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Developing a sustainable environment for workplace diversity

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Abstract: The purpose of this review was to highlight the importance of developing a sustainable environment for achieving workplace diversity. The driving concept is for organisations to use the power of diversity as a foundation for developing a sustainable competitive advantage. In addition, factors were considered that may lead to the development of a sustainable environment favourable to attracting and retaining a diverse workforce. This paper presents a number of companies that have been successful employing diversity for organisational success and then provides a model for developing a sustainable environment for workplace diversity.

Keywords: sustainability; diversity; workplace diversity; inclusion; retention; recruitment; leadership and diversity.


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The increase in globalisation and combination of workforce demographics has placed the management of cultural differences on the agenda of most corporate leaders (Cox, 1991a, 1991b; Spot, 2013). Organisational workforces worldwide will be increasingly heterogeneous on factors of sex, gender, race, ethnicity, and nationality to create a sustainable environment that is effective in attracting and retaining a culturally diverse workforce, which can be a source of competitive advantage for an organisation over the long run (Cox, 1991b; Spot, 2013; VanderPal and Ko, 2014).

According to Prasad et al. (2006), workplace diversity is about ensuring that diverse groups are fairly represented in the workforce in any country. Managing diversity is typically a voluntary corporate initiative aimed at the systematic recruitment and retention of employees from distinct groups. Ultimately, diversity is concerned with both matters of difference and inclusion. Gender and race differences are important along with sexual orientation and body image (many of these issues are covered by the laws governing a country). Diversity is also a geographically and culturally contingent phenomenon, which must be considered when managing it.

Diversity management and inclusion are credited with several potential benefits, including the ability to meet the needs of diverse customers, improved decision making, reduction in costs associated with employee turnover and lawsuits, increased productivity, improved quality delivery, improved access to a changing marketplace, improved employee retention, broadened customer base, reduced costs linked to turnover and absenteeism, improvements in recruitment and retention of the best talent through enhancing the attractiveness of the workplace, enhanced company image, generation of more effective conflict management techniques in the organisation, enhanced group synergy, increased resilience and flexibility and improved creativity and innovation (Bendi et al., 2008; Shen et al., 2009). These factors and conditions translate into improved organisational performance and improved profitability.

1.1 Theoretical framework

The theoretical framework for this report examines a number of areas that have implications for the value and importance of workforce diversity. A workforce diversity
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model with five components, as sequential steps, serve as the foundation to this paper, including:

a) develop a diversity strategy
b) attracting a diverse workforce
c) training a diverse workforce
d) retaining a diverse workforce
e) promoting workforce diversity.

The workforce diversity model embraces an open-system philosophy and each phase builds on the previous step. After the last step, promoting workforce diversity, the cycle begins over. If diversity improvement was seen, the first step, develop a diversity strategy, becomes refine a diversity strategy.

Management processes and changes that acknowledge organisations as social entities, a basic tenant interconnected with diversity, must be examined. This investigation will review reports and studies pertaining to each phase and serve to validate the workforce diversity model.

1.2 Research questions

The general question this paper attempts to answer is what extent will organisations with sustainable environments for achieving workplace diversity experience enhanced performance and profitability? The question is based on the workforce diversity model previously discussed. A qualitative approach to research will be used for this report. A review of published work and research investigations will delve into each phase of the model. Additionally, this paper will highlight the challenge to developing a sustainable environment for achieving workplace diversity, as many companies are not yet gaining the competitive advantages possible from workplace diversity. It appears that sustainable organisational diversity remains allusive for many managers and the organisations they lead.

1.3 Literature review

1.3.1 Assessing diversity in organisations

Learning may be the first step in the assessment of the organisation’s current state of diversity. An organisation must consider the future of the workforce and the expectation that non-whites will be close to half of the workforce by 2050, to provide perspective to the diversity effort (Aghazadeh, 2004). Van Eron (1995) stated that the cultural diversity assessment is a process that provides an analysis of the organisation’s culture, identifying norms, assumptions, systems and practices to determine if they are in support of the company’s diversity efforts. A comprehensive assessment should be conducted when an effort to enhance diversity is begun and then periodic assessments should be conducted during efforts to increase diversity so the organisation can track progress (Thomas and Ely, 1996). The underlying assumptions existing in the organisation that might hinder diversity must be identified and a plan to address them should be developed (Van Eron,
Pertinent data can be collected through internal means (e.g., questionnaires, interviews) or an external consultant or firm could be hired to perform the task. The data that are collected can then be used to forge an appropriate effort toward positive change. Regardless, management and employees must both be involved in the information and implementation process of diversity improvement to achieve buy-in and commitment from as many employees in the organisation as possible (Thomas and Ely, 1996).

