

Organizational challenges and barriers in the canadian food processing industry

Ayushie

Southern Alberta Institute of Technology
Alberta, Canadá
ayushie@edu.sait.ca

Jarah Alave

Southern Alberta Institute of Technology
Alberta, Canadá
Jarah.alave@edu.sait.ca

Jisoo Park

Southern Alberta Institute of Technology
Alberta, Canadá
Jisoo.park@edu.sait.ca

ABSTRACT

This article aims to examine, through an analysis, the organizational challenges and barriers in the Canadian food processing industry, the investigation was guided by a postpositivist, qualitative, documentary approach, with bibliographic design, including literary review to know the state of the art of the categories studied, as well as the collection of information obtained from the bases of data, scientific journals, degree projects, institutional repositories, as well as the identification of objectives. It was based on postulates of Paz, Paz and El Kadi (2017), Nelson, Quick, Armstrong, Roubecas, Pervox, (2022), Thomas (2020), Nguyen (2017), among others. The findings demonstrate that because of the controversy about the mistake of producing Black Lives Matter gelato for a cause, perceptual barriers and cultural diversity occurred between the company and the general public. Former employees made statements about the harrowing experience when they were in the company. The black community had spoken out against the wrong way Righteous Gelato company put out about the cultural issue. Also, it was found that indirect communication through managers of each department were more common rather than direct communication, so it has an environment where misunderstandings are likely to occur. This can undermine the company's image and interfere with smooth communication within the company.

Key words: Organizational challenges, Barriers, Food processing industry, Digital Communication.

INTRODUCTION

The food and beverage processing industry is the second largest manufacturing industry in Canada accounting for 17% of total manufacturing sales and for 2% of the national GDP (Government of Canada, 2022). It's the largest manufacturing employer and provides employment for 290,000 Canadians. It supplies approximately 70% of all processed food and beverage products available in Canada and is the largest buyer of agricultural production. Exports of processed food and beverage products stood at a record value of \$38.9 billion in 2019, accounting for 33% of production value. Righteous Gelato is one of the fast-growing companies in the Canadian food processing industry and it will be used in this report to understand the organizational challenges and barriers in the industry.

Righteous Gelato is a Calgary-based brand that serves a small batch of gelato and sorbet with various tastes (Righteous Gelato, 2022a). It was founded in 2009 by James Boettcher, who was born and raised in Calgary (Righteous Gelato, 2022b). Their sorbet is always gluten and animal-fat-free and vegan-friendly. While their regular gelato flavors contain fresh milk and cream, their plant-based varieties are hundred percent dairy-free. They have 24 gelatos of different tastes (Righteous Gelato, 2022a).

Originally named Fiasco Gelato, it first hit store shelves in 2014 as it grew to be the category leader in Calgary and across Canada (CO-OP, 2020). It got renamed Righteous Gelato in 2020 to overcome long-standing trademark challenges so that the brand can grow in the US and around the world in the future.

The company's commitment is to have a tangible impact on how the companies look, how they act, how they treat their people and employees and what people deserve in terms of quality and integrity as consumers (Righteous Gelato, 2022c). "We are conscious of our impact on the global environment and source as locally as possible to contribute to a more mindful way of doing business and to strengthen our surrounding economy. That means milk from our backyard, fruit from places who care, sugar from a cane—nothing GMO" (Righteous Gelato, 2022a, para. 5). They always make gelato with sustainable packaging to help the planet get rid of waste and make their facility reuse water. They prioritize the people in the company first and the profit second. They promote a culture where everyone feels welcomed and respected and experiences excellent rewards for doing

great. And they have a purpose of helping as much as they can by giving donations to enrich the people's lives (Righteous Gelato, 2022c).

“The company's vision is built on solid forging relationships, empowering people, innovation, forward-thinking and legendary customer experience backed by the best quality products possible” (Righteous Gelato, 2022b, para. 2). Righteous gelato is in over 2500 stores across Canada and select stores in the US. There are 114 locations to buy products in Calgary (Righteous Gelato, 2022d). There is an excellent map on their website that can show all the locations in an area.

