

# Global business in the age of populist anti-globalization

## The journey of corporate diversity in tribal times: corporate communities of aspiration in Mapfre

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### **Abstract:**

Understanding diversity and its connection with identity in global organizations is particularly relevant at this moment in history, often described as tribal and whose driving force takes the form of a collective mindset, as illustrated by many terms that have recently entered into currency: co-creation, co-working, co-thinking or co-financing, along with working collectively, all key elements in the new forms of economic activity.

The first step to correctly manage diversity is to understand what it means, as well as the different types of diversity that can be found in global organizations. This is covered in the first part of this chapter.

We then move to the relationship between diversity and identity. Understanding identities helps us to use the existing tools correctly to effectively include diversity in corporate life.

Next, we define how diversity fits in the new tribal context and how companies can use the emerging collective mindset as a driving force. The concept of collective individualism can help companies balance our desire for community with our individual needs.

Finally we describe the case of Spanish insurance company Mapfre as an illustration of how corporate communities of aspiration (CCA) can become a powerful tool for companies to channel the power of diversity into innovative energy.

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### **Introduction:**

*“If action as beginning corresponds to the fact of birth, if it is the actualization of the human condition of natality, then speech corresponds to the fact of distinctness and is the actualization of the human condition of plurality, that is, of living as a distinct and unique being among equals”. (Arendt, H. (1958, 1998 p. 178)*

Imagine you are applying for the job of your dreams. You understand the requirements and are sure you'll fit perfectly in the organization and its project.

The day of the final interview goes as planned and you have a good feeling that the job is yours.

The following day, you receive a call from the head of human resources: “ Congratulations “ - he says - “the job is yours”, and just when you are about to jump for joy, he adds: “We have

decided to give you the position, because YOU ARE A WOMAN, and we really believe in women's talent in this organization."

How would that make you feel? Not too good right?

Most women we know, including this author, would be offended by that explanation. Not because we reject our identity, but because we want to be recognized as individuals, not by what we share with half of the world's population!

Now imagine the same situation, the same interview, the same good feeling followed by the happy call. But this time Mr Casterman, after congratulating you for the job, adds: "We decided to give you the position, because we love your ideas, and the way you see our business. We need you to contribute to our project! "

That makes you feel a lot better, right?

Most people, women and men alike, would be happy to work in such an organization, because we want to be recognized by our uniqueness and contribute with our ideas alongside other individuals to jointly make a project move forward.

The example above helps to illustrate the diversity journey in the corporate world, which frames the content of this chapter: companies that manage diversity, helping their employees move from their demographic diversity to their cognitive diversity. Good corporate diversity management helps us to navigate from our identities of origin to our identities of aspiration.

## **1. Diversity; the journey in our human condition of plurality**

Diversity can mean different things for different people, as Lu and Page note:

*"In the common understanding, diversity in a group of people refers to differences in their demographic characteristics, cultural identities and ethnicity, and training and expertise. Advocates of diversity in problem-solving groups claim a linkage among these sorts of diversity (which we will refer to as identity diversity) and what we might call functional diversity, differences in how people represent problems and how they go about solving them". (Lu and Page, 2004 p.16385 )*

In a recent study of 180 Spanish corporate managers, we explored diversity perceptions in two departments: human resources and innovation. (de Anca & Aragon, 2017)

The results indicated that the majority of human resources managers perceived diversity as the differences between individuals in terms of gender, culture, age, sexual orientation or disabilities.

Most respondents from the Innovation unit perceived diversity as the differences between individuals in terms of ideas.

Some of the participants in both groups also included in their diversity perception differences among people due to their professional backgrounds and work experiences.

Following the research findings, we classify organizational diversity in three categories.

**Demographic Diversity:** Defined as the characteristics that are given to us by our *human condition of natality* (Arendt, 1998). We come into this world in different shapes, sizes and colors, and often the first thing that is said about us, even before having a name, is whether we are a boy or a girl. We are then given a nationality and some rights and obligations, as well as specific cultural traits and traditions. So, before our first birthday, and without having any say in the matter, we already have a number of characteristics that classify us and that we will carry around with us for the rest of our lives.