A comprehensive diversity assessment must be conducted at the beginning of any effort to improve diversity (Van Eron, 1995; Thomas and Ely, 1996). This assessment should identify organisational assumptions, norms, systems, and practices to determine if they support the company’s vision of diversity, if one exists. The primary purpose of a diversity plan is to determine what needs to be changed to create an environment that is more likely to allow all employees to do their best and achieve their potential (Van Eron, 1995). Van Eron (1995, p.51) presented questions to plan diversity enhancement:

1. How do we determine our status related to diversity?
2. What action steps do we need to implement to begin improving the situation?
3. How do we measure our progress?

Creating a diverse organisational culture and workforce

Trefry (2006) asserts that organisations that value different perspectives and approaches in a diverse workforce and that develop concrete ways to facilitate organisational learning derived from individual differences can optimise their processes, procedures, and structures. The goal in this organisational learning is go beyond the cultural differences and to integrate different approaches and frames of reference into a new and more sophisticated perspective on diversity. From a supporting view, Bass (1985) suggested that transformational leaders change culture and the organisational culture is derived from its leadership. Cultural synergism reflects the best aspects of all members’ cultures in their strategy, structure, and process without violating the norms of any single culture (Trefry, 2006).

Diversity climate reflects relevant values of the organisation (e.g., fairness, equity and inclusion) that the individual uses to determine degree of fit with personal values. A good fit may translate into staying with the organisation, whereas a bad fit may result in turnover. Moreover, diversity climate consists of perceptions of the presence and enforcement of relevant policies, such as affirmative action, perceptions of the fairness of organisational procedures like performance evaluation and the reward structure, the diversity reputation of the organisation, the diversity commitment of top management and the overall tendency of the organisation toward inclusion of all employees (Avery and McKay, 2006; McKay et al., 2008). In addition, they also suggest other items that a diversity climate survey should cover: fair appraisal, reward, and promotion; access to job-related information; influence in decision making; opportunities to acquire new skills; opportunities to mentor and network; and chance to serve diverse customers. Most importantly, diversity climate is linked to job satisfaction (Cox, 1993; Nishi, 2013). Indeed, research shows that positive diversity climate does produce positive employee attitudes, such as job satisfaction (McKay et al., 2007). Diversity climate then may be the basic criterion for reality and the basis for discerning whether employee expectations of...
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Nishi (2013) found in her research that within inclusive climates, interpersonal bias is reduced in such a way that gender diversity is associated with lower levels of conflict and the negative effect that group conflict typically has on unit-level satisfaction disappears.

Roosevelt (1990) found during his research in the early 1900s more than half the US workforce consisted of minorities, immigrants and women. According to Burns et al. (2012), women currently make up 47% of the US workforce compared with 29.6% in 1950. The US workforce is becoming more diverse and people of colour make an estimated 36% of the labour force with 64% in the labour force who are non-Hispanic white. The non-white groups are 16% Hispanic; 12% African American; 5% Asian and about 3% in the labour force who do not identify in any of these racial or ethnic categories. The proportion of people of colour participating in the workforce will only increase as the USA becomes more racially and ethnically diverse country. In addition, new immigrants and their children will account for 83% of the growth in the working-age population.

US corporations are scrambling to become adaptable, to compete successfully for talent. Organisations must consider the diverse pool of employees, which may include foreign and domestic, to recruit the talent that they need. Organisations must move beyond affirmative action and the essential role it played in promoting diversity and to create an environment where no one is advantaged or disadvantaged, one where ‘we’ is everyone. Roosevelt (1990, pp.112–117) presented ten guidelines for learning to manage diversity and to help develop the ‘we’ environment. The guidelines are:

