The Impact of Equality and Values Driven Business

Insights from over 1,500 business professionals on workplace equality and values driven leadership trends
For this special report, “The Impact of Equality and Values Driven Business,” Salesforce Research surveyed more than 1,500 business professionals to discover:

- Changing expectations of businesses’ role in society
- The customer impact of values driven companies
- Employee benefits of fostering a culture of equality

Data in this report is from a January 2017 survey that generated responses from 1,514 full-time professional, managerial, and administrative employees in the U.S. All respondents are third-party panelists (not limited to Salesforce customers). Due to rounding, not all percentage totals in this report equal 100%. All comparison calculations are made from total numbers (not rounded numbers).
# Table of Contents

## I. Equality and Values Help Drive the Bottom Line ..................................  4

01. Companies Are Called On to Impact Society ......................................  5

02. Employees Reveal Gaps in Workplace Equality .....................................  6

## II. Business and Social Impact Go Hand in Hand ...................................  7

03. Customers Want to Do Business with Companies That Give Back ...............  8

04. Companies Can Go Beyond Traditional Philanthropy to Drive Impact ..........  9

05. Business Leaders Are Becoming Societal Leaders ................................  10

## III. Commitment to Equality Drives Employee Success ...............................  11

06. Inequality Persists in Today’s Business Culture ....................................  12

07. Workplace Equality Influences Employee Engagement .............................  13

08. Inclusive Culture Boosts Employee Productivity ....................................  14

09. Business Leaders Prepare to Address Equality Gaps ...............................  15

## IV. Last Look: Steps to Leading an Equality and Values Driven Business ........  16
Equality and Values Help Drive the Bottom Line
Increasingly, business leaders at high-profile companies are outspoken about more than just the traditional bottom line – they also advocate for social issues and values that matter to their customers and employees. As revealed in our research, this “values driven” approach to business resonates with the modern business professional and, in turn, can create stronger customer loyalty, increase employee morale, and positively impact the company’s surrounding communities. This philosophy has even affected the way many companies present their brand: **Today’s top marketers are 2.2x more likely than underperformers to leverage purpose-driven marketing to reflect the values of their company, brands, and customers.**

With more information at their fingertips, customers and employees can make more educated decisions about the businesses they purchase from and the companies they work for. In fact, 70% of consumers and 82% of business buyers say technology has made it easier than ever to take their business elsewhere.** In today’s business professionals consider more than typical factors such as pricing, salary, and brand recognition when choosing an employer or company to purchase from – they also emphasize the importance of businesses that care to make a social impact. **Eighty percent of business professionals believe companies have a responsibility to go beyond profit and make a positive impact on society.**

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Employees Reveal Gaps in Workplace Equality

Despite increased expectations for companies to focus on equality and social responsibility, businesses have more work to do when it comes to addressing their own workplace equality gaps. For example, only 25% of business professionals believe their company cares about closing the gender pay gap.

There is an opportunity for companies to take a more active approach to equality, starting with being intentional about creating diversity within their organizations. By creating workplace communities and leadership teams that reflect their diverse communities and customers, businesses can better address social issues, understand customer needs, and support their employees.

Most Companies Aren’t Actively Working to Achieve Diversity

The majority of business professionals believe their companies aren’t actively working to achieve equality. In fact, only 36% believe their company is actively working to be more diverse.
Business and Social Impact
Go Hand in Hand
Customers Want to Do Business with Companies That Give Back

Consumers now expect companies to integrate giving back and social change into their business. In fact, consumers – especially the increasingly influential generation of Millennials – are more loyal to companies that give back. Fifty-eight percent of Millennial consumers say that companies investing in or giving back to their community has an impact on their loyalty to a company.

The majority (60%) of consumers are likely to go a step further and switch brands if a company isn’t socially responsible. Companies have the opportunity to differentiate themselves from the competition through greater internal commitment to philanthropy and volunteerism.

Giving Back Influences Customer Loyalty

Across generations, consumers prefer to do business with values driven companies that invest in and support their communities.

51% of consumers say companies investing in or giving back to the community has a major or moderate influence on their loyalty to a company.

