

Work Force Diversity And Outcomes

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Abstract: This study aims to contribute to the literature of managing diversity, by providing a theoretical framework for the management of diversity and its impact and results through regulation. It studies the diversity management on two levels. The first is the virtual level and the second is the deep level. The virtual level includes age, gender, race, cultural, educational and ethnicity, while the deep level includes values, attitudes, beliefs and personality traits. The researcher aims to group the most important conclusions which point out the fact that the diversity management has become a necessity and not an option, especially in the light of the global environment. By managing diversity many advantages can be achieved by the organization, notably lower costs, low labor turnover rate, greater creativity, increased productivity and staff satisfaction.

Keywords: *Entrepreneurial Networking, Relationship Skills, Coordination, Resilience, Adaptability, Agility.*

INTRODUCTION

One of the global common phenomena in the large companies is the diversity of manpower, which is being characterized by individuals with various characteristic like age, gender, nationality, religion, tribal affiliations, logical, doctrinal or political affiliations...etc. The phenomenon of the workforce diversity is included in the Business management's Dictionary as "workforce diversity" and has developed into a topic covered in numerous books and researches. It has also become the main interest in seminars and conferences. Many intensive training courses address this subject, while consultancy companies provide advice in this area for major companies to enable managers and administration to build an organizational culture of tolerance, acceptance and respect for privacy. There is no surprise that in some advanced countries like The United States of America large numbers of employees coming from all over the world through migration are annually recruited. Also, in some countries illegal immigrants are employed. The best examples are Canada, Australia and New Zealand.

The differences between employees reflect on their behavior and contribute to building their personalities. The individuals' ways of thinking must be taken into account and used for the benefit of the company. There is no company or workplace which only employs workers from similar ages. Also, the companies employ man and women, colored or white people, Arabs or non- Arabs, Muslim or non-Muslim, as well as people with various religious beliefs or ideologies.

LITERATURE REVIEW

Diversity Training

Training on diversity helps employees with multicultural background and creates a sound environment. The training does not only refer to the differences between workers within the organization, but it also helps the employees accept the differences among workers. The training on diversity, according to an article (Rokstr), adds the essential part in building a cohesive work environment (Mitchell, 2015). There are two types of steps in the training programs which are specified in the literature. The first type refers to the awareness and skills programs and the second type of program focuses on the classification of people about diversity issues and potential of individuals from different groups.

Theories of Managing of Diversity

The most important four theories of managing diversity (Joynece & Dipbage, 2004) in the specialized literature are:

Psychology Organization

Psychology organization theory provides a set of practices which better suited for employees who are looking for simplified procedures and rules. It can be applied to all positions in all organizations.

Goals Theory

This theory states that the conflict within the organizational goals and the lack of clarity leads to difficulty in acceptance by individuals, which leads to low level of organizational performance, and thus requires management to clarify those goals through effective management of diversity.

Learning Theory

According to this theory, diversity management programs are an essential way to rethink processes and basic tasks of the organization, with elimination of unnecessary tasks, thus contributing to improve the performance of the entire organization.

It concludes the researcher through the above that an organization should be looking for the best and the most important, commensurate the best staff, who are looking for uncomplicated procedures. As a result, the organization could achieve one of the important goals for the application of effective management of diversity.

As well as the researcher believes through the above, the success of Diversity management and organizational success depends on the position in different areas, such as culture, organizational strategies, organizational environment, employees. An organization must focus on those areas and deal with them in a positive way for the purpose of achieving effective performance. Also, it should focus on clarifying the goals even though it conflicts with the existing organization's operations.

The learning process is to modify the behavior through experience. Thus, the administration should focus on this theory because of their active role in improving the effectiveness of performance. Some authors consider the following diversity management theories:(Biga, 2007)

Resource Theory

Diversity is a source to add value to the organization and to lead performance improvement through the cognitive benefits owned by individuals with miscellaneous backgrounds. According to this theory, the diversity of the workforce gives the organization an additional resource through the knowledge benefits, easy access to markets, as well as facilitation of the process of collective thinking which reflects the performance.

