Ambalika Debnath

Ad3714@columbia.edu

Change canvas

Apple

**Mission, Vision and Strategy**:

Apple’s corporate mission is “*to bring the best personal computing products and support to students, educators, designers, scientists, engineers, businesspersons and consumer in over 140 countries around the world*”. This mission statement considers the changing business landscape that influences the possibilities of what Apple Inc. can do.

Apple Inc.’s corporate vision is “*to make the best products of earth, and to leave the world better than we found it*.” (Panmore)

For Apple, as well as any organization, it is critical to understand how the mission and vision are formulated to have a deep understanding of how they think about the future. In order to understand their strategies to achieve the desired mission and vision, we should understand the elements of Apple’s statements.

Mission statement elements can be categorized:

* Best user experience
* Innovative hardware
* Innovative software and services

From the above, the organizational structure is designed. With user experience at the top, gives great power to design and designers over engineers. Apple has also leveraged in software, integrated within the hardware that has made its products more valuable for users. An iPhone without its App Store is not worth much, no matter how beautiful the device. This also leads to a clear business strategy for Apple: design and develop in-house operating systems, hardware, software and services for superior ease-of-use and seamless integration. With a clear business strategy in place, the business objectives are easy to achieve. Furthermore, with a clear mission statement, the company can identify key stakeholders to involve in the growth process.

Their corporate vision statement aligns with their corporate social responsibility strategy too, and puts emphasis on sustainability, environmental conservation, and overall improvement of the ecological impact of the business.

**Current Corporate Social Responsibility Strategies**:

They have strategies and policies that are aligned with their vision statement and apply to their operations as well as the operations of their business partners. For instance, Apple requires suppliers to comply with their policies of environmental conservation ad fair labor practices. Their emphasis on excellence and environmental conservation, this strategy influences their corporate culture and has had a significant effect on human resources.

Apple considers the interests and concerns of their significant stakeholders: Consumers, Employees, Investors, and Suppliers and Distributers. Their premium pricing matches high quality and aesthetics of their products. Proper compensation and career development are addressed in a competitive manner within Silicon Valley. They are one of the most profitable companies and have manages to avoid debt so far. They monitor and impose requirements on employment practices for firms in their supply chain. A 2014 assessment of suppliers show that 92% of the suppliers comply with a 60-hour workweek rule. (Panmore, Apple Stakeholders)

**Competitors**:

Many of Apple’s primary competitors are computer manufacturers such as Dell, HP, Lenovo, Sony, Asus. For their smartphone products space, they face enormous competition from Samsung, Google, Motorola, and OnePlus.

**Organizational Changes so far:**

Apple was founded in 1976 by two young hackers, Steve Jobs and Steve Wozniak. Its second product., Apple II, was the first personal computer to achieve mass-market success. The Macintosh, released in 1984, introduce modern graphical user interface to the mainstream. Steve Jobs was ousted from the company in 1985, after which it began to struggle. However, following Steve Jobs return in 1997, Apple made spectacular recovery with introducing iPod in 2001, iPhone in 2007, and iPad in 2010, resulting in almost $40 billion in profits in 2014.

Steve Jobs died of pancreatic cancer in 2011, after which, Tim Cook led the company. (Vox)

Along with leadership, Apple has also changed its product strategy over the years. In the past, the company was most aggressive with the products capable of making technology more relevant and personal. Amongst their products, Apple watch, iPhone, iPad, laptop and Mac desktops; the Apple Watch and iPhone received much of the attention while Mac not so much. iPad, Mac portables and desktops ended up fighting for management attention. Over the past two years there has been a change. Apple Watch gained independence from IOS and the ability to create watchOS apps without an iPhone app. iPadOS has been promised yo be given unique software features versus iPhone. Features like multitasking and Apple Pencil support makes iPad different than iPhone. The new Mac is a clear evidence of Apple industrial design and commitment to the most powerful computer in the product line. Each product is geared to focus on different aspects: wearables are tasked with handling new workflows like health monitor etc, iPhone has the most powerful camera and video player, iPads and Macs are content creation tools. (Above Avalon)

