Diversity Visibility in Online Branding of Foodservice Organizations

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The Why: Websites as more than marketing

In its March 2014 issue *Restaurant Technology* featured the article, "*Good Restaurant Website Ingredients*" highlighting the best practices of website design for the restaurant industry (Caley & Muraskin, 2014). In their survey of five of the industry's top marketing and technology officers, the authors sought to identify the key traits of a successful website. Though the experts differed slightly on format and color they were united in the belief that "The customer wants the location, phone number, hours of operation, and menu...they want to place orders and focus on nutrition" (Caley & Muraskin, 2014, p. 20). Simply put, a restaurant's website is an online means of 'selling' their food.

As important as websites are to an overall marketing strategy, we believe that their value extends far beyond the role of sales generator. The colors, images, format, fonts, and structure are powerful indicators of the messages that an organization wants to highlight and those it wants to de-emphasize. As such, a restaurant's website, in the absence of other types of organizational interactions, provide visitors with key cues about the organization's workplace culture; its awareness and commitment to key social issues or ethical principles; and its 'ideal' employee (Rynes, Bretz, & Gerhart, 1991). Serving as a window to the "organizational soul" of the restaurant, the website becomes not only a means of selling but also a means of establishing and maintaining relationships of trust, ongoing engagement, and solidarity with their publics (Bruner & Brown, 2007). In the end, an organization's website

becomes a virtual front door that hides or extends a welcome mat to deeper engagement.

Consequently, websites are no longer organizational window dressing but a key tool in a restaurant's ability to remain competitive in the volatile game of public branding. With greater access to technology and social networking, the public is better able and reward or punish accordingly for perceived transgressions of societal behavior for "the early part of the 21st century has ushered in a new era of corporate scrutiny...CSR (Corporate Social Responsibility) has emerged as a significant theme underpinning the moral, financial, and ethical judgment of corporate activities...affect(ing) the relationship between companies and their various stakeholders (e.g., investors, customers, employees, and governments)" (Walker & Kent, 2009, pp. 743-745). Disconnects between a company's reputation and the values of their consumers are reflected in swift and negative actions taken at the cash register, "Most frequently, consumers stop purchasing the product...next they head online to learn more about the company behind the brand..." (Weber Shandwick, 2012).

Therefore, the importance of an organization's online presence is significant in an era of increased expectations of a values overlap between the company and the public. Pointing out that consumers are more now intolerant of companies as 'bad actors' Weber Shandwick (2011, 2012) argues that organizations must recognize that CSR vigilance extends to the recruitment and treatment of a company's employees. Who a company recruits, hires, promotes, or fires is just as important to the consumer as knowing that the product they are purchasing is safe. More than marketing or advertising, the MESSAGE that a company shares through its online

communication is a concern not just for midlevel management but for the highest level of the organization's leadership:

> "Executives should be vigilant (about)....how and what a company communicates telegraphs (as) its character. Consumer antennae are alert to all signals these days, and they are zoning in on reputation...executives are right to be paying greater attention to reputation building internally and externally. (Weber Shandwick, 2011,p.21)

This present reality demands that organizations embrace the relationship between its online presence and its reputation with stakeholders. No longer can companies believe that someone else will promote its good deeds or its laudable attributes. The organizational website for good or for bad is the primary means of communicating the character and values of a company.

Research Objective and Scope of Work

The objective of this research was to extend the preliminary research commissioned by MFHA in 2010. Conducted by A. Williams-Howell Enterprise, LLC, the original project was designed to "gauge the diversity competency and overall level of inclusivity for the foodservice and lodging industries" through an analysis of a representative sample of websites of both industries. Our goal was to extend this work by assessing the *visibility* of diversity on the websites of the parent companies of 100 of America's most recognizable restaurant chains.

A Matter of Terms: Cultural Intelligence or Diversity

One of the earliest considerations we had to address was to identify the concept that would be the focus of our research. Though terms like Cultural Intelligence (CQ) and Diversity have been interchanged and conflated within various publications, it is important to recognize that they are two different and distinct theoretical concepts.

Since their groundbreaking work in 2003 entitled *Cultural Intelligence: Individual Interactions Across Cultures,* Christopher Earley and Soon Ang's introduction of the concept of Cultural Intelligence has expanded the terms utilized in industry discussions of cross-cultural relationships. Not as historically contentious as the term 'diversity', *CQ* is often offered as a 'softer' alternative that opens discourse rather than rigidly frames it. As such, it is not unusual to find the term utilized in a number of contexts, including those in which it is theoretically unsuited.

