

DIVERSITY AND INCLUSION AT XEROX CORPORATION: THE CASE OF XEROX SPAIN¹

Paloma Beamonte, president of Xerox Spain, was in her office preparing the meeting she was about to have with Laura Cebrian, the subsidiary's director of human resources. Paloma and Laura had set this meeting up quite some time ago.

For the president of Xerox Spain, each year-end appointment with the director of human resources was extremely important, and she liked to dedicate a full morning to the meetings. She had included three top-priority items on the agenda that had to be taken care of before leaving for the Christmas holiday: the HR department's closure of 2014; the targets set for 2015; and the organization of the visit to Madrid of Ursula Burns, global CEO of Xerox, at the beginning of January 2015.

However, the night before the meeting, Paloma had sent a short email to Laura: "*Laura, when we meet tomorrow, I would also like to speak about the last promotion we approved as a result of the 'Fast Track Woman'² program.*"

Paloma was very proud that the diversity policy that Xerox implemented at the global level was also a reality in Spain. However, there were certain aspects of the company's development plan for women with high potential that made her feel concerned.

XEROX CORPORATION AND XEROX SPAIN

In 2014, Xerox Corporation was the world leader in business processes, printing equipment, software and solutions that provided a differential value to direct customers and their customers alike. Xerox's core value was to help change the way in which the world worked, providing all their experience in business processes, analysis,

¹ Case from the Research Division of Instituto Internacional San Telmo, Spain. Prepared by Professor Antonio-Abad Hidalgo Pérez with the collaboration of research assistant Ms. Carmen Hernández Rodríguez-Mancheño, for use in class and not as a means for illustrating the adequate or inadequate management of determined situations.

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² "Fast Track Woman": a career path at Xerox for women with high management potential.

automation, information on user-centric market perspectives, etc., designing workflows to allow greater productivity, efficiency and customization.

The company was founded in 1906 in Rochester, New York, where the majority of the company was still located in 2014. Xerox's headquarters were located in Stamford, Connecticut, U.S.A.

In 2014, Xerox Corporation had a total sales volume of 19,500 million USD, employed 130,000 persons and was active in more than 180 countries. The company owned more than 12,000 active patents and dedicated 3.2% of its revenue to R&D, an allocation that amounted to 577 million USD in 2014.

Ursula Burns became Xerox's CEO in July 2009 and was named Chairman in May 2010. She had joined Xerox in 1980 as a summer intern in mechanical engineering.

Xerox Spain was the Spanish subsidiary of Xerox Corporation. In 2014, Xerox Spain marketed a wide range of Xerox products, solutions and services, as well as consumables and software. Their portfolio was aimed at three main areas, namely: offices of any size; print production and graphic arts environments; and services such as consulting, design and management of systems and document outsourcing. Their headquarters had been located in Madrid since 1963, with representation throughout the country by way of a network of branches and dealers.

In terms of its business activity, Xerox Spain acted under a commission structure on behalf of its parent Xerox Limited. Under this structure, the subsidiary did not book purchases and sales made on behalf of Xerox Limited, the accounts receivable from customers, or stocks of those transactions made on behalf of the principal. Working as an agent, Xerox Spain's only booked income was the commissions received from its immediate parent, illustrating the efficiency of its management model. It is important to bear this manner of operation in mind when reviewing the economic and financial data in Annexes 1 and 2, which correspond to the company's annual accounts in Spain. However, the annual accounts also state that sales accomplished on behalf of Xerox Limited had amounted to 84 million EUR in that business year.

Paloma Beamonte had been the president of Xerox Spain since January 2010. Her career had always been closely linked to the Spanish subsidiary of Xerox, which she joined in January 1990. Since then, she had held various positions of responsibility, including those of director of human resources of the Services and Office Solutions Divisions.

THE XEROX DIVERSITY POLICY: A PASSAGE TO THE FUTURE

Xerox was acknowledged as one of the world's most advanced companies in the field of human resources, especially in relation to their diversity management policies. They had received numerous international prizes and citations for building and maintaining that corporate culture.

For Xerox, diversity was about much more than gender. Diversity was part of the company's values and corporate culture. More than a goal, it was understood as a commitment and value across the organization. According to the company, employees with different ways of thinking and different ways of perceiving the world were employees capable of creating innovative solutions. Teams where different points of view coexisted were viewed as enriching. In short, they were convinced that ideas and different perspectives were a resource of immense value and one of the keys to achieving business results.

Diversity at Xerox was therefore a global issue for the company. Paloma Beamonte was convinced that much of what they had achieved in Spain was due to the correct implementation of the strategic framework that was established worldwide.

The president of Xerox Spain recognized that everything was easier and more meaningful if it had the support of the parent company. In the words of the global CEO of Xerox, Ursula Burns, *"The power of our people's model of development is that it recognizes the value of diversity from the lower ranks to the highest positions. When you've worked on this for so long, you've ensured that your pool of persons is robust enough for the next generation of leaders to represent the real world. They are people who have in common strong skills, a strong work ethic, great commitment and a will to win"*.

Ursula Burns' personal positioning fit perfectly into Xerox's corporate focus. In January 2015, the chairman of Xerox made the following reflection, *"My vision of diversity and inclusion is something that, fortunately, I did not have to invent by myself. I arrived at a company that already had a solid idea and lots of practice. Ideas and practices that have received different names over time, but that at Xerox, in the past as in the present, beyond a collection of policy labels, draws from something deeper, something that is based on the solid pillars that uphold diversity and inclusion"*.

"My vision for quite some time has been to have a place where all the talent in the world, regardless of appearance, accent, age or ideology, can integrate easily into our workplace. That we may add talent, that when we unite all these different people, all their differences will help us be a better company. This has been the objective for the last fifty years."

"I always tell people to come to work 'complete', that is, to bring with them everything they are. And one of the things I like about Xerox is that you can actually do that. To bring everything you are as a person, means bringing your experience, your past, your accent, your beliefs...."

When asked about the internal motivations that support this vision of diversity, Ursula admitted that although there were various reasons of social or economic nature, they also reflected a very personal position of her own. Ursula explained that she herself was an example of the effect of these policies: *"I am the product of people who understood*