



DIVERSITY DISSECTED



Hy-Vee's diversity initiative brings together an array of races and cultures. Here's how it works for employees and shoppers.



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As a customer purchases fresh corn tortillas, she chats with the checker in her lane about when the next shipment of jicamas will arrive. At the pharmacy, a woman speaking fluent Spanish discusses a prescription with a patient. And in the parking lot, a festival celebrating Mexico’s independence day is in full swing.

Is this a scene from a small Hispanic market? No, it’s a Hy-Vee grocery store. And as the cultural diversity of the communities where Hy-Vee stores are located increases, such a scene is becoming more common.

The diversity in the stores isn’t just limited to Spanish-speaking cultures either. Whether the community includes a population of individuals from Asia, Eastern Europe, Africa, Latin America, or elsewhere, Hy-Vee stores are drawing people representing such diverse communities—as shoppers and employees.

“We’re a company that prides itself not only on excellent customer service, but we also recognize that it’s the lifeblood of our business,” says Jose Amaya, diversity manager for Hy-Vee. “By implementing a diversity initiative, we recognize that what we’re trying to do is reach more of our customers—all of our customers if we can—and have our stores represent the diversity of the communities we serve.”

It all comes back to a goal you’ve heard before: to make the life of every person who enters a Hy-Vee store easier, healthier, and happier. Although there’s plenty of work left to do, the company’s cultural diversity initiatives are making strides—and even winning awards.

Employees

Hy-Vee isn’t alone in its quest for a more diverse workforce and customer base. Amaya says that every large grocery chain in the country has a diversity hiring strategy or is focusing on hiring diverse employees. For Hy-Vee, the strategy encompasses more than just hiring—it’s also about making direct contact with the communities in which the stores are located and offering the products that customers want to buy.

Yet at the heart of that mission is the hiring initiative. “It’s a focused effort coordinated by human resources to make our stores represent the communities that we serve,” Amaya explains. “We do so by hiring the most qualified candidates from all sectors of society.”

The biggest challenges stem from a lack of knowledge regarding opportunities available at Hy-Vee. “Many communities think we only have grocery sacking jobs available,” he says. To combat that misconception, store directors are striving to promote their myriad job opportunities in ways that get them noticed in their communities.

One of the most diverse workforces in the company is found at the Grand Island (Nebraska) Hy-Vee, which opened in February 2008. “Because Grand Island is a community that’s about 18 percent Hispanic, we wanted to make sure we had a lot of Hispanic employees,” says store director John Griesenbrock. “It makes the store a more

inviting place for Hispanic shoppers to come. We have found they are more apt to shop at a store where they know they are going to get the service they want and be able to communicate with employees. We wanted to hire Hispanic employees in every department so customers had plenty of bilingual people to communicate with.”

To recruit Hispanic employees, John advertised in the local Spanish-language newspaper and on Spanish-speaking radio stations—and still does. The store also distributed flyers and posters promoting Hy-Vee. “I think putting out ads, flyers, and direct mailing is effective. But actually getting out into the community, passing out business cards, shaking hands, and letting them know what Hy-Vee is all about makes a difference,” John says. “I had one of my upper managers, Jesse Romero, go into the Hispanic community to promote Hy-Vee and talk about the wonderful opportunities we have to offer. The Hispanic person is very loyal to family and very family-oriented, and that’s what he talked a lot about—that Hy-Vee’s values are centered around families.”

The result? John estimates that at least 18 percent of his workforce is bilingual, which closely fits the makeup of the community. His goal is to employ a workforce comprising at least 20 to 25 percent



A DIVERSE FOCUS

Increasing the cultural diversity of employees and customers is only one component of Hy-Vee’s diversity initiative. Building a workforce that also boasts intergenerational and gender diversity is important too, stresses Hy-Vee diversity manager Jose Amaya. “The creativity offered by an intergenerational workforce helps us maintain a competitive advantage,” Amaya says. “And we want more women working for us to give insight and inroads into figuring out what shoppers want in the store.”

Hispanic people in jobs at all levels—and it’s a goal shared by other store directors too.

“It’s important to have employees to match your customer base so someone can help with language breakdowns and help people feel comfortable in the stores,” says Chris Higginbotham, store director at Omaha No. 7 (Nebraska). “Our main goal is to get more Hispanic employees in upper management. We are doing that at a grassroots level—several employees we have hired are working their way up.”

Yet it isn’t about hiring to fill a certain profile, Chris insists. “We hire the same way you would hire people of any race. You hire good people and treat them well and then you reach out to their friends or family and build that way. You just want to be known as a good place to work.”

Customers

Developing a diverse workforce makes drawing equally diverse customers to the store easier. “When more Hispanic and Asian employees come into the store, they’ll bring their families and friends to shop, and those people will feel more comfortable coming in and shopping,” says Kim Cole, store director at Webster City (Iowa). “It’s a win-win situation.”

