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12-4a Corporate Culture

As mentioned earlier, Wilson founded his company based upon the values of Ayn Rand. The notion of striving for greatness resonated with Wilson after having read Rand's book *Atlas Shrugged* at the age of 18. Since then, he has utilized the concept as a way to market his brand. This idea of "greatness" contributes to a competitive organizational culture. Wilson admits that the firm tries to hire employees with Type A personalities, or those with more competitive personalities who are concerned with achievement and personal improvement. New hires read books selected by Chip Wilson that he felt were critical to personal development. Employees are also required to write out their goals for the next 10 years, which are then posted in Lululemon stores. Employees are encouraged to exercise regularly and remain close-knit.

Some have questioned how this competitive culture obsessed with greatness fits in with the yoga tradition based on Buddhist and Hindu philosophies. Both ideologies promote the notion of ridding one's self of the Ego. The Ego is seen as a source of suffering, and Buddhism is based on the absolution of suffering. Enlightenment is achieved when the Ego has been successfully removed. There are specific postures used to accomplish this, and it can take years of practice. On the other hand, one of the criticisms of Lululemon goes back to Ayn Rand's teachings and their promotion of "rugged individualism," the elevation of mediocrity to greatness, and the relentless pursuit of happiness. Despite it being a business, some believe that these "individual" teachings do not belong in the yoga clothing industry because they directly contradict the Vedic philosophy that underlies yoga. Others have claimed that Lululemon's corporate culture is almost "cultish" in its style. When Lululemon donated \$750,000 to the Dalai Lama Center for Peace and Education, it received both praise and criticism. While the Dalai Lama Center's chairman cited the company's generosity, critics believed the Dalai Lama should not be associated with a profit-making organization. However, the company claims that the donation fits well with its vision of mind-body-heart.

In March 2011, an employee of a Lululemon store located in Bethesda, Maryland, was brutally murdered by her coworker after hours. It is believed the employee had observed the coworker trying to steal clothing from Lululemon. After the store closed, the coworker lured the employee back into the store and brutally murdered her. She then attempted to make the scene look as if two masked men had broken in and harmed them. After the truth was revealed, the coworker was sentenced to life in prison without parole.

Lululemon and many others attribute this brutality as a random act of violence. However, those who describe the corporate culture as "cultish" and "competitive" argue that the culture creates an environment where employees are pressured to live up to company standards. Although this in itself is certainly not the reason for the murder, critics have sometimes charged Lululemon with having an unethical corporate culture promoting competition over collaboration.

Book Title: Business Ethics: Ethical Decision Making and Cases

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