**CSR Challenges**

Although Apple remains the most distinguished and esteemed technology manufacturer for many consumers, they have been involved in the dilemmas of ethical business practices and principles. However, after being accused of purposely slowing down iPhones so customers can buy new phones, Apple has taken action to ensure that this issue will not occur in the future. They promised to address this issue in back in 2017, promising improving user experience by avoiding slowdowns the longer the battery lasts. They recently were directed by the courts to pay 113 million dollars to settle state investigations into ‘batterygate’. (Post)

Apple has also been accused of violating child labor laws, forced labor laws and human rights laws. Apple’s Responsibility report claims improvements in labor conditions across its supply chain. However, much of cobalt used in tech manufacturing comes from unauthorized mining areas from Democratic Republic of the Congo. According to Amnesty International, there are between 110,000-150,000 people working in the cobalt mines in DRC alone. They mine the mineral by hand, using basic tools, and some of them are young as seven years old. A bill aimed at stopping forced labor in Uyghur, China, the Uyghur Forced Labor Prevention Act would hold US companies accountable to using forced labor. Apple had been lobbying against the bill. (Post T. W.) Although, there has been recent reports of Apple iPhone production moving out of China to Vietnam. (Insider)

In addition, these challenges on a global front, Apple faces significant challenges domestically too. In the aftermath of COVID and political unrest, Apple faces challenges in their main workforce.

**Changes and Apple:**

Apple CSR programs and initiatives are led by Lisa Jackson, Vice President of Environmental Initiatives, reporting directly to Tim Cook. Previously, under the purview of Steve Jobs, Apple was not noted for its philanthropy. However, with Tim Cook assuming Apple leadership in 2011, the focus on CSR has increased. They are involved in the below mentioned programs and initiatives:

1. Supporting Local Communities: ‘Global Volunteer Program’ launched in 211, and revised in 2015, grants employees the right to choose projects in their local communities. Within the scope of this, by 2018, more than 250,000 hours of volunteer work and $125 Million donation to various organizations, was garnered. Apple also responds to natural disasters, raising USD 1Million for hurricane Maria and 2 Million for hurricane Harvey and Irma. In China, all its offices and retail stores are powered by solar panels.

2. Educating and Empowering workers: Since 2008, educational programs to more than 3.6 million supplier employees have been provided. Employee benefit programs have been expanded, such as maternity leave and paternity leave duration. They hold App Development and Swift courses.

3. Labor and Human Rights: Apple has achieved 95 percent compliance amongst suppliers for maximum 60-hours workweek. They enforce Supplier Code of Conduct, which is considered to be the toughest in the electronics industry.

4. Employee Health and Safety: A 18-month program at EHS academy is structured, which is spread globally. Its ergonomics department’s ventures have led to improved standard for managing workstation design changes

5. Energy and Water Consumption

6. Waste Reduction and Recycling

7. Carbon Emissions

8. Sustainable sources of production material (Research)

**Change Canvas:**

In June 2020, following the death of George Floyd, Tim Cook announced a new Racial Equity and Justice Initiative, as a video on Twitter instead of a mere statement. Cook said that the initiative will focus on education, criminal justice reform, ad economic quality, to be led by Lisa Jackson, and along with a $100 million commitment. (Announcement)

In his speech, Tim Cook mentioned that the effort will build on existing work with historically Black colleges and universities, community colleges, STEM programs, etc. The same had been communicated to its employees priorly. Apple pledged to match $2 for every $1 an employee gives for the month of June.

