

Research paper on diversity

[Business](#), [Company](#)



Kraft Foods, Inc.

Criteria for Measuring Diversity in Organizations

Different approaches are undertaken in the management and measurement of workforce diversity (Worman, n. d.), and this can be attributed to the “fundamental differences behind sectoral motives in taking up diversity initiatives” (Worman, p. 15).

Some of the criteria that can be used to measure workforce diversity are the following (Worman): 1.) the meaningfulness and purposefulness of the initiative for benchmarking purposes; 2.) the initiative’s transferability to other organizations; 3.) innovation; 4.) the availability of recognizable, positive business results, such as customer satisfaction improvements; 5.) the evidence of quantitative and qualitative business outcomes; and 6.) the initiative’s success over time.

Moreover, the following factors can be used as indicators of the impact of an organization’s diversity management strategy: business statistics regarding the levels of customer satisfaction; organizational performance, creativity, decision-making and problem-solving skills; success of interaction and communication with and between employees of diverse backgrounds; litigation costs such as discrimination lawsuits, recruitment costs, labor turnover costs, and absenteeism; levels of job satisfaction and individual performance ratings; employee commitment, motivation, engagement, and loyalty; information monitoring for the different employee categories; representations of diverse groups at different organizational levels; and the

behaviors and attitudes of employees about diversity attitudes and equal opportunities.

In this regard, the following are some of the questions that this paper aims to answer:

What are the features and policies of an organization's diversity program?

In what ways does the organization implement and ensure compliance to this program?

In what ways has the organization's diversity program contributed to its success?

Literature Review

Kraft underwent “ a period of aggressive growth through” (Gratton & Truss, 2003)

acquisitions in the early 1990s. This initiative was supported by the HR team through the development of an efficient process for the integration and assimilation of the acquired companies' HR systems. This was quickly accomplished, and the HR team then developed a highly embedded and coherent set of HR policies. These policies included the selection and recruitment of employees based on an established set of criteria. They also contained provisions for development and targeted training, as well as an incentive system for line managers to ensure the implementation of these policies. Moreover, they had a strong performance management process.

In the mid-1990s, however, a lack of potential takeover targets and increased competition led Kraft to change its business strategy to focus on innovation. This necessitated a major cultural change, an initiative that the

HR team spearheaded. This resulted in a revision of the company's mission and vision statement, which in turn led to the realignment of the company's performance management system. Programs were created for the development of new leadership skills. As the company started to recognize the importance of workforce diversity in their drive towards innovation, they started implementing work-life balance programs as well as time and location flexibility.

It later formed a Women Sales Council whose efforts to understand “flexible work arrangements and other motivating factors” led to a 39% increase “in sales promotions for women” (“How Kraft Increased Promotions,” n. d.). In addition, their employees enjoy an arrangement called job sharing (Lederman, 2001), which is a practice where “two employees split a work week” (Lewis, 2012), that is, two employees share the responsibilities of one full-time job.

Today, Kraft prides itself for employing about 127, 000 diverse employees (Kraft Foods, 2012c). They strongly advocate for an open and inclusive culture (Kraft Foods, 2012b), which they believe is important for ensuring that their business partners and employees have an enjoyable work experience. They also believe that it creates a foundation for their strategy in building a culture of high performers.

Kraft Foods considers their employees and leaders as much a part of their success as their consumers. As such, being able to get the different perspectives of their employees enables them to get first-hand feedback on how they can better provide for the consumers' needs through the creation of delicious and innovative food.

As a real proponent of diversity, Kraft Foods ensures that their open and inclusive culture is applied to their daily operations whether in development or in training, or in ensuring leadership accountability in the organization's objectives.

They ensure that every employee undergoes an inclusion and diversity training at important career stages, which in turn ensures the sustenance of a culture that values and welcomes individual differences. Moreover, they link diversity and inclusion to the incentive compensation of executive leaders to further increase their accountability. Being a global company means that they have diverse customers and stockholders; hence, it's important for them to have a deep understanding of diversity and how they can accommodate it (Daft & Marcic, 2010).

Kraft Foods also believes in forming strategic relationships with external companies, which enables them to connect to a wider range of consumers, as well as attract more diverse talents who can contribute more ideas and perspectives to the company.

In addition, they extend this diversity-centric culture to their suppliers, as they believe that the diversity of their suppliers is a reflection of the diversity of their communities. They have had a strong supplier diversity policy for over twenty-five years, and they also have a supplier registration portal for certified women- and minority-owned vendors. This Supplier Diversity program enables Kraft Foods to ensure that they get to choose among the widest and best possible selection of supplier companies ("Kraft," n. d.). This leads to supplier competition, which in turn allows the company to get a

better value for their business.

It should also be noted how Kraft Foods reaches out to a more diverse set of consumers by creating foods that weight-conscious women will enjoy (Newman, 2011a) and by promoting their products to ethnic groups such as the Hispanics (Newman, 2011b).

Named ninth in DiversityInc's Top 50 companies for diversity in 2012, Kraft has had a history of strong female leaders ("How Kraft Increased Promotions"). One was Anne M. Fudge who ran Kraft Foods in the mid-1990s (Dobrzynski, 1995) and who was an African American. Even the company's current CEO is female (Kraft Foods, 2012a). With a vast experience in the food and beverage industry, Irene Rosenfeld has led the company towards success through an understanding of the consumers' needs and through constant innovation that leads to the creation of delicious foods.

In addition, Kraft Foods had an African American as the Director of Diversity Management in 1999 (Thompson & Wells, 2000). Louis Montgomery, Jr. was responsible for overseeing the company's diversity management strategy, which included work force diversity initiatives, work/life solutions, and affirmative action compliance.