All data on this page comes from “State of the Connected Customer,” Salesforce Research, October 2016.
Companies Can Go Beyond Traditional Philanthropy to Drive Impact

Despite customers expecting more social impact from corporations, fewer than half of business professionals say their company is actively engaged in community service. Similarly, less than one-third of business professionals say their company is actively engaged in deeper social commitments such as public policy, equal rights, or STEM education/workforce development.

These types of social impact initiatives are becoming more important to customers and employees.

Millennials vs. Baby Boomers

1.5x more likely to say they want companies to stand for equal rights

Businesses have the opportunity to respond to customer expectations and widen their scope to make a broader impact in these areas. This approach could also improve equality within businesses by empowering and educating the future diverse workforce.

Businesses Have the Potential to Create Greater Societal Impact

As companies take a closer look at their societal impact, there’s room to ramp up engagement in local schools, public policy, and equal rights initiatives.

Percentage of Business Professionals Who Say Their Company Is Actively Engaged in the Following

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community service</td>
<td>44%</td>
</tr>
<tr>
<td>Diversity and equality in the workplace</td>
<td>41%</td>
</tr>
<tr>
<td>Local schools</td>
<td>32%</td>
</tr>
<tr>
<td>Public policy</td>
<td>31%</td>
</tr>
<tr>
<td>Equal rights in society at large</td>
<td>28%</td>
</tr>
<tr>
<td>STEM education/workforce development</td>
<td>26%</td>
</tr>
</tbody>
</table>
As business professionals begin to expect more societal impact from companies, the responsibility of those companies’ leaders is expanding as well. In a recent summit on the future of work and leadership, senior executives said they think that making a societal impact has become more important over the last two years.

With the rising focus on values driven business, it’s likely that more company leaders will become social advocates and partners with government, nonprofit, and education leaders to help create change.


Executives Recognize Their Responsibility to Impact Society

Salesforce surveyed senior executives at the 2017 New York Times New Work Summit. Out of 14 senior executives, 10 said that compared to two years ago, looking beyond profit to make an impact on society has become more important.*

Commitment to Equality Drives Employee Success
Inequality Persists in Today’s Business Culture

As values driven business leaders move to become active pioneers both in society and their workplaces, they are carrying with them an added imperative to foster a culture of equality in their companies. When employees are given equal opportunities, feel heard at work, and are comfortable being their authentic selves, their morale and productivity increase. For example, of those who say their company provides equal opportunities, 65% say they are proud to work for their company.

Yet, workplace inequality gaps remain a persistent issue. Nearly half (49%) of business professionals don’t believe their companies provide equal opportunities for employees. To bridge this divide, businesses can do more to focus on the gender pay gap and inclusion. Eighty percent of business professionals who say their company fosters a culture of inclusion and 43% who say their company cares about closing the gender pay gap also say their company provides equal opportunities.

Businesses Have More to Do to Achieve Workplace Equality

Providing equal opportunities for all is a key component of achieving equality in the workplace. A focus on inclusion and pay can help create equal opportunities. However, business professionals see considerable room for improvement.

Percentage of Business Professionals Who Believe the Following

- My company provides equal opportunity for employees: 51%
- My company actively works to be more diverse: 36%
- My company fosters an inclusive culture: 36%
- My company cares about closing the gender pay gap: 25%
Employees are more likely to take pride in working for their company when the company is taking steps toward equality. For example, among those who say their company cares about closing the gender pay gap, 75% also say they’re proud to work for their company. In contrast, at companies where employees don’t feel like their company cares about closing the pay gap, only 34% are proud to work there.

2.8\times more likely to say they’re proud to work for their company

Employees Feel They Can Be Their Authentic Self at Work vs. Those Who Don’t

Employees Are Proud to Work for Companies That Are Committed to Equality

A commitment to equality positively impacts employee morale. Employees feel proud to work for companies that stand for equal rights, foster inclusion, provide equal opportunities, and care about closing the gender pay gap.

Percentage of Employees Who Agree/Disagree with the Following Statements and Say They’re Proud to Work for Their Company

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree vs. Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>My company cares about closing the gender pay gap</td>
<td>2.2x more likely</td>
</tr>
<tr>
<td>I’m able to be my authentic self at work</td>
<td>2.8x more likely</td>
</tr>
<tr>
<td>My company positively impacts our community</td>
<td>3.0x more likely</td>
</tr>
<tr>
<td>My company fosters an inclusive culture</td>
<td>2.4x more likely</td>
</tr>
<tr>
<td>My company provides equal opportunities for employees</td>
<td>3.8x more likely</td>
</tr>
</tbody>
</table>
Beyond employee pride, feeling included, heard, and supported at work has an impact on employee productivity and success. When employees feel accepted and comfortable at work, they also feel empowered to perform better.