1. Motivation clarification. Only business reasons will supply the long-term motivation for managing diversity.
2. Vision clarification. The need to create the vision that all of an organisation’s managers and employees are being fully tapped for the human resource potential that they hold is critical for good diversity management.
3. Expanding focus. The focus of the organisation’s diversity efforts must go beyond race, gender, creed and ethnicity and include background, education, function and personality differences.
4. Auditing corporate culture. Determining the current corporate culture must be undertaken and it is recommended that outside expertise be used for in-depth interviews and listening sessions.
5. Assumption modification. Underlying assumptions are pushed aside and a new set of values are formed in terms of belonging and a sense of purpose that transcends interests, desires, and the preferences of one group.
6. Modifying systems. The first purpose of examining organisational assumptions is to modify the current systems in place such as promotion, mentoring and sponsorship.
7. Model modification. The second purpose of examining organisational assumptions is to modify models of managerial and employee behaviour.
8. Help employees to pioneer. Managing diversity is a process and the managers involved in it are change agents.
Applying the special consideration test. Does this program apply to only one group? If the answer is yes, then the organisation is not on the right track and, if not, then things are moving in the right direction with the diversity program.

Continue the affirmative action program. Managing diversity is the ability to manage an organisation without giving unnatural advantage or disadvantage to any member of the diverse work force.

Roosevelt (1990) found that many companies followed affirmative action in the 1970s. One such organisation was Avon and not happy with the results. The company used employment agencies to find qualified minority hires and cultivated contacts with black and minority organisations on college campuses. Avon was attempting to get its workforce to reflect its customer base, but with mediocre success, especially in management.

In 1984, Avon began to change its policies and practices moving beyond them to a program of diversity management. The company initiated awareness at all levels and found that the key to recruiting, retraining and promoting minorities was not in the human resources department. Avon found that the bottom-line for a successful diversity program was getting managers to buy into the idea and do more than change behaviour, they had to change attitudes. A multicultural participation council was formed that met regularly to oversee the process of managing diversity. Council members included Avon’s CEO and high-level employees from throughout the company. Avon also formed a partnership with the American Institute for Managing Diversity to develop a diversity training program that sent managers to Morehouse College in Atlanta to spend three weeks confronting their differences and learning to hear and understand those who were different from themselves. Another important step saw the company help three minority groups, blacks, Hispanics and Asians, form networks that crisscrossed the corporation and in all 50 states to serve as an information conduit on diversity issues. Avon has succeeded in its effort to become diversified and the organisation has been consistently recognised as one of the most admired companies and best to work for, with a highly diverse global workforce of 45,000; their diversity is represented from the boardroom to the sales associate (Avon.com, n.d.).

For a broader perspective, Cox (1991b) proposed a model for understanding the required features of a multicultural organisation in which cultural diversity and the effective management of it can yield a competitive advantage. Areas that can benefit from good management of diversity are cost, resource management, marketing, product and service creativity, problem solving and organisational flexibility. His model described a six-factor framework to characterise organisations in terms of the stages of their development on cultural diversity. Cox (1991b, p.35) described these six factors, in no specific order:

1. acculturation – modes by which two groups adapt to one another and resolves their differences
2. structural integration – this is the cultural profile of organisational members including hiring, job placement and job status
3. informal integration – inclusion of minorities outside of working hours
4. cultural bias – prejudice and discrimination
organisational identification – feelings of belonging and loyalty

6 intercrop conflict – friction, tension, and power struggles between cultural groups.

Cox (1991a) further asserts that those organisations that desire to maximise the benefits and minimise the drawbacks of diversity, in workgroup cohesiveness, interpersonal conflicts, turnover and coherent action on major organisational goals must create a multicultural organisation. He suggests that five key elements are needed to transform a traditional organisation into a multicultural organisation:

a leadership
b training
c research
d analysis
e change of culture and human resource management systems, and then follow-up (Cox, 1991a).

Additionally, Cox (1991b) defined three types of organisations as:

a the monolithic organisation
b the plural organisation
c the multicultural organisation.

In the monolithic organisation, the amount of structural integration is minimal. It is highly homogeneous, and this typically represents an organisation with many white men, and few women and minority men in managerial positions. The plural organisation is a step forward in diversity from the monolithic organisation. It is more heterogeneous and inclusive of those in cultural backgrounds differing from the dominant group. However, the plural organisation fails to address the cultural aspects of integration. The multicultural organisation values diversity versus the plural organisation, which simply contains it. The multicultural organisation is characterised by pluralism, full structural integration, full informal network integration, absences of prejudice and discrimination, no gap in organisational identification based on cultural identity group, and low levels of intergroup conflict. Organisational growth is required to move from the monolithic organisation to the multicultural organisation and this is accomplished by valuing and managing diversity and that training is good first step toward achieving this goal (Cox, 1991b).

