
RECOMMENDATIONS FOR STARBUCKS' RACE TOGETHER MOVEMENT



REPORT BY

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Dear Starbucks Headquarters Executive team,

The following report requested by the Starbucks Company was prepared by Jessika Huhnke as part of an Organizational Communication course at Westminster College. Research for this report began in September of 2016 and was finalized in October of 2016.

The research was designed to examine issues that inhibited the success of the recent Starbucks #racetogether campaign. Maslow's Hierarchy of Needs Theory was applied to the careful analysis of multiple secondary sources. This report discusses two key findings contributing to the lack of success of the initial campaign and two recommendations for how the company might move forward.

After reviewing the report and considering the recommendations, please feel free to contact me with any questions you may have. Thank you for requesting my services on this project. I would like to help with any further projects you may have.

Sincerely,



Jessika Huhnke

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EXECUTIVE SUMMARY

The Starbucks Organization is already a successful business being watched by the public and specifically, its customers. With the company's high profile, it is understandable why the CEO of Starbucks, Howard Schultz, thought he could make a difference in promoting discussions in support of racial equality with his 'race together' campaign. The #racetogether campaign, however, ended just several days after it began.

This research study focuses on two specific questions regarding the campaign:

- What issues surrounding the failure of Starbucks #racetogether campaign can be identified by applying Maslow's Theory of Needs?
- What recommendations can be made to support Starbucks involvement to promote conversations about ending racial inequities?

From analysis of multiple secondary sources, two findings were revealed that impacted the campaign's lack of success. These findings, along with recommendations that will support Starbucks future involvement in the support of racial equality, are summarized here:

FINDING 1: STARBUCKS BARISTAS DID NOT FEEL SAFE

Issue: Some employees of Starbucks, specifically the baristas, were uncomfortable with being required to write "#race together" on customers' cups and felt unprotected in their work conditions. Some were afraid about how management would protect them in the case a customer became angry or abusive in a conversation? Others feared what might happen to their jobs if they opted out of engaging in a customer conversation.

Recommendation: **Have Starbucks Executives publicly show support.** Rather than putting the burden of communicating Starbucks message, Starbucks executives could publicly speak out at appropriate forums about their commitment to racial equality.

FINDING 2: STARBUCKS BARISTAS RESISTED PARTICIPATION

Issue: The implementation of Starbucks campaign relied heavily on the participation of the baristas. If the baristas didn't write #racetogether on Starbucks cups, or if they chose not to engage in conversations with customers, the campaign would not get its message out. For a variety of interrelated reasons, baristas resisted participating.

Recommendation: **Become a sponsor.** Starbucks can get involved by becoming a silent sponsor of other organizations that host the appropriate forums for speaking out about race and equality.

In conclusion, Starbucks can continue to use its high profile to support racial equality by sponsoring organizations already equipped to do so and by having executives publicly speak out and engage in conversations about their commitment.

INTRODUCTION

This case study analysis digs into the recent ‘race together’ marketing campaign initiated by Starbucks CEO Howard Schultz in 2015. The ‘#race together’ campaign was introduced as a way to encourage conversation about racial issues in America. The campaign called for employees and customers to engage and converse about racial issues. This report describes the case, the research, and an analysis applying a human behavior theory to back up two specific issues found within the case. This report will then make two recommendations and give a short conclusion of the analysis.

BACKGROUND OF ORGANIZATION

Starbucks is an American coffee company that was founded in Seattle, Washington in 1971. Its mission is *to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time*. A fun fact is that Starbucks is named after the first mate in Herman Melville’s *Moby Dick*. Its logo is inspired by the sea twin-tailed siren from Greek mythology. In 1987 the original owners of Starbucks sold it to a former employee and now current CEO, Howard Schultz. In the beginning it was only a simple, single store but today Starbucks serves the people coffee products every day in 70 countries adding up to be over 24,000 stores. “We’ve always believed in serving the best coffee possible. It’s our goal for all of our coffee to be grown under the highest standards of quality, using ethical sourcing practices,” stated on the Starbucks website. Starbucks allegedly used ethical approaches when obtaining high quality coffee. The company used responsible purchasing such as supporting farms and forest conservation programs. Starbucks believes that helps create a better future for farms and maintaining a stable environment for the planet.

The CEO and board of directors consist of Mark Schultz, 62, CEO (reassumed since 2008) and chairman since 1985; Kevin R. Johnson, 55, has served as president and chief operating manager since 2015 and has been a director since 2009; William W. Bradley, 72, a Starbucks director since 2003; Mary N Dillon, 54, a Starbucks director since 2016; Robert M Gates, 72, Starbucks director since 2012; Mellody Hobson, 46, a Starbucks director since 2005; Olden Lee, 73, a Starbucks director since 2009; Joshua Cooper Ramo, 47, a Starbucks director since 2011; James G. Shennan, Jr., 74, a Starbucks director since 1990; Clara Shih, 34, a Starbucks director since 2011; Javier G. Terull, 65, a Starbucks director since 2005; Myron E. Ullman, III, 69, a Starbucks director since 2003; Craig E. Weatherup, 70, a Starbucks director since 1999.

