

Diversity policy:
Aetna's double standard and a long-term dangerous strategy?

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Executive Summary

This report looked at diversity policy, defined in a broad sense as promoting a wide range of different things in which human beings are part of this broad definition, and the possible future outlook of Aetna - A health financial services enterprise in the US market. Raymond Marcos, chief diversity officer at Aetna, believes that promoting diversity initiatives is an investment that strengthens the company's long-term sustainability. Even though this report agrees with the short-term benefits of implementing diversity policy, this report holds a more pessimistic view on the long-term sustainability as claimed by Raymond.

It is unknown how much time it will take to really see the consequences of pursuing the diversity strategy, therefore, this report does not rely on financial data as predicting exactly how much the company will earn in the next few decades or century is impossible given the complexity and uncertainty in the market. In order to make predictions, this report bases its judgments on the company's 165-year-old history, the natures of things that are familiar and obvious and under the control of the company. What the report found which might be (un)surprising that for much of the company's history, the company from the very top level did not really commit to diversity strategy, especially when it comes to race.

This report will then end its critical analysis by making a comparison between the US and one European country, which arguably shares many similar historical and social characteristics with the US. The prediction might be wrong but as an existing lesson of the world, promoting diversity needs to be carefully monitored given the history of the country Aetna is operating in.

Main Findings

A. History and Diversity

In the Diversity Annual Report published in 2005, the former CEO and executive chairman wrote that: “Diversity is embedded in Aetna’s values. It is both a cornerstone of our foundation and crucial to Aetna’s success going forward” in the opening statement. This report questions if that is the case for a company that has more than 165 years of serving the public. When I was contemplating Aetna’s Annual Report 2002, I have come across one of the essays written by Dr. Jessie Gruman, the former President and Executive Director, Center for the Advancement of Health – one of many “distinguished American leaders for helping [Aetna] seek ways to improve the health care system.” Addressing healthy behaviour, she wrote “***The behavior of individuals is heavily influenced by where they live and work, how they were raised and educated, and the choices available to them.***” If that is also true at the organisational level and not just individual one, what this report seeks to discover is whether what Aetna is doing now is heavily influenced by where it was first founded, and also whether what Aetna has been saying about diversity is valid. The aim of the following parts is also to understand why Aetna embraced diversity and what that means for the Aetna’s future.

1. The overall view on the early history of Connecticut

The company was established in 1853 in Connecticut. The period in which the company was founded involved many major crucial changes throughout the world history. Firstly, the 13 British colonies, including Connecticut, in North America gained independence in 1776 from the British Empire and the foundation for the formation of the now the United States of America was laid. However, the issue over the enslavement of black people was not properly dealt with and it remained until the end of American Civil War (1861-1865) when slavery was finally abolished. On the other side of the Atlantic Ocean, the French revolution took place between 1789 to 1799 in which many radical ideas such as the abolition of slavery emerged (Stein, 1982). It is worth to note that in 1784 (after the 1776 American revolution and before the French revolution) Connecticut and some other States passed the Gradual Abolition Act in the move that eventually ends slavery in the state.

However, according to David Menschel (2011), “*According to American public memory, slavery in the United States was peculiar to the South. Unless explicitly reminded of the North’s history of slavery, most Americans associate the North with abolitionists rather than slaveholders*”. David Menschel (2011) and Gigantino, JJ (2014) pointed out that the Gradual Abolition Act of 1784 in fact emancipated no slaves at the time the Act came into force. The reason for that is because only a child born to a slave after 01 March 1784 would be freed after he or she is 25 years old (later reduced to 21 years old under the 1797 Amendment). This implies that anyone else including those born prior to 01 March 1784 would be still slave for life. Even though the number of slaves was decreasing over time, there were arguably still six slaves left in Connecticut as of 1848. Having said that, Connecticut, to some extent, remained as a slavery state around the time Aetna was founded (1853).

2. The overall view on the company’s early history

This part focuses on Morgan Gardner Bulkeley, the third president of Aetna. There are several reasons to mention him in this report. Firstly, he is the longest serving president throughout

the company's history based on the information available on the company website. He remained in his position from 1879 until his death in 1922. In total, he served 43 years at Aetna. Secondly, his father and his nephew were the first and fourth presidents of Aetna who served for 19 years and 35 years respectively, therefore, his family has a significant influence on the company. Thirdly, he was the Governor and Senator from Connecticut - the state where the company was established, meaning he had a huge impact on many policies, including slavery-related issues. And finally, according to the Connecticut State Library, he served in the Army during the American Civil War on the winning side and became Aetna's president around 15 years after the end of the Civil War, therefore he understood very well the slavery and racial issues.