Thomas and Ely (1996) and Roosevelt (1990) found that in the past achieving diversity was more an issue of legality and morality and that discrimination was wrong. Organisations have come to realise that beyond laws and ethics a more diverse workforce will increase organisational effectiveness. Many believe that diversity is good for business. However, many diversity efforts are still not successful and do not reach their desired goals (Thomas and Ely, 1996). A desired transformation requires a fundamental change in the attitudes and behaviours of an organisation’s leadership, one of inclusion more than just diversity (Bass, 1985).

Thomas and Ely (1996) found that two perspectives have guided most diversity efforts. These initiatives are the discrimination-and-fairness paradigm and the
access-and-legitimacy paradigm. An additional paradigm has also been identified and is known as the learning-and-effectiveness paradigm, which incorporates most of the first two paradigms but goes beyond them by connecting diversity to approaches to work (Thomas and Ely, 1996). Thomas and Ely (1996, p.78) state that the third paradigm shift is characterised by eight preconditions:

1. Leadership must understand that a diverse workforce will make up different perspectives and approaches to work, and must truly value variety of opinion and insight.
2. Leadership must be committed to persevering during the process of learning and relearning what the new paradigm requires.
3. The organisational culture must create an expectation of high standards of performance.
4. The organisation culture must encourage openness.
5. The organisational culture must be open and encourage openness.
6. The culture must make workers feel valued so they will feel committed and empowered.
7. The mission of the organisation must be widely spread and clearly understood.
8. The organisation must be non-bureaucratic in structure that promotes the exchange of ideas.

Those organisations that are completing the third paradigm shift or those that may be adopting the new perspective are engaged in four kinds of action. They are making the mental connection and are actively seeking ways to explore how identity-group differences affect relationships among workers and the affect this has on getting things done. The leaders of these organisations are allowing open discussion about how identity-group memberships inform and influence an employee’s experience and the behaviour of the organisation. These organisations are actively working against forms of dominance and subordination that inhibit full contribution. These organisations and their leaders are insuring that the organisational trust stays intact. Managers who have helped to transform their organisation consistently demonstrate their commitment to this change process (Thomas and Ely, 1996).

1.3.3 Socialisation

McMillan-Capehart (2006) found that organisations today continue to become more diverse and must hire and retain a diverse group of employees to remain competitive. To create effective human resource practices, they must be consistent with the organisation’s strategy, culture, and environment. Training, appraisal systems and voice mechanism must be employed to socialise employees into the organisation, so that the organisation becomes one that values and believes in diversity. The key to attracting and retaining employees is developing the culture that can socialise employees through diversity initiatives.

Macionis (2006) found that socialisation plays a key role in assisting employees determine their place within the organisation. It is the main process by which employees
use to adapt to their new jobs and their role in the organisation. Developing socialisation efforts that help the diverse employees adapt and become socialised is important for the organisation to retain employees and how effective organisations are at socialisation and diversity will impact the organisations reputation, which in turn impacts recruitment efforts (McMillan-Capehart, 2006).

1.3.4 Talent acquisition

Robbins (2003) found that the hiring practices that leadership establishes are essential to maintaining and developing a more diverse workforce. Individuals must be hired whose values align with that of the organisation and meet the goals and strategies that have been established. Training and establishing socialisation methods throughout the indoctrination process can also assure leadership of the type of culture it desires to build.

Aghazadeh (2004) found that having a diverse workforce creates an increase in attracting and retaining the best labour pool of the most qualified candidates. A SHRM’s study (as cited in Aghazadeh, 2004) found that 79% of the companies that responded believed that their diversity programs improved corporate culture and 77% believed that this helped in recruitment. The most common methods to identify, mentor, and retain diversity talent are to provide coaching and mentoring as opportunities to learn about diversity issues and prepare future leaders for the organisation. It has also been recommended that increasing recruiting to attract diverse employees will help senior managers learn. A workforce plan that focuses on promoting and retaining diverse employees has been found to be successful strategy at multinational corporations (Byers, 2008).

Weinstein (2009) found that most managers seem to recognise, or at least say they recognise, the value of hiring people different from themselves, but nearly 30% do not know how to do it effectively, according to a survey of more than 2,500 senior HR executives in North America by Novations Group. The firm asked respondents to characterise their management’s attitude toward diversity hiring. The survey results to the question, “With respect to considering diversity when recruiting new employees, which of the following best describes the attitude of managers in your organization?” were:

- 50% of managers recognise the value of hiring people different from themselves and do what they can to meet this objective
- 29% of managers recognise the value of hiring people different from themselves but do not know how to do it effectively
- 12% of managers do not see the value in hiring people different from themselves, but still cooperate with HR’s effort to meet this objective
- 8% of managers see no value in hiring people different from themselves and make little effort to meet this objective
- 1% of managers openly resist diversity in hiring.