**Experiential Diversity:** In our journey *of becoming distinct and unique beings* (Arendt 1998) Most of us keep on adding new characteristics and abilities based on the experiences gained by our education, workplace, hobby, organization, friends, etc. Life experiences shape our emotional universe. Our likes make us curious about certain disciplines and push us to dig deeper into them, and our dislikes make us avoid certain activities and individuals. Affinity bonds us to people with whom we share some of our likes and dislikes, building emotional communities. (Bauman 2001, p.1). And in today's connected world, we can form emotional communities across the world.

**Cognitive Diversity.** Diversity literature defines cognitive diversity as differences in thinking styles, knowledge, skills, values and beliefs. (Shin et al. (2012), Wang et al. (2016))

The integration of our demographic diversities and real life experiences shape our cognition, making us unique beings with a distinct individual mental map that helps us interpret reality, respond to intellectual stimuli, solve problems, develop ideas and create, fulfilling thus our human condition of living *as a distinct and unique being among equals* (Arendt, 1998)

All three diversities are connected, but it is important to remember that categories only serve the purpose of classification. Often, this kind of compartmentalized classification does not stand analysis, since differences are blurred and we often have traits, the origin of which are unclear.

## **2. Corporate Diversity Management: navigating our different Identities.**

Our individual diversity does not exist in isolation. For diversity to happen we need numbers (Page, 2011). We need a group to share our diversities with, the people around with whom we conform our different social identities, which is defined as the internalization of collective identifications. (Jenkins 2008, p120)

Identification is rooted in basic and generic human processes, and it is meaningful to individuals because it allows self-evaluation, (Jenkins 2008). The word Identity comes from the Latin *Idem* meaning same, and *Entis* meaning entity. It is the movement of becoming identical to some entity, implying a two-way process. I might decide, consciously or unconsciously, that I do belong to a certain group, and thus **identify** with it, meaning that I follow certain patterns of that group's behavior; (Jenkins 2008 p. 158). Equally, the process can be external: "Others

that are not me” decide to **categorize** me into a certain group, which implies a certain pattern of behavior which people expect me to conform with, which I may or may not identify with.

Social identities, with their interplay between identification of similarity and difference, can be found in every aspect of our life, including the organizations we work in. And those identities are directly linked to our different diversity types.

- Demographic diversity connects us with our identities of origin.
- Experiential diversity makes us share likes and dislikes over time, what we might call identities of growth.
- Cognitive diversity makes us look for other minds to complement our thinking: what we might call identities of aspiration.

Classifying diversities helps corporations establish policies to solve specific diversity challenges. We will now look at the different strategies corporations can adopt to deal with diversity.

#### 1. **Corporate Strategies to manage identities of origin:**

Identities of origin are our connection with the past. Whether we identify with them (through a self-identification process), or not, other people will often categorize us on the basis of the characteristics of our origin, race, gender, culture. Therefore we might encounter both internal as well as external barriers preventing us from developing our organizational capabilities to their full potential.

Some of the external barriers that minorities often run into in organizations include stereotyping, cultural pressure, lack of opportunities, lack of minority role models, a hostile corporate culture, or in extreme cases, discriminatory practices and legislation. In terms of internal barriers, internal cultural models or low self-confidence are identified among the most frequent for women and minority groups (de Anca, 2008)

Since the 1980s, most global companies have developed diversity and inclusion policies to effectively include individuals in their organizations led by human resources, reinforced by top management. The most frequent include: assessment tools (climate surveys, statistics monitoring, minority targets), human resources programs (flexible policies, mentoring or coaching), communication campaigns to give voice to the diversity strategy, and specific training programs.

Some of those policies have become increasingly effective. However, companies still need to be alert, since many of the barriers individuals from minorities face are still in place, and holding onto talent requires continued surveillance and proactive measures. Recent cases, such as discrimination at Uber (Timberg, C and Dwoskin, E 2017), show that diversity policies of inclusion are not some old-fashioned 20<sup>th</sup> century strategy, but something all companies should take seriously, including new emerging tech ventures.