With his experience, he was expected to carry out many radical changes during his presidency at Aetna. However, one thing that stuck me when looking at the company history on its website is that there is no information about the first African-American employee working for the company, or the first female employee that worked under his presidency. The only information in the case study mentioning black employees is about Hobart Taylor Jr., as the first African-American member in the Aetna board of directors in 1973. That information might raise questions over the diversity issue under nearly 100 years of the company's history under Morgan Gardner Bulkeley and his family, especially when it comes to racial diversity.

Based on the company's published history, the first female employee was hired as a telephone switchboard operator in 1908, 55 years after the company founded. The first female officer, Dr. Marion Bills was appointed in 1926, 73 years after the company founded. The first African American was appointed to Aetna's board in 1973, 108 years after the US officially abolished slavery. The first female president took office not until 2015, only 162 years after the company founded. In sum, even though Aetna praises themselves as a pioneer in promoting diversity, all of their crucial diversity events lag behind major historically socio-political events that gave minorities and inferior groups more human rights such as the abolition of slavery, women's suffrage and the civil rights act. Therefore, in reflection of these findings, promoting diversity perhaps implies an (untold) apology for what the company has failed to do in the past?

After having analysed the company's history, two crucial points can be taken away. Firstly, the claim that "Diversity is embedded in Aetna's values. It is both a cornerstone of our foundation and crucial to Aetna's success going forward" is misleading as the majority of the company's history does not commit to a diverse workforce (around 100 years since the establishment of the company under the Bulkeley family given the 165-year history of Aetna). Secondly, without focusing too much on diversity policies, the company could still manage to expand successfully. So why does the company try to paint itself as an ethical employer now with elaborate words?

Aetna admitted in several reports that the company needs to attract talents from all walks of life since nowadays, demographically speaking, the non-Hispanic white American population increases more considerably in comparison to the non-Hispanic white population. Secondly, Aetna used external sources including the McKinsey report 2015 to defend its decision to adopt diversity as ***"the unequal performance across companies in the same industry and same country implies that diversity is a competitive differentiator that shifts market share towards more diverse companies."*** and ***"a statistically significant relationship [is founded] between a more diverse leadership team and better financial performance"***. However, since all major competitors of Aetna such as the United Health Group, Anthem and Humana all adopted diversity policies and regard themselves as "Equal Opportunity Employer[s]" as easily seen on their websites, one question remains of how (much longer) can Aetna use diversity as a "competitive differentiator"?

According to the Aetna's employment figures, 76% of its workforce are women and 31% are people of colour. Demographically speaking, both figures overrepresent the US population for the two groups respectively. As indicated in the US census bureau 2010 reports, women account for 50.80% of the whole population while 27.60% of the US population declared themselves as non-white alone. In addition, Aetna went further by establishing teams specializing in diversity-related initiatives and financially supporting various racially minority organisations. In the 2005 list of organisations that Aetna partnered with: 45% are race-biased/ethnic-based organisations by title (e.g. Blacks in Government), 12% are gender-biased organisations (e.g. Woman's Business Enterprise National Council), 38% are gender/race/ethnic neutral organisations as recognised by titles. However, one thing can be identified from the list is that Aetna did not partner with any "white-biased" organisations and it's hard to see any organisation for white men in particular, given that Aetna partnered with one organisation called 100 Black Men of America. In short, Aetna seems to only partners with organisation of minorities and "weak" groups while not partnering with any organisations exclusively targeting the white population, especially white males.

According to the 2017 US Census Bureau, the statistics show that from 2017 to 2060, the white-alone population is projected to fall from 76.91% to nearly 68% of the population. Most importantly, the non-Hispanic white population is predicted for the first time to become the minority when non-Hispanic Whites as a whole account for 49.73% (less than half the US population) in 2045. And in 2020, the non-Hispanic white population aged 0-17 for the first time is predicted to fall below 50%.