Righteous Gelato was selected because it is based in Calgary and aims to become global (CO-OP, 2020). It is well known and has a great mission. Its products follow the current trends, 100% plant-based/vegan approach and are revolutionary, being gluten-free and animal fat-free gelatos and sorbets (Righteous Gelato, 2022a). People in today's times have become more inclined towards fitness and a healthy diet throughout the world. Because of their healthy desserts, their products can grow in the global market. As stated above, they also follow procedures like sustainable packaging to minimize their business' adverse effects on the environment. Their sustainability provides them with an incredibly positive image from the marketing perspective (CO-OP, 2020). Righteous Gelato seems like an ideal and promising modern business to us.

METHODOLOGY

The project that originated this article was done with postpositivist method, qualitative approach, documentary and bibliographical design, after understanding the literary review, the information as well as the identification and categorization of objectives. Documentation and information from various sources were taken into consideration, such as books, scientific articles, databases that brought together scientific journals, repositories, through which relevant information was compiled, working documentary observation with the matrix analysis of the categories, by means of a comparative critical review.

It is based on the findings and explanations of Pelekais et al., (2015), for whom speaking of documentary research refers to a study that demand for its development of a pre-existing condition have selected a topic in specific that needs to expand, for it to be

done, it must have been defined and sufficiently justified for the purpose of exploring the reality of what is investigating in the sources consulted, also concern the need for accuracy, clarity, as well as the level of synthesis which must meet, so realized approach demonstrates relevance and total correspondence with what was analyzed. In this way, it is possible to respond to the objectives or purposes raised at the beginning.

ORGANIZATIONAL CHALLENGES FOR TODAY

One issue in two of Hofstede's Dimensions that Righteous Gelato would need to consider

When the Chinese culture is observed, there are many differences with Canada. Righteous Gelato, which is planning to expand their business to China, should consider the cultural differences with China because it is enormously important to understand the country that the company wants to do business in, for being successful. For example, Figure 1 shows that China has high characteristic of collectivism, unlike Canada's individual characteristics. Chinese people care more about others' feelings or situations when it comes to working together. If there is more work to do for the team project, they will stay in their workplace, even after their regular work time, to complete it. However, Canadian people are more individual workers, they do not work outside their work time (Wilson, 2019). For example, if there is work pending for the day, Chinese employees in the team will prefer staying back after office hours and completing it whereas Canadian employees would prefer completing it the next day.

Since China has a high score for Power distance in the Hofstede model, they think "being too Upfront is considered rude" and "the hierarchy is Important" (Wilson, 2019, para.6&7). According to Panda buddy, Employees may have various complaints about the company. In Canada, people tend to talk about complaints when they need, but in China, they may think it is rude to talk too honestly. If a Canadian company enters China, they might need to take a step back with their opinions (Wilson, 2019). If they really need to complain then it is important to bring up the conversation in such a way that it does not hurt the other person's feelings. The chart in Figure 1, given below, shows the dimensions between China and Canada from the Hofstede Insights website.

Two recommended actions to overcome these cultural differences

A recommended action to overcome cultural differences is considering standards of expectations, as they are different when China's work culture is compared to Canada's work culture. While most western businesses would try to achieve perfection, many Chinese companies set a lower standard, in which they aim for just good enough. These differences may make it difficult for both western and eastern stakeholders to work together at first, so they need to reach a compromise on what they expect (Ponomareva 2019, para. 4). It is better to understand Chinese work culture as the complete opposite of what most western work cultures look like. Their standards of work are different. To overcome this cultural difference, it is best to adjust and learn the standards of work in China, in order to work in their economy.

Another recommendation to overcome cultural differences is to embrace the differences. By appreciating the strengths and skills from both the Chinese work culture and Canada's work culture. Embracing these differences and allowing them into the business can help connect better to a new culture and make a better impression on the workforce. Being sensitive and having the willingness to understand others and explaining the work expectations to the workforce can lead them to be available to help Righteous Gelato. Becoming a trusted member of the social network can lead to having supporters who can help when the company needs them the most (Ponomareva, 2019).

Two alternative work arrangements and their efficacy

Since many technological innovations have occurred, companies can produce mechanically in various ways and more effectively. COVID-19 has caused many businesses to suffer. If even one of the employees gets infected, then all other employees who had close contact with the infected person are more likely to be quarantined. This has led to a shortage of labour, and many companies have this concern. Therefore, it is necessary to build machines and systems that can check the quality as well as production (Karsen, 2022). Moreover, it requires a lot of labour for a company to enter China, which may not be easy in the Covid situation. When the company wants to expand their business, they need to hire more workers. Buitrago & El Kadi (2019). Therefore, they should consider telecommunicating systems, and meetings should be made possible by video conferencing amongst employees so that the work keeps getting done despite the pandemic.

