



Values in Action vs Beliefs

Inclusiveness and Diversity



At Herman Miller, we've learned a lot about inclusiveness and diversity along the way.

Long ago, our founder, D.J. De Pree, concluded that each of us is extraordinary. Visiting the widow of a millwright who worked for him, D.J. learned that the millwright had written a collection of poems. D.J. realized that—no matter what our beliefs, or talents, or vocation—each of us brings gifts to our organization and community. The more we encourage the expression of these gifts, the more we nurture our creativity and innovation as a company.

We like to say we're on a journey. D.J.'s early insight led to a culture of participation and inclusion now part of our legacy. Our efforts to integrate inclusiveness and diversity into our corporate fabric continue daily.

After the millwright's death, D.J. De Pree discovered that he also had been a poet. Was he a poet who did millwright's work, or was he a millwright who wrote poetry? We know it's important to value the whole individual.

Our Legacy

Like most of our customers, more and more of our business is derived from markets outside of the United States. The U.S. itself is becoming more diverse with respect to age, gender, ethnicity, and belief. All of this has a profound impact on who our customers, business partners, suppliers, and employees will be.

To succeed as a company, we must build our cultural competence by engaging in relationships that represent the world in which we work and live.

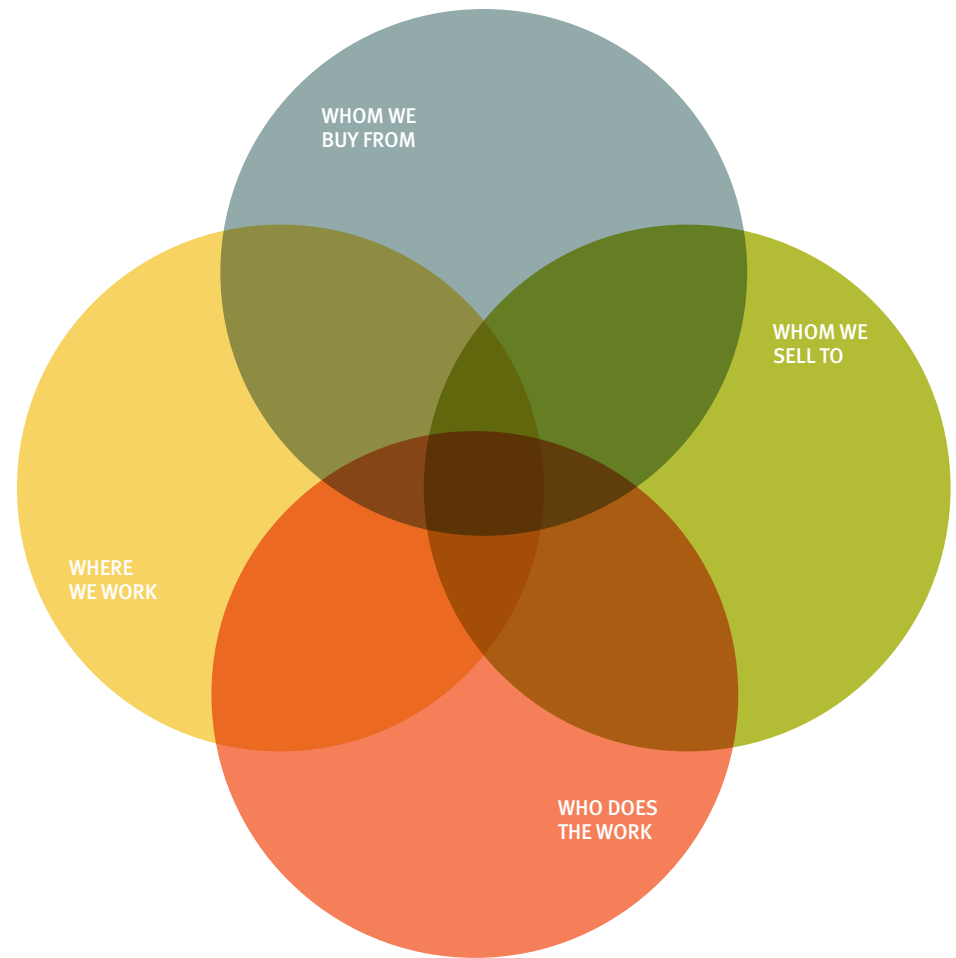
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We believe that a robust supplier diversity program expands our supplier network and builds a stronger community. For more than two decades, we've supported minority and women-owned suppliers to promote supplier diversity and include them in our procurement process.