Social Utility theory

This theory states that diversity management can be achieved by finding a way to identify individuals with the group membership. The motivation will increase through the promotion of self-esteem through integration of the individual identity in the organization's and teams' regulations.

Challenges of Managing Diversity

The challenges faced by organizations when trying to develop a diversity management strategy are numerous: (Kinicki, 2007).

Poor career planning

In some cases, the companies lack career opportunities for employees with diverse backgrounds, especially in senior leadership positions.

Hostile work environment

At times, the work environment is non-supportive for employees with diverse backgrounds, such as racial differences, age or gender.

Fear of reverse discrimination

Some employees believe that managing diversity could lead to the opposite of excellence. This belief leads to strong resistance because of a feeling that there are some people who gain, while others lose.

Resistance to change

According to Muniuri (2012), the implementation of diversity management can also be expensive for the organization or may cause disruption in the work. Sometimes, it creates a hostile environment. Also, the communication can be affected.

Most employees may suffer from the change, making them resisting any initiative for change. Therefore, the active management of diversity may include operations and personal change.

Note to the point above, there are significant challenges facing an organization, such as inaccurate judgment on managing diversity, racial superiority, poor career planning, resistance to change and many other points.

These represent an impediment to reaching the goals of the organization. An organization must take into account these basic points and plan in a positive and effective way for the purpose of meeting these challenges and thus achieving effective management of diversity, which will positively reflect on the organizational performance for all the employees.

Many organizations are facing difficulties in communication because of the language barriers, knowledge or culture among the individuals in case of the diverse workforce. At times, messages fail to be delivered to all workers, which may cause weakness and create a barrier in the communication system of the organization.

Diversity Management Strategies

There are three diversity management strategies. (Adler, 1997)

Ignore Diversity

By following this strategy, the diversity is not taken into account, as well as its impact on the organization. This is common for strategies in many organizations. In such organizations, the managers believe that their way is the only way to manage and organize diversity, so they do not take into account the impact of diversity on the organization and consider managing diversity inappropriate. They believe also that the active management of diversity is likely or may enhance the positive impact; therefore, their neglect to diversity.

Reduce Diversity

In this case, the manager is trying to acknowledge the discrimination which comes from diversity, but it is considered a source of problems. In such a strategy, managers try to reduce the problems resulting from the diversity by reducing the diversification, since they do not see its benefits and rather focus on its disadvantages. The managers choose homogeneous labor force or try to develop programs to adapt all employees according to the behavior which fits the prevailing culture, and thus can prevent the likelihood of such problems.

In this case, the organization that adopts such a strategy is trying a diversity managed in a synergistic manner. Organizations that follow this strategy have identified the effects of workforce diversity on the results of the organization, as well as the pros and cons of the diversity and the only way to manage diversity is by finding creative heterogeneous workforce which provides a mix of skills in the organization. The managers are able to reduce the potential problems and increase the benefits from managing diversity. The dimensions of workforce diversity. The first group is represented by the virtual level and the second group is the deep level (Schermerhorn, 2004).

Virtual Level

Gender

Most researches indicate that there are differences between men and women which affect the work performance. Those studies have shown that there are differences between men and women in the field of the ability to solve problems, the analytical skills, motivation, learning ability and social adjustment. Some researches also indicate that the absenteeism rate among women is higher than among men, which requires the development of initiatives to manage diversity and overcome these problems, such as flexible working hours initiatives and telework. The latest statistics indicate that the labor force of women became 76% of the current workforce, compared to 1975 when was up to 59%. Magoshi (2002) also points out the fact that, according to certain researches, only up to 5% of managers are women because of the length of the career path through which women access to positions.