Overall, only 36% of business professionals report that they feel empowered to perform their best work. However, when inclusion factors are present, this number noticeably increases.

**Employees Perform Their Best Work in an Inclusive Environment**

Employees are more productive when they feel they belong, are heard, and are able to be their authentic self at work. For example, among those who feel they belong at their company, 73% say they are empowered to perform their best work.

**Percentage of Employees Who Agree/Disagree with the Following Statements and Say They Feel Empowered to Perform Their Best Work**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Agree (%)</th>
<th>Disagree (%)</th>
<th>Agree vs. Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>I feel my voice is heard at work</td>
<td>73%</td>
<td>16%</td>
<td>4.6x more likely</td>
</tr>
<tr>
<td>I feel like I belong at my company</td>
<td>73%</td>
<td>14%</td>
<td>5.3x more likely</td>
</tr>
<tr>
<td>I’m able to be my authentic self at work</td>
<td>70%</td>
<td>16%</td>
<td>4.4x more likely</td>
</tr>
<tr>
<td>My company fosters an inclusive culture</td>
<td>64%</td>
<td>20%</td>
<td>3.2x more likely</td>
</tr>
<tr>
<td>My company cares about closing the gender pay gap</td>
<td>67%</td>
<td>26%</td>
<td>2.6x more likely</td>
</tr>
</tbody>
</table>

**Employees Who Feel a Sense of Belongingness at Their Company vs. Those Who Don’t**

5.3x more likely to feel empowered to perform their best work
Business Leaders Prepare to Address Equality Gaps

Many business leaders understand the urgency of taking an active approach to closing equality gaps in their organizations. In a recent summit on the future of work and leadership, 11 of 14 senior executives surveyed said that compared to two years ago, it’s become more important for them to promote equality.

Business leaders who show active leadership in advocating workplace equality are demonstrating to customers and employees alike that their company authentically stands for change.

Executives Recognize the Rising Importance of Active Leadership in Equality

Salesforce surveyed senior executives at the 2017 New York Times New Work Summit. Of 14 senior executives, 11 said that compared to two years ago, it’s become much more or somewhat more important to their company culture to promote equality.*

A new business model for companies is emerging – one that calls for companies to expand their purview beyond profit, adopt a holistic approach to societal impact, and actively work toward achieving workplace equality. Customers and employees alike give their loyalty to companies that value giving back and are socially responsible. Business professionals are empowered by technology to make more informed decisions and hold companies, and the people who lead them, accountable to these new standards.

Here are three steps that business leaders can take to strengthen customer loyalty, attract and retain top talent, and make an impact on society with an equality and values driven focus.

**01 | Lead with Values**

Demonstrating an authentic commitment to a greater objective outside of profit requires clear and honest values. Although 10 out of 18 senior executives surveyed at the 2017 New York Times New Work Summit said that their companies clearly define their values, only 40% of business professionals say their company leads with its values. Business leaders who take the next step to not only define but actually lead with values are better positioned to connect with their customers and employees.

**02 | Become a Platform for Social Change**

As business professionals expect more advocacy and action from companies, opportunities to partner with governmental, nonprofit, education, and other business leaders will increase. Businesses can leverage their power as platforms for social change – using their networks, influence, and voice to speak out and empower those who can’t do so on their own. Such initiatives are good for business. When company leaders help support their communities, they’re also training and building their future diverse workforce.

**03 | Create a Culture of Equality**

As a company grows, especially during a time when innovation is booming and skills are in high demand, being an attractive destination workplace for all is essential. Indeed, commitment to equality and inclusiveness is becoming a competitive differentiator for companies seeking to attract and retain a new generation of talent. Actions speak louder than words: Today’s business professionals can leverage technology to instantly discover if companies are walking the walk and making strides for change. Being open, transparent, and active in promoting equality in the workplace can earn enduring customer and employee trust.