Context and objective are extremely important in the choice of the term operationalized for our research. CQ seeks to predict and assess the ability of an individual (rather than an organization) to adapt and communicate effectively in inter-cultural settings primarily defined geographically (Earley & Ang, 2003). While a more complex discussion of its theoretical commitments is beyond the scope of this report, suffice it to say that the goal of CQ is to measure the ability of an individual to communicate effectively as he or she encounters the differences found in global organizational contexts. Moreover, CQ is designed to provide an assessment of an *individual's* rather than an *organization's* disposition and cultural ability to embrace cultural difference. Therefore, what CQ gives the scholar for global or inter-cultural efficacy it is unable to deliver for analysis in inter-racial interactions on the macro/organizational level.

This is not to say that Earley and Ang ignore race or organizational culture in their construct. On the contrary, they are careful to spend considerable time helping the reader understand how each impacts the individual's competency in global work assignments and working on diverse teams. However, such discussions cannot distract from the authors' (as well as later) work's emphasis on CQ as an indicator of global success.[1] Therefore, given the original intent of Earley and Ang's framework, we contend that it is academically and theoretically inappropriate to utilize Cultural Intelligence and opt for diversity as the operationalized term for our project.

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[1] The preponderance of evidence against CQ being suitable for assessing inter-racial communication and efficacy are in the examples and contexts utilized by Earley and Ang in their work as well as

Project Methodology

Our project methodology emerged from the work of colleagues throughout Europe and the United States. Groschl's (2009) examination of online diversity management strategies by global hotel chains and Singh and Point's (2004) comparison of European companies' online responses to the diversity challenge, validated our decision to utilize content analysis. However, as noted in our earlier critique of Earley and Ang (2003), we recognized the incommensurability between the European idea of diversity and that most promoted within American management literature. Therefore contextually, we found Mestre's (2011) examination of diversity's visibility of research library websites and Brunner and Brown's (2007) review of College and University homepages, provided us an excellent framework for contexualizing our research. In addition to providing a method, both studies helped us to define the interpretive limits of website analysis.

We used content analysis[2] to examine the websites of the Top 100 US Chain System wide Foodservice sales as reported by the 2013 *Nation's Restaurant News* rankings. However, rather than analyzing each chain as a single entity, we chose to examine the websites of the parent company[3].

The multi-layered construction of corporate websites demanded that our analysis extend beyond an organization's home page. Our goal was not to determine whether a website communicated a commitment to diversity (which is a simple binary), but to ascertain, if present, the prioritization and placement of messages or images indicative of diversity.

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[2] A complete overview of content analysis as a methodology can be found in a number of texts including D.W. Stacks' (2002), *Primer of Public Relations Research* and E. Babbie's (2010) *The Practice of Social Research.*
[3] As requested by MFHA

An overview of the pages and content analyzed are depicted below:

The Home Page
    Total number of images[4]
    Total number of women
    Total number of people of color (African American, Hispanic, Asian, East Indian)
    Total number of integrated images (images that show diverse and dominant groups
    working together)
    Presence of dedicated hyperlink labeled diversity/inclusion
    Presence of a statement of diversity's value
    Presence of multiple language options

The About Our Company Page Analysis[5]
    Total number of leaders depicted
    Total number of Caucasian Men
    Total number of Caucasian women
    Total number of Women of Color
    Total number of Men of Color

Diversity and Inclusion:
    Total number of images
    Total number of women
    Total number of people of color (African American, Hispanic, Asian, East Indian)
    Total number of integrated images (images that show diverse and dominant groups
    working together)
    Presence of sponsorships of multi-cultural events/celebrations
    Statements of diversity's value
    Presence of multiple language options
    Supplier diversity statement
    Organizational awards for diversity

The Careers/Employment Page:
    Total number of images
    Total number of women
    Total number of people of color (African American, Hispanic, Asian, East Indian)
    Total number of integrated images (images that show diverse and dominant groups
    working together)
    The number of statements of diversity's value in their workforce
    Presence of multiple language options
    Presence of outreach and scholarship programs targeting multi-cultural workforce

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[4] Images are defined as photographs of human beings depicted as members or
stakeholders of the organization.
[5] Our Company Pages under analysis focused only on visual depictions of leadership.
Organizations without visual depictions of their leadership were coded as 'N/A.'

