

# THE FUTURE OF EQUITY IN



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# 1

## Project Background



# Background & Objectives

Disparities in the U.S. inhibit longer, healthier, and more productive lives and obstruct the health, security, and financial resilience that enable people to thrive equitably as they age.

AARP aims to be part of the solution with two key goals:

1

Reduce health disparities especially among communities of color and other vulnerable groups.

2

Reduce wealth and income gaps by race and other sociodemographic factors.



To this end, AARP has embarked on a **comprehensive research study exploring systemic disparities** in current workplace practices and identifying future work trends that may be affected by or impact disparities.

On behalf of AARP, VSI conducted a series of in-depth interviews among senior executives in large corporations and start-ups.

Following these interviews, **VSI interviewed consumers through an online bulletin board platform** in order to explore their opinions on diversity and disparity, to gauge their awareness and perception of corporate social responsibility, and to understand the importance of these issues to them as both consumers and employees.

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# 2 three-day bulletin boards

Oct. 26, 2021

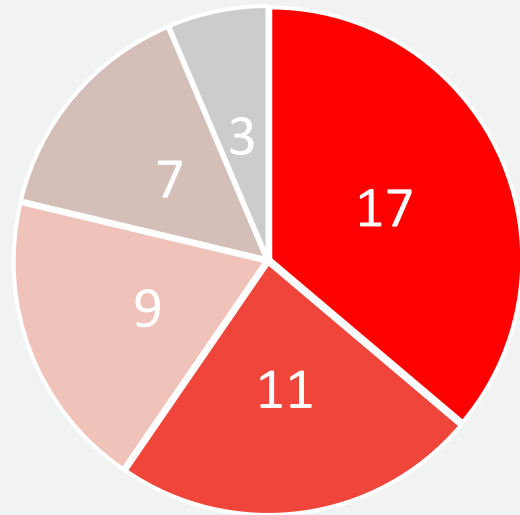


Oct. 28, 2021

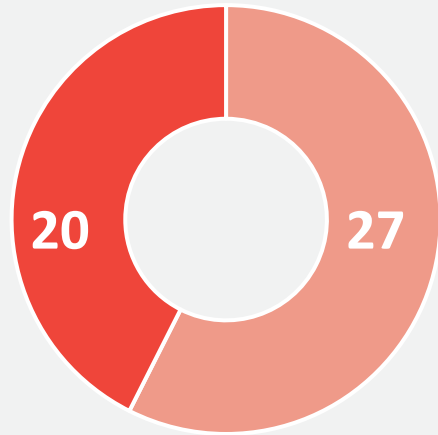
47 Participants

Conducted by RIVA-certified moderators

# Participant Profile

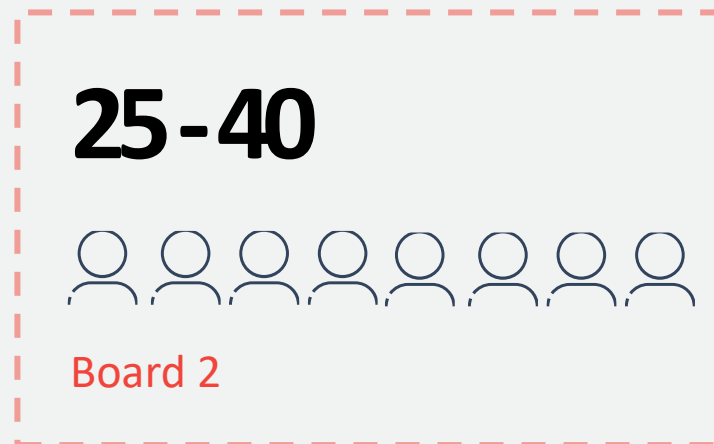


- White
- African American
- Hispanic
- Asian American
- Native American



- Female
- Male

## Age Range





- ❖ All were currently employed (full- or part-time).
- ❖ Participants represented a mix of living situations, lifestyles and demographics, including:
  - *Income/Education Levels*
  - *Professions and Industries*
  - *Marital Status*
  - *Urban/Suburban/Rural*





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# 2

## Key Takeaways



## Key Takeaways ✦

- ✦ The past few years have been tumultuous, and now more than ever employees of all ages and backgrounds are looking for work-life balance, equal pay for equal work, opportunities for advancement and a harmonious work environment.

- ✦ Respondents universally describe diversity as a variety of people representing different genders, ethnicities/cultures, socioeconomic levels and backgrounds, each having a voice in a common conversation.

- ✦ There is also a fairly universal understanding of disparity as inequality or inequity. Most understand the wide variety of areas where disparity can occur in the workplace and in the world.

