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## Diversity at the Best Buy Store

### **Findings**

#### **Interview Results**

Respondents were asked to provide their perceptions regarding the state of diversity at Best Buy as well as their experiences when relating to people from different backgrounds at the company. Employees who participated in the study held that Best Buy is very diverse and that most employees working at the company are bilingual. In addition, diversity at Best Buy is evident in all departments of the company. Respondents also pointed out that management and promotion are extremely diverse in terms of gender and cultures. With regard to satisfaction with diversity, employees at Best Buy are often happy and considered a family regardless of their backgrounds. In addition, Best Buy's employees interviewed were of the view that performance is not correlated to diversity; instead, performance is more related to training, which is offered using online platforms in multiple languages. With reference to the earnings gap (pay disparity), respondents were of the view that Best Buy does not have a pay disparity; rather, pay is strictly based on an employee's performance. The findings from the interview also indicate that a majority of employees at Best Buy (80 percent) are dissatisfied with the workplace; this stems from the fact that performance scores and reviews are usually low; no employee is attached to his/her job; intention to quit is high; every employee of the company is working part-time; high job stress; lack of communication; and different employees' demands. With regard to the

development of friendships in the workplace, friendships between employees of the company are not solely job-based; instead, they are based on boosted satisfaction, which results from regular bowling, duffers, video games, hide and seek in store, arcade, and new games released before the official release date. From the interview, it can be summed that Best Buy has workplace diversity; however, the level of job satisfaction and attachment to the job is relatively low. Best Buy is also adopting a number of measures to accommodate a diverse workforce such as providing training in multiple languages, and the use of a pairing system whereby employees of particular nationalities are matched with customers of similar nationalities.

### **How Best Buy is Managing Diversity**

Best Buy recruits employees and attracts customers from diverse backgrounds. As a market leader in the electronics retail industry in the United States, the goal of Best Buy is to become a great place of work while having fun and becoming the best. The nature of its business operations allows for the attainment of diversity in various ways. Owing to the fact that employee retention is a critical success factor for Best Buy, the company is constantly searching for best practices to improve employee loyalty (Best Buy Co. Inc 24). Through various teams such as Employee Business Networks, Performance management, Talent Acquisition, and Diversity and Inclusion, Best Buy makes every effort to meet the needs of its diverse employees, which entails physical, religious and cultural accommodations. At Best Buy, diversity is not just considered within the confines of gender and race; instead it is about taking into account all similarities and differences among employees. The company believes that an inclusive environment plays a pivotal role in finding and retaining top talent in order to meet the distinctive needs of its customers as well as communities (Best Buy para. 5).

The first approach that Best Buy uses to manage a diverse workforce is through equal opportunity. The company has a policy of Equal Employment Opportunity as well as an affirmative action program. Through this policy, the company does not discriminate its employees basing on a number of factors including nationality, gender expression, gender identity, sexual orientation, ethnicity, religion, creed, color, race, sex, marital status, disability, citizenship/alienage, or any other form of legally recognized basis as defined by the state, local or federal laws, ordinances and regulations. The company's management is committed towards the fulfillment of the equal employment opportunity policy (Best Buy Co. Inc 22).

The second approach that Best Buy used to manage workplace diversity is through the use of disability initiatives. In this regard, Best Buy has measures in place to rationally accommodate applicants and employees having disabilities as well as religious beliefs that necessitate accommodation. For instance, Best Buy acknowledges that persons with Autism Spectrum Disorder (ASD) have difficulty in finding and retaining employment at the company because of the social differences associated with ASD. To this end, in 2011, the company collaborated with the Autism Society of Minnesota and developed a comprehensive e-Learning module aimed at educating its employees about the characteristics of Autism Spectrum Disorder and how they can best work with co-workers or customers having ASD (Best Buy para. 6). Best Buy is of the view that this initiative resulted in a significant return on investment; this is because most employees who completed the e-Learning module stated that they now understand their fellow employees or customers exhibiting behaviors associated with ASD, and now know how to effectively work with them (Best Buy para. 7).

The third approach used to manage diversity and inclusion involves the use of affirmative action. Best Buy acknowledges that the federal government requires the company to have an

affirmative action program. The Affirmative Action Program at Best Buy supports its diversity strategy via the affirmative action plans, which assist in establishing an inclusive and welcoming work environment using diversity outreach efforts, especially for disabled persons, veterans, people of color and women. The aim is to create a large diverse applicant pool in order to recruit the most qualified applicants. An example of the affirmative action plan is the focus on female leadership. In this regard, Best Buy was named in Working Mothers' list of Best Companies for Hourly Employees in the financial year 2012-2013. The figure 1 below shows the trends in female employees at Best Buy for the period 2011-2013 as reported by the company's 2013 Sustainability Report (Best Buy Co. Inc 24). In addition, Best Buy demonstrates its commitment to diversity and inclusion by employing people from diverse cultural groups, as shown in the figure 2 below.

