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Corporate Consumers

Corporate consumers make up the largest target customer base for the services and products provided by [Company Name]. To date, most of the national spending on diversity and cultural competency training is concentrated in large, public corporations. These organization tend to be more willing to take on the task of diversity training, and at higher costs. In many cases, they are required to undergo such training because of legal issues or poor publicity, as was the case with Ford Motor Company and Denny's Restaurants.

The case for diversity training in the corporate arena is justified by the enormous rise in legal costs. Federal regulations require that all companies exceeding fifteen employees must comply with Title VII of the Civil Rights Act of 1964, which protects individuals against employment discrimination on the basis of race or color, as well as national origin, sex, or religion. This includes both intentional and inadvertent discrimination. When company practices do not meet these standards, the costs are incredibly high. According to the U.S. Department of Defense, the average employer cost of handling a single, valid EEO complaint is \$80,000, excluding settlement and other decision costs. A 1998 study places the cost to an employer for litigating a seriously contested employment discrimination case closer to \$130,000. The cost for the training to prevent these cases is significantly lower; many large corporations are willing to spend what is necessary to implement diversity programs as a part of their basic structure.

Corporate, government, and other organizations are hiring outsourced diversity training in record numbers. The field is currently growing at a rate of 15 percent. In a 2007 survey of over 2,000 senior executives, three out of four U.S. employers stated their intention to maintain or increase their spending on diversity and inclusion training in 2007. This is on top of the already estimated total of \$8 billion in annual sales on diversity training.

In another general trend, smaller corporate consumers show a marked interest in diversity training as it relates to recruiting, retention, and marketing. They tend to be more interested in culture as it relates to their bottom line rather than public perception.

Health-Care Consumers

Health-care consumers currently make up the second largest target customer base for [Company Name]. The market is substantial; there are currently 7,569 hospitals nationwide, which altogether employ 5.1 million people.

Due to the nature of health care, in that it serves the entire public and demographic spectrum, contact with minority groups is more substantial in this field than almost any other in the United States. It is also the most important field to keep errors and miscommunications at a minimum.

Despite the inherent importance of cultural competency in health care, current statistics demonstrate a clear need for improvements.

- According to a 2004 study set out in the Journal of Family Practice, 14.1 percent of African Americans, 19.4 percent of Hispanics, and 20.2 percent of Asian Americans feel that they are treated with disrespect by their health-care providers. This is compared to only 9.4 percent of Caucasians.
- According to a report released by the Sullivan Commission, African Americans, Hispanics, and Native Americans constitute only 9 percent of the nurses and 6 percent of the physicians in this country. Yet, most of these groups report a strong preference to receive health care from someone who understands their own culture.
- According to the National Public Health and Hospital Institute, a number of hospitals have adopted measures to record race, ethnicity, and language preference during admissions. In fact, 78.4 percent record race information, 50.4 percent collect data on ethnicity, and 50.2 percent determine language preference. Despite these numbers, fewer than one in five hospitals have the tools necessary to utilize this data to change their practices or to improve their quality of care.

The importance of culturally appropriate care for the health-care field is reinforced by a series of national standards issued by the U.S. Department of Health and Human Services' (HHS) Office of Minority Health (OMH). These standards were created to ensure that all people entering the health-care system receive equitable and effective treatment in a culturally and linguistically appropriate manner. These standards are proposed as a means to correct inequities that currently exist in the provision of health services and to make these services more responsive to the individual needs of all patients/consumers.