Our ten Inclusiveness Resource Teams (IRTs), which organize grassroots efforts across the company, are: Asian; Black; disAbility Advocacy; Women's Initiatives Network; Lesbian, Gay, Bisexual, and Transgender (LGBT); Hispanic; Generational Outreach; Male; International disAbility; International Remote Workers. They help us meet our business objectives and implement initiatives that benefit our employees and communities.

Our goal is to design an inclusive environment in which a richly diverse and global workforce thrives. To get there, we know we must consider four important components of our community.





Whom we sell to

Mirroring the diversity of our customers' cross-cultural organizations helps us serve them better.

Because we do business all over the world, we're building the cultural competence required to understand global markets—whether small, large, public, or private. Cultural diversity helps us understand the extensive range of our customers' needs and preferences. We know that one size does not fit all.

Inclusiveness and diversity are important to our customers. In fact, over 90% of our proposal center requests contain questions about our diversity efforts.

We prepare more than 50 quarterly reports—required by our customers—that demonstrate the diversity of our suppliers.

To keep abreast of inclusiveness and diversity issues, we partner with local, regional, national, and international organizations and affiliations.



Whom we sell to

Our Values in Action

It's been just over four decades since gay rights organizations were founded across the United States. We're proud to say that Herman Miller was the only company in our industry to attain a 100 percent score on the Human Rights Campaign's Corporate Equality Index in the last consecutive five years.

"Last year we celebrated in Chicago. It was an opportunity to invite employees from other companies who scored high (80 percent or above) on the HRC's Corporate Equality Index," said Rick Westra, who helped plan the event. The group kicked off the Annual Pride Weekend in June to show the world that inclusiveness and diversity are part of our core values. We have a lot of company.



Who does the work

The generations entering the workforce will be more diverse than ever. The more diverse our people, the more perspectives they bring to solving problems. Developing a world class workforce requires an organization to provide an inclusive environment that attracts the best talent globally and reflects the diversity of the world we live in.

From our decision to engage leading designers outside of the company, to participative management and a bonus system based on employee ownership, our efforts toward valuing the whole individual have led to making inclusiveness one of our core values. The result? Numerous awards and recognitions over the years, including consecutive years as one of the FORTUNE 100 Best Companies to Work For and Most Admired, as well achieving a perfect score on the Human Rights Campaign Corporate Equality Index for the last five years.

We invite students from the ¡Adelante! America youth program—a part of LAUP (Latin Americans United for Progress)—to visit Herman Miller and learn more about our company, our industry, and the types of careers we offer. It helps us connect with our community and future talent, and it helps them explore career choices.

Many of our U.K. employees are involved in the Bath Rugby Community Foundation's Business Enterprise Programme, which places them as mentors for struggling teens. The students learn about Herman Miller's business and receive extra professional support. Some of these employees are also involved in the Herman Miller Inclusion Project, helping to provide multi-sport coaching to children with special needs.



Who does the work

Our Values in Action

Pete Pallas, Director of Operations in our Zeeland, Michigan, facility wondered, “Where is our future talent pool going to come from, with so many people in manufacturing jobs on the verge of retirement?” It’s a dilemma faced by many organizations whose Baby Boomers are exiting the workforce.

So we started an initiative called Herman Miller Academy, a partnership with two West Michigan high schools where we mentor 20 high school juniors. While we help them focus on a career path, we also expose them to Herman Miller and the types of jobs they could do when they’re ready for employment. Who knows? We may find a future CEO in the group.