As far as this report is concerned, there is no official publication researching the relationship between Aetna's pro-minority diversity policies and the decline of the white population in the USA. However, having discussed the company's attempt to diversify its workforce, the overrepresentation of the non-white employees might lead to the reduction in demand for hiring potential white employees and therefore, (in)directly contributes to the current white population "crisis" while encouraging the expansion of other non-white groups. Since the company's diversity policies focus on hiring people from different ethnicities and races, especially from the minority groups, the company should also consider changes in the non-Hispanic white population as this is so far the single group with the biggest fall as the proportion of the US population. Bringing the proportion of employees of colour in line with that reflected in the US population might also help revert the fall of the US non-Hispanic white population.

Further investigation also needs to be carried out to understand the impact of the diversity policies implemented (not just by Aetna) on the decline of the non-Hispanic white population. If a negative impact of diversity policies carried out by Aetna on such a decline is found, it implies that the company's diversity policies are improving the welfare of some groups at the expense of others and therefore can be regarded as an unethical practice.

3. An Equal Opportunity Employer

Nowadays, it is hard to find any big US companies who do not promote diversity and identify themselves as an "Equal Opportunity employer". It is not an exception for Aetna either and if someone wishes to launch a professional career or happen to research about the company's diversity policy, the statement is clear:

© 2018 Aetna Inc. Aetna is an Equal Opportunity/Affirmative Action employer. All qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender

identity, national origin, disability, or protected Veterans status. If you have a disability and need an accommodation to apply for a job or during the selection process, please call 1-800-AETNAHR (1-800-238-6247). If you need a qualified interpreter, written information in other formats, translation or other services, call 1-800-558-0860. Equal employment opportunity is the law.

According to the U.S. Equal Employment Opportunity Commission (EEOC), companies (with some exceptions) are required to “post notices describing the Federal laws prohibiting job discrimination based on race, color, religion, sex (including pregnancy), national origin, age (40 or older), disability or genetic information”. The main information of the poster is summarized as below:

Private Employers, State and Local Governments, Educational Institutions, Employment Agencies and Labor Organizations			
Year	Act	Bases	Order
1964	Title VII of the Civil Rights Act of 1964	RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN	1
1990	Title I and Title V of the Americans with Disabilities Act of 1990	DISABILITY	2
1967	The Age Discrimination in Employment Act of 1967	AGE	3
1963	Title VII of the Civil Rights Act, as amended, the Equal Pay Act of 1963	SEX (WAGES)	4
2008	Title II of the Genetic Information Nondiscrimination Act of 2008	GENETICS	5

Employers Holding Federal Contracts or Subcontracts			
Year	Act	Criteria	Order
1965	Executive Order 11246	RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN	1
1973	Section 503 of the Rehabilitation Act of 1973	INDIVIDUALS WITH DISABILITIES	2
1974	The Vietnam Era Veterans’ Readjustment Assistance Act of 1974	DISABLED, RECENTLY SEPARATED, OTHER PROTECTED, AND ARMED FORCES SERVICE MEDAL VETERANS	3

Programs or Activities Receiving Federal Financial Assistance			
Year	Act	Criteria	Order
1964	Title VII of the Civil Rights Act of 1964	RACE, COLOR, NATIONAL ORIGIN, SEX	1
1973	Section 504 of the Rehabilitation Act of 1973	INDIVIDUALS WITH DISABILITIES	2

Firstly, the organisation of the information and wording signals that race-related diversity issues appear to have remained the most crucial concern of the US federal government and the American society from 1960s until now. Secondly, NO Acts quoted in the poster penalise companies operating in the United States for NOT declaring themselves an “Equal Opportunity Employer” and more and more companies not just in private sector (like Aetna) but also governmental bodies such as the Homeland Security and the United States Environmental Protection Agency adopt this strategy. Does being “Equal Opportunity Employer” always benefit society equally?

4. The economics of philanthropy, “Equal Opportunity Employer” and the over-representation in the workforce at Aetna

This section looks at whether Aetna really acts as an “equal opportunity employer” by understanding the economic relationships between Aetna’s philanthropy activities, being an “equal opportunity employer” and the over-representation of some racial groups over others.

