

Global Leadership Final Paper

Jonathan Lombardo lombardoj@nyack.edu

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Professor Dr. Jackie Jiles

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### Organizational Audit

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**Industry.** Tiffany and Company (T&Co) is a world-renowned American-based international luxury jewelry and home accessories retailer that specializes in sterling silver, china, crystal, stationery, fragrances, watches, personal accessories, and leather goods. T&Co has two major North American distribution centers; the Retail Service Center (RSC) is a bridge between product manufacturing and suppliers and retail stores internationally as well as domestic. The Customer Fulfillment Center (CFC) supplies international business directly to retail customers and handles a bulk of the custom engraving and embossing. As many distribution employees are more in sync with a trade-role and appropriate salary, they are otherwise unlikely to be able to afford Tiffany & Co. products, however all employees receive a discounted employee rate, and some merchandise is available at significant discount through the employee store (or *e-store*).

Tiffany & Co. markets to varying demographics internationally, however they are essentially all luxury consumers, just as Mercedes and Porsche market to a similar customer base. In recent years T&Co has determined they could expand their target audience by providing more home-goods and less expensive items, as many years of stagnating business has forced the board and new management to reevaluate the market and products offered (Ramakrishnan, 2017).

**Leadership.** As Tiffany & Co.'s New Jersey based operations are only 30 minutes outside of NYC, staffing in both distribution and corporate is fairly diverse. Distribution staff consists of varying ranges of age, sex, ethnicity, nationality, race, and education. Requirements of distribution floor workers are a high school diploma or GED, while corporate generally only

hires those with at least a four year college degree or sufficient work experience. There is a wide spread of diversity in management, and women are frequently found in the higher tiers, presenting strong leadership responsibilities. The days of the “good old boys club” are finally being replaced with more ethical and morally responsible diversification (Grady, 2009).

Tiffany & Co is quite collaborative as they are a multinational organization well-known around the world, with retail stores and global distribution centers. Monthly news bulletins are distributed to all employees and they often call attention to diversity and inclusive stories in newsletters. Though Tiffany & Co. goes back to 1865 as an American jeweler, neither the current CEO, nor the Senior Vice President are American-born, which is a reminder to so many who work for the corporation that you can’t be born out of high-ranking positions in a historic American trademark (Favaro, 2013).

**Personnel.** Tiffany & Co. offers employee store discounts, In only the last couple years, the Labor Management team created the "Tiffany Culture Crew", which was responsible for celebrating different cultures by giving shout-outs to the nations where distribution employees were from. Flags of many countries adorned the hallways and the distribution lobby area along with national stats, foods, music, and languages so everyone could learn and discuss more about the different cultures housed under one roof.

Generally speaking, T&Co. makes an effort to recognize diversity in the workplace with informative bulletins for national holidays, monthly cultural/history appreciations, even employee talent shows. Tiffany offers several career development and growth through a number of programs, including Grow with Tiffany, the Tiffany Academy for Excellence and Diversity in Retail Leadership and our performance management process (People, 2020). These programs offer career-mapping exercises, discussion guides the opportunity to experience different business roles, and build rewarding careers in an effort to help employees achieve their career

aspirations and our business objectives.

**Organizational culture.** The distribution centers indeed carry a culture of family, as many employees have resided for 10, 20, even upwards of 30 years. This, however, also creates opportunity for some families to grow apart over such periods of time. Some smaller groups prefer to socialize primarily in one that is most familiar to them; albeit one similar to their racial, cultural, or religious background, and unfortunately, that can have negative implications if not dealt with appropriately (Jansson & Bursell, 2018). Fortunately, interdepartmental cross-training is becoming more prevalent in distribution and the groups that some employees may choose to create are being disrupted in the new ways of working (Goldsmith, Greenberg, Robertson, & Hu-Chan, 2003).

As racial tensions have been flaring for decades in the U.S. the recent chain of police brutality cases that left claimed lives, coupled with other hate crimes caught on video were published across social media have led to men and women all across the nation rising up and voicing their outrage at the system that hasn't made any strong examples of those who perpetuate such heinous crimes. The weekend following the most recent of these events, Tiffany & Co.'s CEO Alessandro Boglioli sent an open-ended email to the entire organization voicing not only disdain for the senseless violence, but how the Tiffany family mourns as one, for the Black community, who suffers injustices and challenges daily.

Alessandro Boglioli (company communication, May 31, 2020) stated "Abhorrent incidents like these give us reason to pause and reflect on the values we hold dear at Tiffany & Co. — values that include tolerance, respect, and an unwavering dedication to diversity and inclusion. Any act of discrimination, racism and violence in our society ... are completely counter to these values." Alessandro continued, "Many of our team members are frustrated, saddened, scared and/or angry right now. I encourage leaders to have inclusive, courageous

discussions with your teams — check in with your team members, ask how they are doing, talk about what is on their mind. If you do not know what to say, simply listening can speak volumes.”

