versus 24% of Black, 25% of Hispanic, and 33% of Other employees think offensive jokes are a serious problem.

- 15% of White employees versus 29% of Black, 28% of Hispanic, and 21% of Other employees think that stereotyping is a serious problem.

- 15% of White employees versus 29% of Black, 29% of Hispanic, and 25% of Other employees think that unethical behavior is a serious problem.

- 20% of White employees versus 35% of Black, 31% of Hispanic, and 38% of Other employees think that unfair behavior is a serious problem.

- Employees of women owned companies are much more likely to say that stereotyping, offensive jokes, unfair behavior, unethical behavior, and sexual harassment are not a problem at their company. They are also more likely to agree that work and family balance is handled well by their organization.

Overall, employees have very favorable perceptions of their employers. Despite the current economic climate, employees are inclined to believe that their organizations will be successful in the long run; and they also feel that their organizations are making a positive contribution to the country and to society in general. Data for these and other viewpoints are in the table below.

Q13a-Q13j. Please tell me if you agree or disagree with (insert item).

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
I would recommend my org. as a great place to work				
White	64%	24%	6%	6%
Black	52%	26%	11%	12%
Hispanic	51%	31%	9%	8%
Other	43%	37%	11%	8%
I would recommend my org. to prospective clients				
White	77%	17%	3%	2%
Black	66%	22%	4%	5%
Hispanic	65%	24%	5%	4%
Other	61%	26%	6%	5%
I believe my org. will be successful in the long run				
White	76%	18%	4%	2%
Black	67%	21%	7%	2%
Hispanic	67%	22%	5%	4%
Other	53%	33%	8%	3%
My org. makes a positive contribution to our country				
White	73%	19%	5%	2%
Black	63%	22%	6%	7%
Hispanic	60%	26%	7%	4%
Other	57%	33%	5%	4%
People juggling work and family are handled well by my org.				
White	52%	30%	10%	6%
Black	46%	28%	11%	14%
Hispanic	49%	31%	11%	8%
Other	36%	41%	14%	7%

Their overall positive perceptions of their employers notwithstanding, a substantial number of employees indicate that their employers have some areas in which they could improve. White employees have very different perceptions than do employees of color about how serious the problems at their organizations are.

Q13a-Q13j. Please tell me if you agree or disagree with (insert item).
(continued)

	Strongly Agree	Somewhat Agree	Somewhat Disagree	Strongly Disagree
Stereotyping is not a serious problem at my org.				
White	61%	24%	9%	6%
Black	48%	23%	16%	13%
Hispanic	49%	22%	17%	11%
Other	39%	25%	18%	17%
Offensive jokes are not a serious problem at my org.				
White	70%	18%	7%	4%
Black	53%	23%	9%	14%
Hispanic	53%	21%	10%	15%
Other	45%	21%	13%	20%
Sexual harassment is not a serious problem at my org.				
White	81%	11%	3%	5%
Black	65%	18%	5%	11%
Hispanic	60%	14%	8%	17%
Other	61%	15%	6%	16%
Unethical behavior is not a serious problem at my org.				
White	69%	16%	8%	6%
Black	49%	22%	15%	14%
Hispanic	46%	26%	14%	13%
Other	40%	26%	9%	23%
Unfair behavior is not a serious problem at my org.				
White	55%	25%	11%	9%
Black	40%	27%	17%	16%
Hispanic	42%	26%	11%	20%
Other	34%	28%	16%	21%

Employees Positive Perception of Organization
by Experience of Inappropriate Behaviors in the Workplace

