

Barilla and Diversity - Friend or Foe?

MANAGEMENT DECISIONS

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Reactions & Decisions

In the press release of 4 November 2003, Barilla Group announced its leadership initiative in diversity and inclusion.

“Diversity, inclusion and equality have long been grounded in Barilla’s culture, values and code of conduct. [...] we are committed to promoting diversity further because [...] it’s the right thing to do” - Claudio Colzani¹

Diversity was apparently not entirely unknown to Barilla Group, since it was presented as a clear goal set by the corporation in the *Barilla Lighthouse* strategic business document in 2012. However, the extension of the corporate purpose “good for the communities” had to take a wider dimension. Within only five weeks, Barilla Group launched an action plan to integrate the new corporate purpose into the corporation. The action plan consisted of three essential steps: (1) A Global Diversity & Inclusion Board, (2) a global online contest, (3) an active participation in the human rights index.

Management Decisions

Global Diversity & Inclusion Board (D&I)

The most important step was firstly the establishment of a Global Diversity & Inclusion board as a cornerstone for the new corporate purpose. The core task of the board is to assist Barilla Group to become a showpiece enterprise for diversity and inclusion by drawing up recommendations for improvements, applying initiatives and monitoring implementations of actions.

The board is composed of an operating committee, consisted of in-house employees and of an advisory board of outside experts. The outside experts will include a world leader in civil rights for LGBT communities, a specialist in gender balance and a paralympic gold medal winner. Its core function is to reveal outside perspectives and introduce new concepts, visions and guidelines for inclusion and equality.

In addition, the operating committee is responsible to reinforce inclusion and equality by proposing grand objectives and drawing up recommendations for further initiatives and improvements. The operating committee’s tasks also include monitoring and measuring progress of the implemented projects. Simultaneously, with the launch of the D & I, Barilla Group appointed its first Chief Diversity Officer, a Brazilian-born attorney who provides leadership and strategic guidance.

One thing appears to be particularly important: Barilla Group did not rely expressly on its own competences in diversity management, and therefore called on

¹ CEO of Barilla Group

professional external assistance. However, a strategically smart, competent direction in order to avoid pinkwashing and improve the corporation's authenticity and integrity.

Furthermore, the bilateral board promotes and supports diversity programs in local communities and aims to create an engaged workforce, drive cultural change and promote a more inclusive workplace. In this respect, one certain activity was of great importance when implementing the new corporate purpose into practice: *training*.

Barilla Group offered internal training courses for the entire global workforce focussing on cultural diversity, inclusion, anti-discrimination and gender equality. This was one of the key steps in order to achieve the desired corporate turnaround, because it could be assumed that the chairman, Guido Barilla, represented the interests of the entire workforce in his controversial statements. The involvement of all employees was essential to gain credibility and successfully realise the new corporate purpose.

Global Online Contest

At the beginning of the year 2014, Barilla Group launched a global online contest with the aim to encourage creative individuals to co-create content and share stories about their relations with the brand Barilla and its products. Using the theme "*Love life, love pasta; in your own way!*", participants will be asked to produce short videos that demonstrate diverse characteristics of pasta. The contest sketched out the three key components and was a convenient opportunity to promote Barilla Group's future communication strategy: *diversity, uniqueness and inclusion*.

Ten awards were endowed with 40,000 euros in total. The jury consisted of David Minxner, Alessandro Zanardi and Patricia Bellinger, all members of the D&I advisory board.

Participation in the Corporate Equality Index (CEI)

The Corporate Equality Index is an initiative of the Human Rights Campaign (HRC), which is the largest LGBT civil rights interest group and lobby association in the United States. Corporations are valued on their treatment, practices and policies concerning lesbian, gay, bisexual or transgender consumers, employees and investors.

Barilla Group's participation in the CEI was a strategically important decision, and for two key reasons: firstly, the corporation did not rely completely on their own capacities to determine their progress, and secondly, Barilla Group decided to be measured and monitored by outside organizations that provide the corporation with objective feedback on the corporation's development in diversity & inclusion.

Furthermore, Barilla Group supported the activities of organisations such as the Tyler Clementi Foundation and GLAAD which advocate diversity, anti-bullying and freedom of the individual. Also outstanding was Barilla Group's presence at the musical premiere of "*Tyler's Suite*" in California, a piece that addresses the current relevance of the inviolability of human dignity and the beauty of cultural diversity.

Through these activities, the corporation successfully promotes its commitment to cultural diversity.

Results & External Perception

Certain interested parties had doubts about the credibility of the corporation's initiatives and regarded Barilla Group's actions as *pinkwashed*. This, however, changed quickly and within a very short time, the corporation achieved an impressive corporate turnaround.

On 19 November 2014, just one year after the incident, Barilla Group announced its score on the Corporate Equality Index. With 100 out of a possible 100 points, the corporation was awarded as one of the "Best Places to Work for LGBT Equality". Internally, Barilla Group trained its entire global workforce, beginning with top executives and office staff, reaching all its office staff in 2014 and the majority of its sales staff in 2015. Plant workers and any other staff of the corporation received training within the year 2016. Key milestones for the year 2020 are the inclusion of 40% women in leadership positions, encouragement of 90% employees for a more result-focused and flexible working style and introduction of at least 4 inclusive activities focused on gender, race/ethnicity, LGBT and disabilities.

Some media euphorically reported about Barilla Group's unusual corporate turnaround and organizational change. "How Barilla transformed into a trailblazer for corporate equality", announces Fortune magazine's headline. CNN reported that "Barilla goes from worst to first on gay rights". Sandhya Someshekhar, a Washington Post journalist, wrote: "Barilla has journeyed from gay rights pariah to poster child". The outstanding results of Barilla Group's turnaround are the fruit of its well-considered actions driven by a sustainable development and authentic commitment in diversity and inclusion. In only three years, Barilla Group could improve itself from place 55 in 2014 to place 23 in 2017 in the Global RepTrak 100 ranking.