



Salesforce

Salesforce's intentional approaches to inclusivity in the employee lifecycle

2012 was a big year for Salesforce. The cloud computing company based in San Francisco announced a stream of acquisitions amid robust financial results that included 37 percent revenue growth and the addition of 2,500 employees.¹ Yet in his book *Trailblazer: The Power of Business as the Greatest Platform for Change* (2019), Marc Benioff, Chief Executive Officer, would later recall 2012 as the year he made a surprising realization: less than 14 percent of Salesforce's leadership, and 29 percent of its total employees, were women. To set an example and encourage the inclusion of more women at the senior level, Benioff stipulated that all senior-level meetings should have at least 30 percent attendees who were women.²

This dedication to gender inclusivity would be tested again three years later. Benioff was approached by two female colleagues who raised the issue of equal pay.

Back in 2015, I knew we still had a long way to go on this issue, but I was utterly convinced that Salesforce belonged to the tiny minority of tech companies that truly valued gender equality. I simply did not believe that pay disparities could be pervasive.

—Marc Benioff, CEO of Salesforce

As a result, Salesforce commissioned an audit of all 17,000 employees at the time to determine if men and women were paid equally for comparable work, with its chief executive officer committing to addressing any pay gaps if they existed.

A cross-functional task force was set up—working with independent experts—to analyze pay gaps among men and women at the company.

The results not only revealed that Salesforce did indeed have a pay gap, but that it would cost approximately \$3 million to adjust the salaries of 6 percent of employees to fix it. Following a 17 percent growth in the year that followed the initial audit, Salesforce revisited the exercise again, to the tune of another \$3 million in compensation readjustments. It was clear that this issue was a recurring one that would require

Quick facts about Salesforce

Salesforce is a global cloud computing company that develops customer relationship management (CRM) solutions and provides business software on a subscription basis.

Founding year: 1999

Footprint: Global

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consistent monitoring and reassessments to ensure a pay gap of zero.

Under the guidance of Salesforce's Employee Success team, new job codes and standards were devised to ensure equal pay for equal work. Other changes implemented across the employee life cycle include the following:

- **Coaching hiring managers on the responsible use of artificial intelligence (AI) models** in recruitment through Trailhead—a free individualized platform for upskilling current employees to close skills gaps.³ According to Salesforce, when leveraged effectively, AI can help recruiters identify applicants and enrollment trends across locations and gain insight into campaign effectiveness, and reduce applicant attrition.⁴ The company's blind survey of 750 hiring managers in business units, human resources, and IT teams in the United States also reveals that 88 percent of hiring managers agree that formal retraining programs to improve existing employee skill sets will be crucial in the years ahead.⁵
- **Shifting recruitment approaches to focus on competencies rather than personality traits** after analysis revealed that 40 percent of top performers did not come from the enterprise software background that Salesforce tends to be associated with.
- **To improve family-friendly policies, Salesforce implemented a gender-neutral policy that allows for 26 weeks of paid parental leave.**⁶ The company also uses tools that enable more flexible work for

Figure 1: Salesforce equal pay update, 2019



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employees—particularly mothers and new parents. To streamline the work of remote teams, Salesforce integrates in-person performance management strategies such as (a) daily touch points at fixed times, (b) weekly feedback sessions for ongoing and new projects as well as quarterly performance reviews, and (c) building on team cohesion through weekly or monthly teleconferences.

Salesforce's intentional approaches to inclusivity give insight into how companies can leverage technology to assess and address gaps in their workplaces throughout the employee life cycle. Today, women represent 33 percent of Salesforce employees globally, and the company's investments in equal pay since 2015 total \$12.4 million.

- 1 "Salesforce.com Announces Fiscal 2012 Fourth Quarter and Full Year Results," news release, February 23, 2012, Salesforce, San Francisco, <https://www.salesforce.com/company/news-press/press-releases/2012/02/120223/>.
- 2 Marcel Schwantes, "The CEO of Salesforce Found Out His Female Employees Were Paid Less Than Men. His Response Is a Priceless Leadership Lesson," *Inc.*, July 26, 2018, <https://www.inc.com/marcel-schwantes/the-ceo-of-salesforce-found-out-female-employees-are-paid-less-than-men-his-response-is-a-priceless-leadership-lesson.html>.
- 3 James Sanders, "Salesforce Tackling Bias in AI with New Trailhead Module," *Artificial Intelligence*, May 28, 2019, <https://www.techrepublic.com/article/salesforce-tackling-bias-in-ai-with-new-trailhead-module/>.
- 4 Salesforce, "Recruit Smarter with AI: 4 Ways to Leverage Data Insights to Meet Enrollment Goals," Salesforce.org Virtual Master Class, <https://www.salesforce.org/past-webinars/master-class-artificial-intelligence-recruitment-admissions/>.
- 5 Salesforce Research, *The Future of Workforce Development: Insights from 750 Business Leaders on How Technology Is Transforming the Future of Work* (San Francisco: Salesforce, 2019).
- 6 "Healthcare Made Easy," Salesforce website, <https://www.getsalesforcebenefits.com/en>.