From our personal experience, we saw that not only companies but also schools had to move everything online due to the spread of Covid-19. At first, both students and teachers were uncomfortable, but now, two years after switching to the online system, many people are getting used to it and adjusting. At first, it will be difficult to change but it will also benefit the company more if it goes through trial and error and gets adjusted early (Colleen et al., 2021).

PERSONALITY AND PERCEPTION

MBTI Instrument of personality assessment

We selected the Myers Brigg’s Type Indicator Instrument (MBTI) for the personality assessment of James Boettcher, the owner of Righteous Gelato. We were given an MBTI assessment as a part of our class activities and found the individual results relatable. It provides descriptive profiles of personality types based on their preferences (Nelson et al., 2020). No preference is good or bad, a combination of these preferences helps understand individual differences. This makes MBTI an effective instrument not just in the field of career counseling, team building, and conflict management but also in understanding management styles. James Boettcher’s management style can be understood based on the eight preferences (four pairs to choose from) of MBTI in the table given below-

Table 1: *Type Theory Preferences and Descriptions*

Extraversion (E)	Sensing (S)	Thinking (T)	Judging (J)
Outgoing	Practical	Analytical	Structured
Publicly expressive	Specific	Clarity	Time oriented
Interacting	Feet on the ground	Head	Decisive
Speaks then thinks	Details	Justice	Makes lists/use them
Gregarious	Concrete	Rules	Organized
OR	OR	OR	OR
Introversion (I)	Intuition (N)	Feeling (F)	Perceiving (P)
Quiet	General	Subjective	Flexible
Reserved	Abstract	Harmony	Open-ended
Concentrating	Head in the clouds	Heart	Exploring
Thinks, then speaks	Possibilities	Mercy	Makes lists/lose them
Reflective	Theoretical	Circumstance	Spontaneous

Note. Adapted from *ORGB Third Canadian Edition*, by D. Nelson, J. Quick, A. Armstrong, C. Roubecas, J. Condie, 2020, p. 3-4b,

A combination of the above-given preferences gives sixteen distinct types of personalities that have their strengths and weaknesses (Nelson et al., 2020). For example, ESTJs are practical, dependable, go by rules and regulations, demand control, and may have little tolerance for disorganization.

Personality assessment of Righteous Gelato's leader

According to this assessment, James Boettcher can be placed under the ENTP preference type, that is, his management style is more Extraversion-Intuition-Thinking-Perceiving type (Nelson et al., 2020).

Examples to support personality assessment

The founder had only eighteen hundred dollars in his name when he decided to pursue his idea (Righteous Gelato, 2022b). His first set-up/shop got engulfed by fire just a few days before opening. Despite that setback and financial loss, James Boettcher did not stop and started manufacturing from a garage. Slowly their hard work got recognized and after helping during one of the B.C. floods they were on the verge of becoming a national brand. They set up their factory in Calgary to meet the increase in demand and again fire struck and destroyed the facility. The company again overcame and got a place on the stores' shelves nationally. They are in select stores in the US too. This example shows that James is outgoing, has high risk-taking ability, and has a sheer will. He does not wait for the resources, when he has an idea, he just goes for it. Also, he keeps planning as well as changing plans along the way. These choices make him bend towards extraversion and intuition preferences. De Pelekais & El Kadi (2019), and (Nelson et al., 2020).

In 2020, James decided to rename the brand to Righteous Gelato despite the company getting established as a brand nationally and becoming well known as Fiasco Gelato. The motive was to overcome trademark challenges to expand globally (CO-OP, 2020). This again shows his risk-taking ability, flexibility, and spontaneity. This makes him more of having perceiving preference (Nelson et al., 2020). They have a very clear mission as a company and the choice of the new name, Righteous, was very thoughtful. It is in line with the mission and represents the choice of their raw material, showing that he prefers thinking rationally and analytically with clarity.

When it comes to employee benefits and engagement, Righteous Gelato follows techniques like employee ownership and profit-sharing which in turn provide employees with stakes and earn loyalty in return (Righteous Gelato, 2022a). Leave benefits like 100% top-up and extended parental leave, unlimited vacation for team members over one year, etc. are like cherry on the pie but when employees have shares in the profit, they will avoid unnecessary vacations. Though apparently, it looks like an empathetic approach, this combination again is very thoughtful and that is why we think that he has more of a thinking preference than feeling (Nelson et al., 2020).