Sodexo is considered one of the pioneers in developing diversity and inclusion policies. One of the triggers may have been a 2001 lawsuit alleging *discrimination in promotion practices after the 1998 Merger of Marriott International food services and the USA division* of Sodexo. Whether the trigger was the law suit, in 2002 the company hired a chief diversity officer, Anand Rohini, to make diversity a priority at Sodexo.

Some of the diversity priorities at Sodexo focused in gender, ethnicity disabilities or age. And the diversity strategy included a series of systems and processes including:

1. Human resources policies; including flexibility measures, training, selection processes and career services.
2. Diversity Scorecards
3. Quantitative targets of diversity

By 2005 Sodexo was widely recognized as a diversity champion and for more than a decade has been consistently ranked among the top in the diversityinc top 50 list

<http://www.diversityinc.com/about-the-diversityinc-top-50/>, and Anand Rohini has been widely recognized global diversity champion

The Diversity of Sodexo has been looked at in a famous HBS Case Study: Thomas, D. & Creary, S.J., Shifting the Diversity Climate; the Sodexo Solution. HBS Case Study 9-412-020 HBS. July 25, 2011

**Corporate experience shows that the most adequate strategy for companies to manage communities of origin is to eliminate barriers to inclusion and development:**

## **2. Corporate Strategies to manage identities of growth.**

Identities of growth often provide us with a feeling of security. Our likes and dislikes change over time, and so our affinity groups change. Identities of growth dictate who we spend time with.

Many companies have developed friendship-based communities among employees, typically organizing activities such as weekends away, departmental Christmas parties, and so on, in a bid to create emotional ties between workers and the company. But because emotional communities are held together as much by the likes as by the dislikes of members, they can be unpredictable and difficult to manage in the long term. As a result, these emotional communities can sometimes work to the benefit of organizations, but they can just as often end up having the opposite effect, particularly when people share a dislike for certain policies, boss, or for what they consider to be an unfair situation.

Our diversity research suggests that the best policy for dealing with communities of growth is through minimum intervention. Emotional communities will emerge in organizations, whether management likes it or not, and will have a life of their own. For that reason it is best to take a neutral position. Creating affinity groups is positive for the company. But these groups should always be voluntary and develop at their own pace, without management interference.

IBM is another pioneer in diversity management: the *IBM Equal Opportunity Policy Letter of 1953*, states: “It is the policy of this organization to hire people who have the personality, talent and background necessary to fill a given job, **regardless of race, color or creed.**” T. J. Watson, Jr. <https://www.ibm.com/blogs/think/2016/06/standing-together/>

IBM Business Resource Groups (BRG) are volunteer employee driven groups focused on a common area of interest or a certain constituency such as race, gender, or emerging issues like cross-generational differences, veteran or work/life integration. The company allows for different groups to emerge, without taking positions or preferences for any of the constituted groups.

By 2016, there were 250 BRGs registered globally in 45 countries which support 13 different constituencies or interest areas.

*Astrid Ritzau Frydensberg* <https://blog.ibm.jobs/2016/06/01/meet-ibms-all-volunteer-business-resource-groups/>

**Corporate experience shows that the most adequate strategy for companies to manage experiential communities is neutrality.**

