Report on working in gap inc

Business, Company

1. 0 Executive Summary

The emergence of globalization, and business trends that have sought to capitalize on the expanded markets and resources has brought with an increased gender as well as ethnic diversity, both of the markets and perhaps most crucially, the labor force. This is even more so for Gap Inc., A company that does not only run global operations, but also because the clothing industry serves a culturally diverse market with widely varied needs. With upwards of 4, 287 stores worldwide by the close of 2010, the San Francisco based company, which was established in 1969, specializes in children, women and men's personal care products, casual apparels as well as other accessories, Carnegie et al (2010).

The company which posted over $14. 5 billion in annual revenues in 2008, employs upwards of 150, 000 employees, and has recently introduced e-commerce division in a bid to increase its global presence and market, Yahoo Finance (2011). Gap Inc.'s direct business lines, Gap. com as well the much more recent Athleta. com has been critical in cutting back on showroom space and the related operational costs. This report assesses the diversity and differences exhibited at Gap Inc, along with the company's management control mechanisms, before examining the control strategies and employee resistance to the control mechanisms.

2. 0 Diversity & Differences

The rapid changes in consumer demand have resulted in increased market research spending, quality improvement and innovation, amidst sternly rising competition from other firms such as Kohla. The company's traditional

market has waned, and with it came the fall its market share, exacerbated by its frantic efforts to meet the tastes of the emerging markets across the world. These efforts have included massive acquisitions as far and wide as China and the United Kingdom and rapidly increasingly its product mixes away from its traditional offerings. In order to reclaim the shifting ground below, Gap Inc. has sought to pursue robust policies to draw on its unique global presence, market and labor force, Rosenbloom (2008).

Gap Inc has multiple employee groups that include among others Asians, East Asians, Lesbians and Gays, African Americans, Latino Americans, Spanish and Mainstream white populations alongside other minority groups, Jackson (2001). There are equally widely varied age groups, ranks and abilities in the company's workforce. In order to cater for the needs of both its minority markets and perhaps more crucially its minority workforces, the company has specifically set out to reduce the barriers barring the access to opportunities in the company as well as the access to its products, Kirkpatrick & Kirkpatrick (2009). The company has established multiple resource groups for varying employee groups, geared at the provision of mentoring, networking as well as opportunities for development of the careers and the communities among which Gap Inc. runs its manufacturing operations or markets its products. The specific resource groups include GEAR, Asians Supporting Inclusion Awareness as well as the AANG for African American members of the workforce. The countries and regions in which Gap Inc. has set up administrative and or manufacturing operations include China, Hong Kong, The US, the UK and the Banana Republic, Gligor, Gavrila &

Ferraiolo (2003). Its product brands, mainly geared at meeting the tastes include Gap and Old Navy among other products.

The production plants have been set up across the world not only to better serve the preferences and tastes of the company's diverse markets, but perhaps more significantly to capitalize on the lower manufacturing and resource costs in countries such as China. Harnessing local talents does as well ensure efficiency in the development of the marketing strategies that are tailored to meet varied market segments, Otley (2009). To harness these talents and diversity, Gap Inc.'s Equal opportunities policy towards both the employees as well as the clients has been influential in setting the company apart. In addition, the company has introduced specially tailored training programs, career planning and mentoring, outreach programs to the community.

3. 0 Gap Inc.'s Informal & Formal Controls

The choice of the appropriate controls, both informal as well as informal are critical to ensuring its growth and operational objectives are attained, Peljhan (2005). To this end, Gap Inc. has a clearly defined structure and policies that describe duty separation, roles and supervision systems. These explicit regulations, rules and relationships are critical in guiding and constraining the behavior of all employees.