BACKGROUND OF CASE

The Starbucks ‘race together’ marketing campaign was launched on March 16, 2015 in response to the racial tragedies that had been occurring over the past year. This call to action was Starbucks CEO Howard Schultz’ effort to trigger a national discussion about race as a reaction to the killings of Michael Brown and Eric Garner—two of the many unarmed black men that were unjustly killed. The campaign required Starbucks baristas to write ‘race together’ on each cup of coffee in an attempt to create an environment where both employees and customers could open up in conversations about race.

There were various positive responses to the campaign but numerous negative reactions as well. For a campaign that lasted just six days, it raised a lot of havoc. Just a few days in, the ‘race together’ campaign was quickly put to an end. On March 22, 2015 Howard Schultz released a letter to his employees making it official that it was no longer mandatory for baristas to write “#race together” on customer cups.

HUMAN BEHAVIOR APPROACH OVERVIEW

The human behavior approach emphasizes the importance of human needs in the workplace. In the book *Organizational Communication: Approaches and Processes* it dives into three specific Human Behavior theories and frameworks— 1. Maslow’s Hierarchy of Needs. 2. McGregor’s Theory X and Theory Y. 3. Human Resources Approach: Blake and Mouton’s Managerial Grid and Likert’s System—which are based around the idea that human satisfaction in the workplace leads to a better and more productive work day for the organization. Another aspect of this approach talks about motivation being related to a worker’s sense of self-worth.

FRAMEWORK OVERVIEW

This report applies Maslow's hierarchy of needs model to the ‘race together’ case. The hierarchy of needs has five fundamental stages of needs that motivate individuals. According to Maslow, the five motivational needs are: 1. Physiological needs: this is the basic need for food, water, and sleep. 2. Safety needs: having the desire feel protected, free from danger and environmental threats. 3. Affiliation needs: also known as “belonging or love needs,” this level involves developing intimate relationships/friends. 4. Esteem needs- Respect/status and feeling of accomplishment. 5. Self-actualization- Achieving one’s full potential, including creative activities. An early version of this framework was drawn as a pyramid starting from 1 on my list given above as the base of the pyramid and ending with 5 on my list at the top of the pyramid. Abraham Maslow believed that one must satisfy the lower level of deficient needs before moving on to a higher level of growth needs. Levels 1 – 3 are considered the low-order needs while levels 4 – 5 are considered higher-order needs. Life events often cause an individual to fluctuate between the different levels of the hierarchy of needs.

FINDINGS

FINDING 1: STARBUCKS BARISTAS DID NOT FEEL SAFE

Issue: Starbucks employees, specifically the baristas, were more than uncomfortable being required to write “#race together” on customers’ cups. Many did not feel safe to initiate conversations with complete strangers in the work setting. One barista, Jaime Prater, who describes himself as half black and gay, says, “That’s something I deal with in my life, it’s part of who I am”. (This is what Starbucks employees think about race together by Covert. 2015). The article adds that he was worried about opening himself up to random customers and potentially “uncomfortable remarks.” Other baristas directly questioned their safety in the work place in the case that conversations about this ‘hot-button’ topic escalated into a hostile environment.

There was no discussion about what might happen, or how management might protect them, in the case of an angry or abusive customer. Many baristas were simply given a 3-4 page packet before or their shift describing the campaign. (Starbucks Barista on ‘race together’ campaign. Herman. 2015.) Jennifer Epps-Addison, Executive Director for Wisconsin Jobs Now, echoed their concerns when she “questioned whether Starbucks managers had safety measures in place in the event a race conversation provoked a negative customer reaction” (Starbucks Barista on ‘race together’ campaign. Herman. 2015.)

Other baristas were afraid about what might happen to their jobs if they opted out of engaging in a customer conversation. Others were afraid about what might happen if they chose to opt out of engaging in a customer conversation. Would their job be at risk? The Baristas were confused, uncomfortable, and did not feel safe in the working environment whether they chose to participate or not to participate in the campaign. Maslow would argue that baristas are unlikely to be motivated to participate without their safety needs being met.