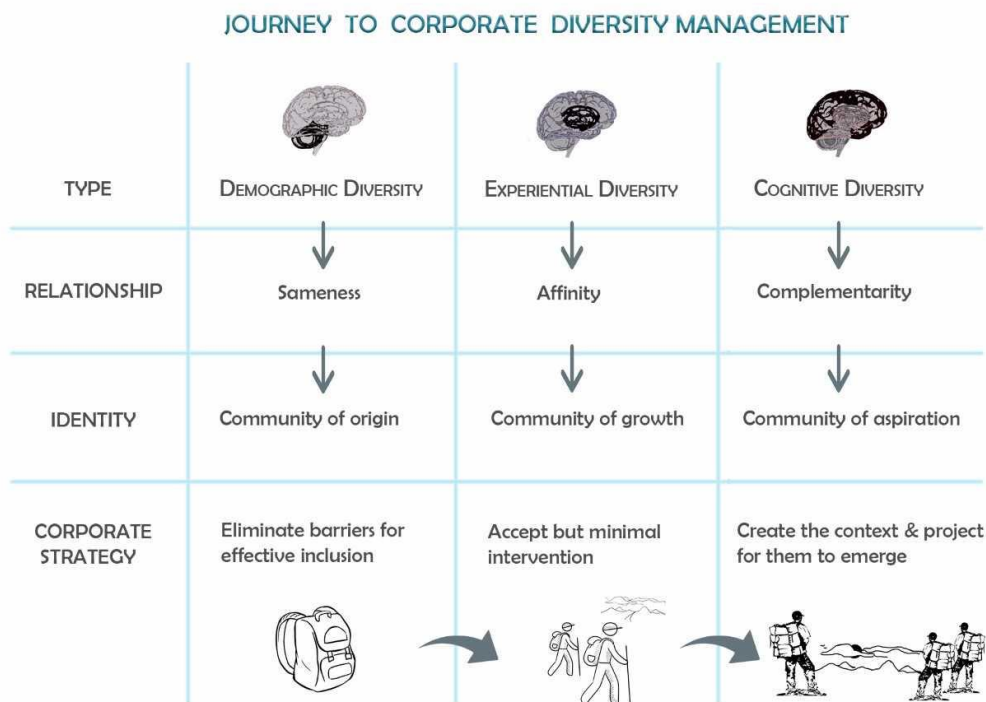
### **3- Corporate Strategies to manage identities of aspiration.**

Our cognitive differences find their place in a community of aspiration where equals among equals can share their different ideas to contribute to a common project. In those communities we are valued not by what makes us equal or by our affinities, but by our unique way of understanding and interpreting the world. Rather than a particular community, a community of aspiration is a space of interest that people share, where our ideas are valued for their contribution to a common project, regardless of our different traits and individual likes or dislikes beyond the task in hand.

Innovative organizations are shifting from managing units to managing challenges or projects, asking employees to voluntarily join projects, creating structures where employees can move out of their comfort zones to join temporary communities of aspiration that strengthen cross-organizational ties and help the company achieve its strategic goals. People join in to co-create or co-execute a solution for an existing problem or to co-develop a new initiative or a new product.

**Valve Corporation**, a videogame developer, has defined a unique corporate structure with no bosses or managers at all. Each member of the company is invited to define her/his contribution to the company according to their choices and preferences. A highly talented developer specialized in graphics animation might choose to work on a game by assuming a “group contributor role,” becoming part of the group developing that game. (On the other hand, after finishing this “group contribution”, the same person might choose to work in a more individualistic fashion on the next task.) This “free to choose” approach is mirrored in the firm’s office design. Valve Corporation offices incorporate wheeled desks to foster mobility and allow the fast configuration and re-configuration of groups as well as individual work. <http://www.valvesoftware.com/>

**Corporate experience shows that the most adequate strategy for companies to manage communities of aspiration is to create the contexts and the project for them to emerge.**



### 3- Collective individualism in tribal times.

Understanding the corporate navigation from communities of origin to communities of aspiration is particularly relevant in our tribal times, with a shift from a longing for independence in a society made up of communities, to a longing for belonging in a society made up of individuals. (De Anca, 2012)

There have been periods in human evolution when the individual stands above the community, and periods in which community is more important. But every philosophy and religion agrees that a healthy society needs both, individuals developed at its fullest, in healthy communities in which individuals can contribute. The Sumak Kawsay of the Andean Ancestors, or the Civitate Dei, of Agustin of Hippo, as well as the symbol of the hero fighting the dragon rising above himself to then go back to the community to help them evolve, present in most cultural traditions, are only a few of multitude cultural examples for the urge for developing oneself individually and in community.

