

MAINTAINING THE “BUSINESS CASUAL” DRESS POLICY OF  
STATE FARM INSURANCE COMPANY

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## **EXECUTIVE SUMMARY**

State Farm Insurance Company has committed itself to delivering the highest quality customer service each and every time. The current dress policy plays a major role in achieving the company's goal. Therefore, State Farm's "business casual" dress policy should remain unchanged.

A survey of fifty individuals (25 policyholders/25 employees) was conducted at the Rock Hill Claims Office to discover their opinions on this issue. Seventy-two percent of policyholders and ninety-two percent of employees responded as being in favor of State Farm's current dress policy. This report discusses the benefits of "business casual" dress policies.

Remaining "business casual" would be very advantageous. The current dress policy allows business to be more personal. It helps to put clients at ease and speak openly about their situations. Employees would also continue to benefit from business casual dress, because it helps create a more relaxed work environment. The attire is comfortable, and it saves money on wardrobe expenses. The current dress policy is a plus for State Farm.

## **EVOLUTION OF THE CURRENT DRESS POLICY**

The biggest question facing employees and their human resource managers is “What, exactly, is business casual (Higgins)? The definition of “business casual” depends on the industry, region and, most importantly, the culture in the organization. State Farm considers “business casual” as “contemporary business attire”. “Business casual” is described by the company to be clothing which is comfortable yet always looks neat and professional. For the past several years, the company dress policy has been “business casual”. It was initially implemented in order to provide a more relaxed atmosphere for employees as well as clients.

Largely due to employee neglect, there have been some questions raised as to whether or not “business casual” remains suitable for a professional environment. The discretion of what to wear is largely left up to the employees. As a result, some employees have been taking “casual” too far. Employees have been coming to work in sweat suits or too-short shorts in the summer. Problems such as these can be alleviated if the dress policy were strictly defined and enforced.

## **METHODOLOGY**

### *Primary Research*

Primary research consisted of a survey of policyholders and employees conducted at the Rock Hill Claims Office. Secondary research sources include interviews, company literature, and on-line resources. These tools allowed me to gather the necessary information to build my report.

### *The Survey*

Each group (policyholders and employees) was given separate questionnaires designed to address their respective concerns about State Farm Insurance Company’s current dress policy of “business casual”. The questionnaires differed slightly in their content because they were geared toward their particular group. The questions were designed to retrieve specific information necessary for the development of this report. A sample of a few key questions are as follows:

- a) What is your preferred style of dress?
- b) From your own personal interactions, what type of dress seems to be most common in today’s businesses?
- c) Do you feel that “business casual” dress (khakis) is appropriate for professional environments?

## Interviews

I felt that it was necessary to conduct interviews in order to obtain information that may have been excluded in the responses to the questionnaires. Due to time limitations, I decided to interview one individual from each of the two groups surveyed. I interviewed Ms. Katherine Jackson, policyholder, and Mr. Michael Pritchard, State Farm employee. Both were willing to help and provided positive feedback.

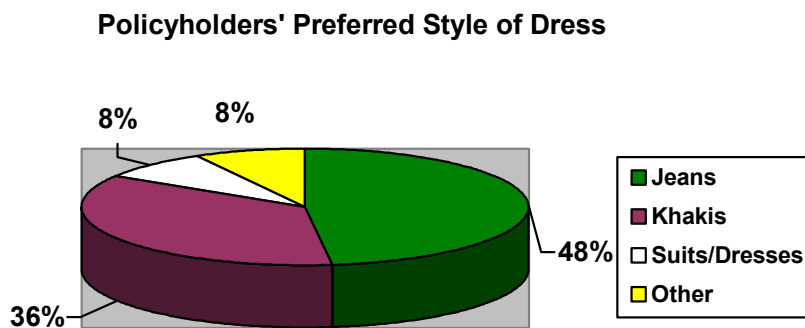
Ms. Jackson stated, "I have been dealing with organizations with similar dress policies to State Farm's for several years." She reported pleasant experiences and that she believes "business casual" dress policies help to enhance business-consumer relations. She also stated, "business casual" dress policies are more effective in white-collar industries." These are the businesses where she feels customers are easily intimidated (Jackson).