The Senior Vice President, Luciano Rodembusch, (company communication, June 1, 2020) was careful to note the sad reality that during the riots, several of Tiffany’s stores were vandalized and looted, but not by legitimate protestors, but by those seeking to take advantage of the traumatic situation for personal gain, and that no one should draw correlation between the two.

This very personal communication continued to offer respects to those who face persecution and the reminder that T&Co. is there to support and offer any assistance necessary to anyone who may need it. Perhaps more heartfelt was the massive response the initial communication received; dozens of Tiffany team members replied to the entire organization voicing their gratitude and solidarity in the name of peace and love. Only a company with a resounding supportive, open and tolerant culture could spawn such a powerful chain of replies; many cheered on one another as they were thankful to be a member of the Tiffany legacy.

**Online presence.** Like many large corporations, Tiffany & Co.’s website has a devoted page celebrating their diversity and inclusion touting a yearly mandated unconscious bias training course to all employees. The goal of the training is “to provide simple steps to better enable employees to recognize and mitigate unconscious bias, and [offer] employees practical ways to be inclusive every day [via] productive conversations” (Diversity & Inclusion, 2020). The training also supports the corporation’s initiative to increase employees’ feeling of inclusion at work.

In 2016, T&Co. incorporated an Inclusion Index into their biannual employee survey to help measure how employees felt about the company’s efforts (Diversity & Inclusion, 2020).

Tiffany is also a proud proponent of advancing LGBTQ equality, as they participate in an annual parade in NYC. In 2017, T&Co. recommitted to women's rights, human rights and diversity and inclusion by signing on to the UN's Women's Empowerment Principles. In the workplace Tiffany's hiring policies certainly match their strive to achieve gender equality, so their policies have merit behind closed doors.

In recent years, CEO Alessandro Bogliolo signed the CEO Action for Diversity & Inclusion™ pledge, which upholds four primary principles: to cultivate workplaces that support open dialogue conversations about diversity and inclusion, to implement and expand unconscious bias education, to share progress with other organizations with the same goals, and to create strategic inclusion and diversity plans with the board of directors. Furthermore, T&Co. emphasizes their personal commitment to environmental sustainability from mining natural resources to packing and shipping products around the world.

### **Executive Summary**

**Global Leadership seminar, Spring, 2020.** Having been sent to a Global Leadership Seminar and Motivational Conference to sit in on Nyack College's distinguished Dr. Jacqueline Jiles, the author has new insights on best practices in which Tiffany & Co. should take note of in order to improve organizational diversity in global leadership roles. The author has considered the strengths and weaknesses of the organization in the frame of a global perspective and has determined the following.

**Strengths and praises.** Tiffany & Co exhibits powerful international organizational communications that reach every employee, sharing news and staying current with all updates and happenings. The workforce encourages and celebrates diversity on all levels; from those who have returned to college or related professional studies to advance their career, to women

and minorities who have overcome the struggles they face to achieve great successes and goals, setting examples for others and relaying a message ‘that this is truly forward-thinking organization’.

T&Co. also offers various resources available for training, from conferences and gemological-related tradecraft training to retail sales management courses, to tuition reimbursement for continuing education. Women and minorities are empowered in positions of leadership, paving the way for others to feel they have an opportunity to break the proverbial glass ceiling, further supplying employees with a feeling of empowerment (Scandura, 2019). Tiffany prides itself as offering a fair wage in their manufacturing facilities and supports human rights initiatives through causes and philanthropy (People, 2020).

**Weaknesses opportunities for growth.** Groups of similar races and cultures tend to pool together, as it is only natural for people to seek and connect with others more like themselves. It is the role and responsibility of leadership to assist members to work with members to assist in training them to have a high-global mindset (Javidan, 2011). Distribution, in particular, would greatly benefit from more rotation in day-to-day roles and teams to both advance employee efficiency and avoid small groups forming that deter growth of a professional global mindset (Jansson & Bursell, 2018).

Senior management should bring back the ‘Tiffany Culture Crew’, a group of onboarding and training specialists who listen to the voices of the men and women on the distribution floor and work to make enhancements in the company to reflect those wishes. Additionally, the organization may wish to expand company events to celebrate national diversity, since the distribution centers offer a diverse spread of cultural influences that many people take great pride in sharing. As much as we should celebrate successes in the workplace, we should celebrate each other in a way that establishes new teams and motivates others to get involved (Goldsmith,

Greenberg, Robertson, & Hu-Chan, 2003).

**Conclusion.** Overall, the company is on the right track to expanding the company vision to exercise in a global marketplace. The organization is applying emphasis in the right places, motivating the employees to think globally instead of regionally or even domestically. The international communications focus on diversity, inclusion, and thinking outside the box. Leaders have put forth an encouraging campaign that strives to build team camaraderie and a strong support staff. The Tiffany & Co. culture is strong, possibly stronger than it has ever been. While there are some areas that would benefit, such as a re-introduction of the Tiffany Culture Crew, many employees will tell you they are proud to be a part of the Tiffany Legacy, even amidst the likely acquisition by LVMH in the near future.

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