According to US Census Bureau Report on Income, Poverty, and Health Insurance Coverage in the United States: 2007, the average income of Asian, non-Hispanic White, Black and

Hispanic households are \$66,103, \$59,020, \$33,916 and \$38,679 respectively. The Poverty rate (People in poverty as the percentage of the population) among non-Hispanic White, Black, Asian and Hispanic are 8.2%, 24.5%, 10.2% and 21.5% respectively. Finally, the percentage of people without Health Insurance Coverage in those groups are 10.4%, 19.5%, 16.8% and 32.1% respectively. At the time this report being written, the information regarding Aetna's Customer demographic data could not be founded. This report will make some informed estimations based upon the report made available by the US Census Bureau in 2007. Firstly, the majority of Aetna customers is predicted to be non-Hispanic White, and this group also tends to consume higher-priced healthcare products compared to other groups since this racial group earns much higher incomes per household than Black and Hispanic (might not necessarily be the case for Asian customers). Secondly, the majority of the company's profit is generated from serving the non-Hispanic White customers.

According to the Diversity Annual Report 2007, Aetna and the Aetna Foundation contributed \$24.5 million *"in support[ing] of these worthy [health, diversity, volunteerism and employee programs] causes throughout the United State"*. And since 2001, the company and its foundation *"have committed more than \$19 million to help address racial and ethnic disparities in health care — for example, to bring more diversity into the medical profession, address child health issues and support wellness programs"*. As shown in the previous section, the majority of the organisations Aetna has been partnering with are non-Hispanic White groups, and none in the list is non-Hispanic White only group. Three conclusions can be made from here. Firstly, Aetna has been acting like "a mini welfare state", transferring more "wealth" from the non-Hispanic White population to other racial groups. This role didn't exist when Aetna was established in 1853. Secondly, Aetna, in fact, has been giving extensive support (or opportunity) for other racial minority groups and not the non-Hispanic White one in career progression. Thirdly, all the federal government's legal acts, although necessary, are not sufficient in promoting equal opportunity among US citizens, especially among the historically-marginalised groups since private companies like Aetna still has to give more support to those groups.

In terms of the overrepresentation of the group of people of colour in the company, the company has been transferring more jobs and income from the non-Hispanic White group to other non-White ethnic groups.

The consequences of all these activities analyzed above are that "wealth" has been constantly transferred from the richer and more dominant group – non-Hispanic Whites to other racial groups while the company cuts down the mean of producing more income and wealth - jobs for non-Hispanic White group. Over the time, as the size of the non-Hispanic White population decreases, so does the size of the contribution of that group to the company's profit. In order to sustain more financial support to all above listed organisations in the future, the company might have to raise even more profits from people of other racial minority groups. What has been discussed here shows that what the company has been doing might be regarded as unethical when it supports some other groups at the (huge) expense of others and also does not act in the way of "an equal opportunity employer" since the company gives more support for other racial and ethnic groups. Of course, what the company has been doing is ethically justifiable when supporting historically-marginalized groups but doing so under the name of an "equal opportunity employer" really jeopardizes the good meaning of it. Considering transferring back wealth from other minority groups to the richer one as a compensation for the lost in jobs of that group might be an alternative option since the Black and Hispanic population suffer much higher unemployment rates than the non-Hispanic White group. However, that suggestion might seem unreasonable for Aetna.

B. An insurance company, Diverse policy, A healthier world & Languages: Aetna's double standard on "diversity"?

Even though all of the four things play important roles in Aetna's operations and successes, it is not very easy to identify immediately an obvious link or common ground between them. In the Diversity Annual report, Aetna states that: **"At Aetna, we fully embrace diversity"**. This part, therefore, tries to understand whether Aetna really values all aspects of "diversity" with regards to its employees as well as the US population in which it has been serving for the last 165 years.

1. Aetna as a health insurance

Firstly, it is important to understand how insurance works in general, as well as the economics and motivations behind insurance, given that the Aetna provides many health insurance products and the company was first founded as an insurance firm. Health Insurance is designed to help cover part or all the medical bills when someone becomes ill or hospitalized or requires medical care. The motivation for buying insurance is that a customer's cost of buying a health insurance package (known as premium) should be much lower than the cost of the future medical bill. For example, a customer will pay a monthly premium of \$20 and in case he or she gets hospitalized, his or her insurance plan will cover a maximum of \$20,000. Due to the nature of how insurance works, it is not economic for one person to offer insurance for only one person at that low premium, as in the scenario of a client becoming seriously ill, the insurance provider will make a huge loss. As a result, for insurance to work, a large population buying insurance plan is needed so the probability and cost of covering a client's medical bill is minimized.

