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Critical Analysis Paper – Action Plan

COML 597

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COML 597

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March 10, 2018

## **Introduction**

Ethical leadership begins with personal responsibility. If we cannot take responsibility for our own actions, we cannot inspire others to behave ethically. I have always had a strong sense of individualism and personal responsibility. People make their own decisions and have agency in the path they take. As a leader, it is important to make the right choice.

Three words I use to describe myself are: curious, loyal, and enthusiastic. By being curious, I am always trying to learn something new and better myself, including being a better leader and positive example for others. By being loyal, I am a positive person and deeply loyal to my friends and family, which includes behaving ethically and expecting others close to me to behave ethically as well. By being enthusiastic, I try to live fully, have as much fun as possible, and do everything the best I can, which includes doing the right thing and being an ethical leader.

When standing in the Tragic Gap, I often feel the tension between the way things are and the way I know they might be (Palmer, 2009). I am most often a realist, accepting things as the way they are, sometimes to my detriment because I lack the courage to be an agent for change. When facing the tension, I listen to my inner voice and heed the internal warnings that appear. I consider my voice of sacred truth to be authentic and it is very important to me. My gut instinct is guided by a strong ethical foundation.

Learning from the ground of the Other (Arnett, Frits, & Bell, 2008), is also a key to ethical leadership. I make a point to learn and understand the point of view of everyone with whom I engage in dialogue. Being closed-minded or surrounding oneself with sycophants does not show leadership, nor does it display ethical dialogue. Dialogue is the key to finding out the why and engaging difference, and dialogic ethics helps us learn in the

age of difference by opening the door to other persons and ideas (Arnett et al., 2008). To be a leader is to understand others and oneself. I strive to learn from the ground of the Other in order to be a more disciplined and virtuous ethical leader.

I consider myself to be an ethical leader in my family, continually working toward a high standard of ethical behavior so as to be a positive influence on my young son. I also work to maintain a strong relationship with my wife, established on a ground of ethical behavior and mutual respect. I constantly work toward being a good example to others and want people to see first-hand that I am an ethical leader based on the decisions I make.

### **Organizational Background – Starbucks**

For the first few years of its existence, Starbucks offered whole bean coffee, tea, and spices. It did not offer beverages. Inspired by a trip to Italy, future CEO Howard Shultz believed that the company could be transformed into a successful beverage company. He and other investors bought the company from its original owners for \$3.8 million in 1987 (Bloomberg, 2015). Schultz considered a simple cup of espresso an inspiration of community, romance, and theater (Bloomberg, 2015). With more than 28,000 locations in 76 markets and tens of millions of customer transactions each week (Starbucks, 2018), it is clear that Starbucks, and the coffee culture it created, has become an essential part of the world's cultural zeitgeist (Bloomberg, 2015).

Starbucks sources its coffee from hundreds of coffee growers throughout the world, investing millions of dollars toward sustainability efforts in the communities that grow its beans. Starbucks' commitment to corporate social responsibility includes high ethical standards that everyone from the part-time barista to the coffee grower must meet in order to work for or do business with the company. Starbucks' mission and values are at the core of its corporate social responsibility efforts. Its mission, "to inspire and nurture the human

spirit - one person, one cup and one neighborhood at a time,” shows that Starbucks views itself as a global catalyst for change and ethical growth. Coffee is at Starbucks’ core, and the company strives to make the human connection and be a “third place” outside of the home and workplace.

### **Company Rituals**

Starbucks has several formal and informal rituals that help educate and inspire its employees, both at its global headquarters in Seattle and in retail locations throughout the world. Based on a belief that coffee is at the core of Starbucks, every partner is expected to understand the origins and nuances of coffee. In an interview, Regan Dahlstrom described one such ritual that she and other Starbucks employees, or “partners” as they are known, have participated in.