Where we work

After attraction comes retention. Like the millwright, each of our employees comes to work with gifts, passions, and special talents. We aim to ensure a welcoming and inclusive work environment that engages people so we can retain the best talent.

Herman Miller has a rich history of inclusive leadership, which extends to our Inclusiveness Resource Teams (IRTs), who have helped foster engagement in the workplace. Each team is supported by an executive sponsor who are in turn exposed to talent from all over the company. Each of our IRT leaders has a seat on our Diversity Council, which gives them the opportunity to interact with our CEO.

We know that engaged employees are more inclined to take the lead in problem-solving, continuous improvement, and quality issues. That's how we continue to nurture our creativity and innovation to meet the needs of our customers. It's both a top-down and bottom-up approach.

Since our IRTs were established, they have grown to ten teams and include 170 members.

Our Women's Initiative Network IRT has undertaken an initiative called "Growing Future Female Leaders," which focuses on flexible work arrangements and mentoring programs. The team also sponsors webinars, discussion groups, and conferences.

IRTs create a celebration of diversity each month by creating displays that align with heritage months or national holidays. It's a way to share an IRT's diverse perspective.



Where we work

Our Values in Action

Understanding the complexities of health insurance plans can be difficult for anyone. But a language barrier adds a layer of frustration to the process. When Debbie Jerovsek, leader of the Asian IRT, noticed Thanh, a Vietnamese employee, struggling with his health insurance enrollment process, she stepped in to provide support with live translation services.

Since then, the Asian IRT has assisted with benefit selections by creating Vietnamese and Laotian enrollment guides that aid employees with the log-on process. The team also continues to help with translation needs so employees understand their health insurance plans and benefits.



Whom we buy from

For more than 20 years, we've been leading the industry with our supplier diversity initiative, and we have been recognized nationally and regionally for our efforts. We value our supplier relationships because—through their diverse perspectives—they have helped us improve our products and processes. Our goal is to ensure that our supply chain reflects the changing face of our country and the world, including suppliers from all walks of life. The more diverse their ideas, the more innovative we are.

These relationships have contributed to a sustained number of awards in supplier diversity from the Michigan Minority Supplier Development Council (MMSDC), including Corporation of the Year, Commercial Products, numerous times.

In fiscal year 2011, we spent over 16% with minority- and women-owned suppliers, exceeding our goal.

Our Supplier Diversity Advisory Council (SDAC) includes senior leaders from departments that procure a high percentage of goods and services. The team helps drive supplier diversity across our organization.

Members of our supply management and supplier diversity teams attend national and regional tradeshows to network with and identify prospective diverse suppliers. These events also let us share our inclusiveness and diversity values and showcase Herman Miller.



Whom we buy from

Our Values in Action

Building good products that work is a challenge. But improving upon them raises the bar even further. When we looked for help from seven of our existing suppliers to improve a sub-assembly part, we couldn't get a response. "They just didn't want to put in the effort," said Supplier Development Manager Dennis Muller. After months of trying various solutions, he contacted Apex Spring and Stamping. In 24 hours, he had a prototype. In four days, the problem was solved.

According to Apex CEO/COO, Dennis Bhaskaran, "We would do that for all our customers. It doesn't matter the cost. We're here to help." That mentality prompted Muller eventually to direct all of Herman Miller's supplier spending for this type of part to Apex. A certified minority-owned company, Apex tackles every project until a solution is reached. Now Apex has become an irreplaceable partner: When presented a challenge, they rise to the occasion.

We are on a journey to make Herman Miller a community of customers, employees, and suppliers that includes as many expressions of human talent and potential as possible.

We demonstrate our commitment to diversity by making it part of our corporate strategy, measuring our effort, and holding ourselves accountable.

When we're truly inclusive, we gain the cultural competence needed to succeed in global business. We value the uniqueness of each individual and understand our customers better. Everyone we engage with—customers, suppliers, and employees—brings diverse perspectives that result in richer creativity and innovation. Together, we build a stronger community that extends around the globe.