Age

Research results indicate that the 50 years and over worker force represent up about 85% of the labor force. The challenges among this age group are generally the inflexibility and unwillingness to experiment with other ways to work. Especially in the USA and especially by the younger generation, this age group is sometimes not shown enough importance and appreciation, or is required more experience and skills, even though they perform their work well. This phenomenon creates a distinctive age. On the other hand, small companies appreciate older workers because of their long experience and career stability, as well as lower labor turnover rate. Many researches were consistent with these findings. Some researches show that there is a relationship between long working experience and performance, as the most experts

have long working experience, low rate of absence and turnover rate (Schermerhorn, 2004). This is experienced by some countries, especially the United States, Germany, Japan, Russia, Brazil, Italy and other countries in the Eastern and Western Europe (Kreitner, 2007).

Ethnic Diversity

This type of diversity refers to the ethnic group the individual is part of. Most researches indicate that the ethnic component is increasing dramatically in the labor force, especially in the United States, such as African Americans, Americans of Asian descent, and Americans of Spanish descent. US latest statistics (Bureau of Labor Statistics) indicate that these groups constitute 27% of the labor force and the expectations are that they will make up to 32% by the year 2020. The organizations need to develop programs in which these minorities can progress in their careers and open professional opportunities for them.

The United States is an American country which consists of white workers and black workers (Kinicki, 2007). Race is another factor and statistics indicate that the African American population was up to 33 million in 1950. This creates significant challenges for business organizations. Researches indicate that companies paid the equivalent of 61.1 \$ million to resolve ethnicity or racial related problems.

Cultural Diversity

Cultural diversity includes diversity in the social and cultural values in the workforce. Most of the researches indicate that there are differences between groups at cultural and social level. For example, in the United States the Asian culture includes Koreans, Japanese, Americans, Korean Americans. There are also a number of other cultures related to the group of American Spaniards and African Americans. Therefore, the focus should be on the acceptance and respect for cultural differences through the identification of cultures in the organization, and by not considering a culture superior to a particular race or to a particular country (Dietz, 2007). Some researchers also suggest that cultural diversity includes multiple other aspects, such as concerns, views, values, beliefs and behaviors, so the organization needs to identify ways that make workers perform at work and use their full potential by creating an encouraging environment (Kunda, 2001).

The diversity of cultures has become very important in the light of the increasing globalization and the emergence of minorities in many countries (Podsiadlowski *et al.*, 2013). Since there are multiple cultures within the same organization, it may cause some problems, so the organizations have the task of managing labor force with various cultural backgrounds by treating them with respect, equity, in a way that makes them feel the presence of justice organization. Also, the organizations avoid discriminatory practices of the labor force with miscellaneous cultural backgrounds, as well as provide adequate support for a minority and reduce practices and non-social equality (Podsiadlowski *et al.*, 2013).

Educational Diversity

Researches indicate that 28% of the labor force has a university degree and most individuals have highly skilled jobs, which creates a large layoff. As a result of the lack of vacancies, most people with higher education and higher-level skills are unemployed, which causes them dissatisfactions leading to psychological diseases. (Kreitner & Kinicki, 2007).

Deep Level Values

Values are known as preferences and their results are reflected in a person's sense of the right or wrong behaviors, for example, treating the people with respect and integrity and equal rights for all. The values influence the behaviors and trends. When an organization treats some workers unevenly with non-equal rights leads to the creation of trends. The organization becomes a not fair workplace, which causes some workers to leave the organization. Some also indicate that learning and experiencing different values and beliefs of individuals, may cause difficulty in changing behaviors. Values also affect the cohesion. Differences in values cause conflict about goals, leading to a negative impact on the organization. Therefore, managing the values diversity in an organization maximizes the positive effects and reduces the disadvantages.

Trends

A trend represents the preset position towards something or someone. Research has indicated that a strong relationship exists between attitudes and behavior at work. Therefore, the non-positive trends carried by workers can lead to a reduction in the level of satisfaction among employees, to work absence and higher turnover rate reflected on mental health of the employees. Therefore, one of the responsibilities of the managers is to understand the direction for the purpose of identifying the multidirectional trends emerging from the diverse workforce in order to reduce the negative impact on the organization.