Method of Evaluation

Our assessment rubric utilized a modified version of Hon and Brunner's (2000) oft-cited scale of corporate diversity visibility and commitment. Their scale, which evaluates organizational diversity along a sliding continuum, allowed us to develop a grading scale that operationalized and measured the visual representation of diversity as overt acts of organizational communication. We designated their highest categorical ranking as an **A** and their lowest ranking as an **F**. This created the grading scale and rubric depicted below:

Diversity as a demonstration of Corporate Responsibility: These organizations utilize diversity as a means of building long-term symmetrical partnerships and relationships with members of diverse populations. This commitment is demonstrated **through all of their public and internal communication. (Grade A).**

At least 50% of total images will reflect diversity
At least 30% total images reflect integrated diversity
The presence of multiple language options
Dedicated page/hyperlinks to Diversity/Inclusion
Corporate leadership reflects strong commitment to diversity
2 or more External Recognitions and/or Awards for Diversity Citizenship
Sponsorship of multi-cultural events and organizations
Specific language regarding desire to maintain diverse workforce and hiring
Specific language regarding desire to engage in multi-cultural sponsorships

Diversity as Organizational Culture: Diversity is an ingrained element of day-to-day organizational practice. It is an internal corporate value, cultivated for the internal benefits it produces. ***Not always visible in external communication efforts but demonstrated primarily in hiring, leadership, and external relationships with suppliers and community outreach.*** (Grade B)

At least 30% of total images will reflect diversity
At least 20% total images reflect integrated diversity

The presence of multiple language options
Corporate Leadership reflects commitment to diversity (at least
20% of Leadership team)
Multiple statements of importance of diversity
Specific language regarding desire to maintain diverse workforce
and hiring
Specific language regarding desire to engage multi-cultural
suppliers

Diversity as "box to check": *Diversity is recognized as an important element in public branding.* However, organization's deeper practices and values reflect an overall ambivalence to seeking actively diversity in its day to day practice. **(Grade C)**

At least 10% of total images will reflect diversity
At least 5% total images reflect integrated diversity
The presence of multiple language options
At least 1 statement regarding diversity

Diversity as Legal Commitment: Hon and Brunner call this the "weak commitment" to diversity. Such organizations understand diversity as a legal mandate. *Diversity is usually demonstrated in legal boiler plate language of a 'universal' commitment to diversity.* **(Grade D)**.

At least 5% of total images will reflect diversity
At least 1 image integrated diversity
Boilerplate language regarding anti-discrimination on the basis of race, gender, sexual orientation or ethnicity

Diversity as non-essential: Hon and Brunner call this "no commitment" to diversity. *Such organizations demonstrate no interest in diversity rhetorically or visually.* **(Grade F)**.

Less than 5% of images of diversity
No boilerplate language regarding anti-discrimination on the basis of race, gender, sexual orientation or ethnicity

Method of Analysis

Utilizing the rubric outlined above, a codebook was established by the principal researcher that operationalized the units of analysis. A two-day training session was held to train two primary coders who would 'count' the occurrence of each unit of analysis. Utilizing random websites as practice cases, the two primary coders continued practicing until they consistently reached a 90% reliability coefficient (Holsti, 1969).

At the conclusion of the practice sessions, the Top 100 list was distributed to the coders with instructions to code only the parent company website. All websites were accessed and analyzed between November 15, 2013-February 28, 2014. Each website analysis was documented individually on a worksheet (see Appendix A), which provided space for the number of occurrences observed. Additionally, coders made notes regarding actual website content and the click-path taken to get to various points of information. After documenting, each individual observation was entered into SPSS statistical management software.

Two analysts not originally assigned to website coding took a random sample of non-100 NRN websites to establish a guideline grading process. Each coder graded the websites for diversity visibility based on the assessment rubric created. One grader graded the 'hard copy' assessments while the other graded the data generated by SPSS. Again, coder reliability was greater than 90%.

Finally, all research work products including preliminary and final assessments have been stored in keeping with the confidentiality standards of the Institutional Review Board of Southern Methodist University.

Project Results

The Distribution of Grades

Utilizing our assessment rubric, 85% of the "Parent Companies" of the Top 100 Chains according to NRN, received a **'failing'** grade in **their** *depiction* **of diversity and inclusion** on their websites.
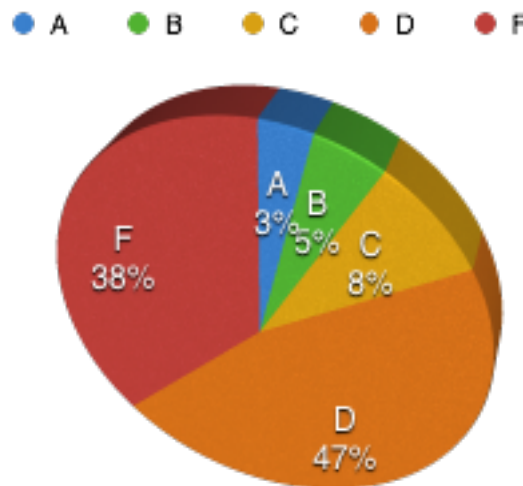
The results of our analysis were not very surprising given the standards of website construction outlined by the 'experts' in the *Restaurant Technology* article. With heavy emphasis on the presentation of menu items and nutritional information, such industry specific advice functions under the philosophy that websites are designed to "sell" rather than "create and foster" relationship with multiple audiences.