References

Daft, R. L., & Marcic, D. (2010). Understanding management (7th ed.).

Mason, OH: Cengage

Learning

The authors discuss the results of the survey they conducted on modern management

practices, which included diversity management. It discusses both the classic management principles and the newest management ideas. The survey covered small to mid-sized companies as well as big global enterprises such as Kraft.

Dobrzynski, J. H. (1995). Way beyond the glass ceiling. *The New York Times*. Retrieved from <http://www.nytimes.com/1995/05/11/business/way-beyond-the-glass-ceiling.html?ref=kraftfoodsinc&pagewanted=1>

This article briefly describes Anne Fudge's rise in the corporate world where being an African American added to her challenges as she struggled to break through the conventions of organizational leadership. Kraft Foods was among the organizations she led, and this serves to prove the diverse culture at Kraft.

Gratton, L, & Truss, C. (2003). The three-dimensional people strategy: Putting human resources policies into action. *Academy of Management Executive*, 17 (3), 74-86. Retrieved from http://www.bus.tu.ac.th/usr/sab/Articles_pdf/Research_Articles/SHRM_Lynda_web.pdf

This article presents the findings of a study conducted to determine and identify the people management strategies employed by seven companies over a ten-year period. The companies involved in the study were BT;

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Chelsea and Westminster; Citibank; Glaxo; HP; Kraft Foods, and Lloyds-TSB. An overview of each company's people management strategy during the ten-year period was provided. At the end of the study, the authors proposed a three-dimensional model (horizontal alignment, vertical alignment, and the action dimension) that executives can use for the assessment of their people strategies, which would enable them to address any shortcomings and discrepancies along these dimensions.

How Kraft increased promotions of women in sales by 39%. Retrieved from <http://diversityinc.com/employee-resource-groups/how-kraft-increased-promotions-of-women-in-sales-by-39/>

This article provides an overview of the importance of employee resource groups in an organization's success. It provides the highlights of a meeting attended by 4 diversity leaders from Toyota, JCPenny, Dell, and Kraft who provided twelve case studies on the innovative utilization of employee-resource groups for the achievement of measurable results.

Kraft. (n. d.). Retrieved from <http://www.allbusiness.com/specialty-businesses/minority-owned-businesses/842296-1.html>

This article provides an overview of Kraft's Supplier Diversity program and how it adds to value to the company's business strategy.

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Kraft Foods. (2012). Irene Rosenfeld: Chairman and CEO. Retrieved from <http://www.kraftfoodscompany.com/about/profile/irene-rosenfeld-bio.aspx>

This article provides a brief description of Irene Rosenfeld's professional background, as well as her contributions to the success of Kraft Foods where she is currently the CEO.

Kraft Foods. (2012). People and diversity. Retrieved from <http://www.kraftfoodscompany.com/deliciousworld/workplaceandculture/people-and-diversity.aspx>

On this web page, Kraft Foods attributes their organization's success to having an open and inclusive culture and describes how they foster such a culture among their employees and leaders, business partners, and suppliers.

Kraft Foods. (2012). Who we are. Retrieved from <http://www.kraftfoodscompany.com/About/who-we-are/index.aspx>

On this web page, Kraft describes their company in terms of what they do and what their values are with regards to their customers and employees.

Lederman, J. (2001). In business; two people, one job. The New York Times. Retrieved from

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<http://www.nytimes.com/2001/01/14/nyregion/in-business-two-people-one-job.html?ref=kraftfoodsinc&pagewanted=1>

This article describes the experience of two Kraft employees who enjoy a job sharing

arrangement and a brief description of how they make it work.

Lewis, K. (2012). What is a job share?. Retrieved from <http://workingmoms.about.com/>

[od/workschedule/f/WhatsJobShare.htm](http://workingmoms.about.com/od/workschedule/f/WhatsJobShare.htm)

This article discusses the nature of job sharing, a flexible work arrangement practiced at

Kraft. It also lists some questions an organization should consider before deciding to

implement a job sharing arrangement among its employees.

Lynch, F. (2001). The diversity machine: The drive to change the "white male workplace."

New Brunswick, NJ: Transaction Publishers

In this book, the author discusses the results of his study on the rise of a social policy.

He explores questions such as where diversity concepts came from and why they were

formed; who created diversity programs; how these diversity programs differ; how

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effective the policies are; and if they can do more harm than good in organizations that exist in a wider society.

Newman, A. A. (2011, April 20). Snackwell's nudges up the portion pack. The New York Times.

Retrieved from http://www.nytimes.com/2011/04/21/business/media/21adco.html?_r=1&ref=kraftfoodsinc

This article provides information on how Kraft Foods plans to rebrand its SnackWell

group of products to cater to weight-conscious women. It also describes how they

figured out the right portion sizes for these snacks that would make them satisfying for

women while still enabling them to control their calorie intake.

Newman, A. A. (2011, May 26). Kraft aims Kool-Aid ads at a growing Hispanic market. The

New York Times. Retrieved from <http://www.nytimes.com/2011/05/27/business/>

[media/27adco.html?_r=1&ref=kraftfoodsinc](http://www.nytimes.com/2011/05/27/business/media/27adco.html?_r=1&ref=kraftfoodsinc)

This article provides information on how Kraft Foods plans to increase their budget for

the promotion of their products to the Hispanic market.

Thompson, G. L., & Wells, G. (2000, January-February). Centurions of Diversity. *US Black Engineer & IT*, 23 (4), 46-50