***Texaco Yesterday vs. Today: Now, Only the Oil Is Crude***

Today, Texaco is a proud part of Chevron Products Company. This large oil company proclaims proudly in its *2005 Corporate Responsibility Report* that it “is working to increase the representation of minorities in our workforce.” Emphasizing further, it also states the following:

*We learn from and respect the cultures in which we work. We value and demonstrate respect for the uniqueness of individuals and the varied perspectives and talents they provide. We have an inclusive work environment and actively embrace a diversity of people, ideas, talents and experiences.*

Ten years earlier, however, one would have little reason to believe any of these statements. That was in 1996, a bleak year for the venerable Texaco. One fall day while the company was in the midst of defending itself against legal charges of discrimination brought by 1,400 African American employees, a few top executives met to decide how to proceed. Secret tape recordings of that meeting revealed not only that these officials discussed destroying some incriminating documents, but worse yet, they freely used racial epithets in the course of doing so. After these tapes were shared with the plaintiffs’ attorneys and the *New York Times*, Texaco found itself in the midst of a public relations nightmare. In the days that followed, the company’s stock dropped so much that it lost nearly $1 billion in value. Shortly thereafter, Texaco’s chairman and CEO, Peter I. Bijur, settled the lawsuit, paying $140 million in damages and back pay to minority employees and setting aside another $35 million for a task force to monitor the company’s treatment of women and minorities for the next five years. In doing so, Texaco’s goal, according to Bijur, was to become “a model of workplace opportunity for all men and women.” Has Texaco met this goal? Observers note that although Texaco is still not among the most hospitable companies for members of minority groups, it has made considerable strides. Statistics tell the story. In recent years, over 40 percent of recent hires and about a quarter of all newly promoted employees have come from minority ranks. Also, over $1 billion – approximately 15 percent of the company’s spending – has been directed at businesses owned by women and members of minority groups. And, although 80 percent of the company’s top executives are still white men, growing numbers are coming from minority ranks. “Now,” Bijur remarks, “we treat all people with the utmost respect – and that is a real achievement.” Because Texaco is under careful scrutiny – both from the courts and from the public – with respect to its treatment of women and minorities, it doesn’t have much choice in the matter. Still, the company has shown that it is quite serious. Completely overhauling the way it went about hiring and treating people, Bijur took several steps to show that he would not tolerate disrespect. Rather than simply talking about promoting equality and respect for everyone, he set meaningful goals and timetables to help advance women and minorities. So serious are these goals that a portion of all top executives’ and mangers’ annual evaluations is based on how effectively they meet them. Importantly, the company has prospered financially as it has strived toward these goals. Clearly, changes have resulted: Corporate attorneys who used to spend time defending against discrimination lawsuits have found that virtually no such complaints have reached their desks in recent years. Even Bar-Ellen Roberts, the woman who initiated the lawsuit against Texaco, is optimistic that the company will continue its efforts to improve the treatment of women and minorities in the years ahead. “Then again,” she said, “they had to – things could not remain the same.”

**Question:**

 Identify the problems identified in the case.

 Evaluate the options of possible solutions presented by the authors.

 Analyze the case study from the information provided by conducting a SWOT analysis (strengths, weaknesses, opportunities, & threats) of the case.

 What was the author's recommend solution? Do you agree or disagree with their Recommendation(s)? Why or why not?

**Cite the reference in APA format and should include at least 3 external resources.**