

Barilla Group

Making the choice for inclusivity from the inside out.

Consumer products

Founded in 1877, Barilla Group is a global business with revenues in excess of €3bn, selling its products to more than 100 countries. Now in its fourth generation of family ownership, it is a world leader in pasta and sauces, the top bakery brand in Italy and France, and number one for crispbread sales in the Nordics.

Background

When Talita Erickson joined Barilla America as General Counsel in October 2012, the Italian conglomerate did not have a formal practice of addressing Diversity & inclusion (D&I). Little did Erickson know that in 2013, after a media and consumer storm following comments made by the chairman about not featuring same-sex couples in its ads, she would play a key role in the efforts to transform the company's D&I culture.

Following the comments and corresponding backlash, Barilla had a choice in how to respond. Instead of thinking about this situation as a PR issue that needed "handling," leaders made the bold decision to tackle the issue head-on and flush out the root causes—not just around sexual orientation, but all possible inclusion blind spots. It was then that senior management asked Erickson if she would consider assuming the role of their first ever Chief Diversity Officer, in addition to her role as General Counsel. Erickson explains one factor influencing her decision, "At the time I was five months pregnant, which spoke volumes about [Barilla's] willingness to accept people, no matter where they are in their life journey."

The appointment coincided with a seminal moment in the company's history: the launch of its inaugural D&I Board, consisting of 10 senior level employees and a separate external advisory board, which includes three high profile public figures, including a civil rights activist, a Paralympic champion, and an esteemed academic leader. "It was important for us to garner different perspectives," reflects Erickson, "so we sought out external expertise, and we're very fortunate to be collaborating with three highly respected figures."



The Italian Food Company. Since 1877.

Solutions

- ▶ Global Diversity & Inclusion Assessment
- ▶ Training for all Office Staff
- ▶ Training for all Sales Force and Plant Directors/Plant HR Managers
- ▶ Strategy Session for D&I Board
- ▶ Training for Executive Board
- ▶ Training for Regional Leadership

Driving culture change.

The concerted D&I efforts for Barilla began with an assessment of the organization. The aim was to gain a clear understanding of the prevailing skills gaps, raise awareness among the workforce and build a strong business case for D&I. What became quickly evident was the need to engage with an external partner to bring credibility to the initiative and to convince senior leaders that D&I needed to be firmly embedded into the company's culture.

Barilla had previously worked with Korn Ferry on a leadership development initiative at the company's global headquarters in Parma, Italy. This leadership development session was particularly important in establishing the three key attributes expected of its leaders: 'authentic 'can do,' and 'grow'. The session emphasized the pivotal role of leadership and its connection to D&I. That connection became the basis for the work to come. Erickson explains, "D&I was already part of our leadership competency model, so we decided to continue working together to help internalize this so that it becomes a part of who the leaders are. You can't separate D&I from leadership skills."

Together, Korn Ferry and Barilla initiated the first company-wide D&I survey, translated into various languages, reaching employees in factories and offices across eight countries. Through the survey results, the leadership team came to realize that it had overestimated the internal D&I capabilities of the organization.

During this time, Korn Ferry interviewed Barilla's top executives, as well as delivered a two-day session to the Barilla D&I board to define the employer value proposition for D&I. The session highlighted the benefits of a diverse workforce within a globally diverse marketplace and the power of diversity of thought within an inclusive work environment.

To further assess the day-to-day realities of the organization, Korn Ferry held focus groups with employees across the globe. In order to dive deeper into very specific diversity and inclusion topics in the various countries, the focus groups were carefully arranged so that the facilitator of each session was from the same country as the focus group participants. This allowed for an authentic connection and honest discussions in participants' native language.

The qualitative and quantitative data collected helped to develop the training. All HR policies and procedures were reviewed for unconscious biases, and were updated to mitigate inadvertent exclusion.