The individual was at the center of western culture from the 17th century until the last decade of the 20<sup>th</sup> century, when a collective energy emerged in a phenomena labeled by sociologists as new tribalism (Maffessoli (1988). Maffessoli described a society shifting from one built around the individual to a world populated by “affective communities”. Today this “being together” has been dramatically incremented by technology. Wherever we look, everyone is staring into their phone. And if we get closer, we’ll probably realize that the conversation is not with just one person, but with a group via the social networks. Group-talk is now part of everyday life and often spread across different time zones, with friends and family connecting whenever they want. Our individuality is expressed within different groups.

Is this really just a response to technology? Some sociologists think that we have been looking for tools to shape a new collective emerging energy, reflecting a deep-rooted desire to connect and live our daily lives in small communities. This new form of “being together” is labelled *sociality*, in which the person (persona), **instead of having a function, plays a role**. (Maffessoli 1988) In these new identities, individuals seek to transcend their individualities by playing a role in tribes that provide them with temporary identification. Manuel Castels, describing the networking society (1997), describes the new forms of communal identity as **projected identities**.

Individuals now choose identities consciously. We want to play with a multiplicity of identities and use them in as many different roles as their different affiliations allow. This is why initiatives such as *lean in*<sup>1</sup> are so popular.

### 4- Corporate communities of aspiration and innovation. The case of Mapfre

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<sup>1</sup> <https://leanin.org/>

MAPFRE is a publicly owned multinational Spanish insurance company, the biggest in Spain and the largest non-life insurance company in Latin America. It is present in 49 countries, and in 2016 had turnover of €27billion.

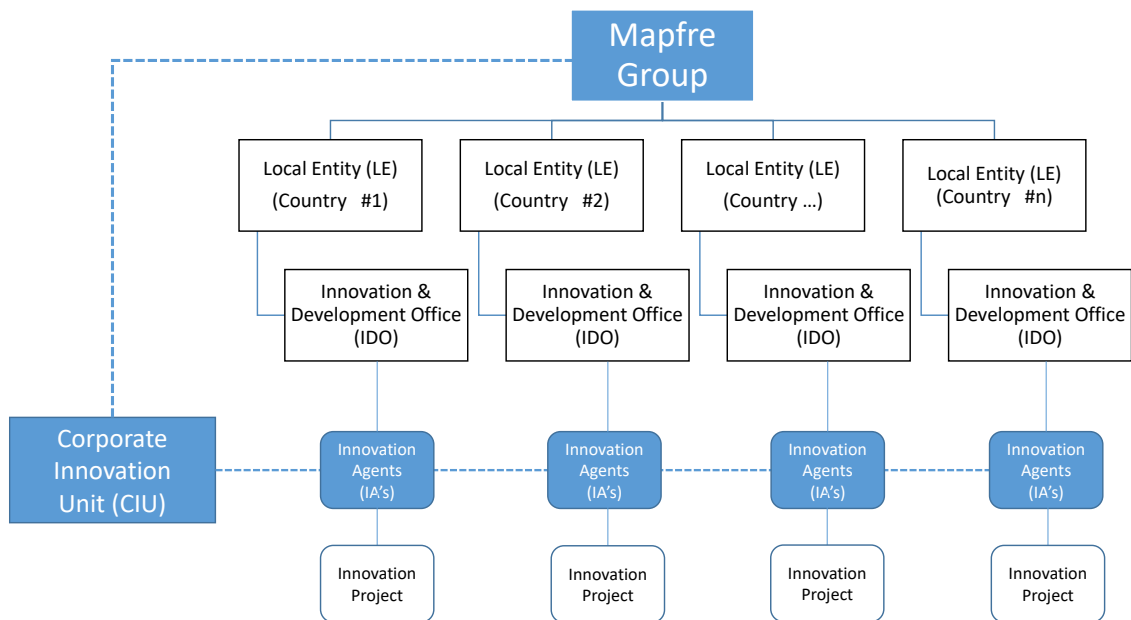
Traditionally, its growth has been based on the deployment of local companies in internal markets called Local Entities (LEs) which enjoy significant managerial autonomy. This “federal model” has provided a solid foundation for the geographical expansion of the company, built on growth through group synergies and efficiency.