Theoretically, insurance can be offered without the existence of an insurance company if everyone can replicate what an insurance firm provides, for example determining the premium fee, checking health conditions of each members, actively managing the portfolio to minimise the cost of covering someone's medical bill. Practically speaking, however, doing so is expensive due to several reasons such as high transaction costs between people, and difficulties in determining each member's health condition (to calculate exact premium fee). Trust between members also plays an important role in the absence of an insurance company, and it is argued that trust level tends to be low in areas where the population is highly diverse like the USA (Alesina & La Ferrara, 2002). Stolle, Soroka, and Johnston (2008), however, do not totally agree with the negative effect of diversity on trust but suggest that social ties can mediate the problem (e.g. increase social interaction like regular talk with neighbours). However, they found the negative impact of "neighbourhood diversity on the white majorities". In addition to that, an insurance firm like Aetna also offers different types of insurance, therefore, the transaction costs for an insurance buyer to purchase different insurance products from different sellers in different places is minimized, given that the USA is so large geographically. Having said that, the existence of Aetna fails to promote diversity when it removes the large number of people getting involved in managing insurance programs as well as many transaction costs involved, given that in theory, insurance can be still offered in the absence of an insurance company.

However, someone might argue that diversity is good for Aetna because the more diverse, or higher number of suppliers in the market, the better for Aetna because competition between suppliers drive down prices and increase quality and also reduce Aetna's reliance on any particular supplier. This argument, however, regards Aetna as a consumer instead of

producer, and as a producer, the diversity of many other companies providing similar products can be a threat as it negatively affects Aetna's market share, revenue and profitability. The nature of the existence of enterprises means that they should be regarded as a producer not consumer. If the goal or nature of every firm were to diversify their own products and services even in the absence of competition, there should be no legitimate reason for the establishment of the US's Federal Trade Commission.

2. Aetna and Diverse policy

Given that the nature of the existence of Aetna is not pro-diversity and also the majority of the company's history does not commit to diversity policy, what is the implication of having a diversity policy? Raymond Macros, chief diversity officer at Aetna said: *"The beauty of diversity is the differing perspectives everybody brings to the table. Those perspectives enrich the dialog, and that, in turn, promotes better decision-making."* If this is the case, why did diversity become Aetna's policy as this might be contradictory to what he said, given that the US federal government has passed so many Acts guaranteeing and protecting equal opportunity, pay and the freedom of speech? In the Diversity Annual Report 2005, The Head of Diversity wrote:

"...This report is a product of our enterprise — not of a specific department. It wasn't on anyone's agenda or "to-do" list. It was created because people at Aetna thought it was important to highlight and share our progress with our constituents. Our internal team, called The Aetna Diversity Alliance, developed and sponsored the entire report.

Similarly, commitment to diversity at Aetna doesn't belong to one area or one person; it belongs everywhere and to everyone..."

Arguably, the statement implies that every single member at the company regardless of their position and background supports the company diversity policy and the introduction of the Diversity Annual Report. However, as far as this report is concerned, there is no official data released from Aetna indicating that 100% of the company's nearly 50,000 employees are unanimously in favour of either the company's diversity policy or the introduction of this report. In addition, the creation of the Aetna Diversity Alliance (TADA) in 2004 seems to be a decision from the top management team not a "bottom-up" decision as there is no information indicating that all employees voted for the creation of TADA. In addition, the documentation of the firm's history has also been presented in a glorified way, as indicated in the previous sections, in a way that strengthens the company's firm stand on promoting diversity policy. There is also published evidence for money being spent on developing and setting up diversity policy and TADA but not for the other side of the argument. Of course, the company might have funded internally for the debate that the public might not be aware of.

The company's "one-sided" approach to promoting "diversity" might lead to the view that the company wants its workforce to stand out, but when it comes to some specific policies and in this case diversity policy, everyone must think and act the same. Therefore, the *"The beauty of diversity is the differing perspectives everybody brings to the table ... promotes better decision-making"* might not be easy to achieve if there is still "forced" education and a one-sided approach towards diversity. In other words, by implementing diversity into policy and "forcing" employees to adopt it, the company may (un)intendedly remove the diversity of thought.

Of course, this can be a good thing in short-term, but the impact on long-term is unforeseeable and the point this report intends to make here is that the nature of implementing diversity policy (one policy fits all) is that it eliminates the diversity of thought over whether diversity is always a good thing. Similar to the nature of the existence of Aetna, applying “one policy fits all” will remove the diversity of actions and thoughts internally even though that will boost profit by reducing the management costs. Having said that, the nature of introducing diversity policy can be seen as anti-diversity and contradicts with the company’s values and mission.