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The global rollout of diversity training began in 2014 for all office employees, led by Korn Ferry facilitators, followed by sales and plant teams over the next two years. The program content covered the broad spectrum of D&I, including building awareness of unconscious biases and the need to develop crosscultural agility. “What was important was to explain to our people that diversity goes so much deeper than just gender, sexual orientation, nationality, and age—we’re all multi-dimensional and we need to show empathy towards others,” says Erickson. “For leaders it’s about how to manage and promote diverse people, but we also want them to play a more active role, for example encouraging them to speak at events, so that they can become really engaged and enthused about D&I.”

Competing on the global stage.

Barilla is now fully aware of cultural and regional differences, hence the decision to appoint local D&I ambassadors. “We need to have representatives around the globe who can drive change in their local markets,” affirms Erickson. “We set high standards, and every function and market needs to be at a certain level in terms of achieving D&I consistence. We also make the findings from the global survey and local focus groups available to the ambassadors. Clearly, to help achieve this, it’s critical to have grassroots support from the bottom as well as executive buy-in from the top. That’s why we’ve established our Employee Resource Groups.”

Leaders needed to understand that D&I is intertwined with the business strategy and growing profitability. “All the work we’re doing is to embed D&I into our day-to-day activities and show how it can help drive strategy, and provide a measurable impact on business performance—in a marketplace that is increasingly diverse. Sure, we are about pasta, sauces, and baked goods, but how people eat and prepare these various foods can really vary around the world and within each country. There is no doubt that a truly diverse workforce will help us achieve a greater competitive advantage on the global stage,” remarks Erickson.

Furthermore, the D&I assessments and focus group results revealed that the success of any initiative was dependent on the full support and backing of the Barilla family and the executive management team. That has come in spades, and D&I now plays a pivotal role at Barilla’s top table. “Getting leadership commitment is absolutely fundamental to the success of any D&I initiative. Korn Ferry helped us pave the way,” adds Erickson.



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Outcomes

There have been many notable successes during the past three years, including a perfect score in the Human Rights Campaign (HRC) Corporate Equality Index (which measures companies' inclusion of those who are lesbian, gay, bisexual, or transgender) in 2014 and 2015—a major achievement given past events.

In 2015, Barilla's CEO, Claudio Colzani, was invited to sign the UN Women's Empowerment Principles. The company also supported the launch of two Employee Resource Groups: "Voce" for LGBT employees and allies, and "Balance" to help advance gender balance.

One of the key benchmarks for success lies in personal accountability—D&I is one of the performance review goals for leaders. HR is also responsible for monitoring and intervening on key people related metrics. "HR is accountable for reducing bias in talent management and total rewards; we make sure that we have a strong liaison with our HR team, including an HR representative in the D&I Board," Erickson explains.

But Barilla and Erickson are not resting on their laurels, "The true measure of success will be when I can look at our scorecard in 2020 and see that we've ticked all the boxes," says Erickson. "We still have some way to go but there is a strong commitment at all levels of the organization and employees now know diversity goes far deeper than just gender, nationality, and age."

A significant achievement for Erickson has been in seeing senior leaders clearly articulate why D&I is so important. She recounts with tangible pride the story of how, on a recent visit to inaugurate the new headquarters in the United States, the chairman 'ripped up' his prepared speech and began to talk about the role that D&I has at the heart of the organization.

"A special moment," she says. And a fitting finale.

Barilla's four key D&I metrics:

1. Leadership commitment

- ▶ D&I is a focal part of all internal and external communications.
- ▶ Commitment is tracked via the annual global D&I survey.
- ▶ 2020 target: To have 85% positive responses from employees on whether leaders are committed to D&I.

2. Gender balance

- ▶ Ensuring a more representative candidate pool in hiring and promotions.
- ▶ 2020 target: Women in leadership (40%) and women in talent pipeline (40%).

3. Smartworking

- ▶ Flexible arrangements to help employees manage their work-life balance. Also tracked via the annual global D&I survey (i.e. question about flexibility).
- ▶ 2020 target: To have 95% of the population reporting that they have the flexibility they need.

4. Inclusion

- ▶ 2020 target: Each market must offer at least four different initiatives/activities that can foster inclusion.