Fernandez (2006) found that an organisational vision for a more diverse or multicultural organisation was developed long before anyone had the idea of creating the MultiCultural Foodservice & Hospitality Alliance (MFHA). The restaurant, foodservice and lodging industries have always had a long history of cultural diversity. The MFHA ‘showcase of
the stars’ career exploration program is a way of building an image in minority communities. This program displays these industries and those who are hired then become part of the program. By working at a restaurant or motel through this program people, learn the skills they will need throughout life, including teamwork, organisational tools and ways to provide good customer service, while organisations gain a diverse cultural workforce. This program has been successful because young minority students learn about industry’s opportunities from other minorities who already are working in the industry and are successful.

1.3.5 The role of management in achieving a more diverse and inclusive workforce

According to Schein (1985), leadership creates the mechanisms for cultural change and acculturation in organisations and ultimately teaches organisational culture. The norms that arise in cultures and change are because of things on which leaders focus their (Bass and Avolio, 1993). The role modelling that they present, the priorities they set, the things that they say and do not say, the policies they make and how they develop their recruitment strategies, just to name a few. Groysberg and Connolly (2013) found that the CEOs they talked to agreed on what an inclusive culture means for their organisations. An inclusive culture was defined as one in where employees can contribute to the success of the company. In addition, the organisation provides a climate of respect and utilises its employee talents that result in a sense of belonging. Employees in an inclusive culture know that despite differences they can fulfil personal objectives by aligning them with the organisation’s a have a rich career, and be valued as an individual.

Bass and Avolio (1993) proposed that transformational leaders change their organisation by first understanding it and then realigning the culture with a new vision of its shared assumptions of values and norms. They stress that the organisation’s culture is developed for the most part from its leadership, while at the same time culture can affect leadership. The effective organisation will make change both tactically and strategically. In addition, Bass (1985) addressed the transformational leader as one who motivates people to do more than they expected to do. From an organisational perspective, Tichy and Ulrich (1984) stated that a transformational leader should understand and realign the organisation’s culture to provide meaning and to make sense of its symbols and events.

Aghazadeh (2004) asserts that the management must be involved in all aspects of achieving a more diverse workforce. He found that diversity must be part of an organisation’s business objectives. Leadership must establish diversity goals that are linked to business goals and not just to meet affirmative action. Leaders must champion their goals both internally and externally and that implementing and achieving diversity goals could be difficult and challenging for today’s leaders. However, leaders who practice transformational leadership can affect lasting change. Aghazadeh (2004) continues by presenting three types of goals that must be set for the growth of a diversity movement. First, an organisation and its leadership must focus on a goal of social justice that provides a sustainable environment that focuses on moral, ethical, and social responsibilities that guide efforts to improve the situation of minorities. Secondly, legal obligations must be met that require organisations to improve minority situations. Affirmative action is a key in meeting legal obligations and is a positive force in change. Thirdly, organisations must focus on the fact that cultural diversity is a necessary factor for competing successfully in the global economy.
Bass and Steidlmeier (1999) found that four components of authentic transformational leadership must be grounded in moral foundations. They are idealized influence, inspirational motivation, intellectual stimulation, and individualized consideration and these components help realign the organization culture with a vision of its shared assumptions, values and norms (Bass and Avolio, 1993).

Jung and Avolio (1999) believe that in the transformational culture, there is a purpose and feeling of family. Commitments are long-term and leaders and followers share a mutual self-interest and a sense of shared fates and interdependence. In this culture, leaders and followers go beyond their self-interests or expected rewards for the good of the team and the organization. Leaders serve as mentors, coaches, role models, and as leaders, socialising members in the culture out of a personal obligation to help members of the organization assimilate into the culture. In the transformational culture, a rich set of norms exist and much talk occurs in the organization about its purposes, visions and meeting challenges (Bass and Avolio, 1993).

In their study regarding the effects of leadership style and followers’ cultural orientation and task conditions, Jung and Avolio (1999) reported that transformational and transactional leadership had different effects on the various races, and that organisations may be able to help their leaders manage culturally diverse groups through training. This training could be conducted on the differential effects of various leadership styles and whether one may be effective than the other, depending on the ethnic group follower to and the tasks being performed. The results from this study indicated that individuals with different cultural orientations might prefer different ways of performing their tasks.