One perceptual barrier that would affect Jame's hiring decision

As James is a more perceiving type, a first impression error would affect his hiring decision (Nelson et al., 2020). Also, his team mostly consists of millennials except for one baby boomer. As he himself belongs to Generation Y (millennials) he seems more inclined towards hiring them and that again shows that first impression error might affect his hiring decision (Righteous Gelato, 2022a). It means If a young candidate tells him during the interview that he/she supports his cause and vision even if it is not true according to his/her experience, then James may give this candidate a chance due to his risk-taking nature and spontaneity (Nelson et al., 2020). He may oversee a Baby Boomer candidate with lots of experience who can drive the organization to success as an executive leader.

One problem that may develop within Righteous Gelato as a result

As a result of this perceptual barrier, the company may have such an executive leader in the team, who lacks experience (Nelson et al., 2020). Along with that if the person does not believe in the company's mission, then he/she may stray away from it. All this may give rise to wrong decision making and friction amongst the team members and the company may suffer setbacks like delays. By the time James realizes it, a considerable amount of time and resources may get lost and the company may incur negative costs.

EMOTIONS, ATTITUDES, AND ETHICS

Righteous Gelato's vision and mission

The vision of Righteous Gelato is to continue to grow and make good influences and changes in society. This vision is based on the beliefs and practices of the company. They are obsessed with quality, spare no effort to continuously improve and maintain innovation

and creativity. They are committed to creating a culture where everyone feels welcomed (Righteous Gelato, 2022f).

Righteous gelato's mission goes beyond just for sale and has a social and environmental mission. They have a social mission of enriching people's lives. James Boettcher, the Chief Executive Officer of Righteous Gelato, said that they will use renewable and recyclable packaging as much as possible to fulfill their environmental mission and will fulfill their responsibility towards the community, for the positive and negative impact the company has on the community. He also promised that they will continue to pay attention to areas such as climate change, waste reduction, living wages, affordable housing, poverty reduction, and eradication of domestic violence (Righteous Gelato, 2022g).

Righteous Gelato- corporate social responsibility

Righteous Gelato has committed to donating one percent of their total revenues to organizations that aid in their mission of enriching people's lives, specifically, reducing poverty and food security, creating opportunities for kids and youth, ending domestic violence, and investing in grassroots organizations that support local communities (Righteous Gelato, 2022c). All the team members at Righteous Gelato have formed a 'Giving Gang' which dedicates one thousand volunteer hours each year to these causes or any other cause that is close to the local community. Righteous gelato is committed to the highest standards of social and environmental responsibility and ethical conduct (Righteous Gelato, 2022e). They have made a commitment to purchase core products (at least 50% of non-labour expenses) from independent suppliers, local to where the final products will be used or where they operate. Martinez & El Kadi (2018).

Persuasion applied to consumers, clients, or employees to change attitudes

Righteous, a small batch gelato company, has continued to grow locally and internationally. They have built a sturdy foundation after many hardships and, therefore, many retailers have approved of their products. The Whole Foods Market is the favourite retailer because they have been selling the most extensive flavours from Righteous (Krause, 2020). Righteous Gelato made the best quality ingredients that caught the eye of many people, especially those that cannot have dairy. Plus, gelatos are less fatty than most ice

cream. One of the consumers named Natasha Dheda, a dairy-free foodie from YouTube, made a statement that “the whole reason I wanted to try these (gelatos) is that being dairy-free is tough and I’ve never found gelato. This is the first gelato company I’ve found” (It’s Natasha Friendly, 2021, 0:54).

Natasha Dheda was amazed by the dairy-free gelatos that have different plant-based gelatos to choose from, unlike the other ice cream companies that produce limited options, typically chocolate and vanilla. And so, she ordered six different gelatos from the website and arrived in a “rock-solid” condition. It was a smooth delivery because it comes in an insulated Styrofoam container with dry ice. She added that she had hopes up for the Roasted Salted Pistachio, which was never dairy-free compared to ice cream (It’s Natasha Friendly, 2021). She loved the familiar smell of the flavour that she had only made on her own before when she opened the pint and then went on to enjoy the creamy taste of her favourite snack. “When I first knew about this company, which was Fiasco (former name), and I saw these pints from the grocery stores, I only saw the dairy-free ones in the sorbet version. I was so mad because the other companies made good ice cream flavours with dairy, and then the only option I got was sorbet. So, thank you (Righteous Gelato) for making this dairy-free” (It’s Natasha Friendly, 2021, 9:29). Overall, the company provides an excellent service, from making gelatos to packaging to satisfying customers.