	% willing to recommend org. to "someone like me" as a good place to work (strongly)	% willing to recommend org. to clients & customers (strongly)	% saying org. will be successful in the long run (strongly)
Being stereotyped			
Have experienced*	79% (48%)	90% (66%)	91% (67%)
Never experienced	92% (72%)	96% (82%)	97% (82%)
Being socially excluded			
Have experienced	78% (45%)	88% (63%)	90% (67%)
Never experienced	91% (70%)	96% (81%)	96% (80%)
Being yelled at			
Have experienced	78% (47%)	89% (67%)	89% (66%)
Never experienced	91% (69%)	96% (79%)	97% (80%)
Being sworn at			
Have experienced	76% (44%)	88% (66%)	90% (67%)
Never experienced	89% (68%)	95% (78%)	95% (79%)
Unwanted racial, ethnic, religious, cultural jokes, remarks			
Have experienced	77% (49%)	89% (66%)	92% (67%)
Never experienced	90% (67%)	95% (79%)	95% (79%)
Unwanted sexual teasing, jokes, remarks, or questions			
Have experienced	75% (49%)	89% (64%)	92% (67%)
Never experienced	89% (65%)	94% (78%)	95% (77%)
Unwanted pressure for dates			
Have experienced	78% (48%)	88% (62%)	90% (66%)
Never experienced	88% (64%)	95% (77%)	95% (77%)
Unwanted physical behavior (touching, leaning, cornering)			
Have experienced	69% (39%)	86% (62%)	86% (65%)
Never experienced	89% (64%)	94% (76%)	95% (77%)
Public humiliation			
Have experienced	70% (36%)	85% (58%)	87% (63%)
Never experienced	91% (68%)	95% (79%)	95% (79%)

*"Have experienced" is the total of "a lot," "sometimes" and "rarely."

**Employees Positive Perception of Organization
by Experience of Inappropriate Behaviors in the Workplace
(continued)**

	% willing to recommend org. to "someone like me" as a good place to work (strongly)	% willing to recommend org. to clients & customers (strongly)	% saying org. will be successful in the long run (strongly)
Being bullied			
Have experienced*	71% (39%)	86% (58%)	88% (61%)
Never experienced	91% (67%)	96% (79%)	95% (79%)
Offensive email			
Have experienced	81% (51%)	90% (66%)	91% (74%)
Never experienced	87% (63%)	94% (76%)	95% (75%)

*"Have experienced" is the total of "a lot," "sometimes" and "rarely."

Methodology

The MK Level Playing Field Institute commissioned the Center for Survey Research and Analysis at the University of Connecticut to examine the attitudes, beliefs, and values of today's American employers and employees. The national survey of employees was conducted from November 2, 2002 through January 19, 2003. This national probability sample of all adults living in the 48 contiguous states is weighted to adjust for disproportionate probabilities of selection, age, education, gender, and race. In total 1,401 White workers and 687 minority workers (including 276 African-American, 262 Hispanic, 102 Asian, and 47 other minority respondents) were interviewed.

The national survey of employers was conducted from December 13, 2002 through February 12, 2003. A total of 400 executives from companies and organizations with 100 or more employees were interviewed.

The margin of error is ±2.1% for the total employed population and ±4.9% for the employer survey. The margin of error may be greater for smaller sub-groups.

ESTIMATING THE COST OF UNFAIR TREATMENT TO A TYPICAL FORTUNE 500 COMPANY

By Freada Kapor Klein, Ph.D.
Level Playing Field Institute
June 2003

Fortune 500 assumptions:

- average number of employees is 54,500.
- 2% are senior managers, with average annual salary of $175,000.
- 18% are mid-managers, with average annual salary of $75,000.
- 80% are employees/individual contributors, with average annual salary of $37,500.

Background assumptions about unfair treatment in typical Fortune 500:

- 50 % experienced some form of unfair treatment within the past year, at a frequency of "sometimes" or "often" (27,250)

Unfair treatment includes behaviors that probably have no legal claim such as public humiliation and bullying, as well as subtle and blatant forms of race and gender discrimination (e.g. stereotyping, unwelcome jokes or slurs, unwanted physical behavior, offensive e-mail, etc).

Employees who indicated that any of these behaviors occurred "rarely" within the past year are not included in our 50% estimate.

Of those who are subjected to unfair treatment in the workplace, they respond differently:

A) 2% just quit

B) 5% leave with unfair treatment comprising part of the reason

C) 50% try to ignore it/put up with it

D) 25% try to handle it themselves

E) 6% go to a designated complaint person within their company

F) 12% go to their manager for assistance

(These estimates are conservative and based on aggregate research in the fields of discrimination, harassment, and bullying)

Turnover

A) 2% just quit (5% of these 2% leave with severance)—545 total

    11 are senior managers; cost of replacement $4,768,750 (2.5 times annual salary).

    98 are mid managers; cost of replacement $7,357,500 (1.0 times annual salary).

    436 are employees; cost of replacement $4,087,500 (0.25 annual salary).