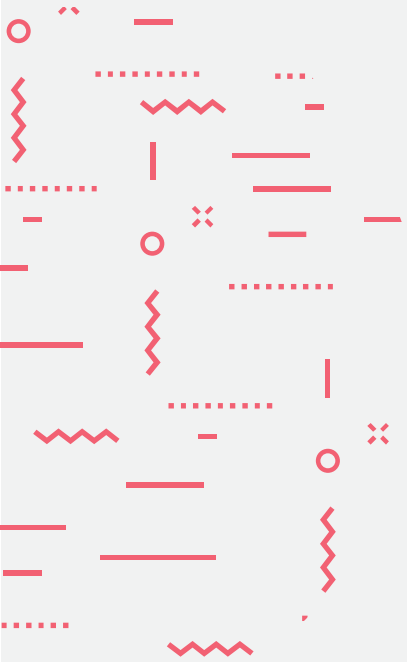


- ✦ Overall, companies' efforts to address diversity are met with some reservations.
  - Respondents note that in order achieve a diverse workforce, or fill diversity quotas, companies might not hire the most qualified applicants.
  - There is concern over equity solutions that divide or silo employees, believing that this separates groups even more and exacerbates the problem.
  - Several expressed a preference for solutions that provide opportunities for all to be included, such as cultural exchanges among employees.



## Key Takeaways ✦

- ✦ Similarly, a company's efforts to address disparities are often met with concerns that the cost of these efforts might be transferred to consumers in the form of higher prices.



- ✦ When respondents were asked to create their own disparity initiatives, many centered on educational opportunities for employees so they could advance in their careers and earn more money. Other ideas focused on community outreach that involved education and skills training.



## Key Takeaways ✦

- ✦ Respondents tend to become aware of information about a company's reputation for being a good or bad corporate citizen from news coverage or social media, but most are not actively searching out this information before making purchase or employment decisions.



- ✦ While some report regularly “voting with their wallet” and avoiding companies they have heard negative information about, many report that despite a company's bad reputation, they continue patronizing them because the prices are lower or it's more convenient to shop there.





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# 3

## Detailed Findings





# Respondents have a basic understanding of disparity

- ✦ Across the board, disparity carries a negative connotation and is equated with “inequalities” and “unfairness”. For the most part, respondents tend to focus on gender and race disparities.

“ *I think of differences in equality or access to opportunities in life. I think of gaps in wealth, education, dwelling, etc.*

**- Age 25-40**

”

- ❖ Most agree that the definition provided to them (below) matches their thinking around disparity.

*Disparity is defined as a difference in outcome between groups of people. Disparities may include things such as how many people in a particular group have access to affordable medical care, a quality education, job opportunities, and other aspects of a safe and secure life. This imbalance or inequality of access is closely linked with social, economic, and environmental disadvantages.*

- ❖ However, several note that this definition expands on their original understanding of the concept to areas such as economic status, education, and job advancement.

“

*The definition is certainly very broad.  
I like the idea that disparities can impact an individual's social, educational and economic outcomes.*

”

**- Age 25 - 40**

# Companies are expected to address disparities in some way

- ✦ In general, respondents noted that companies can provide good compensation, opportunities for advancement, health benefits, and education to address disparities in their workplace.

“ *The main thing companies can do is make sure that there is equal pay for equal work, regardless of age, gender, etc.* ”

**- Age 40+**

- ✦ When asked specifically about addressing disparities at the community level, respondents note that companies can provide education/training to the community to increase their job readiness, as well as assistance (donations) to community groups.

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“ Hire a workforce without any bias to race, age, disability or sexual orientation.

- Age 40+ ”

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Respondents tend to believe addressing employment disparities comes with benefits and costs to consumers

- ✦ Some respondents note that satisfied employees lead to more satisfied customers.

*“ It’s great to have happy employees who in turn treat the customer better. There is nothing like feeling appreciated to encourage someone to appreciate others. Its a trickle-down effect. ”*

**- Age 40+**



- ✦ Others, however, seem to feel that the customer ultimately pays the price for corporate responsibility in the form of higher prices.

*“ I believe these policies are affecting us as customers. Corporations are raising prices in order to pay the higher wages, the benefits, the tuition, etc.*

”

**- Age 40+**

# Overall, there is a clear understanding of diversity

- ✦ Most respondents associate diversity with people who are from different genders, race, cultural backgrounds, beliefs, social status and ethnicities.

*“ Diversity to me means a variety of people and cultures. A group of people from different ethnic backgrounds, a diversity of genders. ”*

**- Age 40+**

*“ I think of representation by all different races, ethnicities, religions, genders, sexual orientations, and world views collectively in one group. ”*

**- Age 25 - 40**

# Workplace diversity efforts are perceived as a double-edged sword

- ✦ A majority of respondents agree that a company benefits from having a workforce that brings different perspectives and ideas to the table, as diverse employees can approach their work through a lens that represents their background.

*“ With diversity comes different perspectives, different backgrounds, different problem solvers. We can all benefit from this.*

*”*

**- Age 25 - 40**

- ❖ However, respondents note that a disadvantage to concerted efforts to achieve workplace diversity might be that in order to achieve a diverse workforce, or fill diversity quotas, companies might not hire the most qualified applicants.