How Digital Natives influence Righteous Gelato’s means of communication

According to Wikipedia, “The term digital native describes a person who has grown up in the information age. Often referring to millennials, Generation Z, and Generation Alpha, these individuals can consume digital information and stimuli quickly and comfortably through devices and platforms such as computers, mobile phones, and social media” (Wikipedia, n.d.). As explained earlier, it is important for companies how digital natives communicate because the generation who grow up in a digital environment and understand and handle digital refers to people in their late teens to early 30s. These people currently occupy most of the workforce. Paz et al. (2017).

Unlike previous generations, they prefer to use smartphone chat apps or SNS to communicate quickly and efficiently rather than direct communication. That is why they think it is an immediate and efficient means of communication. Another reason is that they prefer to use comprehensive cloud platforms such as Office 365 and integrated software

applications such as Dropbox (Nguyen, 2017). Therefore, Righteous Gelato should create an environment to enable fast and efficient work processing using these efficient digital communication methods and platforms. Understanding digital natives and creating a digital work environment by Righteous Gelato is vital because it realizes their needs and benefits them more.

Two challenges of digital communications

Two major challenges of digital communication are as follows:

1.) Misinterpretation of information- Information conveyed through digital means can be misinterpreted because of a lack of human expressions, especially formal ones (Nelson et al., 2020). More because using emojis as a substitute for human tone and expressions are not considered professional for formal conversations.

2.) Delays or loss of time- Digital communication is not the best way to have discussions. They can lead to delays due to the enormous amount of time consumed, say in emailing back and forth (Nelson et al., 2020). A discussion that may take no more than ten to fifteen minutes face to face may end up taking hours via emails or online meetings. Apart from that network issues cause serious delays when it comes to face time and can be very frustrating sometimes.

One benefit of digital communications

One of the major benefits of digital communication is that it has made it easy/comfortable to communicate while multitasking or being physically unavailable. It also helps avoid unnecessary face-to-face interactions (Nelson et al., 2020). Introverts who feel drained by physical interactions can work more efficiently by communicating digitally.

Two barriers of communication that are faced by Righteous Gelato

There were many barriers reported from the news about the product made by Righteous Gelato and they received a lot of criticism because of it. First, there was a perceptual barrier since many people think that the company is making a profit from sensitive issues. “They debuted a chocolate mint chip gelato online on Friday, writing the \$5 from each \$12 jar sold would ‘support efforts to combat systemic racism and advocate for racialized and marginalized communities’” (Dryden, 2020, para. 2).

It harmed the receivers of the message, so, Righteous Gelato stopped the campaign. Secondly, the other barrier was cultural diversity because of both the person who created the imagery of Black Lives Matter and the CEO of Righteous being white. The citizens, specifically the black community, were disturbed by the chosen artist, Mandy Stobo, a white Canadian. She interpreted the controversy into art that seemed detrimental to them. It was an ignorant thing to do that the company made an emotionally damaging art given everything they experienced. There would be a positive impact if the company hired someone that can make meaningful information and got a shared experience about Black Lives Matter (Dryden, 2020).

The Black Lives Matter movement started after police brutality to a black person, George Floyd, that died later, and it was on camera (Canadian Press, 2020). It was posted and became a topic to everyone. It was already traumatizing to have seen the footage and, even from all the history, such as black slavery, people were still experiencing threats. Since it has become a trend to support the movement, Righteous Gelato was also going along. The campaign was for a worthy cause, but the people had not recovered from Floyd's death, and the issue was an uprising. It was still overwhelming. That is why they could not accept how Righteous represented the movement without further understanding the issue. They focused on having a shared space of love but failed to do so. Therefore, James Boettcher was genuinely sorry about it (Thomas, 2020).

An action was taken when the company and the artist were apologetic about what they had done. Thus, it was a learning experience for the company as they accepted the criticism that they received.

Two gateways that can be used to overcome these barriers

1.) A gateway that can be used to overcome these barriers would be to use Perceptual Filters. It has been repeatedly established that individuals prefer to communicate with others who share their beliefs and are more likely to accept information from people with whom they share an opinion (Nelson et al., 2020). Such as the employees that are part of Righteous Gelato have and share the same goal as the founder of Righteous Gelato.