In the current political climate, which is pushing its effects on manufacturing and stock market within USA, this is a topic which has had significant media coverage and rightfully so. Moreover, I feel that it has a significant direct impact on future technologies like Voice Augmentation which will impact customer, employee or B2B experiences. The VR/AR experiences are supported and contextualized by sensors that are present in the devices, which logs various parameters including activity data. The proliferation of voice assistance, smart speakers and other voice activated technologies poses new challenges. These technological changes reshaping growth will only intensify as AI, advanced robotics and cyber-physical systems are the digital revolution to another level. We may be on the cusp of what has been termed the Fourth Industrial Revolution. And globalization is going increasingly digital, a transformation that has been termed Globalization 4.0. New regulatory issues revolving around data, the lifeblood of the digital economy, must be addressed. This data, which is hugely gathered from consumers, studied by data scientists, become predictors in their machine learning algorithms, and have the potential to change the entire landscape of the said algorithms. Therefore, it is vital to regulate the data to ensure that racial and other demographic representation is maintained at all costs. Failure to do so, can have loss of accuracy and efficiency of products at the minimum and can even impact harmfully, e.g., a self-driven car not recognizing a woman of color walking with a stroller and hitting them.

Not just the comprehensiveness of the data, but the data modelers themselves need to be aware of the information bias that all humans carry forth. With technology teams right consisting mostly of white males, it is not a surprise that certain use cases are bypassed in the testing phase. This is part of a bigger moral and philosophical discussion that all big tech companies should partake in.

External pressures, risk mitigation and official compliance triggers businesses to adopt more responsible practices and support innovative efforts to promote human rights, address environmental challenge and improve communities. Eventually, these efforts become more integral and were pulled together a CSR or sustainability team. According to Forbes, C-Suite overseeing CSR initiatives has spiked nearly 75 percent since past seven years. (Forbes) A shared goal for gender equity can broaden a company’s leadership perspective, improve employee engagement, boost brand recognition and other KPIs while lifting local economies. Similar cases can be made for human rights, hunger and environmental protections and others. It is why the highest levels of social responsibility strategy are increasingly integrating the two imperatives in their messaging. While the approach to change may differ between D&I and CSR and the core subject matters are distinct, many skills intersect. These may include stakeholder engagement, change management, supply chain assessment, community relations, measurement and reporting.

**Proposed CSR Strategy Project**

My proposed CSR Strategy for Apple was to refocus on its efforts in Diversity and

Inclusion(D&I). Diverse workforce would mean diversity in terms of age, race, religion,

nationality, socio-economic background, sexual orientation, and gender. D&I positively

contributes to organizational culture, marketplace competitiveness, and social responsibility. For Apple, whose products are globally distributed, its vital for the success of these products, to be innovated keeping the diverse customer demographic in consideration. Creativity, insight, and knowledge goes hand in hand with different and vibrant perspectives that the company’s

workforce brings to the table. Furthermore, in the current political climate, in the aftermath of

George Floyd’s death, Tim Cook has already announced a new Racial Equity and Justice

Initiative which will focus on education, criminal justice reform, add economic quality, to be led

by Lisa Jackson, along with $100 million commitment.

CSR has become a C-Suite level business priority, and everyone is trying to increase reach and influence across org to align social impact with company’s business strategy, brand identity, and talent management practices. CSR strategies have a unique opportunity to influence corporate decision-making and champion diversity and inclusion. Apple is intrinsically connected to the consumer they serve, the people they employ, and the communities they operate in. As the number of diverse stakeholders grows, so does the need to incorporate their perspectives into business strategy. Structuring a strong partnership between D&I and CSR ensures the company’s philanthropic strategy centers around the diverse values and perspectives of employees, customers, and communities. A CSR team that reflects the diversity of the workforce and market served is more likely to develop strategies that connect and reverberate with employees, consumers and communities. (Diversity)

Although D&I is a business strategy, considering that there is a growing need to consider CSR as a strategic investment, and with employees are the most significant stakeholder in a company, diversity should be considered a part of organization’s strategic plan. Along with employees, all other stakeholders such as suppliers, manufacturers, distributors, investors etc would also be important stakeholders.

**Required changes in the workflow**

Table

Description automatically generated

In addition to the above groups, Apple should be monitoring the below groups of important stakeholders:

**Employees of suppliers and distributors**: Apple has a supplier code of conduct, to address ethical employment, proper compensation and job security. Every contract needs to comply with rules like 60-hour workweek rule. IN 2014, Apple assessed 94% of suppliers compliant.