Coffee Master – The Coffee Master program was developed by the global coffee team as part of Starbucks’ coffee education program. The Coffee Master program has modules and criteria and ends with a comprehensive test. Participants in the months-long program must also lead a coffee tasting with a team and discuss their personal coffee journey. If partners pass the test and meet the criteria, they are bestowed a black apron that certifies them as a coffee master. The goal of becoming a certified Coffee Master is to educate other partners and the public about coffee and the Starbucks experience in order to make coffee more accessible to everyone.

### **Starbucks’ Alignment with Values of Corporate Social Responsibility**

Starbucks is clearly aligned with the values of corporate social responsibility. It has been recognized by the Ethisphere Institute as one of the most ethical companies in the world for 12 years straight (Ethisphere, 2018). Specifically, Starbucks has focused on four areas where it believes it can make the biggest ethical impact: (1) Making coffee the world’s

first sustainable agricultural product by improving the lives of 1 million people in coffee communities around the world; (2) Building and operating the world's largest green retail business by minimizing its environmental footprint; (3) Investing in pathways to opportunity through education, training, and employment; and (4) Strengthening communities by welcoming all and creating impact on issues that matter (Starbucks, 2018).

One example of Starbucks' ethical stewardship is its development of several concrete goals to help coffee-growing communities in developing countries, including a commitment to donate 100 million trees to its coffee farmers by 2025 (Starbucks, 2017). Additionally, Starbucks recently opened the Hacienda Alsacia Visitor Center, a working coffee farm and visitor center in Costa Rica, allowing visitors to experience coffee from seed to cup and see the work the company has been supporting and investing in for more than two decades (Starbucks, 2018).

### **Building Upon Ethical Practices – Expanding “Origin Experience” Program**

Selected Starbucks partners are invited to participate in the Starbucks Origin Experience, a company-sponsored trip to coffee-growing countries, including Africa, Indonesia, and Central America (Starbucks, 2017). Participants tour the coffee plantations, learn about the end-to-end coffee production process, and also participate in community service as a part of their trip. The Origin Experience program helps Starbucks tell its story of ethical corporate social responsibility to a broader audience.

My proposal to ethically influence Starbucks, a significant organization in my life, is to expand the Origin Experience to include many more partners, including store partners in retail locations. A contest could be held to give one partner in each state or region the opportunity to participate in Origin and document their experience. Customers could also be eligible for a separate contest, using an essay or nomination format to choose the

winning candidate. Expanding the Origin Experience would result in increased awareness and a broader understanding of the efforts Starbucks utilizes to help its coffee-growing stakeholder communities.

### **Purpose and Impact of Origin Experience Expansion**

Expanding the Origin Experience program would be beneficial to internal and external stakeholders and would have a significant impact on Starbucks' commitment to corporate social responsibility. Storytelling is central to Starbucks' core mission, and the Origin Experience is rooted in experiential learning and storytelling-based education. The coffee growing communities would benefit from the program's expansion by gaining additional exposure for their local non-profit organizations and additional help with local service projects.

The partners would benefit by being exposed to new cultures and learning more about the people and processes that go into sourcing Starbucks coffee beans. After their experience, they would tell the story of their experiences using Starbucks' existing social media channels. The stakeholders' values align because both the coffee growers and partners would participate in the expanded Origin Experience program by engaging from the ground of the Other in ethical dialogue.

One potential argument against expanding the Origin Experience program is that it is expensive to coordinate and produce, and the additional money could be better spent supplementing existing programs, including the tree donation program. Partners who have gone on Origin Experiences already document their experience for Starbucks' social media channels, so any additional exposure from expanding the program may be negligible.

This argument is countered by emphasizing the democratic nature of the Origin Experience expansion. New participants would be selected by their peers or by an

independent panel and would include partners at every level. Customers would even be eligible to participate in the program through a contest, which would result in additional earned media and exposure for Starbucks and the local community organizations it partners with.

Action steps needed to expand the Origin Experience program include a larger budget to pay for the additional trips, new employees added to the team in charge of logistics and trip development, existing social media channels focusing on the impact of the additional trips, and a new system designed to select which additional partners and customers will participate in the expanded program. Cultural norms would be aligned with Starbucks’ existing ethical corporate social responsibility because the Experience program is already a popular and successful example of Starbucks’ commitment to ethical leadership.