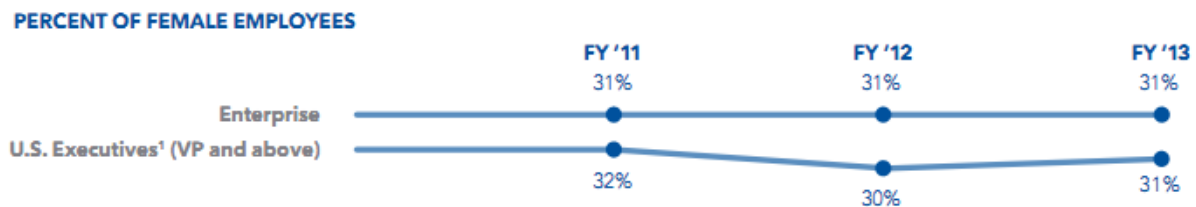


Figure 1: Percentage of female employees at Best Buy 2011-2013

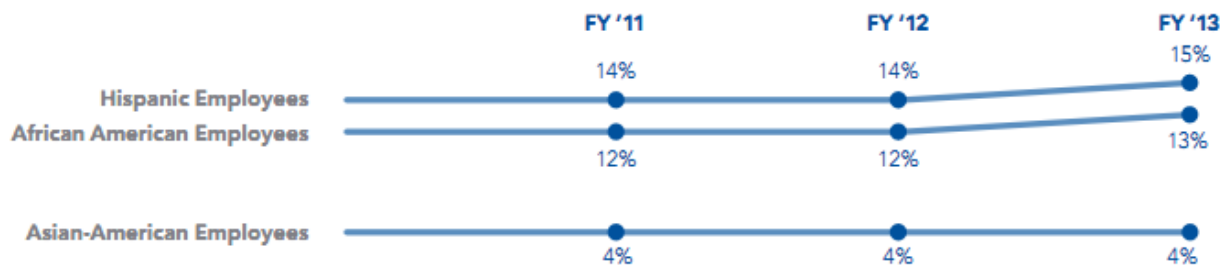


Figure 2: Percentage of Hispanic, African Americans and Asian American employees at Best Buy 2011-2013

The fourth approach that Best Buy uses to manage workplace diversity is through the use of Employee Business Networks (EBN), which is a national program of corporate and field employees who create a network that is based on support for, and interest in a common aspect of

diversity. EBNs sponsored by Best Buy are open and inclusive to all of its employees (Best Buy para. 8). EBNs also offer opportunities for individual development, collaboration, education and a framework for creating cross-functional and cross-cultural work teams. EBNs are a crucial component of Best Buy's diversity and inclusion strategy. EBNs also help the company in the achievement of the goal of being talent-powered and customer-driven through offering education, awareness and exposure to diverse communities representing the rich diversity of Best Buy's employees and its customers. Currently, Best Buy sponsors a number of EBNs including Asian Employee Network (AEN); Black Employee Network (BEN); Focus on Abilities, Not Disabilities (INCLUDE); Latin Involvement Network (LatIN); People Respecting Individual Differences Equally (PRIDE); Supporting Advances in Generational Empowerment (SAGE); and Women Leadership Forum (WOLF) (Best Buy para. 6).

The fifth approach used by Best Buy to manage diverse workforce is through community outreach initiatives, which involves the use of Diversity Community Giving Program. The success of Best Buy relies significantly on its ability to become a company that is powered by individuals bringing their strengths and uniqueness to work. Diversity Community Giving Program focuses on education, growth of opportunities and community partnerships. Regarding education, Best Buy focuses on providing resources and technology to youth organizations and schools, and offering scholarships to students through its partner organizations with the primary goal of ensuring equal access to educational opportunities and technology. Regarding growth opportunities, Best Buy strives to establish a recruiting presence at career forums targeting diverse communities and to ensure employee retention (Best Buy Co. Inc 25).

Best Buy's competitors such as Hewlett Packard, Dell, Walmart, Amazon.com, Apple Computer Retail Stores, GameStop, and Fry's Electronics are using the same approaches that

Best Buy used to manage workplace diversity especially with regard to affirmative action, community outreach and disability initiatives. The only difference is that Best Buy makes use of Employee Business Networks, a strategy that its competitors are yet to adopt in managing workplace diversity.