Changes proposed: Add regulations that would target hiring suppliers and distributors from diverse communities depending on the geographical location. These can be monitored and compared to against a predetermined threshold.

**Stakeholder Analysis**

The success of any initiative within an organization depends to a large extent on the support given by different groups of stakeholders. It is therefore especially important to identify particular groups of stakeholders and chose an appropriate way to manage and organize them.

Stakeholders can be distinguished as internal and external. The first group of internal stakeholders constitute without a doubt of the employees, because the strategy of diversity management is primarily addressed to them and is based on this group. However, in line with the idea of diversity management, employees are not a homogenous group but differ due to a number of variables. Internal dimensions such as race, age, gender, ethnicity, sexual orientation; external dimensions such as Religion, marital status, location; and organization dimensions such as management status, seniority, play in for every employee. Therefore, while analyzing employees as stakeholders, they should be distinguished and categorized accordingly.

* Unions: due to its collective nature have a greater impact on the policy of the organization than individual employees. This power can be additionally enhanced by the legislation of the individual countries, in which the enterprise operates. They would be in favor of D&I initiatives
* Managers: Their role in diversity management and also for example corporate social
* responsibility can be twofold: instrumental or normative. They have a high level of power and opportunities for blocking or supporting diversity initiatives.
* HRD: Their role can be strategic but can be only carrying out administrative tasks. Depending on role factors such, human resources could be an asset in the directive.
* Organizational shareholders: Their inclination is directed by profit margins, and hence will be supportive if it generates profit.

External Stakeholders would constitute of the below:

* Customers: They have a key influence on the economic results. Diversity management through offering more differentiated products and services allows addressing a broader range of clients.
* Intermediary customer like agents, distributors or retail outlets: Their interest for diversity derives from their interest in an ethical, efficient and beneficial management.

**Motivating Stakeholders**

In my opinion, a majority of key stakeholders would be supportive of D&I initiatives, with few

opposing the measures. However, the opposing groups of stakeholders could significantly

hamper all meaningful progress.

In order to circumvent these opposition, I would develop a multi-pronged approach: one

detailing a 5-step goals with key initiatives identified, and second, a clear line of

communication with attractive reports which would highlight the analysis of the projects from

initial implementation and approach the top-level management and proceed to lower levels, in a top- down approach. The reports would contain summary of actions, metrics to determine key KPIs to be monitored on periodic basis, with the accountability of the KPIs for implementation being met at each level/goal.

My message to the stakeholders would target rationale and emotional aspects. The rationale

would specify how D&I has shown to lead to more innovation and revenue in the past, within

the company and/or the industry, citing success stories. I would focus on how product

development for Apple depends on innovation which can be directly linked to diversity due to

the diverse customers it aims to appease. I would use metrics such as sales figures outside of

North America to showcase how the products don’t have similar success in more diverse

communities. Along with the facts and figures, I would appeal to their own diversity (or lack

thereof) by stating figures like “more than X% of women don’t feel included in key decision

making” or the fact that there are only 2 women is the quintessential tokenization, an issue that

is highly correlated to lack of inclusion. Finally, I would propose a win-win strategy, by

promising to build a sensible, scalable effort which would not only have the promise of higher

revenue but could be showcased for mandated public relations’ demands in the current political climate.

Analytics would be the only way to measure and quantify the efforts, “Collect, Count, and

Compare” being the central motto and theme. The goal is to formulate goals into stages of

implementation, identifying KPIs through different metrics, measure and analyzing these

metrics to insightful dashboards and creating accountability at each stage. Measure these

against predefined goals would account for the success rate.

By collecting and analyzing data on diversity over time, comparing those numbers to the numbers at other organizations, and sharing them with key stakeholders, companies can increase accountability and transparency around diversity issues. Say a company has far lower representation of women in managerial positions relative to the local labor market, similar firms, and/or the goals of the corporation. This identified shortfall can lead to concrete goal setting about numbers and timelines for increasing women’s representation in management. In turn, these goals can be made available to key internal and external stakeholders to promote accountability. Of course, this strategy will only work if the data are appropriately analyzed, progress and roadblocks are continually identified, and key stakeholders are able to weigh in to chart a path forward.