Personal Features

The personal characteristics of the individual are cooperation, flexibility, motivation, action, behavior at work. Diverse labor force embodies a variety of personality traits, so the managers employ the features which serve the organization. For example, individuals with motivated by satisfaction form work are expected to provide more work developing initiatives. When it comes to control forms, people who believe that they have the ability, have positive feelings can perform tasks that require complex data processing or learning, opposite to the individuals with external control center.

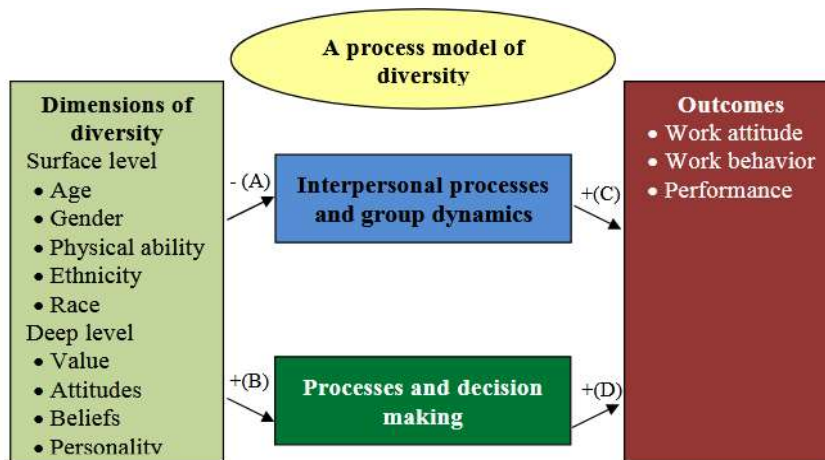


Figure 1: Conceptual Framework of the Effect of diversity on the work and performance variable teams

Source: Kreitner, R. and Angelo-Both, K. (2007). *Organizational behavior* (7th ed.) Arizona State University

Note: from the figure above the dimensions of diversity negatively affect the total interactive operations. It creates a conflict between groups, but at the same time suggests that the dimensions of diversity may affect in a positive way the decision-making processes, and perform tasks by work teams, according to the decision-making theory, which will reflect positively on the results of the organization and it leads to high satisfaction to work and increases productivity and turnover

Principles of Diversity Management

In the attempt to better understand and implement the concept of diversity management, one must realize that management diversity initiatives require new ways of thinking. The management of diversity includes planning, setting priorities for actions and setting commercial targets in all the activity areas with influence in the organization. All of those programs need to interact with the model of managing diversity.

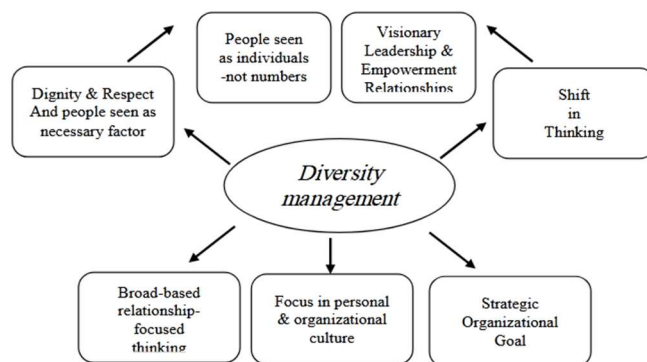


Figure 2: Principles of Diversity Management

Source: Ferlenius, B. and Fjellner, V. (2004). Diversity management - A new perspective.

For the purpose of understanding the differences all the members of the Organization should be taking the necessary time to learn and know more about the different ideas, views and values and to practice the policy of integration rather than exclusion in all means of communication in the organization (Devona Williams, 2012).