Gilbert and Ivancevich (2000) conducted a qualitative study of two organisations and found that CEO initiation and support had consequences for the success of diversity efforts. To get management involvement and leadership for a diversity initiative, it was necessary for the CEOs and the organisation to embrace a positive attitude towards implementing diversity. Nishi (2013) reported that when more inclusive organisational environment or climate was created, the negative relationship between conflict in interpersonal relations and satisfaction was eliminated. This was attributed to the adoption of more integrating conflict resolution styles enabling those in disputes to come to better solutions because they were characterised by a dual concern for self and others.

Aghazadeh (2004) stated that a key focus of management’s role in achieving a more diverse workforce is that leadership must hold themselves and their followers responsible for change initiatives. The goals and benchmarks that are set forth must be reviewed when achieved or not achieved to determine what is working and what is not. Performance evaluations and rewards can and should be tied to a manager’s ability to manage and develop a diverse workforce. Increased members of minorities in managerial positions must occur and improved communication must be established throughout the organisation to learn from the employees and gain feedback from them to develop a lasting change toward a more diverse organisation (Aghazadeh, 2004).

In 1983, when James R. Houghton took over as CEO at Corning, he made the diverse workforce a priority along with total quality and a higher return on equity. Leading the charge from the top spot will improve the chances of success for a culturally diverse workforce. Corning setup recruiting and training to address their diversity effort immediately. The company viewed diversity not only as a social and or moral issue but as a question of efficiency and competitiveness. Corning.com (n.d.) reported that today’s
company is a global company of over 25,000 employees where diversity is a part of everything that they do. They state that diversity is how they develop creativity and discovery through bringing unique and valuable viewpoints together.

Groysberg and Connolly (2013) discovered that Merck, Nissan, General Mills, Tesla, along with ABB North America are part of a growing number of organisations that make diversity and inclusion goals part of their managers’ job performance objectives. Many have their direct reports do things personally to help promote diversity, not just things that they assign to a team. A manager may mentor someone individually or sponsor a diversity event. AT&T took a different approach by benchmarking diversity objectives at the senior management level and then holds regular follow-up meetings to discuss progress. AT&T assigns part of its officers’ compensation as based on achieving those objectives. Many of the CEOs in the research also reported that managers who embraced diversity were more likely to be considered for promotion at their companies.

1.3.6 An approach to achieving sustainable workplace diversity

Establishing a culture of workplace diversity has many bottom line benefits (‘How to increase workplace diversity’, 2009). Diversity is more than filling quotas and complying with affirmative action initiatives. It is about building a dynamic team that incorporates different backgrounds and cultures. Team members should represent a company’s entire customer base (Ilgaz, 2015). This approach must be a holistic one that starts with developing a diversity strategy, attracting a diverse workforce, training a diverse workforce, retaining a diverse workforce, promoting, and achieving workplace diversity that stands the test of time.

1.3.7 Diversity strategy

It is important that organisations develop a sustainable diversity strategy to accomplish workplace diversity. This can especially be challenging for organisations in less diverse regions. It will be necessary for the organisations to be more active in helping relocated minority employees to adjust to a culture along with a new community. The first step in strategy development is to identify what the organisational needs are and to determine whether their workforce resembles the communities in which they operate (Ilgaz, 2015). In addition, does the workforce composition even match the customer demographics that the organisation serves or plans to serve? If the diversity levels do not, then a hiring plan must be developed to match the strategy of developing an organisation that represents the community they serve.

According to ‘How to increase workplace diversity’ (2009), many organisations may need to develop and implement an equal opportunity employment policy that follows the Federal EEOC (US Equal Employment Opportunity Commission) guidelines based on their work with the government as contractors or via state and local requirements. Plus, the goal of this type of policy is to establish a meritorious hiring practice that is age, race, gender and minority neutral. A committee may be created to help implement the policy and develop new ideas about how to attract more diversity to the company. An organisational vision and mission statement could reflect this change and aspiration.
1.3.8 Attracting a sustainable diverse workforce

Once the hiring plan is defined by the organisation, there are many resources for identifying diverse talent. ‘Building a diverse workforce’ (2016) indicates that it is important to make the jobs more compelling to applicants by emphasising details that will attract a more diverse candidate pool. It is also important to be culturally sensitive when describing the organisations as a good place to work. Attracting a diverse workforce requires a corporate structure supportive of varying backgrounds and predispositions, as well as the internal resources and knowledge necessary to effectively identify with a variety of cultures. When defining the roles and responsibilities of a given position in the company, a human resource manager must actively consider what they mean for the individual filling that position. Understanding what motivates and attracts a diverse workforce in this regard is critical to entice the appropriate talent pool.