    Severance of $50,000 for 5% of the 2% (27.25 people) = $1,362,500.

Total of those who quit with and without severance = $17,576,250.

Unfair Treatment

B) 5% leave with unfair treatment as part of the reason—1363 total

If 40% of the reason was unfair treatment for these 5%, then the costs above would be repeated.

Senior managers; cost of replacement $4,768,750.

Mid managers; cost of replacement $7,357,500.

Employees; cost of replacement $4,087,500.

Total of those who leave with unfair treatment as part of the reason = $16,213,750.

Ignore/Handle Themselves

C) 50% try to ignore it/merely put up with it—13,625 total

Assume that half of these are able to get the unfair treatment to end in half the usual duration; and assume a 1% drop in productivity for five months.*

Senior managers = $99,349.

Mid managers = $383,203.

Employees = $851,562.

For the other 50%, assume a 1% drop in productivity for the full 10 months.

Senior managers = $198,698.

Mid managers = $766,406.

Employees = $1,703,125.

Total of those who try to ignore unfair treatment or merely put up with it = $4,002,343.

D) 25% try to handle it themselves—6812.5 total

Assume that half of these are able to get the unfair treatment to end in half the usual duration; and assume a 1% drop in productivity for these five months.

Senior managers = $99,349.

Mid managers = $383,203.

Employees = $851,562.

For the other 50%, assume a 1% drop in productivity for the full 10 months.

Senior managers = $198,698.

Mid managers = $766,406.

Employees = $1,703,125.

Total of those who try to handle it themselves = $4,002,343.

*10 months average duration combines data on bullying (average duration is 16.5 months) and harassment of protected classes—e.g. sexual harassment (average duration is 4 months)

Obtaining assistance from inside the company

E) 6% go to a company complaint handler—1635 total

Obtaining assistance from inside the company—complaint handler (human resources, employee/labor relations, ombuds, diversity officer, etc.) For half, the unfair treatment is truncated at half the average duration or five months; for this length of time, there is a 2% drop in productivity.

Senior managers = $23,844.

Mid managers = $91,969.

Employees = $204,375.

For one-quarter, the unfair treatment continues for the average duration of 10 months and there is a 2% drop in productivity.

Senior managers = $23,844.

Mid managers = $91,969.

Employees = $204,375.

For one quarter, the complaint involves investigation, fact-finding, and/or mediation. For this latter group, a 10% drop in productivity results for three months.

Senior managers = $35,765.

Mid managers = $ 137,953.

Employees = $306,562.

A designated complaint handler conducts interviews with four peers, one manager, and one accused initiator; the complaint is reviewed by one senior manager; each of these are two-hour meetings.

The total caseload takes 25% of one FTE at an annual salary of $100,000. = $25,000.

Total cost of using an internal complaint handler = $1,145,656.

F) 12% go to their manager or a sympathetic manager in the company—3270

Obtaining assistance from inside the company—manager

For half, the unfair treatment is truncated at half the average duration or five months; for this duration, there is a 2% drop in productivity.

Senior managers = $47,688.

Mid managers = $183,938.

Employees = $408,750.

For one-quarter, the complaint is referred to someone inside the company for further investigation. For this latter one-quarter, the complaint involves investigation, fact-finding, and/or mediation. For this group, a 10% drop in productivity results for three months.

Senior managers = $71,530.

Mid managers = $275,906.

Employees = $613,124.

Total cost of going to a company manager for assistance = $2,241,312.

Use of paid leave—From other research we assume that 25% of those subjected to unfair treatment use some paid leave time for health problems caused by the treatment and/or to seek advice and/or to avoid the situation. We will assume that each person subjected to unfair treatment who used paid leave avails him/herself of one day per month for four months.

Senior managers = $366,154.

Mid managers = $1,415,093.

Employees = $3,144,230.

Total cost of use of paid leave = $4,925,478.

Total cost of unfair treatment to a typical Fortune 500 on an annual basis is $50,107,132.

Categories omitted from cost estimate: Litigation, responding to charges filed with municipal/state/federal regulatory agencies, and destructive behavior or sabotage are very costly categories that have been omitted. Similarly, we have not calculated the cost of lost co-worker productivity when those individuals witness behavior or offer advice or support to colleagues or participate in investigations. Financial costs borne by employees are also not included (e.g. consulting with lawyers, counselors, unreimbursed health care costs). In addition, although the study documents the profound relationship between being treated unfairly at work and being unwilling to recommend the company to prospective employees, we have not calculated a cost estimate. Finally, other categories of costs to individuals, corporations/other employers, and society as a whole are not calculated—the costs of abandoned careers, disrupted personal lives, and disrupted relationships between co-workers.