3. Aetna and A healthier world

The company has exerted much effort to promote healthier lifestyles by donating and organizing social events to increase public understanding about good health, not just externally, but also inside the firm. In Aetna’s Corporate Social Responsibility Report 2016-17, the company chairman opens his statement with a purple highlighted sentence:

Building a healthier world: It’s a mission Aetna proudly pursues every day. In doing so, we keep our priorities straight – people, planet, then profit – to ensure that our work benefits people and preserves the environment, which ultimately drives long-term business success and profitability.

The first paragraph opens with a healthier world and ends up with profitability so what is the connection between a healthier world, the diversity in health condition and profitability? It is important to recall that Aetna sells health insurance products and provides other health services and an unhealthy lifestyle increases the risk of a person being ill or hospitalized due to poor health condition. One of the dilemmas of selling insurance is that sometimes the company does not have sufficient knowledge of its clients’ health condition and their lifestyles. Those with poor health are more likely and willing to buy health insurance than those with better health condition.

If a large percentage of Aetna’s clients have unhealthy lifestyles, one prediction can be made that Aetna is more likely to have to pay out more money to cover its clients’ medical bills, and therefore the company’s profitability will shrink. Having said that, the goal of the company’s mission is not really to improve health of the society. In other words, the company’s effort to restrict the diversity of people’s behaviours is to reduce the probability of paying huge sums of money to cover clients’ medical bills and therefore, to improve its profitability. In short, what the company intends to communicate to the society is that you (the society) can be unique in terms of racial identity but should behave in the same way that benefit the company’s profitability.

4. Aetna and Languages

Alike races, genders, religions and ethnicities, there are a vast number of different languages around the world. According to the US Census Bureau survey in 2011, there are over 300 languages spoken in the US, and the US does not recognize any official languages at a federal level. The fact is that many ethnicities and religions are associated with a particular language, e.g. Native English people speak English and not Arabic, or Confucianism and Taoism (religions in China) associated with Chinese languages and not Latin ones. Even though Aetna promotes diversity within many areas like race, gender, religion, national origin, age, disability and genetics, the company does not promote diversity in languages, in other words,

to promote its employees to speak and address each other in different languages at work. Nowadays, English has become de facto official language in the United States and around the world, and the US dollar acts as a medium of exchange when it comes to international trade. Having said that, there is a tendency for one language to emerge as a *lingua franca*, not just in the USA but also around the world.

Imagine that Aetna hires many employees from different background and many of them are non-English monolinguals (people who also speak one language other than English). In order for employee A to communicate with employee B, employee A must either speak the language of B or employee B speaks the language of A. When employee A communicates with employee C, the same process must take place in order for the two employees to understand each other. If “N” Aetna employees are non-English monolinguals and speak different languages, in order to communicate effectively with each other in the absence of a common language, each employee has to learn “N - 1” languages. Economically speaking, learning all languages are costly and time-consuming for both the company and employees, and a common language is needed for more effective communication. Having said that, the nature of the existence of a mutual language acts in the same way of eliminating (lingual) diversity.

Theoretically, it can be suggested that the company can still hire many non-English monolingual employees given that Aetna could provide translation services for each employee as the company does with its customers, as in fact many talented and potential job applicants might not even speak both English (or Spanish) well. Statistically speaking, in accordance with the 2011 US Census Bureau report, nearly one in four Americans who speak a non-English language at home said they either do not speak English well or do not speak at all. As far as this report is concerned, all of Aetna’s US job vacancies are written only in English, and no information in any job description suggesting that all employees can communicate with each other via a translator provided by Aetna. The ability of speaking English well professionally has been taken for granted at the company, without the company being aware that doing so is contradictory to what they are promoting.

Why does Aetna restrict the number of languages its employees can use officially at work while it “fully embraces diversity”? Why doesn’t Aetna narrow down the number of languages the company uses to disseminate key information and provide services to its diverse customers into just one, namely English? As of the date of this report, Aetna offers services in nearly 70 different languages “at no cost” to its customers. If what the company has been trying to achieve from the very first day is to remove diversity or promote “assimilation”, what is the implication of providing services in different languages “at no cost”?

Paulston (2003) observes that over generations, the population of the weaker language will adopt the language of the dominant group. In the US, the dominant language is English even though it has not been recognized as the official language of the whole country (English is recognized as official language at state level only). Ortega and Verdugo (2015) found a negative correlation between the presence of co-mother tongue speakers in the location and language assimilation.