Since 2013, this federal approach has been refined by the introduction of a functional corporate-level layer which crosses all the LEs. This layer includes Operations, Information Technologies and Innovation.

Responding to the changing environment in the Insurance Industry as well as the transformation of closely related Industries (automotive, information technology, etc.), MAPFRE defined an innovation strategy built around three components mirroring its existing structure: a Corporate Innovation Unit (CIU), a number of local Innovation and Development Offices (IDOs), and finally a number of Innovation Agents (IAs).

The CIU’s mission to coordinate all innovation, manage the innovation project portfolio, lead the implementation of innovation projects, provide common methodologies (design thinking and lean startup) and the creation of a shared innovation culture.

The IDOs operate on a local basis, with dual dependence: each IDO has a hierarchical dependence on its LE Steering Committee and a functional one from the Corporate Innovation Unit. All of the current 14 IDOs are focused on translating the main LEs strategic challenges into specific innovation projects that could be locally managed (see chart below).



The IAs provide a less formal way to generate innovation in the company by taking advantage of communities and informal networks. The Innovation Agents are all MAPFRE employees able to allocate part of their working time into a given innovation challenge of their choice.

A real-life example we identified that illustrates the innovation model and the use of Corporate Communities of Aspiration (CCA's) by MAPFRE through this organizational role is that of a talented employee working in the reinsurance part of the business who shows interest in satellite-based valuation and appraisal.

This employee would be invited to share his/her interest to the local IDO. After this, the IDO qualifies him/her as an Innovation Agent by providing basic training in methodologies such as design thinking and lean startup, guaranteeing some basic prototyping capabilities.

Once recognized as an Innovation Agent this person would be invited to participate in two other projects as a member of the team under the leadership of other IAs. This preliminary experience guarantees both the development of innovation leadership capabilities and commitment.

Once this training period was completed, the new IA begins his/her innovation project. The most relevant task would be to find additional team members. To accomplish this, a direct invitation mechanism is used: the IA takes advantage of his/her informal network within the organization, a mechanism that has been proven as very successful. To quote the Corporate Head of Innovation: "the most dynamic employees are very efficient at identifying other dynamic employees":

In the case of our satellite-based valuation IO, he was able to gather a team of seven highly motivated workmates. The project has been recognized as very promising by the company.

From the Corporate Communities of Aspiration (CCA) perspective, there factors have been seen as crucial in order to guarantee their success: the training process provides the right filter in terms of capabilities and motivation, the use of collaborative tools (groupware) allows both physical and virtual interaction among team members and the usage of identity-based tokens make the IA visible to the rest of the organization. This allows an IA buddy to be receive proper recognition through internal communication channels.

## 5- Conclusions

The current collective meme risks regression, as can be seen from the many current political and social movements harking back to older political and tribal models, taking away individual freedoms to retain the essence of group. Those regressive movements are based on "sameness": similarities that bind the group together. However, in the new forms of collective individualism, the communities of aspirations, "difference" is what binds the group. Aspirational communities are formed by independent and free thinkers that want to build a common project enriched by the large cognitive diversity of the group, thus providing robustness to the system, innovation and productivity and, most importantly, as Page suggests, making the process more interesting to all. (Page 2011, pg. 10)

The new tribalism is a place to work and act, not a place to live, it embraces community without renouncing universality. Communities of aspiration, whether in companies or the collaborative economy, are open, voluntary, flexible and interlinked with other communities.

Organizations cannot force motivation upon individuals, nor engineer creativity; what they can and should do as shown in the Mapfre example, is capture the collective energy of the times in their understanding of diversity, create contexts of possibility and adapt their management styles accordingly to be able to foster innovation and efficiency.

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