Organisations must use search engines, job posting boards, social media networks, headhunters and corporate scouting plans designed to achieve a diverse organisation. Furthermore, organisations must plug into local organisations with community connections, that may include churches, cultural organisations, along with community colleges and universities that can provide unique opportunities to access the talent that is sought. Non-profit organisations can also be helpful along with diversity websites and recruiters. Employee referrals is often a great source of talent and incentives can be offered for successful referrals (‘How to increase workplace diversity’, 2009).

1.3.9 Training a diverse workforce

Once organisations have identified and hired the best talent, managers and human resource representatives must train new employees from different backgrounds and cultures to be successful on the job. Not only should new hires be trained to understand and adapt to diversity, but managers should also be made aware of these cultural trends and be trained to effectively manage them. An inclusive mindset is necessary (Ilgaz, 2015).

All employees should understand that hiring decisions are based on finding the best candidate and not by quotas (Ilgaz, 2015). Making the recruiting process more transparent can help ease the minds of skeptical employees. Managers must also fully understand the benefits of a diverse workplace. Managers must implement personnel policies to support the strategy and ingrain this in its culture to sustain this policy over the long-run.

1.3.10 Retaining a diverse workforce

Organisations must give new hires a reason to stay. Retaining diverse employees begins with building a workplace that embraces variety in backgrounds, cultures, and values. It is important to provide time and effort to retain new employees. The must be trained on the new job and company culture. The first few weeks can be the critical for new employees. Providing new employee mentors is way to successfully retain employees. In addition, showing new employees how they fit in the organisation can be very beneficial (‘Building a diverse workforce’, 2016).
Retention of employees is critical and retaining diverse employees is especially critical to the success of a sustainable organisational diversity strategy. This is particularly important for developing a global workforce. Costs associated with recruiting and training diverse talent are high. Training new employees is typically one of highest costs that an organisation faces. Employee retention and an effective incentive program can help achieve and maintain employee satisfaction (‘Building a diverse workforce’, 2016).

1.3.11 Promoting workplace diversity

According to Ilgaz (2015), actions speak louder than words. Organisations must embrace differences by hiring a vibrant staff of different races, genders, nationalities and backgrounds. They must monitor and promote their efforts for developing and achieving diversity. It is important for the organisation to share its methods used to create a diverse workforce, so that its employees, potential employees and other stakeholders are aware of ongoing efforts. Determining the methods that have been successful in this process to diversity and building upon them can ensure continued success (‘How to increase workplace diversity’, 2009).

1.3.12 Achieving sustainable workplace diversity

Development of a sustainable diversity strategy includes attracting a diverse workforce, training a diverse workforce, retaining a diverse workforce and promoting and achieving workplace diversity can lead to successful organisational value. Figure 1 represents the keys to achieving sustainable workplace diversity. Human resources management must help lead the ongoing efforts to develop and implement diversity strategy that achieves workplace diversity that is critical in today’s global market.

Figure 1 Developing workplace diversity (see online version for colours)

Note: Developed by the authors.
1.3.13 Benefits of sustainable workplace diversity

The benefits of a sustainable diverse workforce include better decision-making, higher creativity and innovation, greater success in marketing to foreign and ethnic minority communities, along with a better economic opportunity in foreign countries (Cox, 1991b; Spot, 2013). However, cultural differences can increase costs through higher turnover, interpersonal conflict and communication breakdowns without proper management of such issues as recruitment, training and retention (Cox, 1991b). Schein (1985) stated that culture manages management more than management manages culture, meaning that a strong culture may not allow a manager to change an organisation into a diverse one without good knowledge of the current culture and a planned direction for change into a diverse one.