2.) The second gateway that can be used to overcome these barriers would be to use Cultural Diversity. "Righteous Gelato is a company that welcomes, accepts, respects and values people from every background" (Righteous Gelato, 2022c, para. 2). In the textbook,

culture is considered a filter that affects all communication, both verbal and nonverbal. Culture shapes all aspects of communication, yet cultural values and patterns of behaviour are confusing barriers to communication because most cultural differences are invisible and silent. (Nelson et al., 2020). As such the company is very accepting of people and their backgrounds. By accepting their background, the company is willing to hire people of diverse cultures, races, gender, religion, etc., and is working towards having a diverse workplace.

James Boettcher posted a letter of apology on Righteous Gelato Facebook page along with steps to overcome the barriers.

How Righteous Gelato motivate their employees

Motivating employees in a business is one of the major keys to success. Maintaining and developing employees' motivation can increase their productivity and lower turnover rates (Perbox, 2022). Therefore, it is important for the company to motivate its employees. Righteous Gelato has taken many steps in this direction and the major one is giving the employees a share in the profit (Righteous Gelato, 2022a). This gives them a real sense of ownership. It's a good way to get them motivated to work towards the company's success. Along with that, the company provides its employees with lucrative paid vacation policies. When people know that they can get time off whenever they want, it motivates them to work better with a sense of freedom. Below given are two theories that can explain the motivations for different individuals.

1.) Need Theory- McClelland's Need Theory believes that everyone has one of the three main motivations, and these three main motivations are achievement, strength, and affiliation (Nelson et al., 2020). Applying this theory identifies what can motivate each employee, and the company can effectively motivate them accordingly. To apply Need Theory, it is necessary to distinguish which employees are of which type and to select different motivational methods. For example, achievement-type employees need something worth a challenge, and their boss can stimulate their desire to achieve and motivate them by checking the work accomplished and giving feedback. In the case of power-type employees, they are given certain responsibilities and motivated when they are in charge. They can work harder when they are given the leadership of a project. Affiliate-type employees are motivated when they are in a group, and they want to avoid uncertainty and risk. This type of employee should be included more in teamwork, and when giving

feedback, they are more motivated by compliments in private rather than compliments in front of many people (Mindtools, n.d.). Therefore, the company should understand this theory and analyze the characteristics of each employee and motivate them accordingly, which will increase employees' job satisfaction and increase productivity. (Ramirez et al., 2021).

2.) Process theory- There is another way to motivate employees by applying the Process Theory. In Process Theory, Equity Theory states that people are motivated by fairness and equity. If they are treated unfairly, their motivation will fall (EPM, 2018). There are two parts to the Equity Theory: Perceived input and Perceived Outcome. Input can be time, effort, experience, and creativity, and Outcome can be Pay, rewards, status, and honour obtained by these inputs. For example, if the team achieved good results and each member earned the same amount of bonus, the employees who worked harder will complain. That is if the amount of compensation is the same for all employees irrespective of the different amounts of work put in by each member, the motivation of employees will decrease. To motivate employees, it is necessary to compensate them according to their efforts. For example, in a team project, the boss needs to evaluate who did what. More compensation should be given to employees who have a greater contribution, based on the evaluated data.

New motivation strategy that the leader can implement to improve employee performance

1.) Intrinsic- The leader of Righteous Gelato can implement a new motivation strategy to help employees add value and grow the company. Also, he can consider applying McClelland's Need Theory for intrinsic motivation. While allocating work responsibilities it's beneficial to know how different types of employees are motivated. Accordingly, power-conscious employees can be considered for leadership roles, performance-conscious employees can be teamed up to work in groups, etc (El Kadi & Antunez 2017) while giving feedback, it is important to encourage each type differently.

2.) Extrinsic- For the Extrinsic incentives, the company can consider applying the Equity Theory. The company can give appropriate compensation and benefits based on the performance of individual employees (Nelson et al., 2020). For example, bonuses to performing employees, reward vacations, or compensation through certain products can be

a way to motivate through extrinsic parts. The figure given below gives some implementation examples about the theories discussed above.

An actual problem in the past, where a team was used by Righteous Gelato to solve it to improve their business

An actual problem that the company encountered was when they were supporting the movement “Black Lives Matter”. There was a misunderstanding and a controversy when the public was introduced to the product that Righteous Gelato was promoting for the movement (Dryden, 2020). The team that was using social marketing faced heavy backlash for the images on products and how it was introduced to the consumers. There were several criticisms received by the company due to how the message was harming the receivers. There was also backlash due to how the imagery was created by a white artist.