To successfully draw diverse customers, store directors rely on some of the same techniques they use to recruit new employees. In Webster City, Kim has found one of the best ways to reach customers is by promoting Hy-Vee and community activities in the local Spanish-language

HY-VEE TAKES TOP HONORS

In recognition of its efforts in increasing cultural diversity in stores, Hy-Vee was awarded a 2008 Hispanic Retail Excellence Award from *Progressive Grocer* magazine at the Hispanic Retail 360 Summit in July. The award, which is based on a poll of 1,000 retailers in the United States, recognized Hy-Vee for its work in winning the “hearts, minds, and spending dollars of the Hispanic community,” according to Hy-Vee diversity manager Jose Amaya. “It’s a great achievement.”



newspaper. “We’re just reaching out to the Hispanic group, trying to tell them what Hy-Vee has to offer. We tell them about employment options, our pharmacy, and parties for the Hispanic community,” Kim says. “I think the main thing is just to let them know that they’re welcomed in our store and to offer things that they want—like the particular tortilla or rice they are looking for.”

Special events also help draw customers by underscoring the company’s commitment to the community and its cultures. For stores with large Hispanic audiences, that means celebrating events including Cinco de Mayo, Hispanic Heritage Month, and Mexican Independence Day.

The work isn’t done once customers are in the store, however. As John explains, “It’s important that we communicate to everyone our standards of customer service and friendliness, and give each and every customer, no matter what ethnicity that customer is, the best shopping experience possible.”

That means making sure employees are ready with a helpful smile—and that someone is available to help communicate should customers who struggle with English need assistance. “I say *hola* so Hispanic customers know they can come talk to me,” Kim says. “I try to talk to them as much as I can so they are welcome and to find out if there is anything we can do to help.”

As with recruiting employees from varied backgrounds, however, the work of establishing and maintaining a diverse customer base is an ongoing challenge. “I believe we can claim success when 99.8 percent

of our diverse customers say that they feel welcome and informed when they visit our stores,” Amaya says. “It’s never done, because once you reach that goal your diversity demographics have likely changed.”

Chris knows that all too well. South Omaha, where Omaha No. 7 is located, has long been an immigrant community. “One hundred years or so ago, it was predominantly Irish, Polish, and Czech,” he explains. “It’s still an immigrant town, but now we also have a large Sudanese settlement, 8 to 10 percent of our customers are African American, and probably 40 percent are Hispanic. And we still have people sitting at breakfast every day who speak Polish to each other, so even beyond the color of a person’s skin there’s diversity there.”

Products

An increasing interest in ethnic foods—among customers of all backgrounds and races—has led many Hy-Vee stores to stock additional diverse products. Asian and Hispanic products in particular draw the attention of many Hy-Vee shoppers. “Our growth in ethnic food sales is not just confined to ethnic customers,” Amaya says. “Everyone is trying different foods.”

Amaya cites, for instance, the success of the company’s award-winning Chinese Express department, which was named one of the top Chinese chains in the “overall excellence” category by *Chinese Express News* magazine in 2007. Part of the reason that department has reached such success, Amaya says, is because the company hired approximately 400 Chinese chefs and servers to work in the

restaurants. “That really helped the department grow by providing authentic recipes and meals,” he says. “We’re trying to replicate that success store-wide.”

Relying on the knowledge of employees, customers, and local vendors has helped Chris ensure that Omaha No. 7 stocks a variety of Hispanic food items in every department. One of the store’s top-selling items includes a 4-pound bag of Maseca corn flour. And the No. 1-selling item? Jacobo’s corn tortillas, which are made fresh by a small grocery down the street and distributed to a number of locations throughout South Omaha.

In Webster City, the offerings include an 8-foot Asian food section and an 8-foot section of authentic Mexican food. “It sells very well,” Kim says. “And the same goes for produce: We make sure we have what they’re looking for, whether it’s jalapeños or jicamas or mangoes.”

Stocking jalapeños may not seem like a necessary step on the road to increasing diversity, but it’s that attention to detail that sets Hy-Vee’s initiative apart. “We want to serve all communities both in terms of product and in terms of recruitment,” Amaya says, “because we are a community player, and we take that responsibility seriously.” **D**



CREATIVE RECRUITING

In addition to individual stores’ recruiting efforts, Hy-Vee uses some other successful techniques for seeking out and hiring outstanding, diverse employees, including:

Hy-Vee Academy. “Hy-Vee Academy is a success story,” says diversity manager Jose Amaya. The academy is a partnership with the Des Moines-area Boys and Girls Club. It’s a seven-week program in which Hy-Vee store directors and staff act as mentors and counsel participants about job development and career preparation. The ultimate goal? To hire these dynamic youth as Hy-Vee employees. The company also hopes to offer similar programs in Omaha and Kansas City.

Community Connections. “As part of the recruitment outreach effort, we contact colleges and high school and diversity-serving organizations and work to ensure that our stores help build relationships with those entities and organizations,” Amaya says. “That’s really where the rubber meets the road.”

By helping stores build relationships with area colleges and high schools, there’s no need to micromanage that recruitment at the local level. “Hy-Vee is proud of its efforts at autonomy,” Amaya says. “Diversity recruitment dovetails nicely with the autonomous relationship that stores enjoy with both the corporate office and their local communities.”