The cost of inappropriate/unfair treatment is $919. per employee per year, for a typical Fortune 500 Service or Manufacturing firm of 54,500 employees.

In contrast, meaningful efforts to prevent and intervene could be undertaken for less than 10% of this figure—i.e. for $90. per employee; this includes:

- conducting anonymous, web-based, customized survey of experiences and perceptions of unfair treatment as they are linked to job satisfaction; evaluation of teamwork and supervisors/managers; confidence in management, the company's products and services; and assessment of whether the employer lives up to its stated values

- developing a comprehensive diversity/anti-harassment/fair treatment code of conduct

- developing informal and formal complaint mechanisms

- developing company-wide customized training programs

- monitoring the on-going effectiveness

Note: This cost estimate is closely modeled after that calculated by Freada Klein, Ph.D. and Mary Rowe, Ph.D. in 1988 for the cost of sexual harassment to the Fortune 500. Mary Rowe is a labor economist by training and serves as Special Assistant to the President at the Massachusetts Institute of Technology and Adjunct Professor at the M.I.T. School of Management.

Appendix B

Summary of Regression Analyses

Analysis 1: Organizational Fairness (Q4 Series).

This analysis evaluates the relative impact of the level of fairness individuals perceive in various organizational aspects of their employer.

"Respect Regardless of Job Level" and "Fairness in Promotions" have the greatest impact on overall workplace favorability. "Quality of Assignments" and "Job Security" have somewhat less of an impact, while "Pay," "Balancing Human Needs versus Business Needs," and "Benefits" have the smallest impact on overall workforce favorability among these seven items. This analysis is outlined in Table 1:

Table 1
Relative Impact of Perceived Fairness of Job Aspects on Workforce Favorability

Q#	Job Aspect	Relative Impact (Beta With Controls)	Relative Impact (Beta Without Controls)
Q4G	Respect regardless of job level	0.21	0.201
Q4A	Promotion	0.21	0.207
Q4B	Quality of assignments	0.13	0.131
Q4F	Job security	0.11	0.124
Q4C	Pay	0.09	0.089
Q4H	Balancing human needs vs. business needs	0.06	0.057
Q4D	Benefits	0.04	0.053

Analysis 2: Individual Fairness

This analysis evaluates the relative impact of perceived fair individual treatment of workers by various groups. Fair treatment by one's employer has an extremely strong impact on overall workplace favorability. Fair treatment by one's immediate supervisor also results in a favorable overall attitude toward an employer. Fair treatment by customers or clients, co-workers, and American society in general do not have any impact on overall workplace favorability. (See Table 2)

Table 2
Relative Impact of Perceived Personal Fair Treatment on Workplace Favorability

Q#	Person or Organization	Relative Impact (Beta With Controls)	Relative Impact (Beta Without Controls)
Q5A	Employer	0.43	0.43
Q5C	Supervisor	0.16	0.19
Q5D	Clients/Customers	0.03	0.02*
Q5B	Co-workers	0.03	0.03*
Q5E	American society	0.01	0.02*

*Not statistically different from 0

Some Technical Notes for Analyses 1 and 2

The spreadsheets display models both including and excluding controls. Other models were run using various assumptions concerning missing data and statistical distributions. Models are generally consistent under different assumptions, and are consistent both including and excluding controls. Demographic controls included type of workplace (government, non-profit, or other), occupation type (professional, blue-collar, or pink-collar), manager vs. non-manager status, total company size, total size of respondents' workplace, income, education, job experience, gender, and minority status (African-American, Hispanic, and Asian separately). The second model also tested interactions between minority status and Q5B (Perceived fair treatment by co-workers). These were not found to be statistically significant.

All substantive variables in organizational fairness were statistically significant, though 4d (Benefits) was sig. at p=.06. Only the first two substantive variables were sig. in the individual fairness models.

Overall Adjusted R-Square for Organizational Fairness is approximately .43, while individual fairness model is approximately .38.

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