First, technologies that get deployed for corporate screening, hiring, and evaluation processes have to be built on data that is fair to socio-demographic groups – such as different racial groups – in the aggregate and that is relevant and predictive of success for the particular role being evaluated. But that alone is not enough. Apple needs to proactively test new technologies for disparate impacts on workers before they go in the field and need to audit their procedures after implementation to ensure that biases are not creeping in. The combination of building solutions with an eye to screening out discrimination, and then checking for it on the back end, will not only create fairer products but can also help leaders sharpen their understanding of what does not work in their current system.

Key stakeholders would be presented these reports and dashboards, which would highlight

progress, effect on revenue, current public relations, success stories as well as roadblocks in a

periodic manner (quarterly, annually, 5-year, and so forth).

**Importance of cultural change**

Company culture exists within every organization and makes up the company’s DNA. And

although Apple has historically been more or less effective in their company culture practices,

however, they would gain by focusing more efforts on employees. Company culture impacts

decision-making and has become an important factor for potential employees as well for

retaining ones. Being part of Silicon Valley, which inherently encourages collaboration and

innovation without losing competitive nature, Apple has benefited by empowering individuals

to discuss findings with others in order to discover new ideas and technologies. Apple’s values

include accessibility, education, environment, inclusion and diversity, privacy, and supplied

responsibility. Like many large successful companies, it has had an evolving company culture.

In the beginning stages of the company, Apple followed an adhocratic culture, with a single

entrepreneurial, charismatic leader, and a flexible and easygoing culture. A few years later,

the company became successful and employees adopted a team mindset and began to form a

clan culture, wearing Apple logos on clothes, stickers, etc. With its exponential growth and an

increase in competitors, the company needed policies and regulations to standardize operations.

This shift led to a hierarchical culture which left employees feeling the loss of personal and

friendly environment. With this lack of enthusiasm for hierarchical culture, Apple began to

shift to a market culture, emphasizing competitiveness, achieving results, and external

relationships. During recent years, after the introduction of the iPod, Apple has worked to balance all these cultures, inculcating the strengths while still trying to maintain a competitive

edge. Staying relevant in current competition is crucial in remaining relevant amongst the

tough competition Apple faces.

Data, analytics, and business intelligence is structured solution to this problem. Companies that

have successfully cultivated a data-driven culture reap a multitude of benefits, from better

employee understanding of the value of data and how to apply it to decision-making to

widespread commitment to backing up ideas with data and measuring outcomes across the

board.

Apple relies on vision and intuition instead of data-driven product decisions. Even though,

Apple also uses an iterative, evolutionary approach to product development, this is not

achieved by building small increments, releasing as experiments, and gathering data about how

successful they were in moving KPIs. Rather, the evolution is internal, through a process of

demo sessions with leaderships which provides both feedback and the vision for where the

product should end up. This is not driven by data, nor direct feedback from users and

customers. Apple’s feedback loop is more qualitative and perhaps even subjective. This ideation of products has been successful in the past under the leadership of Steve Jobs, and is highly dependent on leadership. This, it would not be sustainable. In order to handle inherent bias in AI which adds to the receptivity of products in diverse markets, Apple needs to consider measuring everything that can be quantified. Collecting and retaining data is crucial to study it

for any bias it might possess before utilizing it for product development.

From my first project, I will utilize my connection with Denise Young Smith, VP of Diversity and Inclusion, to assist me to persuade the rest of the organization to understand the importance of data and analytics, to embrace and endorse data analytics.

Innovation in big data and analytics should be enablers for leadership and HR to identify gaps in their diversity strategies and apply those insights to create more diverse and inclusive workplaces. The underlying theme of the entire conversation should be that a commitment to enhancing D&I leads to increased belonging within an organization. Not only does a culture focused on belonging feel great, it is also a driver for employee engagement, productivity, corporate reputation, attracting top talent and business results.