Why would the company use a team rather than assigning it to one person to solve this problem?

One specific reason that the company would use a team rather than assigning it to one person to solve this problem is that in a team there are people who can think and solve this problem with more than one solution (Nelson et al., 2020). There are very few ideas and biased solutions when it is just one person thinking to solve the issue. In a group of people, there can be an exchange of ideas and various opinions regarding the solution to the problem. This is also more effective because teams are exceptionally good at performing work that is more complicated and/or more capacious than one person can handle.

Another very important reason that the company would use a team rather than assigning it to one person to solve this problem is that the one person trying to solve this problem would lead to another problem because the solution provided might not be the best solution to solve the problem (Nelson et al., 2020). With a team working on solving this problem that the company is currently facing there might be a better solution when a group of people exchanges ideas on how to solve the problem and they have thought of multiple situations than a single person who can only think of a few. Teams also provide a variety of skill sets and knowledge bases and can draw on from members varied expertise to implement potential solutions, arriving at the most efficient and effective resolution.

One difficulty the company's team might have experienced when trying to solve this problem

One difficulty that the company's team might experience when trying to solve this issue is the cultural part of the problem because the movement is based on a man that was black and brutalized by a police officer (Dryden, 2020). There is a race involved in this movement specifically black people because it started after a black man died due to police brutality.

One suggestion to address this difficulty to enhance team effectiveness and promote positive group behavior

A suggestion that can address this difficulty to enhance team effectiveness and promote positive group behavior is to have the voice or opinion of a black person on how to address the issue so that there aren't any misunderstandings or any ill intentions behind the actions through which the company is trying to help the movement (Dryden, 2020). Another would be to consult a group from the black community so that the message or imagery doesn't come across as offensive. By doing this there wouldn't have been any criticisms or any backlash toward the company.

Organizational structure of Righteous Gelato

Righteous Gelato does not have its organizational structure stated officially but based on our observations they seem to have a functional organizational structure given a team of around thirty employees (Righteous Gelato, 2022b). The organization seems to have a functional structure, one with a CEO and managers for different departments (Nelson et al., 2020). Because they have a factory and the products need to be supplied to various stores in the US and Canada as well as raw material need to be sourced, so the two possible departments are production and supply chain. Then marketing is a department of its own which is most essential for a brand. Each of these departments must be having managers with the CEO on top of all.

Design Dimensions of Righteous Gelato

They have a clear vision and mission statement (Righteous Gelato, 2022b). This gives them a formalization design dimension (Nelson et al., 2020). They seem more of an organic organization than mechanistic and seem to have employees with specialized skills.

This shows that they have a medium to low level of centralization given the single owner is the CEO who calls himself Chief Empowerment Officer in place of the executive in his LinkedIn profile. This shows that he has decentralized decision-making. El Kadi (2020). The organization has a high level of specialization with a small team with varied skills. As they are in food item production with a factory, they must be highly standardized as, in such a setup, activities need to be performed routinely. The organization doesn't seem very complex. With a small team of around thirty people, it won't have more than two levels of hierarchy, one of them and the highest being James Boettcher, the CEO.

The Nature of Conflicts in Organizations and Sources of Conflicts in Organizations

The former employees of Righteous Gelato had spoken out to confess how the company treated them. Sprawl Calgary interviewed twelve former employees, and they published the article on July 25, 2020. It was the year when the Righteous company had been experiencing so much criticism, which started when they produced the Black Lives Matter Gelato.

The former employees had a common problem with the CEO, James Boettcher's leadership behind the scenes. Even though the company had always received recognition as one of the best in Canada, it's a different story for the people who worked there before. They were being "pressured to work their best without compensation, staff were publicly shamed, and workers who made mistakes were coerced to reimburse the company for errors—even as they were urged to write positive online reviews of the company" (The Sprawl, 2020a, para. 5). The two sources occurring in this scenario are process conflict and relationship conflict.

The first phase of the conflict was that Carling Nugent, a former employee, was chosen to represent Fiasco (former name of the company) at the folk fest in the summer of 2016. She was a new employee who got hired for only over two weeks. The second phase of the conflict was the need for proper training since she knew the importance of the event. Eager to do an excellent job, she asked for Boettcher to train her, but it wasn't what she expected the training meeting with him would be. Nugent stated, "He spent the entire time name-dropping..."