One of the important principles for the management of diversity in the work environment is to look for the opportunities of the diversity and achieve growth, innovation and improvement. Another principle is to imagine a comprehensive future strategy using diversity, as well bringing a group of individuals in a common vision by integrating their values and hopes (Edward & Hubbard, 2004). The diversity management is the main key to strengthening the state of dignity and respect in the workplace which an important factor in the success of the organization (Arredondo, 1996).

According to (Ferlenius & Fjellner, 2004) there are two problems for which must be found a solution. First-classification of people as demographic groups according to gender, color, physical challenges occurs very easily, and it usually takes the form of stereotypes which are negative and demanding. The other problem that appears in the development of individuals is putting people in groups, which deprive people of their characteristics as individuals.

Another principle a company should be aware of is that the staff realizes that they are people and not numbers in the company documents (Arredondo, 1996). In addition, diversity management should be considered as one of the strategic objectives in the mission of the organization and translate into all aspects of business, leadership, human resources, management practices, production improvement, internal and external exchange aspects of the company's business. The factors supporting the implementation and application of diversity management is a change in thinking which requires control, knowledge and understanding of the demographic changes in the labor force in the coming years. The change in thinking requires control and understanding the extent of diversity management to reevaluate beliefs (Ferlenius & Fjelkner, 2004). Changes in thinking require a successful command, where the leadership change requires a new approach and formulates a new vision and continuous support to achieve them (Harper, 1998). Any effort to change or implement change is the source to achieve competitive advantage (Tushman & Anderson, 1997). In such case the leadership is the most important factor in the thinking and without it nothing will happen. The success of the change depends on the commitment and conviction of the administrative leadership of the organization. The necessity to adopt a program of change in order to improve the competitive position in the organization and this conviction is translated in the form of effective support by clarifying the vision and delivering it to all employees of the company.

The commitment of senior and middle management is necessary to implement the change in thinking (Nadler, 1989). The effective change requires investment in resources with respect to the effort, time and money, since to achieve change effectively requires enabling the material and human potential to support changes (Nadler, 1998; Robben, 1995). It is important to identify and provide human and physical resources, training and development process through all the steps of the change processes. The most important role of the management during change is to help people who are affected by the change to adapt to the environment and conditions of uncertainty created by the change. And the change is going according to plan.

Another important tool and application of diversity management is the vision, which is the base for everything. The vision is the force that gives the meaning and purpose of the work of the organization. The leaders of change have the vision to the basis of their work. The most important step for the success of change is to formulate a clear vision for the future status (Kotter, 1996). A shared vision is the basis of the effective change. (Kotler, 1997). The importance of a shared vision for the process of organizational change is that the vision describes the trend (Cox, 2001). The concept of leadership is the ability to decide what to do and then get involved to do that thing (Cox, 2001).

The vision of the leader is the image of what must be done and the guidelines on how to do is. There are three steps to help a leader formulate a vision:

- Show personal emotions towards the necessary change
- Provide a strong argument for why the vision is correct.
- Communicate the vision effectively.

Conclusion

Most research indicates a large gap in the field of knowledge as well as the application in managing diversity. It also points out the absence of integrated models for the management of diversity, and, in consequence, the lack of strategies designed to manage diversity.

The researcher also found that there are two levels to manage diversity: virtual level (which include age, sex, culture, education and race) and deep level (which includes values, attitudes, personality traits and beliefs).

The researcher found that the ability of the organization to polarize, motivate and retain employees with miscellaneous cultural backgrounds leads to the achievement of competitive advantages and the ability to survive in a complex and fast changing environment.

The researcher also found out that there is a growing interest by organizations about managing diversity. This growing interest is illustrated by the intense research in the field and by the diversity management practices included by the organizations in their strategies, reflecting the fact that diversity management has become a necessity, not an option for organizations, especially in light of the economic and social international changes.

Creating diversity is not enough, because the target of the diversity practices must be clear. The real motivation on the part of the organization is to create a favorable climate for diversity. The increasing attention given to diversity management in human resources management practices is not for impelling the vessels but reflect the inevitable result of the global economy.

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