Despite the diversity and inclusion programs implemented by Best Buy, the results of employee interviews indicate that these initiatives are not effectively delivering the benefits associated with workplace diversity and inclusion. Diversity enables employees to have a sense of belonging and feel needed, which results in an increased employee commitment to the company allowing each employee to make unique contributions (Ferner, Almond and Colling 310). However, for the case of Best Buy, majority of employees at Best Buy (80 percent) are dissatisfied with the workplace; this stems from the fact that performance scores and reviews are usually low; no employee is attached to his/her job; intention to quit is high; all employees are employed part-time; high job stress; lack of communication; and different employees' demands. This implies that Best Buy's diversity initiatives are ineffective.

### **Recommendations**

An outstanding feature of diversity at Best Buy is that diversity and inclusion is a crucial component of its business and not just its HR function. As a whole, Best Buy recognizes the need for diversity, and has incorporated diversity in its systems. As a consumer electronics retailer, Best Buy is about people and relationships; as a result, it would be irrational to lack a diverse pool of top talent (Farman et al. 109). For instance, Best Buy is also considering diversity in customer service, which is evident in its Hispanic Initiatives aimed at making Best Buy the ideal place for Hispanic consumers. As a result, Best Buy was named the Hispanic Retailer of the Year. Organizations have a moral and social responsibility to embrace diversity in the workplace

(Ferner, Almond and Colling 320; Farman et al. 109). Having a diverse workforce signifies the diversity of the community that a firm undertakes its operations (McKay, Avery and Morris 350). Failing to embrace workplace diversity and inclusion can result in negative impacts on the reputation of the company. According to Kelly and Dobbin (960), managing workplace diversity is a crucial component of HR function in a firm. There is no doubt that Best Buy has appropriate strategies and initiatives to address the diverse needs of its employees in terms of age, race, color, disabilities, gender and religion; however, these initiatives are not resulting in the expected benefits associated with workplace diversity such as employee satisfaction, employee engagement, and employee commitment to the company. The situation at Best Buy is contrary to these expectations, which implies that there is a problem with regard to the implementation of the diversity and inclusion initiatives. A properly designed and implemented workplace diversity initiative results in increased employee engagement, commitment and satisfaction (Günter, et al. 705; Horwitz and Horwitz 989). Drawing on this observation, it can be inferred that, regardless Best Buy of having appropriate programs to manage workplace diversity, their implementation is not effective. Therefore, the recommendations cited in this paper have the primary purpose of addressing the problems of implementation of the workplace diversity programs at Best Buy.

The first recommendation for Best Buy regarding the implementation of its diversity and inclusion plan is to conduct an assessment of workplace diversities. Top performing firms have incorporated the assessment and evaluation of their diversity process as a core component of their management system (Horwitz and Horwitz 1000). The assessment of workplace diversity can be achieved by a customizable employee satisfaction survey; this can help Best Buy's management identify the obstacles and challenges to diversity in the workplace as well as the policies to be incorporated or eliminated (Podsiadlowskia, et al. 165; Herring 212). Conducting

periodic assessments can help in benchmarking the best diversity practices for Best Buy as well as determining the success of the diversity program (Herring 215). In Best Buy, the assessment of progress of the diversity programs is lacking. Best Buy lacks a mechanism through which it can evaluate the impacts that its diversity programs have on such aspects of employee performance as engagement, attachment to job, and job satisfaction.

The second recommendation to help improve the effectiveness of the diversity programs at Best Buy is through the use of diversity training to enhance employees' awareness about diversity as well as its significance. Presently, Best Buy does not provide diversity training to its employees regardless of the fact that the workforce is extremely diverse. This hinders the company from accruing the benefits associated with having a diverse workforce (Boone, McKechnie and Swanberg 179). Diversity training and education play a pivotal role in improving employee relations in the organization. At Best Buy, employee relations are mostly task-based, and not friendship-based; thus, diversity training and education could help improve employee relations in the company. In addition, the practice of pairing employees with customers of their nationality is not in the spirit of diversity since it does not promote cross-cultural interaction (Bendick, Egan and Lanier 470). Bendick, Egan and Lanier (475) liken buyer-seller pairing to "diversity without inclusion". Diversity training and education should cover three main areas: customer service training, supervisor training, and employee training (Boone, McKechnie and Swanberg 180).



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