

# WE VALUE

# CASE STUDY



## Lush, Italy

Values-driven company, producing and marketing fresh handmade cosmetic products

### Background

Lush is a multinational company producing and distributing handmade cosmetics and toiletries from fresh organic ingredients. The company has a strong ethical policy that precludes the purchase of any ingredient from any supplier that tests any of its materials on animals, as well specific environmental education projects and as numerous policies relating to waste, energy, aviation and the environmental impact of ingredient sourcing.

It also has a grant-making program to support charitable projects that meet its criteria of non-violence, environmental responsibility and human rights. The central office of Lush Italy is based in Milan and has a small number of employees (less than 20 in total) working in management, communication, marketing, accounting and retail. There are also employees preparing certain cosmetic products and distributing imported products. Four shops are located in Milan area.

As Lush already has clear values, its main involvement with WeValue was in measuring a number of the preliminary Values-Based Indicators, rather than exploring values as such.

### Measuring the Indicators

In February 2010, 16 of the indicators were selected for measurement. The company chose the following ways of collecting evidence:

Evidence based on what people do and say during their day-to-day activities

**Unstructured Observation:** External researchers observed the everyday life of the company from the value-based indicators perspective and recorded their observations relating to transparency, integrity and gender balance.

## Evidence based on what people think, feel and understand

**Structured interview:** External researchers conducted private, one-to-one interviews with shop assistants, shop managers, and marketing, retail and accounting managers.

**Survey Questionnaire:** Participants in the structured interviews were also asked to complete a standard questionnaire, and the findings from both of these assessment tools were compared in order to gain a deeper understanding of the situation.

**Word Elicitation:** Staff members were asked to select the words and phrases, from a list that was supplied, that best represented their understanding of the concept of 'unity'.



## Lessons Learned

During this research it became clear that in a corporate context, where there is a management hierarchy, some of the indicators are difficult to use without external input. It is often difficult to convince staff that it is safe and acceptable for them to respond honestly, especially if their answers could imply criticism of the management, and the simplest way to address this is for assessment tools to be applied by an unbiased external observer.

This field visit also confirmed that in the case of a company such as Lush that prides itself on its specific ethical and environmental policies, which are used as part of its marketing strategy, the indicators can help managers to highlight and address any gaps that exist between policy and practice as well as identifying priorities for future action.