

Application Analysis 17.1

Aligning Strategy and Diversity at L'oreal (10<sup>th</sup> Edition)

David Kolmer

Fontbonne University

### Aligning Strategy and Diversity at L'oreal (10<sup>th</sup> Edition)

Describe how this organization aligned Diversity with Strategy on a Global Basis.

L'Oreal is a beauty and cosmetics retailer based in France that runs multiple product lines on an international scale with €15.8 billion in 2006. The diversity policy at L'Oreal is the idea that they are a global company so then needs to be “Global from within”. (Pg. 505) The current strides toward diversity are grounded in the company's history starting in 1974 with the “Schueller” leave, which is actually named after the maternity leave taken by their founder. A mother is provide 4 weeks more than is required and she can use it in full or in part until the child reaches two years old. (Pg. 505) In 2002 a “US vice president of diversity” role was added to the company. (Pg. 505)

In 2004 L'Oreal joined 35 other major organizations in France by signing in to the “Diversity Charter” which visibly committed the organization to being pluralistic, raising awareness and incorporating diversity metrics into annual reports. (Pg. 505) The new global diversity director from the Diversity Charter created a specific strategy. This included using five “levers” of: recruitment and integration, training, career management interventions, management and inclusion and communication. (Pg. 505) The purpose of these five levers was to create and environment that fostered equity for six “visible and invisible” potential differences, which are: nationality, ethnic and cultural background, social promotion, gender, disability and age. (Pg. 505) The concern was not in the developed markets of France or the USA but in the developing markets that had a single proponent ethnicity and culture and newer managers with little experience in topics of diversity. The US market won a diversity award in 2004 so that was used as a benchmark for the rest of the organization. (Pg. 505)

One example was a metaphor that was developed by the Vice President of Diversity on Team US. The concept was to “Fish from different ponds” when onboarding new hires. This idea was broadened to include the concept of specifically searching from a diverse range of resources for staffing. (Pg. 506) This method was successful because it created an easily communicated visualization of how the task was completed. Then it followed up with a global strategy about how to realize that easily visualized goal.

Another example was utilizing an online application process that specifically omitted certain demographical information such as age, address and nationality that could be used for discrimination. (Pg. 506) It is a wonder that some of these questions were not already illegal in some of the job applications but I might be misled on that notion and that might be specific to the United States and not apply in developing countries. The lesson was that the standard not requesting demographic information that could be used for discrimination was used consistently across the company in all markets.

Also, the US vice president collaborated with the global learning and development team to not only develop diversity training but incorporate concepts of diversity as a core of all learning platforms in the company. (Pg. 506) Learning experiences set the tone and pace for the culture. Not implementing concepts of diversity into the core of the company-wide training would have undermined and weakened the platform. Adding diversity as the core to the training strengthened it.

The US team’s diversity objectives were inserted into the responsibilities for all managers so that manager’s across the board would track topics of diversity. (Pg. 506) I do not intend to falsely quote Drucker and say, “What gets measured, gets managed.” However, just because we can’t measure everything that is important, *and* the fact that something is measurable doesn’t

make it important; doesn't mean that tracking something won't draw our attention to it and make us think more about it (Buerkli, 2019).

**WORK CITED**

Buerkli, D. (2019, April 8). “*What gets measured gets managed*” — *It’s wrong and Drucker never said it*. [Https://Medium.Com/](https://Medium.Com/). <https://medium.com/centre-for-public-impact/what-gets-measured-gets-managed-its-wrong-and-drucker-never-said-it-fe95886d3df6>