3. 1 Bureaucratic Control

The company is headed by the CEO and Chairman, Glenn Murphy and four divisional presidents for North America, Banana Republic, Gap Inc Direct and Old Navy. Additionally, the company has Human Resources, information as

well as Financial Chief Officers who are charged with steering the organization at the highest level, Simons (2000). The structure is however decentralized with different branches are charged with the running of their own affairs. The organizational structure divides the work among different divisions and their respective staff. Effectively, the mechanisms for monitoring, role delegation, evaluation as well as the relationships between varying Gap Inc. Entities are spelled out in the structure. This bureaucratic mechanism is not static; nor is it the only control mechanism at Gap Inc. It is regularly revised to reflect the company's size and needs in the organizational and global environment.

3. 2 Cultural Control

The company has a well developed organizational culture as well as values that act as guides and constraints on the behavior of Gap's employees. The company's culture is rooted in its vision that places the customers at the center of their activities and decisions on diversity, perspectives as well as experience, Mink (2001). Secondly, Gap Inc.'s vision seeks to inspire creativity and adopt new ideas to help meet the market's needs, while at once always doing what is right that will ensure that the company always delivers results both for the company as well as the clients. The company's strategies are drawn at different levels and evaluation strategies are formulated to ensure that the strategies are attained, and the manager's obligations are equally meant to attain the goals. A non discriminatory, all inclusive organizational culture at Gap Inc. Is especially helpful in harnessing the widely varied talents, from the equally diverse workforce to the good of the company, Duxbury (2006). Cultural controls reinforced by Gap Inc.'s

policy that embraces cultural diversity has been particularly successful as a managerial control system in new territories in which the Gap has recently set up.

3. 3 Output and Human Resources Control

In addition, according to Sevic (2005), Gap Inc's Human Resources as well as the company's departments have set in place specific standards and goals to be attained by both the departments as well as the individual employees. They include the Gap Inc Business Conduct Code, and the Gap Inc. Code Hotline among others. These are measurable, consistent and clearly identifiable indicators of performance that are used in the annual performance appraisal exercises to assess every employee's performance. The performance is assessed against the set standards and the timelines rewards or corrective measures taken in case of successful attainment or failure to reach the goals. It measures the output produced by the departments, divisions as well as individual members of the workforce.

4. 0 Employees Resistance to Gap Inc. 'S Management Controls

Naturally, Gap Inc. 's managerial controls have been received with mixed reactions by the company's work force, and consequently, each one of the control mechanisms has hardly been equally successful.

Optimism towards the Cultural Controls- This form of control, which draws on the varied cultural contexts from which the company operates, and naturally, it has received well by the workforce. Gap Inc. was in 2010 voted among the Corporate Responsibility Officer Magazine's top 100 companies that take

social responsibility seriously, for the seventh straight year. This was based on its treatment of Gays, lesbians, minority work force members. Additionally, Gap Inc. The company equally won the Hong Kong Social Services Council's 5 Year Caring Company Award, in recognition of its involve in the community and culture, Gap Inc (2011). These are external recognitions that do however, reflect the equally receptive Gap Inc's work force to the company's diversity and cultural control model.

Pessimism towards the Bureaucratic and HR Controls- While the bureaucratic model has been extremely successful in the Western world; it has not received an entirely positive reception in Gap Inc.'s newest territories. In countries such as Japan and China, bureaucratic controls are viewed as simply promoting conformity and dependency, besides being alien. It not only goes against the company's diversity policy since it fails to embrace the traditional Japanese control mechanisms, which rely on teamwork and collective responsibility as against vertical hierarchies, Gap Inc (2011). Equally, performance appraisals of employees as against just the departments go against the collective responsibility and teamwork. These have inspired resistance towards Gap Inc. 's management controls.

5. 0 Conclusion

Gap Inc. faces multiple economic and cultural challenges, not unlike numerous other companies with global operations and markets. It has equally made tremendous steps towards harnessing the huge cultural wealth of its global workforce, and turning it to the advantage of the company. These diversities have as well proven to be a challenge to the company's

control mechanisms, and inspired the resistance to the management's control strategies, Red Hat Inc (2010). There are few right answers for the company, but remaining culturally flexible and equally changing its strategies to suit different cultural environments has been, and will remain important in the coming years.

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