Mr. Pritchard has been employed by professional organizations with "traditional business" as well as "business casual" dress policies. He stated, "more casual dress policies really are a plus". "They build employee morale and ultimately improve customer service," said Mr. Pritchard. Statistics support this statement (Pritchard). The Bureau of National Affairs reports that 79% of employers say that casual dress does improve morale among employees (Higgins). Mr. Pritchard is an advocate of "business casual dress".

## RESULTS

### *Preferred Style of Dress*

Figure 1



The first task was to determine what were the groups' preferred styles of dress. Figure 1 illustrates that 72% of policyholders (total of policyholders who prefer jeans or khakis) prefer more casual styles of dress. The "other" category may consist of individuals who prefer shorts, bathing suits, etc. The sample of policyholders provides a more objective view of "business casual" dress policies. Policyholders consist of the general public

where you have all types of people from different backgrounds. This may explain the stronger preference for jeans, because a sample of the public is more likely to contain more individuals with lower levels of education and “blue collar jobs”.

**Figure 2**

**Employees' Preferred Style of Dress**

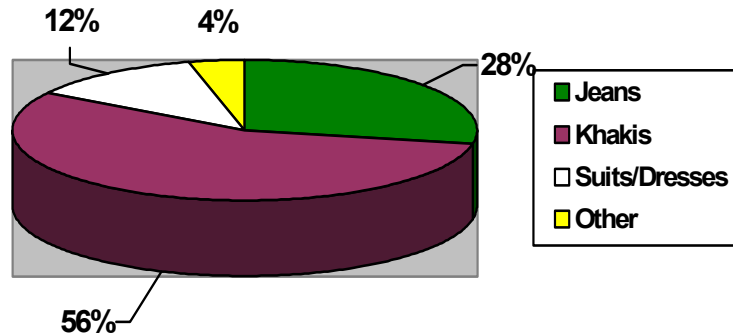
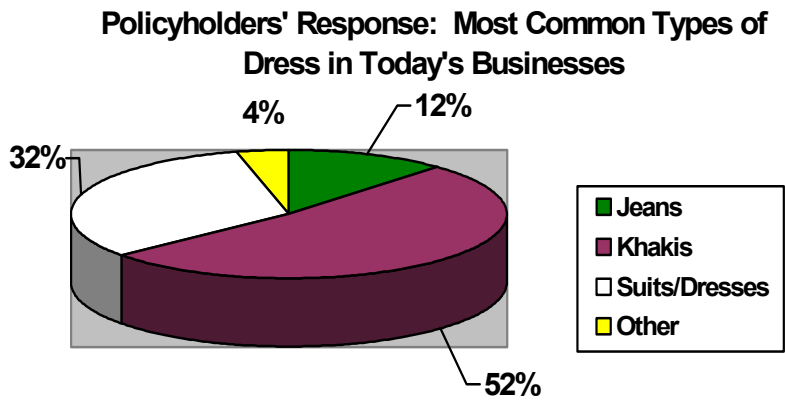


Figure 2 shows that 84% of employees (total of employees who prefer jeans or khakis) prefer more casual styles of dress. Also notice in Figure 2 that there is an increase in the number of individuals who prefer khakis and suits/dresses from Figure 1. There is also a decrease in the number of individuals who prefer jeans. One of State Farm’s requirements for employment is some form of continuing education. This requirement in itself creates a pool of individuals who are likely to have had more exposure to professional standards. This may explain the decrease in the “jeans” category as well as the increase in the “khakis” and “suits/dresses” categories.

*Common Dress in Today’s Businesses*

The most common types of dress in today’s businesses from the policyholders’ perspective is illustrated in Figure 3. From their own personal interactions, most policyholders (52%) elect khakis to be the most common type of business dress. This shows that many businesses have adopted dress policies similar to that of State Farm’s. The “suits/dresses” category is second (32%), with “jeans” trailing in third place. The “other” category (4%) may consist of businesses that have uniforms such as theme parks and retail outlets.