The benefits of diversity management have been found in all industries in the era of globalisation (Schein, 1985). Organisational leaders now must view diversity as a business imperative. Diversity can be broadly defined as everything that makes us different from others. Race, sex, gender, ethnicity, values, work styles, communication styles and characteristics are a few of these elements that all employees must acknowledge and accept in order build a culture that supports diversity. Deal and Kennedy (1982) define the culture of an organisation as its shared learned pattern of behaviour that is passed down from one generation to another. Some of the advantages of addressing diversity include, attracting and retaining the best talent in the labour pool, increasing the satisfaction of employees, improved morale and employee commitment to organisational goals (Van Eron, 1995; Nishi, 2013). Van Eron (1995) found that in relation to diversity, each organisation has its own culture and each must establish an internal benchmark describing the current environment. This assessment provides a benchmark and becomes the tool to determine the organisation’s progress related to diversity. Today’s discourse about diversity is moving from diversity to inclusion (Oswick and Noon, 2014).

2 Management implications

Our review of studies, theories, concepts, and models of workplace diversity suggests that the interest in this topic continues to grow rapidly. Managers who experienced regulation and legislation from an employee fairness perspective during earlier days with Title VII (Civil Rights Act, 1964) have likely left the workforce. Today, an increasing number of organisations and ‘new generation’ managers see and accept the value and benefit of diversity though to varying degrees. As a result, those who now embrace diversity as a natural, commonly occurring phenomenon or trend in society that goes beyond the era of regulation appear to be ahead of others who merely consider diversity as another means to benefit company profit and success. Society (cultural and natural), economics, politics (government and legal) and technology comprise the external business environment in which companies must compete; these forces will continue to evolve (Steiner and Steiner, 2012). Continuous change in the external environment will only magnify the importance of diversity to companies.
3 Limitations and future research

A primary limitation of this is that it is a review of articles addressing concepts and models of diversity along with research that addressed the topic and presented a model for developing a sustainable environment for workplace diversity. As with many areas of investigation in the management realm along with social science investigations, a single concept or theory has not been universally accepted. The academic research regarding the development a sustainable environment for diversity could be more exhaustive, but may serve as guide for organisations who seek to build a sustainably diverse organisational environment. Furthermore, the proposed model presented in this paper for developing a sustainable environment for workplace diversity is theoretical and needs to be tested in organisations through adoption and implementation then evaluated as to its effectiveness, plus adjusted as needed by the organisation. Furthermore, each organisation has different needs and goals for their efforts to develop an environment for sustainable workplace diversity and the model can serve as a guide but is not intended to be static.

4 Summary and conclusions

Chen et al. (1998) discovered that there has been a good deal of interest in whether the attitudes, behaviours and motivation of managers and employees, differs much across cultures and what kind of effect that this may have on organisational and work group performance. Learning about these potential differences aligns with the rapid rate of the globalisation of the world’s economy as well as the diversification of the workforce in the USA. Many entrants into the workforce over the next 20 to 30 years will be women, Asians, Hispanics and African Americans (Johnston and Packer, 1987; Burns et al., 2012). These findings have produced a sense of urgency about the importance of understanding and meeting the needs of a culturally diverse workgroup (Hofstede, 1993).

Mitchell et al. (2015) found from their research that reinforcing the critical role of the leader’s inclusiveness in diverse teams, especially inter-professional teams may further suggest that social identity and perceived status differences are critical factors mediating its impact on performance.

Workforce diversity is a necessity in today’s organisation to maintain and increase competition in the global marketplace. Leadership in the USA now sees diversity as a positive influence on organisation performance (Bass et al., 2003; Groysberg and Connolly, 2013). This process must begin with the top leaders of the organisation and it must be disseminated throughout the workforce and put forth by all employees in an approach that consider the long-term sustainability of the policy and organisation. The proper management of a culture diversity program can improve the attracting and retention of a diverse workforce. In addition, a culturally diverse organisation that truly values inclusion and believes in this process can also increase the satisfaction of employees; improve morale, employee commitment to organisational goals and organisational performance.

Johnston (2015) argues that organisations must attract and retain the best and brightest. To do this, they must create a culture that fosters the behaviours that top talent values most. An inclusive culture that emphasises integrity, collaboration, achieving personal potential and supporting one another is critical in building a winning human
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resources strategy that values its human assets and considers them a source of sustainable competitive advantage.

4.1 Limitations

This paper reviewed a number of articles addressing concepts and models of diversity along with research that addressed the topic. As with many areas of investigation in the management realm and with social science research, a single concept or theory has not been universally accepted. Without a broadly accepted definition of diversity conclusions about its value and effectiveness will continually be debated. Relating diversity practices to performance criteria also presents a challenge as objective measurement can be elusive.

References


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