There has been a lot of research on business outcomes that focus of D&I, and I would quote these various articles to drive the importance further. One keyway to utilize analytics would be through People analytics, by looking at large sets of data to find superfluous spending, patterns, and inconsistencies. Talent related data should be analyzed:

• People Data: Demographics, engagement, and skills

• Performance Data: Performance evaluations, ratings and data captured through succession programs and assessment tools

• Program Data: This would include employee attendance, participation in training and development programs, and outcomes to assignments and other key projects

HR units can help leaders truly leverage people analytics to manage diverse workforce:

• Reduce unconscious bias during recruitment. Datasets can offer HR to identify patterns in hiring process and implement strategies to choose diverse applicants.

• Identify existing diversity gaps: People analytics can help HR to have a holistic view of the current workforce composition. With this information, it can extract people based on age, gender, and ethnicity. HR will have a broader picture of the diversity gaps across leadership and other organizational functions. These insights can help determining hiring funnel and reframe diversity agenda.

• Design equitable compensation structure: Analytical tools lets us extract data on employee salaries, performances and bonuses. With this unified view of the data, patterns of bias can be identified and rectified.

• Reduce diversity retention: Analytics can help determine turnover rate, identify drivers of turnover, and segments. With the help of such crucial data, tailored program for diversity retention can be crafted.

• Optimize employee engagement: Productivity of employee is directly related to their engagement levels. Leaders should be proactive in understanding employee engagement, and analytics can provide data for this

• Identify patterns: hiring the right people is essential but managing human capital is much more than that. Via analytics, we can extract historical patterns of demand, run simulations based on economic scenarios for predictions short- and long-term staffing needs.

• Smarter Recruitment: Analytics can help predict the likelihood of a candidate accepting a particular job offer. Based in this information, HR can edit job offer such as bonuses, compensation, etc to increase chances of attracting talent.

• Bypass bias during recruitment: Analytics can be used to identify behavioral traits and core values of candidates. Algorithms can be used to determine behavioral compatibility, fundamental values, and diversity for predicting the potential strength of the candidate fit.

• Priorities: the most impactful use of analytics is to present visual data to demonstrate issues and influence decision makers.

• Pay equity: Analytics can be used to assess compensation for entire workforce and highlight any gaps. Compensation assessment by gender is not nearly enough. Multivariate regression analysis can shed light to what is driving the difference in pay.

• Training and evaluation: Determining fair compensation is another feature diversity retention. People analytics along with Big Data can help design financial model for each employee. This is a huge task for a nig organization like Apple, and analytics can help automate the process.

Data Science is becoming a reality for change management, and although it may not have arrived yet in its fill functionality, it is high time for organizations to be prepared. Companies best positioned to change in the next decade will be the ones that set themselves well up now, by collecting the right data and investing in their analytics.

As with any HR-related goal, monitoring and tracking diversity strategies implementations, requires choosing the right metrics. As per a white paper from Association of Talent Acquisition Professionals (ATAP), the following are recommended criteria to assess various metrics:

1. Does the metric have a clearly articulated purpose?

2. Does the metric pass the SMART (specific, measurable, action-oriented, relevant, timely) test?

3. Can the metric be treated as a standard for future benchmarking purposes?

4. Can the metric be categorized as either functional (providing insights on operations) or individual (providing feedback for coaching and performance)?

When it comes to finding more diverse candidates, “you’re setting yourself up for failure if you’re merely working toward filling an equal employment opportunity quota,” Jori Ford writes at Fast Company. Instead, demographic data points should be incorporated into a hiring process that focuses on reaching specific goals for both D&I. Using demographic data can be used to sequester information, and without it hiring managers can focus on skills. Holding leadership accountable to meet goals can be vital too.

Along with the mentioned metrics from the earlier question, we can quantify and track metrics. Regular and periodic reports and dashboards would be shared with Board of Directors, C-Suite and leadership. Along with keeping key stakeholders informed, I would specifically report the effectiveness of the change measures to the most important person at the management level in the company, Tim Cook, CEO of Apple. Iterating back to top-down approach, he will be the paramount stakeholder and influencing candidate in this entire effort, at a grassroot level.

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