The influence of the 'marketing' versus 'relational' communication philosophy of an organization's website content is best exemplified by the descriptive statistics below:

- Only 8% of websites have a dedicated hyperlink for diversity

- Only 11% of websites have a multi-language option
- Only 20% of websites have an explicit statement affirming the role of diversity in the company's culture, hiring, and general operational practices
- 10% of websites have a statement affirming the role of diversity in the company's supplier relationships

Upon initial review, these statistics appear to indicate an industry lacking in any substantial commitment to diversity and inclusion, especially as measured by Hon and Brunner (2000). However, we argue that these numbers indicate *a failure of the industry to take seriously the need to make visible to its customers and potential employees their values, principals, and support for inclusion*.

The Dean's List-The Outstanding Habits of the Top Performers

While the individual scores for each corporation are provided in Appendix C*[6], we wanted to explore the commonalities found among those organizations representing the 3% rated as A- or better which are noted below:

Parent Company	Grade
McDonald's	A-
Target	A-
YUM	A-

Top Performers shared the following attributes:

- A higher percentage of integrated images (images showing individuals of different ethnicities working together)

(Figure 1: YUM Brands-Landing Page)

- A higher percentage of leadership images which included at least 10% leaders of color

Gloria Santona

Executive Vice President, General Counsel and Secretary

Gloria Santona is the chief legal officer of McDonald's Corporation, the world's leading global foodservice retailer with more than 35,000 restaurants in more than 100 countries. In this role, she leads McDonald's worldwide legal, compliance, regulatory and corporate governance functions. As part of McDonald's senior leadership team, Ms. Santona is also actively involved in the company's strategic direction and growth.

Ms. Santona received a Bachelor of Science degree from Michigan State University and a Juris Doctorate, *cum laude*, from the University of Michigan Law School. She joined McDonald's as an attorney shortly after her graduation from law school and subsequently held a number of management positions in the legal department. She became the company's corporate secretary in 1996 and its U.S. general counsel in 1999, and has served as corporate general counsel since 2001.

Don Thompson

President and Chief Executive Officer

As President and Chief Executive Officer of McDonald's Corporation (NYSE: MCD), Don Thompson leads the world's largest foodservice company. McDonald's serves 70 million customers everyday in more than 100 countries and employs 1.8 million people across the globe in corporate and restaurant positions.

During his 23 years at McDonald's, Thompson has helped drive business results and global strategic innovation across the organization. Since joining as an electrical engineer in 1990, he has held a variety of key leadership positions within the company including Regional Vice President, Division President and Chief Operating Officer. Between 2006 and 2010, Thompson served as President of McDonald's USA, the company's largest business segment. Most recently as President and COO of McDonald's Corporation, Thompson and his leadership team established three global growth priorities in support of the McDonald's Plan to Win: to optimize the menu, modernize the customer experience and broaden restaurant accessibility.

(Figure 2: McDonald's- Our Leaders Page)

- A higher percentage of visible statements advocating their support and commitment to an inclusive workforce and suppliers

"Diversity, inclusion and engagement are simply part of our core values at Yum!. 'Believe In All People' means tapping into the diverse skills, cultures, perspectives and experiences of each of our associates to drive great marketplace performance. Our strategic diversity and inclusion vision is to grow leadership, franchisee and supplier pipelines that increasingly reflect our diverse customer and investor base."

James Fripp
Yum! Brands Sr. Director of
Global Diversity and Inclusion

(Figure 3: YUM!: Responsibility/Diversity)

- A higher percentage of pages dedicated to inclusion and diversity

(Figure 4: McDonalds: Our Commitments/Diversity &Inclusion)

Although the number of cases in our "A" sample size is too small for statistical significance, there does appear to be an additional element of commonality among these top performers. These highly rated organizations also are among the most decorated and well respected brands in the corporate world.