MASLOW’S THEORY APPLIED: EMPLOYEES WERE AFRAID

According to Maslow the safety need was being threatened in this situation because working conditions were not protective and healthy. Baristas also said they were given no guidelines and they were worried about what to do or what might happen in the case of an angry or abusive customer. All they were handed before a shift was a 3-4 page packet describing the campaign. The baristas became afraid of possible retaliation from higher-ups. “Even making these activities voluntary, he (CEO Howard Schultz) treads very close to a boundary because of the inevitable risk that baristas who’d prefer to opt out might fear or face sanctions,” (according to Starbucks race together campaign and the upside of CEO activism.) Maslow would say that unless the safety needs are met it would be unlikely that the baristas would be motivated to fill their affiliation need.

Maslow also might say that the affiliation needs in the work place was violated because not all the baristas agreed with this campaign but were forced to participate anyway. There lies a problem in the relationships between the managers and employees.

Jamie said, “These are things that people lost friends over because they don’t have the same thoughts.” Jamie also referred to the customers as assuming baristas were college dropouts. Maslow would say this job already affected her ability to satisfy her esteem needs.

STARBUCKS EMPLOYEES RESISTED

Baristas resisted in following through with CEO Howard Schultz’ request to participate in the #racetogether campaign. J, a Starbucks barista interviewed by Barbara Herman, shared that “In the three days he’d worked since the campaign started, he’d seen none of his fellow baristas write race together on cups or wear or use the race together stickers they were given.” (IBT 2015). On top of that Jamie, another Starbucks barista, said “not a single person in my store is probably going to do it” (This is What Starbucks Employees Think about ‘Race Together’ by Bryce Covert at ThinkProgress). She went on to say, “Awesome idea, terrible implementation ... baristas are essentially being made to look like absolute idiots.”

MASLOW’S THEORY APPLIED: STARBUCKS EMPLOYEES RESISTED

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Maslow’s theory would say that the barista’s resistance was due largely to threats to three specific needs within his hierarchy: Safety, affiliation and esteem. In spite of the barista’s support of Schultz’ sentiment, and the support she gives to the Black Lives Matter Movement in her personal life (This is What Starbucks Employees Think about ‘Race Together’ by Bryce Covert at ThinkProgress), Maslow would argue that the campaign implementation threatened a lower-level need of esteem. “People tend to think a bunch of idiots who couldn’t graduate college are working behind the bar,” said Jamie. She explained that the last thing she wanted was to have furious customers yelling at her because there was a long line.

Many baristas support conversations but just don’t feel like it’s their place to talk about it with customers ... engaging in conversation even when they wrote the required message of #racetogether on the Starbucks cups.

RECOMMENDATIONS

There are two recommendations that I believe are important to Starbucks' interest in being involved in the conversation about race without offending its employees and customers. These recommendations were guided by the responses from Starbucks employees (baristas) and its customers about the race together campaign.

Become a sponsor/financial donor: Starbucks can get involved by becoming a sponsor of other organizations that host the appropriate forums for speaking out about race and equality. Allow these organizations to become the voice of what Starbucks was attempting to accomplish. Starbucks alone can be a powerful tool by showing the Starbucks logo on existing organizations' efforts and other media. Starbucks donating money to support an organizations' cause also shows the public that the coffee company supports racial equality without forcing the baristas to be the voice.

Examples of organizations Starbucks could support and get involved with are: Race Forward: the center for racial justice innovation, RainbowPUSH Coalition, and Congress of Racial Equality (CORE). But those are only three listed among the many forums that host the same goal of racial equality.

All of these organizations focus on the fair treatment of all races with goals that result in equal opportunities for everyone. Some of these organizations are more specific when it comes to which race they are intending to support (such as Indians or African Americans) but the end goal is still the same: racial equality for all races.

Maslow would say by becoming a sponsor it allows for CEO Howard Schultz to fulfill his need for self-actualization without jeopardizing the lower-level needs of the baristas who were essentially the ones responsible for carrying out the campaign.

Starbucks Executives could publically show Support: Rather than putting the burden on the baristas within each store, the 13 Starbucks executives could publically stand up and speak at appropriate forums (as mentioned earlier) about their commitment to racial equality. This shows the public that Starbucks can step outside of its coffee company and stand up for racial equality rights face to face.

According to Maslow say by publically showing support for racial equality, CEO Howard Schultz is also able to fulfill his need for self-actualization without jeopardizing the lower-level needs of the baristas.

CONCLUSION

In conclusion, Starbucks can significantly improve executing its stance about racial equality should the given recommendations be implemented. While Starbucks already had an admirable opinion about racial equality, carrying it out could be improved by first sponsoring organizations already equipped to speak out publically. And second, by having the Starbucks executives publicly speak and engage in conversations about their commitment within those forums instead of pressuring its baristas to participate in the campaign. Based on research I have conducted and in applying the hierarchy of needs theory throughout it, I feel that the outlined recommendations are supported by Starbucks and positive. I am confident that with these recommendations Starbucks will maintain happy baristas and gain respect from the public.

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APPENDIX

Maslow's Hierarchy of Needs