Aetna recognized that (as information provided in the case study):

*The Hispanic and Asian ERGs provide translation support. Documents translated by firms that specialize in that work may get the literal word-for-word match from English, **but that translation may not have the same overall message as was intended.** The Hispanic and Asian ERGs know Aetna’s terms and the messages it wants to convey, so they help develop high-quality translations of*

the English text into similar-meaning texts in non-English languages.

When “translation may not have the same overall message as was intended”, Aetna has two options. The first option is that the company continues to provide information in English and help non-English speaking clients to learn English, so they could understand the exact meaning of the information. The second option is for Aetna to develop even better “high-quality translations of the English text into similar-meaning texts in non-English languages.” It is clear that Aetna has opted for the second option because it is reasonable to say that the cost (and time) of educating customers in English to help them understand Aetna’s messages is much higher than the cost of providing translation services. Aetna does not seem to have enough patience to wait for its non-English customers to fully master English to understand the company’s terms and values. Of course, competition is one of many reasons in the market that does not allow Aetna to do so. In sum, by providing translation services for a diverse US population, Aetna might (un)intendedly deter non-English speaking customers from being assimilated into the much larger and dominant English-speaking society. While the company has been trying to “assimilate” its diverse US workforce into speaking one (or two) language(s), the company is doing the opposite with non-English speaking population and even risks making the country even more divided, not just racially but also linguistically.

After having discussed four elements related to Aetna, namely an insurance company, a diverse policy, a healthier world and languages, it can be seen that the nature of the company’s existence and success do not depend on promoting diversity in the first place but in fact, the opposite of it, anti-diversity or assimilation. The hidden message behind Aetna’s actions is that you can look different but should think the same way, act the same way, behave the same way and communicate in the same way. This might be described “accurately” in the case study: *“Aetna’s current ‘mature’ vision of diversity is a broad view that includes a wide variety of attributes that make all of us uniquely diverse from one another in some way.”* Aetna is not going to let its diverse workforce to be diverse in “all ways”. People should really be doubtful when the company says: **“At Aetna, we fully embrace diversity”** in the Diversity Annual Report 2007.

One question that now arises is what will be the implication of doing the opposite, in other words, promoting diversity in its workforce, and to some extent the US population?

C. The Belgian lesson on diversity

At the time this report is being finalized, the Prime Minister of Belgium resigned on the 18th of December 2018, just 9 days after the N-VA party quit coalition government over the issue surrounding the UN migration pact. The rise and fall of coalition governments within the democratic world is not uncommon, however, the main reason of the collapse of the Belgian coalition existed from the very first day of Belgium’s creation.

Belgium has three official languages, namely, French, Dutch and German. The German-speaking population accounts for less than 1% of the population and are only became part of Belgium after Germany lost the First World War. After the Napoleonic War, the United Kingdom of the Netherlands was established in 1815, including (the now) the Netherlands, Belgium and Luxembourg. In the southern part of the Kingdom, French was spoken by the upper class and a significant part of the population, while the rest of the lower class still spoke Flemish (Dutch dialect) long before the creation of the United Kingdom of the Netherlands in 1815. Since the creation of the United Kingdom of the Netherlands in 1815, the king carried

out policy that promoted Dutch as the only official language throughout the whole newly-created kingdom. The southern elite class refused to follow and had tried to break away with the Dutch-speaking Northern provinces. Historically speaking, the main religion in Belgium at that time was Catholic, while in the Netherlands it was Protestant. After 15 long years of war, and with support of the French Army, the Belgian state was finally created in 1830, and it was not until 1839 when the Netherlands finally accepted the independence of Belgium.

However, at the time of the creation of the Belgian state, although the population consisted both French and Flemish-speakers, only French was recognized as the sole official language of the nation and it took nearly 140 years after the creation of the nation that Belgium finally recognized Dutch as the second official language. Since then, together with the economic shift from the French-speaking region to the Dutch speaking region, the Dutch speaking population has gradually replaced the French-speaking population to dominate Belgium socially, politically and economically, and as a result the conflict between the two language communities has become worse and worse. Nowadays, almost everything in Belgium is divided based on linguistic lines between mostly French and Dutch from geography (Dutch-speaking Flanders, French (and German) speaking Wallonia and bilingual Brussels) to education and politics. Belgium has become more divided than ever. In 2010, Belgium suffered one of the worst political crises when no government was formed for more than 500 days after the general election.