**Action Plan Table**

<p><b><u>Roles and Relationships</u></b></p> <p>Relationships will be maintained by increasing company loyalty through increasing the number of partners eligible for the Origin Experience program. Stakeholders are partners, the general public, corporate officials who plan and budget the Origin program, local community non-profit organizations in coffee-growing areas, and coffee growers who are affiliated with Starbucks.</p> <p>The program expansion will be done in a public setting, with internal and external advertising done to generate interest and support. The participants will be selected by a panel or another transparent process.</p>	<p><b><u>Timeline</u></b></p> <p>Expansion of the Origin Experience program could begin within a few weeks of a larger budget being approved. It could scale up quite easily because the existing procedures and infrastructure is already in place. New participants could be selected every month or quarter, and the general public could participate in a bi-annual contest.</p>
<p><b><u>Resources</u></b></p> <p>Resources include an increased budget to support additional Origin Experience participants, additional employees tasked with planning and executing the trips, and additional volunteers and staff in the coffee-growing communities to coordinate the additional volunteering opportunities.</p>	<p><b><u>Short- and Long-Term Indicators and Outcomes</u></b></p> <p>Additional Origin Experience participants would result in additional media exposure for Starbucks, along with additional outreach and volunteer opportunities for the local coffee-growing communities. Success would be measured by feedback forms and satisfaction of local community non-profits along with measuring the level of participation among participants.</p>

## **Impact of Assignment**

This assignment impacted me significantly. My wife works for Starbucks, so I was already loyal to the brand and generally aware of its commitment to ethical corporate social responsibility. However, researching this paper provided me with an entirely new perspective on the true impact Starbucks has on its millions of customers and thousands of coffee suppliers. Its ethical behavior is engrained in the internal corporate culture, as I found out during an interview with my wife.

Partners are fiercely loyal to the company and live the brand in many different ways. In fact, how a partner is determined to live the mission and values of the company is one formal metric of performance evaluation. My wife, for example, is currently enrolled in the Coffee Master program and regularly updates me on her newly gained knowledge about coffee. She has given me insight on how important ethical behavior and storytelling is to the Starbucks brand.

I chose to expand the Origin Experience program as my idea to purposefully impact Starbucks. Since Starbucks has already demonstrated its commitment to ethical behavior, I did not see the need to reconfigure any part of its operations. But I do believe that the Origin Experience program is a great initiative that should be expanded to include more partners at every level of the company along with a few of Starbucks' millions of loyal customers.

Applying the Potter Box construct to the Origin Experience expansion proposal results in additional clarification of its ethical foundation. The problem Starbucks faced was that it wanted to create a program to include partners in its local coffee-growing community outreach efforts and increase volunteer opportunities in those places. Starbucks values ethical behavior and created the Origin Experience program to increase

involvement and awareness among its partners of the impact the company has on its external stakeholders. The principles it uses to administer the Origin Experience program are consistent with its stated values and mission. Starbucks prides itself on modeling ethical behavior, and is loyal to its suppliers, partners, and customers. Those loyalties are part of why it continues to sponsor the Origin Experience program and why the program should be expanded.

The experiences of the additional Origin participants would lead to new, authentic storytelling opportunities that could be utilized by existing social media channels, thus exposing Starbucks' commitment to sustainability and its commitment to its local coffee suppliers throughout the world to a new and broad audience. The coffee growing communities would also benefit from additional exposure to their own sustainability programs and additional volunteer opportunities for local non-profit organizations.

### **Conclusion**

Starbucks is consistently ranked as one of the most ethical and admired companies in the world. One such reason is its commitment to sustainability and its continued outreach to the small coffee farmers whose own high ethical standards reflect their partnership with the Starbucks brand. Starbucks has been partnering with its coffee-growing communities and local non-profit organizations for decades, and the Origin Experience program is one example of its dedication to service and storytelling. Such a successful and important program should be expanded to include partners of every level along with the general public in order to tell an even better story to a broader audience.

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