Company	Grade	External Rankings
McDonald's	A-	2013 Hispanic Business 100 (#27) - Interbrand's Best Global Brand (#7) 2014 Top 25 Brands with Social Currency

		(#23)
YUM! Brands	A-	• 2013 APCO Most Loved Brands 100 (#78) • Fortune's World's most admired (#46)
Target	A-	• 2014 Fortune's Most Admired (#29) • 2013 APCO Most Loved Companies (#21)

In one sense this is unremarkable because companies who are intentional in linking their espoused values with an intentional communication strategy are more than likely those that are recognized for brand consistency and stability by peers, customers, and industry watchdogs. Consequently it comes as little surprise that when cross-industry rankings are published that our project's top rated organizations are often the only representatives from the hospitality industry. However, while we concede that that brand reputation is not the same as gross sales or market share, a brand's reputation with its publics is perhaps an even more accurate determinant of an organization's standing with its customers. It is a brand's reputation that provides the primary indicator of an organization's ability to withstand crisis whether of its own making or serendipity.

The Brand's Life Blood: Strategic Communication

In conclusion, our findings leave us to advocate for MFHA's partners to take seriously the role of strategic communication in their day-to-day organizational lives. We remain convinced that the failure to make functional distinctions between marketing and strategic communication leaves MFHA members unable to create long-term customers rather than consumers, to share their existing good works, and attract and maintain talented applicants of color.

While marketing campaigns are one element in the branding mix they are not designed to assist an organization in its communication of who it is and who it seeks to be in the lives of its stakeholders. The goal, even when marketing seeks to engage in multi-channel communication, is to ensure relationship for repurchase, a form of quid pro quo (We will be nice to you so you can feel good about buying from us) (Godfrey, Seiders, & Voss, 2011). What is lost when the emphasis is only on communicating for re-purchase is the role of trust and value synthesis in the purchasing decision.

When given a choice, a customer will pay a premium to do business with an organization that is reflective of espoused values important to them. Research by Karvoen (2000) explains that customers who seek out an organization's website tend to be more likely to make decisions on an intuitive, emotional, and impulsive basis that can be best described as a **"something"** they feel about the brand after an online encounter. Heavily weighted in that "something" is the decision to trust the organization that is separate and distinct from the decision to buy. Consumers believe that an organization's website-and by extension its brand, is more credible when companies share not just the attributes of their product but who they are, what

they believe, who their leaders are, and what kind of people work for them (Geissler, et al., 2006). While appreciative of the tremendous assets that marketing and advertising make to the formation of a brand, it is imperative that organizations consider that each of these fields is designed with the aim of **persuading** *consumers* rather than **creating** *customers.* Consequently while the decision to visit an establishment for the first time can be for a number of reasons including menu, location, and hours, <u>repeat</u> visits are influenced by the element of trust. The decision to trust is the decision to enter relationship, which in turn is the decision to move beyond one-time purchase to becoming a lifetime customer.

Moreover, if nothing else, our research points to the failure of organizations in making known their "good works". The failure to communicate externally one's diverse workplace, outstanding policies, innovative training, and excellent retention renders such laudable attributes as non-existent in the minds of the public. By proactively communicating the organization's commitment to diversity in their online branding, organizations are positioned to stand as the standard by which their local franchisees are measured rather than the reverse. Therefore a disturbing experience at a local outlet is ultimately weighed against the espoused and enacted values depicted by the 24-hour virtual office of the parent organization's website. While these depictions of "good works" can never eradicate claims of bias or discrimination, they can offer a counterbalance to the experience and exemplify the corporation's embrace of diversity.

Finally, the failure to demonstrate a strong and visible commitment to diversity in the composition of an organization's website serves to place the organization at a distinct disadvantage in the recruitment of talented candidates of color. Organizational attractiveness to candidates is directly

related to their ability to see "themselves" on the website of the company (Walker, Feild, Giles, Armenakis, & Bernerth, 2009). With over 70% of organizations now utilizing their websites as entry point for employee recruitment (Heneman & Judge, 2003), those populations of workers who have fared poorly in traditional recruitment settings are turning more frequently to the web (Goldberg & Allen, 2008).

Those organizations most successful in recruiting people of color utilized their websites to engage the interest of the potential applicants through the images of a diverse work place and leadership team; reduce uncertainty regarding the company's willingness to hire diverse candidates; and instigated more decisions to apply (Goldberg & Allen, 2008). Interestingly, the visibility of a diverse workplace and leadership makes organizations attractive not only to recruits of color but also to non-racially diverse Millennials. As the most racially diverse generation in American history, Millennials are more inclined to seek employment where diversity is the rule rather than the exception (The Pew Research Foundation, 2014).

George Bernard Shaw said, "The single biggest problem in communication is the illusion that it has taken place." As we reflect over the findings of our research effort, we are left to surmise that until MFHA partners take seriously the need to make their commitments workplace diversity visible in all of their internal and external communication, they will be forever at a competitive disadvantage for the hearts and minds of not only consumers but the future leaders that may hold the key to their organizational success.

Appendix C: Individual Evaluations