He bragged the entire time about how he would be working with long days, and he would be backstage with all artists because he was cool. Like, not helpful” (The Sprawl, 2020b, para. 16). Other former employees had gone through the same lack of training. Their peers did expect them to know everything in a short time, and if they did not, they didn’t belong to the company and would have to find someone to place them. The third phase of the conflict was when Boettcher asked Nugent to change a burnt-out lightbulb when they closed the Fiasco tent for the night. He had no clue and looked annoyed when she asked where they stored the light bulbs at the warehouse. That weekend, Andie Amaya, another former employee, witnessed the conflict between James Boettcher and Carling Nugent. She recalled, “He just kind of tears into her and told her she’s inept and all these other insults that I can’t remember.

But I do remember him calling her inept and insulting her and ridiculing her in front of all of us (The Sprawl, 2020c, para. 21). The conflict did not move on to the last phase, which was to resolve the issue that was currently happening at that time. Because during that time, Boettcher was out drunk, and that night was left with Nugent mortified.

Approaches to Conflict and Conflict Management Techniques

One technique that the leader used in this scenario was avoiding the issue. In an interview with The Sprawl, Boettcher said he doesn’t recall details of the exchange at the folk fest but acknowledged that he would always be frank in his feedback to employees—“direct, to the point, precise in what needs to happen. I won’t deny that I am passionate and precise about detail, because the small things are always going to be the big things,” he said (The Sprawl, 2020d, para. 23). However, another problem arose when Nugent and her crew went to Canmore the weekend after the folk fest. It was a two-day event working in the Fiasco food truck, and they did not get any accommodation where they just slept on the ground.

The only one who personally assisted was Nugent’s husband. Out of frustration, Nugent sent her resignation letter and then posted it on Instagram after the Black Lives Matter debacle in June. She wrote, “I know my worth and the value I bring to a team. And I will not subject myself to any further degradation in any job, anywhere” (The Sprawl, 2020e, para. 35). Boettcher followed up with her by email: “While we are not perfect, our culture here is to foster and empower fully-formed adults”—Nugent points out she was 28

at the time— “and give them the ability to truly carve the path they wish, through hard work, determination, and being open to feedback and accountability. This is very similar to life from my viewpoint, and I recognize it isn’t for everyone” (The Sprawl, 2020f, para. 37).

Boettcher closed by saying there would be no ill comments or feelings. “I know you tried to make it work, but it just wasn’t a match,” he wrote (The Sprawl, 2020g, para. 38), and this was a sign that he had low EI (Emotional Intelligence). The management technique of avoidance was ineffective because there was no negotiation or a straightforward solution to the conflict, but it did worsen instead. The settlement between people did not even occur from the beginning of the issue to the end since they left everything on a negative note. If there was any way to do this better, they could have improved communication by clarifying roles and building trust and showing humility when they had done the wrong thing even if one could not recall it and the other person had grudges because of that.

CONCLUSION

Righteous Gelato has become popular in recent years because of its fantastic production. However, there were some major fallbacks. The company leader, James Boettcher, made a significant breakthrough after the chaos at the beginning of the business. He endured a big loss when the company was called Fiasco. The new storefront was burned down two days before the opening. And when it became Righteous since the company became known as a company that made natural and tasty flavours to choose from and impacted the flood that happened in Calgary through donations. But because of the controversy about the mistake of producing Black Lives Matter gelato for a cause, perceptual barriers and cultural diversity occurred between the company and the general public. Former employees made statements about the harrowing experience when they were in the company. The black community had spoken out against the wrong way Righteous Gelato company put out about the cultural issue.

Righteous gelato owns multiple departments, factories, and stores. It uses indirect communication through managers of each department rather than direct communication, so it has an environment where misunderstandings are likely to occur. This can undermine the company's image and interfere with smooth communication within the company, so be

wary and develop ways to improve it through a lot of feedback and communication. Having a lot of quality feedback helps the company survive in difficult situations. Using a digital communication system prevents delay in facing and solving problems and enables collecting mass feedback.

A company's value is not only made by good products but also combined with its purpose, action as well as product itself. The business needs to be aware of sensitive issues and have perceptual filters. After the Righteous Gelato went through all the problems, they managed to overcome and improve their organization.

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