**“** *Sometimes when diversity is the main objective a person might get hired not because they are the most qualified but because their addition to the company may make that company look more diverse.*

**- Age 25 - 40**

**”**

“ *I feel there can be more drawbacks than advantages. When a company has diversity policies it does not mean that they are always hiring the most qualified. They are hiring to fill quotas which has 2 negative affects.*

- 1) less qualified people can be filling jobs and*
- 2) people who are more qualified are being passed over for positions.*

”

**- Age 25 - 40**

⋮



# Corporate responsibility (CSR) is only understood in a limited manner



*“ To me, it’s a business initiative in making sure they are creating equity and not contributing to the negative factors that make life difficult for certain types of people. It is being conscious that the decisions the company makes can positively or negatively affect people. ”*

**- Age 25 - 40**

- ✦ Overall, corporate responsibility is perceived as “giving back” or acting in an ethical way.





*“ It refers to a business’ duty to give back to the community or public for all the profits they are making; to share some for the public good. ”*

**- Age 40+**

- ✦ Respondents also note that to be a good corporate citizen, companies should avoid creating a negative impact on people and communities, take responsibility for their actions, and fix any problems they help contribute to.



- ❖ For the most part, the definition provided to respondents (below) is seen as much broader than their original understanding.

*CSR is the idea that a business has a responsibility to the society that exists around it. While the specific meaning can vary from organization to organization, most companies who embrace corporate social responsibility are committed to measuring their social and environmental impact, along with its profits.*

*“ I was not thinking bigger scale,  
I was more thinking about  
day-to-day issues and not the society  
around the organization.*

**- Age 25 - 40**

”

*“ This is the way corporations should  
behave. When they put their bottom  
line or profits ahead of all else, it  
creates problems both for itself and  
the communities.*

**- Age 40+**

”

For some, awareness of companies' CSR successes or failures informs their consumer decisions

- ✦ If negative information is readily available (such as a news story), some respondents do consider not patronizing that company.

*“ If there is a story in the news and I am against it, i.e. low wages, then I will shop elsewhere.*

*”*

*- Age 40+*

- ✦ Similarly, if they are made aware of positive deeds done by companies, some note they would consider supporting them.

*“ If I did hear that a company was having positive impacts on the community, I would be more inclined to support them and give them my business.*

”

**- Age 25 - 40**

# Respondent-Generated Initiatives to Address Disparities

- ✦ Respondents were asked to create their own ideas for companies to implement in order to address disparities in the workplace. Many centered on education/training programs, pay equity, increased fairness in hiring practices, health benefits, and fostering learning/cultural exchange and employee unity.

*“ I would put a program together that includes tuition reimbursement as well as real incentives for employees to volunteer in their community. Also, hiring practices would start at the top up. Those doing the hiring should be from diverse backgrounds. That is the only way I can see real change happening from the inside.*

**- Age 25 - 40**

*”*





“ *This initiative is to pay for an employee's associate's or bachelor's degree in early childhood education. The benefits to the employee: free college, further education and professional development, and a pay increase because of their increased education/knowledge. The company benefits to have more skilled employees.*

**- Age 25 - 40**

”

“ *My initiative is called the cultural melting pot (CMP). The purpose is to bring people together using food to help make its members more culturally competent. By having people share a meal together, it creates a sense of community.*

”

**- Age 25 - 40**



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# 4

## Conversation Starters





## Defining Disparity

There seems to be a fairly universal understanding of disparity as inequality or inequity. Most understand the wide variety of areas where disparity can occur in the workplace and in the world. Similar to the business professionals, economic disparities were predominant in top-of-mind discussions among consumers, although disparities in health and education were also mentioned, often in conjunction with economic disparities.

- ❖ How should companies who are actively working to address disparities should consider raising awareness of the issue among current and prospective employees and customers?
  - *How can companies raise the awareness of disparity issues and highlight the benefits to employees, consumers, communities and society at large?*
  - *How can the conversation be expanded to include health and other disparities that often flow from wealth disparities?*





## Education is Key

A good number of respondent-generated disparity initiatives were centered on educational opportunities for employees so they could advance in their careers and earn more money. Other ideas focused on community outreach that involved education and skills training.

- ❖ What tactics can companies employ to provide support for their employees to advance their education and job skills?
- ❖ What can companies do to demonstrate the benefit of disparity initiatives to both employees and the greater community?





## Equity Must Equal Equality

Many respondents expressed concern over equity solutions that divided or siloed employees, believing that this separated groups even more and exacerbated the problem. Several were looking for solutions that provided opportunities for all to be included, such as cultural exchanges among employees.

- ❖ When implementing DEI initiatives, what specific programming elements could be used to include those who may not see the company's DEI efforts as directly related to or beneficial to them? How can everyone feel a part of the effort and understand how the effort benefits them personally and the organization as a whole?
- ❖ **When communicating these initiatives** to current and potential employees and customers, stress elements such as cross-culturing understanding, education/training, and unity.



# Corporate Social Responsibility Efforts

For the most part, these respondents are interested in news or social media stories about a company's reputation for being a good or bad corporate citizen, but most are still not searching out this information before making purchase or employment decision.



- ❖ How can companies be good corporate citizens, while at the same time creating benefits to consumers and/or justify increased pricing? How should companies communicate these efforts?
- ❖ What role can CSR efforts and initiatives to mitigate disparities play in differentiating companies?

A research study by




conducted by



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