Even though the linguistic division within the US is not that severe as in the case in Belgium, the history and the current situation in Belgium can act as a good comparator for its US counterpart. At the time the 13 North American states gained independence from the British Empire, both black and white population co-existed in North America, and the black population contributed enormously to the American Independence. However, the rights of black population were not yet recognized in 1776 as it was not until 1865 (nearly a century after the American Independence) when slavery was finally abolished. As pointed out in the history of Connecticut, which promoted the abolition of slavery, still remained as a society that continued to exploit people through slavery until 1840s. This is somehow similar to the situation in Belgium when the Dutch-speaking population on the Northern Province of Belgium did contribute to the Belgian independence declaration in 1830, but their linguistic rights were not immediately recognised afterwards. And when the socio-political and economic conditions changed, the Dutch-speaking population became the dominant force within the Belgian society and thing stated to become more divisive.

As mentioned above, the non-Hispanic white population aged 0-17 will become the minority group in 2020 and the non-Hispanic white population as a whole will become minority for the first time within the next 3 decades in the US. 30-something years might still sound like a long period to someone, but it is not when compared with the nearly 250-year-old United States of America. In Belgium, both Dutch and French are not the native languages of Belgium, but instead were adopted from their neighbours, while in both the north and south continents of America, Whites and Blacks do not constitute the native population either.

Recognising minority groups and giving the minority more rights over the time is considered politically and ethically important. Even though, promoting diversity policy can boost profit in the short-term for American companies like Aetna, the report doubts the positive impacts of promoting individual differences in the longer term. Misery and repression, in my opinion, have never faded in the knowledge and memories of many of the African-American population, and a lesson should be learnt from the situation of Belgium.

Conclusion

This report discusses the Diversity case of a company called Aetna, a healthcare financial services company. This report focuses on the impact of the company's diversity policy on racial groups in the United States of America. In order to understand the company's approach to promoting diversity, this report visits several aspects of Aetna, such as the state where the company was first established, the company's 165-year-old history, the nature of the existence of the company, its diversity policy, promoting of a healthier world, adopting its working languages, and finally the impact of providing translation services.

A few conclusions can be taken away from analysing all of the above areas, firstly, the majority of the company did not commit to diversity policy or promoting diversity and the company only tries to glorify the wording of its history to cement its recent stand on diversity issues. Their decision to adopt diversity policies was mostly driven by the demographic change in the USA, rather than the company's values. The report shows that the nature of the existence of the company, of having a diversity policy, of promoting a healthier world, and of adopting a common working language is not pro-diversity but instead the other way around, which is anti-diversity. The most accurate phrase that can be used to epitomise this is "cultural assimilation."

The report later compares the US and Belgium, as Belgium can be a good comparator in terms of understanding the impact of diversity in the long term. Historically speaking, Belgium and the USA share many identical characteristics, even though the case of Belgium is a linguistic issue while that of the US can be identified as one that is related to race. The Belgian lesson helps us to make a prediction that recognizing and giving right to historically-marginalised groups is politically and ethically important, however, only promoting diversity is a dangerous game in the long term as this leads to a more divisive society.

If Aetna is to continue naively with only promoting individual and communal differences and not promoting "cultural assimilation," what the company may encounter in the future is that, as this report predicts, the company will be split up into many companies which serve their own racial group. For example, one Aetna company will only serve the (non-Hispanic) white community, another Aetna company will only serve the black community and so on.

This report does not deny the positive impacts of diversity policy in the short-term and also does not argue for more supports for any racial groups over the others. Alike what occurred during the financial crisis of 2008-09, Aetna and any other companies in the USA which are focused on promoting diversity need to think carefully again if they want to avoid future crisis, and in this case, it might not necessarily be another financial crisis but a racial one. What Aetna has been doing with its philanthropy activities, over-employment of some racial groups and providing translation services have potentially created more division within the US society racially and linguistically. Understanding historical lessons is very important for the company in managing its business in the complex environment.

My suggestion is that the company should be pro-assimilation instead of pro-diversity and promote a more homogenous not heterogeneous workforce. By homogeneous workforce, I do not mean white, black, Asian or any particular races, but people of mix-raced backgrounds and Aetna needs to promote more interracial/ethnic over intraracial/ethnic marriages which currently account for only around 10% of the US married couples during 2012-2016 according to the US Census Bureau.

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