Figure 3

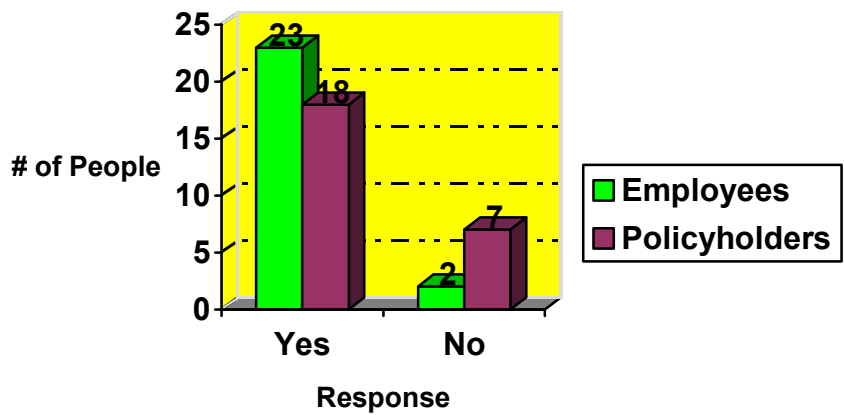


Here again, remember that policyholders consist of the general public. Everyone does not deal with the same organizations or types of organizations. So that must be taken into consideration when evaluating Figure 3. However, the information that it presents is relevant.

*Views of "Business Casual" Dress Policies*

Figure 4

**Maintain "Business Casual" Dress?**





The responses (of policyholders and employees) to the question of whether or not State Farm should remain “business casual” is illustrated in Figure 4. Eighty-two percent of *everyone* surveyed said that State Farm should maintain its current dress code. This shows that “business casual” is effective and people are very receptive to it.

## **SOLUTIONS TO ABUSE**

“Business casual” dress has proven itself to be a valuable asset to State Farm Insurance Company. It remains suitable for a professional environment, and should be preserved. In order to find a solution, we must first begin with the problem. Since there are so many variations of what is considered to be “business casual”, it must be clearly defined within our organization. It is not always that employees intentionally neglect the policy. Many violations occur because employees have not been told exactly what to wear.

There need to be specific guidelines set, describing in detail what can and cannot be worn. Without guidelines, a gray area develops that creates opportunity for abuse. Once specific guidelines have been set, those guidelines then have to be enforced. I recommend making violators subject to disciplinary action. This could consist of something such as a “three-strike rule”, enforced by supervisors and management. An employee could be written-up on the first two offenses, and suspended or even terminated on the third offense. Consequences such as these should keep deviation from the dress policy to a minimum if properly enforced.

We are people who make it our business to be like a good neighbor. Our customers’ needs determine our path. If our “business casual” dress policy enhances relations with our customers, then it is our duty to maintain it.

APPENDIX A: Policyholder Questionnaire

1. What is your preferred style of dress?

- jeans 12
- khakis 9
- suits/dresses 2
- other (please specify) 2-shorts/sweatsuits

2. From your own personal interactions, what type of dress seems to be most common in today's businesses?

- jeans 2
- khakis 14
- suits/dresses 8
- other (please specify) 1-uniforms

3. Do you feel that "business casual" dress (khakis) is appropriate for professional office environments?

- yes 18
- no 7

4. Do you feel that State Farm should remain "business casual"? Yes or no? Please explain.

18-yes  
7-no

## APPENDIX B: Employee Questionnaire

1. What is your preferred style of dress outside of work?
  - jeans 7
  - khakis 13
  - suits/dresses 3
  - other (please specify) 2-shorts/sweatsuits
  
2. What type of dress was required by your previous employer(s)? Check all that apply.
  - jeans 2
  - khakis 13
  - suits/dresses 8
  - other (please specify) 2-uniforms/formal attire
  
3. What type of dress do you consider to be “business casual”?
  - jeans 2
  - khakis 15
  - suits/dresses 3
  - other (please specify) 2-shorts/sweatsuits
  
4. Do you feel that “business casual” dress (khakis) is appropriate for a professional environment?
  - yes 23
  - no 2
  
5. Would you occasionally dress in traditional business attire (suits/dresses), even if it was not required by your employer?
  - yes 15
  - no 10
  
6. Do you feel that State Farm should maintain its current dress code of “business casual” dress? Yes or No? Please explain.
  - 23-yes
  - 2-no

## WORKS CITED

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